



Jersey Village **Comprehensive Annual** **Financial Report**



For the Fiscal Year Ending September 30, 2019

*COMPREHENSIVE
ANNUAL FINANCIAL REPORT*

of the

CITY OF JERSEY VILLAGE, TEXAS

**For the Year Ended
September 30, 2019**

Officials Issuing Report:

**Austin Bless
City Manager**

**Isabel Kato
Finance Director**

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CITY OF JERSEY VILLAGE, TEXAS

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CITY OF JERSEY VILLAGE, TEXAS

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INTRODUCTORY SECTION

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CITY OF JERSEY VILLAGE, TEXAS

16327 Lakeview Drive, Jersey Village, TX 77040
713-466-2100 (office) 713-466-2177 (fax)

March 16, 2020

Honorable Mayor and City Council
City of Jersey Village
16327 Lakeview Dr
Jersey Village, Texas 77040

Dear Mayor and Members of City Council:

The City of Jersey Village, Texas (the “City”) is required to publish each year a complete set of financial statements presented 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. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Jersey Village for the fiscal year ending September 30, 2019.

This report consists of management’s representations concerning the finances of the City and deems the enclosed data to be accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of all City activities and funds. Therefore, management assumes full responsibility for the completeness and reliability of all information presented in this report. The City also acknowledges all disclosures necessary to enable the reader to gain an understanding of the City’s financial activities that have been included.

The City’s financial statements have been audited by Belt Harris Pechacek, LLLP, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ending September 30, 2019 are free from material misstatement. The 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 presentation. The independent auditors concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the financial statements for the year ending September 30, 2019 are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

As required by GAAP, management has provided a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). The letter of transmittal is designed to complement the MD&A, and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors.

Strategic Direction

The City's vision, mission, and strategy clearly define for the City staff and the community what issues are most important to Jersey Village.

Vision. The City of Jersey Village is to carry on the challenge of providing an excellent level of City services by looking toward the future with a focus on sustaining a superior quality of life.

Mission. The City of Jersey Village is committed to working with citizens to preserve a sense of community and enhance the quality of life by providing friendly, personalized services for the safety and well-being of our City, its natural resources, and environment in a fiscally responsible manner.

To accomplish our mission, we will commit to the following principles:

- **Fiscal Responsibility** – Continue fiscally sound local government practices through active budget controls and a focus on strategic planning within the community.
- **Public Safety** – Provide a safe and secure environment resulting from a partnership between Jersey Village residents and the Police and Fire Departments.
- **Flood Prevention and Mitigation** – The City will continue efforts to reduce flooding in the City and use its influence to encourage the Harris County Flood Control District to complete major flood mitigation programs affecting Jersey Village in a timely manner.
- **Emergency Preparedness** – Our Emergency Management plan is complete and all essential City staff members are in compliance with National Incident Management System standards.
- **Economic Development** – The City will focus economic development efforts on increasing the commercial tax base through the attraction of companies and the expansion of existing businesses.
- **Quality Public Infrastructure and Recreational Facilities** – Provide continual cost effective maintenance and upgrades of streets, municipal utilities, and other municipal owned facilities to meet the service and capacity requirements of the community.

Profile of the Government

The City, which was formed in 1956, is located 15 miles northwest of downtown Houston. As of September 30, 2019, the City had a land area of 3.58 square miles and an estimated population of approximately 7,992. The City is empowered to levy a property tax on both real and personal property located within its boundaries. The City also has the power by state statutes to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the City Council.

The City of Jersey Village has adopted a Council-Manager form of government. The Council is comprised of a Mayor and five Council members. The Mayor and Council members are all elected at large for a two-year term. Elections are staggered with the Mayor and two Council members elected together in odd years and the three remaining members in the following even year. The City Manager is appointed by the Council and is responsible for implementation of Council policy and all day-to-day operations of the City.

The City provides a full range of municipal services including public safety (police and fire protection), residential solid waste sanitation services, water and wastewater services, public improvements, repair and maintenance of infrastructure, recreational and community activities, and general administrative services. The City also owns and operates a public golf course. As an independent political subdivision of the State of Texas governed by an elected Mayor and Council, the City is considered a primary government.

In accordance with standards established by the Governmental Accounting Standards Board, the City reports all funds and account groups for which the City, as the primary government, is accountable. The Jersey Village Crime Control and Prevention District (the “District”) is considered to meet the criteria of a component unit and, therefore, has been included in the report as a discretely presented component unit. The District was created by the City under Chapter 363 of the Texas Local Government Code for the purpose of providing additional crime control and prevention to the City. The District held a required election on May 2013 on the continuance of the District, which resulted in an overwhelming support to maintain the District for an additional ten years.

Local Economy

Per a report from the Texas Workforce Commission, Texas employers added 342,800 jobs over the 2019 year. In December 2019, the seasonally adjusted Texas unemployment rate was 3.5 percent, up a tenth of a percentage point from 3.4 percent in November 2019. Texas added 29,800 job over the month. In 2019, Texas set a record for the lowest unemployment rate since series tracking began in 1976.

	2019	2018	2017
United States	3.7%	3.9%	4.2%
Texas	3.6%	3.7%	3.9%
Jersey Village	3.9%	3.9%	4.1%

Long-term Financial Planning

Capital improvement projects are funded with general governmental revenues and proceeds of general obligation and certificates of obligation debt issues. The City annually adopts a Five-year Capital Improvement Plan and regularly prepares short-term improvement plans for water, wastewater, drainage, municipal facilities, and parks. These plans are prepared by staff and presented to the City Council for review and acceptance. The plans require funding sources to be identified for each project.

For the last several years, the policy of the City has been able to maintain its infrastructure base for streets, water and wastewater systems, and municipal facilities through an aggressive maintenance and improvement program. A portion of general fund revenues is allocated to the Capital Improvement Plan each year. Debt is issued when necessary to finance long-term capital improvements.

Major Initiatives

In 2019, the City of Jersey Village Council approved a Master Development Agreement with Collaborate Special Projects LLC for the development of Village Center, formerly referred to as Jersey Village Crossing. This 43-acre mixed-use development is slated to break ground in 2020. This development will include an upper mid-scale Marriott-branded hotel, retail, restaurants, entertainment, office spaces, multifamily living, and a new City Hall.

Certificate of Achievement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Jersey Village for its CAFR for the year ended September 30, 2018. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such CAFR must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. This is the twentieth consecutive year that the City has received this prestigious award. We believe our current CAFR continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for compliance review.

Acknowledgements

The preparation of the CAFR was made possible by the dedicated service of the entire administration. We appreciate the efforts of everyone involved. In closing, without the leadership and support of the Jersey Village Council, preparation of this report would not have been possible.

Respectfully submitted,

A handwritten signature in cursive script that reads "Isabel Kato". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

Isabel Kato
Director of Finance

CITY OF JERSEY VILLAGE, TEXAS

PRINCIPAL OFFICIALS

September 30, 2019

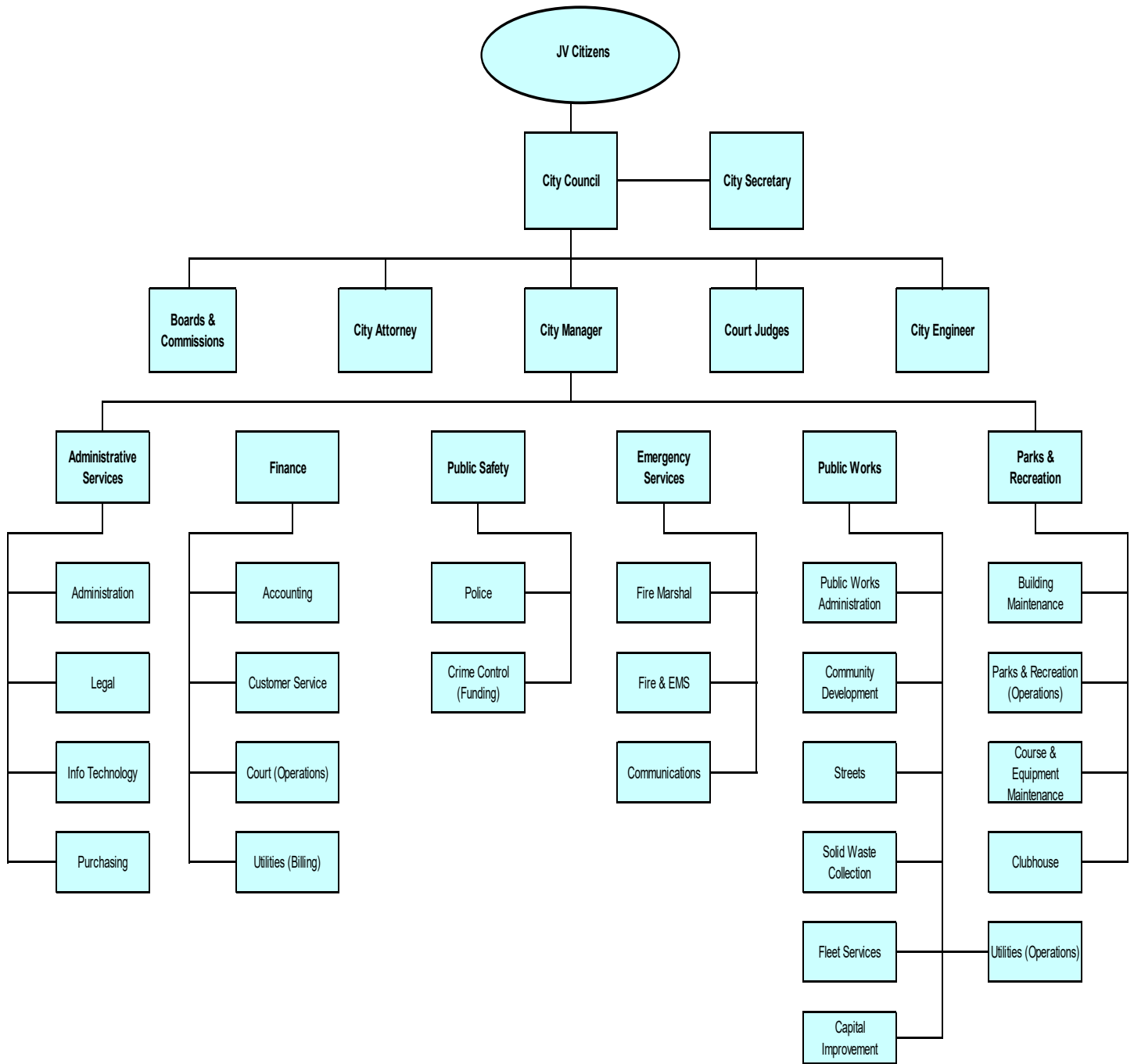
<u>City Officials</u>	<u>Elective Position</u>	<u>Term Expires</u>
Andrew Mitcham	Mayor	05/2020
Drew Wasson	Council Member	05/2021
Greg Holden	Council Member	05/2021
Bobby Warren	Council Member	05/2021
James Singleton	Council Member	05/2020
Gary Wubbenhorst	Council Member	05/2020

<u>Key Staff</u>	<u>Position</u>
Austin Bless	City Manager
Lorri Coody	City Secretary
Scott Bounds	City Attorney
Jason Alfaro	Parks and Recreation Director
Mark Bitz	Fire Chief
Isabel Kato	Finance Director
Kirk Riggs	Police Chief

CITY OF JERSEY VILLAGE, TEXAS

ORGANIZATIONAL CHART

September 30, 2019





Government Finance Officers Association

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

Presented to

**City of Jersey Village
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
City Council Members of the
City of Jersey Village, 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 Jersey Village, Texas (the "City") as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
March 16, 2020

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

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CITY OF JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

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

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

1. *Governmental Activities* – Most of the City's basic services are reported here including police and fire protection, municipal court, streets, drainage, leisure services, community development, and general administrative services. Interest payments on the City's debt are also reported here. Sales tax, property tax, franchise fees, municipal court fines, and permit 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 sewer services, as well as its golf course.

The government-wide financial statements include not only the City itself (known as the primary government), but also the legally separate crime control and prevention district for which the City is financially accountable. Financial information on the component unit is reported separately from the financial information presented for the primary government itself.

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 two categories of City funds are governmental and proprietary.

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 seven 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, and capital projects fund, which are considered to be major funds.

CITY OF JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

Although the City's traffic safety fund did not technically meet the criteria to be presented as a major fund, the City has elected to present it as a major fund.

The City adopts an annual appropriated budget for its general fund, debt service fund, and select special revenue funds. 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 and internal service 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 utility services and the Jersey Meadow Municipal Golf Course. The proprietary fund financial statements provide separate information for the utility fund and the golf course fund. 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 equipment replacement program. This internal service fund has been included within governmental activities in the government-wide financial statements.

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 basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes budgetary comparison schedules for the general fund and traffic safety fund and a schedule of changes in net pension and total other postemployment benefits liability and related ratios and schedule of contributions for the Texas Municipal Retirement System. 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. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$94,974,333 as of September 30, 2019. The largest portion of the City's net position, 74 percent, reflects its investments in capital assets (e.g., land, buildings, 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 JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental		Business-Type		Total	
	Activities		Activities		Primary	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 22,847,035	\$ 26,858,642	\$ 7,966,951	\$ 8,367,597	\$ 30,813,986	\$ 35,226,239
Capital assets, net	63,134,139	52,606,584	18,426,266	17,132,700	81,560,405	69,739,284
Total Assets	85,981,174	79,465,226	26,393,217	25,500,297	112,374,391	104,965,523
Deferred charge on refunding	424,231	490,282	-	-	424,231	490,282
Deferred outflows - pensions	1,495,880	120,002	263,090	116,404	1,758,970	236,406
Deferred outflows - OPEB	1,061	16,663	187	2,940	1,248	19,603
Total Deferred Outflows of Resources	1,921,172	626,947	263,277	119,344	2,184,449	746,291
Long-term liabilities	16,160,838	16,444,836	777,309	606,747	16,938,147	17,051,583
Other liabilities	1,278,283	1,190,803	756,170	333,121	2,034,453	1,523,924
Total Liabilities	17,439,121	17,635,639	1,533,479	939,868	18,972,600	18,575,507
Deferred inflows - pensions	513,870	32,460	90,897	139,750	604,767	172,210
Deferred inflows - OPEB	6,134	-	1,006	-	7,140	-
Total Deferred Inflows of Resources	520,004	32,460	91,903	139,750	611,907	172,210
Net Position:						
Net investment in capital assets	51,991,503	40,819,897	18,426,266	17,132,700	70,417,769	57,952,597
Restricted	1,231,295	1,878,602	-	-	1,231,295	1,878,602
Unrestricted	16,720,423	19,725,575	6,604,846	7,407,323	23,325,269	27,132,898
Total Net Position	\$ 69,943,221	\$ 62,424,074	\$ 25,031,112	\$ 24,540,023	\$ 94,974,333	\$ 86,964,097

A portion of the City's net position, \$1,231,295 or 1 percent, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$23,325,269 or 25 percent, may be used to meet the City's ongoing obligation to citizens and creditors.

