

THE VILLAGE OF SAN LEANNA
AGENDA
Regular Board of Aldermen Public Meeting
Thursday, May 20, 2021
7:00 p.m. – Community Center – 11906 Sleepy Hollow

***** This meeting will be held IN-PERSON and streamed live on Zoom *****

STREAMING/VIRTUAL PARTICIPATION DETAILS:

Topic: Regular Meeting – Board of Aldermen – May 2021
Time: May 20, 2021 7:00 PM Central Time

https://zoom.us/join Meeting number (access code): 569 550 2741 Meeting password: 052021	Dial in by phone: 408-418-9388 Meeting number (access code): 569 550 2741 Meeting password: 052021
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A. MEETING CALLED TO ORDER

Roll call
Approval of minutes: Regular B of A Meeting & Public Hearing April 15, 2021

B. CITIZENS' COMMUNICATION

1. Citizen Communication

C. ITEMS SCHEDULED FOR ACTION

1. Presentation and approval of audit report for FY 2019-2020. Don Allman, CPA, present.
2. Installation of elected officials (Mayor & two Alderpersons).
3. Discussion of updates and potential action pertaining to the Old Manchaca Road Project and Capital Metro BTC funds.
4. Consideration to close Health and Sanitation complaint at 11507 Sombrero.
5. Consideration to reinstate late fees on all water accounts for future billing cycles.
6. Consideration to allow placement of a Memorial Day banner by Onion Creek Memorial Park Cemetery on Village property at the corner of FM 1626 and Old Manchaca Rd.
7. Review and approve financial report for April 2021.

D. ITEMS FOR DISCUSSION

E. REPORTS AND INFORMATION

1. **Mayor's Report**..... Updates re: meeting/symposium attendance, trash service delays
2. **Zoning Report**..... Certificate of Occupancy:
New building permits:
Active Building permits:
3. **Administrative Report**... surveys/reports, administrative updates, upcoming seminars/trainings
4. **Roads**..... Current road maintenance needs, road improvement projects, street signs, speed humps
5. **Public Affairs**..... newsletter, Community events
6. **Public Safety**..... Neighborhood Watch, NNO, public safety information, street lights
7. **Water**..... Water system info, drought status, Burn Ban info
8. **Environmental**..... Tree Care Program, mowing/trimming, trash/recycling, burn piles, drainage info, flood prevention

F. ADJOURNMENT

**** ALL ITEMS SPECIFICALLY MENTIONED SEPARATE FROM EXECUTIVE SESSION
MAY HAVE ACTION TAKEN ****

The Board of Aldermen of the Village of San Leanna reserves the right to adjourn into executive session at any time to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development).

Posted _____ May 17, 2021

Rebecca Howe, Village Administrator

**THE VILLAGE OF SAN LEANNA
MINUTES**

Regular Board of Aldermen Public Meeting & Public Hearings
Thursday, April 15, 2021
7:00 p.m. – Videoconference

A. MEETING CALLED TO ORDER

Present: Molly Quirk, Helen Rockenbaugh, Becky Mullan, Charlie Burks, Danny Villarreal.

Mary Wright was not present.

Charlie Burks moved to approve minutes of Regular B of A Meeting on March 18, 2021 as written; Danny Villarreal seconded; motion carried with a vote of 4 in favor – 0 opposed.

B. CITIZENS' COMMUNICATION

C. ITEMS SCHEDULED FOR ACTION

1. Charlie Burks moved to hold a document shredding event for village residents on June 5, 2021; Becky Mullan seconded; motion carried with a vote of 4 in favor – 0 opposed.
2. Council discussed the status is the Old Manchaca Road project and engineering services. Charlie Burks moved to refer the Old Manchaca Road project to Adurra Engineering pending review by legal counsel regarding Mayor Quirk's potential conflict of interest as an employee of Adurra; Helen Rockenbaugh seconded; motion carried with a vote of 4 in favor – 0 opposed.
3. Council discussed progress on the annexation of Tunnel Trail for maintenance purposes. Danny Villarreal moved to allow the City Administrator to arrange a survey of Tunnel Trail if recommended by Village legal counsel; Helen Rockenbaugh seconded; motion carried with a vote of 4 in favor – 0 opposed.
4. Charlie Burks moved to return to in-person meetings beginning May 20, 2021; Danny Villarreal seconded; motion carried with a vote of 4 in favor – 0 opposed.
5. Danny Villarreal moved to approve the March 2021 financial report; Helen Rockenbaugh seconded; motion carried with a vote of 4 in favor – 0 opposed.

D. ITEMS FOR DISCUSSION

1. Council discussed the Village's upcoming funding through the American Rescue Plan Act of 2021, noting potential uses including repairs and upgrades to the water system.

E. REPORTS AND INFORMATION

1. Mayor's Report: Mayor Quirk reported on COVID-19 vaccination and infection rates in Travis County as well as issues with trash service.

Linda Barrett was not present to report on zoning.

2. Administrative: Rebecca Howe reported that the Health and Sanitation complaint on Arnold Ln was resolved and the Health and Sanitation complaint on Sombrero Ln was still under review by Austin Public Health. Ms. Howe also reported on an upcoming TCAD webinar, the audit report in May, and coyotes in the Village. Don Nyland asked for an update regarding the Arroyo Doble drainage project.
3. Roads: Danny Villarreal reported that he ordered signs and initiated the process of having Travis County out to fill cracks and potholes. Mayor Quirk inquired about flags or flashing lights for stop signs being ignored by drivers. Mr. Villarreal also reported on a drainage ditch on River Oaks that needed to be cleaned out.
4. Public Affairs: Helen Rockenbaugh reported that she would be looking for dates for the 50th Anniversary party and making plans for a 4th of July event.
5. Public Safety: Becky Mullan reported on a quiet month for public safety and that she would be passed materials to the new alderperson, Christa Gregg. Mayor Quirk thanked Becky Mullan for her service to the Village of San Leanna. Council discussed concerns around increased traffic due to new subdivisions being built in the area.
6. Water: Mary Wright was not present. Mayor Quirk reported on the drought status and the status of the water system. The Aquifer District had declared a Stage 2 Alarm Stage Drought Status with a mandatory 20% conservation period in place. The City of Austin was in Conservation Stage. Mayor Quirk reported that well level was down 1.1 feet to 128.
7. Environmental: Charlie Burks reported that a new mowing service provided had begun work in the Village. There was an offer of a commercial grade BBQ pit for the park and a trash can and hand sanitizing station had been installed. Council discussed forming a park committee.

