



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDING SEPTEMBER 30, 2020

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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 15, 2021

Honorable Mayor and City Council

The City of Bastrop's (the "City") Finance Department respectfully submits the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2020. 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 City 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, 2020.

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 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, 2020 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, 2020.

The independent auditor's 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 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 9,154. The City serves as the county seat of Bastrop County ("the 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 (the "State"). Bastrop was a frontier settlement 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 discretely presented 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. 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 final 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 is identified as the county seat for Bastrop County. With this designation comes commercial growth not typically seen for a population of approximately 9,154 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 increased during this fiscal year due to the unprecedented coronavirus pandemic, the City continued to experience unemployment rates consistently lower than the state average. The unemployment rate in Bastrop County was 6.2% for September 2020 compared to the 8.3% reported for the State.

In December 2019, Standard and Poor’s affirmed the City’s bond rating of ‘AA’ citing economic growth, strong reserve levels and liquidity supported by a strong framework of financial management with regular budget monitoring, and utilization of planning tools as justification for the rating. Also, in May 2020, Standard and Poor’s affirmed the City’s revenue bond rating of ‘AA-’ citing stable, primarily residential base, very strong debt service coverage, and good operational and financial management practices as justification for the rating.

Over the past ten years, the City has experienced significant economic growth and investment. Commercial development has been active since 2014 as evidenced by the increase in the tax base. The Burleson Crossing shopping center has continued to add additional retail centers with commercial business. There have been two apartment complexes completed in the last two years which brought much needed housing options. Piney Creek Bend and Pecan Park continue to construct additional single-family housing. During fiscal year (FY) 2020 the planning department issued 173 new residential permits and 6 new commercial building permits. The County continues to grow just outside the city limits in The Colony subdivision. This development will benefit the city with additional sales tax revenue.

Our sound financial position is possible in part by 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 2012 through 2020 as identified in the chart below. Existing assessed valuations have continued to represent an increase. This increase could be attributable to the continued build out of Pecan Park 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 2019 was slightly below budget and did not reflect the higher percent 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. This was no different for FY 2020 when the City responded to the pandemic by freezing vacant positions, not sure what sales tax revenue would do. The actual revenue exceeded the budget by 7.6%.

Fiscal Year	Ad Valorem Taxes Certified Assessed Valuation	% Change	General Fund Sales Tax Receipts	% Change
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	13.30%
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%
2020	\$ 967,932,907	7.81%	\$ 5,471,298	7.53%

Long-term Financial Planning

The current comprehensive plan was adopted by City Council on November 22, 2016. This document is used as a planning tool and provide priorities based on City Council's focus areas. The current plan is to fund an update in FY2022.

During the last two years, the City staff has developed ten-year maintenance schedules for building maintenance, parks, and replacement of equipment in all departments. These schedules will be used in future budget planning to provide the total amounts needed to maintain City assets and infrastructure so that this can be included in the CAFR.

The City does maintain five-year financial forecasts for all the major funds including the General Fund, Utility Funds and Hotel/Motel Occupancy Tax Fund.

Relevant Financial Policies

The City has adopted a comprehensive set of financial policies. Annually, the Finance Department reviews and provides suggested revisions to the City Manager. Each year the City Manager brings to the City Council all financial policies for review and approval as part of the budget process. These policies are as follows:

- Financial Management Policy – The overriding goal of the Financial Management Policy is 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 watchwords of the City's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure.
- Investment Policy – The purpose of this policy is to set forth specific investment policy and strategic guidelines for the City in order to achieve the goals of safety, liquidity, yield, and public trust for all investment activity.
- Comprehensive Fund Balance Policy – This policy clarifies the Governmental Accounting Standards Board classifications that must be used in financial reporting for fund balance categories.
- Purchasing Policy – It is the policy of the City that all purchasing shall be conducted strictly based on economic and business merit. This policy is intended to promote the best interest of the citizens of the City.
- Purchasing Card Policy – The purpose of this policy is to provide the City with an efficient and controllable method of making small dollar commodity, service and travel purchases.

Major Initiatives

There were several issuances of debt in FY 2020. The first was the Certificates of Obligation, series 2020 in the amount of \$2,615,000 issued on February 5, 2020. The proceeds from the sale of those bonds were used to purchase new fire trucks and breathing equipment. The General Obligation Refunding, Series 2020 bond issued for \$2,395,000 used to extinguish debt on several older bond series and saved the City approximately \$75,000 in future interest payments. The final issuance was a Utility System Revenue Bond, Series 2020 for \$20,065,000 used to fund the wastewater treatment plant #3 and the XS Ranch water plant.

Awards and Acknowledgements

The Government Officers Finance Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2019. This was the 8th 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 GAAP 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 Transparency Star in Debt Obligation area 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,

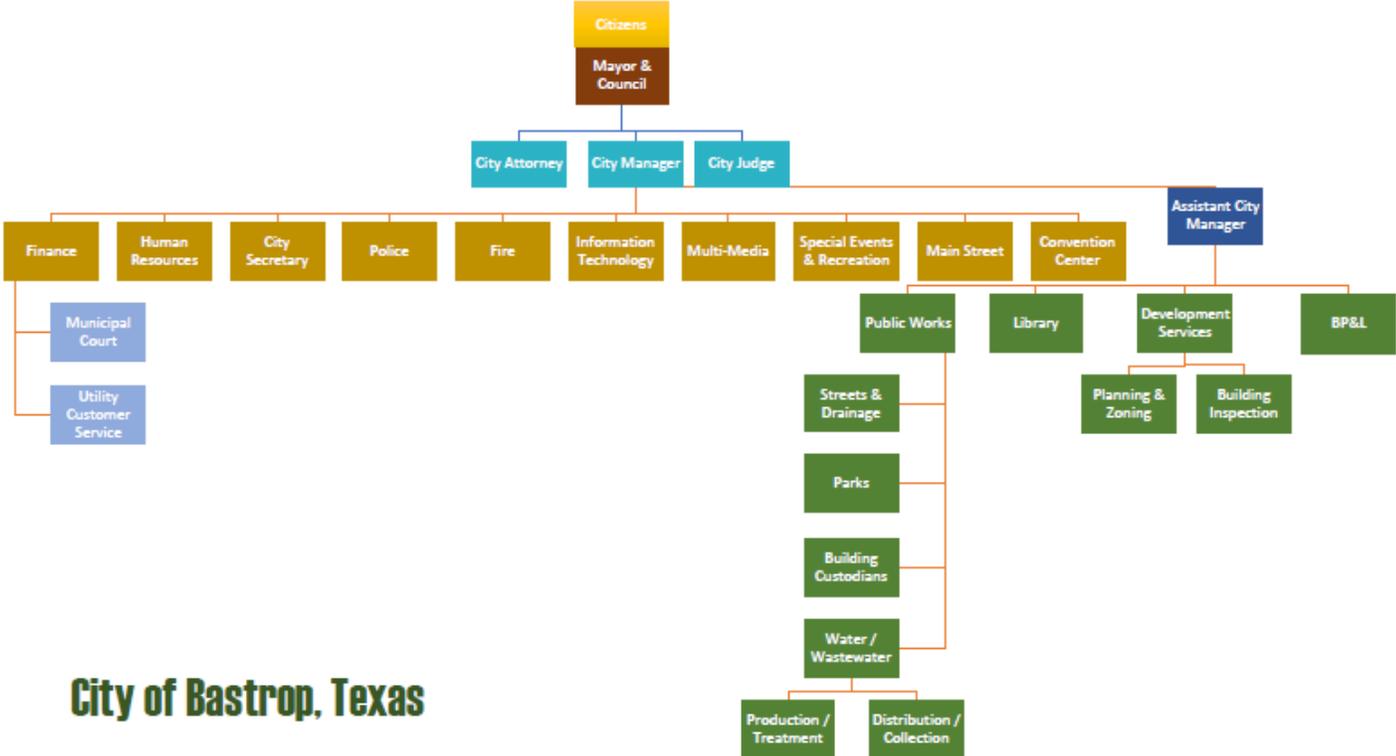
Tracy Waldron

Tracy Waldron
Chief Financial Officer

CITY OF BASTROP, TEXAS

ORGANIZATIONAL CHART

September 30, 2020



City of Bastrop, Texas

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, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF BASTROP, TEXAS

PRINCIPAL OFFICIALS

September 30, 2020

City Officials	Elective Position
Connie Schroeder	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
Paul A. Hofmaan	City Manager
Trey Job	Assistant City Manager of Development Services
Clint Nagy,	Police Chief
Ann Franklin	City Secretary
Kim Walters	Court Administrator
Tracy Waldron	Chief Financial Officer
Tanya Cantrell	Human Resources Director

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, 2020, 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, 2020, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

 BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
February 25, 2021

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

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CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

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 component unit, the Bastrop Economic Development Corporation (BEDC) for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The public improvement district (PID), although also legally separate, functions for all practical purposes as a departments of the City and, therefore, has been included as an integral part of the primary government.

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*.

The City maintains 15 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, hotel/motel tax fund, Hunters Crossing PID fund, and the Combination Revenue series 2020 Bond fund, which are considered to be major funds. Data from the other

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor 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, electrical utility, and community impact fees. 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 schedule 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 \$68,918,836 as of September 30, 2020. The largest portion of the City's net position, 68%, 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 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.

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 16,358,411	\$ 18,651,041	\$ 32,407,196	\$ 14,145,293	\$ 48,765,607	\$ 32,796,334
Note receivable	3,076,303	3,257,645	240,000	300,000	3,316,303	3,557,645
Capital assets, net	45,000,852	36,660,119	44,227,711	38,196,577	89,228,563	74,856,696
Total Assets	<u>64,435,566</u>	<u>58,568,805</u>	<u>76,874,907</u>	<u>52,641,870</u>	<u>141,310,473</u>	<u>111,210,675</u>
Deferred outflows of resources	1,475,054	2,061,685	302,956	329,760	1,778,010	2,391,445
Liabilities due within one year	4,541,411	3,080,617	3,880,205	2,990,381	8,421,616	6,070,998
Long-term liabilities	26,418,043	26,438,016	38,742,323	19,071,152	65,160,366	45,509,168
Total Liabilities	<u>30,959,454</u>	<u>29,518,633</u>	<u>42,622,528</u>	<u>22,061,533</u>	<u>73,581,982</u>	<u>51,580,166</u>
Deferred inflows of resources	334,477	-	253,188	54,480	587,665	54,480
Net Position:						
Net investment in capital assets	23,307,166	19,816,206	23,850,300	18,773,085	47,157,466	38,589,291
Restricted	4,209,536	4,626,827	3,255,790	1,572,344	7,465,326	6,199,171
Unrestricted	7,099,987	6,668,824	7,196,057	10,510,188	14,296,044	17,179,012
Total Net Position	<u>\$ 34,616,689</u>	<u>\$ 31,111,857</u>	<u>\$ 34,302,147</u>	<u>\$ 30,855,617</u>	<u>\$ 68,918,836</u>	<u>\$ 61,967,474</u>

A portion of the City's net position, \$7,465,326, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$14,296,044, or 21% 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 \$2,350,618 due to normal operating fluctuations related to the timing of payments. Long-term liabilities increased by \$19,651,198 primarily as a result of the issuance of new debt during the year.

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

Statement of Activities

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

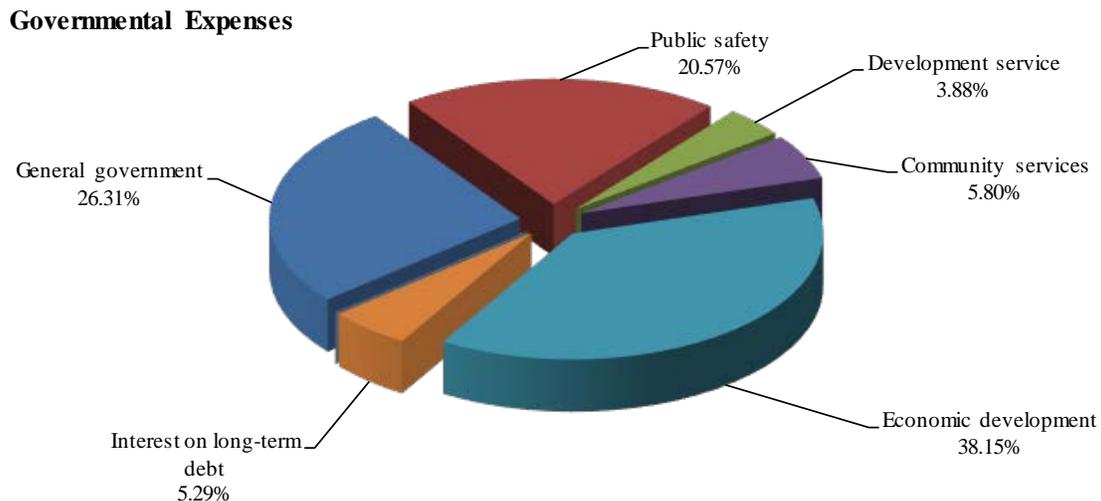
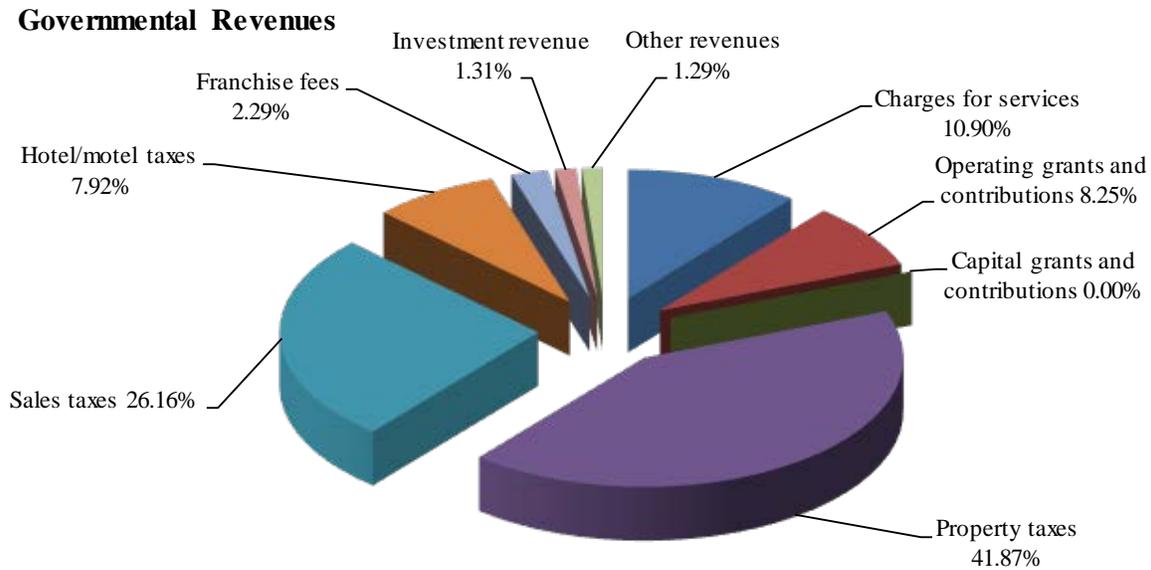
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 2,303,661	\$ 1,850,398	\$ 13,786,538	\$ 13,423,160	\$ 16,090,199	\$ 15,273,558
Operating grants and contributions	1,744,570	490,013	-	-	1,744,570	490,013
Capital grants and contributions	-	1,835,482	903,907	1,779,620	903,907	3,615,102
General revenues:						
Property taxes	8,849,258	6,061,380	-	-	8,849,258	6,061,380
Sales taxes	5,528,824	5,155,893	-	-	5,528,824	5,155,893
Hotel/motel taxes	1,673,609	2,829,049	-	-	1,673,609	2,829,049
Franchise fees	484,574	486,716	-	-	484,574	486,716
Investment revenue	277,206	414,108	195,866	291,046	473,072	705,154
Other revenues	272,921	293,716	-	-	272,921	293,716
Total Revenues	21,134,623	19,416,755	14,886,311	15,493,826	36,020,934	34,910,581
Expenses						
General government	4,802,825	6,020,455	-	-	4,802,825	6,020,455
Public safety	3,754,875	4,706,904	-	-	3,754,875	4,706,904
Development services	708,088	1,360,305	-	-	708,088	1,360,305
Community services	1,059,379	1,852,431	-	-	1,059,379	1,852,431
Economic development	6,963,722	3,212,115	-	-	6,963,722	3,212,115
Interest and fiscal agent fees	966,319	911,432	-	-	966,319	911,432
Water and wastewater	-	-	5,197,452	5,356,350	5,197,452	5,356,350
Bastrop power and light	-	-	5,609,727	6,138,706	5,609,727	6,138,706
Community impact fees	-	-	7,185	18,485	7,185	18,485
Total Expenses	18,255,208	18,063,642	10,814,364	11,513,541	29,069,572	29,577,183
Increase in Net Position Before Transfers	2,879,415	1,353,113	4,071,947	3,980,285	6,951,362	5,333,398
Transfers in (out)	625,417	1,256,323	(625,417)	(1,256,323)	-	-
Change in Net Position	3,504,832	2,609,436	3,446,530	2,723,962	6,951,362	5,333,398
Beginning net position	31,111,857	28,502,421	30,855,617	28,131,655	61,967,474	56,634,076
Ending Net Position	\$ 34,616,689	\$ 31,111,857	\$ 34,302,147	\$ 30,855,617	\$ 68,918,836	\$ 61,967,474

CITY OF BASTROP, TEXAS

MANAGEMENTS DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2020

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



For the year ended September 30, 2020, revenues from governmental activities totaled \$21,134,623, which is an increase of \$1,717,868 from last year. This is primarily due to an increase in property tax revenues from an increase in the appraised values of properties within the City, an increase in charges for services revenues mostly due to increases in licenses and permit fees received, and an increase in operating grants and contributions mostly due to increases in aid received from the state. This increase was offset by decreases in capital grants and contributions, as the City had items received in the prior year that did not occur in the current year as well as a decrease in hotel/motel taxes received primarily as a result of the COVID-19 pandemic and related lockdowns.