The City's total net position increased by \$8,010,236 during the current fiscal year, an increase of 9 percent in comparison to the prior year. This increase is largely the result of the City keeping expenses lower than revenue to assign money for capital projects.

CITY OF JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

Statement of Activities

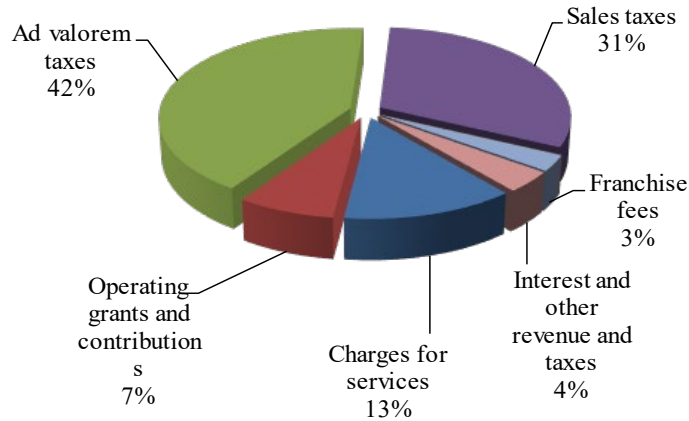
The following table provides a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	\$ 2,533,095	\$ 1,420,370	\$ 5,996,443	\$ 6,057,380	\$ 8,529,538	\$ 7,477,750
Operating grants and contributions	1,433,555	3,552,993	-	-	1,433,555	3,552,993
General revenues:						
Ad valorem taxes	8,008,209	7,631,592	-	-	8,008,209	7,631,592
Sales taxes	5,977,528	4,769,278	-	-	5,977,528	4,769,278
Franchise fees	560,994	610,312	-	-	560,994	610,312
Other taxes	78,274	160,399	-	-	78,274	160,399
Investment earnings	581,169	473,167	130,716	86,947	711,885	560,114
Other revenues	84,206	90,731	-	-	84,206	90,731
Total Revenues	19,257,030	18,708,842	6,127,159	6,144,327	25,384,189	24,853,169
Expenses						
General government	3,169,452	3,399,058	-	-	3,169,452	3,399,058
Public safety	4,903,199	4,748,633	-	-	4,903,199	4,748,633
Public works	2,992,310	4,792,733	-	-	2,992,310	4,792,733
Parks and recreation	717,655	519,638	-	-	717,655	519,638
Interest and fiscal agent fees on long-term debt	307,289	439,389	-	-	307,289	439,389
Water and sewer systems	-	-	3,148,578	3,638,432	3,148,578	3,638,432
Golf course	-	-	2,135,470	1,900,360	2,135,470	1,900,360
Total Expenses	12,089,905	13,899,451	5,284,048	5,538,792	17,373,953	19,438,243
Increase in Net Position Before Transfers	7,167,125	4,809,391	843,111	605,535	8,010,236	5,414,926
Transfers	352,022	481,440	(352,022)	(481,440)	-	-
Change in Net Position	7,519,147	5,290,831	491,089	124,095	8,010,236	5,414,926
Beginning net position	62,424,074	57,133,243	24,540,023	24,415,928	86,964,097	81,549,171
Ending Net Position	\$ 69,943,221	\$ 62,424,074	\$ 25,031,112	\$ 24,540,023	\$ 94,974,333	\$ 86,964,097

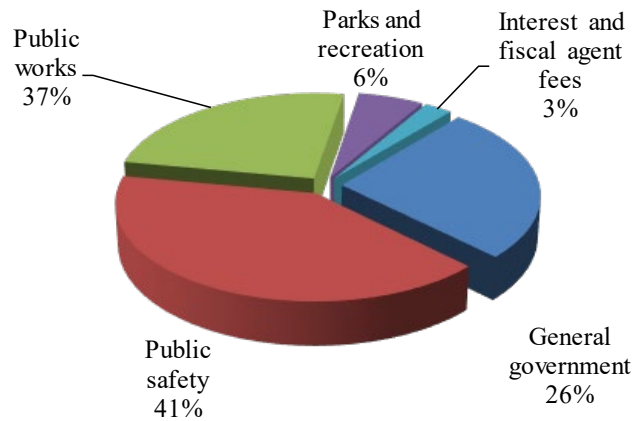
CITY OF JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

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

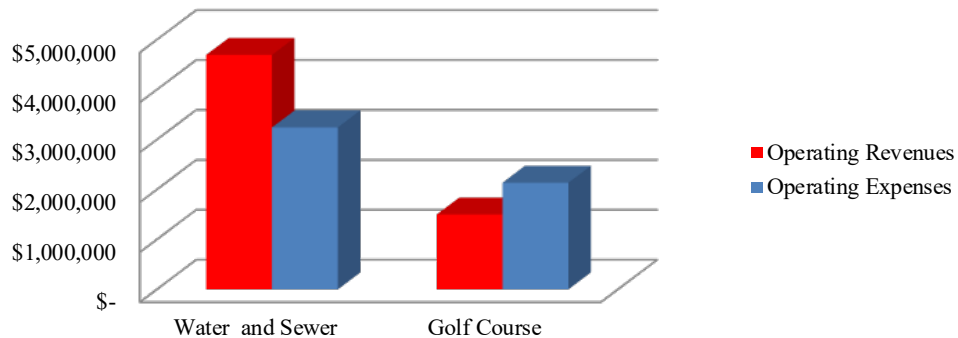
Governmental Revenues



Governmental Expenses



Business-Type Activities



CITY OF JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

For the year ended September 30, 2019, revenues from governmental activities totaled \$19,257,030. Overall, governmental revenues increased from the prior year by 3 percent. Property and sales tax revenue continue to be the City's largest revenue sources. Property tax increased compared to prior year by \$376,617 primarily due to an increase in the appraised values of properties within the City. Operating grants and contributions decreased 60 percent largely due to the City receiving a reimbursement from the Texas Department of Transportation for water and sewer relocation as a result of Highway 290 improvements in the prior year. Sales tax revenues have increased throughout the years due to growth in economic development.

For the year ended September 30, 2019, expenses for governmental activities totaled \$12,089,905, which is a 13 percent decrease from the prior year due primarily to an overall decrease in general government expenses.

Operating revenues for business-type activities decreased slightly from the prior year. Charges for services decreased by \$60,937 from the prior year primarily due to a decrease in water metered and a 1.32% rate decrease. Operating expenses for business-type activities decreased by \$254,744 primarily due to a decrease in repair expenses.

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 \$17,301,610. Of the total governmental fund balance, \$2,728 is nonspendable for prepaid items, \$1,305,524 is restricted for various purposes, \$7,891,610 is assigned by the City Council for capital projects, and \$8,101,748 is unassigned.

The general fund is the chief operating fund of the City. At the end of the current year, the unassigned fund balance of the general fund was \$8,101,748, while total fund balance reached \$8,217,451. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 39 percent of total general fund expenditures, while total fund balance represents 39.6 percent of that same amount. The general fund demonstrated an overall decrease of \$8,399,386 primarily due to an increase in capital projects expenses. The general fund also had an increase in interfund transfers out for capital projects.

The debt service fund has a total fund balance of \$331,179, all of which is restricted for the payment of debt service. The net decrease in fund balance was \$62,558 due to slightly higher debt service payments than property tax revenues and funds transferred in for debt service.

The capital projects fund balance increased \$4,504,870 due to transfer from general fund for construction. Unspent bond proceeds in the amount of \$74,229 are restricted for capital outlay for the City's infrastructure. The remaining fund balance of \$7,891,610 is assigned for future capital projects.

The traffic safety fund experienced a decrease in fund balance of \$242,878 due to less revenue from fines.

CITY OF JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

GENERAL FUND BUDGETARY HIGHLIGHTS

There had been a planned decrease in budgeted fund balance in the amount of \$11,075,616 in the general fund. However, the net decrease in fund balance was \$8,399,386, resulting in a positive variance of \$2,676,230 from the amended budget.

Actual general fund revenues exceeded original and amended revenues by \$1,250,684 during fiscal year 2019. This net positive variance includes the positive variances of \$962,528 from sales tax revenue, \$849,987 from charges for services revenue, and \$160,314 from fine revenues.

Actual expenditures were less than budgeted amounts by \$1,208,058 for the fiscal year. The greatest positive variance was in public safety as a result of less police and fire expenses than expected.

CAPITAL ASSETS

At the end of fiscal year 2019, the City's governmental and business-type activities had invested \$81,560,405 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$11,821,121.

Major capital asset events during the current year include the following:

- Land purchase in the amount of \$8,186,546
- Construction in progress in the amount of \$2,671,616
- Vehicles for the city fleet in the amount of \$500,347

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 year, the City had total governmental activities long-term debt outstanding of \$10,995,000 in general obligation bonds.

During the year, the City had an overall decrease in long-term debt of \$1,270,225.

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.

	Moody's Investors Service	Standard and Poor's
General obligation bonds	A2	AA+

CITY OF JERSEY VILLAGE, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2019

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Per the Dallas Federal Bank Reserve, the Houston Business-Cycle Index suggests that the local economy of the Houston-Galveston area continued to expand despite weakness in energy. The Index's three-month pace slowed modestly by 3.9 percent in November but remained higher than its historical pace of 3.5 percent.

Revenues projected for fiscal year 2019-2020 will rise slightly in comparison to fiscal year 2018-2019, mainly due to the increase of sales tax revenue; this is contradicted by the decrease in projected property tax revenues due to the changes in Residential Homestead, Over 65, and Disabled Exemptions approved by City Council for the City of Jersey Village residents. The increase of these exemptions will result in approximately \$390,000 loss of property tax revenue for fiscal year 2019-2020. In addition, the projected increase in expense is a result of the approval by City Council to the Capital Improvement Plan focusing on the construction and improvement of the City's infrastructures including a flood recovery plan.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances. Questions concerning this report or requests for additional financial information should be directed to Isabel Kato, Finance Director, 16501 Jersey Drive, Jersey Village, TX, 77040; telephone 713-466-2104; or for general City information, visit the City's website at www.jerseyvillagetx.com.

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BASIC FINANCIAL STATEMENTS

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CITY OF JERSEY VILLAGE, TEXAS

STATEMENT OF NET POSITION

September 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Jersey Village Crime Control and Prevention District
<u>Assets</u>				
Cash and equity in pooled cash and investments	\$ 22,602,963	\$ 5,536,325	\$ 28,139,288	\$ 3,369,542
Receivables, net of allowances	2,124,544	484,322	2,608,866	370,751
Internal balances	(1,883,200)	1,883,200	-	-
Due from primary government	-	-	-	25,400
Inventory	-	63,104	63,104	-
Prepaid items	2,728	-	2,728	-
Capital assets:				
Nondepreciable capital assets	15,059,446	2,998,206	18,057,652	-
Depreciable capital assets, net	48,074,693	15,428,060	63,502,753	-
Total Assets	85,981,174	26,393,217	112,374,391	3,765,693
<u>Deferred Outflows of Resources</u>				
Deferred charge on refunding	424,231	-	424,231	-
Deferred outflows - pensions	1,495,880	263,090	1,758,970	-
Deferred outflows - OPEB	1,061	187	1,248	-
Total Deferred Outflows of Resources	1,921,172	263,277	2,184,449	-
<u>Liabilities</u>				
Accounts payable and accrued liabilities	1,239,548	617,259	1,856,807	-
Customer deposits	-	135,154	135,154	-
Due to component unit	25,400	-	25,400	-
Accrued bond interest	13,335	-	13,335	-
Unearned revenue	-	3,757	3,757	-
Noncurrent liabilities:				
Due within one year	1,650,996	54,325	1,705,321	-
Due in more than one year	14,509,842	722,984	15,232,826	-
Total Liabilities	17,439,121	1,533,479	18,972,600	-
<u>Deferred Inflows of Resources</u>				
Deferred inflows - pensions	513,870	90,897	604,767	-
Deferred inflows - OPEB	6,134	1,006	7,140	-
Total Deferred Inflows of Resources	520,004	91,903	611,907	-
<u>Net Position</u>				
Net investment in capital assets	51,991,503	18,426,266	70,417,769	-
Restricted for:				
Public communications	86,047	-	86,047	-
Debt service	331,179	-	331,179	-
Park improvements	13,246	-	13,246	-
Tourism	58,542	-	58,542	-
Public safety	632,586	-	632,586	-
Court technology	109,695	-	109,695	-
Crime control	-	-	-	3,765,693
Unrestricted	16,720,423	6,604,846	23,325,269	-
Total Net Position	\$ 69,943,221	\$ 25,031,112	\$ 94,974,333	\$ 3,765,693

See Notes to Financial Statements.

CITY OF JERSEY VILLAGE, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2019

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities			
General government	\$ 3,169,452	\$ -	\$ -
Public safety	4,903,199	1,292,758	1,433,555
Public works	2,992,310	-	-
Parks and recreation	717,655	1,240,337	-
Interest on long-term debt	307,289	-	-
Total Governmental Activities	12,089,905	2,533,095	1,433,555
Business-Type Activities			
Utility	3,148,578	4,496,215	-
Golf course	2,135,470	1,500,228	-
Total Business-Type Activities	5,284,048	5,996,443	-
Total Primary Government	\$ 17,373,953	\$ 8,529,538	\$ 1,433,555
Component Unit			
Jersey Village Crime Control and Prevention District	\$ 1,505,697	\$ -	\$ -

General Revenues:

- Ad valorem taxes
- Sales taxes
- Franchise fees
- Other taxes
- Investment earnings
- 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 Primary Government			Component Unit Jersey Village Crime Control and Prevention District
Governmental Activities	Business-Type Activities	Total	
\$ (3,169,452)	\$ -	\$ (3,169,452)	\$ -
(2,176,886)	-	(2,176,886)	-
(2,992,310)	-	(2,992,310)	-
522,682	-	522,682	-
(307,289)	-	(307,289)	-
<u>(8,123,255)</u>	<u>-</u>	<u>(8,123,255)</u>	<u>-</u>
-	1,347,637	1,347,637	-
-	(635,242)	(635,242)	-
-	712,395	712,395	-
<u>(8,123,255)</u>	<u>712,395</u>	<u>(7,410,860)</u>	<u>-</u>
-	-	-	(1,505,697)
8,008,209	-	8,008,209	-
5,977,528	-	5,977,528	2,009,852
560,994	-	560,994	-
78,274	-	78,274	-
581,169	130,716	711,885	75,266
84,206	-	84,206	-
352,022	(352,022)	-	-
<u>15,642,402</u>	<u>(221,306)</u>	<u>15,421,096</u>	<u>2,085,118</u>
7,519,147	491,089	8,010,236	579,421
<u>62,424,074</u>	<u>24,540,023</u>	<u>86,964,097</u>	<u>3,186,272</u>
<u>\$ 69,943,221</u>	<u>\$ 25,031,112</u>	<u>\$ 94,974,333</u>	<u>\$ 3,765,693</u>

CITY OF JERSEY VILLAGE, TEXAS

BALANCE SHEET GOVERNMENTAL FUNDS

September 30, 2019

	General	Debt Service	Capital Projects	Traffic Safety
Assets				
Cash and equity in pooled cash and investments	\$ 8,186,851	\$ 319,291	\$ 7,716,294	\$ 585,019
Receivables, net	2,045,681	67,545	-	-
Prepaid items	259	-	-	-
Due from other funds	439	4,170	350,000	-
Total Assets	\$ 10,233,230	\$ 391,006	\$ 8,066,294	\$ 585,019
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,126,584	\$ -	\$ 99,705	\$ 391
Due to other funds	413,898	-	750	-
Total Liabilities	1,540,482	-	100,455	391
Deferred Inflows of Resources				
Unavailable revenue - ambulance	140,122	-	-	-
Unavailable revenue - property taxes	335,175	59,827	-	-
Total Deferred Inflows of Resources	475,297	59,827	-	-
Fund Balances:				
Nonspendable	259	-	-	-
Restricted:				
Public communications	86,047	-	-	-
Debt service	-	331,179	-	-
Park improvements	13,246	-	-	-
Tourism	-	-	-	-
Public safety	16,151	-	-	584,628
Court technology and security	-	-	-	-
Capital projects	-	-	74,229	-
Assigned:				
Capital projects	-	-	7,891,610	-
Unassigned	8,101,748	-	-	-
Total Fund Balances	8,217,451	331,179	7,965,839	584,628
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,233,230	\$ 391,006	\$ 8,066,294	\$ 585,019

Nonmajor Governmental	Total Governmental Funds
\$ 452,974	\$ 17,260,429
11,318	2,124,544
2,469	2,728
85,908	440,517
<u>\$ 552,669</u>	<u>\$ 19,828,218</u>
\$ 156	\$ 1,226,836
350,000	764,648
<u>350,156</u>	<u>1,991,484</u>
-	140,122
-	395,002
<u>-</u>	<u>535,124</u>
2,469	2,728
-	86,047
-	331,179
-	13,246
58,542	58,542
31,807	632,586
109,695	109,695
-	74,229
-	7,891,610
-	8,101,748
<u>202,513</u>	<u>17,301,610</u>
<u>\$ 552,669</u>	<u>\$ 19,828,218</u>

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

Total fund balances for governmental funds \$ 17,301,610

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, are not reported in the governmental funds.