F. ADJOURNMENT

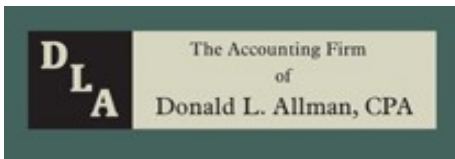
Helen Rockenbaugh moved to adjourn the meeting; Charlie Burks seconded; meeting adjourned at 8:16 pm.

VILLAGE OF SAN LEANNA
AUDITED BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AND INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

VILLAGE OF SAN LEANNA

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CERTIFIED PUBLIC ACCOUNTANT

Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
Village of San Leanna, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of San Leanna, Texas as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's 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 auditor's 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 entity'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 entity'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, each major fund, and the aggregate remaining fund information of the Village of San Leanna, Texas, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-8 and 25-26 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 Village of San Leanna, Texas' basic financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2021 on our consideration of the Village of San Leanna, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of San Leanna, Texas' internal control over financial reporting and compliance.

Donald L. Allman, CPA, P.C.

Georgetown, TX

May 13, 2021

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Within this section of the Village of San Leanna's annual financial report, the City's management provides narrative discussion and analysis of the financial activities of the Village for the fiscal year ended September 30, 2020. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section. The discussion focuses on the City's primary government, unless otherwise noted.

FINANCIAL HIGHLIGHTS

The City's assets exceeded its liabilities by \$1,791,091 (net position) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$1,729,878, an increase of \$61,213.

Total net position is comprised of the following:

- (1) Capital assets, net of related debt, include property and equipment, net of accumulated depreciation, and reduced for outstanding debt service requirements to \$1,061,874.
- (2) Net position of \$38,092 is restricted, \$38,092 for debt service requirements.
- (3) Unrestricted net position of \$691,125 represents the portion available to maintain the City's continuing obligations to citizens and creditors.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the City's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the City-wide statement of financial position presenting information that includes all of the City's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village as a whole is improving or deteriorating. Evaluation of the overall economic health of the Village

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the Village infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the Village that are principally supported by taxes, and business-type activities that are intended to cover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, and public services. Business-type activities include water utilities.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. The Village has two kinds of funds.

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provides a reconciliation to the government-wide financial statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund. These statements demonstrate compliance with the City's adopted and final revised budget.

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Proprietary funds are reported in the fund financial statements and generally report services for which the Village charges customers a fee. There are two kinds of proprietary funds, enterprise funds and internal service funds. The Village uses enterprise funds to account for providing water utility services to customers.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Financial Analysis of the Village as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Village as a whole.

The City's net position at fiscal year-end is \$1,791,091. This is an increase of \$61,213 over last year's net position of \$1,729,878. The following table provides a summary of the City's net position at September 30:

**Table 1
Summary of Net Position**

	2020	2019	\$ Change	% Change
Cash and Current Assets	\$ 730,217	\$ 645,267	\$ 84,950	13.2%
Capital Assets	1,341,874	1,407,196	(65,322)	-4.6%
Total Assets	\$ 2,072,091	\$ 2,052,463	\$ 19,628	1.0%
Current Liabilities	\$ 36,000	\$ 42,585	\$ (6,585)	-15.5%
Long-Term Liabilities	245,000	280,000	(35,000)	-12.5%
Total Liabilities	\$ 281,000	\$ 322,585	\$ (41,585)	-12.9%
Net Position:				
Net Investment in Capital Assets	\$ 1,061,874	\$ 1,092,196	\$ (30,322)	-2.8%
Restricted	38,092	44,104	(6,012)	-13.6%
Unrestricted	691,125	593,578	97,547	16.4%
Total Net Position	\$ 1,791,091	\$ 1,729,878	\$ 61,213	3.5%

The Village reported positive balances in net position for both governmental and business-type activities. Net position increased \$61,213. The City's overall financial position improved during fiscal year 2020.

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Table 2 compares the 2020 change in net position to the 2019 change in net position.

**Table 2
Summary of Changes in Net Position**

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 150,854	\$ 169,617	\$ (18,763)	-11.1%
General Revenues:				
Property Taxes	174,842	165,299	9,543	5.8%
Franchise Fees	16,337	17,417	(1,080)	-6.2%
Other	6,660	5,420	1,240	22.9%
Interest Income	<u>9,487</u>	<u>14,002</u>	<u>(4,515)</u>	<u>-32.2%</u>
Total Revenues	\$ 358,180	\$ 371,755	\$ (13,575)	-3.7%
Program Expenses:				
Water Utilities	\$ 115,503	\$ 97,219	\$ 18,284	18.8%
General Government	172,360	200,263	(27,903)	-13.9%
Interest on L/T Debt	<u>9,104</u>	<u>9,971</u>	<u>(867)</u>	<u>-8.7%</u>
Total Expenses	<u>\$ 296,967</u>	<u>\$ 307,453</u>	<u>\$ (10,486)</u>	<u>-3.4%</u>
Net Position Increase	<u><u>\$ 61,213</u></u>	<u><u>\$ 64,302</u></u>	<u><u>\$ (3,089)</u></u>	<u><u>-4.8%</u></u>
Net Position - Beginning	\$ 1,729,878	\$ 1,665,576		
Net Position- Ending	<u>\$ 1,791,091</u>	<u>\$ 1,729,878</u>		

Financial Analysis of the City's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$15,355. Of this total, \$(198,043) is unreserved indicating availability for continuing Village service requirements. Reserved fund balances include \$38,092 for Debt Service, \$28,040 for special revenues, and \$140,000 for Road Funds. The Debt Service Fund reflects the principal and interest payments due over the next fiscal year, plus additional reserve stipulated by the Village Council.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Enterprise Water Utility Funds comprise the financing and operations of the City's water utilities reported within this activity in the government-wide statements. The proprietary funds net position balance at fiscal year-end is \$739,123. Revenues received in the proprietary funds for water utilities services totaled \$150,854 for fiscal year 2020. Proprietary fund expenditures for water utility services totaled \$115,503, resulting in net income of \$35,351.

