



THE CITY OF SPRING VALLEY VILLAGE, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014



*COMPREHENSIVE
ANNUAL FINANCIAL REPORT*

of the

**CITY OF SPRING
VALLEY VILLAGE, TEXAS**

For the Year Ended
September 30, 2014

Prepared by:

**Stephen Ashley, CEcD
City Administrator**

**Michelle Yi
City Treasurer**

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

TABLE OF CONTENTS

September 30, 2014

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	3
List of Elected Officials and Key Staff	7
Organizational Chart	8
 <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	11
Management's Discussion and Analysis (Required Supplementary Information)	15
 <u>BASIC FINANCIAL STATEMENTS</u>	
Government-Wide Financial Statements	
Statement of Net Position	25
Statement of Activities	26
 Fund Financial Statements	
 Governmental Fund Financial Statements	
Balance Sheet – Governmental Funds	29
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	33
 Proprietary Funds Financial Statements	
Statement of Net Position – Proprietary Funds	35
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	37
Statement of Cash Flows – Proprietary Funds	39
 Notes to Financial Statements	 41
 <u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	61
Schedule of Funding Progress – Texas Municipal Retirement System	63

CITY OF SPRING VALLEY VILLAGE, TEXAS

TABLE OF CONTENTS

September 30, 2014

<u>STATISTICAL SECTION</u>	<u>Page</u>
Net Position by Component	66
Changes in Net Position	68
Fund Balances, Governmental Funds	72
Changes in Fund Balances, Governmental Funds	74
Assessed Value and Actual Value of Taxable Property	76
Property Tax Rates – Direct and Overlapping Governments	78
Principal Property Taxpayers	81
Property Tax Levies and Collections	82
Ratios of Outstanding Debt by Type	84
Ratios of General Bonded Debt Outstanding	86
Direct and Overlapping Governmental Activities Debt	89
Legal Debt Margin Information	90
Pledged-Revenue Coverage	93
Demographic and Economic Statistics	95
Principal Employers	97
Full-Time Equivalent Employees by Function	99
Operating Indicators by Function	100
Capital Asset Statistics by Function	102

INTRODUCTORY SECTION

(This page intentionally left blank.)



CITY OF SPRING VALLEY VILLAGE

The Honorable Mayor, City Council
Members, and Citizens of the
City of Spring Valley Village, Texas:

The Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Spring Valley Village, Texas (the “City”) for the fiscal year ended September 30, 2014. This report is published to provide the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. Management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures.

We believe the data presented is accurate in all material respects and is organized in a manner designed to present fairly the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the City’s financial activities have been included.

Belt Harris Pechacek, LLLP, Certified Public Accountants, have issued an unmodified opinion on the City’s financial statements for the year ended September 30, 2014. The independent auditors’ report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City of Spring Valley Village, Texas (the “City”) was incorporated under the laws of State of Texas in 1955. The City operates as a “General Law” City, which provides for a “Mayor-Council” form of government.

The City provides the following municipal services: public safety, highways and streets, sanitation, water and sewer services, and general administration.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. Spring Valley Village is one of the six Memorial Villages and is located ten miles west of downtown Houston. As of September 30, 2014, the City has a land area of 1.6 square miles and an estimated population of approximately 4,013. The City is empowered to levy a property tax on both real and personal property located within its boundaries.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The City’s accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City’s utilities and other proprietary activities are maintained on the accrual basis.

The City Ordinance establishes the fiscal year as October 1 through September 30. The Ordinance requires the City Administrator to submit a proposed budget and accompanying budget message to the Council each year. The proposed budget is reviewed by the Council and is formally adopted by the passage of a budget ordinance. The City Administrator is required to inform the Council and obtain Council approval for any revisions of expenditures of any fund or department.

Budgetary control has been established at the department level. Monthly financial reports for Council are produced showing budget and actual revenues and expenditures. Individual line items are reviewed and analyzed for budgetary compliance.

ECONOMIC CONDITION AND OUTLOOK

The City encompasses a 1.6 square mile area located along the north side of Interstate 10, approximately ten miles west of downtown Houston, Texas. The City is an integral part of the Houston metropolitan area and is completely surrounded by the cities of Houston, Hilshire Village, Hedwig Village and Hunters Creek Village. The City is primarily a residential area whose approximately 4,013 inhabitants are employed throughout the Houston urban area.

There is very little vacant and/or undeveloped land in the City, so construction generally involves rebuilding and remodeling. Currently, the City has approved three six-story buildings fronting Interstate 10. Two have begun construction and are expected to be completed in the fall of 2015. The City continues to enjoy a stable outlook, with property values at \$759,529,059, up 18 percent since 2010. Among reasons for this strength is the City's convenient proximity to the Energy Corridor, downtown Houston, as well as the ever-evolving Memorial area.

The City's tax rate is among the lowest in the Houston area and is projected to remain relatively stable into the future due to projected stability in taxable values, the political stability of the community, and the underlying strength in the Houston area economy. In a December 2014 press release, the Greater Houston Partnership stated that it expects "metro Houston to gain 62,900 jobs in 2015. Growth will be strongest outside the economic base – construction, retail, professional services, health care, food services and public education." This will continue to have a positive impact on the City.

The City's relative stability is the result of a desire for suburban families to live closer to work. The City's low crime rate and hometown appeal have attracted many of these families. These factors have contributed, and continue to contribute, to the relative stability of property values in the City.

The value of real property in the City is expected to increase in 2015. Expenditures are expected to remain steady with considerations for the continued competitive pressure on personnel costs and potential increases in the cost of employee health benefits.

LONG-TERM FINANCIAL PLANNING

Capital improvement projects are funded with general governmental revenues. The City annually adopts a five-year Capital Improvement Plan and regularly prepares short-term improvement plans for water, wastewater, drainage, municipal facilities, and parks. The plans require funding sources to be identified for each project.

For the last several years, the City was able to maintain its infrastructure on a cash basis. A portion of general fund revenues is allocated to the Capital Improvement Fund each year.

The City government is using new financial resources by including the issuance of general obligation and revenue bonds to rehabilitate paving, water connection with City of Houston, waterlines, sanitary sewer line rehabilitation and a new City hall and police station.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. Appreciation is expressed to all City employees throughout the organization, especially to those who were instrumental in the successful completion of this report. Additionally, I would also like to thank the Mayor, Council, and City Administrator for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michelle Yi". The signature is fluid and cursive, with a prominent loop at the end.

Michelle Yi
City Treasurer

(This page intentionally left blank)

CITY OF SPRING VALLEY VILLAGE, TEXAS

LIST OF ELECTED OFFICIALS AND KEY STAFF

For the Year Ended September 30, 2014

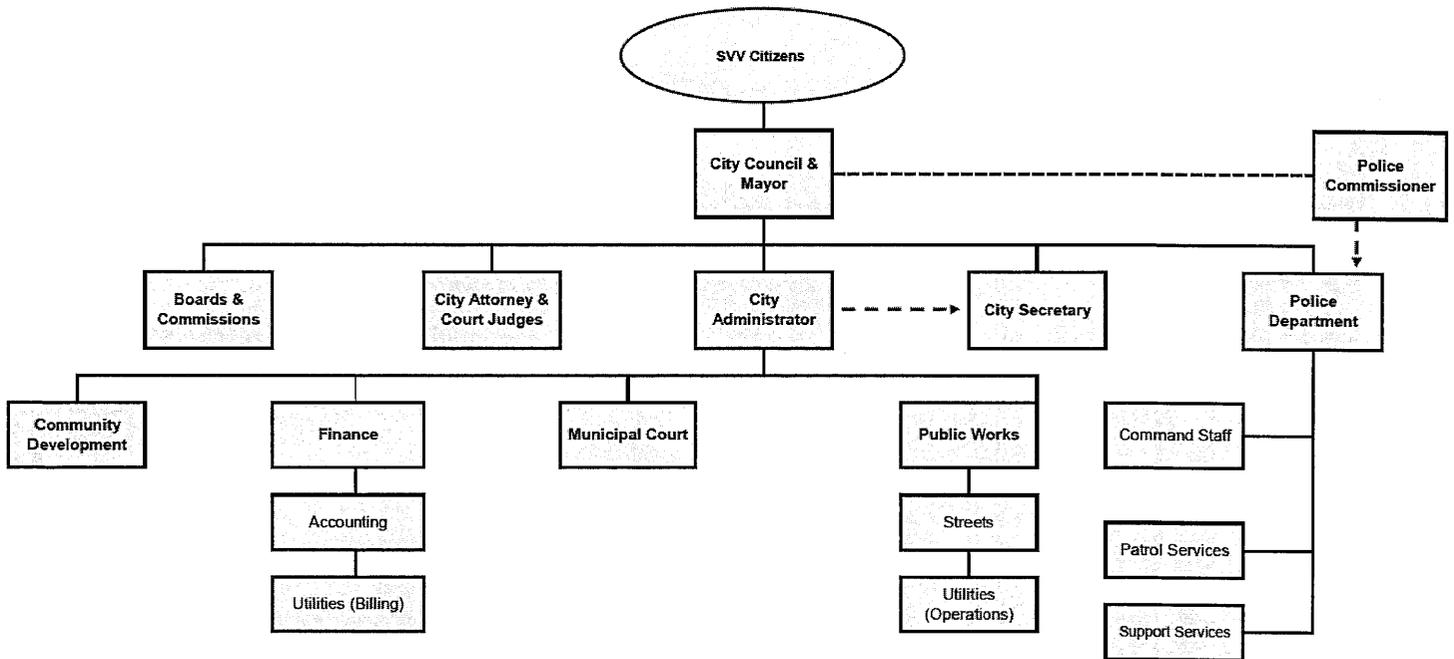
Elected Officials	Position
Tom S. Ramsey	Mayor
Bo Bothe	Council Member
Allen Carpenter	Council Member
Trey Moeller	Council Member
Aaron Stai	Council Member
Marcus Vajdos	Council Member

Key Staff	Position
Stephen Ashley	City Administrator/City Secretary
Michelle Yi	City Treasurer
Erik Tschanz	Director of Public Works
Gary Finkelman	Chief of Police

CITY OF SPRING VALLEY VILLAGE, TEXAS

ORGANIZATIONAL CHART

For the Year Ended September 30, 2014



FINANCIAL SECTION

(This page intentionally left blank.)