Capital assets, nondepreciable	15,059,446
Capital assets, net depreciable	44,996,812

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

535,124

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

Current assets and liabilities, net of due to enterprise funds	3,744,603
Capital assets, net depreciable	3,077,881

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.

Deferred outflows - pension	1,495,880
Deferred inflows - pension	(513,870)
Net pension liability	(3,797,220)
Deferred outflows - OPEB	(1,317)
Deferred inflows - OPEB	(3,756)
Total OPEB liability	(232,527)

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

Accrued interest payable	(13,335)
Noncurrent liabilities due in one year	(1,650,996)
Noncurrent liabilities due in more than one year	(10,480,095)
Deferred charge on refunding	424,231

Net Position of Governmental Activities	\$ 69,942,471
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See Notes to Financial Statements.

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

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Traffic Safety</u>
Revenues				
Ad valorem taxes	\$ 6,631,718	\$ 1,353,144	\$ -	\$ -
Sales taxes	5,977,528	-	-	-
Franchise fees	560,994	-	-	-
Other taxes	-	-	-	-
Permits, licenses, and fees	116,748	-	-	-
Fines and forfeitures	1,129,014	-	-	100
Charges for services	1,240,337	-	-	-
Intergovernmental	1,433,555	-	-	-
Investment earnings	386,131	10,686	72,640	-
Other revenue	71,595	-	-	-
Total Revenues	<u>17,547,620</u>	<u>1,363,830</u>	<u>72,640</u>	<u>100</u>
Expenditures				
Current:				
General government	12,407,054	-	-	-
Public safety	5,185,926	-	-	242,978
Public works	2,374,301	-	1,372,770	-
Parks and recreation	803,985	-	-	-
Debt Service:				
Principal	-	1,180,000	-	-
Interest and fiscal agent fees	-	336,650	-	-
Total Expenditures	<u>20,771,266</u>	<u>1,516,650</u>	<u>1,372,770</u>	<u>242,978</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,223,646)</u>	<u>(152,820)</u>	<u>(1,300,130)</u>	<u>(242,878)</u>
Other Financing Sources (Uses)				
Transfers in	577,500	90,262	5,805,000	-
Transfers (out)	(5,753,240)	-	-	-
Total Other Financing Sources (Uses)	<u>(5,175,740)</u>	<u>90,262</u>	<u>5,805,000</u>	<u>-</u>
Net Change in Fund Balances	<u>(8,399,386)</u>	<u>(62,558)</u>	<u>4,504,870</u>	<u>(242,878)</u>
Beginning fund balances	16,616,837	393,737	3,460,969	827,506
Ending Fund Balances	<u>\$ 8,217,451</u>	<u>\$ 331,179</u>	<u>\$ 7,965,839</u>	<u>\$ 584,628</u>

See Notes to Financial Statements.

<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
\$ -	\$ 7,984,862
-	5,977,528
-	560,994
78,274	78,274
-	116,748
46,896	1,176,010
-	1,240,337
-	1,433,555
6,674	476,131
12,611	84,206
<u>144,455</u>	<u>19,128,645</u>
43,075	12,450,129
95,727	5,524,631
-	3,747,071
-	803,985
-	1,180,000
-	336,650
<u>138,802</u>	<u>24,042,466</u>
<u>5,653</u>	<u>(4,913,821)</u>
-	6,472,762
<u>(367,500)</u>	<u>(6,120,740)</u>
<u>(367,500)</u>	<u>352,022</u>
(361,847)	(4,561,799)
564,360	21,863,409
<u>\$ 202,513</u>	<u>\$ 17,301,610</u>

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CITY OF JERSEY VILLAGE, 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, 2019

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

Net changes in fund balances - total governmental funds	\$ (4,561,799)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital asset expenditures	12,205,653
Depreciation expense	(1,678,098)
<p>The issuance of long-term debt (e.g., bonds, leases, 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 Activities.</p>	
Principal payments	1,180,000
Amortization of premiums, discounts, and deferred charges	24,174
<p>Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the funds.</p>	
	23,347
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
	112
<p>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.</p>	
Net pension liability	(986,966)
Deferred outflows - pensions	1,319,455
Deferred inflows - pensions	(424,987)
Total OPEB liability	5,814
Deferred outflows - OPEB	(17,980)
Deferred inflows - OPEB	(3,756)
<p>An internal service fund is used by management to charge the costs of certain capital assets to individual funds. The net revenue (expense) is reported with governmental activities.</p>	
	434,178
Change in Net Position of Governmental Activities	\$ 7,519,147

See Notes to Financial Statements.

CITY OF JERSEY VILLAGE, TEXAS

STATEMENT OF NET POSITION (Page 1 of 2)

PROPRIETARY FUNDS

September 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Golf Course	Total Enterprise Funds	Activities Internal Service
Assets				
Current assets:				
Cash and equity in pooled cash and investments	\$ 5,276,982	\$ 259,343	\$ 5,536,325	\$ 5,342,534
Accounts receivable, net	484,322	-	484,322	-
Inventory	-	63,104	63,104	-
Due from other funds	180	298,240	298,420	750
Total Current Assets	5,761,484	620,687	6,382,171	5,343,284
Noncurrent assets:				
Capital assets:				
Land	445,240	915,000	1,360,240	-
Construction in process	1,637,966	-	1,637,966	-
Buildings and improvements	1,204,492	6,386,182	7,590,674	-
Furniture and equipment	2,159,102	706,776	2,865,878	11,063,942
Water and sewer system	20,768,965	-	20,768,965	-
Less: accumulated depreciation	(9,292,205)	(6,505,252)	(15,797,457)	(7,986,061)
Total Capital Assets (Net)	16,923,560	1,502,706	18,426,266	3,077,881
Total Noncurrent Assets	16,923,560	1,502,706	18,426,266	3,077,881
Total Assets	22,685,044	2,123,393	24,808,437	8,421,165
Deferred Outflows of Resources				
Deferred outflows - pensions	263,090	-	263,090	-
Deferred outflows - OPEB	187	-	187	-
Total Deferred Outflows of Resources	263,277	-	263,277	-

CITY OF JERSEY VILLAGE, TEXAS

STATEMENT OF NET POSITION (Page 2 of 2)

PROPRIETARY FUNDS

September 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Golf Course	Total	Internal Service
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	\$ 573,362	\$ 43,897	\$ 617,259	\$ 12,712
Customer deposits	134,785	369	135,154	-
Compensated absences	4,084	50,241	54,325	-
Unearned revenue	-	3,757	3,757	-
Due to other funds	-	439	439	-
Total Current Liabilities	712,231	98,703	810,934	12,712
Noncurrent liabilities:				
Compensated absences	454	5,582	6,036	-
Net pension liability	675,895	-	675,895	-
Total OPEB liability	41,053	-	41,053	-
Total Noncurrent Liabilities	717,402	5,582	722,984	-
Total Liabilities	1,429,633	104,285	1,533,918	12,712
Deferred Inflows of Resources				
Deferred inflows - pensions	90,897	-	90,897	-
Deferred inflows - OPEB	1,006	-	1,006	-
Total Deferred Inflows of Resources	91,903	-	91,903	-
Net Position				
Net investment in capital assets	16,923,560	1,502,267	18,425,827	3,077,881
Unrestricted	4,503,225	516,841	5,020,066	5,330,572
Total Net Position	\$ 21,426,785	\$ 2,019,108	23,445,893	\$ 8,408,453
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			1,585,219	
Total Net Position per Government-Wide Financial Statements.			\$ 25,031,112	

See Notes to Financial Statements.

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CITY OF JERSEY VILLAGE, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended September 30, 2019

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water and</u>	<u>Golf</u>	<u>Total</u>	<u>Activities</u>
	<u>Sewer</u>	<u>Course</u>	<u>Enterprise</u>	<u>Internal</u>
			<u>Funds</u>	<u>Service</u>
<u>Operating Revenues</u>				
Charges for sales and services	\$ 4,422,417	\$ 1,494,578	\$ 5,916,995	\$ 967,098
Other revenues	73,798	5,650	79,448	277,235
Total Operating Revenues	<u>4,496,215</u>	<u>1,500,228</u>	<u>5,996,443</u>	<u>1,262,971</u>
<u>Operating Expenses</u>				
Costs of sales and services	2,363,104	875,340	3,238,444	83,908
Personnel	283,770	917,882	1,201,652	-
Depreciation	597,370	342,248	939,618	515,739
Total Operating Expenses	<u>3,244,244</u>	<u>2,135,470</u>	<u>5,379,714</u>	<u>599,647</u>
Operating Income (Loss)	<u>1,251,971</u>	<u>(635,242)</u>	<u>616,729</u>	<u>663,324</u>
<u>Nonoperating Revenues</u>				
Investment earnings	120,212	10,504	130,716	105,038
Total Nonoperating Revenues	<u>120,212</u>	<u>10,504</u>	<u>130,716</u>	<u>105,038</u>
Income (Loss) Before Transfers	<u>1,372,183</u>	<u>(624,738)</u>	<u>747,445</u>	<u>768,362</u>
Transfers in	-	298,240	298,240	-
Transfers (out)	(650,262)	-	(650,262)	-
Change in Net Position	721,921	(326,498)	395,423	768,362
Beginning net position	20,704,864	2,345,606		7,640,091
Ending Net Position	<u>\$ 21,426,785</u>	<u>\$ 2,019,108</u>		<u>\$ 8,408,453</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>95,666</u>	
Change in Net Position of Business-Type Activities			<u>\$ 491,089</u>	

See Notes to Financial Statements.

CITY OF JERSEY VILLAGE, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Golf Course	Total Enterprise Funds	Internal Service
<u>Cash Flows from Operating Activities</u>				
Receipts from customers and users	\$ 4,457,924	\$ 1,478,993	\$ 5,936,917	\$ 1,262,971
Payments to suppliers	(1,926,562)	(1,075,857)	(3,002,419)	(92,919)
Payments to employees	(303,847)	(916,277)	(1,220,124)	-
Net Cash Provided (Used) by Operating Activities	2,227,515	(513,141)	1,714,374	1,170,052
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfer to other funds	(650,262)	298,240	(352,022)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(650,262)	298,240	(352,022)	-
<u>Cash Flows from Capital and Related Financing Activities</u>				
Acquisition and construction of capital assets	(2,111,744)	(121,440)	(2,233,184)	(754,257)
Net Cash (Used) by Capital and Related Financing Activities	(2,111,744)	(121,440)	(2,233,184)	(754,257)
<u>Cash Flows from Investing Activities</u>				
Interest received	120,212	10,504	130,716	105,038
Net Cash Provided by Investing Activities	120,212	10,504	130,716	105,038
Net Increase (Decrease) in Cash and Cash Equivalents	(414,279)	(325,837)	(740,116)	520,833
Beginning cash and cash equivalents	5,691,261	585,180	6,276,441	4,821,701
Ending Cash and Cash Equivalents	\$ 5,276,982	\$ 259,343	\$ 5,536,325	\$ 5,342,534

See Notes to Financial Statements.

CITY OF JERSEY VILLAGE, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2019

	Business-Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Golf Course	Total Enterprise Funds	Internal Service
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ 1,251,971	\$ (635,242)	\$ 616,729	\$ 663,324
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	597,370	342,248	939,618	515,739
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in Current Assets:				
Accounts receivable	(38,291)	(17,364)	(55,655)	-
Deferred outflows - pensions	(143,933)	-	(143,933)	-
Due from component unit	-	(188,150)	(188,150)	-
Increase (Decrease) in Current Liabilities:				
Accounts payable and accrued liabilities	436,542	(12,368)	424,174	(8,261)
Customer deposits	2,746	-	2,746	-
Compensated absences	(781)	1,605	824	-
Net pension liability	170,744	-	170,744	-
Deferred inflows - pensions	(48,853)	(3,871)	(52,724)	-
Deferred inflows - OPEB	1,006	-	1,006	-
Total OPEB liability	(1,006)	-	(1,006)	-
Due to other funds	-	1	1	(750)
Net Cash Provided (Used) by Operating Activities	\$ 2,227,515	\$ (513,141)	\$ 1,714,374	\$ 1,170,052

See Notes to Financial Statements.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Jersey Village, Texas (the “City”) was incorporated in 1956. The City has operated since 1986 under a “Home Rule Charter”, which provides for a Council-Manager form of government.

The City Council is the principal legislative body of the City. The City Manager is appointed by a majority vote of the City Council and is responsible to the City Council for the administration of all the affairs 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 to include police and fire services, municipal court, parks and recreation services, streets, drainage, water and sewer services, solid waste collection and disposal, community development, and general administration.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City’s financial reporting entity. The component unit as listed below, although legally separate, is considered part of the reporting entity. No other entities have been included in 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.