General Fund Budgetary Highlights

The adopted General Fund budget for fiscal year 2020 was approximately \$259,231. Actual expenditures for fiscal year 2020 were approximately \$215,317, a decrease of approximately \$43,914.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of September 30, 2020, was \$1,037,613 and \$24,261, respectively. The overall decrease was \$65,322, 4.6% for the Village as a whole. Depreciation was \$41,753 for the Water Service Project, \$770 for Water Utilities, and \$34,819 for General Fixed Assets.

**Capital Assets
Net of Accumulated Depreciation**

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
Non-Depreciable Assets:				
Land	\$ 26,107	\$ 26,107	\$ -	0.0%
Water Service Project	288,994	330,747	(41,753)	-12.6%
Depreciable Assets:				
General Fixed Assets	1,022,619	1,045,418	(22,799)	-2.2%
Water Utilities	<u>4,154</u>	<u>4,924</u>	<u>(770)</u>	<u>-15.6%</u>
Total	<u>\$ 1,341,874</u>	<u>\$ 1,407,196</u>	<u>\$ (65,322)</u>	<u>-4.6%</u>

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

Debt Administration

At the end of June of 2014, the Village refinanced Texas Water System Revenue Bond debt outstanding in the amount of \$485,000. Bond interest coupon rates are 2.89% and are payable on February 15 and August 15 of each year. Refinancing this debt saves the Village \$88,213 over the life of the loan. The Bond matures on August 15, 2028.

Outstanding Bonds

	<u>2020</u>	<u>2019</u>	<u>\$ Change</u>	<u>% Change</u>
Texas Water System Revenue Bond	<u>\$ 280,000</u>	<u>\$ 315,000</u>	<u>\$ (35,000)</u>	<u>-11.1%</u>
Total	<u>\$ 280,000</u>	<u>\$ 315,000</u>	<u>\$ (35,000)</u>	<u>-11.1%</u>

Economic Environment and Next Year's Budgets and Rates

No material changes in the economic environment, Village budget expenditures, and water utilities rates are expected in the next fiscal year.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the City's should be addressed to the Village of San Leanna, P.O. Box 1107, Manchaca, TX 78652.

Rebecca Howe, City Administrator
Village of San Leanna, TX

VILLAGE OF SAN LEANNA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	<u>Governmental Activities</u>	<u>Primary Government Business-Type Activities</u>	<u>Total</u>
<u>ASSETS:</u>			
Current Assets:			
Pooled cash and cash equivalents (Texpool Savings)	\$ 9,089	\$ 690,877	\$ 699,966
Non-Pooled Cash (Operating)	-	-	-
Accounts Receivable	6,266	23,985	30,251
Due From General Fund	-	-	-
Total Current Assets	<u>\$ 15,355</u>	<u>\$ 714,862</u>	<u>\$ 730,217</u>
Non-Current Assets:			
Capital Assets:			
Plant Equipment & Roads, Net of Accumulated Depreciation	\$ 1,311,613	\$ 4,154	\$ 1,315,767
Land	<u>6,000</u>	<u>20,107</u>	<u>26,107</u>
Total Non-Current Assets	<u>\$ 1,317,613</u>	<u>\$ 24,261</u>	<u>\$ 1,341,874</u>
Total Assets	<u><u>\$ 1,332,968</u></u>	<u><u>\$ 739,123</u></u>	<u><u>\$ 2,072,091</u></u>
<u>LIABILITIES:</u>			
Current Liabilities			
Accounts Payable	\$ 1,000	\$ -	\$ 1,000
Deferred Revenue	-	-	-
Due to Water Fund	-	-	-
Bond Payable, Current	<u>35,000</u>	<u>-</u>	<u>35,000</u>
Total Current Liabilities	<u>\$ 36,000</u>	<u>\$ -</u>	<u>\$ 36,000</u>
Non Current Liabilities:			
Bond Payable, Non-Current	<u>\$ 245,000</u>	<u>\$ -</u>	<u>\$ 245,000</u>
Total Non-Current Liabilities	<u>\$ 245,000</u>	<u>\$ -</u>	<u>\$ 245,000</u>
Total Liabilities	<u><u>\$ 281,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 281,000</u></u>
<u>NET POSITION:</u>			
Net Investment in Capital Assets	\$ 1,037,613	\$ 24,261	\$ 1,061,874
Restricted for: Debt Service	38,092	-	38,092
Unrestricted	<u>(23,737)</u>	<u>714,862</u>	<u>691,125</u>
Total Net Position	<u><u>\$ 1,051,968</u></u>	<u><u>\$ 739,123</u></u>	<u><u>\$ 1,791,091</u></u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenue</u>
Primary Government			
Governmental Activities:			
General Government	\$ 172,360	\$ -	\$ (172,360)
Interest on Long-Term Debt	9,104	-	(9,104)
Total Governmental Activities	<u>\$ 181,464</u>	<u>\$ -</u>	<u>\$ (181,464)</u>
Business-Type Activities:			
Water Utilities	<u>\$ 115,503</u>	<u>\$ 150,854</u>	<u>\$ 35,351</u>
Total Business-Type Activities	<u>\$ 115,503</u>	<u>\$ 150,854</u>	<u>\$ 35,351</u>
Total Primary Government	\$ 296,967	\$ 150,854	\$ (146,113)
Primary Government			
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Changes in Net Position:			
Net (Expense) Revenue	\$ (181,464)	\$ 35,351	\$ (146,113)
General Revenues:			
Taxes:			
Property Taxes	\$ 174,842	\$ -	\$ 174,842
Franchise Fees	16,337	-	16,337
Interest Income	9,487	-	9,487
Building Permits	6,660	-	6,660
Payments from Capital Metro	-	-	-
Community Center Rent	-	-	-
Miscellaneous	-	-	-
Total General Revenues	<u>\$ 207,326</u>	<u>\$ 35,351</u>	<u>\$ 207,326</u>
Transfers In	-	57,482	
Transfers Out	57,482	-	
Changes in Net Position	\$ (31,620)	\$ 92,833	\$ 61,213
Net Position - Beginning	\$ 1,083,588	\$ 646,290	\$ 1,729,878
Net Position - Ending	<u>\$ 1,051,968</u>	<u>\$ 739,123</u>	<u>\$ 1,791,091</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets:			
Pooled Cash and Cash Equivalents	\$ (29,003)	\$ 38,092	\$ 9,089
Non-Pooled Cash	-	-	-
Accounts Receivable	6,266	-	6,266
Total Assets	<u>\$ (22,737)</u>	<u>\$ 38,092</u>	<u>\$ 15,355</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ 1,000	\$ -	\$ 1,000
Unearned Revenue	6,266	-	6,266
Total Liabilities	<u>\$ 7,266</u>	<u>\$ -</u>	<u>\$ 7,266</u>
Fund Balances			
Nonspendable	\$ -	\$ -	\$ -
Restricted for Debt Service		38,092	38,092
Committed for Revenue	28,040	-	28,040
Committed for Road Funds	140,000	-	140,000
Assigned			-
Unassigned	(198,043)	-	(198,043)
Total Fund Balances	<u>\$ (30,003)</u>	<u>\$ 38,092</u>	<u>\$ 8,089</u>
Total Liabilities and Fund Balances	<u>\$ (22,737)</u>	<u>\$ 38,092</u>	<u>\$ 15,355</u>