For the year ended September 30, 2020, expenses for governmental activities totaled \$18,255,208. Overall governmental expenses increased by \$191,566 due largely to economic development expenses increases primarily due to ongoing improvement projects within the City.

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

Business-type activities' change in net position was \$4,071,947 before transfers out of \$625,417. Revenues decreased \$607,515 compared to the prior year due to a decrease in capital grants and contributions. In comparison, expenses decreased by \$699,177.

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 \$11,569,110. Of this, \$517,081 is nonspendable, \$6,583,973 is restricted for various purposes, and \$66,842 is assigned for various projects. The remaining balance of \$4,227,180 is unassigned in the general fund.

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 \$4,227,180, while total fund balance reached \$4,357,447. 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. Total ending fund balance represents 38% of total general fund expenditures. The general fund demonstrated an overall decrease of \$1,176,757.

The debt service fund has a total fund balance of \$298,232, all of which is restricted for the payment of debt service. The net increase in fund balance during the year was \$39,712. This increase was primarily due to increases in property tax revenue as a result of an increase in valuations within the City.

The hotel motel tax fund has a total fund balance of \$2,896,369, all of which is restricted for economic development. The net decrease in fund balance during the year was \$953,361. This decrease was primarily related to less hotel occupancy as a result of the COVID-19 pandemic and related lockdowns.

The Hunters Crossing Public Improvement District (PID) ended the year with no fund balance. The net decrease of \$389,325 is primarily related to an increase in economic development expense as a result of ongoing capital projects within the District.

The combination revenue bond series 2020 fund ended the year with a total fund balance of \$6,099. This was a new fund created this year to track the issuance and expenditure of bond related funds associated with the series 2020 debt issuance.

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 \$1,031,889 in the general fund. However, the net change in fund balance increased by \$1,176,757 resulting in a positive variance of \$2,208,646 from budgeted as amended over actual. Actual general fund revenues were more than amended budgeted revenues by \$984,730 during 2020. The City realized more revenues than anticipated mostly from licenses and permits, sales taxes, and intergovernmental revenues, while other revenues lagged behind expectations. Actual expenditures were less than budgeted amounts by \$1,145,408 for the fiscal year.

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

CAPITAL ASSETS

At the end of the current fiscal year, the City’s governmental and business-type activities had invested \$89,228,563 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$14,371,867. More detailed information about the City’s capital assets is presented in note III. C. to the financial statements.

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 \$24,004,372 and business-type activities of \$37,546,079. 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	AA-
General Obligation	AA-
Limited Tax Refunding	AA-
<u>Standard and Poor’s</u>	
Revenue	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 9,154 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 Standard and Poor’s Global Ratings for general obligation bonds at our last bond issue in December 2019 and AA- from Standard and Poor’s Global Ratings on the utility system revenue bonds as of May 2020. The annual operating budget for fiscal year 2021 reflects a variety of community issues, planning initiatives, economic development opportunities, compensation study, street and drainage projects, construction on the new wastewater treatment plant, and engineering on the new water treatment plant. The City 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 2021 budget. The City adopted a fiscally responsible budget on September 22, 2021, leaving some available unappropriated fund balance above the required fund balance reserve. It is the intention of the City Manager to assess the results of the compensation study along with the reorganization plan and come back to City Council to appropriate those available funds up to a balanced budget.

Total general fund budgeted revenue for FY 2021 is \$11,881,169. The FY 2021 general fund’s major revenue source for the City is sales tax at a budgeted \$5,266,932. Ad valorem tax revenue (property taxes) is a close second with an annual budget of \$4,039,083. The sales tax and ad valorem taxes comprise 74% of the revenues received by the general fund for operations. The general fund (M&O) tax rate of \$0.3845/\$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 \$0.5794 per \$100. This rate is an increase from the \$0.5640 the City had maintained for the last five years in a row. The debt service payments for FY 2021 are \$2,081,125 or 33.64% of the overall tax rate necessary to generate funds to service the bonded indebtedness of the City. Property taxes of \$4,039,083 support the general fund operations

CITY OF BASTROP, TEXAS
MANAGEMENTS DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2020

of the City, which represents 66.36% of the revenue collection. The FY2021 budget will provide for the 25% required fund balance at yearend as required by the financial management policy adopted by City Council.

Water and wastewater fund operations for FY 2021 has budgeted revenue of \$6,572,900, and expenses are budgeted at \$6,213,872. This budget leaves a fund balance of 38% which exceeds the fund balance reserve of 35% required by the financial management policy adopted by City Council.

The Bastrop Power and Light 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 \$7,427,450.

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 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, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	BEDC
Assets				
Cash and equity in pooled cash/investments	\$ 12,764,832	\$ 29,510,135	\$ 42,274,967	\$ 5,217,942
Receivables, net of allowances	3,017,745	1,135,613	4,153,358	609,616
Internal balances	(424,244)	424,244	-	-
Due from BEDC	125,257	-	125,257	-
Due from other governments	744,554	-	744,554	-
Prepays and other assets	118,199	-	118,199	12,000
Inventory	12,068	384,894	396,962	-
Restricted assets:				
Temporarily restricted cash/cash equivalents	-	952,310	952,310	-
	16,358,411	32,407,196	48,765,607	5,839,558
Note receivable	3,076,303	240,000	3,316,303	-
Capital assets:				
Nondepreciable capital assets	7,594,073	14,071,119	21,665,192	4,150,057
Depreciable capital assets, net	37,406,779	30,156,592	67,563,371	487,990
	45,000,852	44,227,711	89,228,563	4,638,047
Total Assets	64,435,566	76,874,907	141,310,473	10,477,605
Deferred Outflows of Resources				
Deferred outflows - pension	666,393	251,454	917,847	40,966
Deferred outflows - TMRS OPEB	36,274	13,573	49,847	2,119
Deferred outflows - Health OPEB	95,922	37,929	133,851	5,945
Deferred loss on refunding	676,465	-	676,465	-
Total Deferred Outflows of Resources	1,475,054	302,956	1,778,010	49,030
Liabilities				
Accounts payable and accrued liabilities	2,033,242	2,396,279	4,429,521	567,875
Accrued bond interest	103,841	-	103,841	-
Due to primary government	-	-	-	125,257
Noncurrent liabilities:				
Portion due within one year:				
Compensated absences	257,545	58,341	315,886	11,903
Bonds and notes payable	2,146,783	1,425,585	3,572,368	301,382
Portion due in more than one year:				
Compensated absences	28,616	6,482	35,098	11,902
Bonds and notes payable (net)	22,984,619	37,939,635	60,924,254	5,353,549
Net pension liability	2,445,791	527,820	2,973,611	89,348
OPEB liability - health	677,863	190,212	868,075	30,919
OPEB liability - TMRS	281,154	78,174	359,328	12,691
Total Liabilities	30,959,454	42,622,528	73,581,982	6,504,826
Deferred Inflows of Resources				
Deferred gain on refunding	-	46,720	46,720	-
Deferred inflows - pension	327,742	204,495	532,237	57,582
Deferred inflows - TMRS OPEB	6,735	1,973	8,708	318
Total Deferred Inflows of Resources	334,477	253,188	587,665	57,900
Net Position				
Net investment in capital assets	23,307,166	23,850,300	47,157,466	1,858,157
Restricted for:				
Nonexpendable perpetual care cemetery	386,814	-	386,814	-
Expendable:				
Cemetery	104,947	-	104,947	-
Debt service	298,232	-	298,232	108,127
Economic development	2,896,369	-	2,896,369	9,332
Traffic safety	464,505	-	464,505	-
PEG fees	58,669	-	58,669	-
Capital projects	-	3,255,790	3,255,790	-
Unrestricted	7,099,987	7,196,057	14,296,044	1,988,293
Total Net Position	\$ 34,616,689	\$ 34,302,147	\$ 68,918,836	\$ 3,963,909

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 4,802,825	\$ 591,191	\$ -	\$ -
Public safety	3,754,875	289,954	1,744,570	-
Development services	708,088	1,202,430	-	-
Community services	1,059,379	111,651	-	-
Economic development	6,963,722	108,435	-	-
Interest and fiscal agent fees	966,319	-	-	-
Total Governmental Activities	<u>18,255,208</u>	<u>2,303,661</u>	<u>1,744,570</u>	<u>-</u>
Business-Type Activities				
Water and wastewater	5,197,452	6,150,299	-	903,907
Bastrop power and light	5,609,727	6,383,347	-	-
Community impact fees	7,185	1,252,892	-	-
Total Business-Type Activities	<u>10,814,364</u>	<u>13,786,538</u>	<u>-</u>	<u>903,907</u>
Total Primary Government	<u>\$ 29,069,572</u>	<u>\$ 16,090,199</u>	<u>\$ 1,744,570</u>	<u>\$ 903,907</u>
Component Unit				
BEDC	<u>\$ 3,496,545</u>	<u>\$ -</u>	<u>\$ 771,584</u>	<u>\$ -</u>

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		
\$ (4,211,634)	\$ -	\$ (4,211,634)	\$ -
(1,720,351)	-	(1,720,351)	-
494,342	-	494,342	-
(947,728)	-	(947,728)	-
(6,855,287)	-	(6,855,287)	-
(966,319)	-	(966,319)	-
<u>(14,206,977)</u>	<u>-</u>	<u>(14,206,977)</u>	<u>-</u>
-	1,856,754	1,856,754	-
-	773,620	773,620	-
-	1,245,707	1,245,707	-
<u>-</u>	<u>3,876,081</u>	<u>3,876,081</u>	<u>-</u>
<u>(14,206,977)</u>	<u>3,876,081</u>	<u>(10,330,896)</u>	<u>-</u>
-	-	-	(2,724,961)
8,849,258	-	8,849,258	-
5,528,824	-	5,528,824	2,733,447
1,673,609	-	1,673,609	-
484,574	-	484,574	-
277,206	195,866	473,072	64,000
272,921	-	272,921	13,796
625,417	(625,417)	-	-
<u>17,711,809</u>	<u>(429,551)</u>	<u>17,282,258</u>	<u>2,811,243</u>
3,504,832	3,446,530	6,951,362	86,282
<u>31,111,857</u>	<u>30,855,617</u>	<u>61,967,474</u>	<u>3,877,627</u>
<u>\$ 34,616,689</u>	<u>\$ 34,302,147</u>	<u>\$ 68,918,836</u>	<u>\$ 3,963,909</u>

CITY OF BASTROP, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2020

	General	Debt Service	Hotel/Motel Tax	Hunters Crossing PID
<u>Assets</u>				
Cash and equity in pooled cash and investments	\$ 3,254,971	\$ 284,121	\$ 2,846,001	\$ 15,339
Receivables, net	1,690,525	133,296	129,945	59,082
Due from other funds	902,584	-	-	-
Due from component unit	125,257	-	-	-
Due from other governments	744,554	-	-	-
Prepaid items	118,199	-	-	-
Inventory	12,068	-	-	-
Total Assets	\$ 6,848,158	\$ 417,417	\$ 2,975,946	\$ 74,421
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 1,057,121	\$ 9,945	\$ 47,854	\$ 15,339
Due to other funds	-	-	-	56,623
Due to others	-	-	31,723	-
Advances from other funds	424,244	-	-	-
Total Liabilities	1,481,365	9,945	79,577	71,962
<u>Deferred Inflows of Resources</u>				
Unavailable revenue	1,009,346	109,240	-	2,459
<u>Fund Balances</u>				
Nonspendable:				
Inventories	12,068	-	-	-
Prepaid items	118,199	-	-	-
Perpetual care	-	-	-	-
Restricted for:				
Debt service	-	298,232	-	-
Cemetery	-	-	-	-
Traffic safety	-	-	-	-
PEG fees	-	-	-	-
Public safety	-	-	-	-
Parks	-	-	-	-
Economic development	-	-	2,896,369	-
Capital projects	-	-	-	-
Assigned to:				
Special projects	-	-	-	-
Unassigned	4,227,180	-	-	-
Total Fund Balances	4,357,447	298,232	2,896,369	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 6,848,158	\$ 417,417	\$ 2,975,946	\$ 74,421

See Notes to Financial Statements.

Combination Revenue Bond Series 2020	Nonmajor Governmental	Total
\$ 6,099	\$ 4,751,605	\$ 11,158,136
-	1,004,897	3,017,745
-	-	902,584
-	-	125,257
-	-	744,554
-	-	118,199
-	-	12,068
<u>\$ 6,099</u>	<u>\$ 5,756,502</u>	<u>\$ 16,078,543</u>
\$ -	\$ 800,283	\$ 1,930,542
-	845,961	902,584
-	-	31,723
-	-	424,244
<u>-</u>	<u>1,646,244</u>	<u>3,289,093</u>
<u>-</u>	<u>99,295</u>	<u>1,220,340</u>
-	-	12,068
-	-	118,199
-	386,814	386,814
-	-	298,232
-	104,947	104,947
-	464,505	464,505
-	58,669	58,669
-	169,334	169,334
-	4,700	4,700
-	-	2,896,369
6,099	2,755,152	2,761,251
-	66,842	66,842
-	-	4,227,180
<u>6,099</u>	<u>4,010,963</u>	<u>11,569,110</u>
<u>\$ 6,099</u>	<u>\$ 5,756,502</u>	<u>\$ 16,078,543</u>

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CITY OF BASTROP, TEXAS
RECONCILIATION OF THE GOVERNMENTAL
FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
September 30, 2020

Total fund balances - total governmental funds \$ 11,569,110

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	7,594,073
Capital assets, net depreciable	37,406,779
Less capital assets in internal service fund	(1,293,677)

Long-term receivables related to economic development are not available to pay for current period expenditures and, therefore, are not reported in the funds. 3,076,303

Long-term liabilities and deferred outflows and deferred inflows related to the net pension and total other postemployment benefits (OPEB) liability are not recognized in the governmental funds.

Net pension liability	(2,445,791)
Total OPEB liability - health	(677,863)
Total OPEB liability - TMRS	(281,154)
Deferred outflows - pension	666,393
Deferred outflows -TMRS OPEB	36,274
Deferred outflows - health OPEB	95,922
Deferred inflows - pension	(327,742)
Deferred inflows - TMRS OPEB	(6,735)

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds. 1,220,340

The Internal service fund is used by management to charge the costs of certain capital assets and maintenance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position. 2,829,396

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Accrued interest payable	(103,841)
Compensated absences	(286,161)
Bonds payable (net of deferred charges)	(25,131,402)
Deferred loss on refunding	676,465

Net Position of Governmental Activities \$ 34,616,689

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, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Hotel/Motel Tax</u>	<u>Hunters Crossing PID</u>
Revenues				
Property taxes	\$ 3,823,313	\$ 2,009,476	\$ -	\$ 3,004,513
Sales taxes	5,528,824	-	-	-
Hotel/motel taxes	-	-	1,673,609	-
Franchise fees	459,743	-	-	-
Licenses and permits	1,201,810	-	620	-
Fines and forfeitures	272,078	-	-	-
Charges for services	591,191	-	108,435	-
Intergovernmental	417,036	-	66,554	-
Investment revenue	78,828	28,101	51,475	6,239
Other revenue	102,427	245,886	651	-
Total Revenues	<u>12,475,250</u>	<u>2,283,463</u>	<u>1,901,344</u>	<u>3,010,752</u>
Expenditures				
Current:				
General government	5,273,179	-	-	-
Public safety	4,392,655	-	-	-
Development services	756,000	-	-	-
Community services	739,717	-	-	-
Economic development	-	-	2,809,973	3,409,737
Capital outlay	456,038	-	-	-
Debt service:				
Principal	-	1,870,697	-	-
Interest and fiscal agent fees	-	924,008	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	<u>11,617,589</u>	<u>2,794,705</u>	<u>2,809,973</u>	<u>3,409,737</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>857,661</u>	<u>(511,242)</u>	<u>(908,629)</u>	<u>(398,985)</u>
Other Financing Sources (Uses)				
Issuance of long-term debt	-	1,446,497	-	-
Premium on issuance of long-term debt	-	-	-	-
Payment to escrow agent	-	(1,401,769)	-	-
Transfers in	567,750	506,226	461,494	9,660
Transfers (out)	(248,654)	-	(506,226)	-
Total Other Financing Sources (Uses)	<u>319,096</u>	<u>550,954</u>	<u>(44,732)</u>	<u>9,660</u>
Net Change in Fund Balances	1,176,757	39,712	(953,361)	(389,325)
Beginning fund balances	3,180,690	258,520	3,849,730	389,325
Ending Fund Balances	<u>\$ 4,357,447</u>	<u>\$ 298,232</u>	<u>\$ 2,896,369</u>	<u>\$ -</u>

See Notes to Financial Statements.

Combination Revenue Bond Series 2020	Nonmajor Governmental	Total
\$ -	\$ -	\$ 8,837,302
-	-	5,528,824
-	-	1,673,609
-	24,831	484,574
-	-	1,202,430
-	17,876	289,954
-	111,651	811,277
-	1,260,980	1,744,570
59	84,816	249,518
-	64,354	413,318
<u>59</u>	<u>1,564,508</u>	<u>21,235,376</u>
-	-	5,273,179
-	8,222	4,400,877
-	-	756,000
-	343,920	1,083,637
-	793,335	7,013,045
2,795,431	3,600,265	6,851,734
-	-	1,870,697
-	-	924,008
67,504	-	67,504
<u>2,862,935</u>	<u>4,745,742</u>	<u>28,240,681</u>
<u>(2,862,876)</u>	<u>(3,181,234)</u>	<u>(7,005,305)</u>
2,615,000	-	4,061,497
253,975	-	253,975
-	-	(1,401,769)
-	238,000	1,783,130
-	(477,833)	(1,232,713)
<u>2,868,975</u>	<u>(239,833)</u>	<u>3,464,120</u>
6,099	(3,421,067)	(3,541,185)
-	7,432,030	15,110,295
<u>\$ 6,099</u>	<u>\$ 4,010,963</u>	<u>\$ 11,569,110</u>

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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, 2020

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

Net changes in fund balances - total governmental funds \$ (3,541,185)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay, net of disposal	9,297,375
Depreciation expense, net of disposal	(1,073,719)

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.