Discretely Presented Component Unit

Jersey Village Crime Control and Prevention District

The Jersey Village Crime Control and Prevention District (the “District”) has been included in the reporting entity as a discretely presented component unit. The District is a not-for-profit entity created to provide additional crime control and prevention to the City. The District’s Board of Directors is appointed by and serves at the discretion of City Council. The City has the ability to impose its will on the District because it may remove appointed members at will and it must approve the District’s budget and any necessary budget amendments. The District’s operations are reported in a single governmental fund. The District does not issue separate financial statements, as the financial activity reported at the government-wide level is the same as the fund level. A sales and use tax of one half of one percent is levied to fund the District’s budget.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

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 activities of the primary government and its component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

C. Basis of Presentation – Government-Wide Financial Statements

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

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 sewer 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.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds. 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, franchise fees, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, public health, and parks and recreation. 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 governmental funds. 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. The nonmajor special revenue funds include the hotel occupancy tax, asset forfeiture, and court security and technology fees funds. The traffic safety fund is considered a nonmajor fund but is included as a major fund for reporting purposes due to its significant cash balance.

The *capital projects fund* is used to account for the expenditures of resources accumulated from the sale of bonds and related interest earnings for capital improvements. The capital projects fund is considered a major fund for reporting purposes.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

The City reports the following enterprise funds:

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

The *golf course fund* is used to account for the operations of the City's municipal golf course. This fund follows the same basis of accounting as the utility enterprise fund and is also considered a major fund for reporting purposes.

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 capital replacement fund is used to account for vehicle and equipment replacement.

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 and proprietary 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.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of 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's cash and cash equivalents are considered to be cash on hand, demand deposits, balances in statewide investment pools, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

The City maintains a pooled cash and investments account. Each fund whose monies are deposited in the pooled cash and investment account 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 pool operates 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.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

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:

- Direct obligations of the U.S. government
- Money market mutual funds that meet certain criteria
- Collateralized certificates of deposit and share certificates
- Statewide investment pools

3. Inventories and Prepaid Items

Inventories are valued at cost using the first in/first out (FIFO) method in the proprietary funds. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. 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 five 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 unit, are depreciated using the straight-line method over the following estimated useful years:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings	20 years
Improvements	20 years
Equipment	5 to 20 years
Water and sewer system	40 years
Infrastructure	75 years

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

5. 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.

6. Compensated Employee Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick pay benefits, and compensatory time. Amounts accumulated, up to certain amounts, may be paid to employees upon termination of employment. 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 or proprietary fund that will pay it when it matures or becomes due. The general fund, water and sewer fund, and golf course fund are used to liquidate the liability for compensated absences. 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. Upon retirement from the City, an employee will receive compensation for unused sick leave hours. Vesting in unused sick leave hours ranges from 20 to 60 percent based on years of service with the City.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

7. Long-Term Obligations

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

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

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with interest earned in the debt service fund. Though a portion of the general obligation debt was directly related to the purchase of water and sewer infrastructure, the debt service expenditures are included in the governmental fund financial statements, as they are expected to be paid from debt service tax revenues instead of water system revenues.

8. Net Position Flow Assumption

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

9. 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.

10. 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).

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

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.

11. 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.

12. Pensions

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of 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.

13. Other Postemployment Benefits

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.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

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

Property taxes are levied during October of each year and are due upon receipt of the City's tax bill. Taxes become delinquent, with an enforceable lien on property, on February 1 of the following year.

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 fund and internal service fund are charges to customers for sales and services. The enterprise fund also recognizes 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 fund and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles, except the capital projects fund, which adopts a project length budget. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control in the approved budget as defined by the charter is the department level in the general fund and all others are at the fund level. The City Manager may transfer appropriations within a department without seeking the approval of City Council. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended September 30, 2019. The hotel occupancy tax fund, court security and technology fees fund, asset forfeiture fund, and traffic safety fund are all special revenue funds that have adopted budgets.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

As of September 30, 2019, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)
TexPool	\$ 29,850,633	0.10
Total Fair Value	\$ 29,850,633	
Portfolio weighted average maturity		0.10

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. State law and the City’s investment policy limit investments to obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than “A” or its equivalent. Further, commercial paper must be rated not less than “A-1” or “P-1” or an equivalent rating by at least two nationally recognized credit rating agencies. As of September 30, 2019, the City’s investments in TexPool were rated “AAAm” by Standard & Poor’s.

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

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 keep safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City’s safekeeping account prior to the release of funds.

TexPool

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

CITY OF JERSEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2019

TexPool is an external investment pool measured at amortized cost. In order to meet 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 5% of the 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 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.

B. Receivables

The following comprise receivable balances at year end:

	General	Debt Service	Nonmajor
Ad valorem taxes	\$ 1,155,742	\$ 68,863	\$ -
Other taxes	171,881	-	-
Intergovernmental	1,382	-	-
Other	865,327	-	11,318
Less allowance	(148,651)	(1,318)	-
Total	\$ 2,045,681	\$ 67,545	\$ 11,318
	Water and Sewer	Component Unit	
Other taxes	\$ -	\$ 370,751	
Accounts	636,978	-	
Less allowance	(152,656)	-	
Total	\$ 484,322	\$ 370,751	

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

C. Capital Assets

All capital assets constructed or paid for with funds of the component unit are titled in the City's name. Accordingly, component unit capital assets and construction in progress are recorded in the governmental activities totals.

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

	Primary Government			Ending Balance
	Beginning Balance	Increases	(Decreases)	
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 3,622,882	\$ 8,186,546	\$ -	\$ 11,809,428
Construction in progress	606,592	2,643,426	-	3,250,018
Total capital assets not being depreciated	<u>4,229,474</u>	<u>10,829,972</u>	<u>-</u>	<u>15,059,446</u>
Other capital assets:				
Buildings and improvements	9,175,917	142,426	-	9,318,343
Machinery and equipment	13,185,864	1,233,255	-	14,419,119
Infrastructure	50,455,588	-	-	50,455,588
Total other capital assets	<u>72,817,369</u>	<u>1,375,681</u>	<u>-</u>	<u>74,193,050</u>
Less accumulated depreciation for:				
Buildings and improvements	(4,234,483)	(254,559)	-	(4,489,042)
Machinery and equipment	(9,822,605)	(734,420)	-	(10,557,025)
Infrastructure	(10,383,171)	(689,119)	-	(11,072,290)
Total accumulated depreciation	<u>(24,440,259)</u>	<u>(1,678,098)</u>	<u>-</u>	<u>(26,118,357)</u>
Other capital assets, net	<u>48,377,110</u>	<u>(302,417)</u>	<u>-</u>	<u>48,074,693</u>
Governmental Activities Capital Assets, Net	<u>\$ 52,606,584</u>	<u>\$ 10,527,555</u>	<u>\$ -</u>	<u>63,134,139</u>
				424,231
				74,229
				<u>(11,641,096)</u>
			Net Investment in Capital Assets	<u>\$ 51,991,503</u>

Depreciation was charged to governmental functions as follows:

General government	\$ 64,654
Public safety	248,053
Public works	774,525
Parks and recreation	75,127
Capital assets held by the City's internal service fund are charged to various functions based on their usage of the assets	<u>515,739</u>
Total Governmental Activities Depreciation Expense	<u>\$ 1,678,098</u>

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

Construction in progress and remaining commitments under related construction contracts for general government construction projects at year end were as follows:

<u>Project Description</u>	<u>Authorized Contract</u>	<u>Expenditures</u>	<u>Remaining Commitment</u>
City Hall Architecture	\$ 450,000	\$ 367,594	\$ 82,406
Taylor Road facility building	1,600,000	1,323,299	276,701
Golf course reclaimed water	800,000 *	224,525	575,475
Convention center club house	2,770,000 *	144,626	2,625,374
Long-term flood recovery plan	5,880,000 *	427,140	5,452,860
Total	<u>\$ 12,000,000</u>	<u>\$ 2,987,184</u>	<u>\$ 9,012,816</u>

*Amounts have been budgeted and approved by the City. All contracts have not yet been awarded.

The following is a summary of changes in capital assets for business-type activities for the year ended September 30, 2019:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,360,240	\$ -	\$ -	\$ 1,360,240
Construction in progress	180,242	1,457,724	-	1,637,966
Total capital assets not being depreciated	<u>1,540,482</u>	<u>1,457,724</u>	<u>-</u>	<u>2,998,206</u>
Other capital assets:				
Buildings	7,127,510	463,164	-	7,590,674
Water and sewer system	20,641,615	127,350	-	20,768,965
Machinery and equipment	2,680,932	184,946	-	2,865,878
Total other capital assets	<u>30,450,057</u>	<u>775,460</u>	<u>-</u>	<u>31,225,517</u>
Less accumulated depreciation for:				
Buildings	(5,769,306)	(424,958)	-	(6,194,264)
Water and sewer system	(7,703,645)	(324,138)	-	(8,027,783)
Machinery and equipment	(1,384,888)	(190,522)	-	(1,575,410)
Total accumulated depreciation	<u>(14,857,839)</u>	<u>(939,618)</u>	<u>-</u>	<u>(15,797,457)</u>
Other capital assets, net	<u>15,592,218</u>	<u>(164,158)</u>	<u>-</u>	<u>15,428,060</u>
Business-Type Activities				
Capital Assets, Net	<u>\$ 17,132,700</u>	<u>\$ 1,293,566</u>	<u>\$ -</u>	<u>\$ 18,426,266</u>

Depreciation was charged to business-type functions as follows:

Water and sewer	\$ 597,370
Golf course	342,248
Total Business-Type Activities Depreciation Expense	<u>\$ 939,618</u>

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

Construction in progress and remaining commitments under related construction contracts for enterprise fund projects at year end were as follows:

<u>Project Description</u>	<u>Authorized Contract</u>	<u>Expenditures</u>	<u>Remaining Commitment</u>
Scada project	\$ 187,570	\$ 180,242	\$ 7,328
Seattle WP and Village WP rehabilitation	315,000	249,200	65,800
Castlebridge WWTP	1,523,524	1,208,524	315,000
	<u>\$ 2,026,094</u>	<u>\$ 1,637,966</u>	<u>\$ 388,128</u>

D. Long-Term Debt

The following is a summary of changes in the City's total long-term liabilities for the year end. In general, the City uses the general and debt service funds to liquidate governmental long-term liabilities.

	<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	\$ 12,175,000	\$ -	\$ 1,180,000	\$ 10,995,000	* \$ 1,210,000
Premium on bonds	736,321	-	90,225	646,096	*
	<u>12,911,321</u>	<u>-</u>	<u>1,270,225</u>	<u>11,641,096</u>	<u>1,210,000</u>
Other liabilities:					
Net pension liability	2,810,254	986,966	-	3,797,220	-
Total OPEB liability	238,341	-	5,814	232,527	-
Compensated absences	484,920	58,409	53,334	489,995	440,996
	<u>484,920</u>	<u>58,409</u>	<u>53,334</u>	<u>489,995</u>	<u>440,996</u>
Total Governmental Activities	<u>\$ 16,444,836</u>	<u>\$ 1,045,375</u>	<u>\$ 1,329,373</u>	<u>\$ 16,160,838</u>	<u>\$ 1,650,996</u>

Long-term debt due in more than one year \$ 14,509,842

***Debt associated with governmental activity capital assets** \$ 11,641,096

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-Type Activities:					
Net pension liability	\$ 505,151	\$ 170,744	\$ -	\$ 675,895	\$ -
Total OPEB liability	42,059	-	1,006	41,053	-
Compensated absences	59,537	8,167	7,343	60,361	54,325
	<u>59,537</u>	<u>8,167</u>	<u>7,343</u>	<u>60,361</u>	<u>54,325</u>
Total Business-Type Activities	<u>\$ 606,747</u>	<u>\$ 178,911</u>	<u>\$ 8,349</u>	<u>\$ 777,309</u>	<u>\$ 54,325</u>

Long-term debt due in more than one year \$ 722,984

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The governmental activities compensated absences are generally liquidated by the general fund. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2018

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

Description	Interest Rates	Balance
Governmental Activities		
General Obligation Bonds		
Series 2012	2.00-4.00%	\$ 4,595,000
Series 2016	2.00-3.00%	6,400,000
Total General Obligation Bonds		\$ 10,995,000

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

Year Ending Sep. 30	Governmental Activities		
	Principal	Interest	Total
2020	\$ 1,210,000	\$ 307,025	\$ 1,517,025
2021	1,245,000	273,325	1,518,325
2022	1,290,000	236,850	1,526,850
2023	1,325,000	197,625	1,522,625
2024	1,370,000	157,200	1,527,200
2025-2028	4,555,000	210,675	4,765,675
Total	\$ 10,995,000	\$ 1,382,700	\$ 12,377,700

The City issues long-term debt instruments in order to acquire and/or construct major capital facilities (streets, drainage, public safety, water, and wastewater) and equipment for general government and enterprise fund activities. These instruments include two general obligation bonds. Future ad valorem tax revenues, water and sewer system revenues, or liens on property and equipment secure these debt obligations.

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged. Repayment of general obligation bonds is from taxes levied on all taxable property located within the City. The City is not obligated in any manner for special assessment debt.

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 not performed correctly, it could result in a substantial liability to the City. The City has engaged an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

E. Interfund Transactions

The composition of interfund balances as of year end was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amounts</u>
General	Golf course	\$ 439
General	JV Crime Control	25,400
Golf course	General	298,240
Debt service	General	4,170
Nonmajor	General	85,908
Nonmajor	Capital projects	350,750
Water and sewer	General	180
	Total	\$ 765,087

Amounts recorded as “due to/from” are considered to be temporary loans and will be repaid during the following year.

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

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amounts</u>
General	Water and sewer	\$ 210,000
General	Nonmajor	367,500
Debt service	Water and sewer	90,262
Capital projects	General	5,805,000
Golf course	General	298,240
	Total	\$ 6,771,002

Transfers to the general fund from the water and sewer fund were subsidies for administrative expenditures. Transfers to the capital projects fund from the general fund were for capital projects. Other amounts transferred between funds related to amounts collected by the nonmajor governmental funds for various governmental expenditures.

F. Fund Equity

As of September 30, 2019, \$800,823 of the City’s total fund balance is restricted by enabling legislation.

IV. OTHER INFORMATION

A. Risk Management

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

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

B. Contingent Liabilities

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

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

C. Pension Plan

Texas Municipal Retirement System

Plan Description

The City participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by TMRS. TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the "TMRS Act") as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of TMRS with a six-member Board of Trustees (the "Board"). 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 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.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

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	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/ yrs of service)	60/5, 0/20	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

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefits	54
Inactive employees entitled to, but not yet receiving, benefits	96
Active employees	92
Total	242

Contributions

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

Employees for the City were required to contribute seven percent of their annual gross earnings during the fiscal year. The contribution rates for the City were 15.22 percent and 14.89 percent in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2019 were \$846,916, which were equal to the required contributions.

Net Pension Liability

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

Actuarial Assumptions

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

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

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109 percent and female rates multiplied by 103 percent. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109 percent and female rates multiplied by 103 percent with a 3-year set-forward for both males and females. In addition, a 3.0 percent minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projects on a fully generational basis by scale BB to account for future mortality improvements subject to the 3 percent floor.