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

Total fund balance – total governmental funds \$ 8,089

Amounts reported for governmental activities in the statement of net assets are different because:

Deferred Revenue, property taxes not attributable to current year 6,266
Capital assets of \$2,408,796 net of accumulated depreciation (of \$1,091,183), are not financial resources, and therefore, are not reported in the funds. See Note III.A.3. for additional detail. 1,317,613

Long-term liabilities of (\$375,000) are not due and payable in the current period and are not reported in the funds. See Note III.B.2. for detail. (280,000)

Net position of governmental activities \$ 1,051,968

The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN BALANCES-
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>			
Property Taxes	\$ 174,842	\$ -	\$ 174,842
Franchise Taxes	16,337	-	16,337
Interest Income	9,487	-	9,487
Building Permits	6,660	-	6,660
Payments from Capital Metro	-	-	-
Community Center Rent	-	-	-
Miscellaneous	-	-	-
Total General Revenues	<u>\$ 207,326</u>	<u>\$ -</u>	<u>\$ 207,326</u>
<u>Expenditures</u>			
General Government	\$ 95,788	\$ -	\$ 95,788
Debt Service:			-
Principal	-	35,000	35,000
Interest & Bond Fee		9,104	9,104
Capital Assets	12,020	-	12,020
Total Expenditures	<u>\$ 107,808</u>	<u>\$ 44,104</u>	<u>\$ 151,912</u>
Excess (Deficiency) of Revenues & Expenditures	<u>\$ 99,518</u>	<u>\$ (44,104)</u>	<u>\$ 55,414</u>
Transfers in	-	38,092	38,092
Transfers Out	(101,497)	-	(101,497)
Net Changes in Fund Balances	<u>\$ (1,979)</u>	<u>\$ (6,012)</u>	<u>\$ (7,991)</u>
Fund Balances - Beginning	<u>\$ (28,024)</u>	<u>\$ 44,104</u>	<u>\$ 16,080</u>
Fund Balances - Ending	<u>\$ (30,003)</u>	<u>\$ 38,092</u>	<u>\$ 8,089</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balance – total governmental funds	\$ (7,991)
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Amounts reported for governmental activities in the statement of net assets are different because:

Difference in Property Tax Revenues for Governmental Funds	5,923
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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. This is the amount by which capital outlays of \$12,020 were less than depreciation of \$(76,572) in the current period.

	(64,552)
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The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the amount of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Debt payments	35,000
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Changes in net position of governmental activities	\$ (31,620)
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The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2020

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	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
Assets:		
Current Assets:		
Pooled Cash and Cash Equivalents	690,877	690,877
Non-Pooled Cash	-	-
Accounts Receivable	23,985	23,985
Due from General Fund	-	-
Total Current Assets	<u>714,862</u>	<u>714,862</u>
Non-Current Assets:		
Capital Assets:		
Plant Equipment & Roads, Net of Accumulated Depreciation	4,154	4,154
Land	<u>20,107</u>	<u>20,107</u>
Total Non-Current Assets	<u>24,261</u>	<u>24,261</u>
Total Assets	<u><u>739,123</u></u>	<u><u>739,123</u></u>
Liabilities:		
Total Liabilities	<u><u>-</u></u>	<u><u>-</u></u>
Net Position:		
Net Investment in Capital Assets	24,261	24,261
Unrestricted	<u>714,862</u>	<u>714,862</u>
Total Net Position	<u>739,123</u>	<u>739,123</u>
Total Liabilities and Fund Balances	<u>739,123</u>	<u>739,123</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2020

	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
Operating Revenues		
Charges for Services:		
Water & Wastewater Charges	\$ 149,654	\$ 149,654
Water Tap Fees	1,200	1,200
Meter Deposits	-	-
Miscellaneous	-	-
Total Operating Revenues	<u>\$ 150,854</u>	<u>\$ 150,854</u>
Operating Expenses		
Water Operator	\$ 25,661	\$ 25,661
District Fees	5,875	5,875
Repairs & Maintenance	32,748	32,748
Depreciation	770	770
Electricity	7,760	7,760
Bookkeeper	16,753	16,753
Billing Supplies	1,463	1,463
Meter Reader	1,798	1,798
Meter Refunds	400	400
Miscellaneous	98	98
City of Austin Contract	2,600	2,600
City of Austin Water	20,727	20,727
Total Operating Expenses	<u>\$ 116,653</u>	<u>\$ 116,653</u>
Operating Income (Loss)	<u><u>\$ 34,201</u></u>	<u><u>\$ 34,201</u></u>
Transfers Out - Debt Service & Road Improvements	(44,104)	(44,104)
Transfers In -Texpool	102,736	102,736
Changes in Net Position	\$ 92,833	\$ 92,833
Net Position - Beginning	\$ 646,290	\$ 646,290
Net Position - Ending	<u>\$ 739,123</u>	<u>\$ 739,123</u>

The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
STATEMENT OF CASH FLOWS INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS-
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

<u>Cash Flows from Operating Activities:</u>	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
Cash Received from Customers	\$ 151,908	\$ 151,908
Cash Payments to Suppliers	(70,555)	(70,555)
Cash Payments to Employees and Contractors	(44,128)	(44,128)
Cash Payments for Internal Services	-	-
Net Cash Provided (Used) by Operating Activities	\$ 37,225	\$ 37,225
<u>Cash Flows from Non-Capital Financing Activities</u>	\$ -	\$ -
<u>Cash Flows from Capital and Related Financing</u>		
Transfer from General Fund	\$ 58,632	\$ 58,632
Net Cash Provided (Used) from Capital and Related Financing Activities	\$ 58,632	\$ 58,632
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 95,857	\$ 95,857
Cash and Cash Equivalents at Sept. 30, 2019	\$ 595,020	\$ 595,020
Cash and Cash Equivalents at Sept. 30, 2020	\$ 690,877	\$ 690,877

Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities

<u>Reconciliation of Operating Income (Loss):</u>	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
Operating Income (Loss)	\$ 34,201	\$ 34,201
Depreciation	770	770
Changes in Assets and Liabilities:		
(Decrease)/Increase in Accounts Payable	-	-
(Decrease)/Increase in Due to/from General Fund	-	-
(Increase) Decrease in Accounts Receivable	2,254	2,254
Net Cash Provided (Used) by Operating Activities	\$ 37,225	\$ 37,225

The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. INTRODUCTION

The Village of San Leanna (The City) was formed on September 5th, 1970 by an election of its inhabitants which voted in favor of incorporation. The Village operates under an election Mayor/Council form of government.

B. FINANCIAL REPORTING ENTITY – BASIS OF PRESENTATION

B. 1. Government-wide financial statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the Village as a whole.

Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and Village general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include charges for services which report fees, fines and forfeitures, and other charges to users of the City's services.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

B. 2. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The financial statements of the Village are prepared in accordance with generally accepted accounting principles (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The City's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to Village departments. Proprietary fund financial statements report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Village considers revenues to be available if they are collected within 30 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include: property taxes, franchise taxes, and investment income. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods and services and include administrative expenses and depreciation of capital assets.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needs. Restricted assets and liabilities payable from restricted assets current in nature are reported with current assets and current liabilities in the financial statements.

B.3. FUND TYPES AND MAJOR FUNDS

Governmental Funds

The Village reports the following major governmental funds:

VILLAGE OF SAN LEANNA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund – reports as the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.

Debt Service Fund – accounts for the accumulation of financial resources for the payment of principal and interest on the City’s debt.

Proprietary Funds

Water Utilities Fund – accounts for the operating activities of the City’s water utilities services.

C. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

C.1. Cash and Investments

The Village maintains and controls three major cash and investment accounts in which funds of the primary government share. Each fund’s portion of a pool is displayed on its respective balance sheet or statement of fund net assets as “pooled cash and cash equivalents.” In addition, non-pooled cash and investments are separately held and reflected in respective funds as “non-pooled cash” and investments, some of which are restricted assets. The Village considers highly liquid investments with an original maturity of three months or less to be cash equivalents. Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value.

C.2. Capital Assets and Depreciation

The City’s property, plant, equipment and infrastructure with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements. Proprietary capital assets are also reported in their respective fund financial statements. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from their respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives for depreciable assets are as follows:

Buildings and road improvements - 50 year life

Water utility assets and infrastructure – 20 year life

Mobile equipment, furniture, machinery, and equipment - 5 year life

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C.3. Long-Term Debt

In the government-wide financial statements, outstanding debt is reported as liabilities.

C.4. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation legally restricted for specified purposes.

D. REVENUES, EXPENDITURES, AND EXPENSES

Revenues are recognized in the accounting period in which they become both available and measurable. Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded when received in cash. General property taxes, franchise taxes and investment earnings are recorded when they are both measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. The proprietary fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses recognized when they are incurred.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

B.1. BUDGET POLICY AND PRACTICE

The Budget is presented to the Council for review, and public hearings are held to address priorities and the allocation of resources. Once approved, the Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

B.2. BASIS OF BUDGETING

The budgets for the operating funds and proprietary fund operations are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures are budgeted in the year that the applicable expenses are incurred. The Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment.

NOTE 3 – DETAILED NOTES ON FUNDS

3.A. ASSETS

VILLAGE OF SAN LEANNA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

NOTE 3 – DETAILED NOTES ON FUNDS (Continued)

3.A.1. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the Village will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits to be 100% secured by collateral valued at market or par, or covered by FDIC insurance. Deposits of the City's reporting entity are insured or collateralized with securities held by the City, its agent, or by the pledging financial institution's trust department or agent in the name of the Village or applicable public trust.

As of September 30, 2020, the Village had the following investments:

<u>Types of Investments</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Average Credit Quality/Rating</u>
Primary Government			
<u>POOLED INVESTMENTS</u>			
Texpool Local Government Investment Pool	\$ 690,877	\$ 690,877	AAA
<u>POOLED INVESTMENTS</u>			
CitiBank Operating Account	\$ 9,089	\$ 9,089	FDIC
Grand Total Deposits and Investments	<u>\$ 699,966</u>	<u>\$ 699,966</u>	

Investment Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with investment policies adopted by the Council complying with State Statutes and the Village charter. Village funds may be invested in (1) direct obligations of the United States Government, its agencies or instrumentalities to the payment of which the full faith and credit of the government of the United States is pledged, or obligations to the payment of which the full faith and credit of the State of Texas is pledged; (2) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings banks, and credit unions located in the State when secured by appropriate collateral; (3) money market funds regulated by the Securities and Exchange Commission and which investments consist of the authorized investments (domestic securities) with restrictions as specified in state law.

VILLAGE OF SAN LEANNA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

NOTE 3 – DETAILED NOTES ON FUNDS (Continued)

3.A.2. RECEIVABLES

Receivables consist of revenues earned within the accounting period and not received. Revenues attributable to the year ended September 30, 2020 and received within 30 days after year end consisted of \$30,251.