Principal payments	1,887,473
Refunding debt paid	1,401,769
Debt issued	(4,061,497)
Accrued interest	122
Amortization of deferred amounts	(79,334)
Premiums on issuance of refunding bonds	(253,975)
Amortization of premiums on long-term debt	104,405
Compensated absences	(32,820)
Deferred outflows - pensions	8,436
Deferred outflows - health OPEB	91,076
Deferred outflows - TMRS OPEB	40,763
Deferred inflows - pension	(975,314)
Deferred inflows - TMRS OPEB	(6,735)
Net pension liability	778,794
OPEB liability - health	(126,509)
OPEB liability - TMRS	(62,260)

Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the funds.	11,956
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Revenue that provide current financial resources only and not reported on Statement of Changes in Net Position. Note receivable principal received.	(181,342)
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The Internal service fund is 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.	277,353
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Change in Net Position of Governmental Activities	\$ 3,504,832
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See Notes to Financial Statements.

CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION (Page 1 of 2)
PROPRIETARY FUNDS
September 30, 2020

	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	\$ 24,425,682	\$ 3,712,576	\$ 1,371,877	\$ 29,510,135
Accounts receivable (net of allowance for uncollectibles)	580,368	555,245	-	1,135,613
Advances to other funds	-	424,244	-	424,244
Inventory	186,212	198,682	-	384,894
Restricted cash and equity in pooled cash and investments	952,310	-	-	952,310
Total Current Assets	26,144,572	4,890,747	1,371,877	32,407,196
Noncurrent assets				
Note receivable	240,000	-	-	240,000
Capital assets:				
Nondepreciable	13,972,920	98,199	-	14,071,119
Depreciable	25,453,033	4,703,559	-	30,156,592
Total Capital Assets (Net)	39,425,953	4,801,758	-	44,227,711
Total Noncurrent Assets	39,665,953	4,801,758	-	44,467,711
Total Assets	65,810,525	9,692,505	1,371,877	76,874,907
Deferred Outflows of Resources				
Deferred outflows - pensions	171,222	80,232	-	251,454
Deferred outflows - TMRS OPEB	10,111	3,462	-	13,573
Deferred outflows - Health OPEB	27,894	10,035	-	37,929
Total Deferred Outflows of Resources	209,227	93,729	-	302,956

**Governmental
Activities**

**Internal
Service**

\$ 1,606,696

-

-

-

-

1,606,696

-

-

1,293,677

1,293,677

1,293,677

2,900,373

-

-

-

-

CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION (Page 2 of 2)
PROPRIETARY FUNDS
September 30, 2020

	Business-Type Activities			Total
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fees	
Liabilities and Net Position				
Current Liabilities				
Accounts payable and accrued liabilities	\$ 1,742,148	\$ 654,131	\$ -	\$ 2,396,279
Bonds payable - current	1,306,011	119,574	-	1,425,585
Total Current Liabilities	3,048,159	773,705	-	3,821,864
Noncurrent liabilities				
Compensated absences	26,731	38,092	-	64,823
Bonds payable, net of deferred charges	36,452,725	1,486,910	-	37,939,635
Net pension liability	279,156	248,664	-	527,820
OPEB liability health	121,689	68,523	-	190,212
OPEB liability life TMRS	50,278	27,896	-	78,174
Total Noncurrent Liabilities	36,930,579	1,870,085	-	38,800,664
Total Liabilities	39,978,738	2,643,790	-	42,622,528
Deferred Inflows of Resources				
Deferred gain on refunding	46,720	-	-	46,720
Deferred inflows - pension	173,635	30,860	-	204,495
Deferred inflows - TMRS OPEB	1,309	664	-	1,973
Total Deferred Inflows of Resources	221,664	31,524	-	253,188
Net Position				
Net investment in capital assets	20,655,026	3,195,274	-	23,850,300
Restricted for:				
Capital improvements	3,255,790	-	-	3,255,790
Unrestricted	1,908,534	3,915,646	1,371,877	7,196,057
Total Net Position	\$ 25,819,350	\$ 7,110,920	\$ 1,371,877	\$ 34,302,147

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ 70,977

-

70,977

-

-

-

-

-

-

70,977

-

-

-

-

-

-

2,829,396

\$ 2,829,396

CITY OF BASTROP, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2020

	<u>Business-Type Activities</u>			<u>Total</u>
	<u>Water and Wastewater</u>	<u>Bastrop Power & Light</u>	<u>Nonmajor Community Impact Fees</u>	
<u>Operating Revenues</u>				
Charges for services	\$ 6,142,138	\$ 6,268,853	\$ 1,252,892	\$ 13,663,883
Other revenue	8,161	114,494	-	122,655
Total Operating Revenues	6,150,299	6,383,347	1,252,892	13,786,538
<u>Operating Expenses</u>				
Personnel services	1,103,029	737,755	-	1,840,784
Supplies and maintenance	1,971,629	498,353	-	2,469,982
Service and other	178,924	4,126,889	7,185	4,312,998
Depreciation	985,951	198,094	-	1,184,045
Total Operating Expenses	4,239,533	5,561,091	7,185	9,807,809
Operating Income	1,910,766	822,256	1,245,707	3,978,729
<u>Nonoperating Revenues (Expenses)</u>				
(Loss) on sale of capital assets	-	-	-	-
Investment revenue	117,039	66,800	12,027	195,866
Interest and fiscal agent fees	(957,919)	(48,636)	-	(1,006,555)
Total Nonoperating Revenues (Expenses)	(840,880)	18,164	12,027	(810,689)
Income Before Contributions and Transfers	1,069,886	840,420	1,257,734	3,168,040
<u>Contributions and Transfers</u>				
Capital contributions	903,907	-	-	903,907
Transfers in	1,245,349	-	-	1,245,349
Transfers (out)	-	(865,250)	(1,005,516)	(1,870,766)
Total Contributions and Transfers	2,149,256	(865,250)	(1,005,516)	278,490
Change in Net Position	3,219,142	(24,830)	252,218	3,446,530
Beginning net position	22,600,208	7,135,750	1,119,659	30,855,617
Ending Net Position	\$ 25,819,350	\$ 7,110,920	\$ 1,371,877	\$ 34,302,147

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ 364,052
-

364,052

-
-
-
230,332

230,332

133,720

40,945
27,688
-

68,633

202,353

-
75,000
-

75,000

277,353

2,552,043

\$ 2,829,396

CITY OF BASTROP, TEXAS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2) For the Year Ended September 30, 2020

	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	\$ 6,123,373	\$ 6,463,173	\$ 1,252,892	\$ 13,839,438
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(1,475,456)	(4,368,855)	(9,385)	(5,853,696)
Payments to employees	(1,435,232)	(789,869)	-	(2,225,101)
Net Cash Provided by Operating Activities	3,212,685	1,304,449	1,243,507	5,760,641
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfers from other funds	1,245,349	-	-	1,245,349
Transfer to other funds	-	(865,250)	(1,005,516)	(1,870,766)
Net Cash Provided (Used) by Noncapital Financing Activities	1,245,349	(865,250)	(1,005,516)	(625,417)
<u>Cash Flows from Capital and Related Financing Activities</u>				
Acquisition and construction of capital assets	(3,369,768)	(278,558)	-	(3,648,326)
Proceeds from issuance of bonds	20,028,161	-	-	20,028,161
Interest and fiscal agent fees paid	(957,919)	(48,636)	-	(1,006,555)
Principal paid on capital debt	(2,247,530)	(36,151)	-	(2,283,681)
Proceeds from the sale of capital assets	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	13,452,944	(363,345)	-	13,089,599
<u>Cash Flows from Investing Activities</u>				
Interest on investments	117,039	66,800	12,027	195,866
Net Cash Provided by Investing Activities	117,039	66,800	12,027	195,866
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	18,028,017	142,654	250,018	18,420,689
Beginning 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	\$ 25,377,992	\$ 3,712,576	\$ 1,371,877	\$ 30,462,445
Ending Cash and Equity in Pooled Cash and Investments:				
Unrestricted cash and equity in pooled cash and investments	\$ 24,425,682	\$ 3,712,576	\$ 1,371,877	\$ 29,510,135
Restricted cash and equity in pooled cash and investments	952,310	-	-	952,310
	\$ 25,377,992	\$ 3,712,576	\$ 1,371,877	\$ 30,462,445

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ -
364,052
70,977
-
435,029

75,000
-
75,000

(347,409)
-
-
-
40,945
(306,464)

27,688
27,688

231,253
1,375,443

\$ 1,606,696

\$ 1,606,696
-
\$ 1,606,696

CITY OF BASTROP, TEXAS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 2 of 2) For the Year Ended September 30, 2020

	Business-Type Activities			
	Water and Wastewater	Bastrop Power & Light	Nonmajor Community Impact Fee	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income	\$ 1,910,766	\$ 822,256	\$ 1,245,707	\$ 3,978,729
Adjustments to Reconcile Operating Income to Net Cash Provided (used) by Operating Activities:				
Depreciation	985,951	198,094	-	1,184,045
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in Assets:				
Accounts receivable	(26,926)	79,826	-	52,900
Advances from funds	-	143,668	-	143,668
Inventories	(4,411)	(33,371)	-	(37,782)
Deferred outflows of resources	(10,349)	37,153	-	26,804
Increase (Decrease) in Liabilities:				
Accounts payable and accrued liabilities	679,508	146,090	(2,200)	823,398
Compensated absences	2,593	5,837	-	8,430
Deferred inflows of resources	(167,184)	(39,806)	-	(206,990)
Net pension liability	(211,927)	(74,520)	-	(286,447)
Total OPEB liability - health	37,722	13,264	-	50,986
Total OPEB liability - TMRS	16,942	5,958	-	22,900
Net Cash Provided by Operating Activities	\$ 3,212,685	\$ 1,304,449	\$ 1,243,507	\$ 5,760,641
Noncash Investing, Capital, and Financing Activities:				
Capital contribution	\$ 903,907	\$ -	\$ -	\$ 903,907

See Notes to Financial Statements.

**Governmental
Activities**

**Internal
Service**

\$ 133,720

230,332

-

-

-

-

70,977

-

-

-

-

-

\$ 435,029

\$ -

CITY OF BASTROP, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2020

	<u>Agency</u>
<u>Assets</u>	
Cash and equity in pooled cash and investments	\$ 559,787
Total Assets	<u>559,787</u>
<u>Liabilities</u>	
Due to others	<u>559,787</u>
Total Liabilities	<u><u>\$ 559,787</u></u>

See Notes to Financial Statements.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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 (the “State”), 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 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 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 the Corporation can be obtained from the City’s 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, 2020

The 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 the BEDC, which is appointed by the City Council, and consists of individuals from the community and related governmental entities in the area. City employees also manage the operations of the BEDC. The BEDC has been reported as a discretely presented component unit because the governing board is not identical to the governing body of the City, the BEDC does not solely serve the City, and the City has the ability to impose its will on the BEDC. Separate financial statements for the 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 the 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 the 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, 2020

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its blended component unit. 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 and the Hunters Crossing PID fund which are considered major funds.

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, with the exception of the combination revenue bonds series 2020 which is considered major 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, electrical utility services, and community impact fees. 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.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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.

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 funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

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

CITY OF BASTROP, TEXAS
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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 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.

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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. the State, 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.

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

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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.

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. The general fund is responsible for liquidating the liability related to governmental activities.

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

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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.

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. The general fund is responsible for liquidating the liability related to governmental activities.

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 (SDBF). 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

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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.

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 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/or the 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 for 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

CITY OF BASTROP, TEXAS
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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.

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 1 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 and internal service funds 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 and internal service funds 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

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lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended September 30, 2020.

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.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Chapter 2256 of the Texas Government Code the Public Funds Investment Act (the “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, which excludes certain investment instruments allowed under the Act. 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 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, 2020, the City’s investments in investment pools 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, 2020 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, 2020, 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.

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TexPool

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

CITY OF BASTROP, TEXAS
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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.

Level 3 inputs are unobservable inputs for an asset or liability.

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 In Years</u>	<u>Fair Value Measurement Using</u>	<u>% of Total</u>	<u>Rating</u>
City					
Certificates of Deposit	\$ 13,184,571	0.88	n/a	33%	AA+
Money Market	1,451,637	0.00	n/a	4%	AA+
U.S. Bonds	2,039,890	0.82	Level 2	5%	AA+
Municipal Bonds	417,305	1.17	Level 2	1%	Aaa/Aa1
TexPool	563,192	0.10	n/a	1%	AAAm
Texas CLASS	521,565	0.15	n/a	1%	AAAm
TexasTerm	<u>22,315,466</u>	0.16	n/a	<u>55%</u>	AAAm
	<u>\$ 40,493,626</u>	0.47		<u>100%</u>	
BEDC					
Certificates of Deposit	\$ 943,953	0.89	n/a	19%	AA+
Money Market	132,399	0.00	n/a	3%	AA+
TexPool	1,253,437	0.10	n/a	25%	AAAm
Texas CLASS	<u>2,710,493</u>	0.15	n/a	<u>54%</u>	AAAm
	<u>\$ 5,040,282</u>	0.13		<u>100%</u>	

CITY OF BASTROP, TEXAS
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B. Receivables

The following comprise receivable balances at year end:

Governmental Funds

	<u>General</u>	<u>Debt Service</u>	<u>Hotel/Motel Tax</u>	<u>Hunters Crossing PID</u>	<u>Nonmajor</u>	<u>Total</u>
Property taxes	\$ 207,007	\$ 140,078	\$ -	\$ -	\$ -	\$ 347,085
Sales taxes	962,754	-	-	-	-	962,754
Hotel/motel tax	-	-	129,945	-	-	129,945
Other receivables	465,059	-	-	59,082	1,004,897	1,529,038
Court fines and fees	660,535	-	-	-	-	660,535
Less allowance	(604,830)	(6,782)	-	-	-	(611,612)
	<u>\$ 1,690,525</u>	<u>\$ 133,296</u>	<u>\$ 129,945</u>	<u>\$ 59,082</u>	<u>\$ 1,004,897</u>	<u>\$ 3,017,745</u>

Proprietary Funds

	<u>Water and Sewer</u>	<u>Bastrop Power & Light</u>	<u>Total Enterprise Funds</u>
Accounts receivable	\$ 585,433	\$ 575,166	\$ 1,160,599
Less allowance	(5,065)	(19,921)	(24,986)
	<u>\$ 580,368</u>	<u>\$ 555,245</u>	<u>\$ 1,135,613</u>

CITY OF BASTROP, TEXAS
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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	\$ 5,214,783	\$ 431,007	\$ -	\$ 5,645,790
Construction in progress	542,381	1,721,305	(315,403)	1,948,283
Total capital assets not being depreciated	<u>5,757,164</u>	<u>2,152,312</u>	<u>(315,403)</u>	<u>7,594,073</u>
Other capital assets:				
Buildings	15,332,127	570,681	(602,416)	15,300,392
Improvements other than buildings	23,755,940	4,640,982	-	28,396,922
Machinery and equipment	8,135,088	3,283,647	(85,019)	11,333,716
Total other capital assets	<u>47,223,155</u>	<u>8,495,310</u>	<u>(687,435)</u>	<u>55,031,030</u>
Less accumulated depreciation for:				
Buildings	(4,486,454)	(338,108)	314,856	(4,509,706)
Improvements other than buildings	(6,594,824)	(765,620)	-	(7,360,444)
Machinery and equipment	(5,238,922)	(600,198)	85,019	(5,754,101)
Total accumulated depreciation	<u>(16,320,200)</u>	<u>(1,703,926)</u>	<u>399,875</u>	<u>(17,624,251)</u>
Other capital assets, net	<u>30,902,955</u>	<u>6,791,384</u>	<u>(287,560)</u>	<u>37,406,779</u>
Governmental Activities Capital Assets, Net	<u>\$ 36,660,119</u>	<u>\$ 8,943,696</u>	<u>\$ (602,963)</u>	<u>45,000,852</u>
			Plus unspent bond proceeds	2,761,251
			Less net deferred charge on refunding	676,465
			Less associated debt	<u>(25,131,402)</u>
			Net Investment in Capital Assets	<u>\$ 23,307,166</u>

Depreciation was charged to governmental functions as follows:

General government	\$ 814,631
Public safety	206,465
Development services	18,902
Community services	401,363
Economic development	31,933
Internal service fund	230,632
Total Governmental Activities Depreciation Expense	<u>\$ 1,703,926</u>

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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	\$ 1,541,964	\$ -	\$ -	\$ 1,541,964
Water rights	3,933,620	-	-	3,933,620
Construction in progress	2,965,532	5,684,378	(54,375)	8,595,535
Total capital assets not being depreciated	8,441,116	5,684,378	(54,375)	14,071,119
Other capital assets:				
Machinery and equipment	2,970,247	-	(33,742)	2,936,505
Buildings	498,366	-	-	498,366
Infrastructure	41,014,133	1,585,176	-	42,599,309
Total other capital assets	44,482,746	1,585,176	(33,742)	46,034,180
Less accumulated depreciation for:				
Machinery and equipment	(2,064,156)	(173,523)	33,742	(2,203,937)
Buildings	(229,424)	(21,248)	-	(250,672)
Infrastructure	(12,433,705)	(989,274)	-	(13,422,979)
Total accumulated depreciation	(14,727,285)	(1,184,045)	33,742	(15,877,588)
Other capital assets, net	29,755,461	401,131	-	30,156,592
Business-Type Activities Capital Assets, Net	\$ 38,196,577	\$ 6,085,509	\$ (54,375)	44,227,711
			Plus unspent bond proceeds	18,941,089
			Plus deferred gain on refunding	46,720
			Less associated debt	(39,365,220)
			Net Investment in Capital Assets	\$ 23,850,300

Depreciation was charged to business-type functions as follows:

Water and wastewater	\$ 985,951
Power and light	198,094
Total Business-Type Activities Depreciation Expense	\$ 1,184,045

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

The following is a summary of changes in capital assets for the BEDC 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	\$ 511,695	\$ -	\$ -	\$ 511,695
Construction in progress	2,012,118	3,001,140	(1,374,896)	3,638,362
Total capital assets not being depreciated	<u>2,523,813</u>	<u>3,001,140</u>	<u>(1,374,896)</u>	<u>4,150,057</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	(6,917)	(1,384)	-	(8,301)
Buildings	(341,472)	(16,132)	-	(357,604)
Total accumulated depreciation	<u>(348,389)</u>	<u>(17,516)</u>	<u>-</u>	<u>(365,905)</u>
Other capital assets, net	505,506	(17,516)	-	487,990
BEDC Capital Assets, Net	<u>\$ 3,029,319</u>	<u>\$ 2,983,624</u>	<u>\$ (1,374,896)</u>	<u>4,638,047</u>
			Less associated debt	<u>(2,779,890)</u>
			Net Investment in Capital Assets	<u>\$ 1,858,157</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.