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
City Council Members of the
City of Spring Valley Village, Texas:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Spring Valley Village, Texas (the "City"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
March 18, 2015

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

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2014

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

1. *Governmental Activities* – Most of the City's basic services are reported here, which include general government, public safety, and public works. Sales taxes, property taxes, franchise taxes, and other revenue finance most of these activities.
2. *Business-Type Activities* – Services involving a fee for those services are reported here. These services include the City's water, wastewater, and solid waste operations.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

Funds may be considered as operating companies of the parent corporation, which is the City. They are usually segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal reporting requirements. The two categories of City funds are governmental and proprietary.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains two governmental funds. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital improvements fund, which are considered to be major funds.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds

The City maintains two types of proprietary funds, an enterprise fund and an internal service fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its water, wastewater, and solid waste operations. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

The City also uses an internal service fund to account for its equipment replacement program. This internal service fund has been included within governmental activities in the governmental-wide financial statements.

CITY OF SPRING VALLEY VILLAGE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2014

Notes to Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are the last section of the basic financial statements.

Other Information

In addition to basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund and the schedule of funding progress for the Texas Municipal Retirement System. RSI can be found after the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. For the City, assets exceed liabilities by \$39,316,190 as of September 30, 2014.

The largest portion of the City's net position (82 percent) reflects its investment in capital assets (e.g., land and City hall, as well as the public works facilities). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2014			2013		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 8,963,759	\$ 1,825,428	\$ 10,789,187	\$ 6,125,585	\$ 369,627	\$ 6,495,212
Internal balances	-	-	-	206,566	(206,566)	-
Capital assets, net	24,859,774	8,597,821	33,457,595	25,437,372	7,201,090	32,638,462
Total Assets	33,823,533	10,423,249	44,246,782	31,769,523	7,364,151	39,133,674
Long-term liabilities	273,467	3,043,341	3,316,808	239,307	40,762	280,069
Other liabilities	594,673	1,019,111	1,613,784	905,419	381,460	1,286,879
Total Liabilities	868,140	4,062,452	4,930,592	1,144,726	422,222	1,566,948
Net Position:						
Net investment in capital assets	24,859,774	7,484,141	32,343,915	25,437,372	7,201,090	32,638,462
Restricted	122,257	-	122,257	121,848	-	121,848
Unrestricted	7,973,362	(1,123,344)	6,850,018	5,065,577	(259,161)	4,806,416
Total Net Position	\$ 32,955,393	\$ 6,360,797	\$ 39,316,190	\$ 30,624,797	\$ 6,941,929	\$ 37,566,726

A portion of the City's net position, \$122,257, represents resources restricted to a specific purpose. The balance of unrestricted net position, \$6,850,018, may be used to meet the City's ongoing obligation to citizens and creditors. The City's total net position increased by \$1,749,464 during the current fiscal year, an increase of 4.7 percent over the prior year. The overall condition of the City improved during the year primarily due to increases in revenue from charges for services.

CITY OF SPRING VALLEY VILLAGE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2014

Statement of Activities:

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

	For the Year Ended September 30, 2014			For the Year Ended September 30, 2013		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
			Primary Government			Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 1,342,514	\$ 2,730,542	\$ 4,073,056	\$ 1,037,725	\$ 2,859,499	\$ 3,897,224
Operating grants	154,000	-	154,000	154,000	-	154,000
General revenues:						
Property taxes	3,904,606	-	3,904,606	3,812,544	-	3,812,544
Sales taxes	1,106,384	-	1,106,384	1,082,352	-	1,082,352
Franchise and local taxes	331,764	-	331,764	357,602	-	357,602
Interest	19,659	-	19,659	19,163	-	19,163
Other	132,760	23,343	156,103	111,057	21,285	132,342
Total Revenues	<u>6,991,687</u>	<u>2,753,885</u>	<u>9,745,572</u>	<u>6,574,443</u>	<u>2,880,784</u>	<u>9,455,227</u>
Expenses						
General government	1,320,245	-	1,320,245	1,590,735	-	1,590,735
Public safety	2,738,631	-	2,738,631	2,648,646	-	2,648,646
Public works	1,278,240	-	1,278,240	1,153,278	-	1,153,278
Water, sewer, and waste	-	2,658,992	2,658,992	-	2,675,934	2,675,934
Total Expenses	<u>5,337,116</u>	<u>2,658,992</u>	<u>7,996,108</u>	<u>5,392,659</u>	<u>2,675,934</u>	<u>8,068,593</u>
Increase in Net Position before transfers	1,654,571	94,893	1,749,464	1,181,784	204,850	1,386,634
Transfers	676,025	(676,025)	-	315,000	(315,000)	-
Change in Net Position	2,330,596	(581,132)	1,749,464	1,496,784	(110,150)	1,386,634
Beginning net position	30,624,797	6,941,929	37,566,726	29,128,013	7,052,079	36,180,092
Ending Net Position	<u>\$ 32,955,393</u>	<u>\$ 6,360,797</u>	<u>\$ 39,316,190</u>	<u>\$ 30,624,797</u>	<u>\$ 6,941,929</u>	<u>\$ 37,566,726</u>

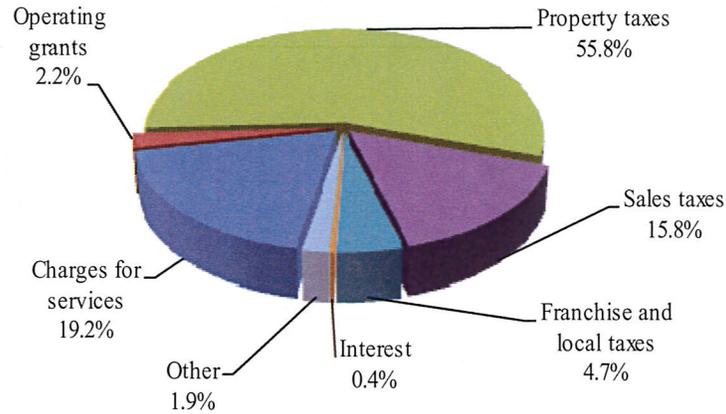
CITY OF SPRING VALLEY VILLAGE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

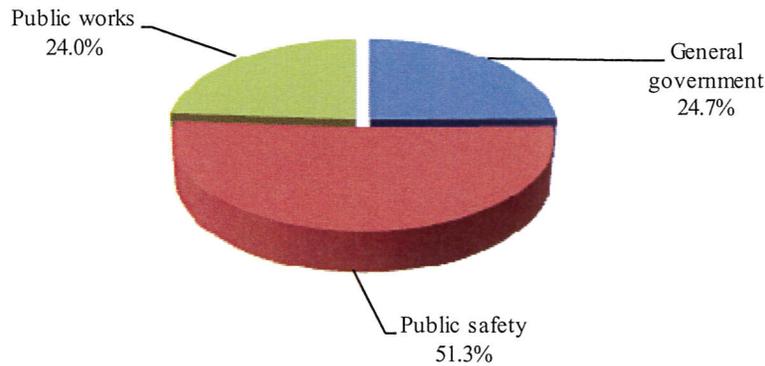
For the Year Ended September 30, 2014

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

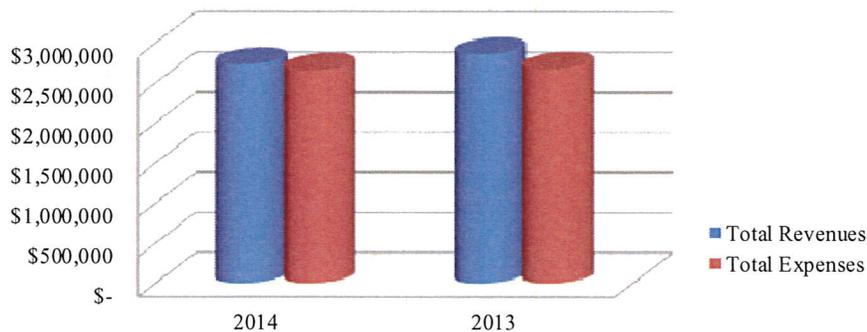
Governmental Revenues



Governmental Expenses



Business-Type Activities



CITY OF SPRING VALLEY VILLAGE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2014

Charges for services increased \$304,789 or 29.4 percent due to an increase in fines and forfeitures. Property tax revenue increased by \$92,062 or 2.4 percent due to an increase in property tax values and increased collections from delinquent property taxes. Governmental expenses were comparable to prior year with a decrease of \$55,543 or 1.0 percent.

Revenues for business-type activities decreased by \$126,899 or 4.4 percent from the prior year due to customers consuming less water. Similarly, business-type expenses decreased by \$16,942 or 0.6 percent as a result of the decrease in water use among residents.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

The City's governmental funds reflect a combined fund balance of \$7,170,799. At the end of the current year, \$4,004,162 was unassigned and \$3,043,510 was assigned for capital outlay of equipment and capital improvements. Total restricted fund balance for various purposes is \$122,257 and \$870 was nonspendable for prepaid purposes.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$4,004,162, while total fund balance reached \$4,486,556. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 87 percent of total general fund expenditures, while total fund balance represents 97 percent of the total expenditures. The general fund demonstrated an overall increase of \$454,357 due to an increase in revenue from property taxes and fines and forfeitures.

Overall, there was an increase in the capital improvements fund balance of \$1,362,877 due to transfers in from other funds.

Proprietary Funds – The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements. The City's enterprise fund had a total net position of \$6,360,797, which is a decrease of \$581,132 from the prior year. This decrease can be attributed to a transfer to the general and internal service funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual general fund revenues exceeded budgeted revenues by \$333,211 during the year. This net positive variance includes the positive variance of \$269,642 for fines and forfeitures due to an increase in citations issued. General fund expenditures were under the final budget by \$493,231 mainly due to a positive variance of \$191,693 and \$184,761 for general government and police expenditures, respectively. These positive variances are a result of the City's anticipation of incurring more cost for maintenance and repairs, as well as automobile expenditures.

