

# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 8 LONG-TERM DEBT (Continued)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Component unit activities					
Revenue bonds payable	\$ <u>1,000,000</u>	<u>-0-</u>	<u>(110,000)</u>	<u>890,000</u>	<u>115,000</u>

Long-term debt at September 30, 2013, is composed of the following items:

Payable out of the Debt Service Fund through ad valorem taxes:

\$3,860,000 Series 2005 general obligation refunding bonds due in annual installments of \$320,000 to \$345,000 through July 15, 2016; interest at 3.55 percent to 3.70 percent; outstanding bonds may be redeemed on or after July 15, 2015 at par plus accrued interest \$ 995,000  
Less deferred amount on refunding (20,191)

\$2,000,000 Series 2007 combination tax and revenue certificates of obligation due in annual installments of \$85,000 to \$140,000 through July 15, 2027; interest at 4.10 percent to 4.40 percent; outstanding bonds may be redeemed on or after July 15, 2017, at par plus accrued interest 1,530,000

\$1,250,000 Series 2009 combination tax and revenue certificates of obligation due in annual installments of \$50,000 to \$100,000 through July 15, 2028; interest at 4.99 percent; outstanding bonds may be redeemed on or after July 15, 2019, at par plus accrued interest 1,110,000

\$180,000 Series 2010 public property finance contractual obligations due in annual installments of \$45,000 through July 15, 2014; interest at 3.31 percent 45,000

(Continued)

# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 8 LONG-TERM DEBT (Continued)

\$9,235,000 (\$1,157,278 for the general governmental portion) Series 2011 combination tax and revenue certificates of obligation due in annual installments of \$36,250 to \$77,278 through July 15, 2034; interest at 2.0 percent to 4.4 percent; outstanding certificates may be redeemed on July 15, 2021, at par plus accrued interest	1,088,355
Unamortized premium on the Series 2011 certificates of obligation	23,080
\$2,210,000 (\$1,489,888 for the general governmental portion) Series 2013 limited tax refunding bonds due in annual installments of \$117,978 to \$202,247 through July 15, 2022; interest at 2.0 percent to 3.0 percent	1,489,888
Unamortized premium on the Series 2013 refunding bonds	49,871
Less deferred amount on refunding	(5,641)
\$2,980,000 (\$1,934,584 for the general governmental portion) Series 2013 combination tax and revenue certificates of obligation due in annual installments of \$68,165 to \$136,328 through July 15, 2033; interest at 2.0 percent to 4.5 percent; outstanding certificates may be redeemed on July 15, 2023, at par plus accrued interest	1,934,584
Unamortized premium on the Series 2013 certificates of obligation	74,913
Capital leases payable from the debt service fund (Note 9)	521,404
Accrued vacation related to governmental fund employees	100,178
Net pension obligation related to governmental fund employees	<u>151,378</u>
Total governmental activities long-term debt	\$ <u>9,087,819</u>
Payable out of the Utility Fund through revenues:	
\$4,307,000 Series 2005 combination tax and limited surplus revenue certificates of obligation due in annual installments of \$110,000 to \$115,000 through July 15, 2045; interest at 4.375 percent; outstanding certificates may be redeemed at any time at par plus accrued interest	\$ 3,647,000

(Continued)

**CITY OF ELGIN, TEXAS**

**NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

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**8 LONG-TERM DEBT (Continued)**

\$2,556,000 Series 2008 combination tax and limited surplus revenue certificates of obligation due in annual installments of \$31,000 to \$135,000 through January 15, 2048; interest at 4.375 percent; outstanding certificates may be redeemed at any time at par plus accrued interest	2,446,000
\$800,000 Series 2009 combination tax and limited surplus revenue certificates of obligation due in annual installments of \$9,000 to \$42,000 through January 15, 2048; interest at 3.625 percent; outstanding certificates may be redeemed at any time at par plus accrued interest	766,000
\$9,235,000 (\$8,077,722 for the utility fund portion) Series 2011 combination tax and revenue certificates of obligation due in annual installments of \$253,750 to \$517,722 through July 15, 2034; interest at 2.0 percent to 4.4 percent; outstanding certificates may be redeemed on July 15, 2021, at par plus accrued interest	7,596,646
Unamortized premium on the Series 2011 certificates of obligation	161,559
\$2,210,000 (\$720,112 for the utility fund portion) Series 2013 limited tax refunding bonds due in annual installments of \$57,022 to \$97,753 through July 15, 2022; interest at 2.0 percent to 3.0 percent	720,112
Unamortized premium on the Series 2013 refunding bonds	24,105
Less deferred amount on refunding	(2,726)
\$2,980,000 (\$1,045,416 for the utility fund portion) Series 2013 combination tax and revenue certificates of obligation due in annual installments of \$36,835 to \$73,672 through July 15, 2033; interest at 2.0 percent to 4.5 percent; outstanding certificates may be redeemed on July 15, 2023, at par plus accrued interest	1,045,416
Unamortized premium on the Series 2013 certificates of obligation	40,481
Accrued vacation related to utility fund employees	30,571
Net pension obligation related to utility fund employees	<u>36,508</u>
Total business-type activities long-term debt	\$ <u>16,511,672</u>