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, 2020

The following is a summary of changes in the City's governmental activities, business-type activities, and the 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	\$ 10,308,719	\$ 1,446,497	\$ (1,690,000)	\$ 10,065,216	* \$ 1,541,578
Certificates of obligation	12,666,171	2,615,000	(1,582,466)	13,698,705	* 582,837
Note payable	257,227	-	(16,776)	240,451	* 22,368
	<u>23,232,117</u>	<u>4,061,497</u>	<u>(3,289,242)</u>	<u>24,004,372</u>	<u>2,146,783</u>
Deferred amounts:					
For issuance discounts/premiums	977,460	277,064	(127,494)	1,127,030	*
Other liabilities:					
Compensated absences	253,342	252,899	(220,080)	286,161	257,545
Total Governmental Activities	<u>\$ 24,462,919</u>	<u>\$ 4,591,460</u>	<u>\$ (3,636,816)</u>	<u>\$ 25,417,563</u>	<u>\$ 2,404,328</u>
				<u>\$ 23,013,235</u>	
				<u>\$ 25,131,402</u>	
					<u>\$ 23,013,235</u>
					<u>\$ 25,131,402</u>
Business-Type Activities:					
Bonds, notes, net, due in more than one year					
General obligation bonds	\$ 2,482,080	\$ 948,503	\$ (1,037,081)	\$ 2,393,502	* \$ 343,422
Certificates of obligation	13,358,026	-	(945,449)	12,412,577	* 757,163
Revenue bonds	1,900,000	20,065,000	(65,000)	21,900,000	* 65,000
Note payable	1,100,000	-	(260,000)	840,000	* 260,000
	<u>18,840,106</u>	<u>21,013,503</u>	<u>(2,307,530)</u>	<u>37,546,079</u>	<u>1,425,585</u>
Deferred amounts:					
For issuance discounts/premiums	583,386	1,328,929	(93,174)	1,819,141	*
Other liabilities:					
Compensated absences	56,393	71,463	(63,033)	64,823	58,341
Total Business-Type Activities	<u>\$ 19,479,885</u>	<u>\$ 22,413,895</u>	<u>\$ (2,463,737)</u>	<u>\$ 39,430,043</u>	<u>\$ 1,483,926</u>
				<u>\$ 37,939,635</u>	
				<u>\$ 39,365,220</u>	
					<u>\$ 37,939,635</u>
					<u>\$ 39,365,220</u>
BEDC					
Bonds and notes due in more than one year					
General obligation bonds	\$ 1,245,000	\$ -	\$ (125,000)	\$ 1,120,000	* \$ 70,000
Notes payable	300,000	1,420,000	(60,110)	1,659,890	* 79,191
Note to City	3,000,418	125,041	(250,418)	2,875,041	152,191
	<u>4,545,418</u>	<u>1,545,041</u>	<u>(435,528)</u>	<u>5,654,931</u>	<u>301,382</u>
Other liabilities:					
Compensated absences	12,027	27,323	(15,545)	23,805	11,903
BEDC Activities	<u>\$ 4,557,445</u>	<u>\$ 1,572,364</u>	<u>\$ (451,073)</u>	<u>\$ 5,678,736</u>	<u>\$ 313,285</u>
				<u>\$ 5,353,549</u>	
				<u>\$ 2,779,890</u>	
					<u>\$ 5,353,549</u>
					<u>\$ 2,779,890</u>

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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	\$ 815,000
Gen. Oblig. Bonds, Series 2006	4.24%	345,000	140,000
Certificates of Oblig., Series 2006 (31.4%)	4.19%	227,650	62,800
Gen. Oblig. Bonds, Series 2007	4.08%	1,220,000	560,000
Certificates of Obligation, Series 2007 (11.42%)	4.04%	264,944	121,654
Gen. Oblig. Ref. & Improvement Bonds, Series 2012	2.0 - 3.0%	2,015,000	925,000
Combination Tax & Rev., Cert. of Oblig., Series 2013 (67.2%)	3.0 - 4.25%	7,392,000	6,243,000
GO Refunding, Series 2014 (74.53%)	2.0 - 4.0%	1,695,558	2,005,000
GO Refunding, Series 2016 (58%)	2.0 - 4.0%	1,440,000	1,100,000
GO Refunding, Series 2017 (83%)	2.0 - 4.0%	3,745,000	3,060,000
Combination Tax & Rev., Cert. of Oblig., Series 2018	3.75 - 4.0%	4,605,000	4,220,000
Limited Tax Note, Series 2019	1.78%	465,000	450,000
Combination Tax & Rev., Cert. of Oblig, Series 2020	2.0-4.0%	2,615,000	2,615,000
Gen. Oblig. Refunding Bonds, Series 2020 (60.42%)	0.96-1.27%	1,446,497	1,446,467
TOTAL BONDS PAYABLE			<u>23,763,921</u>
NOTE PAYABLE			
Note Payable - Texas Capital Fund - Art Foundry	0.00%	447,351	240,451
TOTAL GOVERNMENTAL ACTIVITIES			<u>\$ 24,004,372</u>
<u>Business-Type Activities:</u>			
BONDS PAYABLE			
Certificates of Oblig., Series 2006 (68.6%)	4.19%	497,350	\$ 137,200
Certificates of Oblig., Series 2007 (88.58%)	4.04%	2,055,056	943,377
Combination Tax & Rev., Cert. of Oblig., Series 2012	2.0 - 4.0%	4,200,000	2,960,000
Combination Tax & Rev., Cert. of Oblig., Series 2013 (32.8%)	3.0 - 4.25%	3,608,000	3,047,000
Combination Tax & Rev., Cert. of Oblig., Series 2014 (85.5%)	2.0 - 3.5%	5,985,000	4,552,875
GO Refunding., Series 2016 (42%)	2.0-4.0%	1,085,000	835,000
Utility System Revenue Bonds, Series 2019	2.0-4.0%	1,900,000	1,835,000
Combination Tax & Rev., Cert. of Oblig., Series 2014 (14.5%)	2.0 - 3.5%	1,015,000	772,125
GO Refunding, Series 2017 (12.7%)	2.0 - 3.5%	610,000	610,000
Gen. Oblig. Refunding Bonds, Series 2020 (39.58%)	2.0-4.0%	948,503	948,502
Utility System Revenue Bonds, Series 2020	2.0-5.0%	20,065,000	20,065,000
TOTAL BONDS PAYABLE			<u>36,706,079</u>
NOTES PAYABLE			
Note Payable - Ingram Note	0.00%	600,000	240,000
Note Payable-XS Ranch Water Co.	0.00%	1,000,000	600,000
TOTAL NOTES PAYABLE			<u>840,000</u>
TOTAL BUSINESS-TYPE ACTIVITIES			<u>\$ 37,546,079</u>
<u>BEDC:</u>			
BONDS PAYABLE			
Sales Tax and Revenue Bonds, Series 2018	3.39%	1,250,000	1,120,000
TOTAL BONDS PAYABLE			<u>\$ 1,120,000</u>
NOTES PAYABLE			
Note Payable - City of Bastrop	0.00%	600,000	240,000
Note Payable - Roscoe loan	0.00%	1,420,000	1,419,890
OTHER NOTE TO CITY			
Due to City of Bastrop - 24.2% Cert. of Oblig., Series 2013	0.00%		2,250,000
Due to City of Bastrop - 13.4% GO Refunding, Series 2017	0.00%		500,000
Due to City of Bastrop - 5.23% GO Refunding, Series 2020	0.00%		125,041
TOTAL NOTES PAYABLE			<u>4,534,931</u>
TOTAL BEDC			<u>\$ 5,654,931</u>

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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

Governmental Activities:

Fiscal year	Bonds and C.O.			Notes			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 2,124,415	\$ 829,370	\$ 2,953,785	\$ 22,368	\$ -	\$ 22,368	\$ 2,146,783	\$ 829,370	\$ 2,976,153
2022	2,245,692	774,224	3,019,916	22,368	-	22,368	2,268,060	774,224	3,042,284
2023	2,238,632	707,224	2,945,856	22,368	-	22,368	2,261,000	707,224	2,968,224
2024	2,137,672	628,582	2,766,254	22,368	-	22,368	2,160,040	628,582	2,788,622
2025	1,974,262	554,337	2,528,599	22,368	-	22,368	1,996,630	554,337	2,550,967
2026-2030	8,774,248	1,742,920	10,517,168	111,838	-	111,838	8,886,086	1,742,920	10,629,006
2031-2035	3,469,000	444,064	3,913,064	16,773	-	16,773	3,485,773	444,064	3,929,837
2036-2040	800,000	59,913	859,913	-	-	-	800,000	59,913	859,913
	<u>\$ 23,763,921</u>	<u>\$ 5,740,634</u>	<u>\$ 29,504,555</u>	<u>\$ 240,451</u>	<u>\$ -</u>	<u>\$ 240,451</u>	<u>\$ 24,004,372</u>	<u>\$ 5,740,634</u>	<u>\$ 29,745,006</u>

Business-type Activities:

Fiscal year	Bonds and C.O.			Notes			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 1,165,585	\$ 1,177,008	\$ 2,342,593	\$ 60,000	\$ -	\$ 60,000	\$ 1,225,585	\$ 1,177,008	\$ 2,402,593
2022	1,544,308	1,099,282	2,643,590	260,000	-	260,000	1,804,308	1,099,282	2,903,590
2023	1,581,368	1,058,105	2,639,473	260,000	-	260,000	1,841,368	1,058,105	2,899,473
2024	1,627,328	1,016,195	2,643,523	260,000	-	260,000	1,887,328	1,016,195	2,903,523
2025	1,510,738	964,093	2,474,831	-	-	-	1,510,738	964,093	2,474,831
2026-2030	8,270,752	3,934,819	12,205,571	-	-	-	8,270,752	3,934,819	12,205,571
2031-2035	7,246,000	2,428,930	9,674,930	-	-	-	7,246,000	2,428,930	9,674,930
2036-2040	4,365,000	1,619,763	5,984,763	-	-	-	4,365,000	1,619,763	5,984,763
2041-2045	4,360,000	1,071,338	5,431,338	-	-	-	4,360,000	1,071,338	5,431,338
2046-2050	5,035,000	399,050	5,434,050	-	-	-	5,035,000	399,050	5,434,050
	<u>\$ 36,706,079</u>	<u>\$ 14,768,582</u>	<u>\$ 51,474,661</u>	<u>\$ 840,000</u>	<u>\$ -</u>	<u>\$ 840,000</u>	<u>\$ 37,546,079</u>	<u>\$ 14,768,582</u>	<u>\$ 52,314,661</u>

BEDC:

Fiscal year	Bonds and C.O.			Notes			Total		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 70,000	\$ 37,968	\$ 107,968	\$ 219,478	\$ 158,043	\$ 377,521	\$ 289,478	\$ 196,011	\$ 485,489
2022	70,000	35,595	105,595	281,966	154,331	436,297	351,966	189,926	541,892
2023	75,000	33,222	108,222	285,945	146,982	432,927	360,945	180,204	541,149
2024	75,000	30,680	105,680	296,765	141,261	438,026	371,765	171,941	543,706
2025	80,000	28,137	108,137	257,678	135,329	393,007	337,678	163,466	501,144
2026-2030	445,000	97,802	542,802	1,464,641	547,073	2,011,714	1,909,641	644,875	2,554,516
2031-2035	305,000	20,849	325,849	1,001,259	278,384	1,279,643	1,306,259	299,233	1,605,492
2036-2040	-	-	-	377,980	135,909	513,889	377,980	135,909	513,889
2041-2045	-	-	-	349,219	33,933	383,152	349,219	33,933	383,152
	<u>\$ 1,120,000</u>	<u>\$ 284,253</u>	<u>\$ 1,404,253</u>	<u>\$ 4,534,931</u>	<u>\$ 1,731,245</u>	<u>\$ 6,266,176</u>	<u>\$ 5,654,931</u>	<u>\$ 2,015,498</u>	<u>\$ 7,670,429</u>

New Debt

On June 9, 2020, the City issued the Water and Wastewater Utility System Revenue Bonds, Series 2020 to secure funding for wastewater treatment plan building and expansion. The principal on the bonds totaled \$20,065,000 and carry and interest rate from 2.00 to 5.00%. The bonds will mature in August of 2039.

On February 6, 2020, the City issued the Combination Tax and Revenue Certificates of Obligation, Series 2020 to secure funding for the acquisition of public safety equipment. The principal on the bonds totaled \$2,615,000 and carry an interest rate from 2.00 to 4.00%. The certificates will mature in August of 2030.

Advanced Refunding

On June 17, 2020, the City issued the General Obligation Refunding Bond, Series 2020. This was an advance refunding to fully defease the Series 2010 Refunding, Series 2011 Refunding and Series 2010 certificates of obligation. The net proceeds exceeded the payment to escrow agent representing a loss on refunding of \$8,924. The refunding was undertaken to reduce gross debt service payments by \$80,500 and is considered a present value economic savings of \$73,632.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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.

Due To	Due From	Amount
General	Hunters Crossing PID Grant	\$ 56,623 845,961
	Total	\$ 902,584

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

Transfer In	Transfer Out	Amount
General	Bastrop Power & Light	\$ 567,750
Hotel/Motel tax	General	238,994
Hotel/Motel tax	Bastrop Power & Light	222,500
Debt service	Hotel/Motel tax	506,226
Water and wastewater	Grant	239,833
Water and wastewater	Impact	1,005,516
Internal service	Bastrop Power & Light	75,000
Hunters Crossing PID	General	9,660
Combination Revenue Bond Series 2018	Street Maintenance	84,000
Combination Revenue Bond Series 2013	Street Maintenance	154,000
		\$ 3,103,479

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.

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.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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. COVID-19

In March 2020, COVID-19 was recognized as a pandemic both worldwide and in the United States with local stay at-home orders going into effect. The City navigated through this time by alternating the schedules of its employees due to various City functions needing to continue to run through this time. The City followed the directions of the State in relation to Municipal Court. The Court was closed until the City came up with an acceptable plan to monitor social distancing, require masks, and provide hand sanitizers. Subsequent to the second wave of the COVID outbreak, the State is now requiring Municipal Court to be held via Zoom meetings. While the initial event occurred prior to yearend, the City was, subsequent to year end, continuing to modify its operations to prevent the spread to customers, staff, and the community as a whole, while balancing the needs of the community. The City has made numerous changes to its operations, including provisions for customer and staff to wear masks, more frequent cleanings, and numerous other changes. While such changes cause a significant hardship and have increased expenses, such increases are nominal in comparison to the overall budget. The City is continuing to monitor exposure levels with customer, staff, and the community as a whole, but to date the overall exposure threat level has been sufficiently low to continue with open doors; however the City is ready to modify plans if necessary.

D. 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:

<u>Governmental Activities:</u>	<u>Spent</u>	<u>Remaining</u>
	<u>To Date</u>	<u>Commitment</u>
Elevated Storage Tank Hwy 20	\$ 1,420,580	\$ 70,220
Ground Storage Tank Hwy 20	898,123	273,968
Pine Street Drainage Improvements	437,075	10,000
Gills Branch Drainage Improvements	414,959	128,631
Main Street Sidewalk and Street Reconstruction	1,381,296	415,091
Skate Park	-	246,000
WWTP#3 and Collector Lines - Engineering	3,266,363	2,961,556
XS Water Line and Water Plant-Engineering	209,537	4,575,130
Total	<u>\$ 8,027,933</u>	<u>\$ 8,680,596</u>
<u>BEDC:</u>		
921 Main St. Building	<u>\$ 1,823,144</u>	<u>\$ 589,004</u>

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

E. Pension Plan

Texas Municipal Retirement System

Plan Description

The City and the BEDC participates as one of 888 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 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 and the BEDC 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	10	10
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, 2019 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits		62
Inactive employees entitled to but not yet receiving benefits		62
Active employees		131
Total		255

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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 and the BEDC were required to contribute seven percent of their annual gross earnings during the fiscal year. The required contribution rates for the City were 11.47 percent and 11.43 percent in calendar years 2020 and 2019, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2020 were \$901,479, which were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019 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, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

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

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30%	5.30%
Core Fixed Income	10%	1.25%
Non-Core Fixed Income	20%	4.14%
Real Returns	10%	3.85%
Real Estate	10%	4.00%
Absolute Return	10%	3.48%
Private Equity	10%	7.75%
Total	100%	

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	\$ 1,155,866	\$ -	\$ 1,155,866
Interest	1,396,174	-	1,396,174
Change of benefit terms	-	-	-
Difference between expected and actual experience	121,723	-	121,723
Changes of assumptions	125,555	-	125,555
Contributions - employer	-	908,840	(908,840)
Contributions - employee	-	479,613	(479,613)
Net investment income	-	2,535,671	(2,535,671)
Benefit payments, including refunds of employee contributions	(902,940)	(902,940)	-
Administrative expense	-	(14,313)	14,313
Other changes	-	(430)	430
Net Changes	1,896,378	3,006,441	(1,110,063)
Beginning balance	20,557,602	16,384,580	4,173,022
Ending balance	\$ 22,453,980	\$ 19,391,021	\$ 3,062,959

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the NPL of the City and the BEDC, 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%)
Net Pension Liability	\$ 6,592,057	\$ 3,062,959	\$ 205,090

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, 2020, the City and the BEDC recognized pension expense of \$437,244.