CAPITAL ASSETS

At the end of the year, the City's governmental activities funds had invested \$24,859,774 in capital assets and infrastructure (net of accumulated depreciation). This represents an increase of \$577,598 from the prior year.

CITY OF SPRING VALLEY VILLAGE, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2014

Major capital asset events during the year included the following:

- Completion of capitalized infrastructure improvements of \$3,126,513;
- Purchased new street lights for \$203,349;
- Purchased two new police vehicles for \$51,946;
- Construction in progress for water and sewer projects for 1,755,569.

More detailed information about the City's capital assets is presented in note III C. to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total business-type activities long-term debt outstanding of \$3,000,000 due to the City issuing waterworks and sewer system revenue bonds, series 2014 during the year.

More detailed information about the City's long-term liabilities is presented in note III. D. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City Council approved of a \$7.4 million budget for the 2014/2015 year. The property tax rate for 2015 decreased to \$0.487843.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances. Questions concerning this report or requests for additional financial information should be directed to Michelle Yi, City Treasurer, City Hall, 1025 Campbell Road, Houston, Texas, 77055; telephone (713) 465-8308.

(This page intentionally left blank.)

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

STATEMENT OF NET POSITION

September 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Cash and cash equivalents:			
Unrestricted	\$ 7,483,209	\$ 1,466,402	\$ 8,949,611
Restricted	93,092	-	93,092
Investments	1,112,045	-	1,112,045
Receivables, net	274,543	359,026	633,569
Prepaid items	870	-	870
	<u>8,963,759</u>	<u>1,825,428</u>	<u>10,789,187</u>
Capital assets:			
Nondepreciable capital assets	4,219,063	1,760,776	5,979,839
Net depreciable capital assets	20,640,711	6,837,045	27,477,756
	<u>24,859,774</u>	<u>8,597,821</u>	<u>33,457,595</u>
Total Assets	<u>33,823,533</u>	<u>10,423,249</u>	<u>44,246,782</u>
<u>Liabilities</u>			
Current liabilities:			
Accounts payable and accrued liabilities	467,027	909,734	1,376,761
Customer deposits	127,646	109,377	237,023
	<u>594,673</u>	<u>1,019,111</u>	<u>1,613,784</u>
Noncurrent liabilities:			
Long-term liabilities due within one year	71,112	8,183	79,295
Long-term liabilities due in more than one year	202,355	3,035,158	3,237,513
	<u>273,467</u>	<u>3,043,341</u>	<u>3,316,808</u>
Total Liabilities	<u>868,140</u>	<u>4,062,452</u>	<u>4,930,592</u>
<u>Net Position</u>			
Net investment in capital assets	24,859,774	7,484,141	32,343,915
Restricted	122,257	-	122,257
Unrestricted	7,973,362	(1,123,344)	6,850,018
	<u>7,973,362</u>	<u>(1,123,344)</u>	<u>6,850,018</u>
Total Net Position	<u>\$ 32,955,393</u>	<u>\$ 6,360,797</u>	<u>\$ 39,316,190</u>

See Notes to Financial Statements.

CITY OF SPRING VALLEY VILLAGE, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2014

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government:			
Governmental Activities			
General government	\$ 1,320,245	\$ 214,713	\$ -
Public safety	2,738,631	1,127,801	-
Public works	1,278,240	-	154,000
Total Governmental Activities	5,337,116	1,342,514	154,000
Business-Type Activities			
Water, sewer, and solid waste	2,658,992	2,730,542	-
Total Business-Type Activities	2,658,992	2,730,542	-
Total Primary Government	\$ 7,996,108	\$ 4,073,056	\$ 154,000

General Revenues:

Taxes:

Property taxes

Sales taxes

Franchise and local taxes

Investment income

Other

Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning net position

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (1,105,532)	\$ -	\$ (1,105,532)
(1,610,830)	-	(1,610,830)
(1,124,240)	-	(1,124,240)
<u>(3,840,602)</u>	<u>-</u>	<u>(3,840,602)</u>
-	71,550	71,550
<u>-</u>	<u>71,550</u>	<u>71,550</u>
<u>(3,840,602)</u>	<u>71,550</u>	<u>(3,769,052)</u>
3,904,606	-	3,904,606
1,106,384	-	1,106,384
331,764	-	331,764
19,659	-	19,659
132,760	23,343	156,103
676,025	(676,025)	-
<u>6,171,198</u>	<u>(652,682)</u>	<u>5,518,516</u>
2,330,596	(581,132)	1,749,464
<u>30,624,797</u>	<u>\$ 6,941,929</u>	<u>\$ 37,566,726</u>
<u>\$ 32,955,393</u>	<u>\$ 6,360,797</u>	<u>\$ 39,316,190</u>

CITY OF SPRING VALLEY VILLAGE, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

September 30, 2014

	General	Capital Improvements	Total Governmental Funds
<u>Assets</u>			
Cash and cash equivalents	\$ 3,610,019	\$ 2,716,516	\$ 6,326,535
Investments	1,112,045	-	1,112,045
Receivables, net	274,543	-	274,543
Prepaid items	870	-	870
Restricted cash	93,092	-	93,092
Total Assets	\$ 5,090,569	\$ 2,716,516	\$ 7,807,085
<u>Liabilities</u>			
Accounts payable and accrued liabilities	\$ 434,754	\$ 32,273	\$ 467,027
Deposits	127,646	-	127,646
Total Liabilities	562,400	32,273	594,673
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	41,613	-	41,613
<u>Fund Balances</u>			
Nonspendable:			
Prepays	870	-	870
Restricted:			
Municipal courts	122,257	-	122,257
Assigned:			
Capital outlay	359,267	2,684,243	3,043,510
Unassigned	4,004,162	-	4,004,162
Total Fund Balances	4,486,556	2,684,243	7,170,799
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,090,569	\$ 2,716,516	
Adjustments for the Statement of Net Position:			
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.			
Nondepreciable capital assets			4,219,063
Net depreciable capital assets			20,640,711
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.			
Unavailable revenue related to property taxes			41,613
An internal service fund is used by management to charge the costs of certain services and benefits to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.			
Internal service fund net position			1,156,674
Some liabilities, including bonds payable and accrued interest payable, are not reported as liabilities in the governmental funds.			
Long-term liabilities due within one year			(71,112)
Long-term liabilities due in more than one year			(202,355)
Net Position of Governmental Activities			\$ 32,955,393

See Notes to Financial Statements.

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended September 30, 2014

	<u>General</u>	<u>Capital Improvements</u>	<u>Total Governmental Funds</u>
Revenues			
Property taxes	\$ 3,936,160	\$ -	\$ 3,936,160
Sales taxes	1,106,384	-	1,106,384
Franchise and local taxes	331,764	-	331,764
Fines and forfeitures	772,834	-	772,834
Licenses and permits	214,713	-	214,713
Hilshire police contract	354,967	-	354,967
Investment income	19,659	-	19,659
Intergovernmental	154,000	-	154,000
Other	132,760	-	132,760
Total Revenues	<u>7,023,241</u>	<u>-</u>	<u>7,023,241</u>
Expenditures			
Current:			
General government	1,355,108	-	1,355,108
Public safety	3,002,128	-	3,002,128
Public works	262,499	-	262,499
Capital outlay	-	439,623	439,623
Total Expenditures	<u>4,619,735</u>	<u>439,623</u>	<u>5,059,358</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,403,506</u>	<u>(439,623)</u>	<u>1,963,883</u>
Other Financing Sources (Uses)			
Transfers in	128,266	1,802,500	1,930,766
Transfers out	(2,161,767)	-	(2,161,767)
Sale of capital assets	84,352	-	84,352
Total Other Financing Sources (Uses)	<u>(1,949,149)</u>	<u>1,802,500</u>	<u>(146,649)</u>
Net Change in Fund Balances	454,357	1,362,877	1,817,234
Beginning fund balances	4,032,199	1,321,366	5,353,565
Ending Fund Balances	<u>\$ 4,486,556</u>	<u>\$ 2,684,243</u>	<u>\$ 7,170,799</u>

See Notes to Financial Statements.

CITY OF SPRING VALLEY VILLAGE, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2014

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

Net change in fund balances - total governmental funds	\$ 1,817,234
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital asset acquisitions and retirements	675,238
Depreciation expense	(1,252,836)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Net change in unavailable revenue - property taxes	(31,554)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>	
Net pension obligation	(1,323)
Compensated absences	(32,837)
<p>Internal service fund is used by management to charge the costs of providing various services and benefits to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.</p>	
	1,156,674
Change in Net Position of Governmental Activities	\$ 2,330,596

See Notes to Financial Statements.

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

September 30, 2014

	Business-Type Activities	Internal Service
	Enterprise	
<u>Assets</u>		
Current Assets		
Cash and cash equivalents	\$ 1,466,402	\$ 1,156,674
Receivables, net	359,026	-
Total Current Assets	1,825,428	1,156,674
Noncurrent Assets		
Capital assets:		
Land	5,207	-
Construction in progress	1,755,569	-
Building	44,708	-
Infrastructure	26,892	-
Water system	7,690,161	-
Sewer system	4,737,752	-
Vehicles	68,349	-
Machinery and equipment	161,649	-
Less accumulated depreciation	(5,892,466)	-
Total Net Depreciable Assets	6,837,045	-
Total Noncurrent Assets	8,597,821	-
Total Assets	10,423,249	1,156,674
<u>Liabilities</u>		
Current Liabilities		
Accounts payable and accrued liabilities	899,871	-
Customer deposits	109,377	-
Accrued interest payable	9,863	-
Total Current Liabilities	1,019,111	-
Noncurrent Liabilities		
Long-term liabilities due within one year	8,183	-
Long-term liabilities due in more than one year	3,035,158	-
Total Noncurrent Liabilities	3,043,341	-
Total Liabilities	4,062,452	-
<u>Net Position</u>		
Net investment in capital assets	7,484,141	-
Unrestricted	(1,123,344)	1,156,674
Total Net Position	\$ 6,360,797	\$ 1,156,674

See Notes to Financial Statements.