3.A.3. CAPITAL ASSETS

Changes in Capital Assets

	Land	Fixed Assets	Water Service Project	Water Utility	Totals
Primary Government					
Governmental Activities					
Balance, September 30, 2019	\$ 6,000	\$ 1,523,336	\$ 878,910	\$ -	\$ 2,408,246
Increases	-	12,020	-	-	\$ 12,020
Decreases	-	-	-	-	\$ -
Balance, September 30, 2020	\$ 6,000	\$ 1,535,356	\$ 878,910	\$ -	\$ 2,420,266
Accumulated Depreciation					
Balance, September 30, 2019	\$ -	\$ 477,918	\$ 548,163	\$ -	\$ 1,026,081
Increases	-	34,819	41,753	-	76,572
Decreases	-	-	-	-	-
Balance, September 30, 2020	\$ -	\$ 512,737	\$ 589,916	\$ -	\$ 1,102,653
Governmental Activities					
Capital Assets, Net	<u>\$ 6,000</u>	<u>\$ 1,022,619</u>	<u>\$ 288,994</u>	<u>\$ -</u>	<u>\$ 1,317,613</u>
Business-Type Activities					
Balance, September 30, 2019	\$ 20,107	\$ -	\$ -	\$ 419,954	\$ 440,061
Increases	-	-	-	-	\$ -
Decreases	-	-	-	-	\$ -
Balance, September 30, 2020	\$ 20,107	\$ -	\$ -	\$ 419,954	\$ 440,061
Accumulated Depreciation					
Balance, September 30, 2019	\$ -	\$ -	\$ -	\$ 415,030	\$ 415,030
Increases	-	-	-	770	\$ 770
Decreases	-	-	-	-	\$ -
Balance, September 30, 2020	\$ -	\$ -	\$ -	\$ 415,800	\$ 415,800
Business-Type Activities					
Capital Assets, Net	<u>\$ 20,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,154</u>	<u>\$ 24,261</u>
Primary Government	<u>\$ 26,107</u>	<u>\$ 1,022,619</u>	<u>\$ 288,994</u>	<u>\$ 4,154</u>	<u>\$ 1,341,874</u>

VILLAGE OF SAN LEANNA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

NOTE 3 – DETAILED NOTES ON FUNDS (Continued)

3.B. LIABILITIES

3.B.1. LONG-TERM DEBT

The Village of San Leanna authorized and issued Water System Revenue Refunding Bonds, Series 2014, in the amount of \$485,000 in order to refinance the Water Service Project. The project consists of the construction, acquisition and installation of additions, improvements and extensions to the Village Water System and related services. Each bond shall bear the interest rate of 2.89% per annum, payable semiannually on February 15th and August 15th of each year. The loan term is 25 years, although prepayments toward principal can be made after the initial 10 year period of the bonds.

Water System Revenue Refunding Bonds, Series 2014, in the amount of \$485,000, annual payments of \$26,752 to \$44,104, including interest at 2.89%, matures 08/15/2028	\$ 280,000
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The debt service requirements on the above long-term debt are as follows:

<u>Due Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	30,000	8,092	38,092
2022	30,000	7,225	37,225
2023	35,000	6,358	41,358
2024	35,000	5,347	40,347
2025	35,000	4,335	39,335
Thereafter	115,000	6,646	121,646
Total	<u>\$ 280,000</u>	<u>\$ 38,003</u>	<u>\$ 318,003</u>

3.C. PROPERTY TAXES

The Appraisal District of Travis County was created by authority of Senate Bill 621 known as the Property Tax Code, of the 66th Legislature of the State of Texas. The District is controlled by a Board of Directors, whose members are elected by the governing bodies of various taxing units within Travis County. Under the Property Tax Code, the Appraisal District is required to appraise all real and personal property in Travis County and may provide other services such as preparation of tax rolls and billings and tax collection services. A taxing unit may assess and collect taxes only from the appraisal roll prepared by the Appraisal District. Taxing units are charged a proportionate amount of the District's budget for services rendered to the taxing unit.

The Village of San Leanna has contracted with the Appraisal District of Travis County, Texas to collect ad valorem taxes on behalf of the City.

The 2019/2020 adjusted tax base for the Village of San Leanna was \$76,084,421 with an effective tax rate of .2298/\$100, and a proposed tax rate of .2498/\$100, resulting in property taxes of \$174,842.

VILLAGE OF SAN LEANNA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

3.C. PROPERTY TAXES (Continued)

Property taxes receivable at 9/30/20 consisted of \$3,207, with the current portion \$1,089 and delinquent \$2,117.

3.D. INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivable and payable balances at September 30, 2020 were:

	Due from Other Funds	Due to Other Funds
General Fund	\$ -	\$ -
Water Fund	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>

NOTE 4 – CONTINGENCIES

As of September 30, 2020, the Village of San Leanna did not have any pending litigation or potential non-disclosed liabilities that would have a material effect on these financial statements.

NOTE 5 – SUBSEQUENT EVENTS

No subsequent events of audit significance were noted for the fiscal year ended September 30, 2020.

VILLAGE OF SAN LEANNA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET
AND ACTUAL (NON-GAAP BUDGETARY BASIS) GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

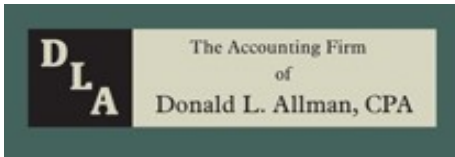
	Budgeted Amounts			Variance with Budget
	Original	Final	Actual	Positive (Negative)
Revenues:				
Property Taxes	\$ 165,000	\$ 165,000	\$ 174,842	\$ 9,842
Franchise Taxes	15,000	15,000	16,337	1,337
Interest Earnings	6,000	6,000	9,487	3,487
Building Permits	1,500	3,000	6,660	3,660
Capital Metro	28,000	-	-	-
Miscellaneous	100	500	-	(500)
Transfers	219,459	69,731	-	(69,731)
Total Revenues	\$ 435,059	\$ 259,231	\$ 207,326	\$ (51,905)
Expenditures:				
Road Maintenance	\$ 15,000	\$ 15,000	\$ 4,183	\$ 10,817
Secretary	33,334	33,506	33,506	-
TML Insurance	2,800	2,800	2,780	20
Legal	4,000	4,000	1,463	2,537
Taxes	4,500	4,500	4,115	385
Mowing/Trim	12,000	12,000	11,518	482
Public Information	2,300	2,300	2,341	(41)
Audit	5,000	5,000	5,000	-
Security Lights	3,500	3,500	3,070	430
Office expenses	3,800	4,300	4,272	28
Org. Membership Dues	1,000	1,000	645	355
Appraisals	825	825	763	62
Building Inspections	1,500	4,000	3,760	240
Miscellaneous	1,000	1,000	742	258
interest expense	-	-	9,104	(9,104)
Tree Project	13,000	13,000	12,020	980
Road Improvements	184,000	5,000	-	5,000
Council expenses	300	300	-	300
Public Affairs	5,000	5,000	2,384	2,616
Community Center	2,200	2,200	1,891	309
Advisor	6,000	6,000	3,704	2,296
Debt Service/Transfer	-	-	94,406	(94,406)
Severance package	-	-	-	-
Flood Prevention	130,000	130,000	10,417	119,583
Health Dept. Contract	1,500	1,500	1,500	-
Engineer	1,500	1,500	1,500	-
Public Safety	500	500	233	267
Employee reimburse	500	500	-	500
Total Expenditures	\$ 435,059	\$ 259,231	\$ 215,317	\$ 43,914
(Under) Expenditures	\$ -	\$ -	\$ (7,991)	\$ (7,991)
Net Changes in Fund Balances	\$ -	\$ -	\$ (7,991)	
Fund Balances - Beginning	\$ 10,456	\$ 10,456	\$ 16,080	
Fund Balances - Ending	\$ 10,456	\$ 10,456	\$ 8,089	