At September 30, 2020, the City and the BEDC reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 189,995	\$ 1,794
Changes in actuarial assumptions	95,518	-
Net difference between projected and actual investment earnings	-	588,025
Contributions subsequent to the measurement date	673,300	-
Total	\$ 958,813	\$ 589,819

\$673,300 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, 2021. 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
2021	\$ (51,377)
2022	(74,858)
2023	97,223
2024	(275,294)
Total	\$ (304,306)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

E. Other Postemployment Benefits

1. TMRS – Supplemental Death Benefit

Plan Description

The City and the BEDC 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 (GASB 75)*. 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, 2019 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	48
Inactive employees entitled to, but not yet receiving, benefits	15
Active employees	131
Total	194

Total OPEB Liability

The City’s and the BEDC’s total OPEB liability of \$372,019 was measured as of December 31, 2019 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, 2020

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2019 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 11.50% including inflation
Discount rate	2.75
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	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

* The discount rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period December 31, 2015 to December 31, 2019.

Changes in the Total OPEB Liability

	Total OPEB Liability
Changes for the year:	
Service cost	\$ 19,984
Interest	10,836
Difference between expected and actual experience	(4,139)
Changes of assumptions	64,459
Benefit payments*	(2,398)
Net Changes	88,742
Beginning balance	283,277
Ending Balance	\$ 372,019

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.

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

There were no changes of benefit terms 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, 2020

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

The following presents the total OPEB liability of the City and the BEDC, 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 (1.75%)	Discount Rate (2.75%)	1% Increase in Discount Rate (3.75%)
Total OPEB liability	\$ 454,677	\$ 372,019	\$ 308,172

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

For the year ended September 30, 2020, the City and the BEDC recognized OPEB expense of \$41,101. The City and the 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	\$ 49,582	\$ -
Difference in expected and actual economic experience	-	9,026
Contributions subsequent to the measurement date	2,384	-
Total	\$ 51,966	\$ 9,026

\$2,384 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
2021	\$ 10,281
2022	10,281
2023	8,571
2024	8,189
2025	3,234
Thereafter	-
Total	\$ 40,556

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.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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, 2019 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	138
Total	140

As of June 1, 2016, retirees who are at least 58 years old and have at least 25 years of service with the City at retirement are eligible for fully-subsidized retiree only health coverage until the retiree reaches age 65 or, if earlier, becomes Medicare eligible. Dependent coverage is available, but the cost for dependent coverage must be paid for by the member and the duration of coverage are subject to the current COBRA provisions in place.

Actuarial Assumptions and Other Inputs

Significant methods and assumptions were as follows:

Inflation	2.25%
Salary increases	2.75% average which includes inflation
Discount rate	2.14% per annum, which includes inflation
Healthcare cost trend rates	11.57% initial 2019 medical trend rate for pre-65 retirees decreasing to an ultimate rate of 3.81% in the year 2073
Mortality rates-service retirees	Mortality rates were updated and are based upon the sex distinct headcount weighted PUB 2010 tables recently released by the Society of Actuaries with generational mortality scale MP-2019.

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 2.14% 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-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of September 30, 2020.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

Changes in the Total OPEB Liability

The City's and BEDC's total OPEB liability was measured as of September 30, 2019 and was determined by an actuarial valuation as of September 30, 2020.

	Total OPEB Liability
Changes for the year:	
Service cost	\$ 34,707
Interest	29,126
Difference between expected and actual experience	81,583
Changes of assumptions	72,503
Benefit payments	(32,447)
Net Changes	185,472
Beginning balance	713,522
Ending Balance	\$ 898,994

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 2.14%, 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:

	Discount Rate Sensitivity		
	1% Decrease in Discount Rate (1.14%)	Discount Rate (2.14%)	1% Increase in Discount Rate (3.14%)
	Total OPEB Liability	\$ 976,818	\$ 898,994

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.

	Healthcare Cost Trend Sensitivity		
	1% Decrease in Discount Rate (10.87%)	Discount Rate (11.87%)	1% Increase in Discount Rate (12.87%)
	Total OPEB Liability	\$ 751,190	\$ 898,994

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
For the Year Ended September 30, 2020

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

For the year ended September 30, 2020, the City and the BEDC recognized OPEB expense of \$37,928. The City and the BEDC reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Changes in actuarial assumptions	\$ 90,408
Difference in expected and actual economic experience	49,388
Total	\$ 139,796

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
2021	\$ 22,948
2022	22,948
2023	22,948
2024	22,944
2025	23,613
Thereafter	24,395
Total	\$ 139,796

The aggregate amount of OPEB expenses between the City and BEDC’s two OPEB plans for fiscal year 2020 was \$79,029.

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, 2020

G. Restatement

Beginning net position for the BEDC was restated for an adjustment in land from the prior year.

	BEDC
Prior year ending fund balance/net position	\$ 4,210,601
Land adjustment	(332,974)
Beginning Fund Balance/Net Position - Restated	\$ 3,877,627

H. Tax Abatement - Economic Development Agreement

The City and the 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, the BEDC entered into an agreement with a developer to rebate one-half 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, \$700,000 was rebated, including \$83,507 in the current fiscal year.

The City and the BEDC entered into an agreement with a developer in August 2007 to rebate one and one-half 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 plus owner's actual cost of funds (interest carry), over fifteen years. As of yearend \$7,678,716 was rebated, including \$1,048,748 in the current fiscal year.

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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, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 3,850,795	\$ 3,850,795	\$ 3,823,313	\$ (27,482)
Sales taxes	5,147,230	5,147,230	5,528,824	381,594
Franchise fees	400,000	400,000	459,743	59,743
Licenses and permits	665,265	665,265	1,201,810	536,545
Fines and forfeitures	349,385	349,385	272,078	(77,307)
Charges for services	598,300	598,300	591,191	(7,109)
Intergovernmental	89,878	89,878	417,036	327,158
Investment revenue	89,500	89,500	78,828	(10,672)
Other revenue	300,167	300,167	102,427	(197,740)
Total Revenues	<u>11,490,520</u>	<u>11,490,520</u>	<u>12,475,250</u>	<u>984,730</u>
Expenditures				
General government:				
Legislative	40,357	40,357	34,373	5,984
Organizational	301,092	402,413	383,850	18,563
City Manager	502,009	588,009	575,332	12,677
City Secretary	148,629	148,629	134,873	13,756
Finance	1,336,503	1,336,503	1,312,194	24,309
Human resources	223,626	223,626	214,115	9,511
Information technology	410,032	439,432	437,909	1,523
Public works	2,428,230	2,428,230	2,180,533	247,697
Total general government expenditures	<u>5,390,478</u>	<u>5,607,199</u>	<u>5,273,179</u>	<u>334,020</u>
Public safety:				
Police	3,406,412	3,406,412	3,261,372	145,040
Fire	862,042	862,042	819,094	42,948
Municipal court	336,853	336,853	312,189	24,664
Total public safety expenditures	<u>4,605,307</u>	<u>4,605,307</u>	<u>4,392,655</u>	<u>212,652</u>
Community services				
Library	741,267	741,267	701,768	39,499
Community services	63,000	63,000	37,949	25,051
Total community services expenditures	<u>804,267</u>	<u>804,267</u>	<u>739,717</u>	<u>64,550</u>
Development services	1,084,324	1,084,324	756,000	328,324
Capital outlay	510,400	661,900	456,038	205,862
Total Expenditures	<u>12,394,776</u>	<u>12,762,997</u>	<u>11,617,589</u>	<u>1,145,408</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(904,256)</u>	<u>(1,272,477)</u>	<u>857,661</u>	<u>2,130,138</u>
Other Financing Sources (Uses)				
Transfers in	623,250	623,250	567,750	(55,500)
Transfers (out)	(382,662)	(382,662)	(248,654)	134,008
Total Other Financing Sources	<u>240,588</u>	<u>240,588</u>	<u>319,096</u>	<u>78,508</u>
Net Change in Fund Balance	<u>\$(663,668)</u>	<u>\$(1,031,889)</u>	<u>1,176,757</u>	<u>\$ 2,208,646</u>
Beginning fund balance			<u>3,180,690</u>	
Ending Fund Balance			<u>\$ 4,357,447</u>	

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, 2020

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Hotel/motel taxes	\$ 2,830,500	\$ 2,830,500	\$ 1,673,609	\$ (1,156,891)
Licenses and permits	2,000	2,000	620	(1,380)
Intergovernmental	62,312	62,312	66,554	4,242
Charges for services	275,250	275,250	108,435	(166,815)
Investment revenue	65,000	65,000	51,475	(13,525)
Miscellaneous revenue	-	-	651	651
Total Revenues	<u>3,235,062</u>	<u>3,235,062</u>	<u>1,901,344</u>	<u>(1,333,718)</u>
<u>Expenditures</u>				
Current:				
Hotel tax expense	1,970,119	1,970,119	1,456,224	513,895
Multi-media	173,713	173,713	136,351	37,362
Special events	180,438	180,438	150,020	30,418
Hospitality and downtown	1,233,148	1,233,148	944,075	289,073
Art in Public Places	124,732	124,732	119,918	4,814
Rodeo arena	-	-	3,385	(3,385)
Total Expenditures	<u>3,682,150</u>	<u>3,682,150</u>	<u>2,809,973</u>	<u>872,177</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(447,088)</u>	<u>(447,088)</u>	<u>(908,629)</u>	<u>(2,205,895)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	461,494	461,494	461,494	-
Transfers (out)	<u>(521,916)</u>	<u>(521,916)</u>	<u>(506,226)</u>	<u>15,690</u>
Total Other Financing (Uses)	<u>(60,422)</u>	<u>(60,422)</u>	<u>(44,732)</u>	<u>15,690</u>
Net Change in Fund Balance	<u>\$ (507,510)</u>	<u>\$ (507,510)</u>	<u>(953,361)</u>	<u>\$ (445,851)</u>
Beginning fund balance			<u>3,849,730</u>	
Ending Fund Balance			<u>\$ 2,896,369</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, 2020

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

		Measurement Year*	
		2018	2019
\$	1,049,555	\$	1,155,866
	1,278,572		1,396,174
	95,980		121,723
	-		125,555
	(567,072)		(902,940)
	<u>1,857,035</u>		<u>1,896,378</u>
	<u>18,700,567</u>		<u>20,557,602</u>
\$	<u>20,557,602</u>	\$	<u>22,453,980</u>
\$	819,985	\$	908,840
	433,104		479,613
	(485,318)		2,535,671
	(567,072)		(902,940)
	(9,375)		(14,313)
	(489)		(430)
	<u>190,835</u>		<u>3,006,441</u>
	<u>16,193,745</u>		<u>16,384,580</u>
\$	<u>16,384,580</u>	\$	<u>19,391,021</u>
\$	<u>4,173,022</u>	\$	<u>3,062,959</u>
	79.70%		86.36%
\$	7,218,398	\$	7,993,556
	57.81%		38.32%

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
POSTEMPLOYMENT HEALTH CARE PLAN
For the Year Ended September 30, 2020

	Measurement Year*		
	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 34,707	\$ 26,899	\$ 26,393
Interest (on the total OPEB liability)	29,126	25,690	24,601
Difference in expected and actual experience	81,583	-	(40,119)
Change of assumptions	72,503	11,200	35,460
Contributions - employer**	(32,447)	(16,887)	(16,887)
Net Change in Total OPEB Liability	<u>185,472</u>	<u>46,902</u>	<u>29,448</u>
Beginning total OPEB liability	<u>713,522</u>	<u>666,620</u>	<u>637,172</u>
Ending Total OPEB Liability	<u>\$ 898,994</u>	<u>\$ 713,522</u>	<u>\$ 666,620</u>
Covered Payroll	\$ 7,607,892	\$ 7,881,883	\$ 7,098,873
Total OPEB Liability as a Percentage of Covered Payroll	11.82%	9.05%	9.39%

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

Notes to Required Supplementary Information:

Change of assumptions:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH
For the Year Ended September 30, 2020

	Measurement Year*		
	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 19,984	\$ 19,490	\$ 15,762
Interest (on the total OPEB liability)	10,836	9,693	9,226
Difference between expected and actual experience	(4,139)	(6,885)	-
Change of assumptions	64,459	(21,387)	23,298
Benefit payments**	(2,398)	(1,444)	(1,314)
Net Change in Total OPEB Liability	<u>88,742</u>	<u>(533)</u>	<u>46,972</u>
Beginning total OPEB liability	<u>283,277</u>	<u>283,810</u>	<u>236,838</u>
Ending Total OPEB Liability	<u>\$ 372,019</u>	<u>\$ 283,277</u>	<u>\$ 283,810</u>
Covered Payroll	\$ 7,993,556	\$ 7,218,398	\$ 6,567,702
Total OPEB Liability as a Percentage of Covered Payroll	4.65%	3.92%	4.32%

*Only three years of information is currently available. The City will build this schedule over the next seven-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:

There were no changes in assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period

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, 2020

	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 (excess)	\$ -	\$ -	\$ -	\$ -
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 seven years of information is currently available. The City will build this schedule over the next three-year period.

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	26 years
Asset valuation method	10 year smoothed market; 15% soft corridor
Inflation	2.50%
Salary increases	3.50% to 11.50% 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 2019 valuation pursuant to an experience study of the period 2014-2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

3. Other Information:

There were no benefit changes during the year.

Fiscal Year*		
2018	2019	2020
\$ 811,103	\$ 895,993	\$ 901,479
<u>811,103</u>	<u>895,993</u>	<u>901,479</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 7,098,873</u>	<u>\$ 7,881,883</u>	<u>\$ 7,847,955</u>
11.43%	11.37%	11.49%

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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, 2020

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 2,006,862	\$ 2,006,862	\$ 2,009,476	\$ 2,614
Investment revenue	20,000	20,000	28,101	8,101
Other revenue	246,548	246,548	245,886	(662)
Total Revenues	2,273,410	2,273,410	2,283,463	10,053
Expenditures				
Debt service:				
Principal	1,870,697	1,870,697	1,870,697	-
Interest and fiscal agent fees	881,921	924,008	924,008	-
Total Expenditures	2,752,618	2,794,705	2,794,705	-
(Deficiency) of Revenues (Under) Expenditures	(479,208)	(521,295)	(511,242)	10,053
Other Financing Sources (Uses)				
Transfers in	506,226	506,226	506,226	-
Issuance of long-term debt	-	-	1,446,497	1,446,497
Payment to escrow agent	-	-	(1,401,769)	(1,401,769)
Total Other Financing Sources	506,226	506,226	550,954	44,728
Net Change in Fund Balance	\$ 27,018	\$ (15,069)	39,712	\$ 54,781
Beginning fund balance			258,520	
Ending Fund Balance			\$ 298,232	

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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 cemetery.

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 FUND

The Permanent Fund is 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 Cemetery.

