

**TOWN OF BARTONVILLE**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2015**

## TABLE OF CONTENTS

	<b>PAGE #</b>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1
<b>CITY OFFICIALS</b>	2
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b> Management's Discussion and Analysis	3-9
<b>BASIC FINANCIAL STATEMENTS:</b>	
Government-wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet - Governmental Funds	12
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	13
Notes to Financial Statements	14-29
<b>REQUIRED SUPPLEMENTARY INFORMATION:</b>	
Budgetary Comparison Schedule-General Fund	30
Budgetary Comparison Schedule-Capital Improvement Fund	31
Budgetary Comparison Schedule-Community Development Corporation	32
Budgetary Comparison Schedule-Crime Control & Prevention District	33
Schedule of Changes in Net Pension Liability and Related Ratios	34
Schedule of Pension Contributions	35
<b>OTHER SUPPLEMENTARY INFORMATION:</b>	
Schedule of Property Taxes	36
Schedule of Restricted/Designated Cash Accounts	37

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Independent Auditor's Report

To the Town Council  
Town of Bartonville, Texas

I have audited the accompanying financial statements of the governmental activities and major funds of the Town of Bartonville, Texas as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Town'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 misstatements, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of 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 controls 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

## **Opinions**

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Town of Bartonville, Texas, as of September 30, 2015, and the respective changes in financial position 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, the budgetary comparison schedule, the schedule of changes in net pension liability and related ratios and the schedule of pension contributions be presented to supplement the basic financial statements. Such information, although not 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. I 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 regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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*

My audit was conducted for the purpose of forming opinions on the financial statements the collectively comprise the Town of Bartonville's basic financial statements. The schedule of property taxes and the schedule of restricted/designated cash accounts are presented for additional analysis and are not a part of the basic financial statements.

The schedule of property taxes and the schedule of restricted/designated cash accounts 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 my opinion, the schedule of property taxes and the schedule of restricted/designated cash accounts are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*William C. Spore, P.C.*

Keller, Texas

Certified Public Accountants

January 19, 2016

**TOWN OF BARTONVILLE**

**CITY OFFICIALS**

**September 30, 2015**

<b>MAYOR</b>	<b>Bill Scherer</b>
<b>MAYOR PRO TEM</b>	<b>Jeff Traylor</b>
<b>COUNCILMEN</b>	<b>Jaclyn Carrington</b>
	<b>Jim Langford</b>
	<b>Betty Medlock</b>
	<b>Clay Sams</b>
<b>TOWN ADMINISTRATOR</b>	<b>Stacey Almond</b>
<b>TOWN SECRETARY</b>	<b>Tammy Dixon</b>
<b>POLICE CHIEF</b>	<b>Corry Blount</b>
<b>MUNICIPAL COURT JUDGE</b>	<b>Robin Ramsay</b>
<b>ATTORNEY</b>	<b>Bob Hager</b>

## **TOWN OF BARTONVILLE MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Town of Bartonville, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2015. The information provided here should be used in conjunction with the basic financial statements.

Management's discussion and analysis ("MD&A") has been designed to [1] assist readers and interested parties in focusing on significant financial issues [2] provide an overview of the Town's financial activity, [3] identify changes in the Town's financial position, including its ability to address the next and subsequent years challenges, [4] identify material deviations from the approved budgets adopted by the Town Council (those charged with governance), and [5] identify individual fund issues or concerns.

Because MD&A focuses on the current year's activity, resulting changes and currently known facts, you are encouraged to read it in conjunction with the basic financial statements including notes thereto, required supplemental information, and other supplementary data provided below.

### **FINANCIAL HIGHLIGHTS**

- The Town's government-wide assets exceeded its government-wide liabilities at September 30, 2015 by \$3,025,433, an increase of \$466,025 from the prior year.
- At September 30, 2015 the Town's governmental funds reported combined fund balances of \$1,750,737, an increase of \$1,218,008 from the prior year.
- The Town's capital assets, reported at cost less accumulated depreciation, total \$2,059,968 at September 30, 2015 while the Town's long-term debt totaled \$550,000 at September 30, 2015.

### **USING THIS ANNUAL REPORT**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

## **Reporting the Town as a Whole - Government-wide Financial Statements**

### **The Statement of Net Position and the Statement of Activities**

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business.

The Statement of Net Position (page 10) presents information on all of the Town's assets and liabilities, with the difference between the two 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 Town is improving or deteriorating.

The Statement of Activities (page 11) presents information showing how the Town's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused compensated absences). Capital grant funds are reported as revenues in the Statement of Activities.

The Town currently only provides Governmental type activities. Governmental activities include basic services such as police, municipal court, inspection, streets and general administration. Permit revenues, sales taxes, and franchise fees finance most of these activities. The Town does not provide any Business-type activities such as water or sewer systems and related fees.

## **Reporting the Town's Most Significant Funds**

### **Fund Financial Statements**

All of the Town's activities are accounted for in governmental funds. Governmental funds focus on how money flows into and out of the funds and the balances left at the end of the year that is available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

### **Notes to Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 14.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town's net position is as follows:

NET POSITION			
GOVERNMENTAL ACTIVITIES			
	2015		2014
Current and Other Assets	\$ 1,874,550	\$	664,694
Capital Assets	<u>2,059,968</u>		<u>2,295,053</u>
Total Assets	<u>3,934,518</u>		<u>2,959,747</u>
Current Liabilities	(200,790)		(147,609)
Long-Term Liabilities	<u>(708,295)</u>		<u>(252,730)</u>
Total Liabilities	<u>(909,085)</u>		<u>(400,339)</u>
 Net Assets:			
Invested in Capital Assets, net			
of debt	2,030,143		2,322,143
Restricted	336,515		226,545
Unrestricted	<u>658,775</u>		<u>10,720</u>
Total Net Position	<u>\$ 3,025,433</u>	\$	<u>2,559,408</u>

The Town's net position increased by \$466,025 during the fiscal year ended September 30, 2015 to \$3,025,433. The largest portion of the Town's net position is its investment in capital assets, (land, building, equipment and infrastructure.) The Town uses these capital assets to provide services to the Town's citizens; consequently these assets are not available for future spending.

The Town adopted *GASB 68, Accounting and Reporting for Pensions*, affective October 1, 2014 as required. The implementation of this new pension standard required restating the September 30, 2014 unrestricted net position to recognize the Town's net pension liability at that date. This restatement, which is reflected above, reduced the previously reported unrestricted net position by \$207,972.

### Analysis of Town's Operations

For the fiscal year ended September 30, 2015 the Town's revenues totaled \$1,678,444, an increase of \$433,187 from 2014. Fiscal year 2015 permit and fee revenues include a \$162,133 reimbursement of legal fees from Cross Timbers Water Supply Company related to a lawsuit settlement. The Town's 2015 sales tax revenues increased 89% from 2014 primarily due to new commercial developments in the Town.

Total government-wide expenses decreased \$346,891 (22%) in 2015 compared to 2014. The Town intentionally decreased the number of police officers and related costs during 2015 which resulted in a reduction of \$226,471 in police department expenses. During 2014 the Town completed major road maintenance projects totaling \$245,059 and there were no similar major

projects in 2015 which resulted in public works expenses decreasing \$232,316 in 2015. Administrative expenses increased in 2015 primarily due to an increase in personnel costs and economic development incentive grant expenses related to commercial development in the Town.