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

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

The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Domestic Equity	17.5%	4.30%
International Equity	17.5%	6.10%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.39%
Real Return	10.0%	3.78%
Real Estate	10.0%	4.44%
Absolute Return	10.0%	3.56%
Private Equity	5.0%	7.75%
Total	100.00%	

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

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	\$ 943,869	\$ -	\$ 943,869
Interest	1,603,724	-	1,603,724
Change in current period benefits	-	-	-
Difference between expected and actual experience	(798,906)	-	(798,906)
Changes in assumptions	-	-	-
Contributions - employer	-	830,647	(830,647)
Contributions - employee	-	386,605	(386,605)
Net investment income	-	(613,787)	613,787
Benefit payments, including refunds of employee contributions	(1,055,612)	(1,055,612)	-
Administrative expense	-	(11,868)	11,868
Other changes	-	(620)	620
Net Changes	693,075	(464,635)	1,157,710
Balance at December 31, 2017	23,814,748	20,499,343	3,315,405
Balance at December 31, 2018	\$ 24,507,823	\$ 20,034,708	\$ 4,473,115

Sensitivity of the NPL to Changes in the Discount Rate

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's Net Pension Liability	\$ 8,106,859	\$ 4,473,115	\$ 1,533,234

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.

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

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

For the fiscal year ended September 30, 2019, the City recognized pension expense of \$229,483.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 66,495	\$ (604,766)
Changes in actuarial assumptions	14,730	-
Difference between projected and actual investment earnings	1,064,866	-
Contributions subsequent to the measurement date	612,879	-
Total	\$ 1,758,970	\$ (604,766)

\$612,879 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30:	Pension Expense
2020	184,946
2021	(50,725)
2022	7,603
2023	399,501
Thereafter	-
Total	\$ 541,325

D. Other Postemployment Benefits

TMRS Supplemental Death Benefit

Plan Description

The City participates in an 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 Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. As such, the SDBF is

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

considered to be a single-employer unfunded OPEB defined benefit plan with benefit payments treated as being equal to the employer's yearly contributions for retirees.

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

Benefits

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

Inactive employees or beneficiaries currently receiving benefits	39
Inactive employees entitled to, but not yet receiving, benefits	26
Active employees	92
Total	157

Total OPEB Liability

The City's total OPEB liability of \$273,580 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

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

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

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

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

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

Changes in the Total OPEB Liability

	Total OPEB Liability
Changes for the year:	
Service cost	\$ 11,598
Interest	9,446
Differences between expected and actual experience	(5,411)
Changes of assumptions	(20,796)
Benefit payments*	(1,657)
Net Changes	(6,820)
Beginning balance	280,400
Ending Balance	\$ 273,580

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

The discount rate increased from 3.31 percent to 3.71 percent to reflect the Fidelity Index's 20-Year Municipal GO AA Index rate as of December 31, 2018. There were no other 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.

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

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

	1% Decrease in Discount Rate (2.31%)	Discount Rate (3.31%)	1% Increase in Discount Rate (4.31%)
City's Total OPEB Liability	\$ 330,206	\$ 273,580	\$ 230,181

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

For the year ended September 30, 2019, the City recognized OPEB expense of \$18,716. The City reported deferred outflows/inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ (4,405)
Changes in actuarial assumptions	-	(2,735)
Contributions subsequent to the measurement date	1,248	-
Total	\$ 1,248	\$ (7,140)

CITY OF JERSEY VILLAGE, TEXAS
NOTES TO FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2019

\$1,248 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 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:

<u>Year Ended</u> <u>September 30</u>	<u>OPEB Expense</u>
2020	\$ 671
2021	671
2022	671
2023	3,276
2024	1,851
Thereafter	-
Total	\$ 7,140

E. Chapter 380 Economic Development Program Agreement

Chapter 380, *Miscellaneous Provisions Relating to Municipal Planning and Development*, of the Texas Local Government Code provides the authority to the governing body of a municipality to establish and provide for the administration of one or more programs, including programs to promote state or local economic development and to stimulate business and commercial activity in the municipality.

Southwest Developers, LLC

On June 2, 2015, the City entered into a Chapter 380 economic development program agreement (the “Program”) with Southwest Developers, LLC. (the “Developer”). The City administers the Program of grants to the Developer for a limited time in amounts equal to a portion of City sales tax relating to certain property that would promote local economic development and stimulate business and commercial activity within the City. The Developer will provide development services for the City including finding a suitable third party to locate a retail sales center (the “Retail Sales Center”) in the City and assistance with identifying a location for the Retail Sales Center, and has applied to the City under its Program for financial assistance to locate such Retail Sales Center in the City.

Collaborate Development Group LLC

On June 22, 2019, the City entered into a Chapter 380 economic development program agreement (the “Program”) with Collaborate Development Group, LLC. (the “Developer”). The City administers the program of grants to the Developer for a limited time in amounts equal to a portion of City sales tax relating to certain property that would promote local economic development and stimulate business and commercial activity within the City. The Developer will provide development services for the City including purchasing of land to develop a commercial retail, hotel, and restaurant project with certain public improvements for the benefit of the City on approximately 43 acres of land. The Developer estimates the total capital investment in the project to be approximately \$145,000,000.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Page 1 of 2)
For the Year Ended September 30, 2019

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Taxes and fees:				
Ad valorem	\$ 6,705,000	\$ 6,705,000	\$ 6,631,718	\$ (73,282)
Sales	4,535,000	5,015,000	5,977,528	962,528
Franchise	612,000	612,000	560,994	(51,006)
Permits, licenses, and fees	100,100	100,100	116,748	16,648
Charges for services	390,350	390,350	1,240,337	849,987
Fines	968,700	968,700	1,129,014	160,314
Investment earnings	250,000	250,000	386,131	136,131
Intergovernmental	1,774,786	2,086,786	1,433,555	(653,231)
Other revenues	169,000	169,000	71,595	(97,405)
Total Revenues	<u>15,504,936</u>	<u>16,296,936</u>	<u>17,547,620</u>	<u>1,250,684</u>
Expenditures				
General government:				
Administration	601,345	601,345	561,609	39,736
Legal	1,697,639	10,366,181	10,360,820	5,361
Information technology	741,895	741,895	658,589	83,306
Purchasing	21,600	25,300	23,820	1,480
Finance	329,043	329,043	317,640	11,403
Customer service	142,335	142,335	128,355	13,980
Court	407,663	407,663	356,221	51,442
Total General Government	<u>3,941,520</u>	<u>12,613,762</u>	<u>12,407,054</u>	<u>206,708</u>
Public safety:				
Police	2,918,171	3,230,171	2,961,069	269,102
Dispatch	793,657	793,657	715,044	78,613
Fire	1,632,484	1,632,484	1,509,813	122,671
Total Public Safety	<u>5,344,312</u>	<u>5,656,312</u>	<u>5,185,926</u>	<u>470,386</u>
Public works:				
Public works administration	254,171	254,171	205,582	48,589
Community development	498,709	498,709	400,952	97,757
Streets	745,855	745,855	642,079	103,776
Building and grounds	291,561	291,561	239,526	52,035
Sanitation	436,568	436,568	406,984	29,584
Fleet services	484,533	484,533	479,178	5,355
Total Public Works	<u>2,711,397</u>	<u>2,711,397</u>	<u>2,374,301</u>	<u>337,096</u>
Parks and recreation	938,353	997,853	803,985	193,868
Total Expenditures	<u>12,935,582</u>	<u>21,979,324</u>	<u>20,771,266</u>	<u>1,208,058</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,569,354</u>	<u>(5,682,388)</u>	<u>(3,223,646)</u>	<u>2,458,742</u>

CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND (Page 2 of 2)
For the Year Ended September 30, 2019

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<u>Other Financing Sources (Uses)</u>				
Transfers in	\$ 577,500	\$ 577,500	\$ 577,500	\$ -
Transfers (out)	(6,089,067)	(5,970,728)	(5,753,240)	217,488
Total Other Financing (Uses)	<u>(5,511,567)</u>	<u>(5,393,228)</u>	<u>(5,175,740)</u>	<u>217,488</u>
Net Change in Fund Balance	<u>\$ (2,942,213)</u>	<u>\$ (11,075,616)</u>	<u>(8,399,386)</u>	<u>\$ 2,676,230</u>
Beginning fund balance			<u>16,616,837</u>	
Ending Fund Balance			<u>\$ 8,217,451</u>	

Notes to Required Supplementary Information:

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

CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TRAFFIC SAFETY FUND

For the Year Ended September 30, 2019

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines	\$ -	\$ 100	\$ 100
Total Revenues	-	100	100
<u>Expenditures</u>			
Public safety	284,172	242,978	41,194
Total Expenditures	284,172	242,978	41,194
Net Change in Fund Balance	\$ (284,172)	(242,878)	\$ 41,294
Beginning fund balance		827,506	
Ending Fund Balance		\$ 584,628	

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 JERSEY VILLAGE, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended September 30, 2019

	Measurement Year*			
	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 812,970	\$ 850,095	\$ 872,680	\$ 890,859
Interest (on the total pension liability)	1,315,698	1,369,339	1,410,647	1,497,966
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(448,345)	(105,426)	(59,041)	144,265
Change of assumptions	-	198,859	-	-
Benefit payments, including refunds of employee contributions	(839,314)	(1,025,857)	(949,496)	(930,014)
Net Change in Total Pension Liability	<u>841,009</u>	<u>1,287,010</u>	<u>1,274,790</u>	<u>1,603,076</u>
Beginning total pension liability	<u>18,808,863</u>	<u>19,649,872</u>	<u>20,936,882</u>	<u>22,211,672</u>
Ending Total Pension Liability	<u>\$ 19,649,872</u>	<u>\$ 20,936,882</u>	<u>\$ 22,211,672</u>	<u>\$ 23,814,748</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 679,660	\$ 741,645	\$ 730,340	\$ 784,097
Contributions - employee	337,066	340,427	343,575	357,569
Net investment income	885,763	24,391	1,120,508	2,469,825
Benefit payments, including refunds of employee contributions	(839,314)	(1,025,857)	(949,496)	(930,014)
Administrative expense	(9,246)	(14,861)	(12,670)	(12,808)
Other	(760)	(734)	(683)	(649)
Net Change in Plan Fiduciary Net Position	<u>1,053,169</u>	<u>65,012</u>	<u>1,231,574</u>	<u>2,668,021</u>
Beginning plan fiduciary net position	<u>15,481,567</u>	<u>16,534,736</u>	<u>16,599,748</u>	<u>17,831,322</u>
Ending Plan Fiduciary Net Position	<u>\$ 16,534,736</u>	<u>\$ 16,599,748</u>	<u>\$ 17,831,322</u>	<u>\$ 20,499,343</u>
Net Pension Liability	<u>\$ 3,115,136</u>	<u>\$ 4,337,134</u>	<u>\$ 4,380,350</u>	<u>\$ 3,315,405</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.15%	79.28%	80.28%	86.08%
Covered Payroll	\$ 4,815,231	\$ 4,863,246	\$ 4,908,210	\$ 5,108,134
Net Pension Liability as a Percentage of Covered Payroll	64.69%	89.18%	89.25%	64.90%

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

Measurement
Year*
2018

\$ 943,869
 1,603,724
 -
 (798,906)
 -
(1,055,612)
693,075
 23,814,748
\$ 24,507,823

\$ 830,647
 386,605
 (613,787)
 (1,055,612)
 (11,868)
 (620)
(464,635)
20,499,343
\$ 20,034,708
\$ 4,473,115

81.75%

\$ 5,522,931

80.99%

CITY OF JERSEY VILLAGE, TEXAS

SCHEDULE OF CONTRIBUTIONS

TEXAS MUNICIPAL RETIREMENT SYSTEM

For the Year Ended September 30, 2019

	Fiscal Year*			
	2014	2015	2016	2017
Actuarially determined contribution	\$ 679,002	\$ 704,979	\$ 737,720	\$ 754,213
Contributions in relation to the actuarially determined contribution	679,002	704,979	737,720	754,213
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
 Covered payroll	 \$ 4,806,083	 \$ 4,700,957	 \$ 4,925,673	 \$ 4,952,460
 Contributions as a percentage of covered payroll	 14.13%	 15.00%	 14.98%	 15.23%

*Only six years of information is currently available. The City will build this schedule over the next four-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	27 years
Asset valuation method	10 year smoothed market; 15% soft corridor
Inflation	2.5%
Salary increases	3.5% to 10.5% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

3. Other Information:

There were no benefit changes during the year.

Fiscal Year *	
2018	2019
\$ 825,456	\$ 837,570
825,456	837,570
<u>\$ -</u>	<u>\$ -</u>
<u>\$ 5,458,931</u>	<u>\$ 5,654,707</u>
15.12%	14.81%

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CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
TEXAS MUNICIPAL RETIREMENT SYSTEM

For the Year Ended September 30, 2019

	Measurement Year*	
	2017	2018
Total OPEB Liability		
Service cost	\$ 9,195	\$ 11,598
Interest (on the total OPEB liability)	9,251	9,446
Difference between expected and actual experience	-	(5,411)
Changes in assumptions	22,595	(20,796)
Benefit payments	(1,532)	(1,657)
Net Change in Total OPEB Liability	39,509	(6,820)
 Beginning total OPEB liability	 240,891	 280,400
Ending Total OPEB Liability	\$ 280,400	\$ 273,580
 Covered Payroll	 \$ 5,108,134	 \$ 5,522,931
 Total OPEB Liability as a Percentage of Covered Payroll	 5.49%	 4.95%

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

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

Notes to Required Supplementary Information:

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary increases	3.50% to 10.50% including inflation
Discount rate	3.71%
Administrative expenses	All administrative expenses are paid
Mortality - service retirees	RP2000 Combined Mortality Table with
Mortality - disabled retirees	RP2000 Combined Mortality Table with

Other Information:

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

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

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

There were no benefit changes during the year.

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***COMBINING STATEMENTS
AND SCHEDULES***

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CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended September 30, 2019

	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Ad valorem taxes	\$ 1,405,000	\$ 1,353,144	\$ (51,856)
Investment earnings	9,000	10,686	1,686
Total Revenues	1,414,000	1,363,830	(50,170)
<u>Expenditures</u>			
Debt service:			
Principal	1,180,000	1,180,000	-
Interest and fiscal agent fees	344,400	336,650	7,750
Total Expenditures	1,524,400	1,516,650	7,750
(Deficiency) of Revenues (Under) Expenditures	(110,400)	(152,820)	(42,420)
<u>Other Financing Sources (Uses)</u>			
Transfers in	90,262	90,262	-
Total Other Financing Sources	90,262	90,262	-
Net Change in Fund Balance	\$ (20,138)	(62,558)	\$ (42,420)
Beginning fund balance		393,737	
Ending Fund Balance		\$ 331,179	

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CITY OF JERSEY VILLAGE, TEXAS

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2019

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Hotel Occupancy Tax Fund

This fund is used to account for activities related to the collection of the City's hotel occupancy tax.

Court Security and Technology Fees Fund

This fund accounts for activities related to collection of security and technology fees collected in the court department.