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

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

For the Year Ended September 30, 2014

	Business-Type Activities	Internal Service
	Enterprise	Service
<u>Operating Revenues</u>		
Water charges	\$ 1,306,524	\$ -
Sewer charges	1,102,415	-
Solid waste charges	321,603	-
Service charges	-	249,648
Other	23,343	-
Total Operating Revenues	2,753,885	249,648
<u>Operating Expenses</u>		
General and administrative	523,580	-
Water	484,405	-
Sewer	824,230	-
Solid waste	314,371	-
Depreciation	435,751	-
Total Operating Expenses	2,582,337	-
Operating Income	171,548	249,648
<u>Nonoperating Revenues (Expenses)</u>		
Interest expense and other	(76,655)	-
Total Nonoperating (Expenses)	(76,655)	-
Income Before Transfers	94,893	249,648
Transfers in	-	949,292
Transfers (out)	(676,025)	(42,266)
Change in Net Position	(581,132)	1,156,674
Beginning net position	6,941,929	-
Ending Net Position	\$ 6,360,797	\$ 1,156,674

See Notes to Financial Statements.

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended September 30, 2014

	Business-Type Activities Enterprise	Internal Service
<u>Cash Flows from Operating Activities</u>		
Receipts from customers	\$ 2,774,076	\$ 249,648
Payments to suppliers	(1,210,638)	-
Payments to employees	(513,717)	-
Net Cash Provided by Operating Activities	1,049,721	249,648
<u>Cash Flows from Noncapital Financing Activities</u>		
Transfers in	(676,025)	949,292
Transfers (out)	-	(42,266)
Net Cash Provided (Used) by Noncapital Financing Activities	(676,025)	907,026
<u>Cash Flows from Capital and Related Financing Activities</u>		
Capital purchases	(1,832,482)	-
Interest and fiscal agent fees paid	(76,655)	-
Debt proceeds	3,000,000	-
Net Cash Provided by Capital and Related Financing Activities	1,090,863	-
Net Increase in Cash and Cash Equivalents	1,464,559	1,156,674
Beginning cash and cash equivalents	1,843	-
Ending Cash and Cash Equivalents	\$ 1,466,402	\$ 1,156,674
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating income	\$ 171,548	\$ 249,648
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	435,751	-
Changes in Operating Assets and Liabilities:		
(Increase) Decrease in:		
Accounts receivable	8,757	-
Increase (Decrease) in:		
Accounts payable and accrued liabilities	616,355	-
Accrued expenses	9,863	-
Due to other funds	(206,566)	-
Compensated absences and pension obligation	2,579	-
Customer deposits	11,434	-
Net Cash Provided by Operating Activities	\$ 1,049,721	\$ 249,648

See Notes to Financial Statements.

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Spring Valley Village, Texas (the "City") was incorporated under the laws of the State of Texas in 1955. The City operates as a "General Law" City, which provides for a "Mayor-Council" form of government.

The City provides the following services: public safety, highways and streets, sanitation, water and sewer services, and general administration.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the primary government. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

C. Basis of Presentation – Government-Wide Financial Statements

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's water and wastewater functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

The City reports the following governmental funds:

The *General Fund* is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, and public works. The general fund is always considered a major fund for reporting purposes.

The *Capital Improvements Fund* is used to account for the expenditures related to capital projects through resources accumulated from various internal transfers. The capital improvements fund is considered a major fund for reporting purposes.

The City reports the following enterprise fund:

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

Additionally, the City reports the following fund type:

The internal service fund is used to account for services provided to other departments or agencies of the primary government, or to other governments, on a cost reimbursement basis. The internal service fund is used to account for vehicle and equipment replacement.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

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

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with a maturity of three months or less when purchased to be cash equivalents.

2. Investments

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term, highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Governmental Code. In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. government
- Fully collateralized certificates of deposit
- Mutual funds of a specific type
- Statewide investment pools

3. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred (i.e., the purchase method).

Certain payments to vendors reflect costs applicable to the future accounting period (prepaid expenditures) and are recognized as expenditures when utilized.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with the construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful years:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Vehicles	5 years
Furniture and fixtures	4-8 years
Infrastructure	40 years
Machinery and equipment	4-8 years
Water and sewer system	20-40 years
Buildings	40 years

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

6. Compensated Employee Absences

The City maintains formal programs for vacation and sick leave. Vacation pay is calculated six months from the date of employment and is cumulative up to 80 hours for employees with less than five years of service and 120 hours for employees with more than five years of service. According to policy, 40 hours may carry over at year end if no exceptions are made. Sick leave is accumulated up to 240 hours but does not vest.

7. Long-Term Obligations

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

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

8. Net Position Flow Assumption

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

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

9. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The City will strive to achieve and maintain an unassigned fund balance in the general fund equal to at least 120 days of budgeted operating expenditures. If the unassigned fund balance falls below the target or has a deficiency, the City will seek to reduce expenditures prior to increasing revenues in order to replenish the fund balance within a reasonable time frame not to exceed three years.

11. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied during September of each year, are due upon receipt of the City's tax bill, and become delinquent on February 1 of the following year. The City's tax lien exists from January 1 (the assessment date) each year until the taxes are paid. The penalties and interest accumulate on the unpaid accounts until July 1, at which time the delinquent accounts are turned over to the tax attorney for legal action.

3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. The enterprise fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control is the object and purpose stated in the approved budget.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

As of September 30, 2014, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
State pool (TexPool)	\$ 1,494,951	0.00
Certificate of deposits	<u>1,112,045</u>	0.32
Total Investments	<u>\$ 2,606,996</u>	
Portfolio Weighted Average Maturity		0.14

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Credit risk. State law and the City's investment policy limits investments to obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent. Further,

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

commercial paper must be rated not less than “A-1” or “P-1” or an equivalent rating by at least two nationally recognized credit rating agencies. As of year end, the City’s investment in TexPool was rated “AAAm” by Standard & Poor’s. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States government or the issuing U.S. agency.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s investment policy requires funds on deposit at the depository bank to be collateralized by securities and/or FDIC insurance with a collective market value of at least 105 percent. As of year end, market values of pledged securities and FDIC insurance exceeded bank balances.

TexPool

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

B. Receivables

The following comprises receivable balances at year end:

	<u>General</u>	<u>Enterprise</u>
Property taxes	\$ 39,346	\$ -
Other taxes	232,166	-
Accrued interest	3,031	-
Accounts	-	386,226
Less allowance	-	(27,200)
	<u>\$ 274,543</u>	<u>\$ 359,026</u>

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

C. Capital Assets

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

	Beginning Balance	Increases	(Decreases)	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 2,032,589	\$ -	\$ (66,282)	\$ 1,966,307
Construction in progress	5,022,962	79,461	(2,849,667)	2,252,756
Total Capital Assets Not Being Depreciated	7,055,551	79,461	(2,915,949)	4,219,063
Other capital assets:				
Infrastructure	38,162,091	3,329,862	-	41,491,953
Buildings	608,589	19,003	-	627,592
Furniture and fixtures	290,106	74,402	(109,598)	254,910
Machinery and equipment	823,879	31,000	-	854,879
Vehicles	484,700	83,453	(104,916)	463,237
Total Other Capital Assets	40,369,365	3,537,720	(214,514)	43,692,571
Less accumulated depreciation for:				
Infrastructure	(20,382,041)	(1,037,422)	-	(21,419,463)
Buildings	(510,641)	(17,154)	-	(527,795)
Furniture and fixtures	(237,094)	(21,442)	104,587	(153,949)
Machinery and equipment	(588,369)	(60,118)	-	(648,487)
Vehicles	(269,399)	(116,700)	83,933	(302,166)
Total Accumulated Depreciation	(21,987,544)	(1,252,836)	188,520	(23,051,860)
Other capital assets, net	18,381,821	2,284,884	(25,994)	20,640,711
Governmental Activities Capital Assets, Net	\$ 25,437,372	\$ 2,364,345	\$ (2,941,943)	\$ 24,859,774

Depreciation was charged to governmental functions as follows:

General government	\$ 53,859
Public safety	143,964
Public works	1,055,013
Total Governmental Activities Depreciation Expense	\$ 1,252,836

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

The following is a summary of changes in capital assets for business-type activities for the year:

	Beginning Balance	Increases	(Decreases)	Ending Balance
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 5,207	\$ -	\$ -	\$ 5,207
Construction in progress	-	1,755,569	-	1,755,569
Total Capital Assets Not Being Depreciated	5,207	-	-	1,760,776
Other capital assets:				
Building	44,708	-	-	44,708
Infrastructure	26,892	-	-	26,892
Water system	7,676,138	14,023	-	7,690,161
Sewer system	4,737,752	-	-	4,737,752
Vehicles	68,349	-	-	68,349
Machinery and equipment	98,759	62,890	-	161,649
Total Other Capital Assets	12,652,598	76,913	-	12,729,511
Less accumulated depreciation for:				
Building	(29,106)	(892)	-	(29,998)
Infrastructure	(4,032)	(672)	-	(4,704)
Water system	(3,633,160)	(284,829)	-	(3,917,989)
Sewer system	(1,639,633)	(131,427)	-	(1,771,060)
Vehicles	(50,196)	(9,179)	-	(59,375)
Machinery and equipment	(100,588)	(8,752)	-	(109,340)
Total Accumulated Depreciation	(5,456,715)	(435,751)	-	(5,892,466)
Other capital assets, net	7,195,883	(358,838)	-	6,837,045
Business-Type Activities Capital Assets, Net	\$ 7,201,090	\$ (358,838)	\$ -	\$ 8,597,821
			Less associated debt	(3,000,000)
			Unspent bond proceeds	1,886,320
			Net Investment in Capital Assets	\$ 7,484,141

Depreciation was charged to business-type functions as follows:

Water	\$ 304,324
Sewer	131,427
Total Business-Type Activities Depreciation Expense	\$ 435,751

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

D. Long-Term Debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Net pension obligation	\$ 188,483	\$ 1,323	\$ -	\$ 189,806	\$ -
Compensated absences	50,824	85,937	(53,100)	83,661	71,112
Total Governmental Activities	\$ 239,307	\$ 87,260	\$ (53,100)	\$ 273,467	\$ 71,112
Long-term liabilities due in more than one year				\$ 202,355	
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Series 2014 revenue bonds	\$ -	\$ 3,000,000	\$ -	\$ 3,000,000	\$ -
Net pension obligation	33,471	243	-	33,714	-
Compensated absences	7,291	6,462	(4,126)	9,627	8,183
Total Business-Type Activities	\$ 40,762	\$ 3,006,705	\$ (4,126)	\$ 3,043,341	\$ 8,183
Long-term liabilities due in more than one year				\$ 3,035,158	

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

During the year, the City issued waterworks and sewer system revenue bonds, Series 2014 in the amount of \$3,000,000. The proceeds will be used for water and sewer system improvements and rehabilitation.