In July the Town issued tax notes in the amount of \$550,000 for street improvement projects to be started in fiscal year 2016. The cost of issuing the tax notes totaled \$29,825.

A summary of the Town's operations for the years ended September 30, 2015 & 2014 is as follows:

#### CHANGES IN NET POSITION

REVENUES			
Program Revenues:			
Permits & Fees	\$	465,911	\$ 262,499
Municipal Court		55,943	55,583
Contributions & Grants		1,170	22,119
General Revenues:			
Property Taxes		510,664	480,646
Sales & Beverage Taxes		462,966	244,688
Franchise Fees		180,413	174,546
Sale of Assets		0	4,050
Interest Income		1,377	1,126
Total Revenues		1,678,444	1,245,257
PROGRAM EXPENSES			
General Government		536,642	467,019
Public Safety		388,994	613,343
Public Works		243,938	476,254
Debt Issue Costs		29,825	0
Interest on Long-Term Debt		13,020	2,694
Total Expenses		1,212,419	1,559,310
Increase (Decrease) in Net Position	\$	466,025	\$ (314,053)

#### GOVERNMENTAL FUND ANALYSIS

The focus of the Town's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements; in particular, unreserved fund balance may serve a measure of a government's net resources available for spending at the end of the fiscal year.

A comparison of fiscal years 2015 and 2014 fund basis revenues is as follows:

	2015	2014
<b>REVENUES</b>		
Property Taxes	\$ 508,262	\$ 479,459
Sales & Beverage Taxes	462,966	244,688
Franchise Taxes	180,413	174,546
Permits & Fees	290,302	260,557
Municipal Court	55,943	55,583
Grants & Donations	1,170	22,119
Interest Income	1,377	1,126
Other Income	175,609	1,942
Proceeds from Tax Notes	550,000	0
Sale of Assets	0	4,050
<b>TOTAL REVENUES</b>	<b>\$ 2,226,042</b>	<b>\$ 1,244,070</b>

The Town's primary sources of revenues, property and sales taxes, franchise fees and permit revenues, increased \$282,693 (25%) from 2014 to 2015 primarily due the increase in sales tax collected by the Town. The other income above includes the \$162,133 legal fee reimbursement from Cross Timbers Water Supply Corporation discussed above. Fund basis revenues also include the \$550,000 proceeds of the 2015 tax notes issued in July 2015.

A comparison of fiscal years 2015 and 2014 fund basis expenditures is as follows:

	2015	2014
<b>EXPENDITURES</b>		
General Government	\$ 505,411	\$ 445,006
Public Safety	378,438	565,698
Public Works	44,870	245,672
Capital Outlay - Public Works	7,993	0
Capital Outlay - General Government	7,264	4,100
Capital Outlay - Public Safety	5,615	25,393
Debt Issue Costs	29,825	0
Debt Service-Principal	27,090	25,446
Debt Service-Interest	1,528	3,059
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,008,034</b>	<b>\$ 1,314,374</b>

Total governmental fund basis expenditures decreased \$306,340 (23%) primarily due to a reduction of the Town's police force and a decrease in expenditures in 2015 for road maintenance when compared to 2014.

## GENERAL FUND BUDGETARY HIGHLIGHTS

In August 2015 the Town Council amended the original 2015 budget. The amendment was made to reflect the increase in sales tax and permit and fee revenues and to reflect the issuance of the 2015 tax notes that were not anticipated in the original budget.

The Town's actual general fund revenues exceeded budgeted revenues by \$248,376. Actual revenues included the legal fee reimbursement from Cross Timbers Water Supply Corporation of \$162,113 along with transfers from the Bartonville Crime Control and Prevention District of \$20,982 and a \$4,000 transfer from the capital improvement project fund. None of these items were included in budgeted revenues.

Actual general government administrative expenditures totaled \$481,641 which was \$20,504 more than budgeted operating expenditures. Economic development incentive grant expenditures of \$25,566 exceeded budgeted expenditures by \$16,775 which accounts for a majority of the total administrative budget variance.

Police department expenditures were \$85,205 less than budgeted expenditures primarily due to personnel and vehicle costs related to a reduction in the police force. Police debt service expenditures included two capital lease payments totaling \$28,618. One of the lease payments was included in the police operating budget and the second payment was made using funds transferred from the Crime Control District (\$16,664). This transfer was included in actual revenues and was not included in the general fund budgeted revenues.

Actual street maintenance projects totaled \$43,816 compared to budgeted street maintenance projects of \$205,000. The budgeted street maintenance included projects the Town did not start in 2015.

The Town budgeted for the general fund to have a surplus of \$83,538 while the actual general fund surplus was \$591,717. This large variance is primarily due to receive the legal fee reimbursement of \$162,133, which was not budgeted, the decrease in the police department expenditures and the decrease in street maintenance expenditures when compared to the budget.

## CAPITAL ASSETS

The Town's investment in capital assets as of September 30, 2015 amounts to \$2,550,575 (net of depreciation). The investment in capital assets includes land, buildings, equipment and infrastructure. The Town's capital assets are as follows:

	2015	2014
Land	\$ 510,102	\$ 510,102
Buildings	237,896	254,503
Equipment	54,187	82,590
Infrastructure	<u>1,256,783</u>	<u>1,447,858</u>
TOTAL	<u>\$ 2,058,968</u>	<u>\$ 2,295,053</u>

Additional information on the Town's capital assets can be found in Note 4.

## DEBT ADMINISTRATION

The Town did not incur any additional long-term debt during 2015. Outstanding long-term debts are as follows:

	2015	2014
Capital Lease Payable	0	27,090
Tax Notes	<u>550,000</u>	<u>0</u>
TOTAL	\$ <u><u>550,000</u></u>	\$ <u><u>0</u></u>

Additional information on the Town's long-term debts can be found in Note 5.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Budgeted general fund revenues for fiscal year 2015 are \$1,163,228. These revenues include property tax revenues of \$555,628, based upon a tax rate of .19294 per \$100 of valuation, the same rate as the prior year. The 2015 budget anticipates the Town collecting \$270,000 of sales tax revenues, \$163,500 of franchise fees and \$58,050 of permits and fee revenues.

Budgeted general fund expenditures total \$1,163,228 including \$50,000 for legal fees, \$229,489 for administrative staff personnel costs, and \$396,820 for the police department.

## REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Town of Bartonville. If you have questions about this report or need any additional information, contact the Town Secretary at 1941 E. Jeter Road, Bartonville, TX 76226 or at (817) 430-4052.