(Continued)

# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 8 LONG-TERM DEBT (Continued)

Payable by the component unit Economic Development Corporation through sales tax revenues:

\$700,000 Series 1999 sales tax revenue bonds due in annual installments of \$35,000 through July 15, 2014, for the defeased portion; interest at 6.00 percent; there is no early redemption option for this remaining defeased debt	\$ 35,000
\$565,000 Series 2007 sales tax revenue refunding bonds due in annual installments of \$5,000 to \$65,000 through July 15, 2024; interest at 4.34 percent; the bonds may be redeemed at any time prior to their scheduled maturities at par plus accrued interest plus a prepayment fee	535,000
Less deferred amount on refunding	(19,322)
\$680,000 Series 2007 sales tax revenue bonds due in annual installments of \$75,000 to \$90,000 through July 15, 2017; interest at 6.125 percent; the bonds may be redeemed at any time prior to their scheduled maturities at par plus accrued interest plus a prepayment fee	<u>320,000</u>
Total component unit long-term debt	\$ <u>870,678</u>

The City is in compliance with all significant limitations and restrictions contained in the City's debt agreements. The Economic Development Corporation Series 1999 bonds contain a covenant that the EDC shall make a monthly transfer of 1/60<sup>th</sup> of the required reserve amount into a reserve fund until the required reserve has been met. The balance in the reserve account at September 30, 2013, was \$34,074, which meets the reserve requirement.

On August 6, 2013, the City issued \$2,210,000 in limited tax refunding bonds with an average interest rate of 2.5% to advance refund \$2,225,000 of outstanding debt (Series 1998 COs, 2002 COs, and 2002 bonds) with an average interest rate of 4.8%. The net proceeds of \$2,233,367 (after payment of \$50,609 in issuance costs) plus an additional \$6,102 of debt service fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 1998 COs, 2002 COs, and 2002 bonds. As a result, that debt is considered to be defeased and the liability for that debt has been removed from the City's books.

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# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 8 LONG-TERM DEBT (Continued)

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$8,367. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2022 using the effective-interest method. The City completed the advance refunding to reduce its total debt service payments over the next 9 years by \$254,115 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$215,921.

Debt service requirements on outstanding long-term debt are as follows:

Year Ended September 30	Governmental Activities		Business-Type Activities		Component Unit	
	Bonds and Notes		Bonds, CO's and Notes		Bonds and Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 782,894	299,990	527,107	634,408	115,000	44,919
2015	766,925	281,719	540,075	623,571	120,000	38,008
2016	791,546	257,589	552,454	609,191	125,000	31,462
2017	463,788	231,976	562,212	591,852	140,000	24,608
2018	480,150	217,175	577,850	573,553	50,000	16,926
2019 - 2023	2,108,664	846,937	2,893,336	2,560,362	280,000	51,212
2024 - 2028	1,769,612	448,263	3,077,388	1,974,053	60,000	2,604
2029 - 2033	951,970	145,428	3,631,030	1,296,470	0	0
2034 - 2038	77,278	3,273	1,612,722	633,403	0	0
2039 - 2043	0	0	1,219,000	363,099	0	0
2044 - 2048	0	0	1,028,000	102,132	0	0
	<u>\$ 8,192,827</u>	<u>2,732,350</u>	<u>16,221,174</u>	<u>9,962,094</u>	<u>890,000</u>	<u>209,739</u>

### 9 CAPITAL LEASES PAYABLE

The City is obligated under certain lease agreements which have been classified as capital leases. Property under capital lease consists of equipment totaling \$1,075,865. Accumulated depreciation of \$511,036 has been recorded against the assets under capital lease. The leases are payable out of the debt service fund.