CITY OF BASTROP, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Page 1 of 2)
September 30, 2020

	<u>Special Revenue Funds</u>			<u>Capital Projects Funds</u>
	<u>Designated</u>	<u>Library Board</u>	<u>Fairview Cemetery</u>	<u>Park Dedication</u>
<u>Assets</u>				
Cash and equity in pooled cash and investments	\$ 750,323	\$ 67,979	\$ 110,738	\$ 112,689
Receivables, net	7,138	-	-	-
Total Assets	\$ 757,461	\$ 67,979	\$ 110,738	\$ 112,689
<u>Liabilities</u>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 489	\$ 1,137	\$ 5,791	\$ 9
Due to other funds	-	-	-	-
Total Liabilities	489	1,137	5,791	9
<u>Deferred Inflows of Resources</u>				
Unavailable revenue	-	-	-	99,295
<u>Fund balance</u>				
Fund balances:				
Nonspendable:				
Cemetery perpetual care	-	-	-	-
Restricted:				
Cemetery	-	-	104,947	-
Public safety	169,334	-	-	-
Parks	4,700	-	-	-
Traffic safety	464,505	-	-	-
PEG channels	58,669	-	-	-
Capital projects	59,764	-	-	13,385
Assigned to:				
Library	-	66,842	-	-
Total Fund Balances	756,972	66,842	104,947	13,385
Total Liabilities, Deferred Inflows And Fund Balances	\$ 757,461	\$ 67,979	\$ 110,738	\$ 112,689

Capital Projects Funds					Permanent Fund
2019 Limited Tax Note	Combination Revenue Bond Series 2018	Combination Revenue Bond Series 2013	Street Maintenance	Grant	Fairview Cemetery
\$ 235,527	\$ 2,549,490	\$ 381,456	\$ 156,589	\$ -	\$ 386,814
-	-	-	-	997,759	-
<u>\$ 235,527</u>	<u>\$ 2,549,490</u>	<u>\$ 381,456</u>	<u>\$ 156,589</u>	<u>\$ 997,759</u>	<u>\$ 386,814</u>
\$ 134,289	\$ 351,414	\$ 82,256	\$ 73,100	\$ 151,798	\$ -
-	-	-	-	845,961	-
<u>134,289</u>	<u>351,414</u>	<u>82,256</u>	<u>73,100</u>	<u>997,759</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	386,814
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
101,238	2,198,076	299,200	83,489	-	-
-	-	-	-	-	-
<u>101,238</u>	<u>2,198,076</u>	<u>299,200</u>	<u>83,489</u>	<u>-</u>	<u>386,814</u>
<u>\$ 235,527</u>	<u>\$ 2,549,490</u>	<u>\$ 381,456</u>	<u>\$ 156,589</u>	<u>\$ 997,759</u>	<u>\$ 386,814</u>

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CITY OF BASTROP, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Page 2 of 2)
September 30, 2020

	Total Nonmajor Governmental Funds
<u>Assets</u>	
Cash and equity in pooled cash and investments	\$ 4,751,605
Receivables, net	1,004,897
Total Assets	\$ 5,756,502
 <u>Liabilities</u>	
Liabilities:	
Accounts payable and accrued liabilities	\$ 800,283
Due to other funds	845,961
Total Liabilities	1,646,244
 <u>Deferred inflows</u>	
Unavailable revenue	99,295
 <u>Fund balance</u>	
Fund balances:	
Nonspendable:	
Cemetery perpetual care	386,814
Restricted:	
Cemetery	104,947
Public safety	169,334
Parks	4,700
Traffic safety	464,505
PEG Channels	58,669
Capital projects	2,755,152
Assigned to:	
Library	66,842
Total Fund Balances	4,010,963
 Total Liabilities, Deferred Inflows, And Fund Balances	 \$ 5,756,502

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, 2020

	<u>Special Revenue Funds</u>			<u>Capital Projects Funds</u>
	<u>Designated</u>	<u>Library Board</u>	<u>Fairview Cemetery</u>	<u>Park Dedication</u>
<u>Revenues</u>				
Franchise fees	24,831	-	-	-
Fines and forfeitures	17,876	-	-	-
Charges for services	-	-	111,651	-
Intergovernmental	1,964	-	-	-
Investment revenue	13,158	1,075	1,478	2,057
Other revenue	27,004	27,305	45	-
Total Revenues	84,833	28,380	113,174	2,057
<u>Expenditures</u>				
Current:				
Public safety	8,222	-	-	-
Community services	752	6,155	110,338	17,402
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	8,974	6,155	110,338	17,402
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,859	22,225	2,836	(15,345)
<u>Other Financing Sources (Uses)</u>				
Transfer in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	75,859	22,225	2,836	(15,345)
Beginning fund balances	681,113	44,617	102,111	28,730
Ending Fund Balances	\$ 756,972	\$ 66,842	\$ 104,947	\$ 13,385

Capital Projects Funds					Permanent Fund
2019 Limited Tax Note	Combination Revenue Bond Series 2018	Combination Revenue Bond Series 2013	Street Maintenance	Grant	Cemetery
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	14,310	-	1,244,706	-
4,285	34,610	9,925	15,063	-	3,165
-	10,000	-	-	-	-
<u>4,285</u>	<u>44,610</u>	<u>24,235</u>	<u>15,063</u>	<u>1,244,706</u>	<u>3,165</u>
-	-	-	-	-	-
-	-	-	15,300	193,973	-
-	-	793,335	-	-	-
<u>344,717</u>	<u>1,253,017</u>	<u>-</u>	<u>1,191,631</u>	<u>810,900</u>	<u>-</u>
<u>344,717</u>	<u>1,253,017</u>	<u>793,335</u>	<u>1,206,931</u>	<u>1,004,873</u>	<u>-</u>
<u>(340,432)</u>	<u>(1,208,407)</u>	<u>(769,100)</u>	<u>(1,191,868)</u>	<u>239,833</u>	<u>3,165</u>
-	-	-	238,000	-	-
-	(84,000)	(154,000)	-	(239,833)	-
-	(84,000)	(154,000)	238,000	(239,833)	-
(340,432)	(1,292,407)	(923,100)	(953,868)	-	3,165
<u>441,670</u>	<u>3,490,483</u>	<u>1,222,300</u>	<u>1,037,357</u>	<u>-</u>	<u>383,649</u>
<u>\$ 101,238</u>	<u>\$ 2,198,076</u>	<u>\$ 299,200</u>	<u>\$ 83,489</u>	<u>\$ -</u>	<u>\$ 386,814</u>

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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, 2020

	Total Nonmajor Governmental Funds
<u>Revenues</u>	
Franchise fees	24,831
Fines and forfeitures	17,876
Charges for services	111,651
Intergovernmental	1,260,980
Investment revenue	84,816
Other revenue	64,354
Total Revenues	1,564,508
<u>Expenditures</u>	
Current:	
Public safety	8,222
Community services	343,920
Economic development	793,335
Capital outlay	3,600,265
Total Expenditures	4,745,742
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,181,234)
<u>Other Financing Sources (Uses)</u>	
Transfer in	238,000
Transfers (out)	(477,833)
Total Other Financing Sources (Uses)	(239,833)
Net Change in Fund Balances	(3,421,067)
Beginning fund balances	7,432,030
Ending Fund Balances	\$ 4,010,963

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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
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Financial Trends	1-5
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity	6-12
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These schedules contain information to help the reader assess the government's two most significant local revenue sources, property and sales taxes.

Debt Capacity	13-16
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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.

Demographic and Economic Information	17-18
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information	19-21
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Water and Wastewater Operating Information	22 - 27
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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.

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

When viewing in a PDF reader, the best view mode is View - Page Display - Show Cover Page in Two Page view

CITY OF BASTROP, TEXAS

NET POSITION BY COMPONENT

Last Ten Years

(Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
Governmental Activities				
Net investment in capital assets	\$ 5,875,370	\$ 10,566,114	\$ 11,429,156	\$ 9,963,117
Restricted	6,046,673	7,373,576	4,910,969	9,159,680
Unrestricted	(2,389,362)	(854,428)	2,499,071	2,209,515
Total Governmental Activities Net Position	<u>\$ 9,532,681</u>	<u>\$ 17,085,262</u>	<u>\$ 18,839,196</u>	<u>\$ 21,332,312</u>
Business-Type Activities				
Net investment in capital assets	\$ 16,135,372	\$ 13,211,924	\$ 11,738,002	\$ 12,316,742
Restricted	-	-	2,660,151	669,651
Unrestricted	5,594,939	7,391,011	5,210,587	8,546,144
Total Business-Type Activities Net Position	<u>\$ 21,730,311</u>	<u>\$ 20,602,935</u>	<u>\$ 19,608,740</u>	<u>\$ 21,532,537</u>
Primary Government				
Net investment in capital assets	\$ 22,010,742	\$ 23,778,038	\$ 23,167,158	\$ 22,279,859
Restricted	6,046,673	7,373,576	7,571,120	9,829,331
Unrestricted	3,205,577	6,536,583	7,709,658	10,755,659
Total Primary Government Net Position	<u>\$ 31,262,992</u>	<u>\$ 37,688,197</u>	<u>\$ 38,447,936</u>	<u>\$ 42,864,849</u>

TABLE 1

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 11,651,156	\$ 11,918,463	\$ 14,539,682	\$ 19,769,501	\$ 19,816,206	\$ 23,307,166
8,756,852	8,066,547	7,742,134	4,343,291	4,626,827	4,209,536
5,446,370	5,326,377	4,292,982	4,389,629	6,668,824	7,099,987
<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>	<u>\$ 34,616,689</u>
\$ 13,333,175	\$ 15,553,195	\$ 16,164,723	\$ 16,812,087	\$ 18,773,085	\$ 23,850,300
838,596	931,191	2,016,705	2,732,351	1,572,344	3,255,790
8,571,980	8,127,577	8,485,463	8,587,217	10,510,188	7,196,057
<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>	<u>\$ 34,302,147</u>
\$ 24,984,331	\$ 27,471,658	\$ 30,704,405	\$ 36,581,588	\$ 38,589,291	\$ 47,157,466
9,595,448	8,997,738	9,758,839	7,075,642	6,199,171	7,465,326
14,018,350	13,453,954	12,778,445	12,976,846	17,179,012	14,296,044
<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>	<u>\$ 68,918,836</u>

CITY OF BASTROP, TEXAS

CHANGES IN NET POSITION

Last Ten Years

(Accrual Basis of Accounting)

	Fiscal Year			
	2011	2012	2013	2014
Expenses				
Governmental Activities				
General government	\$ 6,295,882	\$ 8,045,054	\$ 3,714,276	\$ 2,823,226
Public safety	2,648,635	2,792,144	3,784,611	3,744,040
Developmental services	-	-	-	-
Community development	1,997,802	1,983,502	3,071,077	3,214,589
Health	75,991	78,982	-	-
Economic development	-	-	2,865,227	4,067,024
Interest on long-term debt	1,403,348	1,065,553	680,369	1,008,265
Total Governmental Activities Expenses	<u>12,421,658</u>	<u>13,965,235</u>	<u>14,115,560</u>	<u>14,857,144</u>
Business-Type Activities				
Water and wastewater utilities	3,061,719	3,174,942	3,748,334	3,694,129
Electric utility	5,871,322	6,198,430	6,188,383	6,673,346
Other nonmajor	19,207	129,198	620,614	683,574
Total Business-Type Activities Expenses	<u>8,952,248</u>	<u>9,502,570</u>	<u>10,557,331</u>	<u>11,051,049</u>
Total Primary Government Expenses	<u>\$ 21,373,906</u>	<u>\$ 23,467,805</u>	<u>\$ 24,672,891</u>	<u>\$ 25,908,193</u>
Program Revenues				
Governmental Activities				
Charges for services				
General government	\$ 1,318,457	\$ 1,318,457	\$ 1,351,258	\$ 1,437,935
Public safety	275,307	275,307	230,014	1,067,556
Development services	-	-	-	-
Community services	65,615	65,615	69,011	293,186
Economic development	-	-	-	133,686
Operating grants and contributions	393,095	393,095	200,007	130,520
Capital grants and contributions	173,903	173,903	3,404,918	408,312
Total Governmental Activities Program Revenues	<u>2,226,377</u>	<u>2,226,377</u>	<u>5,255,208</u>	<u>3,471,195</u>
Business-Type Activities				
Charges for services				
Water and wastewater utilities	3,445,382	3,445,382	3,610,941	3,851,172
Electric utility	6,966,650	6,966,650	7,395,021	6,854,109
Other nonmajor	96,354	96,354	893,389	789,918
Capital grants and contributions	-	-	-	-
Total Business-Type Activities Program Revenues	<u>10,508,386</u>	<u>10,508,386</u>	<u>11,899,351</u>	<u>11,495,199</u>
Total Primary Government Program Revenues	<u>\$ 12,734,763</u>	<u>\$ 12,734,763</u>	<u>\$ 17,154,559</u>	<u>\$ 14,966,394</u>
Net Revenue/(Expense)				
Governmental activities	\$ (10,195,281)	\$ (11,738,858)	\$ (8,860,352)	\$ (11,385,949)
Business-type activities	1,556,138	1,005,816	1,342,020	444,150
Total Primary Government Net (Expense)	<u>\$ (8,639,143)</u>	<u>\$ (10,733,042)</u>	<u>\$ (7,518,332)</u>	<u>\$ (10,941,799)</u>

TABLE 2

		Fiscal Year									
		2015	2016	2017	2018	2019	2020				
\$	3,000,666	\$	4,461,447	\$	4,790,876	\$	5,042,504	\$	6,020,455	\$	4,802,825
	3,589,294		4,342,768		4,169,672		3,995,531		4,706,904		3,754,875
	711,905		923,089		692,326		919,670		1,360,305		708,088
	3,207,923		2,914,278		1,880,293		2,015,727		1,852,431		1,059,379
	-		-		-		-		-		-
	2,976,087		2,497,292		3,350,167		3,910,783		3,212,115		6,963,722
	1,030,527		926,159		807,460		853,401		911,431		966,319
	<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>		<u>18,255,208</u>
	3,882,671		3,960,331		4,487,471		4,747,676		5,356,350		5,197,452
	6,861,785		6,184,527		6,104,456		6,351,799		6,138,706		5,609,727
	47,028		36,186		5,324		-		18,484		7,185
	<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>10,814,364</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>	\$	<u>29,069,572</u>
\$	413,374	\$	1,035,377	\$	1,061,694	\$	1,371,930	\$	1,676,873	\$	591,191
	925,131		932,848		266,292		31,697		95,706		289,954
	-		-		-		-		-		1,202,430
	86,472		36,480		66,705		87,616		125,125		111,651
	130,920		137,891		153,125		144,912		166,757		108,435
	390,712		428,497		278,349		237,019		150,396		1,744,570
	2,988,454		1,878,711		629,416		1,063,268		1,306,839		-
	<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>4,048,231</u>
	3,960,434		4,288,849		4,654,955		4,983,380		5,100,581		6,150,299
	7,304,225		7,415,588		6,446,305		6,903,151		7,171,253		6,383,347
	893,112		261,102		336,791		1,046,108		752,341		1,252,892
	600,000		47,889		-		12,032		90,214		903,907
	<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>14,690,445</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>18,738,676</u>
\$	(9,581,339)	\$	(11,615,229)	\$	(13,235,213)	\$	(13,801,174)	\$	(14,541,945)	\$	(14,206,977)
	1,966,287		1,832,384		840,800		1,845,196		1,600,849		3,876,081
\$	<u>(7,615,052)</u>	\$	<u>(9,782,845)</u>	\$	<u>(12,394,413)</u>	\$	<u>(11,955,978)</u>	\$	<u>(12,941,096)</u>	\$	<u>(10,330,896)</u>

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

	Fiscal Year			
	2011	2012	2013	2014
General Revenues and Other Changes in Net Position				
Governmental Activities				
Property taxes	\$ 3,557,551	\$ 3,947,319	\$ 4,294,978	\$ 4,619,684
Sales taxes	2,722,333	3,194,452	3,352,264	3,538,097
Hotel taxes	2,512,219	2,568,635	2,501,546	2,737,816
Franchise fees	404,582	431,129	412,730	454,377
Investment earnings	31,639	86,562	20,427	18,787
Other revenue	453,537	964,919	331,954	64,532
Special item- resource	40,431	44,774	-	-
Special item (use)	3,179	7,344	(9,537)	-
Transfers in (out)	928,594	(1,201,295)	(2,469,672)	439,179
Total Governmental Activities	<u>10,654,065</u>	<u>10,043,839</u>	<u>8,434,690</u>	<u>11,872,472</u>
Business-Type Activities				
Miscellaneous revenue	-	3,353	98,600	52,672
Investment earnings	14,412	14,066	11,910	9,064
Special item- resource	-	-	-	-
Transfers in (out)	(928,594)	1,201,295	2,469,672	(439,179)
Total Business-Type Activities	<u>(914,182)</u>	<u>1,218,714</u>	<u>2,580,182</u>	<u>(377,443)</u>
Total Primary Government	<u>\$ 9,739,883</u>	<u>\$ 11,262,553</u>	<u>\$ 11,014,872</u>	<u>\$ 11,495,029</u>
Change in Net Position				
Governmental activities	\$ 458,784	\$ (1,695,019)	\$ (425,662)	\$ 486,523
Business-type activities	641,956	2,224,530	3,922,202	66,707
Total Primary Government	<u>\$ 1,100,740</u>	<u>\$ 529,511</u>	<u>\$ 3,496,540</u>	<u>\$ 553,230</u>

TABLE 3

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 4,806,931	\$ 5,671,902	\$ 5,374,085	\$ 5,758,745	\$ 6,061,380	\$ 8,849,258
4,021,662	4,325,273	4,430,848	4,815,099	5,155,893	5,528,824
2,850,062	2,777,935	2,686,099	2,844,403	2,829,049	1,673,609
486,694	495,709	464,908	462,968	486,716	484,574
19,380	74,232	131,122	190,986	414,108	277,206
46,176	79,626	99,754	208,906	293,716	272,921
3,330,054	-	-	-	-	-
-	-	-	-	-	-
500,248	(358,216)	748,152	1,042,299	1,256,323	625,417
<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>	<u>17,711,809</u>
150,808	181,324	153,534	335,789	-	-
14,490	65,264	130,344	204,426	291,045	195,866
627,566	-	-	-	-	-
(500,248)	358,216	(748,152)	(1,042,299)	(1,256,323)	(625,417)
<u>292,616</u>	<u>604,804</u>	<u>(464,274)</u>	<u>(502,084)</u>	<u>(965,278)</u>	<u>(429,551)</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>	<u>\$ 17,282,258</u>
\$ 6,479,868	\$ 1,451,232	\$ 699,755	\$ 1,522,232	\$ 1,955,240	\$ 3,504,832
2,258,903	2,437,188	376,526	1,343,112	635,571	3,446,530
<u>\$ 8,738,771</u>	<u>\$ 3,888,420</u>	<u>\$ 1,076,281</u>	<u>\$ 2,865,344</u>	<u>\$ 2,590,811</u>	<u>\$ 6,951,362</u>

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

	Fiscal Year			
	2011	2012	2013	2014
General Fund				
Nonspendable	\$ -	\$ -	\$ 45,362	\$ 56,011
Assigned	-	-	-	-
Unassigned	2,059,480	3,294,416	3,530,544	4,707,026
Total General Fund	<u>\$ 2,059,480</u>	<u>\$ 3,294,416</u>	<u>\$ 3,575,906</u>	<u>\$ 4,763,037</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ 512
Restricted for:				
Capital projects	-	-	755,047	5,297,045
Debt service	-	-	707,322	736,729
Other restricted	5,926,375	7,269,212	-	57,463
Cemetery	-	-	607,655	648,832
Public improvement district	-	-	87,098	161,579
Traffic safety	-	-	639,090	621,945
Culture and recreation	-	-	114,949	121,782
Economic development	-	-	1,905,557	2,148,817
Committed for:				
Economic development	-	-	1,038,897	1,044,994
Arena	-	-	-	-
Unassigned	1,034,177	1,102,144	-	-
Total All Other Governmental Funds	<u>\$ 6,960,552</u>	<u>\$ 8,371,356</u>	<u>\$ 5,855,615</u>	<u>\$ 10,839,698</u>