**TOWN OF BARTONVILLE**  
**GOVERNMENT-WIDE**  
**STATEMENT OF NET POSITION**

*September 30, 2015*

	<b>GOVERNMENTAL ACTIVITIES</b>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash	\$ 253,486
Receivable-Sales Taxes, Franchise Fees & Other	282,948
Receivable-Property Taxes	11,534
Prepaid Expenses	4,106
<b>TOTAL CURRENT ASSETS</b>	<b>552,074</b>
 <b>NONCURRENT ASSETS</b>	
Restricted Cash	1,278,151
<b>CAPITAL ASSETS:</b>	
Land	510,102
Buildings & Improvements	368,184
Equipment	323,227
Infrastructure	4,484,032
Accumulated Depreciation	(3,625,577)
<b>NET CAPITAL ASSETS</b>	<b>2,059,968</b>
<b>TOTAL NONCURRENT ASSETS</b>	<b>3,338,119</b>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension Related	44,325
 <b>TOTAL ASSETS</b>	 <b>3,934,518</b>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts Payable	35,499
Accrued Liabilities	44,341
Accrued Compensated Absences	15,950
Tax Notes Payable	105,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>200,790</b>
 <b>NONCURRENT LIABILITIES</b>	
Tax Notes Payable	445,000
 <b>NET PENSION LIABILITY</b>	 <b>263,295</b>
 <b>TOTAL LIABILITIES</b>	 <b>909,085</b>
<b>NET POSITION</b>	
Invested in Capital Asset, Net of Related Debt	2,030,143
Restricted For:	
Economic Development	317,735
Crime Control	18,780
Unrestricted	658,775
<b>TOTAL NET POSITION</b>	<b>\$ 3,025,433</b>

**TOWN OF BARTONVILLE**

**GOVERNMENT-WIDE  
STATEMENT OF ACTIVITIES**

*For the Year Ended September 30, 2015*

<b>FUNCTIONS/PROGRAMS</b>	<b>EXPENSES</b>	<b>FINES, FEES &amp; CHARGES FOR SERVICES</b>	<b>DONATIONS</b>	<b>CAPITAL GRANTS</b>	<b>NET (EXPENSE) REVENUE</b>
<b>GOVERNMENTAL ACTIVITIES:</b>					
General Government	\$ (536,642)	\$ 465,911	\$ 0	\$ 0	\$ (70,731)
Public Safety	(388,994)	55,943	1,170	0	(331,881)
Public Works	(243,938)	0	0	0	(243,938)
Debt Issue Costs	(29,825)	0	0	0	(29,825)
Interest on Long-Term Debt	(13,020)	0	0	0	(13,020)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ (1,212,419)</b>	<b>\$ 521,854</b>	<b>\$ 1,170</b>	<b>\$ 0</b>	<b>(689,395)</b>
<b>GENERAL REVENUE</b>					
Property Taxes					510,664
Sales & Beverage Taxes					462,966
Franchise Fees					180,413
Gain on Sale of Assets					0
Interest Income					1,377
<b>TOTAL GENERAL REVENUE</b>					<b>1,155,420</b>
<b>CHANGE IN NET POSITION</b>					<b>466,025</b>
<b>NET POSITION - BEGINNING - As Restated (Note 8)</b>					<b>2,559,408</b>
<b>NET POSITION - ENDING</b>					<b>\$ 3,025,433</b>

**TOWN OF BARTONVILLE**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**

September 30, 2015

	<b>GENERAL FUND</b>	<b>CAPITAL IMPROVEMENT FUND</b>	<b>COMMUNITY DEVELOPMENT CORPORATION</b>	<b>CRIME CONTROL DISTRICT</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>ASSETS</b>					
Cash	\$ 599,387	\$ 617,138	\$ 300,508	\$ 14,604	\$ 1,531,637
Receivables:					
Sales Taxes, Franchise Fees & Other	96,772	0	19,887	4,176	120,835
Property Taxes	11,534	0	0	0	11,534
Legal Settlement	162,113	0	0	0	162,113
Interfund	342	0	(342)	0	0
Prepaid Expenses	4,106	0	0	0	4,106
<b>TOTAL ASSETS</b>	<b>874,254</b>	<b>617,138</b>	<b>320,053</b>	<b>18,780</b>	<b>1,830,225</b>
<b>LIABILITIES</b>					
Accounts Payable	33,181	0	2,318	0	35,499
Accrued Expenses	32,455	0	0	0	32,455
<b>TOTAL LIABILITIES</b>	<b>65,636</b>	<b>0</b>	<b>2,318</b>	<b>0</b>	<b>67,954</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue-Property Tax	11,534	0	0	0	11,534
<b>FUND BALANCES</b>					
Non-Spendable - Prepaid Expenses	4,106	0	0	0	4,106
Restricted For:					
Capital Improvements	0	520,175	0	0	520,175
Economic Development	0	0	317,735	0	317,735
Crime Control	0	0	0	18,780	18,780
Committed to:					
Capital Improvements	0	96,963	0	0	96,963
Roads	340,163	0	0	0	340,163
Unassigned, Reported In General Fund	452,815	0	0	0	452,815
<b>TOTAL FUND BALANCES</b>	<b>797,084</b>	<b>617,138</b>	<b>317,735</b>	<b>18,780</b>	<b>1,750,737</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 874,254</b>	<b>\$ 617,138</b>	<b>\$ 320,053</b>	<b>\$ 18,780</b>	<b>\$ 1,818,691</b>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**TOWN OF BARTONVILLE**

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

**September 30, 2015**

Fund Balance	\$ 1,750,737
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the Fund Balance Sheet.	2,059,968
Property Taxes receivable are not available to pay for current period period expenditures and therefore are deferred in the Fund Balance Sheet.	11,534
Long term liabilities are not due and payable in the current period and therefore are not reported in the Fund Balance Sheet:	
2015 Tax Notes Payable	(550,000)
Accrued compensated absences & severance pay	(15,950)
Accrued interest	(11,886)
Net pension liability and related deferred inflows and deferred outflows	<u>(218,970)</u>
<b>NET ASSETS OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ <u><u>3,025,433</u></u></b>

**TOWN OF BARTONVILLE**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS**

*For the Year Ended September 30, 2015*

	<b>GENERAL FUND</b>	<b>CAPITAL IMPROVEMENT FUND</b>	<b>COMMUNITY DEVELOPMENT CORPORATION</b>	<b>CRIME CONTROL DISTRICT</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>REVENUES</b>					
Property Taxes	\$ 508,262	\$ 0	\$ 0	\$ 0	\$ 508,262
Sales & Beverage Taxes	306,430	0	123,329	33,207	462,966
Franchise Fees	180,413	0	0	0	180,413
Permits, Fees & Other Revenues	290,302	0	0	0	290,302
Municipal Court	55,943	0	0	0	55,943
Grants & Donations	0	0	0	1,170	1,170
Other Income	175,609	0	0	0	175,609
Interest Income	890	146	313	28	1,377
<b>TOTAL REVENUES</b>	<u>1,517,849</u>	<u>146</u>	<u>123,642</u>	<u>34,405</u>	<u>1,676,042</u>
<b>EXPENDITURES</b>					
General Government	481,641	29,825	7,117	16,653	535,236
Public Safety	378,438	0	0	0	378,438
Public Works	44,870	0	0	0	44,870
Capital Outlay	20,872	0	0	0	20,872
Debt Service - Principle	27,090	0	0	0	27,090
Debt Service - Interest	1,528	0	0	0	1,528
<b>TOTAL EXPENDITURES</b>	<u>954,439</u>	<u>29,825</u>	<u>7,117</u>	<u>16,653</u>	<u>1,008,034</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHERS SOURC</b>	<u>563,410</u>	<u>(29,679)</u>	<u>116,525</u>	<u>17,752</u>	<u>668,008</u>
<b>OTHER SOURCES (USES)</b>					
Transfer-Crime Control District	20,982	0	0	(20,982)	0
Transfer-CIP Fund	4,000	(4,000)	0	0	0
Transfer-Community Development Fund	3,325	0	(3,325)	0	0
Proceeds from Issuance of Tax Notes	0	550,000	0	0	550,000
<b>TOTAL OTHER SOURCES (USES)</b>	<u>28,307</u>	<u>546,000</u>	<u>(3,325)</u>	<u>(20,982)</u>	<u>550,000</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	591,717	516,321	113,200	(3,230)	1,218,008
<b>FUND BALANCE - BEGINNING</b>	205,367	100,817	204,535	22,010	532,729
<b>FUND BALANCE - ENDING</b>	<u>\$ 797,084</u>	<u>\$ 617,138</u>	<u>\$ 317,735</u>	<u>\$ 18,780</u>	<u>\$ 1,750,737</u>