Asset Forfeiture Fund

This fund is used to account for assets forfeited or seized by the police department.

CITY OF JERSEY VILLAGE, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

September 30, 2019

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Hotel Occupancy Tax	Court Security and Technology Fees	Asset Forfeiture	
<u>Assets</u>				
Current assets:				
Cash and equity in pooled cash and investments	\$ 397,224	\$ 23,943	\$ 31,807	\$ 452,974
Receivables, net	11,318	-	-	11,318
Prepaid items	248	-	2,221	2,469
Due from other funds	-	85,908	-	85,908
Total Assets	\$ 408,790	\$ 109,851	\$ 34,028	\$ 552,669
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accounts payable	\$ -	\$ 156	\$ -	\$ 156
Due to other funds	350,000	-	-	350,000
Total Liabilities	350,000	156	-	350,156
<u>Fund Balances</u>				
Nonspendable	248	-	2,221	2,469
Restricted:				
Tourism	58,542	-	-	58,542
Public safety	-	-	31,807	31,807
Court technology	-	109,695	-	109,695
Total Fund Balances	58,790	109,695	34,028	202,513
Total Liabilities and Fund Balances	\$ 408,790	\$ 109,851	\$ 34,028	\$ 552,669

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

	<u>Special Revenue Funds</u>			Total Nonmajor Governmental Funds
	Hotel Occupancy Tax	Court Security and Technology Fees	Asset Forfeiture	
Revenues				
Occupancy tax	\$ 78,274	\$ -	\$ -	\$ 78,274
Fines	-	46,896	-	46,896
Investment earnings	5,826	-	848	6,674
Other revenue	-	-	12,611	12,611
Total Revenues	84,100	46,896	13,459	144,455
Expenditures				
Current:				
General government	43,075	-	-	43,075
Public safety	-	64,218	31,509	95,727
Total Expenditures	43,075	64,218	31,509	138,802
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,025	(17,322)	(18,050)	5,653
Other Financing Sources (Uses)				
Transfer (out)	(367,500)	-	-	(367,500)
Total Other Financing (Uses)	(367,500)	-	-	(367,500)
Net Change in Fund Balances	(326,475)	(17,322)	(18,050)	(361,847)
Beginning fund balances	385,265	127,017	52,078	564,360
Ending Fund Balances	\$ 58,790	\$ 109,695	\$ 34,028	\$ 202,513

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CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2019

		Hotel Occupancy Tax		
		Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
	Occupancy tax	\$ 150,000	\$ 78,274	\$ (71,726)
	Investment earnings	8,000	5,826	(2,174)
	Total Revenues	158,000	84,100	(73,900)
Expenditures				
	General government	59,900	43,075	16,825
	Total Expenditures	59,900	43,075	16,825
	Excess of Revenues Over Expenditures	98,100	41,025	(57,075)
Other Financing Sources (Uses)				
	Transfers (out)	(487,500)	(367,500)	120,000
	Net Change in Fund Balance	\$ (389,400)	(326,475)	\$ 62,925
	Beginning fund balance		385,265	
	Ending Fund Balance		\$ 58,790	

CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2019

	Court Security and Technology Fees		
	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Fines	\$ 41,300	\$ 46,896	\$ 5,596
<u>Expenditures</u>			
Public safety	71,950	64,218	7,732
Net Change in Fund Balance	\$ (30,650)	(17,322)	\$ 13,328
Beginning fund balance		127,017	
Ending Fund Balance		\$ 109,695	

CITY OF JERSEY VILLAGE, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
For the Year Ended September 30, 2019

	Asset Forfeiture		
	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Investment earnings	\$ 800	\$ 848	\$ 48
Other revenue	-	12,611	12,611
Total Revenues	800	13,459	12,659
<u>Expenditures</u>			
Public safety	34,822	31,509	3,313
Total Expenditures	34,822	31,509	3,313
Net Change in Fund Balance	\$ (34,022)	(18,050)	\$ 15,972
Beginning fund balance		52,078	
Ending Fund Balance		\$ 34,028	

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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 City's overall financial health.

Contents	Page
Financial Trends	100
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	110
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.</i>	
Debt Capacity	120
<i>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	129
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	133
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

CITY OF JERSEY VILLAGE, TEXAS

NET POSITION BY COMPONENT

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Governmental Activities				
Net investment in capital assets	\$ 21,384,544	\$ 25,644,695	\$ 23,205,799	\$ 29,072,714
Restricted	6,751,632	1,706,438	7,298,473	3,646,658
Unrestricted	4,825,409	8,906,717	8,025,517	10,085,847
Total Governmental Activities Net Position	<u>\$ 32,961,585</u>	<u>\$ 36,257,850</u>	<u>\$ 38,529,789</u>	<u>\$ 42,805,219</u>
Business-Type Activities				
Net investment in capital assets	\$ 17,831,127	\$ 17,991,847	\$ 18,085,993	\$ 17,746,030
Unrestricted	3,806,361	4,282,824	4,422,826	5,297,596
Total Business-Type Activities Net Position	<u>\$ 21,637,488</u>	<u>\$ 22,274,671</u>	<u>\$ 22,508,819</u>	<u>\$ 23,043,626</u>
Primary Government				
Net investment in capital assets	\$ 39,215,671	\$ 43,636,542	\$ 41,291,792	\$ 46,818,744
Restricted	6,751,632	1,706,438	7,298,473	3,646,658
Unrestricted	8,631,770	13,189,541	12,448,343	15,383,443
Total Primary Government Net Position	<u>\$ 54,599,073</u>	<u>\$ 58,532,521</u>	<u>\$ 61,038,608</u>	<u>\$ 65,848,845</u>

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 30,316,564	\$ 31,654,577	\$ 31,824,350	\$ 35,856,808	\$ 40,819,897	\$ 51,991,503
3,329,342	2,930,096	2,830,414	2,549,847	1,878,602	1,231,295
-	14,575,527	18,541,697	18,930,408	19,725,575	16,720,423
<u>\$ 33,645,906</u>	<u>\$ 49,160,200</u>	<u>\$ 53,196,461</u>	<u>\$ 57,337,063</u>	<u>\$ 62,424,074</u>	<u>\$ 69,943,221</u>
\$ 17,205,752	\$ 17,000,490	\$ 17,629,271	\$ 17,347,834	\$ 17,132,700	\$ 18,426,266
18,541,697	6,320,937	6,588,580	7,104,061	7,407,323	6,604,846
<u>\$ 35,747,449</u>	<u>\$ 23,321,427</u>	<u>\$ 24,217,851</u>	<u>\$ 24,451,895</u>	<u>\$ 24,540,023</u>	<u>\$ 25,031,112</u>
\$ 47,522,316	\$ 48,655,067	\$ 49,453,621	\$ 53,204,642	\$ 57,952,597	\$ 70,417,769
3,329,342	2,930,096	2,830,414	2,549,847	1,878,602	1,231,295
18,541,697	20,896,464	25,130,277	26,034,469	27,132,898	23,325,269
<u>\$ 69,393,355</u>	<u>\$ 72,481,627</u>	<u>\$ 77,414,312</u>	<u>\$ 81,788,958</u>	<u>\$ 86,964,097</u>	<u>\$ 94,974,333</u>

CITY OF JERSEY VILLAGE, TEXAS

CHANGES IN NET POSITION

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Expenses				
Governmental activities				
General government	\$ 2,046,283	\$ 1,852,750	\$ 1,979,509	\$ 1,744,782
Public safety	5,136,312	5,038,540	5,221,610	5,029,549
Public works	2,391,025	2,460,625	2,929,708	2,399,621
Parks and recreation	525,477	197,711	163,273	158,351
Interest and fiscal agent fees on long-term debt	1,220,035	1,025,458	850,924	797,826
Total Governmental Activities Expenses	<u>11,319,132</u>	<u>10,575,084</u>	<u>11,145,024</u>	<u>10,130,129</u>
Business-type activities				
Water and sewer	2,092,496	2,798,185	3,040,413	2,838,464
Golf course	1,628,516	1,740,698	1,649,470	1,662,206
Total Business-Type Activities Expenses	<u>3,721,012</u>	<u>4,538,883</u>	<u>4,689,883</u>	<u>4,500,670</u>
Total Primary Government Expenses	<u>\$ 15,040,144</u>	<u>\$ 15,113,967</u>	<u>\$ 15,834,907</u>	<u>\$ 14,630,799</u>
Program Revenues				
Governmental activities				
Charges for services				
Public safety	\$ 2,324,301	\$ 2,405,134	\$ 3,090,178	\$ 2,881,707
Parks and recreation	296,557	333,423	212,593	272,562
Operating grants and contributions	3,439,600	1,118,822	609,286	750,143
Total Governmental Activities Program Revenues	<u>6,060,458</u>	<u>3,857,379</u>	<u>3,912,057</u>	<u>3,904,412</u>
Business-type activities				
Charges for services				
Water and sewer	2,983,242	4,194,006	3,894,131	4,092,417
Golf course	1,243,653	1,414,004	1,466,549	1,435,975
Total Business-Type Activities Program Revenues	<u>4,226,895</u>	<u>5,608,010</u>	<u>5,360,680</u>	<u>5,528,392</u>
Total Primary Government Program Revenues	<u>\$ 10,287,353</u>	<u>\$ 9,465,389</u>	<u>\$ 9,272,737</u>	<u>\$ 9,432,804</u>
Net (Expense)/Revenue				
Governmental activities	\$ (5,258,674)	\$ (6,717,705)	\$ (7,232,967)	\$ (6,225,717)
Business-type activities	505,883	1,069,127	670,797	1,027,722
Total Primary Government Net Expense	<u>\$ (4,752,791)</u>	<u>\$ (5,648,578)</u>	<u>\$ (6,562,170)</u>	<u>\$ (5,197,995)</u>

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 1,741,875	\$ 1,683,153	\$ 1,529,880	\$ 3,683,493	\$ 3,399,058	\$ 3,169,452
4,840,944	5,075,686	4,593,094	4,386,395	4,748,633	4,903,199
2,447,946	2,916,512	5,338,993	3,430,767	4,792,733	2,992,310
225,551	119,532	651,178	581,277	519,638	717,655
703,579	719,422	648,442	491,413	439,389	307,289
<u>9,959,895</u>	<u>10,514,305</u>	<u>12,761,587</u>	<u>12,573,345</u>	<u>13,899,451</u>	<u>12,089,905</u>
2,612,155	2,571,317	3,049,180	3,512,761	3,638,432	3,148,578
1,716,718	1,775,044	1,743,055	1,873,377	1,900,360	2,135,470
4,328,873	4,346,361	4,792,235	5,386,138	5,538,792	5,284,048
<u>\$ 14,288,768</u>	<u>\$ 14,860,666</u>	<u>\$ 17,553,822</u>	<u>\$ 17,959,483</u>	<u>\$ 19,438,243</u>	<u>\$ 17,373,953</u>
\$ 1,431,320	\$ 1,100,279	\$ 1,111,375	\$ 1,188,568	\$ 1,181,524	\$ 1,292,758
363,058	509,817	462,972	285,291	238,846	1,240,337
1,063,628	1,897,233	980,511	1,313,987	3,552,993	1,433,555
<u>2,858,006</u>	<u>3,507,329</u>	<u>2,554,858</u>	<u>2,787,846</u>	<u>4,973,363</u>	<u>3,966,650</u>
4,000,806	4,150,845	4,595,167	4,518,707	4,670,098	4,496,215
1,333,700	1,187,249	1,196,934	1,281,283	1,387,282	1,500,228
5,334,506	5,338,094	5,792,101	5,799,990	6,057,380	5,996,443
<u>\$ 8,192,512</u>	<u>\$ 8,845,423</u>	<u>\$ 8,346,959</u>	<u>\$ 8,587,836</u>	<u>\$ 11,030,743</u>	<u>\$ 9,963,093</u>
\$ (7,101,889)	\$ (7,006,976)	\$ (10,206,729)	\$ (9,785,499)	\$ (8,926,088)	\$ (8,123,255)
1,005,633	991,733	999,866	413,852	518,588	712,395
<u>\$ (6,096,256)</u>	<u>\$ (6,015,243)</u>	<u>\$ (9,206,863)</u>	<u>\$ (9,371,647)</u>	<u>\$ (8,407,500)</u>	<u>\$ (7,410,860)</u>

CITY OF JERSEY VILLAGE, TEXAS

CHANGES IN NET POSITION (Continued)

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
General Revenues and Other				
Changes in Net Position				
Governmental activities				
Taxes				
Ad valorem	\$ 6,198,169	\$ 6,099,750	\$ 5,511,884	\$ 6,146,643
Sales taxes	2,411,159	2,565,651	3,035,624	2,998,515
Franchise fees and local taxes	699,172	667,970	666,253	673,888
Investment earnings	36,792	23,718	20,768	17,834
Other revenues	275,580	222,280	134,121	169,946
Transfers	420,476	434,601	438,718	494,321
Total Governmental Activities	<u>10,041,348</u>	<u>10,013,970</u>	<u>9,807,368</u>	<u>10,501,147</u>
Business-type activities				
Investment earnings	5,614	2,657	2,069	1,406
Transfers	(420,476)	(434,601)	(438,718)	(494,321)
Total Business-Type Activities	<u>(414,862)</u>	<u>(431,944)</u>	<u>(436,649)</u>	<u>(492,915)</u>
Total Primary Government	<u>\$ 9,626,486</u>	<u>\$ 9,582,026</u>	<u>\$ 9,370,719</u>	<u>\$ 10,008,232</u>
Change in Net Position				
Governmental activities	\$ 4,782,674	\$ 3,296,265	\$ 2,574,401	\$ 4,275,430
Business-type activities	91,021	637,183	234,148	534,807
Total Primary Government	<u>\$ 4,873,695</u>	<u>\$ 3,933,448</u>	<u>\$ 2,808,549</u>	<u>\$ 4,810,237</u>

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 6,269,652	\$ 6,899,774	\$ 8,216,808	\$ 8,047,479	\$ 7,631,592	\$ 8,008,209
3,282,372	3,333,531	4,932,020	4,625,417	4,769,278	5,977,528
674,027	635,236	636,178	615,525	610,312	560,994
6,346	14,733	76,726	185,333	473,167	581,169
258,962	173,688	262,531	236,105	251,130	162,480
1,188,206	110,781	118,727	216,242	481,440	352,022
<u>11,679,565</u>	<u>11,167,743</u>	<u>14,242,990</u>	<u>13,926,101</u>	<u>14,216,919</u>	<u>15,642,402</u>
1,037	2,295	15,285	36,434	86,947	130,716
<u>(1,188,206)</u>	<u>(110,781)</u>	<u>(118,727)</u>	<u>(216,242)</u>	<u>(481,440)</u>	<u>(352,022)</u>
<u>(1,187,169)</u>	<u>(108,486)</u>	<u>(103,442)</u>	<u>(179,808)</u>	<u>(394,493)</u>	<u>(221,306)</u>
<u>\$ 10,492,396</u>	<u>\$ 11,059,257</u>	<u>\$ 14,139,548</u>	<u>\$ 13,746,293</u>	<u>\$ 13,822,426</u>	<u>\$ 15,421,096</u>
\$ 4,577,676	\$ 4,160,767	\$ 4,036,261	\$ 4,140,602	\$ 5,290,831	\$ 7,519,147
(181,536)	883,247	896,424	234,044	124,095	491,089
<u>\$ 4,396,140</u>	<u>\$ 5,044,014</u>	<u>\$ 4,932,685</u>	<u>\$ 4,374,646</u>	<u>\$ 5,414,926</u>	<u>\$ 8,010,236</u>