TABLE 4

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 136,887	\$ 82,553	\$ 28,273	\$ 53,226	\$ 109,044	\$ 130,267
-	89,868	217,328	217,328	-	-
5,365,120	3,661,166	3,503,042	3,619,188	3,071,646	4,227,180
<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>	<u>\$ 4,357,447</u>
\$ 83,913	\$ 383,789	\$ 385,956	\$ 385,570	\$ 383,649	\$ 386,814
4,019,033	2,369,536	1,422,295	6,030,501	6,609,865	2,761,251
804,205	230,749	62,817	315,398	258,520	298,232
19,959	24,026	39,315	63,132	32,817	58,669
558,234	186,500	196,419	212,163	102,111	104,947
187,892	132,794	44,462	-	-	-
631,613	639,377	639,726	628,336	648,296	464,505
46,708	124,559	125,895	170,836	-	-
2,015,834	2,265,766	2,629,042	2,446,392	3,849,730	2,896,369
1,077,854	1,225,851	827,206	912,785	44,617	66,842
-	24,167	110,655	107,331	-	-
-	-	(4,564)	(95,221)	-	-
<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>	<u>\$ 7,037,629</u>

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

	Fiscal Year			
	2011	2012	2013	2014
Revenues				
Property taxes	\$ 3,859,531	\$ 4,266,992	\$ 4,243,734	\$ 4,536,737
Sales taxes	2,722,333	3,194,452	3,352,264	3,538,097
Hotel/motel taxes	2,247,985	2,276,444	2,501,546	2,737,816
Franchise fees	404,582	431,129	412,730	454,377
Licenses and permits	97,305	135,408	143,768	153,841
Fines and forfeitures	346,568	366,040	1,080,535	1,144,202
Charges for services	90,526	278,350	269,570	263,304
Intergovernmental	1,691,978	1,625,928	1,960,454	531,182
Investment earnings	31,640	26,315	20,427	18,788
Other revenue	394,975	2,124,631	197,675	348,371
Total Revenues	11,887,423	14,725,689	14,182,703	13,726,715
Expenditures				
General government	2,591,833	2,659,338	2,587,881	1,498,735
Public safety	2,433,848	2,776,805	3,218,590	3,424,029
Development services	2,430,328	2,818,297	614,744	670,992
Community service	609,360	650,615	2,456,957	2,370,344
Economic development	2,355,876	1,808,697	2,512,066	3,846,172
Capital outlay	3,470,556	2,577,411	424,088	2,304,424
Debt service:				
Principal	1,519,243	1,520,438	1,422,705	1,326,185
Interest and fees	1,474,101	1,162,345	721,877	1,111,724
Payments refunded bond escrow agent	-	-	-	-
Total Expenditures	16,885,145	15,973,946	13,958,908	16,552,605
Excess (Deficiency) of				
Revenues Over (Under) Expenditures	(4,997,722)	(1,248,257)	223,795	(2,825,890)
Other Financing Sources (Uses)				
Transfers in	2,657,927	2,673,323	2,426,820	2,387,025
Transfers out	(1,729,333)	(3,874,618)	(4,896,492)	(1,947,846)
Issuance of long-term debt	4,260,000	6,315,000	-	7,392,000
Premium on long-term debt	179,469	460,848	-	127,985
Other resources	40,431	44,774	-	475,000
Payments to refunded bond escrow agent	(4,300,560)	(1,732,675)	-	-
Insurance recoveries	-	-	-	-
Sales of capital assets	3,179	7,344	11,626	19,615
Total Other Financing Sources	1,111,113	3,893,996	(2,458,046)	8,453,779
Net Change in Fund Balances	\$ (3,886,609)	\$ 2,645,739	\$ (2,234,251)	\$ 5,627,889
Debt service as a percentage of noncapital expenditures	22.31%	20.03%	15.84%	17.11%

TABLE 5

		Fiscal Year									
		2015	2016	2017	2018	2019	2020				
\$	4,741,831	\$	4,998,616	\$	5,266,699	\$	5,575,700	\$	6,039,361	\$	8,837,302
	4,021,662		4,371,880		4,492,652		4,889,377		5,155,893		5,528,824
	2,850,062		2,777,935		2,686,099		2,844,403		2,829,049		1,673,609
	486,694		495,709		464,908		462,968		486,716		484,574
	213,904		187,729		247,174		752,653		565,692		1,202,430
	653,730		563,971		362,397		317,579		332,825		289,954
	709,339		745,419		754,803		894,306		951,881		811,277
	728,094		656,385		1,037,098		1,276,879		490,013		1,744,570
	19,380		70,100		119,133		174,339		380,670		249,518
	443,233		530,322		880,451		604,431		358,356		413,318
	<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>		<u>21,235,376</u>
	2,695,518		4,195,350		3,764,359		4,353,027		5,416,871		5,273,179
	3,349,118		3,558,802		3,698,141		3,904,198		4,161,972		4,400,877
	708,518		896,180		666,775		901,494		1,226,915		756,000
	2,464,526		2,096,550		1,673,443		1,884,502		1,636,255		1,083,637
	2,743,266		2,266,449		3,145,692		3,455,809		2,933,449		7,013,045
	1,700,223		1,180,847		2,281,828		1,734,806		898,513		6,851,734
	1,439,775		1,815,125		1,872,455		1,550,274		1,803,503		1,870,697
	1,068,183		973,859		947,412		920,471		913,172		991,512
	-		325,000		-		-		23,330		-
	<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>		<u>28,240,681</u>
	(1,301,198)		(1,910,096)		(1,738,691)		(911,946)		(1,423,524)		(7,005,305)
	2,856,260		2,554,732		1,976,999		2,168,734		3,073,422		1,783,130
	(2,356,012)		(4,182,948)		(1,341,347)		(1,263,935)		(2,071,568)		(1,232,713)
	1,695,558		1,440,000		3,135,000		4,605,000		465,000		4,061,497
	185,830		116,968		427,340		213,370		-		-
	-		-		-		-		-		-
	(1,819,234)		(1,505,285)		(3,692,139)		-		-		(1,401,769)
	-		51,757		20,000		27,499		-		-
	-		12,234		4		376		-		-
	<u>562,402</u>		<u>(1,512,542)</u>		<u>525,857</u>		<u>5,751,044</u>		<u>1,466,854</u>		<u>3,210,145</u>
\$	<u>(738,796)</u>	\$	<u>(3,422,638)</u>	\$	<u>(1,212,834)</u>	\$	<u>4,839,098</u>	\$	<u>43,330</u>	\$	<u>(3,795,160)</u>
	17.33%		17.29%		17.88%		14.56%		15.13%		13.38%

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

	Fiscal Year			
	2011	2012	2013	2014
Real Property	\$ 749,216,172	\$ 779,056,911	\$ 792,557,307	\$ 816,067,208
Personal Property	82,203,043	81,672,766	89,185,540	101,281,545
Less: Tax Exempt Property	(135,123,943)	(146,849,465)	(147,350,585)	(143,609,524)
Less: Other (1)	<u>(89,217,278)</u>	<u>(86,623,396)</u>	<u>(98,583,801)</u>	<u>(103,017,981)</u>
Total Taxable Assessed Value (2)	<u>\$ 607,077,994</u>	<u>\$ 627,256,816</u>	<u>\$ 635,808,461</u>	<u>\$ 670,721,248</u>
Taxable Assessed Value as a Percentage of Estimated Actual Value	100.00%	100.00%	100.00%	100.00%
Estimated Actual Taxable Value	\$ 607,077,994	\$ 627,256,816	\$ 635,808,461	\$ 670,721,248
Total Direct Tax Rate	\$ 0.0584	\$ 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					
2015	2016	2017	2018	2019	2020
\$ 863,574,836	\$ 929,201,260	\$ 976,858,517	\$ 1,026,626,754	\$ 1,102,079,762	\$ 1,250,713,427
110,674,924	121,017,621	127,021,941	133,469,154	130,498,163	131,924,208
(150,322,357)	(158,570,133)	(157,738,191)	(169,209,339)	(184,097,781)	(198,272,039)
<u>(86,004,438)</u>	<u>(108,720,698)</u>	<u>(120,320,209)</u>	<u>(127,814,502)</u>	<u>(145,244,415)</u>	<u>(186,814,939)</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>	<u>\$ 997,550,657</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$ 737,922,965	\$ 782,928,050	\$ 825,822,058	\$ 863,072,067	\$ 903,235,729	\$ 997,550,657
\$ 0.5640	\$ 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			
	2011	2012	2013	2014
City By Fund:				
Operating	\$ 0.2289	\$ 0.3202	\$ 0.3504	\$ 0.3638
Debt service	0.2651	0.2637	0.2336	0.2202
Total Direct Rates	<u>0.4940</u>	<u>0.5839</u>	<u>0.5840</u>	<u>0.5840</u>
Bastrop Independent School District (BISD)	1.4810	1.4810	1.4810	1.4610
Bastrop County/County Road	<u>0.6192</u>	<u>0.6175</u>	<u>0.4259</u>	<u>0.6290</u>
Total Direct and Overlapping Rates (1)	<u>\$ 2.5942</u>	<u>\$ 2.6824</u>	<u>\$ 2.4909</u>	<u>\$ 2.6740</u>
Other: Hunter's Crossing PID fixed amount	<u>\$ 271.00</u>	<u>\$ 289.52</u>	<u>\$ 308.16</u>	<u>\$ 324.16</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					
2015	2016	2017	2018	2019	2020
\$ 0.3598	\$ 0.3596	\$ 0.3640	\$ 0.3643	\$ 0.3691	\$ 0.3691
0.2042	0.2044	0.2000	0.1997	0.1949	0.1949
<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>
1.4410	1.4410	1.4410	1.4410	1.4410	1.3700
<u>0.6290</u>	<u>0.6190</u>	<u>0.5990</u>	<u>0.5897</u>	<u>0.5799</u>	<u>0.5699</u>
<u>\$ 2.6340</u>	<u>\$ 2.6240</u>	<u>\$ 2.6040</u>	<u>\$ 2.5947</u>	<u>\$ 2.5849</u>	<u>\$ 2.5039</u>
<u>\$ 324.16</u>	<u>\$ 324.16</u>	<u>\$ 342.16</u>	<u>\$ 361.16</u>	<u>\$ 381.16</u>	<u>\$ 403.16</u>

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

	Fiscal Year			
	2011	2012	2013	2014
Tax levy	\$ 3,609,482	\$ 3,915,501	\$ 3,977,570	\$ 4,192,486
Current tax collected	\$ 3,517,945	\$ 3,863,585	\$ 3,928,876	\$ 4,147,083
Percentage of current tax collections	97.46%	98.67%	98.78%	98.92%
Delinquent tax collections	\$ 69,650	\$ 34,487	\$ 37,403	\$ 3,648
Total tax collections	<u>\$ 3,587,595</u>	<u>\$ 3,898,072</u>	<u>\$ 3,966,279</u>	<u>\$ 4,150,731</u>
Total collections as a percentage of current levy	99.39%	99.55%	99.72%	99.00%

Source: Tax-Assessor/Collector Annual Report

TABLE 8

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 4,356,620	\$ 4,704,126	\$ 5,001,944	\$ 5,271,488	\$ 5,525,922	\$ 5,904,603
\$ 4,321,311	\$ 4,683,239	\$ 4,889,591	\$ 5,221,755	\$ 5,462,580	\$ 5,832,789
99.19%	99.56%	97.75%	99.06%	98.85%	98.78%
\$ 11,371	\$ 20,270	\$ 32,412	\$ 24,599	\$ 31,956	\$ 41,368
<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>	<u>\$ 5,874,157</u>
99.45%	99.99%	98.40%	99.52%	99.43%	99.48%

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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	
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
2020	\$ 0.3691	\$ 0.1949	\$ 0.5640	\$ 1.3700	\$ 0.5699	\$ 403.16

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

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

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

Property Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
BCSC, LLC	\$ 34,174,847	1	3.43%	\$ 16,892,157	1	2.78%
The Village at Hunter's Crossing, LLC	21,361,100	2	2.14%			
Covert Chevrolet	15,957,531	3	1.60%	8,316,749	5	1.37%
The Lodge at Lost Pines LP	14,072,307	4	1.41%			
Bastrop Walnut Ridge Apartments	12,477,573	5	1.25%	8,444,837	4	1.39%
Buc-ee's LTD	12,131,691	6	1.22%			
Spectrum Gulf Coast LLC	11,501,193	7	1.15%			
Walmart Real Estate Bus Trust	9,380,000	8	0.94%	12,971,688	2	2.14%
H E Butt Grocery Company	8,431,600	9	0.85%	8,830,412	3	1.45%
Soft Hotels LLC	7,148,383	10	0.72%	5,422,397	6	0.89%
Total	\$ 146,636,225		14.70%	\$ 60,878,240		10.03%

Source: Central Appraisal District of Bastrop County

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

Function/Program	Fiscal Year			
	2011	2012	2013	2014
Agriculture/forestry/fishing/hunting	\$ 49,464	\$ 51,436	\$ 49,046	\$ 52,808
Construction	2,529,176	612,692	733,996	813,098
Manufacturing	609,479	1,113,311	567,873	1,038,367
Wholesale trade	1,532,664	1,897,020	2,180,790	2,151,794
Retail trade	191,434,598	227,250,051	231,643,120	238,982,499
Transportation/warehousing	-	5,480	58,825	64,042
Information	1,451,985	1,886,983	2,268,905	5,165,014
Finance/insurance	1,277,053	1,334,575	1,430,714	1,441,582
Professional/scientific/technical	619,830	688,357	939,161	586,683
Real estate/rental/leasing	1,240,362	1,006,683	1,062,877	894,945
Admin/support/waste mgmt/remediation Svcs	377,390	536,628	608,223	546,942
Educational services	7,479	5,424	11,445	33,522
Health care/social assistance	108,373	265,225	146,756	134,592
Arts/entertainment/recreation	868,901	819,934	817,189	660,179
Accommodation/food services	37,095,419	41,461,897	46,836,570	51,668,983
Other services (except public admin)	5,338,783	5,448,774	5,089,936	5,622,266
Public administration	1,361,039	2,728,196	2,959,497	2,987,696
Total	\$ 245,901,995	\$ 287,112,666	\$ 297,404,923	\$ 312,845,012
City direct sales tax rate	1%	1%	1%	1%

Source: Texas Comptroller

1 Only two quarters of data were available on the comptroller website.

TABLE 11

Fiscal Year					
2015	2016	2017	2018	2019	2020 (1)
\$ 52,920	\$ 45,195	\$ 26,709	\$ 9,784	\$ -	\$ -
761,185	1,086,071	1,276,755	1,434,533	1,450,287	488,781
1,205,357	750,211	2,195,084	4,946,984	4,360,401	1,427,365
1,822,898	2,153,299	3,242,142	3,280,963	4,023,171	4,480,129
277,256,866	297,431,573	305,663,642	321,199,539	344,974,059	173,458,783
42,575	54,272	44,023	17,747	5,130	-
6,285,357	6,069,450	6,121,756	6,762,369	6,345,451	2,924,118
1,499,365	1,583,797	1,759,048	1,785,962	1,900,445	1,131,962
600,935	707,937	594,742	537,783	615,556	318,329
1,284,457	1,342,905	1,314,416	1,191,412	1,370,578	631,291
552,963	603,347	653,077	608,736	682,392	312,003
24,482	92,677	38,465	81,573	144,907	19,260
155,984	180,685	137,808	155,674	126,948	36,900
487,662	748,173	977,423	1,104,683	1,166,187	408,935
60,429,758	65,489,245	66,899,175	71,666,231	81,170,156	36,388,664
6,609,898	7,480,169	7,607,821	7,398,503	9,117,452	3,934,720
3,160,468	2,954,206	2,947,905	3,264,103	3,218,214	1,291,771
<u>\$ 362,233,130</u>	<u>\$ 388,773,212</u>	<u>\$ 401,499,991</u>	<u>\$ 425,446,579</u>	<u>\$ 460,671,334</u>	<u>\$ 227,253,011</u>
1%	1%	1%	1%	1%	1%

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

	Fiscal Year			
	2011	2012	2013	2014
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					
2015	2016	2017	2018	2019	2020
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			
	2011	2012	2013	2014
Primary Government				
Governmental Activities:				
General obligation bonds	\$ 15,710,244	\$ 14,430,240	\$ 13,197,037	\$ 12,218,133
Tax notes	349,047	218,856	92,754	-
Notes payable	642,839	688,171	570,384	960,513
Certificates of obligation	1,939,055	11,435,550	10,723,722	22,663,741
Subtotal	<u>18,641,185</u>	<u>26,772,817</u>	<u>24,583,897</u>	<u>35,842,387</u>
Business-Type Activities:				
General obligation bonds	2,755,453	4,862,938	4,499,232	4,132,955
Notes payable	-	-	-	600,000
Revenue bonds	-	-	-	-
Certificates of obligation	16,998,811	10,321,157	9,768,175	24,096,343
Subtotal	<u>19,754,264</u>	<u>15,184,095</u>	<u>14,267,407</u>	<u>28,829,298</u>
Total Primary Government	<u>\$ 38,395,449</u>	<u>\$ 41,956,912</u>	<u>\$ 38,851,304</u>	<u>\$ 64,671,685</u>
Personal Income	\$ 208,272,142	\$ 214,995,338	\$ 221,930,814	\$ 205,628,067
Debt as a Percentage of Personal Income	18.44%	19.52%	17.51%	31.45%
Population	7,306	7,394	7,483	7,649
Debt per Capita	\$ 5,255	\$ 5,674	\$ 5,192	\$ 8,455