**TOWN OF BARTONVILLE  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO  
STATEMENT OF ACTIVITIES**

*For the Year Ended September 30, 2015*

Net Change in Fund Balance - Governmental Funds \$ 1,218,008

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

Governmental funds report capital outlay as expenditures. However in the statement of activities the cost of these assets is allocated over the estimated useful lives as depreciation expense:

Capital assets recorded in the current period	20,872
Depreciation expense on capital assets	(255,957)

Borrowings on long-term debt are revenues in the governmental funds, but the borrowing increases long-term liabilities in the statement of net position:	(550,000)
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Repayment on debt principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	27,090
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Deferred Revenues - Property Taxes	2,402
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Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest	(11,492)
Compensated Absences	1,100
Severance Pay	25,000
Pension Expense	(10,998)

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 466,025</b>
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# TOWN OF BARTONVILLE

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -**

The Town of Bartonville operates under a Council-Mayor form of government, following the laws of a General Law Town as defined by the State of Texas. The Town provides the following services: inspection, municipal court, police, public works, and general administrative services.

The Town's financial statements are prepared in accordance with generally accepted accounting principles accepted in the United States of America (GAAP) applicable to local governments. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the Town are discussed below:

#### **A. REPORTING ENTITY**

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Town of Bartonville (the primary government) and its component units. The following component units are included in the Town's reporting entity because of their operational and financial relationship with the Town.

Blended component units:

The Bartonville Community Development Corporation (the B.C.D.C.) is governed by a board of seven directors, all of whom are appointed by the Town Council of the Town of Bartonville and any of whom can be removed from office by the Town's Council at its' will. The B.C.D.C. was incorporated in the state of Texas as a non-profit industrial development corporation under the Development Corporation Act of 1979. The purpose of the B.C.D.C. is to promote economic development within the Town of Bartonville.

At its May 2010 election the citizens of the Town of Bartonville approved the creation of the Town of Bartonville Crime Control and Prevention District (the B.C.C.D.) an adopted a local sales and use tax of one-quarter of one percent (.25%) to fund the B.C.C.D. The District is governed by a board of seven directors, all of whom are appointed by the Town Council of the Town of Bartonville. The purpose of the B.C.C.D. is to provide training for the Town's police officers, purchase necessary equipment and technology needed to provide a higher level of crime prevention and crime control in the District and to provide avenues to inform and educate the citizens of the District in multiple crime control topics and applications. The B.C.C.D. began collecting sales tax revenues in October 2010.

Individual audited financial statements of the component units are not issued. Management issued financial statements can be obtained from the Town's administrative offices.

## TOWN OF BARTONVILLE

### NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

#### **B. BASIC FINANCIAL STATEMENTS-GOVERNMENT-WIDE STATEMENTS:**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Town's inspection, police, municipal court, parks, public works, and general administrative services are classified as governmental activities. The Town does not provide any business-type activities.

In the government-wide Statement of Net Position governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts- invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net costs of each of the Town's Functions (general government, public safety, and public works). The functions are also supported by general government revenues (property, sales and franchise taxes). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, inspection). Operating grants include operating-specific and discretionary grants while capital grants reflect capital specific grants. Developer contributions for public works infrastructure are included in capital grants.

The net costs (by function) are normally covered by general revenue (property, sales, franchise taxes).

The Town does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

#### **C: BASIC FINANCIAL STATEMENTS - FUND FINANCIAL STATEMENTS:**

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The Town only provides Governmental Fund type activities. The Town has presented the following major funds:

General Fund - The General Fund is the general operating fund of the Town. It is used to account for all financial resources not accounted for in other funds.

## TOWN OF BARTONVILLE

### NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

Capital Improvement Fund - The Capital Improvement Fund is used to account for funds restricted or designated for future capital improvements.

Community Development Corporation Fund - The Community Development Corporation Fund is used to account for the financial resources of the Bartonville Community Development Corporation, a blended component unit of the Town. The fund balance of the Community Development Corporation is reserved to signify amounts that are restricted to be used for economic development within the scope of the Bartonville Community Development Corporation's by-laws.

Crime Control and Prevention District - The Crime Control and Prevention District Fund is used to account for the financial resources of the Bartonville Crime Control and Prevention District, a blended component unit of the Town. The fund balance of the Crime Control and Prevention District is reserved to signify amounts that are restricted to be used for crime control and prevention within the scope of the Bartonville Crime Control and Prevention District's governing code.

The Town does not provide any Business-type activities or have any Fiduciary Funds.

#### **D: MEASUREMENT FOCUS/BASIS OF ACCOUNTING:**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made, regardless of the measurement focus applied.

1. Government-wide financial statements and fund financial statements for proprietary funds are presented using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total assets. Under the accrual basis of accounting revenues are recognized when earned and expensed are recognized at the time the liability is incurred.
2. Governmental fund financial statements are presented using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e. both measurable and available. "Measurable" means the amount of the transaction can be determined and "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (typical within 60 days after year end). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principle and interest on general obligation long-term debt, if any, is recognized only when payment is due.

# TOWN OF BARTONVILLE

## NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

### 3. Revenue Recognition:

The Town considers property, sales and franchise taxes as available if collected within 60 days after year end. All other governmental revenues are recognized when received.

### 4. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles to local governments in the United States of America requires management and those charged with governance to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### 5. New Accounting Principles:

The Town has adopted all current GASB pronouncements that are applicable to its operations and activities. Effective October 1, 2014 the Town implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement made significant modifications to reporting of employee pension benefits. The accounting principles governing the reported amounts, financial presentations, and disclosures are subject to change from time to time based on new pronouncements and / or rules issued by various standards-setting bodies. The GASB has issued the following new statements that are potentially applicable to the Town of Bartonville.

- Statement No. 72, *Technical Corrections - amendment of GASB no. 10 and No. 62*. This statement will not affect the Town.
- Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68*. This statement will not affect the Town.
- Statement No.74, *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*. This statement will not affect the Town.
- Statement No.75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. This statement will not affect the Town

New pronouncements not yet in effect as of September 30, 2015, are not expected to have any significant impact on the Town's financial position, results of operations, or cash flows. The Town is currently studying these new pronouncements and will adopt them in the fiscal year ending September 2016, as required.

## E. FINANCIAL STATEMENT AMOUNTS:

### 1. Cash and cash Equivalents:

The Town has defined cash and cash equivalents to include cash on hand and demand deposits and time deposits with an original maturity of 90 days or less.

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

**2. Capital Assets:**

Capital assets which include land, buildings, office equipment, police equipment and infrastructure (roads, bridges and drainage systems) purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, or improvements and other capital outlays that significantly extend the useful lives of assets are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided using the straight-line basis over the following estimated useful lives:

Buildings	5 - 40 years
Equipment	3 - 10 years
Infrastructure	15 years

**3. Restricted Resources:**

When an expense is incurred for purposes for which both restricted and unrestricted resources are available the Town first applies restricted resources.