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

	Amounts Outstanding	Interest Rates	Maturity Interest Pmt. Dates
Revenue Bonds:			
Series 2014	\$ 3,000,000	2.63%	Feb 15, Aug 15

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

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

Fiscal Year Ending Sept. 30	Principal Due	Interest Due	Total Due
2015	\$ 165,000	\$ 78,900	\$ 243,900
2016	170,000	74,561	244,561
2017	175,000	70,090	245,090
2018	180,000	65,487	245,487
2019	185,000	60,753	245,753
2020-2024	1,000,000	228,153	1,228,153
2024-2029	1,125,000	90,078	1,215,078
Total	\$ 3,000,000	\$ 668,020	\$ 3,668,020

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or are not performed correctly, a substantial liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

E. Interfund Transactions

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

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Capital improvements fund	General fund	\$ 1,802,500
General fund	Utility fund	86,000
General fund	Internal service fund	42,266
Internal service fund	General fund	359,267
Internal service fund	Utility fund	590,025
	Total	\$ 2,880,058

Amounts transferred between funds were related to operating activities.

F. Fund Equity

Funds restricted by the City are \$122,257, which are related to municipal court security and child safety fees.

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

IV. OTHER INFORMATION

A. Risk Management

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

B. Contingent Liabilities

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

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

C. Pension Plan

Texas Municipal Retirement System

Plan Description

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

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and Required Supplementary Information for TMRS. The report also provides detailed explanations of the contributions, benefits, and actuarial methods and assumptions used by TMRS. This report may be obtained from TMRS' website at www.TMRS.com.

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	2014	2013
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/25	60/5, 0/25
Updated service credit	0%	0%
Annuity increase (to retirees)	0% of CPI	0% of CPI

Contributions

Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) cost method (EAN was first used in the December 31, 2013 valuation; previously, the Projected Unit Credit actuarial cost method had been used). This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percentage of payroll from year to year. The normal cost contribution rate for an employee is the contribution rate which, if applied to a member's compensation throughout their period of anticipated covered service with the municipality, would be sufficient to meet all benefits payable on their behalf. The salary-weighted average of the individual rates is the total normal cost rate. The prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to TMRS at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect.

The annual pension cost and the net pension obligation (asset) are as follows:

Annual required contribution (ARC)	\$ 166,096
Interest on net pension obligation (NPO)	15,537
Adjustment to the ARC	(13,971)
Annual pension cost (APC)	167,662
Contributions made	(166,096)
Increase in NPO	1,566
NPO - beginning of year	221,954
NPO - end of year	\$ 223,520

Three-year trend information for the annual pension cost (APC) is as follows:

Fiscal Year	Annual Pension Cost (APC)	Actual Contribution Made	Percentage of APC Contributed	Net Pension Obligation
2012	\$ 168,009	\$ 164,847	98.12%	\$ 218,540
2013	\$ 154,398	\$ 150,984	97.79%	\$ 221,954
2014	\$ 167,662	\$ 166,096	99.07%	\$ 223,520

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

The required contribution rates for fiscal year 2014 were determined as part of the December 31, 2011 and 2012 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2013, also follows:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarial Valuation Date	12/31/2013	12/31/2012	12/31/2011
Actuarial Cost Method	Entry Age Normal	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level % of Payroll	Level % of Payroll	Level % of Payroll
Remaining Amortization Period	28.0 Years - Closed period	23.4 Years - Closed period	25.2 Years - Closed period
Amortization Period for New Gains and Losses	30 years	30 Years	30 Years
Asset Valuation Method	10-year Smoothed Market	10-year Smoothed Market	10-year Smoothed Market
Investment Rate of Return	7.0%	7.0%	7.0%
Projected Salary Increases	Varies by age and service	Varies by age and service	Varies by age and service
Inflation	3.00%	3.00%	3.00%
Cost of Living Adjustments	0.00%	0.00%	0.00%

The funded status as of December 31, 2013, the most recent valuation date, is as follows:

	<u>2014</u>
Actuarial Valuation Date	12/31/2013
Actuarial Value of Assets	\$ 8,509,172
Actuarial Accrued Liability	\$ 8,794,269
Percentage Funded	96.8%
Unfunded Actuarial Accrued Liability (UAAL)	\$ 285,097
Annual Covered Payroll	\$ 2,194,253
UAAL as a Percentage of Covered Payroll	13.0%

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

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

D. Other Post Employment Benefits

TMRS Supplemental Death Benefit Fund

Plan Description

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other post employment benefit," or OPEB. The obligations of this plan are payable only from the SDBF and are not an obligation of, or a claim against, the Pension Trust Fund. For the year ended September 30, 2014, the City offered the supplemental death benefit to both active and retired employees.

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

The City's contributions to the TMRS SDBF for the fiscal years ended 2014, 2013, and 2012 were \$395, \$215, and \$207, respectively. The City's contribution rates for the past three years are shown below:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Annual Req. Contrib. (Rate)	0.02%	0.01%	0.01%
Actual Contribution Made	0.02%	0.01%	0.01%
Percentage of ARC Contrib.	100.00%	100.00%	100.00%

E. Revenue Allocation Agreement

On July 1, 1999, the City entered into a Congestion Mitigation/Traffic Management Agreement (the Agreement") with the Metropolitan Transit Authority of Harris County (METRO). Under the terms of the Agreement, as amended in October 2009, METRO is to provide the City annual funding of \$154,000 for eligible transportation projects through September 30, 2014.

F. Related Organizations and Joint Ventures

Fire Protection

The City has entered into an interlocal agreement with the cities of Bunker Hill Village, Hedwig Village, Hunter's Creek Village, Piney Point Village, and Hilshire Village, Texas, to create the Village Fire Department (VFD). The agreement automatically renews for a period of five years unless terminated by at least one of the contracting cities. Under the terms of this agreement, the City is liable for 16.25 percent of VFD's approved budget.

CITY OF SPRING VALLEY VILLAGE, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2014

Consolidated financial information extracted from the VFD's audited financial statements for the year ended December 31, 2013, on which the VFD's auditors expressed an unmodified opinion, is as follows:

	VFD Total		City's Portion (16.25%)	
	Net Position	Balance Sheet	Net Position	Balance Sheet
Total assets	\$ 3,167,660	\$ 1,320,856	\$ 514,744	\$ 214,639
Total liabilities	561,923	196,339	91,312	31,905
Total Participants' Equity	\$ 2,605,737	\$ 1,124,517	\$ 423,432	\$ 182,734
	Change in	Revenues and	Change in	Revenues and
	Net Position	Expenditures	Net Position	Expenditures
Total revenues	\$ 5,145,072	\$ 5,145,072	\$ 836,074	\$ 836,074
Total expenditures/expenses	4,978,091	4,943,622	808,940	803,339
Revenues over expenditures/expenses	166,981	201,450	27,134	32,736
Beginning participants' equity	2,438,756	923,067	396,298	149,998
Ending Participants' Equity	\$ 2,605,737	\$ 1,124,517	\$ 423,432	\$ 182,734
Unfunded Actuarial Accrued Liability at 12/31/13 with TMRS	\$ 651,085		\$ 105,801	
Actuarial Accrued Liability at 1/1/11 for OPEB	\$ 147,392		\$ 23,951	

G. Subsequent Event

Subsequent to year end, the City approved an ordinance authorizing the creation of the Spring Valley Legacy Fund, Inc. for the purpose of receiving private and/or corporate grant funds to be used on behalf of the City for projects serving the community.

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended September 30, 2014

	Original Budget	Budget as Amended	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 3,880,764	\$ 3,880,764	\$ 3,936,160	\$ 55,396
Sales taxes	1,060,000	1,060,000	1,106,384	46,384
Franchise and local taxes	320,557	320,557	331,764	11,207
Fines and forfeitures	503,192	503,192	772,834	269,642
Licenses and permits	297,150	297,150	214,713	(82,437)
Hilshire police contract	354,967	354,967	354,967	-
Investment income	8,000	8,000	19,659	11,659
Intergovernmental	154,000	154,000	154,000	-
Other	111,400	111,400	132,760	21,360
Total Revenues	6,690,030	6,690,030	7,023,241	333,211
Expenditures				
General Government				
Mayor and council	5,700	7,325	6,524	801
General government	1,156,620	1,192,320	1,000,627	191,693
Municipal court	281,067	315,657	262,766	52,891
Parks and recreation	76,500	87,000	85,191	1,809
Total General Government	1,519,887	1,602,302	1,355,108	247,194
Public Safety				
Police	2,390,744	2,400,302	2,215,541	184,761
Fire	786,587	786,587	786,587	-
Total Public Safety	3,177,331	3,186,889	3,002,128	184,761
Public Works				
Streets and drainage	321,100	323,775	262,499	61,276
Total Expenditures	5,018,318	5,112,966	4,619,735	493,231
Other Financing Sources (Uses)				
Transfers in	128,266	128,266	128,266	-
Transfers (out)	(1,802,500)	(1,802,500)	(2,161,767)	(359,267)
Sale of capital assets	3,000	3,000	84,352	81,352
Total Other Financing (Uses)	(1,671,234)	(1,671,234)	(1,949,149)	(277,915)
Net Change in Fund Balance	\$ 478	\$ (94,170)	454,357	\$ 548,527
Beginning fund balance			4,032,199	
		Ending Fund Balance	\$ 4,486,556	

Notes to Required Supplementary Information:

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

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS
SCHEDULE OF FUNDING PROGRESS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended September 30, 2014

The City's annual covered payroll and pension costs are actuarially valued on a calendar year basis. The information presented below represents the City's schedule of funding progress.