TABLE 13

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 13,495,677	\$ 10,787,319	\$ 13,332,897	\$ 11,480,719	\$ 10,308,719	\$ 9,467,954
-	-	-	-	465,000	450,000
819,821	388,915	341,547	294,179	257,227	240,451
19,327,660	13,010,913	8,888,001	12,832,674	12,201,171	12,718,937
<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>	<u>22,877,342</u>
4,599,140	2,621,276	3,141,477	2,734,277	2,482,080	2,339,266
540,000	480,000	420,000	360,000	1,100,000	840,000
-	-	-	-	1,900,000	20,518,444
<u>22,114,323</u>	<u>16,763,677</u>	<u>15,293,897</u>	<u>14,425,594</u>	<u>13,358,026</u>	<u>12,029,228</u>
<u>27,253,463</u>	<u>19,864,953</u>	<u>18,855,374</u>	<u>17,519,871</u>	<u>18,840,106</u>	<u>35,726,938</u>
<u>\$ 60,896,621</u>	<u>\$ 44,052,100</u>	<u>\$ 41,417,819</u>	<u>\$ 42,127,443</u>	<u>\$ 42,072,223</u>	<u>\$ 58,604,280</u>
\$ 240,025,700	\$ 266,519,676	\$ 281,676,710	\$ 295,304,478	\$ 344,404,620	\$ 377,529,540
25.37%	16.53%	14.70%	14.27%	12.22%	15.52%
7,900	8,600	8,600	8,911	9,159	9,154
\$ 7,708	\$ 5,122	\$ 4,816	\$ 4,728	\$ 4,594	\$ 6,402

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CITY OF BASTROP, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2020

	<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	\$ 40,975,000	15.75%	\$ 6,453,563
Bastrop Independent School District	\$ 144,270,568	23.80%	<u>34,336,395</u>
Subtotal, overlapping debt			40,789,958
City Direct Debt	\$ 22,877,342	100.00%	<u>22,877,342</u>
Total Direct and Overlapping Debt			<u><u>\$ 63,667,300</u></u>
Ratio of Direct and Overlapping Bonded Debt to Taxable Assessed Valuation			7.04%
Per Capita Direct and Overlapping Debt			\$ 8,425

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			
	2011	2012	2013	2014
Assessed valuation	\$ 607,077,994	\$ 627,256,816	\$ 635,808,461	\$ 670,721,248
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	\$ 9,106,170	\$ 9,408,852	\$ 9,537,127	\$ 10,060,819
Actual amount expended for general obligation debt service during the fiscal year	\$ 1,871,190	\$ 2,508,842	\$ 2,147,495	\$ 2,437,909
Legal Debt Margin for Annual Debt Service Requirements	\$ 7,234,980	\$ 6,900,010	\$ 7,389,632	\$ 7,622,910
Total net debt applicable to the limit as a percentage of debt limit	20.55%	26.66%	22.52%	24.23%

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

TABLE 15

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 737,922,965	\$ 782,928,050	\$ 825,822,058	\$ 863,072,067	\$ 903,235,729	\$ 997,550,657
1.5	1.5	1.5	1.5	1.5	1.5
<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>\$ 14,963,260</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>\$ 2,739,833</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>	<u>\$ 12,223,427</u>
20.57%	19.12%	21.80%	18.06%	19.86%	18.31%

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

	Fiscal Year			
	2011	2012	2013	2014
Gross Revenues (1)	\$ 3,445,382	\$ 3,610,941	\$ 3,986,051	\$ 3,971,117
Operating Expenses (2)	<u>2,524,850</u>	<u>2,443,648</u>	<u>2,818,231</u>	<u>2,469,599</u>
Net Revenues Available for Debt Service	<u>\$ 920,532</u>	<u>\$ 1,167,293</u>	<u>\$ 1,167,820</u>	<u>\$ 1,501,518</u>
Debt Service Requirements (3)				
Principal and Interest	<u>\$ 563,808</u>	<u>\$ 571,497</u>	<u>\$ 759,350</u>	<u>\$ 928,595</u>
Coverage	1.633	2.043	1.538	1.617

(1) Water and Wastewater Fund operating and nonoperating revenues (includes impact fees collected and applied to debt service)

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

(3) Includes all debt pledged by water and wastewater rates

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

TABLE 16

Fiscal Year					
2015	2016	2017	2018*	2019	2020
\$ 4,353,611	\$ 4,703,546	\$ 5,496,713	\$ 5,277,917	\$ 5,625,296	\$ 6,267,337
<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>3,253,582</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>\$ 3,013,755</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>	<u>\$ 1,553,967</u>
1.247	0.952	1.698	1.343	1.906	1.939

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

	Fiscal Year			
	2011	2012	2013	2014
Population (1)	7,306	7,394	7,483	7,557
Median Household Income (1)	\$ 48,486	\$ 48,486	\$ 48,486	\$ 49,456
Per Capita Personal Income (4)	\$ 25,839	\$ 25,839	\$ 26,356	\$ 26,356
Median Age (1)	33.40	33.60	36.90	36.90
Education Level (18 and over) (2)				
Less than high school graduate	670	670	800	800
High school graduate (or equivalent)	1,291	1,291	1,285	1,285
Some college, no degree	1,626	1,626	1,570	1,570
Associate degree or higher	190	190	261	261
Bachelor's degree or higher	717	717	571	571
Graduate degree or higher	459	459	421	421
School Enrollment (3)	4,344	3,949	3,764	3,663
Unemployment Rate (4)	8.60%	7.80%	6.40%	4.20%

Data sources:

(1) Information from 2000 census and 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 Texas Workforce Commission website (www.twc.state.tx.us). Bastrop County rate only one available.

TABLE 17

Fiscal Year					
2015	2016	2017	2018	2019	2020
7,900	8,600	8,911	9,159	9,420	9,154
\$ 52,886	\$ 53,889	\$ 48,178	\$ 63,936	\$ 63,936	\$ 60,883
\$ 28,930	\$ 29,509	\$ 31,610	\$ 32,242	\$ 36,561	\$ 38,289
38.90	38.70	36.00	40.50	41.00	38.98
987	881	781	979	979	680
1,410	1,479	1,680	1,654	1,654	1,770
1,273	1,462	1,358	1,771	1,771	1,881
378	387	413	398	398	429
679	679	843	802	802	1,169
302	325	296	497	497	794
3,942	4,123	4,114	4,690	4,809	4,850
3.80%	3.40%	2.90%	3.10%	3.30%	6.20%

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TABLE 18

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

Employer	2020			2011		
	Employees	Rank	Total County Employment (%)	Employees	Rank	Total County Employment (%)
Bastrop Independent School District	1,427	1	9.42%	1,230	1	8.89%
Hyatt Regency Lost Pines Resort	650	2	4.29%	735	2	5.31%
Bastrop County	464	3	3.06%	483	3	3.49%
MD Anderson Cancer Center	439	4	2.90%	386	5	2.79%
HEB Food Stores	408	5	2.69%	280	7	2.02%
Walmart	311	6	2.05%	400	4	2.89%
Agilent/Stratagene	306	7	2.02%	120	9	0.87%
Bastrop FCI	276	8	1.82%	284	6	2.05%
Buc-ee's	169	9	1.12%	-	-	-
Bluebonnet Electric Co-op	168	10	1.11%	147	8	1.06%
Southside Market & BBQ	146	11	0.96%	-	-	-
City of Bastrop	144	12	0.95%	115	10	0.83%
Lowe's	128	13	0.85%	-	-	-
First National Bank	127	14	0.84%	-	-	-
Total	5,163		34.09%	4,180		30.22%
Total County Employment	15,145			13,830		

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			
	2011	2012	2013	2014
General Government				
City Manager's Office	2.60	2.60	2.63	2.63
City Secretary	1.00	1.00	1.00	1.00
Finance	4.30	4.30	4.30	4.45
Utility Billing	7.00	7.00	7.00	7.00
Human Resources	1.00	1.00	1.00	1.10
Information Technology	1.00	1.00	1.00	1.00
Filming/Broadcasting	-	-	-	-
Municipal Court	5.50	5.50	5.50	5.50
Building Maintenance	4.00	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	-	-	-	-
Assistant Chief	-	-	-	-
Firefighters-PT	-	-	-	-
Development Services				
Planning	4.00	4.00	5.00	5.00
Building Inspections	1.00	1.00	1.00	1.00
Public Works				
Administration	2.20	2.20	2.00	1.00
Streets	10.00	10.00	10.00	10.00
Community Services				
Parks Department	11.00	11.00	11.00	11.00
Library	9.80	9.80	9.80	9.80
Proprietary Funds				
Water/Wastewater	13.00	13.00	13.00	12.50
Electric	9.00	9.00	9.00	9.00
Other Funds				
Convention Center	4.00	4.20	4.20	4.20
Special Events and Reservations	-	-	-	-
Economic Development Corporation	2.00	2.00	2.00	2.00
Fairview Cemetery	0.50	0.50	0.50	1.50
Main Street	1.00	1.00	1.00	1.00
Total	<u>118.40</u>	<u>118.60</u>	<u>119.43</u>	<u>119.18</u>

TABLE 19

Fiscal Year					
2015	2016	2017	2018	2019	2020
2.63	2.63	2.63	2.63	4.25	4.25
1.00	1.00	1.00	1.00	1.00	1.00
4.45	4.45	5.00	5.00	4.00	4.00
7.00	5.00	4.00	4.00	4.00	4.00
1.10	1.50	1.63	1.63	1.63	1.75
1.00	2.00	1.50	2.00	2.00	2.00
-	-	0.50	1.00	2.63	2.58
5.50	4.50	4.50	4.50	4.50	3.25
4.00	4.00	4.00	4.00	4.00	4.00
22.00	22.00	22.00	22.00	24.00	24.00
2.50	2.50	2.50	2.50	3.00	3.00
1.00	0.50	0.50	0.50	0.50	0.50
-	0.50	0.50	0.50	0.50	0.50
-	1.00	1.00	1.00	1.00	1.00
-	-	-	-	-	1.00
-	-	-	4.00	6.30	6.30
5.00	5.00	5.00	5.00	6.00	5.50
1.00	1.00	1.00	1.50	2.50	3.00
1.00	1.00	1.00	2.00	2.00	3.50
10.00	10.00	9.25	10.00	10.00	10.00
11.00	11.00	12.95	12.95	12.95	12.06
9.80	9.80	9.80	9.95	9.95	9.95
12.50	12.50	17.00	18.50	18.75	18.75
9.00	9.00	9.00	9.00	9.00	9.00
5.50	4.50	4.50	4.00	4.83	4.90
-	-	-	-	0.77	0.77
2.00	3.50	3.50	4.00	4.00	4.00
1.50	1.00	1.00	1.00	1.00	1.00
1.00	1.00	1.00	2.00	2.25	1.60
121.48	120.88	126.26	136.16	147.31	147.16
121.48	120.88	126.26	136.16	147.31	147.16

CITY OF BASTROP, TEXAS

OPERATING INDICATORS BY FUNCTION

Last Ten Years

Function/Program	Fiscal Year			
	2011	2012	2013	2014
General Government				
Building permits issued	101	139	141	158
Building permits value (thousands)	\$ 3,429	\$ 3,857	\$ 3,649	\$ 4,522
Police				
Physical arrests	829	834	769	816
Violations issued	3,643	3,678	3,606	4,125
Accident investigations	304	383	316	448
Fire				
Incident volume	980	1,040	1,125	1,150
Priority calls answered	430	325	398	450
Court				
Cases filed	2,375	2,006	1,990	2,012
Warrants issued	1,398	1,097	924	1,063
Public Works				
Paved streets (miles)	53	53	54	55
Open drainage ditches (miles)	50	50	50	50
Storm sewer lines (miles)	67	67	67	67
Number of street signs	1,425	1,425	1,425	1,425
Parks and Recreation				
Pavilion rentals	95	95	96	96
New trees planted	75	75	50	50
Special events	16	22	24	56
Library				
Volumes in collection	50,211	50,504	50,157	50,765
Total circulation	193,529	163,577	165,667	167,324
Story time and program attendance	12,979	12,562	13,161	13,500
Water				
Treated water produced (millions of gallons)	445.269	454.174	476.704	486.706
Line leaks and breaks	210	69	254	259
Wastewater				
Millions of gallons treated	229.610	312.842	319.099	325.480
Sewer stops	92	45	176	180

TABLE 20

		Fiscal Year					
		2015	2016	2017	2018	2019	2020
		157	100	117	164	83	178
\$		5,001	4,647	4,103	5,127	7,325	4,174
		700	781	547	539	593	501
		4,000	4,869	3,116	2,662	3,474	3,747
		450	552	528	434	426	363
		1,140	921	676	759	1,112	900
		530	444	213	260	1,017	687
		1,679	3,155	2,336	2,236	2,159	2,186
		802	1,673	2,277	1,044	688	619
		56	56	56	59	59	59
		50	50	50	50	50	50
		67	67	67	67	67	67
		1,435	1,435	1,435	1,435	1,435	1,435
		96	51	60	66	88	21
		50	7	3	20	15	7
		56	57	49	46	31	10
		52,132	53,566	54,322	53,459	52,014	49,637
		162,900	152,111	145,827	142,956	145,444	67,896
		12,000	11,748	14,349	13,633	13,603	6,160
		495.797	481.745	515.216	542.252	569.897	624.736
		118	133	111	142	85	78
		325.737	350.635	343.872	352.574	378.132	411.194
		53	55	54	52	81	43

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

Function/Program	Fiscal Year			
	2011	2012	2013	2014
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)	53	53	54	55
Open Drainage Ditches (miles)	50	50	50	50
Storm Sewer Lines (miles)	67	67	67	67
Parks and Recreation				
Acreage (maintained)	120	120	120	120
Right of Ways	55	55	55	55
Playgrounds	3	-	3	4
Basketball Courts	3	-	6	6
Ball Fields	7	7	7	7
Sand Volleyball	1	1	1	1
Water				
Number of Service Connections	2,825	2,889	2,960	3,029
Wastewater				
Number of Service Connections	2,540	2,564	2,625	2,678
Number of Lift Stations	15	18	18	18

Source: Various City departments

TABLE 21

Fiscal Year					
2015	2016	2017	2018	2019	2020
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
56	56	56	59	59	59
50	50	50	50	50	50
67	67	67	67	67	67
120	120	123	123	123	130
55	55	55	55	55	55
4	4	4	5	5	7
4	4	4	4	4	4
7	7	7	7	7	7
1	1	1	1	1	1
3,091	3,140	3,306	3,393	3,469	3,644
2,754	2,781	2,941	3,006	3,029	3,192
18	18	18	19	21	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)
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
2020	2.821	1.711	1,917

Source: City of Bastrop

CITY OF BASTROP, TEXAS
TEN LARGEST WATER CUSTOMERS
 September 30, 2020

<u>Customer</u>	<u>Revenue</u>	<u>% of Total Annual Revenue</u>
City of Bastrop	\$ 118,461	3.85%
Bastrop County	65,745	2.14%
Bastrop Independent School District	60,554	1.97%
Lodge at Lost Pines Resort	46,004	1.50%
Walnut Ridge Apartments	45,773	1.49%
Buc-ee's	31,355	1.02%
H.E. Butt Grocery Co.	28,489	0.93%
The Preserve at Hunter's Crossing Apartments	18,435	0.60%
Silver Pines Nursing & Rehab	16,784	0.55%
Texas Parks and Wildlife	16,543	0.54%
	<u>\$ 448,143</u>	<u>14.57%</u>

% of Total Annual Revenue is based on water utility billing only of \$3,075,470

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS
MONTHLY AND VOLUMETRIC WATER RATES
 September 30, 2020

Residential and Commercial - Inside City Limits:

3/4" or smaller	\$ 27.72
1" Meter	\$ 47.13
1 1/2" Meter	\$ 82.06
2" Meter	\$ 124.19
3" Meter	\$ 232.86
4" Meter	\$ 296.46
6" Meter	\$ 714.14

Plus charges per 1,000 gallons usage:

1-3,000 gallons	\$ 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	\$ 70.70
1 1/2" meter	\$ 123.09
2" meter	\$ 186.29
3" meter	\$ 349.29
4" meter	\$ 507.34
6" meter	\$ 1,071.21

Plus charges per 1,000 gallons usage:

1-3,000 gal.	\$ 7.12
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 (subscribed capacity)	\$45,000 per MGD
Transmission Cost (subscribed capacity)	\$4,243.70 per MGD
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 March 24, 2020

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

**Average Daily Wastewater
Flow**

Fiscal Year	Gallons
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
2020	1.123

Source: City of Bastrop

CITY OF BASTROP, TEXAS
TEN LARGEST WASTEWATER CUSTOMERS
September 30, 2020

<u>Customer</u>	<u>Revenue</u>	<u>% of Total Annual Revenue</u>
Bastrop County WCID #2	\$ 126,389	4.32%
Walnut Ridge Apartments	116,591	3.99%
Lodge at Lost Pines Resort	86,343	2.95%
Bastrop County	51,294	1.75%
Bastrop Housing Authority	48,005	1.64%
Bastrop Independent School District	38,190	1.31%
City of Bastrop	35,976	1.23%
Pine Point Apartments	32,886	1.12%
The Arbors of Bastrop	30,883	1.06%
Oak Grove Apartments	26,628	0.91%
	<u>\$ 593,185</u>	<u>20.27%</u>

% of Total Annual Revenue is based on water utility billing only of \$2,925,708

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS
MONTHLY AND VOLUMETRIC WASTEWATER RATES
 September 30, 2020

Residential, Multifamily and Commercial - Inside City Limits:

Minimum charge	\$ 41.97
Plus charges per 1,000 gallons usage:	
1-5,000 gallons	\$ 2.45
5,001-10,000 gallons	\$ 2.77
10,001-20,000 gallons	\$ 2.95
20,001-50,000 gallons	\$ 3.18
over 50,001 gallons	\$ 3.47

Wholesale Water

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 March 24, 2020