**4. Compensated Absences:**

The Town accrues accumulated unpaid comp and vacation time when earned by the employee. Unused compensatory time is paid upon termination. All comp and vacation time is accrued in the government-wide statements. A liability for these amounts is not recorded in the governmental fund statements and represents a reconciling item between the fund and government-wide presentations.

**5. Deferred Outflows of Resources:**

The Town reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position. Deferred outflows of resources reported in this year's financial statement include (1) a deferred outflow of resources for contributions made to the Town's retirement plan between the measurement date of the net pension liabilities from the plan and the end of the Town's fiscal year end (2) deferred outflows of resources related to differences between the plans' projected and actual earnings and (3) deferred outflows of resources related to differences between the expected and actual demographics of the Town's pension plan. The deferred outflows for pension contributions will be recognized in the subsequent fiscal year. The deferred outflows related to differences between projected and actual plan earnings will be amortized to pension expense over a total of five years, including the current fiscal year. The deferred outflows related to differences related actuarial assumptions for demographic factors amount will be recognized over a closed period equal to the average of the expected remaining service lives of all employees participating in the plan. No deferred inflows of resources affect the governmental funds financial statements in the current year.

## TOWN OF BARTONVILLE

### NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2015

#### 6. Deferred Inflows of resources:

The Town's statement of government-wide net position reports a separate section for deferred inflows of revenues. This separate financial statement element reflects an increase in net assets that applies to a future period(s). There are no deferred inflows of resources currently reported by the Town in its government-wide position reports. In its governmental funds, the only deferred inflow of resources is for revenues that are not considered available. The Town will not recognize the related revenues until they are available (collected no later than 60 days after the end of the Town's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes are reported in the governmental funds balance sheet as deferred inflows of resources.

#### 7. Pensions:

For 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.

#### 8. Equity Classifications:

##### *Government-wide Statements*

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Any outstanding debt is reduced by any unspent debt proceeds at the end of the fiscal year before the reduction discussed above.
- b. Restricted net position - Consists of net assets with constraints placed on the use either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net assets that do not meet the criteria of "restricted" or "invested in capital assets, net of related debt."

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

*Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable (prepaid expenses), restricted (by parties outside of the government or by enabling legislation), committed (by Town Council ordinance or resolution) and unassigned.

**F: BUDGETS AND BUDGETARY ACCOUNTING:**

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1: Prior to September 1, the Town Secretary submits to the Town Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- 2: Public hearings are conducted to obtain taxpayer comments.
- 3: Prior to October 1, the budget is legally enacted through the passage of an ordinance.
- 4: Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 5: Unused appropriations for all of the above annually budgeted funds lapse at the end of the fiscal year.

For the fiscal year ending September 30, 2015 expenditures exceeded appropriations for the following departments and amounts:

General Government	\$ 20,504
Public Safety	\$ 6,931

**NOTE 2: COMMITTED CASH:**

By Town Council resolution non-tax note funds held in the “Street Maintenance” accounts at a local Bank are committed for Town road improvements. At September 30, 2015 the Town had committed road improvement funds totaling \$340,163.

By Town Council resolution non-tax note funds held in the “Capital Improvement” account at a local Bank are committed for Town capital improvements. At September 30, 2015 the Town had committed road improvement funds totaling \$96,963.

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

**NOTE 3: DEPOSITS:**

At September 30, 2015 the carrying amount of the Town's cash accounts were \$1,531,637, made up of petty cash of \$300 and \$1,531,337 held in checking accounts at a local financial institution. The Town did not own any investments at September 30, 2015.

Deposit and Investment risk Disclosures:

(1) Custodial credit risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of outside parties.

At September 30, 2015 the Town's bank balances (per bank) totaled \$1,532,239. Of the bank balances, \$250,000 was covered by federal depository insurance and \$1,282,239 was secured by collateral held by the pledging Bank's agent in the name of the Town. The Town was not exposed to custodial credit risk at September 30, 2015.

Securities pledged by the Town's depository institution at September 30, 2015 are as follows:

SECURITY	PAR	FMV
FHLB-letter of credit, maturity date 8/12/16	\$2,000,000	\$2,000,000

(2) Credit Risk:

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. The Town does not currently own any investments and, therefore, is not exposed to credit risk.

(3) Concentration of credit risk:

This is the risk of loss attributable to the magnitude of the Town's investment in a single issuer. The Town does not currently own any investments and, therefore, is not exposed to concentration of credit risk.

(4) Interest rate risk:

This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not currently own any investments and, therefore, is not exposed to interest rate risk.

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

**NOTE 4: CAPITAL ASSETS:**

Capital asset activity for the fiscal year ended September 30, 2015 is as follows:

CAPITAL ASSETS GOVERNMENTAL ACTIVITIES	BEGINNING	ADDITIONS	DELETIONS/ TRANSFERS	ENDING
Land	\$ 510,102	\$ 0	\$ 0	\$ 510,102
Building & Improvements	372,375	0	(4,192)	368,183
Equipment	27,033	7,264	(3,585)	30,712
Police Equipment	286,901	5,615	0	292,516
Infrastructure	<u>4,476,039</u>	<u>7,993</u>	<u>0</u>	<u>4,484,032</u>
TOTAL AT HISTORICAL COST	<u>5,672,450</u>	<u>20,872</u>	<u>(7,777)</u>	<u>5,685,545</u>
 LESS ACCUMULATED DEPRECIATION				
Land	0	0	0	0
Building & Improvements	117,872	16,607	(4,192)	130,287
Equipment	23,487	4,575	(3,585)	24,477
Police Equipment	207,857	36,707	0	244,564
Infrastructure	<u>3,028,181</u>	<u>199,068</u>	<u>0</u>	<u>3,227,249</u>
TOTAL ACCUMULATED DEPRECIATION	<u>3,377,397</u>	<u>256,957</u>	<u>(7,777)</u>	<u>3,626,577</u>
 TOTAL CAPITAL ASSETS, NET	 <u>\$ 2,295,053</u>	 <u>\$ (236,085)</u>	 <u>\$ 0</u>	 <u>\$ 2,058,968</u>

DEPRECIATION EXPENSE WAS CHARGED TO GOVERNMENTAL ACTIVITIES AS FOLLOWS:

General Government	\$ 21,183
Police	35,706
Public Works	<u>199,068</u>
TOTAL DEPRECIATION EXPENSE	<u>\$ 255,957</u>

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

**NOTE 5: LONG-TERM DEBT:**

General long-term debt activity for the fiscal year is as follows:

	BEGINNING	ADDITIONS	PAYMENTS	ENDING	CURRENT PORTION
Capital Lease-First Financial	\$ 11,274	\$ 0	\$ 11,274	\$ 0	\$ 0
Capital Lease-N. Dallas Bank	15,816	0	15,816	0	0
2015 Tax Notes	<u>0</u>	<u>550,000</u>	<u>0</u>	<u>550,000</u>	<u>105,000</u>
 TOTAL NOTES/LEASES	 <u>27,090</u>	 <u>550,000</u>	 <u>27,090</u>	 <u>550,000</u>	 <u>105,000</u>
 Compensated Absences	 <u>42,050</u>	 <u>0</u>	 <u>26,100</u>	 <u>15,950</u>	 <u>0</u>
 TOTAL GOVERNMENTAL	 <u>\$ 69,140</u>	 <u>\$ 550,000</u>	 <u>\$ 53,190</u>	 <u>\$ 565,950</u>	 <u>\$ 105,000</u>

A description of the Town’s long-term debt is as follows:

**Tax Notes:**

In July 2015 the Town issued \$550,000 of tax notes for the purpose of constructing and improving streets within the Town. The notes bear interest at 1.85%, require annual principle and interest payments and have a final maturity date of August 2020. The notes are secured by an annual ad valorem tax to be assessed by the Town for payment of the notes.