Capital lease obligations at September 30, 2013, are composed of the following:

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# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 9 CAPITAL LEASES PAYABLE (Continued)

Governmental activities debt payable out of the debt service fund:

\$998,002 lease payable to Government Capital Corporation for RF meter system and various equipment; monthly installments of \$7,846 including principal and interest through September 1, 2019; interest at 4.91 percent \$ 482,567

\$77,863 lease payable to Government Capital Corporation for performance contracting; monthly installments of \$637 including principal and interest through September 1, 2019; interest at 5.23 percent 38,837

Governmental activities capital leases payable \$ 521,404

Future minimum lease payments under capital leases are as follows:

<u>Fiscal Year</u>	<u>Governmental</u>
2014	\$ 101,793
2015	101,793
2016	101,793
2017	101,793
2018	101,793
2019	<u>101,793</u>
	610,758
Less amount representing interest	<u>(89,354)</u>
Present value of minimum lease payments	\$ <u>521,404</u>

### 10 FUND BALANCE RESTRICTED FOR OR COMMITTED TO OTHER PURPOSES

Some fund balance restrictions and commitments have been grouped together under the heading of other purposes. Those amounts are detailed below.

Restricted for other purposes:

General fund:

Municipal court \$ 37,537  
Seizure funds 3,101

Red light camera fund:

Police/Red light camera purposes 219,375

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## CITY OF ELGIN, TEXAS

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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#### 10 FUND BALANCE RESTRICTED FOR OR COMMITTED TO OTHER PURPOSES

##### Nonmajor governmental funds:

Hotel Motel Tax purposes	67,929
Municipal court	321
Channel 10 public safety purposes	<u>88,223</u>
Total restricted for other purposes	\$ <u>416,486</u>

##### Committed to other purposes:

##### Nonmajor governmental funds:

Elgin Main street	29,913
TCF sidewalk grant	<u>1,000</u>
Total committed for other purposes	\$ <u>30,913</u>

#### 11 CAPITAL CONTRIBUTIONS

The City collects impact fees for new connections to the utility system. These are one time fees and may only be used for additions or improvements to the utility system. Impact fees are reported as capital contributions.

Developers pay for the costs of construction of utility system extensions and street and drainage systems in new subdivisions. Once construction by the developer has been completed and accepted by the City, the City takes over ownership as well as the maintenance and repair of the system. Those additions are reported as capital contributions at the time of acceptance by the City.

#### 12 PENSION PLAN

##### Plan description

The City provides pension benefits for all of its eligible employees through a nontraditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing state statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained from TMRS' website at [www.TMRS.com](http://www.TMRS.com).

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# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 12 PENSION PLAN (Continued)

The plan provisions for the City are adopted by the governing body of the City from the options available in the state statutes governing TMRS. Because the TMRS plan year is a calendar year and the City fiscal year ends on September 30, each fiscal year includes two different TMRS plan years. Plan provisions for the City were as follows:

	Plan Year 2012	Plan Year 2013
Employee deposit rate	6.00%	6.00%
Employer phase-in pension rate paid	9.12%	9.86%
Employer actuarially determined pension rate	10.35%	10.78%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/5, 0/20
Updated Service Credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity Increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

#### Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that City. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the TMRS Plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect. The annual pension cost and net pension obligation/(asset) are as follows:

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**CITY OF ELGIN, TEXAS**

**NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

**12 PENSION PLAN (Continued)**

1. Annual Required Contribution (ARC)	274,862
2. Interest on Net Pension Obligation	11,244
3. Adjustment to the ARC	( 9,879)
4. Annual Pension Cost (APC)	276,227
5. Contributions Made	248,964
6. Increase (decrease) in net pension obligation	27,263
7. Net Pension Obligation/(Asset), beginning of year	160,624
8. Net Pension Obligation/(Asset), end of year	187,887

**Trend Information  
Annual Pension Cost**

Accounting Year Ending	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation
9/30/11	\$264,887	\$217,867	82.2%	\$122,496
9/30/12	\$287,737	\$249,609	86.7%	\$160,624
9/30/13	\$276,227	\$248,964	90.1%	\$187,887

The required contribution rates for fiscal year 2013 were determined as part of the December 31, 2010 and 2011 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2012, also follows:

Valuation Date	12/31/10	12/31/11	12/31/12
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
GASB 25 Equivalent Single Amortization Period	27.4 years; closed period	26.8 years; closed period	25.8 years; closed period
Amortization Period for new Gains/Losses	30 years	30 years	30 years

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# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 12 PENSION PLAN (Continued)

Asset Valuation Method	10-year Smoothed Market	10-year Smoothed Market	10-year Smoothed Market
Actuarial Assumptions:			
Investment Rate of Return*	7.0%	7.0%	7.0%
Projected Salary Increases*	Varies by age and service	Varies by age and service	Varies by age and service
* Includes Inflation at	3.00%	3.00%	3.00%
Cost-of-Living Adjustments	2.1%	2.1%	2.1%

### Schedule of Funding Progress for the Retirement Plan for the Employees of the City of Elgin, Texas

Actuarial Valuation Date	Actuarial Value of Assets ( a )	Actuarial Accrued Liability (AAL) ( b )	Unfunded AAL (UAAL) ( b-a )	Funded Ratio ( a/b )	Annual Covered Payroll <sup>1</sup> ( c )	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/10	4,307,845	5,399,950	1,092,105	79.8%	2,491,040	43.8%
12/31/11	4,882,894	6,147,239	1,264,345	79.4%	2,742,621	46.1%
12/31/12	5,557,447	6,734,639	1,177,192	82.5%	2,738,688	43.0%

<sup>1</sup>The annual covered payroll is based on the employee contributions paid to TMRS for the year ending with the valuation date.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation, and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

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# CITY OF ELGIN, TEXAS

## NOTES TO THE FINANCIAL STATEMENTS

(Continued)

### 13 SUPPLEMENTAL DEATH BENEFITS FUND

#### Plan description

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (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 City 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 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); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

#### Contributions

The City contributes to the SDBF at a contractually required rate 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.

The City's contributions to the TMRS SDBF for the years ended 2013, 2012, and 2011 were \$5,280, \$5,797, and \$6,444, respectively, which equaled the required contributions each year.

#### Schedule of Contribution Rates (Retiree-only portion of the rate)

Plan/ Calendar Year	Annual Required Contribution Rate	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2011	.02%	.02%	100.0%
2012	.02%	.02%	100.0%
2013	.02%	.02%	100.0%

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## **CITY OF ELGIN, TEXAS**

### **NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

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#### **14 RISK MANAGEMENT**

The City's risk management program includes coverage for property, general liability, automobile liability, public officials liability and employee dishonesty bonds. The City participates in the Texas Municipal League joint self insurance fund, which is a public entity risk pool. The premiums paid to TML result in the transfer of risk to the pool.

#### **15 CONCENTRATIONS OF CREDIT RISK**

Utility accounts receivable are concentrated within the geographic service area of the utility system, which is within the City of Elgin. Those receivables are not concentrated within any individually significant customers. The City requires a deposit from each utility customer prior to establishing service. The net amount of utility accounts receivable at year end after reducing receivables for the allowance for doubtful accounts and after including estimated amounts for service provided but not yet billed at year end was \$633,177. Utility customer deposits held at year end totaled \$237,432.

#### **16 PRIOR PERIOD ADJUSTMENTS**

Under generally accepted accounting principles effective in prior years, debt issue costs were deferred and amortized over the life of the related debt. Deferred debt issue costs reported as assets by the City at the end of the prior fiscal year were as follows: Governmental Activities \$90,457, Business-type Activities \$187,215, and Component Unit \$13,278. With a change in accounting principles, debt issue costs incurred in the current year have been expensed when incurred and previously deferred debt issue costs have been written off as a reduction to the beginning balances of assets and net assets.

The City began the use of red light cameras in the prior fiscal year. Half of the net revenues collected from the use of the red light cameras after the payment of operating costs should go to the State, but a liability for that amount was not recorded in the previous fiscal year. The amount subsequently paid to the State for the previous fiscal year obligation was \$107,186. The beginning balance of governmental fund liabilities has been increased by that amount and a corresponding decrease to beginning fund balance has been recorded. That adjustment also carries through to the governmental activities column of the government-wide financial statements.

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## **CITY OF ELGIN, TEXAS**

### **NOTES TO THE FINANCIAL STATEMENTS**

(Continued)

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#### **17 COMMITMENTS**

The City had virtually completed the construction projects related to the Fleming Center and the lift station and force main project as of the end of the fiscal year with only a relatively small amount yet to be spent on those projects. Engineering costs have been incurred for new projects, but construction had not yet begun on those new projects at the end of the fiscal year.