VILLAGE OF SAN LEANNA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) PROPRIETARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
				Positive (Negative)
Revenues:				
Water Billings	\$ 125,000	\$ 125,000	\$ 149,654	\$ 24,654
Water Tap Fees	4,800	4,800	1,200	(3,600)
Meter Dep/Connect Fees	1,000	1,000	-	(1,000)
Miscellaneous	100	100	-	(100)
Transfer from Reserve	29,332	47,217	-	(47,217)
Total Revenues	\$ 160,232	\$ 178,117	\$ 150,854	\$ (27,263)
Expenditures:				
Current:				
Water Operator	\$ 25,661	\$ 25,661	\$ 25,661	\$ -
District Fees	6,000	6,000	5,875	125
Maintenance/Repair	30,000	45,000	32,748	12,252
Electricity	7,300	7,500	7,760	(260)
Bookkeeper	16,667	16,753	16,753	-
Billing Supplies	1,600	1,600	1,463	137
Meter Reader	1,800	1,800	1,798	2
Meter Refunds	700	700	400	300
Miscellaneous	100	100	98	2
City of Austin Contract	1,300	3,900	2,600	1,300
City of Austin Water	25,000	25,000	20,727	4,273
Debt Service	44,104	44,103	-	44,103
Depreciation	-	-	770	(770)
Total Expenditures	\$ 160,232	\$ 178,117	\$ 116,653	\$ 61,464
Excess (Deficiency) of				
Revenues Over (Under)				
Expenditures	\$ -	\$ -	\$ 34,201	\$ 34,201
Net Changes in Fund				
Balances	\$ -	\$ -	\$ 34,201	
Transfers			58,632	
Fund Balances - Beginning	\$ 508,415	\$ 508,415	\$ 646,290	
Fund Balances - Ending	\$ 508,415	\$ 508,415	\$ 739,123	



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CERTIFIED PUBLIC ACCOUNTANT

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with Government Auditing Standards
To the Honorable Mayor and Members of the City Council
Village of San Leanna, Texas**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of San Leanna, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise Village of San Leanna, Texas' basic financial statements, and have issued our report thereon dated May 13, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Village of San Leanna, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of San Leanna, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Village of San Leanna, Texas' internal control. A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of San Leanna, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Donald L. Allman, CPA, PC
Georgetown, TX
May 13, 2021

VILLAGE OF SAN LEANNA
GENERAL FUND REPORT
4-1-2021 -- 4-30-2021

REVENUES:

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>AMENDED BUDGET</u>
101	PROPERTY TAXES	\$934.12	\$177,808.08	\$178,742.20	(\$3,742.20)	\$175,000.00
102	FRANCHISE TAXES	\$68.25	\$11,612.67	\$11,680.92	\$3,319.08	\$15,000.00
103	INTEREST	\$5.55	\$170.53	\$176.08	\$323.92	\$500.00
104	BUILDING PERMITS	\$300.00	\$2,100.00	\$2,400.00	\$1,600.00	\$4,000.00
106	MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
109	TRANSFER FROM RESERVE	\$0.00	\$0.00	\$0.00	\$47,691.67	\$47,691.67
<u>TOTALS:</u>		\$1,307.92	\$191,691.28	\$192,999.20	\$49,292.47	\$242,291.67

EXPENSES:

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>BUDGET</u>
112	ROAD MAINTENANCE	\$0.00	\$0.00	\$0.00	\$15,000.00	\$15,000.00
113	CITY ADMINISTRATOR	\$3,055.56	\$18,251.20	\$21,306.76	\$15,359.91	\$36,666.67
114	TML INSURANCE	\$703.00	\$1,351.00	\$2,054.00	\$746.00	\$2,800.00
115	LEGAL	\$403.00	\$201.50	\$604.50	\$2,395.50	\$3,000.00
116	TAXES	\$416.02	\$2,408.78	\$2,824.80	\$2,075.20	\$4,900.00
117	ENVIRONMENTAL MAINTENANCE	\$515.00	\$30,214.49	\$30,729.49	\$6,270.51	\$37,000.00
118	PUBLIC INFORMATION	\$0.00	\$0.00	\$0.00	\$800.00	\$800.00
119	AUDIT	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
120	SECURITY LIGHTS	\$239.80	\$1,516.79	\$1,756.59	\$1,443.41	\$3,200.00
121	OFFICE EXPENSES	\$443.49	\$2,418.39	\$2,861.88	\$638.12	\$3,500.00
122	ORG. MEMBERSHIP DUES	\$0.00	\$705.60	\$705.60	\$294.40	\$1,000.00
123	APPRAISALS	\$0.00	\$358.36	\$358.36	\$466.64	\$825.00
124	BUILDING INSPECTIONS	\$220.00	\$3,410.00	\$3,630.00	\$370.00	\$4,000.00
125	MISCELLANEOUS	\$0.00	\$7.50	\$7.50	\$992.50	\$1,000.00
126	ARBORIST	\$1,000.00	\$6,230.00	\$7,230.00	\$5,770.00	\$13,000.00
128	COUNCIL EXPENSES	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
129	PUBLIC AFFAIRS	\$0.00	\$183.61	\$183.61	\$4,816.39	\$5,000.00
130	COMMUNITY CENTER	\$198.04	\$525.64	\$723.68	\$1,276.32	\$2,000.00
131	ENGINEER	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,500.00
132	FLOOD PREVENTION	\$0.00	\$35,986.50	\$35,986.50	\$54,013.50	\$90,000.00
133	EMPLOYEE REIMBURSEMENT	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
134	HEALTH DEPT. CONTRACT	\$0.00	\$1,500.00	\$1,500.00	\$0.00	\$1,500.00
135	PUBLIC SAFETY	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00
136	ADVISOR	\$450.00	\$2,683.20	\$3,133.20	\$2,866.80	\$6,000.00
137	EMPLOYEE BENEFIT STIPEND	\$250.00	\$1,499.99	\$1,749.99	\$1,250.01	\$3,000.00
<u>TOTALS:</u>		\$7,893.91	\$109,452.55	\$117,346.46	\$124,945.21	\$242,291.67