CITY OF JERSEY VILLAGE, TEXAS

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	15,720	19,192	24,297	24,875
Unassigned	9,646,412	10,779,487	5,770,244	7,886,398
Total General Fund	\$ 9,662,132	\$ 10,798,679	\$ 5,794,541	\$ 7,911,273
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted				
Capital project funds	6,732,339	4,918,996	4,204,651	5,001
Debt service funds	-	399,560	450,332	474,716
Special revenue funds	-	1,005,618	2,579,531	3,141,766
Assigned				
Capital projects	-	-	-	-
Total All Other Governmental Funds	\$ 6,732,339	\$ 6,324,174	\$ 7,234,514	\$ 3,621,483

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 674	\$ -	\$ 4,853	\$ 259	\$ 259	\$ 259
31,012	39,109	61,587	79,447	95,468	115,444
10,018,365	12,697,557	14,441,008	17,275,139	16,521,110	8,101,748
<u>\$ 10,050,051</u>	<u>\$ 12,736,666</u>	<u>\$ 14,507,448</u>	<u>\$ 17,354,845</u>	<u>\$ 16,616,837</u>	<u>\$ 8,217,451</u>
\$ 2,221	\$ 2,221	\$ 3,276	\$ 2,469	\$ 2,469	\$ 2,469
-	7,549,019	4,521,659	3,669,948	634,352	74,229
500,482	463,977	456,038	441,734	393,737	331,179
2,793,875	2,554,137	2,312,789	2,028,666	1,389,397	784,672
1,116,824	840,778	3,008,415	966,776	2,826,617	7,891,610
<u>\$ 4,413,402</u>	<u>\$ 11,410,132</u>	<u>\$ 10,302,177</u>	<u>\$ 7,109,593</u>	<u>\$ 5,246,572</u>	<u>\$ 9,084,159</u>

CITY OF JERSEY VILLAGE, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Taxes	\$ 9,285,086	\$ 9,354,873	\$ 9,596,403	\$ 9,861,843
Permits, licenses, and fees	84,507	99,301	131,129	133,471
Charges for services	296,557	333,423	212,593	272,562
Fines and forfeitures	2,239,794	2,305,833	2,959,049	2,748,236
Investment earnings	32,674	20,454	17,212	14,235
Intergovernmental	3,439,600	1,118,822	609,286	750,143
Other revenues	275,580	172,696	58,474	112,545
Total Revenues	<u>15,653,798</u>	<u>13,405,402</u>	<u>13,584,146</u>	<u>13,893,035</u>
Expenditures				
General government	1,913,068	1,779,389	1,771,567	1,711,971
Public safety	4,931,600	5,202,586	4,975,131	5,270,514
Public works	2,400,831	2,888,384	5,303,688	6,171,265
Parks and recreation	570,739	534,455	530,295	552,260
Capital outlay	2,977,118	3,515,027	264,013	13,425
Debt service				
Principal	701,317	689,520	1,235,000	1,405,000
Interest and fiscal fees	1,637,126	1,538,227	1,032,575	759,220
Paid to escrow for current bond refunding	-	-	135,000	-
Total Expenditures	<u>15,131,799</u>	<u>16,147,588</u>	<u>15,247,269</u>	<u>15,883,655</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	521,999	(2,742,186)	(1,663,123)	(1,990,620)
Other Financing Sources (Uses)				
Sale of capital assets	-	-	6,615	-
Transfers in	1,477,311	721,956	7,353,718	560,397
Transfers out	(1,056,835)	(287,355)	(6,915,000)	(66,076)
Proceeds paid to escrow	-	-	(9,382,129)	-
Issuance of debt	-	-	9,050,000	-
Premium on debt issued	-	-	492,088	-
Total Other Financing Sources	<u>420,476</u>	<u>434,601</u>	<u>605,292</u>	<u>494,321</u>
Net Change in Fund Balances	<u>\$ 942,475</u>	<u>\$ (2,307,585)</u>	<u>\$ (1,057,831)</u>	<u>\$ (1,496,299)</u>
Debt service as a percentage of noncapital expenditures	19.92%	20.75%	19.30%	21.94%

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 10,389,401	\$ 11,007,424	\$ 13,878,811	\$ 13,367,966	\$ 13,195,464	\$ 14,601,658	
131,473	172,065	203,454	180,908	126,564	116,748	
363,058	509,817	397,070	259,218	238,846	1,240,337	
1,299,847	928,214	907,921	1,007,660	1,054,960	1,176,010	
5,041	12,526	63,057	155,039	408,902	476,131	
1,063,628	1,897,233	980,511	1,313,987	3,552,993	1,433,555	
181,063	62,786	168,790	156,624	90,731	84,206	
<u>13,433,511</u>	<u>14,590,065</u>	<u>16,599,614</u>	<u>16,441,402</u>	<u>18,668,460</u>	<u>19,128,645</u>	
1,765,524	1,911,015	3,513,200	3,553,380	3,555,860	12,450,129	
4,876,359	4,856,290	4,560,262	4,829,164	5,185,533	5,524,631	
2,323,893	3,760,747	4,867,383	5,668,902	4,049,980	3,747,071	
556,575	587,791	623,509	554,607	779,801	803,985	
-	-	-	-	-	-	
1,495,000	1,050,000	1,765,000	1,875,000	7,710,000	1,180,000	
673,669	577,906	782,639	521,778	469,755	336,650	
-	-	-	-	-	-	
<u>11,691,020</u>	<u>12,743,749</u>	<u>16,111,993</u>	<u>17,002,831</u>	<u>21,750,929</u>	<u>24,042,466</u>	
1,742,491	1,846,316	487,621	(561,429)	(3,082,469)	(4,913,821)	
-	-	-	-	-	-	
2,025,025	625,341	2,029,632	578,913	10,600,678	6,472,762	
(836,819)	(514,560)	(1,910,905)	(362,671)	(10,119,238)	(6,120,740)	
-	-	(7,281,990)	-	-	-	
-	8,000,000	6,710,000	-	-	-	
-	-	628,469	-	-	-	
<u>1,188,206</u>	<u>8,110,781</u>	<u>175,206</u>	<u>216,242</u>	<u>481,440</u>	<u>352,022</u>	
<u>\$ 2,930,697</u>	<u>\$ 9,957,097</u>	<u>\$ 662,827</u>	<u>\$ (345,187)</u>	<u>\$ (2,601,029)</u>	<u>\$ (4,561,799)</u>	
19.97%	14.87%	19.45%	19.39%	41.08%	12.81%	

CITY OF JERSEY VILLAGE, TEXAS
TAX REVENUES BY SOURCE, GOVERNMENTAL ACTIVITIES
 Last Ten Years
 (modified accrual basis of accounting)

Function	Fiscal Year			
	2010	2011	2012	2013
Ad valorem	\$ 6,174,755	\$ 6,071,668	\$ 5,825,494	\$ 6,132,039
Sales	2,411,159	2,565,651	3,035,624	2,998,515
Franchise fees	632,605	667,970	666,253	673,888
Other	66,567	49,584	69,032	57,401
Totals	\$ 9,550,499	\$ 9,285,086	\$ 9,596,403	\$ 9,596,403

Fiscal Year

2014	2015	2016	2017	2018	2019
\$ 6,355,103	\$ 6,927,755	\$ 8,216,872	\$ 8,047,543	\$ 7,655,475	\$ 7,984,862
3,282,372	3,333,531	4,932,020	4,625,417	4,769,278	5,977,528
674,027	635,236	636,178	615,525	610,312	560,994
77,899	110,902	93,741	79,481	160,399	78,274
<u>\$ 9,861,843</u>	<u>\$ 11,007,424</u>	<u>\$ 13,878,811</u>	<u>\$ 13,367,966</u>	<u>\$ 13,195,464</u>	<u>\$ 14,601,658</u>

CITY OF JERSEY VILLAGE, TEXAS
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Residential property	\$ 479,135,881	\$ 491,005,824	\$ 491,833,349	\$ 496,740,074
Commercial property	214,657,268	190,621,214	195,666,311	204,473,889
Other	277,213,850	307,527,234	254,734,037	252,948,984
Less: Tax exempt property	<u>(149,634,733)</u>	<u>(161,632,749)</u>	<u>(161,049,212)</u>	<u>(138,212,692)</u>
Total Taxable Assessed Value (1)	<u><u>\$ 821,372,266</u></u>	<u><u>\$ 827,521,523</u></u>	<u><u>\$ 781,184,485</u></u>	<u><u>\$ 815,950,255</u></u>
Total Direct Tax Rate	\$ 0.74250	\$ 0.74250	\$ 0.74250	\$ 0.74250

Source: Harris County Certified / Uncertified Tax Roll

(1) Property is assessed at actual value, therefore, the assessed values are equal to actual value.
Tax rates are per \$100 of assessed value.

Fiscal Year

2014	2015	2016	2017	2018	2019
\$ 520,849,850	\$ 556,078,428	\$ 609,105,279	\$ 657,487,846	\$ 697,956,307	\$ 716,831,184
224,196,999	242,011,499	254,969,262	268,838,386	280,814,558	296,336,420
284,337,338	279,381,642	436,409,458	378,991,944	267,381,542	274,421,586
<u>(176,397,106)</u>	<u>(149,483,522)</u>	<u>(187,496,940)</u>	<u>(202,797,027)</u>	<u>(203,955,593)</u>	<u>(207,287,908)</u>
<u>\$ 852,987,081</u>	<u>\$ 927,988,047</u>	<u>\$ 1,112,987,059</u>	<u>\$ 1,102,521,149</u>	<u>\$ 1,042,196,814</u>	<u>\$ 1,080,301,282</u>
\$ 0.74250	\$ 0.74250	\$ 0.74250	\$ 0.74250	\$ 0.74250	\$ 0.74250

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

	Fiscal Year			
	2010	2011	2012	2013
City of Jersey Village by fund:				
General	\$ 0.46000	\$ 0.48160	\$ 0.46259	\$ 0.48566
Debt service	0.28250	0.26091	0.27991	0.25684
Total Direct Rates	\$ 0.74250	\$ 0.74250	\$ 0.74250	\$ 0.74250
Cypress-Fairbanks Independent School District	\$ 1.43000	\$ 1.43000	\$ 1.43000	\$ 1.45000
Harris County	0.38805	0.39117	0.40021	0.40021
Harris County Flood Control District	0.02923	0.02809	0.02809	0.02809
Port of Houston Authority	0.02054	0.01856	0.01952	0.01952
Harris County Hospital District	0.19216	0.19216	0.18216	0.18216
Harris County Department of Education	0.00658	0.00658	0.00662	0.00662
Lone Star College System	-	-	-	0.11600
Total Direct and Overlapping Rates (1)	\$ 2.80906	\$ 2.80906	\$ 2.80910	\$ 2.94510

Tax rates are per \$100 of assessed valuation
Source: Harris County Appraisal District

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

Fiscal Year

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 0.49415	\$ 0.58252	\$ 0.52635	\$ 0.53148	\$ 0.53058	\$ 0.61640
0.24835	0.15998	0.21615	0.21102	0.21192	0.12610
<u>\$ 0.74250</u>	<u>\$ 0.74250</u>	<u>\$ 0.74250</u>	<u>\$ 0.74250</u>	<u>\$ 0.74250</u>	<u>\$ 0.74250</u>
\$ 1.45000	\$ 1.44000	\$ 1.44000	\$ 1.44000	\$ 1.44000	\$ 1.37000
0.41455	0.41731	0.41923	0.41656	0.41858	0.40713
0.02827	0.02736	0.02733	0.02829	0.02877	0.27920
0.01716	0.01531	0.01342	0.01334	0.01155	0.10740
0.17000	0.17000	0.17000	0.17179	0.17108	0.16591
0.00636	0.00600	0.00520	0.00520	0.00519	0.00500
0.10810	0.10790	0.10780	0.10780	0.10780	0.10780
<u>\$ 2.93694</u>	<u>\$ 2.92638</u>	<u>\$ 2.92548</u>	<u>\$ 2.92548</u>	<u>\$ 2.92547</u>	<u>\$ 3.18494</u>

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CITY OF JERSEY VILLAGE, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Ten Years Ago

Property Taxpayer	2019			2009		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
Prologis	\$ 78,388,443	1	7.26%	\$ 27,595,319	4	3.4%
AROP Promenade Jersey Vil LLC	47,269,044	2	4.38%	37,582,343	3	4.6%
GWR Trails CC Owner LLC**	35,822,027	3	3.32%	22,485,893	5	2.7%
Gordon NW Village LP	25,391,559	4	2.35%	N/A	-	N/A
BHA Real Estate Holdings LLC	22,858,033	5	2.12%	N/A	-	N/A
Trails Rock Creek Holdings LP	22,663,435	6	2.10%	14,518,305	7	1.8%
Joe Myers Ford II, LLC*	19,358,098	7	1.79%	39,861,154	2	4.9%
Sonic LS Chevrolet	19,278,434	8	1.78%	10,203,855	10	1.2%
Joe Myers Automotive, LLC	17,686,780	9	1.64%	N/A	-	N/A
CARS DB4 LP	13,224,808	10	1.22%	N/A	-	N/A
Car Son LMC LP	N/A	-	N/A	14,003,875	8	1.7%
Goodman Manufacturing Corp.	N/A	-	N/A	50,450,850	1	6.2%
Baceline Value Fund I	N/A	-	N/A	18,656,496	6	2.3%
Prologis Texas III LLC	N/A	-	N/A	12,291,233	9	1.5%
Subtotal	<u>301,940,661</u>		<u>27.95%</u>	<u>247,649,323</u>		<u>30.2%</u>
Other Taxpayers	<u>778,360,621</u>		<u>72.05%</u>	<u>571,591,045</u>		<u>69.8%</u>
Total	<u><u>\$ 1,080,301,282</u></u>		<u><u>100.00%</u></u>	<u><u>\$ 819,240,368</u></u>		<u><u>100.0%</u></u>

Source: Harris County Tax Assessor-Collector's records.

* Joe Myers Ford and Joe Myers Automotive LLC values were included Joe Myers Dealership

**GWR Trails CC Owner LLC was previously Beeler Sanders V LTD

CITY OF JERSEY VILLAGE, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Tax levy	\$ 6,123,716	\$ 6,144,347	\$ 5,800,295	\$ 6,058,430
Current tax collected*	6,038,759	6,060,483	5,746,879	6,014,066
Percentage of current tax collections	98.61%	98.64%	99.08%	99.27%
Net collections and refunds in subsequent years**	54,740	60,003	38,280	29,923
Total Tax Collections	\$ 6,093,499	\$ 6,120,486	\$ 5,785,159	\$ 6,043,989
Total collections as a percentage of current levy	99.51%	99.61%	99.74%	99.76%

Source: Harris County Tax Assessor-Collector

* Collected within the year of the levy.