#### **18 SIGNIFICANT BUDGET VARIANCES**

The City reported a significant unfavorable budget variance in the revenue category of property taxes. Budgeted property tax revenues were amended upward in the final amended budget because the line item for delinquent tax revenues showed actual revenues of \$288,262 but had no line item budget. The budget increase for that line item should have come out of the line item for current tax revenues though, since the original budget total was close to the total amount of actual revenues but was all budgeted in the line for current taxes. The City did not report an unfavorable budget variance for expenditures for any department.

# CITY OF ELGIN, TEXAS

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

September 30, 2013

		Hotel Motel Tax	Restricted Municipal Court Revenues	CDBG Water Line Grant	Elgin Main Street Board
<b>ASSETS</b>					
Cash and cash equivalents	\$	55,038	321	-0-	32,698
Investments		-0-	-0-	-0-	-0-
Other receivables		12,920	-0-	-0-	-0-
<b>Total assets</b>	\$	<u>67,958</u>	<u>321</u>	<u>-0-</u>	<u>32,698</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$	29	-0-	-0-	2,785
Due to other funds		-0-	-0-	-0-	-0-
<b>Total liabilities</b>		<u>29</u>	<u>-0-</u>	<u>-0-</u>	<u>2,785</u>
<b>Fund Balances</b>					
Restricted for:					
Capital projects		-0-	-0-	-0-	-0-
Police/Red Light Camera		-0-	-0-	-0-	-0-
Other purposes		67,929	321	-0-	-0-
Committed to:					
Morris Park		-0-	-0-	-0-	-0-
Grant projects		-0-	-0-	-0-	-0-
Capital equipment replacement		-0-	-0-	-0-	-0-
Other purposes		-0-	-0-	-0-	29,913
Unassigned		-0-	-0-	-0-	-0-
<b>Total fund balances</b>		<u>67,929</u>	<u>321</u>	<u>-0-</u>	<u>29,913</u>
<b>Total liabilities and fund balances</b>	\$	<u>67,958</u>	<u>321</u>	<u>-0-</u>	<u>32,698</u>

<u>Police/ Channel 10 Special Revenue</u>	<u>Section 125 Fund</u>	<u>TCF Sidewalk Grant</u>	<u>TxDOT Centers Grant</u>	<u>Capital Equipment Replacement</u>	<u>2009 CO Construction</u>
88,223	6,666	175	18,948	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	825	-0-	-0-	-0-
<u>88,223</u>	<u>6,666</u>	<u>1,000</u>	<u>18,948</u>	<u>-0-</u>	<u>-0-</u>
-0-	6,666	-0-	18,948	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
<u>-0-</u>	<u>6,666</u>	<u>-0-</u>	<u>18,948</u>	<u>-0-</u>	<u>-0-</u>
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
88,223	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	1,000	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
<u>88,223</u>	<u>-0-</u>	<u>1,000</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>88,223</u>	<u>6,666</u>	<u>1,000</u>	<u>18,948</u>	<u>-0-</u>	<u>-0-</u>

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**CITY OF ELGIN, TEXAS****COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

(Continued)

	<u>Morris Park Bldg Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 23,571	225,640
Investments	-0-	-0-
Other receivables	-0-	13,745
<b>Total assets</b>	<u>\$ 23,571</u>	<u>239,385</u>
<b>LIABILITIES AND FUND BALANCES</b>		
<b>Liabilities</b>		
Accounts payable	\$ 23,571	51,999
Due to other funds	-0-	-0-
<b>Total liabilities</b>	<u>23,571</u>	<u>51,999</u>
<b>Fund Balances</b>		
Restricted for:		
Capital projects	-0-	-0-
Police/Red Light Camera	-0-	-0-
Other purposes	-0-	156,473
Committed to:		
Morris Park	-0-	-0-
Grant projects	-0-	1,000
Capital equipment replacement	-0-	-0-
Other purposes	-0-	29,913
Unassigned	-0-	-0-
<b>Total fund balances</b>	<u>-0-</u>	<u>187,386</u>
<b>Total liabilities and fund balances</b>	<u>\$ 23,571</u>	<u>239,385</u>