Fiscal Year	2014	2013	2012
Actuarial Valuation Date	12/31/2013	12/31/2012	12/31/2011
Actuarial Value of Assets	\$ 8,509,172	\$ 7,921,662	\$ 7,362,991
Actuarial Accrued Liability (AAL)	\$ 8,794,269	\$ 8,129,945	\$ 7,669,182
Percentage Funded	96.8%	97.4%	96.0%
Unfunded AAL (UAAL)	\$ 285,097	\$ 208,283	\$ 306,191
Annual Covered Payroll	\$ 2,194,253	\$ 2,083,327	\$ 2,021,053
UAAL % of Covered Payroll	13.0%	10.0%	15.2%
Net Pension Obligation (NPO) at the Beginning of Period	\$ 221,954	\$ 218,540	\$ 215,378
Annual Pension Cost (APC)	167,662	154,398	168,008
Contributions Made	166,096	150,984	164,847
NPO at the End of Period	\$ 223,520	\$ 221,954	\$ 218,539

(This page intentionally left blank.)

STATISTICAL SECTION

This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the City's overall financial health.

Contents	Page
Financial Trends	66
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	76
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.</i>	
Debt Capacity	84
<i>These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	95
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	99
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

CITY OF SPRING VALLEY VILLAGE, TEXAS

NET POSITION BY COMPONENT

Last Ten Years
(accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
Governmental Activities				
Net investment in capital assets	\$ 12,386,074	\$ 14,501,663	\$ 15,128,014	\$ 17,797,616
Restricted	3,019,015	1,306,758	1,893,883	1,852,121
Unrestricted	2,647,609	2,418,577	4,185,379	5,261,898
Total Governmental Activities Net Position	\$ 18,052,698	\$ 18,226,998	\$ 21,207,276	\$ 24,911,635
 Business-Type Activities				
Net investment in capital assets	\$ 4,798,144	\$ 5,903,092	\$ 7,004,987	\$ 7,267,936
Unrestricted	(263,320)	27,468	(27,440)	(22,150)
Total Business-Type Activities Net Position	\$ 4,534,824	\$ 5,930,560	\$ 6,977,547	\$ 7,245,786
 Primary Government				
Net investment in capital assets	\$ 17,184,218	\$ 20,404,755	\$ 22,133,001	\$ 25,065,552
Restricted	3,019,015	1,306,758	1,893,883	1,852,121
Unrestricted	2,384,289	2,446,045	4,157,939	5,239,748
Total Primary Government Net Position	\$ 22,587,522	\$ 24,157,558	\$ 28,184,823	\$ 32,157,421

Fiscal Year

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 20,358,533	\$ 20,112,126	\$ 20,562,889	\$ 23,227,286	\$ 25,437,372	\$ 24,859,774
1,025,900	791,523	720,777	75,118	121,848	122,257
4,599,339	5,784,809	6,582,772	5,825,609	5,065,577	7,973,362
<u>\$ 25,983,772</u>	<u>\$ 26,688,458</u>	<u>\$ 27,866,438</u>	<u>\$ 29,128,013</u>	<u>\$ 30,624,797</u>	<u>\$ 32,955,393</u>

\$ 8,110,784	\$ 8,194,572	\$ 7,822,043	\$ 7,416,956	\$ 7,201,090	\$ 7,484,141
(750,876)	(1,226,981)	(744,008)	(364,877)	(259,161)	(1,123,344)
<u>\$ 7,359,908</u>	<u>\$ 6,967,591</u>	<u>\$ 7,078,035</u>	<u>\$ 7,052,079</u>	<u>\$ 6,941,929</u>	<u>\$ 6,360,797</u>

\$ 28,469,317	\$ 28,306,698	\$ 28,384,932	\$ 30,644,242	\$ 32,638,462	\$ 32,343,915
1,025,900	791,523	720,777	75,118	121,848	122,257
3,848,463	4,557,828	5,838,764	5,460,732	4,806,416	6,850,018
<u>\$ 33,343,680</u>	<u>\$ 33,656,049</u>	<u>\$ 34,944,473</u>	<u>\$ 36,180,092</u>	<u>\$ 37,566,726</u>	<u>\$ 39,316,190</u>

CITY OF SPRING VALLEY VILLAGE, TEXAS

CHANGES IN NET POSITION

Last Ten Years

(accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
Expenses				
Governmental activities				
General government	\$ 826,701	\$ 995,367	\$ 1,424,163	\$ 1,378,291
Public safety	2,117,050	2,259,816	2,430,669	2,588,428
Public works	1,286,240	767,380	579,888	799,234
Interest and fiscal agent fees	31,730	18,900	11,088	5,028
Total Governmental Activities Expenses	<u>4,261,721</u>	<u>4,041,463</u>	<u>4,445,808</u>	<u>4,770,981</u>
Business-Type Activities				
Water, sewer, and solid waste	2,079,619	1,582,486	1,519,302	1,763,893
Total Business-Type Activities Expenses	<u>2,079,619</u>	<u>1,582,486</u>	<u>1,519,302</u>	<u>1,763,893</u>
Total Expenses	<u>\$ 6,341,340</u>	<u>\$ 5,623,949</u>	<u>\$ 5,965,110</u>	<u>\$ 6,534,874</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 189,663	\$ 167,126	\$ 277,575	\$ 268,530
Public safety	493,724	536,523	576,903	666,844
Operating grants and contributions	217,512	237,088	270,134	282,561
Capital grants and contributions	522,726	160,413	2,523,895	2,106,655
Total Governmental Activities Program Revenues	<u>1,423,625</u>	<u>1,101,150</u>	<u>3,648,507</u>	<u>3,324,590</u>
Business-Type Activities				
Charges for services				
Water, sewer, and solid waste	1,822,930	1,773,229	1,979,289	2,201,823
Total Business-Type Activities Program Revenues	<u>1,822,930</u>	<u>1,773,229</u>	<u>1,979,289</u>	<u>2,201,823</u>
Total Program Revenues	<u>\$ 3,246,555</u>	<u>\$ 2,874,379</u>	<u>\$ 5,627,796</u>	<u>\$ 5,526,413</u>
Net (Expense)/Revenue				
Governmental activities	\$ (2,838,096)	\$ (2,940,313)	\$ (797,301)	\$ (1,446,391)
Business-type activities	(256,689)	190,743	459,987	437,930
Total Net Expense	<u>\$ (3,094,785)</u>	<u>\$ (2,749,570)</u>	<u>\$ (337,314)</u>	<u>\$ (1,008,461)</u>

Fiscal Year

2009	2010	2011	2012	2013	2014
\$ 1,657,481	\$ 1,211,535	\$ 1,225,535	\$ 1,229,504	\$ 1,590,735	\$ 1,320,245
2,694,742	2,906,948	2,837,702	2,786,639	2,648,646	2,738,631
729,391	1,270,439	1,164,949	1,324,918	1,153,278	1,278,240
3,724	19,261	-	-	-	-
<u>5,085,338</u>	<u>5,408,183</u>	<u>5,228,186</u>	<u>5,341,061</u>	<u>5,392,659</u>	<u>5,337,116</u>
2,012,235	2,344,054	2,635,600	2,442,239	2,675,934	2,658,992
<u>2,012,235</u>	<u>2,344,054</u>	<u>2,635,600</u>	<u>2,442,239</u>	<u>2,675,934</u>	<u>2,658,992</u>
<u>\$ 7,097,573</u>	<u>\$ 7,752,237</u>	<u>\$ 7,863,786</u>	<u>\$ 7,783,300</u>	<u>\$ 8,068,593</u>	<u>\$ 7,996,108</u>
\$ 161,928	\$ 219,210	\$ 210,123	\$ 219,074	\$ 236,953	\$ 214,713
960,101	918,499	922,068	814,509	800,772	1,127,801
158,942	165,080	154,000	154,000	154,000	154,000
-	-	-	-	-	-
<u>1,280,971</u>	<u>1,302,789</u>	<u>1,286,191</u>	<u>1,187,583</u>	<u>1,191,725</u>	<u>1,496,514</u>
2,289,356	2,114,736	2,909,044	2,709,775	2,859,499	2,730,542
<u>2,289,356</u>	<u>2,114,736</u>	<u>2,909,044</u>	<u>2,709,775</u>	<u>2,859,499</u>	<u>2,730,542</u>
<u>\$ 3,570,327</u>	<u>\$ 3,417,525</u>	<u>\$ 4,195,235</u>	<u>\$ 3,897,358</u>	<u>\$ 4,051,224</u>	<u>\$ 4,227,056</u>
\$ (3,804,367)	\$ (4,105,394)	\$ (3,941,995)	\$ (4,153,478)	\$ (4,200,934)	\$ (3,840,602)
277,121	(229,318)	273,444	267,536	183,565	71,550
<u>\$ (3,527,246)</u>	<u>\$ (4,334,712)</u>	<u>\$ (3,668,551)</u>	<u>\$ (3,885,942)</u>	<u>\$ (4,017,369)</u>	<u>\$ (3,769,052)</u>

CITY OF SPRING VALLEY VILLAGE, TEXAS

CHANGES IN NET POSITION (Continued)

Last Ten Years
(accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
General Revenues and Other Changes in Net Position				
Governmental activities				
Property taxes	\$ 2,087,403	\$ 2,155,207	\$ 2,559,093	\$ 3,137,677
Sales taxes	364,408	1,041,996	1,092,109	1,165,828
Franchise and local taxes	267,972	252,770	271,006	269,032
Investment income	80,661	171,648	255,970	228,733
Other	117,662	148,854	186,401	179,787
Gain on sale of capital assets	-	-	-	-
Transfers	-	(687,000)	(587,000)	169,693
Total Governmental Activities	<u>2,918,106</u>	<u>3,083,475</u>	<u>3,777,579</u>	<u>5,150,750</u>
Business-type activities				
Other	-	-	-	-
Transfers	-	687,000	587,000	(169,693)
Total Business-Type Activities	<u>-</u>	<u>687,000</u>	<u>587,000</u>	<u>(169,693)</u>
Total Primary Government	<u>\$ 2,918,106</u>	<u>\$ 3,770,475</u>	<u>\$ 4,364,579</u>	<u>\$ 4,981,057</u>
Change in Net Position				
Governmental activities	\$ 80,010	\$ 143,162	\$ 2,980,278	\$ 3,704,359
Business-type activities	(256,689)	877,743	1,046,987	268,237
Total Change in Net Position	<u>\$ (176,679)</u>	<u>\$ 1,020,905</u>	<u>\$ 4,027,265</u>	<u>\$ 3,972,596</u>