Annual note payments for the Town’s tax notes are as follows:

YEAR ENDING SEPTEMBER 30,	PRINCIPAL	INTEREST	TOTAL
2016	\$ 105,000	\$ 11,871	\$ 116,871
2017	110,000	8,233	118,233
2018	110,000	6,197	116,197
2019	110,000	4,162	114,162
2020	<u>115,000</u>	<u>2,128</u>	<u>117,128</u>
<b>TOTALS</b>	<b>\$ <u>550,000</u></b>	<b>\$ <u>32,591</u></b>	<b>\$ <u>582,591</u></b>

**Severance Agreement:**

During the 2014 fiscal year the Town reached a separation agreement with its former police chief. As part of the agreement the Town agreed to pay a “retirement severance” of \$30,000 payable in twelve equal monthly installments starting August 1, 2014. At September 30, 2014 ten payments remained outstanding totaling \$25,000. These remaining payments are included as part of the September 30, 2014 “Compensated Absences” above and in the statement of net position as “Accrued Compensated Absences.” The severance agreement was fully paid in fiscal year 2015.

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

**NOTE 6: RETIREMENT PLAN:**

A. Plan Description

The Town participates as one of 860 plans in the non-traditional, joint contributory, hybrid defined benefit plan administered by the Texas Municipal Retirement System (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 the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) can be obtained at [www.TMRS.com](http://www.TMRS.com).

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

B. Benefits provided

TMRS provides retirement, disability and death benefits. Benefits are adopted by the governing body of the Town, 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 Town-financed monetary credits with interest were used to purchase an annuity. Members 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% of the member's deposits and interest.

The Town has adopted the following plan provisions:

	Plan Year 2014	Plan Year 2015
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 retirement eligibility (expressed as age/years of service)	60/5 or 0/20	60/5 or 0/20

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

At the December 31, 2014 valuation and measurement date, the following number of employees covered by the benefit terms was:

Inactive employees or beneficiaries currently receiving benefits	1
Inactive employees entitled to but not yet receiving benefits	4
Active employees	<u>7</u>
	12

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6% or 7% of employee gross earnings, and the Town matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the Town. Under the state law governing TMRS, the contribution rate for each Town 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 of the Town were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Town were 10.37% and 11.84% for the calendar years 2015 and 2014 respectively. The Town's contributions to TMRS for the fiscal year ended September 30, 2015 were \$38,174 and were equal to the required contributions.

D. Net Pension Liability or Assets

The Town's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total pension Liability (TPL) used to calculate the Net pension Liability was determined by actuarial valuation as of that date.

***Actuarial Assumptions:***

The Total pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.0% per year
Overall payroll growth	3.0% per year
Investment rate of return	7.0%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. For additional conservatism lower termination rates are used, with maximum multipliers of 75%, and the life expectancy is loaded by decreasing the mortality rates by 1% for every active member less than 15. These rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2014, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.80%
International Equity	17.5%	6.05%
Core Fixed Income	30.0%	1.50%
Non-Core Fixed Income	10.0%	3.50%
Real Return	5.0%	1.75%
Real Estate	10.0%	5.25%
Absolute Return	5.0%	4.25%
Private Equity	5.0%	8.50%
Total	100.0%	

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

***Discount Rate:***

The discount rate used to measure the Total Pension Liability was 7.0%. 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 Total Pension Liability.

***Changes in Net pension Liability:***

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2013	\$ 776,746	\$ 524,016	\$ 252,730
Service Cost	57,705		57,705
Interest	55,080		55,080
Differences between expected and actual results	13,373		13,373
Contributions - employer		53,669	(53,669)
Contributions - employee		32,275	(32,275)
Net investment income		29,988	(29,988)
Benefit Payments, including refunds of employee contributions	(37,472)	(37,472)	0
Administrative expense		(313)	313
Other		(26)	26
Net Changes	<u>88,686</u>	<u>78,121</u>	<u>10,565</u>
Balance at December 31, 2014	\$ <u>865,432</u>	\$ <u>602,137</u>	\$ <u>263,295</u>

***Sensitivity of the net pension liability to changes in the discount rate:***

The following presents the net pension liability of the Town, calculated using the discount rate of 7.0%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease in Discount Rate (6%)	Discount Rate (7%)	1% Increase in Discount Rate (8%)
Town's Net Pension Liability	\$ <u>378,074</u>	\$ <u>263,295</u>	\$ <u>169,716</u>

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

***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](http://www.tmr.com).

E: Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2015 the Town recognized pension expense of \$48,250.

At September 30, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following Sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual economic experience	\$ 5,354	\$ 0	\$ 5,354
Differences between projected and actual investment earnings	10,630	0	10,630
To be recognized in the future	15,984	0	15,984
 Contributions subsequent to the measurement date	 28,341	 0	
 Total	\$ 44,325	\$ 0	

\$28,341 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 net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	
2015	\$ 4,082
2016	4,082
2017	4,082
2018	3,738
2019	0
Thereafter	0
	\$ 15,984

**TOWN OF BARTONVILLE**

**NOTES TO THE FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2015**

**NOTE 7: PROPERTY TAX:**

Property tax is levied each October 1 on the assessed (appraised) value as of the prior January 1 for all real and personal property located in the Town. Taxes are due October 1, the levy date, and are delinquent after the following January 31. Property taxes at the fund level are recorded as receivables and deferred revenues at the time taxes are assessed. Revenues are recognized as the related taxes are collected.

**NOTE 8: ADOPTION OF GASB 68:**

The Town has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* effective with these financial statements. In accordance with this statement, the Town has restated its September 30, 2014 government-wide unrestricted net positions to reflect the amount of net pension liability and the related deferred outflows of resources for contributions (Town contributions made after December 31, 2013, the measurement date for fiscal year September 30, 2014 fiscal year pension reporting, through September 30, 2014) as of September 30, 2014. The amount of the required restatements is as follows:

	Increase in Deferred Outflows <u>Contributions</u>	Increase in Net pension <u>Liability</u>	Decrease in Unrestricted <u>Net Position</u>
Governmental Activities	\$44,758	\$252,730	\$207,972

**NOTE 9: RISK MANAGEMENT**

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town is a member of the Texas Municipal League Intergovernmental Risk Pool (“TMLIRP”) which is a public entity insurance risk pool. Annual contributions to TML are reported in the general fund. Management believes coverage presently purchased from TMLIRP is sufficient to preclude significant uninsured losses to the Town.

**NOTE 10: SUBSEQUENT EVENTS:**

The Town has evaluated all events and transactions that occurred after September 30, 2015 through the date the financial statement were available to be issued. During this period there were no subsequent events requiring disclosure.