**VILLAGE OF SAN LEANNA
WATER FUND REPORT
4-1-2021 -- 4-30-2021**

REVENUES:

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>BUDGET</u>
201	WATER BILLING	\$12,500.60	\$61,594.13	\$74,094.73	\$50,905.27	\$125,000.00
202	WATER TAP FEES	\$0.00	\$0.00	\$0.00	\$4,800.00	\$4,800.00
203	METER DEP/CONNECT FEES	\$0.00	\$750.00	\$750.00	\$250.00	\$1,000.00
204	MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
205	TRANSFER FROM RESERVE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<u>TOTALS:</u>		\$12,500.60	\$62,344.13	\$74,844.73	\$56,055.27	\$130,900.00

EXPENSES:

<u>ACCOUNT</u>	<u>ACCOUNT NAME</u>	<u>CURRENT MONTH</u>	<u>YTD. BEG. CURRENT MO</u>	<u>YTD. END OF CURRENT MO</u>	<u>DIFFERENCE</u>	<u>BUDGET</u>
210	WATER OPERATOR	\$2,224.00	\$8,896.00	\$11,120.00	\$15,568.00	\$26,688.00
211	DISTRICT FEES	\$0.00	\$1,395.18	\$1,395.18	\$4,604.82	\$6,000.00
212	MAINTENANCE/REPAIR	\$3,887.39	\$2,550.05	\$6,437.44	\$23,562.56	\$30,000.00
213	ELECTRICITY	\$707.33	\$2,717.14	\$3,424.47	\$4,075.53	\$7,500.00
214	BOOKKEEPER	\$1,527.77	\$6,070.05	\$7,597.82	\$10,735.51	\$18,333.33
215	BILLING SUPPLIES	\$50.40	\$395.50	\$445.90	\$1,154.10	\$1,600.00
216	METER READER	\$154.50	\$617.66	\$772.16	\$1,081.84	\$1,854.00
217	METER REFUNDS	\$0.00	\$0.00	\$0.00	\$500.00	\$500.00
218	MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$100.00	\$100.00
220	CITY OF AUSTIN CONTRACT	\$0.00	\$0.00	\$0.00	\$2,600.00	\$2,600.00
221	CITY OF AUSTIN WATER	\$1,154.57	\$7,172.52	\$8,327.09	\$16,672.91	\$25,000.00
TOTALS:		\$9,705.96	\$29,814.10	\$39,520.06	\$80,655.27	\$120,175.33

CHECKING ACCOUNT BALANCE:

BEGINNING BALANCE	\$16,212.17	\$30,020.69
TOTAL REVENUES	\$13,808.52	
TRANSFER-TEXPOOL	\$0.00	
TOTAL EXPENSES	\$17,599.87	
TRANSFER-TEXPOOL	\$0.00	
INTEREST RET-TEXPOOL	\$5.55	\$17,605.42

ENDING BALANCE

\$12,415.27

CHECKBOOK BALANCE

\$12,415.27

TEXPOOL BALANCE:

BEGINNING BALANCE	\$501,047.80
DEPOSITS	\$0.00
INTEREST	\$5.55
TOTAL	\$501,053.35
WITHDRAWALS	\$0.00

ENDING BALANCE

\$501,053.35

**VILLAGE OF SAN LEANNA
FINANCIAL REPORT
4-1-2021 -- 4-30-2021**

WATER SYSTEM - DEBT SERVICE FUND - REGIONS

BOND DEBT BALANCE **\$0.00**

ROAD IMPROVEMENT FUND - 2017-2021

<u>REVENUES</u>	<u>CURRENT MONTH</u>	<u>YTD TOTAL</u>	<u>DIFFERENCE</u>	<u>BUDGET 20-21</u>
301 CAPITAL METRO - BTC FUNDING 2021	\$0.00	\$0.00	\$14,000.00	\$14,000.00
302 TRANSFER - CAPITAL METRO - RESERVE	\$28,040.00	\$28,040.00	\$0.00	\$28,040.00
303 CAPMETRO - BTC - PROJECT REIMBURSE	\$0.00	\$0.00	\$42,000.00	\$42,000.00
304 TRANSFER - ROAD PROJECT RESERVED	\$140,000.00	\$140,000.00	\$0.00	\$140,000.00
<u>TOTALS:</u>	\$168,040.00	\$168,040.00	\$56,000.00	<u>\$224,040.00</u>

<u>EXPENSES</u>	<u>CURRENT MONTH</u>	<u>YTD TOTAL</u>	<u>DIFFERENCE</u>	<u>BUDGET 20-21</u>
310 ROAD IMPROVEMENT - OLD MANCHACA I	\$0.00	\$0.00	\$184,000.00	\$184,000.00
311 MISC - 50TH ANNIVERSARY VSLSIGNS	\$0.00	\$0.00	\$2,000.00	\$2,000.00
<u>TOTALS:</u>	\$0.00	\$0.00	\$186,000.00	<u>\$186,000.00</u>

RESERVED FUND BALANCES

<u>WATER FUND CONTINGENCY</u>	\$50,000	\$50,000
 <u>ROAD FUND:</u>		
RESTRICTED CAPITAL METRO	\$28,040	\$28,040
RESERVE FOR PROJECTS	<u>\$140,000</u>	<u>\$140,000</u>
TOTAL ROAD RESERVE	\$168,040	\$168,040
 <u>GENERAL FUND CONTINGENCY</u>	 \$50,000	 \$50,000
CURRENT BUDGET RESERVE	<u>\$104,044</u>	<u>\$100,253</u>
<u>TOTAL ALL RESERVED FUNDS</u>	\$372,084	<u>\$368,293</u>
 TOTAL TEXPOOL AND CHECKBOOK	 \$517,260	 \$513,469
 LESS TOTAL RESERVED	 <u>\$372,084</u>	 <u>\$368,293</u>
 <u>UNALLOCATED AVAILABLE FUNDS</u>	 \$145,176	 \$145,176