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 3,215,025	\$ 3,356,982	\$ 3,548,991	\$ 3,685,289	\$ 3,812,544	\$ 3,904,606
941,938	786,042	929,607	934,790	1,082,352	1,106,384
306,797	317,905	312,958	332,619	357,602	331,764
98,528	37,644	32,876	25,176	19,163	19,659
151,217	141,288	132,543	124,179	111,057	132,760
-	7,220	-	-	-	-
162,999	162,999	163,000	313,000	315,000	676,025
<u>4,876,504</u>	<u>4,810,080</u>	<u>5,119,975</u>	<u>5,415,053</u>	<u>5,697,718</u>	<u>6,171,198</u>
-	-	-	19,508	21,285	23,343
<u>(162,999)</u>	<u>(162,999)</u>	<u>(163,000)</u>	<u>(313,000)</u>	<u>(315,000)</u>	<u>(676,025)</u>
<u>(162,999)</u>	<u>(162,999)</u>	<u>(163,000)</u>	<u>(293,492)</u>	<u>(293,715)</u>	<u>(652,682)</u>
<u>\$ 4,713,505</u>	<u>\$ 4,647,081</u>	<u>\$ 4,956,975</u>	<u>\$ 5,121,561</u>	<u>\$ 5,404,003</u>	<u>\$ 5,518,516</u>
\$ 1,072,137	\$ 704,686	\$ 1,177,980	\$ 1,261,575	\$ 1,496,784	\$ 2,330,596
114,122	(392,317)	110,444	(25,956)	(110,150)	(581,132)
<u>\$ 1,186,259</u>	<u>\$ 312,369</u>	<u>\$ 1,288,424</u>	<u>\$ 1,235,619</u>	<u>\$ 1,386,634</u>	<u>\$ 1,749,464</u>

CITY OF SPRING VALLEY VILLAGE, TEXAS

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Reserved	3,019,015	1,306,758	1,893,883	1,852,121
Unreserved and designated	1,363,127	1,256,515	1,892,331	4,047,277
Unreserved and undesignated	1,239,474	1,267,244	2,289,297	1,165,165
Committed	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	\$ 5,621,616	\$ 3,830,517	\$ 6,075,511	\$ 7,064,563
 All Other Governmental Funds				
Assigned	\$ -	\$ -	\$ -	\$ -
Total All Other Governmental Funds	\$ -	\$ -	\$ -	\$ -

Fiscal Year

2009	2010	2011	2012	2013	2014
\$ -	\$ -	\$ -	\$ -	\$ 385	\$ 870
1,025,900	791,523	-	-	-	-
2,350,019	2,413,781	-	-	-	-
2,249,809	3,485,628	-	-	-	-
-	-	4,815,560	3,817,458	-	-
-	-	720,777	75,118	121,848	122,257
-	-	-	-	359,267	359,267
-	-	1,918,202	2,191,707	3,550,699	4,004,162
<u>\$ 5,625,728</u>	<u>\$ 6,690,932</u>	<u>\$ 7,454,539</u>	<u>\$ 6,084,283</u>	<u>\$ 4,032,199</u>	<u>\$ 4,486,556</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,321,366	\$ 2,684,243
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,321,366</u>	<u>\$ 2,684,243</u>

CITY OF SPRING VALLEY VILLAGE, TEXAS

CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
Revenues				
Property taxes	\$ 2,085,172	\$ 2,156,345	\$ 2,561,318	\$ 3,091,799
Sales taxes	364,408	1,041,996	1,092,109	1,165,828
Franchise and local taxes	267,972	252,770	271,006	269,032
Fines and forfeitures	493,724	536,523	576,903	666,844
Licenses and permits	189,663	167,126	277,575	268,530
Hilshire police contract	217,512	237,088	270,134	282,561
Investment income	80,661	171,648	255,970	228,733
Intergovernmental	616,690	160,413	2,523,895	2,106,655
Other	117,662	148,854	186,401	179,787
Total Revenues	4,433,464	4,872,763	8,015,311	8,259,769
Expenditures				
General government	796,746	2,741,407	1,407,467	1,385,617
Public safety	2,067,437	2,225,324	2,549,390	2,622,183
Public works	639,750	740,283	1,092,434	3,349,144
Capital outlay	-	-	-	-
Debt service				
Principal	240,000	250,000	314,848	78,438
Interest	31,730	19,848	11,640	5,028
Total Expenditures	3,775,663	5,976,862	5,375,779	7,440,410
Excess (Deficiency) of Revenues Over (Under) Expenditures	657,801	(1,104,099)	2,639,532	819,359
Other Financing Sources (Uses)				
Issuance of debt	-	-	160,314	-
Sale of capital assets	-	-	-	-
Transfers in	-	163,000	163,000	169,693
Transfers out	-	(850,000)	(750,000)	-
Total Other Financing Sources (Uses)	-	(687,000)	(426,686)	169,693
Net Change in Fund Balances	\$ 657,801	\$ (1,791,099)	\$ 2,212,846	\$ 989,052
Debt service as a percentage of noncapital expenditures	7.20%	4.51%	6.07%	1.12%

Fiscal Year						
2009	2010	2011	2012	2013	2014	
\$ 3,254,064	\$ 3,334,593	\$ 3,538,671	\$ 3,715,316	\$ 3,792,043	\$ 3,936,160	
941,938	786,042	929,607	934,790	1,082,352	1,106,384	
306,797	317,905	312,958	332,619	357,602	331,764	
664,542	609,344	602,246	506,233	470,225	772,834	
161,928	219,210	210,123	219,074	236,953	214,713	
295,559	309,155	319,822	308,276	330,547	354,967	
98,528	37,644	32,876	25,176	19,163	19,659	
158,942	165,080	154,000	154,000	154,000	154,000	
151,217	141,288	122,638	121,604	111,057	132,760	
<u>6,033,515</u>	<u>5,920,261</u>	<u>6,222,941</u>	<u>6,317,088</u>	<u>6,553,942</u>	<u>7,023,241</u>	
1,923,284	1,297,268	1,145,736	1,188,587	1,262,101	1,355,108	
2,746,404	2,910,260	2,841,154	2,786,166	2,886,525	3,002,128	
2,882,196	695,234	1,645,349	4,028,166	181,440	262,499	
-	-	-	-	3,269,594	439,623	
79,741	103,253	-	-	-	-	
3,724	19,261	-	-	-	-	
<u>7,635,349</u>	<u>5,025,276</u>	<u>5,632,239</u>	<u>8,002,919</u>	<u>7,599,660</u>	<u>5,059,358</u>	
(1,601,834)	894,985	590,702	(1,685,831)	(1,045,718)	1,963,883	
-	-	-	-	-	-	
-	7,220	9,905	2,575	-	84,352	
162,999	162,999	163,000	313,000	2,065,000	1,930,766	
-	-	-	-	(1,750,000)	(2,161,767)	
<u>162,999</u>	<u>170,219</u>	<u>172,905</u>	<u>315,575</u>	<u>315,000</u>	<u>(146,649)</u>	
<u>\$ (1,438,835)</u>	<u>\$ 1,065,204</u>	<u>\$ 763,607</u>	<u>\$ (1,370,256)</u>	<u>\$ (730,718)</u>	<u>\$ 1,817,234</u>	
1.09%	2.44%	-	-	-	-	

CITY OF SPRING VALLEY VILLAGE, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Years

	Fiscal Year			
	2005	2006	2007	2008
Residential	\$ 418,634,800	\$ 434,281,032	\$ 476,865,944	\$ 529,736,301
Vacant	9,263,350	20,207,699	17,018,402	17,212,065
Commercial and industrial	32,188,220	32,454,507	49,970,837	61,235,481
Utilities	13,383,630	11,845,330	15,071,639	15,672,560
Real properties	17,191,880	15,707,976	21,417,181	28,365,945
Governmental and charities	1,345,270	61,108,219	78,834,558	89,179,800
Total assessed value (1)	<u>492,007,150</u>	<u>575,604,763</u>	<u>659,178,561</u>	<u>741,402,152</u>
Less: Tax Exempt Property	<u>(86,888,080)</u>	<u>(151,745,261)</u>	<u>(174,673,172)</u>	<u>(193,715,335)</u>
Total Taxable Assessed Valuation	<u><u>\$ 405,119,070</u></u>	<u><u>\$ 423,859,502</u></u>	<u><u>\$ 484,505,389</u></u>	<u><u>\$ 547,686,817</u></u>
Taxable value as a percentage of assessed value	82%	74%	74%	74%
Total tax rate	0.513453	\$ 0.505481	\$ 0.524394	\$ 0.565000

Source: Tax department of the Spring Branch ISD.

(1) All property is assessed at 100% of actual taxable value.