## **REQUIRED SUPPLEMENTARY INFORMATION**

TOWN OF BARTONVILLE

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2015

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>RESOURCES (INFLOWS)</b>				
Property Taxes	\$ 509,330	\$ 509,330	\$ 508,262	\$ (1,068)
Sales & Beverage Taxes	154,000	260,000	306,430	46,430
Franchise Fees	163,500	163,500	180,413	16,913
Permits & Fees	257,350	283,350	290,302	6,952
Municipal Court	50,000	50,000	55,943	5,943
Grants & Donations	0	24,875	0	(24,875)
Other Income	2,700	2,700	13,496	10,796
CTWSC Settlement Agreement	0	0	162,113	162,113
Interest Income	700	700	890	190
Transfer-CIP Fund	0	0	4,000	4,000
Transfer-Community Development	3,325	3,325	3,325	0
Transfer-Crime Control District	0	0	20,982	20,982
<b>TOTAL RESOURCES</b>	<b>1,140,905</b>	<b>1,297,780</b>	<b>1,546,156</b>	<b>248,376</b>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
General Government:				
Wages	164,574	164,574	171,817	(7,243)
Payroll Taxes	3,300	3,300	2,961	339
Retirement	20,597	20,597	18,548	2,049
Employee Medical Insurance	21,450	21,450	20,931	519
Contract Labor	2,500	2,500	1,157	1,343
Accounting & Auditing Services	3,500	3,500	3,500	0
Appraisal & Tax Collection Services	5,400	5,400	3,545	1,855
Codification Services	2,700	2,700	2,745	(45)
Economic Development Grants	8,791	8,791	25,566	(16,775)
Elections	8,000	8,000	9,450	(1,450)
Engineering Services	8,000	16,000	16,666	(666)
Legal Services	70,000	80,000	70,669	9,331
Municipal Court	10,000	10,000	13,020	(3,020)
Records Management	4,725	4,725	5,028	(303)
Building, Park & Equip. Maintenance	30,400	41,600	45,525	(3,925)
Copier Lease & Supplies	4,000	4,000	4,790	(790)
IT Services & Software	11,750	11,750	9,708	2,042
Dues, Subscriptions & Public Notices	4,150	4,150	6,661	(2,511)
Insurance	4,000	4,000	4,810	(810)
Supplies, Postage & Printing	10,700	10,700	8,833	1,867
Town Meetings & Events	10,100	10,100	10,044	56
Travel & Training	5,300	5,300	6,021	(721)
Utilities	18,000	18,000	19,646	(1,646)
<b>Total General Government</b>	<b>431,937</b>	<b>461,137</b>	<b>481,641</b>	<b>(20,504)</b>

TOWN OF BARTONVILLE

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

For the Year Ended September 30, 2015

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET
<b>Public Safety:</b>				
Inspection & Code Enforcement	51,500	51,500	52,531	(1,031)
Child Safety	0	0	6,000	(6,000)
Animal Control	2,400	2,400	2,300	100
<b>Total Public Safety</b>	<u>53,900</u>	<u>53,900</u>	<u>60,831</u>	<u>(6,931)</u>
<b>Police:</b>				
Wages	229,912	229,912	183,923	45,989
Payroll Taxes	3,610	3,610	3,238	372
Retirement	28,037	28,037	19,626	8,411
Employee Medical Insurance	42,580	42,580	32,795	9,785
Severance Agreement	30,000	30,000	25,000	5,000
Insurance	16,600	16,600	14,441	2,159
Vehicle Fuel	15,750	15,750	6,886	8,864
Vehicle Maintenance	18,000	18,000	4,271	13,729
Supplies & Contract Services	10,400	10,400	7,840	2,560
IT Services & Software	8,700	14,000	11,888	2,112
Dues & Memberships	1,000	1,000	640	360
Criminal Investigations	1,000	1,000	544	456
Telephone	4,200	4,200	3,760	440
Uniforms	3,500	3,500	2,268	1,232
Travel & Training	1,000	1,000	487	513
Debt Service	11,841	11,841	28,618	(16,777)
<b>Total Police</b>	<u>426,130</u>	<u>431,430</u>	<u>346,225</u>	<u>85,205</u>
<b>Public Works:</b>				
Street Signs	1,500	1,500	1,054	446
Road Maintenance Projects	205,000	205,000	43,816	161,184
<b>Total Public Works</b>	<u>206,500</u>	<u>206,500</u>	<u>44,870</u>	<u>161,630</u>
<b>Capital Outlay:</b>				
Administration	2,400	2,400	7,264	(4,864)
Police	0	58,875	5,615	53,260
Streets	0	0	7,993	(7,993)
<b>Total Capital Outlay</b>	<u>2,400</u>	<u>61,275</u>	<u>20,872</u>	<u>40,403</u>
<b>TOTAL APPROPRIATIONS</b>	<u>1,120,867</u>	<u>1,214,242</u>	<u>954,439</u>	<u>259,803</u>
<b>EXCESS OF RESOURCES OVER (UNDER) APPROPRIATIONS</b>	\$ <u>20,038</u>	\$ <u>83,538</u>	\$ <u>591,717</u>	<u>508,179</u>
<b>BEGINNING FUND BALANCE</b>	\$ <u>205,367</u>	\$ <u>205,367</u>	\$ <u>205,367</u>	
<b>ENDING FUND BALANCE</b>	\$ <u><u>225,405</u></u>	\$ <u><u>288,905</u></u>	\$ <u><u>797,084</u></u>	

**TOWN OF BARTONVILLE**

**BUDGETARY COMPARISON SCHEDULE - CAPITAL IMPROVEMENT FUND**

*For the Year Ended September 30, 2015*

	<b>ORIGINAL BUDGET</b>	<b>AMENDED BUDGET</b>	<b>ACTUAL AMOUNTS</b>	<b>VARIANCE WITH FINAL BUDGET</b>
<b>RESOURCES (INFLOWS)</b>				
Interest Income	\$ 200	\$ 200	\$ 146	\$ (54)
Tax Note Proceeds	0	550,000	550,000	0
<b>TOTAL RESOURCES</b>	<u>200</u>	<u>550,200</u>	<u>550,146</u>	<u>(54)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Transfer to General Fund	4,000	4,000	4,000	0
Tax Note Issue Costs		29,825	29,825	0
<b>TOTAL APPROPRIATIONS</b>	<u>4,000</u>	<u>33,825</u>	<u>33,825</u>	<u>0</u>
<b>EXCESS OF RESOURCES OVER (UNDER) APPROPRIATIONS</b>	\$ <u>(3,800)</u>	\$ <u>516,375</u>	\$ <u>516,321</u>	<u>(54)</u>
<b>BEGINNING FUND BALANCE</b>	\$ <u>100,817</u>	\$ <u>100,817</u>	\$ <u>100,817</u>	
<b>ENDING FUND BALANCE</b>	\$ <u><u>97,017</u></u>	\$ <u><u>617,192</u></u>	\$ <u><u>617,138</u></u>	

**TOWN OF BARTONVILLE**

**BUDGETARY COMPARISON SCHEDULE - COMMUNITY DEVELOPMENT CORPORATION**

*For the Year Ended September 30, 2015*

	<b>ORIGINAL BUDGET</b>	<b>ACTUAL AMOUNTS</b>	<b>VARIANCE WITH FINAL BUDGET</b>
<b>RESOURCES (INFLOWS)</b>			
Sales Taxes	\$ 60,000	\$ 123,329	\$ 63,329
Interest Income	500	313	(187)
<b>TOTAL RESOURCES</b>	<u>60,500</u>	<u>123,642</u>	<u>63,142</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>			
<b>Administration:</b>			
Administrative Fees to General Fund	3,325	3,325	0
Consulting Services	5,000	4,345	655
Development Grants	70,000	0	70,000
Dues & Training	600	957	(357)
Legal Services	5,000	1,815	3,185
Postage & Supplies	1,500	0	1,500
<b>TOTAL APPROPRIATIONS</b>	<u>85,425</u>	<u>10,442</u>	<u>74,983</u>
<b>EXCESS OF RESOURCES OVER (UNDER) APPROPRIATIONS</b>	\$ <u>(24,925)</u>	\$ <u>113,200</u>	<u>138,125</u>
<b>BEGINNING FUND BALANCE</b>	\$ <u>204,535</u>	\$ <u>204,535</u>	
<b>ENDING FUND BALANCE</b>	<u>\$ 179,610</u>	<u>\$ 317,735</u>	