**CITY OF ELGIN, TEXAS****COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2013

	Hotel Motel Tax	Restricted Municipal Court Revenues	CDBG Water Line Grant	Elgin Main Street Board
<b>REVENUES</b>				
Other taxes	\$ 53,222	-0-	-0-	-0-
Fines	-0-	2,197	-0-	-0-
Intergovernmental	-0-	-0-	259,950	-0-
Investment earnings	135	-0-	-0-	50
Miscellaneous	-0-	-0-	-0-	47,612
Total revenues	<u>53,357</u>	<u>2,197</u>	<u>259,950</u>	<u>47,662</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	-0-	1,876	-0-	-0-
Public works	-0-	-0-	309,679	-0-
Other current	41,268	-0-	-0-	48,585
Capital outlay	-0-	-0-	-0-	-0-
Total expenditures	<u>41,268</u>	<u>1,876</u>	<u>309,679</u>	<u>48,585</u>
Excess (deficiency) of revenues over expenditures	<u>12,089</u>	<u>321</u>	<u>(49,729)</u>	<u>(923)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-0-	-0-	40,048	-0-
Transfers out	-0-	-0-	-0-	-0-
Total other financing sources (uses)	<u>-0-</u>	<u>-0-</u>	<u>40,048</u>	<u>-0-</u>
Net change in fund balances	12,089	321	(9,681)	(923)
Fund balances - beginning	<u>55,840</u>	<u>-0-</u>	<u>9,681</u>	<u>30,836</u>
Fund balances - ending	<u>\$ 67,929</u>	<u>321</u>	<u>-0-</u>	<u>29,913</u>

<u>Police/ Channel 10 Special Revenue</u>	<u>Section 125 Fund</u>	<u>TCF Sidewalk Grant</u>	<u>TxDOT Centers Grant</u>	<u>Capital Equipment Replacement</u>	<u>2009 CO Construction</u>
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	135,634	-0-	-0-	-0-
25	-0-	-0-	-0-	73	56
19,328	-0-	-0-	-0-	-0-	-0-
<u>19,353</u>	<u>-0-</u>	<u>135,634</u>	<u>-0-</u>	<u>73</u>	<u>56</u>
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	8,329	-0-	-0-	-0-
-0-	-0-	-0-	-0-	-0-	-0-
-0-	-0-	157,112	-0-	-0-	-0-
<u>-0-</u>	<u>-0-</u>	<u>165,441</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<u>19,353</u>	<u>-0-</u>	<u>(29,807)</u>	<u>-0-</u>	<u>73</u>	<u>56</u>
-0-	-0-	14,532	23,703	24,731	-0-
<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(59,086)</u>	<u>(55,040)</u>
<u>-0-</u>	<u>-0-</u>	<u>14,532</u>	<u>23,703</u>	<u>(34,355)</u>	<u>(55,040)</u>
19,353	-0-	(15,275)	23,703	(34,282)	(54,984)
<u>68,870</u>	<u>-0-</u>	<u>16,275</u>	<u>(23,703)</u>	<u>34,282</u>	<u>54,984</u>
<u>88,223</u>	<u>-0-</u>	<u>1,000</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

**CITY OF ELGIN, TEXAS****COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

(Continued)

	<u>Morris Park Bldg Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<b>REVENUES</b>		
Other taxes	\$ -0-	53,222
Fines	-0-	2,197
Intergovernmental	-0-	395,584
Investment earnings	224	563
Miscellaneous	-0-	66,940
Total revenues	<u>224</u>	<u>518,506</u>
<b>EXPENDITURES</b>		
Current:		
Public safety	-0-	1,876
Public works	-0-	318,008
Other current	-0-	89,853
Capital outlay	224	157,336
Total expenditures	<u>224</u>	<u>567,073</u>
Excess (deficiency) of revenues over expenditures	<u>-0-</u>	<u>(48,567)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	-0-	103,014
Transfers out	(191,064)	(305,190)
Total other financing sources (uses)	<u>(191,064)</u>	<u>(202,176)</u>
Net change in fund balances	(191,064)	(250,743)
Fund balances - beginning	<u>191,064</u>	<u>438,129</u>
Fund balances - ending	\$ <u><u>-0-</u></u>	<u><u>187,386</u></u>

# Attachment 9

## Notice for Publication

(ref. pg. 17 of 31, item 7.F)

## Notice for Publication

### NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO PROVIDE WATER/SEWER UTILITY SERVICE IN

Bastrop and Travis

COUNTY(IES), TEXAS

Name of Applicant The City of Elgin has filed an application for a CCN to obtain or amend CCN No. (s) 10311 and 10294 and to decertify a portion(s) of AQUA WSC and The City of Elgin with the (Name of Decertified Utility)