** Collected or refunded in subsequent years of the levy.

Fiscal Year

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 6,306,997	\$ 6,890,311	\$ 8,263,929	\$ 8,185,070	\$ 7,738,311	\$ 8,021,237
6,288,377	6,837,787	7,792,590	7,731,341	7,700,027	7,970,669
99.70%	99.24%	94.30%	94.46%	99.51%	99.37%
-	23,621	(32,391)	(102,441)	(66,154)	(40,989)
<u>\$ 6,288,377</u>	<u>\$ 6,861,408</u>	<u>\$ 7,760,199</u>	<u>7,628,900</u>	<u>7,633,873</u>	<u>7,929,680</u>
99.70%	99.58%	93.90%	93.21%	98.65%	98.86%

CITY OF JERSEY VILLAGE, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Primary Government				
Governmental Activities:				
General obligation bonds	\$ 15,657,447	\$ 15,280,000	\$ 18,900,000	\$ 17,770,000
Certificates of obligation	5,770,000	5,525,000	880,000	605,000
Capital leases	385,529	305,666	229,511	777,534
Premium on bonds	225,171	225,171	634,591	586,559
Subtotal	<u>22,038,147</u>	<u>21,335,837</u>	<u>20,644,102</u>	<u>19,739,093</u>
Business-Type Activities:				
Revenue bonds	-	-	-	-
Total Primary Government	<u>\$ 22,038,147</u>	<u>\$ 21,335,837</u>	<u>\$ 20,644,102</u>	<u>\$ 19,739,093</u>
 Personal Income	 \$ 368,768,400	 \$ 311,825,640	 \$ 346,330,800	 \$ 346,330,800
 Debt as a Percentage of Personal Income	 5.98%	 6.84%	 5.96%	 5.70%
 Population	 7,620	 7,700	 7,785	 7,862
 Debt Per Capita	 \$ 2,892	 \$ 2,771	 \$ 2,652	 \$ 2,511

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Fiscal Year

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 16,570,000	\$ 15,830,000	\$ 14,440,000	\$ 13,320,000	\$ 12,175,000	\$ 10,995,000
310,000	8,000,000	7,320,000	6,565,000	-	-
396,073	-	-	-	-	-
538,527	490,495	925,134	830,728	736,321	646,096
<u>17,814,600</u>	<u>24,320,495</u>	<u>22,685,134</u>	<u>20,715,728</u>	<u>12,911,321</u>	<u>11,641,096</u>
-	-	-	-	-	-
<u>\$ 17,814,600</u>	<u>\$ 24,320,495</u>	<u>\$ 22,685,134</u>	<u>\$ 20,715,728</u>	<u>\$ 12,911,321</u>	<u>\$ 11,641,096</u>
\$ 347,500,000	\$ 348,000,000	\$ 349,000,000	\$ 378,195,480	\$ 410,008,680	\$ 410,008,680
5.13%	6.99%	6.50%	5.48%	3.15%	2.84%
7,901	7,898	7,928	7,929	7,970	7,992
\$ 2,255	\$ 3,079	\$ 2,861	\$ 2,613	\$ 1,620	\$ 1,457

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

	Fiscal Year			
	2010	2011	2012	2013
Net Taxable Assessed Value				
All property	\$ 821,372,266	\$ 827,521,523	\$ 781,184,485	\$ 815,950,255
Net Bonded Debt				
Gross bonded debt	\$ 21,812,976	\$ 21,110,666	\$ 20,009,511	\$ 19,152,534
Less debt service funds	(413,552)	(426,947)	(450,332)	(474,716)
Net Bonded Debt	\$ 21,399,424	\$ 20,683,719	\$ 19,559,179	\$ 18,677,818
Ratio of Net Bonded Debt To Assessed Value	2.61%	2.50%	2.50%	2.29%
Population	7,620	7,700	7,785	7,862
Net Bonded Debt Per Capita	\$ 2,808	\$ 2,686	\$ 2,512	\$ 2,376

Fiscal Year

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>\$ 852,987,081</u>	<u>\$ 927,988,047</u>	<u>\$ 1,112,987,059</u>	<u>\$ 1,102,521,149</u>	<u>\$ 1,042,196,814</u>	<u>\$ 1,080,301,282</u>
<u>\$ 17,276,073</u> <u>(500,482)</u>	<u>\$ 23,830,000</u> <u>(463,978)</u>	<u>\$ 22,685,134</u> <u>(456,038)</u>	<u>\$ 20,715,728</u> <u>(441,734)</u>	<u>\$ 12,911,321</u> <u>(393,737)</u>	<u>\$ 11,641,096</u> <u>(331,179)</u>
<u>\$ 16,775,591</u>	<u>\$ 23,366,022</u>	<u>\$ 22,229,096</u>	<u>\$ 20,273,994</u>	<u>\$ 12,517,584</u>	<u>\$ 11,309,917</u>
1.97%	2.52%	2.00%	1.84%	1.20%	1.05%
7,901	7,898	7,928	7,929	7,970	7,992
\$ 2,123	\$ 2,958	\$ 2,804	\$ 2,557	\$ 1,571	\$ 1,415

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CITY OF JERSEY VILLAGE, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
For the Year Ended September 30, 2019

Governmental Unit	Net Bonded Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Cypress-Fairbanks Independent School District	\$ 2,856,188,375	1.440%	\$ 41,129,113
Harris County	2,050,758,022	0.418%	8,584,063
Harris County Department of Education	6,320,000	0.005%	3,160
Lone Star College District	609,845,000	0.108%	6,586,326
Harris County Flood Control District	83,075,000	0.029%	240,918
Port of Houston Authority	593,754,397	0.012%	712,505
Subtotal, overlapping debt	<u>6,199,940,794</u>		<u>57,256,084</u>
City Direct Debt	10,995,000	100.000%	<u>10,995,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 68,251,084</u></u>

Source: Various governmental units mentioned above

(1) Estimated Percentage Applicable obtained from Municipal Advisory Council of Texas.

CITY OF JERSEY VILLAGE, TEXAS

PLEDGED-REVENUE COVERAGE

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Gross Revenues (1)	\$ 2,980,427	\$ 4,228,053	\$ 3,895,964	\$ 4,093,684
Operating Expenses (2)	\$ 1,844,384	\$ 2,630,168	\$ 2,750,154	\$ 2,608,672
Net Revenues Available for Debt Service	\$ 1,136,043	\$ 1,597,885	\$ 1,145,810	\$ 1,485,012
Debt Service Requirements (3)				
Principal	\$ 100,000	\$ -	\$ -	\$ -
Interest	37,625	-	-	-
Total	\$ 137,625	\$ -	\$ -	\$ -
Coverage	6.94	0.00	0.00	0.00

(1) Total revenues including interest, excluding tap fees

(2) Total operating expenses less depreciation

(3) Includes revenue bonds only

Fiscal Year

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 4,001,738	\$ 4,152,908	\$ 4,595,167	\$ 4,518,707	\$ 4,670,098	\$ 4,496,215
\$ 2,356,645	\$ 2,728,013	\$ 2,655,492	\$ 2,974,499	\$ 3,079,683	\$ 2,646,874
\$ 1,645,093	\$ 1,424,895	\$ 1,939,675	\$ 1,544,208	\$ 1,590,415	\$ 1,849,341
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
0.00	0.00	0.00	0.00	0.00	0.00

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CITY OF JERSEY VILLAGE, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Years

Fiscal Year Ended Sep. 30	Population (1)	Personal Income (4)	Per Capita Personal Income	Median Age	School Enrollment (2)	Unemployment Rate (3)
2010	7,620	\$ 368,768,400	\$ 48,259	37.8	4,177	8.2%
2011	7,700	\$ 311,825,640	\$ 40,922	37.8	4,232	8.1%
2012	7,785	\$ 346,330,800	\$ 45,272	32.7	4,300	6.9%
2013	7,862	\$ 346,330,800	\$ 44,051	37.8	4,400	6.2%
2014	7,901	\$ 347,500,000	\$ 43,982	37.8	4,500	5.0%
2015	7,898	\$ 348,000,000	\$ 44,062	39.0	4,500	4.9%
2016	7,928	\$ 349,000,000	\$ 46,000	43.6	4,600	4.9%
2017	7,929	\$ 378,195,480	\$ 47,304	44.7	4,650	4.1%
2018	7,970	\$ 410,008,680	\$ 51,444	38.3	4,677	3.9%
2019	7,992	\$ 476,083,440	\$ 59,570	38.5	4,690	3.2%

Data sources:

(1) Bureau of the Census

(2) The school enrollment reflects enrollment in schools located within the City limits.

(3) Texas Workforce Commission

(4) Personal income is available on www.census.gov/quickfacts/fact/table/JerseyVillage.TX.US

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CITY OF JERSEY VILLAGE, TEXAS

PRINCIPAL EMPLOYERS

Current Year and Ten Years Ago

Employer	2019			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jersey Village High School	339	1	7.78%	271	1	10.19%
Joe Myers Toyota	225	2	5.16%	204	3	7.10%
Joe Myers Ford	193	3	4.43%	143	2	7.20%
Sonic-LS Chevrolet	190	4	4.36%	192	5	6.10%
Sam's East, Inc.	168	5	3.85%	175	4	7.00%
Foundry Methodist	152	6	3.49%	124	6	4.50%
City of Jersey Village	137	7	3.14%	145	7	3.90%
Post Elementary School	108	8	2.48%	92	8	3.56%
Champion Forest Baptist Church - JV	63	9	1.44%	135	10	0.50%
CEMEX	57	10	1.31%	65	9	2.00%
Total	<u>1,632</u>		<u>37.43%</u>	<u>1,546</u>		<u>52.05%</u>

Source: Personnel department of each employer above

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CITY OF JERSEY VILLAGE, TEXAS

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<u>General Fund:</u>										
Administrative										
Administration	3	3	3	3	3	3	3	2	2	2
Information Technology	2	2	2	2	2	2	2	2	3	3
Municipal Court	4	4	4	4	4	4	4	4	4	4
City Secretary	1	1	1	1	1	1	1	1	1	1
Finance	4	4	4	4	4	4	4	4	4	4
Public Safety										
Police	30	30	28	30	30	30	30	30	29	29
Fire	4	4	6	6	6	6	6	6	6	6
Communications	8	8	7	7	7	7	7	7	7	9
Public Works										
Public Works Administration	2	2	2	2	2	2	2	2	2	2
Streets	3	3	3	3	3	3	3	3	3	3
Community Development	4	4	4	4	4	4	4	4	4	5
Fleet Services	2	2	2	2	2	2	2	2	2	2
Parks and Recreation										
Parks	8	8	7	8	8	8	8	8	9	10
General Fund Total	75	75	73	76	76	76	76	75	76	80
<u>Enterprise Fund:</u>										
Utilities	5	5	5	5	5	5	5	5	5	5
Golf Course	4	4	4	4	4	4	4	4	3	13
Enterprise Fund Total	9	9	9	9	9	9	9	9	8	18
<u>Special Revenue Fund:</u>										
Police	2	2	2	2	1	1	0	1	1	1
Special Revenue Fund Total	2	2	2	2	1	1	0	1	1	1
Total City Positions	86	86	84	87	86	86	85	85	85	99

NOTES:

Around 20-35 temporary and seasonal employees are hired during the summer months as pool personnel and front desk personnel. This count is not reflected above.
 On-call firefighters (9) are not included.

CITY OF JERSEY VILLAGE, TEXAS

OPERATING INDICATORS BY FUNCTION

Last Ten Years

	Fiscal Year			
	2010	2011	2012	2013
Function/Program				
Police				
Physical arrests	684	272	814	1153
Parking violations	13	67	82	30
Traffic violations	7,057	6,871	11,074	11,489
Fire				
Calls for service	1,065	1,138	1,634	1,615
Water				
Service calls	1,422	1,699	1,634	1,716
Water main breaks	1	31	15	12
Average daily consumption (thousands of gallons)	1136	1758	1368	1478
Total consumption (thousands of gallons)	414.5	641.5	499.5	539.6
Peak daily consumption (thousands of gallons)	2.4	3.3	3.9	3.6
Sewer				
Average daily sewage treatment (thousands of gallons)	0.2	0.2	0.2	0.2
Peak daily consumption (thousands of gallons)	0.6	0.4	0.5	0.5

Source: Various City departments

* Information is unavailable.

Fiscal Year					
2014	2015	2016	2017	2018	2019
778	849	1034	919	803	715
20	47	32	26	37	20
9,553	9,702	11,687	7,455	11,624	12,282
1,216	1,123	1,188	1,312	1,360	1,248
2,014	211	1,641	2,295	1,989	1,511
4	2	4	6	2	3
1285	1285	1265	1194	1056	1224
469.2	469.2	461.8	466.4	378.9	449.5
4.9	4.9	3.2	1.8	3.2	3.2
0.3	0.3	0.3	0.3	0.4	0.7
0.5	0.8	0.8	0.8	0.5	0.9

CITY OF JERSEY VILLAGE, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Years

Function/Program	Fiscal Year			
	2010	2011	2012	2013
Police				
Stations	1	1	1	1
Patrol units	16	16	16	16
Fire				
Stations	1	1	1	1
Volunteers	37	32	33	33
Other public works				
Streets (miles - centerlines)	28.8	29.6	29.6	29.6
Streetlights	47	47	47	47
Traffic signals	11	11	11	11
Parks and recreation				
Parks	4	4	4	4
Parks acreage	12.1	12.1	12.1	12.1
Swimming pools	1	1	1	1
Water				
Water wells	4	4	4	4
Water mains (miles)	35.8	36.6	36.6	36.6
Fire hydrants	455	466	468	468
Storage capacity (thousands of gallons)	2,550	2,550	2,550	2,550
Sewer				
Sanitary sewers (miles)	35.2	36.2	36.2	36.2
Storm sewers (miles)	20.7	21.7	21.7	21.7
Treatment capacity (thousands of gallons)	800	800	800	800

Source: Various City departments

Fiscal Year						
2014	2015	2016	2017	2018	2019	
1	1	1	1	1	1	
16	16	16	16	16	16	
1	1	1	1	1	1	
40	43	34	31	35	38	
29.6	29.6	29.6	29.6	29.6	29.6	
47	47	47	47	47	47	
11	11	11	11	11	11	
4	4	4	4	4	4	
12.1	12.1	12.1	12.1	12.1	12.1	
1	1	1	1	1	1	
4	4	4	4	4	3	
36.6	36.6	35.8	35.8	35.8	35.8	
468	468	455	455	455	455	
2,550	2,550	2,550	2,550	2,550	2,550	
36.2	36.2	35.2	35.2	35.2	35.2	
21.7	21.7	20.7	20.7	20.7	20.7	
800	800	800	800	800	800	

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**16501 Jersey Dr.
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www.jerseyvillage.info**