**TOWN OF BARTONVILLE**

**BUDGETARY COMPARISON SCHEDULE - CRIME CONTROL & PREVENTION DISTRICT**

*For the Year Ended September 30, 2015*

	<b>ORIGINAL BUDGET</b>	<b>FINAL BUDGET</b>	<b>ACTUAL AMOUNTS</b>	<b>VARIANCE WITH FINAL BUDGET</b>
<b>RESOURCES (INFLOWS)</b>				
Sales Taxes	\$ 25,529	\$ 25,529	33,207	\$ 7,678
Donations	0	2,500	1,170	(1,330)
Interest Income	0	25	28	3
<b>TOTAL RESOURCES</b>	<u>25,529</u>	<u>28,054</u>	<u>34,405</u>	<u>6,351</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
<b>Police:</b>				
Accounting & Auditing Services	1,000	500	500	0
Legal Services	1,000	140	280	(140)
Dues & Memberships	800	0	0	0
National Night Out	0	1,782	4,265	(2,483)
Supplies, Software, Uniforms	11,442	23,297	10,724	12,573
Training	7,000	1,000	884	116
Transfer to General Fund for:				0
Debt Service	17,000	17,000	16,664	336
Capital Purchases	16,000	4,300	4,318	(18)
<b>TOTAL APPROPRIATIONS</b>	<u>54,242</u>	<u>48,019</u>	<u>37,635</u>	<u>10,384</u>
<b>EXCESS OF RESOURCES OVER (UNDER) APPROPRIATIONS</b>	\$ <u>(28,713)</u>	\$ <u>(19,965)</u>	<u>(3,230)</u>	<u>16,735</u>
<b>BEGINNING FUND BALANCE</b>	\$ <u>22,010</u>	\$ <u>22,010</u>	<u>22,010</u>	
<b>ENDING FUND BALANCE</b>	\$ <u><u>(6,703)</u></u>	\$ <u><u>2,045</u></u>	<u><u>18,780</u></u>	

**TOWN OF BARTONVILLE**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

**For the Year Ended September 30, 2015**

Plan Year	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>	
Service Cost	\$ 57,705
Interest (on the Total Pension Liability)	55,080
Changes in benefit terms	0
Difference between expected and actual experience	13,373
Change of assumptions	0
Benefit payments, including refunds of employee contributions	(37,472)
<b>NET CHANGE IN TOTAL PENSION LIABILITY</b>	<u>\$ 88,686</u>
<b>TOTAL PENSION LIABILITY - BEGINNING</b>	<u>\$ 776,746</u>
<b>TOTAL PENSION LIABILITY - ENDING (a)</b>	<u><u>\$ 865,432</u></u>
<b>PLAN FIDUCIARY NET POSITION</b>	
Contributions - Employer	\$ 53,669
Contributions - Employee	32,275
Net investment income	29,988
Benefit payments, including refunds of employee contributions	(37,472)
Administrative expense	(313)
Other	(26)
<b>NET CHANGE IN PLAN FIDUCIARY NET POSITION</b>	<u>\$ 78,121</u>
<b>PLAN NET FIDUCIARY POSITION - BEGINNING</b>	<u>\$ 524,016</u>
<b>PLAN NET FIDUCIARY POSITION - ENDING (b)</b>	<u><u>\$ 602,137</u></u>
<b>NET PENSION LIABILITY (a) - (b)</b>	<u><u>\$ 263,295</u></u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	69.58%
Covered employee payroll	461,070
Net Pension Liability as a percentage of covered payroll	57.11%

**TOWN OF BARTONVILLE**  
**SCHEDULE OF PENSION CONTRIBUTIONS**

**September 30, 2015**

	2015
Actuarially Determined Contribution	\$ 38,174
Contributions in relation to the actuarially determined contribution	38,174
Contribution deficiency (excess)	<u>0</u>
Covered employee payroll	356,343
Contributions as a percentage of covered employee payroll	10.71%

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

Valuation Date:

Notes 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
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	29 Years
Asset Valuation Method	10 Year smoothed market; 15% soft corridor
Inflation	0.03
Salary Increases	3.5% to 12%, including inflation
Investment Rate of Return	0.07
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005 - 2009
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male multiplied by 109% and female multiplied by 103% and projected on a fully generational basis with scale BB

Other Information:

Notes There were no benefit changes during the year

## **OTHER SUPPLEMENTARY INFORMATION**

**TOWN OF BARTONVILLE**  
**SCHEDULE OF PROPERTY TAXES**

September 30, 2015

TAX YEAR	2014	2013	2012	2011
Assessed Value	\$ 263,075,743	\$ 248,335,446	\$ 242,551,488	\$ 246,127,812
Tax Rate per \$100 of Assessed Value	0.19294	0.19294	0.19294	0.19294
Total Tax Levy	\$ 507,578	\$ 479,138	\$ 467,979	\$ 474,879
Collections During Fiscal Year	\$ 504,327	\$ 477,127	\$ 465,344	\$ 469,435
% of Current Taxes Collected	99.36%	99.58%	99.44%	98.85%

**Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent on February 1 of the following year.**

**TOWN OF BARTONVILLE**  
**RESTRICTED/COMMITTED CASH ACCOUNTS**

**September 30, 2015**

**RESTRICTED FUNDS:**

**GENERAL FUND**

Security & Technology Funds	\$ <u>5,739</u>
<b>TOTAL GENERAL FUND</b>	<b>\$ <u><u>5,739</u></u></b>

**SPECIAL REVENUE FUNDS**

Capital Improvements - Unspent Tax Notes	\$ 520,175
Community Development Funds	300,508
Crime Control District	<u>14,604</u>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$ <u><u>835,287</u></u></b>

**COMMITTED FUNDS:**

Designated for Roads	\$ 340,162
Capital Improvements	<u>96,963</u>
<b>TOTAL COMMITTED FUNDS</b>	<b>\$ <u><u>437,125</u></u></b>

<b>TOTAL RESTRICTED &amp; COMMITTED FUNDS</b>	<b>\$ <u><u>1,278,151</u></u></b>
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**WILLIAM C. SPORE, P.C.**  
**Certified Public Accountants**  
**200 N. Rufe Snow Dr., Ste 116**  
**Keller, TX 76248**  
**817-421-6619**

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To the Town Council  
Town of Bartonville

In planning and performing my audit of the financial statements of the governmental activities and major fund of the Town of Bartonville as of and for the year ending September 30, 2015, in accordance with auditing standards generally accepted in the United States of America, I considered the Town of Bartonville' internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the governmental unit's internal control. Accordingly, I do not express an opinion on the effectiveness of the governmental unit's 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 misstatements on a timely basis. A materiel 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.

My consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be a material weakness.

This communication is intended solely for the information and use of management and Town Council and is not intended to be and should not be used by anyone other than these specified parties.

*William C. Spore, PC*  
Certified Public Accountants  
January 19, 2016