Texas Commission on Environmental Quality to provide Water  
(specify 1) water or 2) sewer or 3) water & sewer)

utility service in Bastrop and Travis County(ies)

The proposed utility service area is located approximately 1.5 miles N, NE, SE, & SW [direction] of downtown Elgin, [City or Town] Texas, and is generally bounded on the north by Farmland; on the east by Farmland; on the south by Farmland; and on the west by Farmland

#### ***See enclosed map of the proposed service area.***

The total area being requested includes approximately 340 acres and 30 current customers.

The proposed amendment affects customers and/or areas located in the following zip code(s):

78621

*(List All Affected Zip Codes)*

A copy of the proposed service area map is available at (Utility Address and Phone Number): 310 North Main St., Elgin, TX 78621 (512) 281-5724

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or Aopt out@) by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153  
P. O. Box 13087  
Austin, TX 78711-3087

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

***Si desea informacion en Espanol, puede llamar al 1-512-239-0200.***

Attachment 10

Notice for Neighboring Systems,  
Landowners, and Cities

(ref. pg. 17 of 31, item 7.G)



NOTICE OF APPLICATION FOR CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) TO  
PROVIDE WATER/SEWER UTILITY SERVICE IN

## Bastrop and Travis

COUNTY(IES), TEXAS

To: AQUA WSC

Date Notice Mailed \_\_\_\_\_ 20\_\_

(Neighboring System, Landowner or City)

(Address)

City

## State

Zip

Name of Applicant City of Elgin has filed an application for a  
CCN to obtain or amend CCN No. (s) 10311 & 10294 and to  
decertify a portion(s) of AQUA WSC and the City of Elgin with the  
(Name of Decertified Utility)

Texas Commission on Environmental Quality to provide utility service in Bastrop & Travis Water County(ies).  
(specify 1) water or 2) sewer or 3) water & sewer)

The proposed utility service area is located approximately 1.5 miles N., NE, SE, & SW [direction] of downtown Elgin, [City or Town] Texas, and is generally bounded on the north by Farmland; on the east by Farmland; on the south by Farmland; and on the west by Farmland.

***See enclosed map of the proposed service area.***

The total area being requested includes approximately 340 acres and 30 current customers.

The proposed amendment affects customers and/or areas located in the following zip code(s):

78621

*(List All Affected Zip Codes)*

A request for a public hearing must be in writing. You must state (1) your name, mailing address, and daytime telephone number; (2) the applicant's name, application number or another recognizable reference to this application; (3) the statement, "I/we request a public hearing"; (4) a brief description of how you or the persons you represent, would be adversely affected by the granting of the application for a CCN; and (5) your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

**Persons who wish to intervene or comment should write the:**

Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153  
P. O. Box 13087  
Austin, TX 78711-3087

within thirty (30) days from the date of this publication or notice. A public hearing will be held only if a legally sufficient hearing request is received or if the Commission on its own motion requests a hearing. Only those individuals who submit a written hearing request or a written request to be notified if a hearing is set will receive notice if a hearing is scheduled.

If a public hearing is requested, the Executive Director will not issue the CCN and will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, the SOAH will submit a recommendation to the Commission for final decision. If an evidentiary hearing is held, it will be a legal proceeding similar to a civil trial in state district court.

If you are a landowner with a tract of land at least 25 acres or more, that is partially or wholly located within the proposed area, you may request to be excluded from the proposed area (or "opt out") by providing written notice to the Commission within (30) days from the date that notice was provided by the applicant. All requests to opt out of the requested service area must include a scaled, general location map and a metes and bounds description of the tract of land.

Persons who meet the requirements to opt out, and wish to request this option should file the required documents with the:

Texas Commission on Environmental Quality  
Water Supply Division  
Utilities and Districts Section, MC-153  
P. O. Box 13087  
Austin, TX 78711-3087

A copy of the request to opt out of the proposed area must also be sent to the applicant. Staff may request additional information regarding your request.

**Si desea informacion en Espanol, puede llamar al 1-512-239-0200.**

The above notice will be sent to all landowners of 25 acres or more and entities located within 2 miles of the City's existing CCN as listed below:

1. Aqua WSC
2. Bastrop County
3. Elgin MUD 1
4. Elgin MUD 2
5. Travis County