Fiscal Year

2009	2010	2011	2012	2013	2014
\$ 586,392,158	\$ 658,509,304	\$ 682,799,385	\$ 727,362,843	\$ 749,621,556	\$ 816,582,662
18,270,408	22,296,426	18,988,324	16,467,688	16,340,891	16,982,310
66,141,060	49,480,422	48,897,421	48,724,472	50,298,328	54,623,908
13,597,987	12,735,134	12,368,450	11,291,453	10,776,364	10,542,288
24,604,687	24,541,306	23,956,770	22,184,491	23,043,294	23,360,586
122,500,359	126,487,069	121,839,666	114,230,914	114,503,217	117,469,367
<u>831,506,659</u>	<u>894,049,661</u>	<u>908,850,016</u>	<u>940,261,861</u>	<u>964,583,650</u>	<u>1,039,561,121</u>
<u>(236,039,917)</u>	<u>(252,438,683)</u>	<u>(255,559,740)</u>	<u>(258,228,448)</u>	<u>(261,606,047)</u>	<u>(280,032,062)</u>
<u>\$ 595,466,742</u>	<u>\$ 641,610,978</u>	<u>\$ 653,290,276</u>	<u>\$ 682,033,413</u>	<u>\$ 702,977,603</u>	<u>\$ 759,529,059</u>
72%	72%	72%	73%	73%	73%
\$ 0.548659	\$ 0.539760	\$ 0.539760	\$ 0.539760	\$ 0.539760	\$ 0.512843

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

	Fiscal Year			
	2005	2006	2007	2008
City of Spring Valley Village:				
Operating tax rate	\$ 0.513453	\$ 0.505481	\$ 0.524394	\$ 0.565000
Total Direct Rates	<u>\$ 0.513453</u>	<u>\$ 0.505481</u>	<u>\$ 0.524394</u>	<u>\$ 0.565000</u>
Spring Branch Independent School District	\$ 1.810000	\$ 1.810000	\$ 1.631500	\$ 1.285000
Harris County	0.399900	0.399900	0.402390	0.392390
Harris County Flood Control	0.033220	0.032410	0.031060	0.031060
Port of Houston Authority	0.014740	0.013020	0.014370	0.014370
Harris County Hospital District	0.192160	0.192160	0.192160	0.192160
Harris County Education Department	0.006290	0.006290	0.005850	0.005850
Total Direct and Overlapping Rates (1)	<u>\$ 2.456310</u>	<u>\$ 2.453780</u>	<u>\$ 2.277330</u>	<u>\$ 1.920830</u>

Note: The basis for property tax rates is per \$100 of the assessed valuation.

Source: Tax department records of the various governments.

Fical Year

	2009	2010	2011	2012	2013	2014
\$	0.548659	\$ 0.539760	\$ 0.539760	\$ 0.539760	\$ 0.539760	\$ 0.512843
\$	0.548659	\$ 0.539760	\$ 0.539760	\$ 0.539760	\$ 0.539760	\$ 0.512843
\$	1.382500	\$ 1.394500	\$ 1.394500	\$ 1.394500	\$ 1.394500	\$ 1.394500
	0.389230	0.388050	0.391170	0.400210	0.414550	0.414550
	0.030860	0.029230	0.028090	0.028090	0.028270	0.028270
	0.017730	0.020540	0.018560	0.019520	0.017160	0.017160
	0.192160	0.192160	0.192160	0.182160	0.170000	0.170000
	0.005840	0.006580	0.006580	0.006620	0.006360	0.006358
\$	2.018320	\$ 2.031060	\$ 2.031060	\$ 2.031100	\$ 2.030840	\$ 2.030838

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Taxpayer	2014			2005		
	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
Ten Voss Ltd	\$ 29,854,588	1	3.89%	\$ -	-	-
HD Development Properties	13,358,139	2	1.74%	-	-	-
Southwestern Bell	8,280,703	3	1.08%	10,972,920	2	2.70%
Audrey Baker Friedman 2012 Trust	8,003,194	4	1.04%	-	-	-
Managed Rehabilitation Inc	6,294,392	5	0.82%	1,381,210	8	0.34%
Wellington Fidelis Campbell I LP	4,410,450	6	0.57%	-	-	-
Campbell I 10 Ltd	3,125,008	7	0.41%	3,552,430	5	0.87%
Spring Valley Memorial Real	2,100,000	8	0.27%	-	-	-
Katy Freeway 9234 Ltd	2,015,310	9	0.26%	-	-	-
Baker O N	1,634,730	10	0.21%	-	-	-
West Memorial Park Office	-	-	-	18,241,970	1	4.49%
WalMart Stores Inc	-	-	-	4,257,510	3	1.05%
Wilson Investments	-	-	-	3,750,000	4	0.92%
SBC Advanced Solutions Inc	-	-	-	1,650,051	6	0.41%
Centerpoint Energy Inc	-	-	-	1,472,070	7	0.36%
Wal Mart Stores East Inc	-	-	-	1,278,550	9	0.31%
Christ Evangelical	-	-	-	1,201,420	10	0.30%
Subtotal	79,076,514		10.30%	47,758,131		11.75%
Other Taxpayers	688,966,380		89.70%	358,841,252		88.25%
Total ⁽¹⁾	\$ 768,042,894		100.00%	\$ 406,599,383		100.00%

Source: Tax department of the Spring Branch ISD.

(1) Net of exemptions and abatements

CITY OF SPRING VALLEY VILLAGE, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

Fiscal Year	Tax Year	Tax Rate	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy	
				Amount Collected	Percentage of Levy
2005	2004	\$ 0.513453	\$ 2,077,862	\$ 2,064,367	99.35%
2006	2005	\$ 0.505481	\$ 2,138,794	\$ 2,121,608	99.20%
2007	2006	\$ 0.524394	\$ 2,538,266	\$ 2,521,689	99.35%
2008	2007	\$ 0.565000	\$ 3,114,260	\$ 3,053,499	98.05%
2009	2008	\$ 0.548659	\$ 3,257,243	\$ 3,237,636	99.40%
2010	2009	\$ 0.539760	\$ 3,464,268	\$ 3,433,357	99.11%
2011	2010	\$ 0.539760	\$ 3,525,346	\$ 3,499,080	99.25%
2012	2011	\$ 0.539760	\$ 3,681,702	\$ 3,663,573	99.51%
2013	2012	\$ 0.539760	\$ 3,795,231	\$ 3,770,251	99.34%
2014	2013	\$ 0.512843	\$ 3,893,084	\$ 3,881,284	99.70%

Source: Tax department of the Spring Branch ISD.

Delinquent Tax Collected		Total Collections to Date	
Amount Collected		Amount Collected	Percentage of Levy
\$ 11,961		\$ 2,076,328	99.93%
\$ 16,705		\$ 2,138,313	99.98%
\$ 16,170		\$ 2,537,859	99.98%
\$ 60,320		\$ 3,113,819	99.99%
\$ 18,102		\$ 3,255,738	99.95%
\$ 28,024		\$ 3,461,381	99.92%
\$ 20,546		\$ 3,519,626	99.84%
\$ 11,763		\$ 3,675,336	99.83%
\$ 17,399		\$ 3,787,649	99.80%
\$ -		\$ 3,881,284	99.70%

CITY OF SPRING VALLEY VILLAGE, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Years

	Fiscal Year			
	2005	2006	2007	2008
Governmental Activities:				
Tax notes	\$ 515,000	\$ 265,000	\$ -	\$ -
Capital leases	-	-	135,466	82,994
Subtotal	<u>515,000</u>	<u>265,000</u>	<u>135,466</u>	<u>82,994</u>
Business-Type Activities:				
Revenue bonds	-	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Government-Wide:				
Tax notes	515,000	265,000	-	-
Revenue bonds	-	-	-	-
Capital leases	-	-	135,466	82,994
Total Government-Wide	<u>\$ 515,000</u>	<u>\$ 265,000</u>	<u>\$ 135,466</u>	<u>\$ 82,994</u>
Estimated Full Property Value	\$ 492,007,150	\$ 575,604,763	\$ 659,178,561	\$ 741,402,152
Percentage of Full Property Value:				
Governmental activities	0.10%	0.05%	0.02%	0.01%
Government-wide	0.10%	0.05%	0.02%	0.01%
Population	3,615	3,615	3,615	3,700
Debt Per Capita:				
Governmental activities	\$ 142	\$ 73	\$ 37	\$ 22
Government-wide	\$ 142	\$ 73	\$ 37	\$ 22

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

Fiscal Year

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28,253	-	-	-	-	-
28,253	-	-	-	-	-
-	-	-	-	-	3,000,000
-	-	-	-	-	3,000,000
-	-	-	-	-	-
-	-	-	-	-	3,000,000
28,253	-	-	-	-	-
<u>\$ 28,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,000,000</u>
\$ 831,506,659	\$ 894,049,661	\$ 908,850,016	\$ 940,261,861	\$ 964,583,650	\$ 1,039,561,121
-	-	-	-	-	0.00%
-	-	-	-	-	0.29%
3,710	3,715	3,843	3,941	3,852	4,013
\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 8	\$ -	\$ -	\$ -	\$ -	\$ 748

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

	Fiscal Year			
	2005	2006	2007	2008
Estimated Actual Taxable Value of Property	\$ 405,119,070	\$ 423,859,502	\$ 484,505,389	\$ 547,686,817
Tax notes	\$ 515,000	\$ 265,000	\$ -	\$ -
Less: amounts available in debt service fund	-	-	-	-
Total	<u>\$ 515,000</u>	<u>\$ 265,000</u>	<u>\$ -</u>	<u>\$ -</u>
Percentage of Estimated Actual Taxable Value of Property	0.13%	0.06%	-	-
Population	3,615	3,615	3,615	3,700
Per Capita	\$ 142	\$ 73	\$ -	\$ -

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

Fiscal Year

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 595,466,742	\$ 641,610,978	\$ 653,290,276	\$ 682,033,413	\$ 702,977,603	\$ 759,529,059
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,710	3,715	3,843	3,941	3,852	4,013
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2014

Government Unit	Net Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Spring Branch Independent School District	\$ 753,785,000	3.810%	\$ 28,719,209
Harris County	2,474,458,204	0.260%	6,433,591
Harris County Flood Control District	89,990,000	0.260%	233,974
Harris County Department of Education	7,410,000	0.260%	19,266
Port of Houston Authority	717,624,397	0.260%	1,865,823
Subtotal, overlapping debt	\$ 4,043,267,601		37,271,863
City Direct Debt	-	100.00%	-
Total Direct and Overlapping Debt			\$ 37,271,863

Source: Municipal Advisory Council of Texas

CITY OF SPRING VALLEY VILLAGE, TEXAS

LEGAL DEBT MARGIN INFORMATION

Last Ten Years

	Fiscal Year			
	2005	2006	2007	2008
Debt limit ⁽¹⁾	\$ 40,511,907	\$ 42,385,950	\$ 48,450,539	\$ 54,768,682
Total net debt applicable to limit	515,000	265,000	-	-
Legal debt margin	<u>\$ 39,996,907</u>	<u>\$ 42,120,950</u>	<u>\$ 48,450,539</u>	<u>\$ 54,768,682</u>
Total net debt applicable to the limit as a percentage of debt limit	1.27%	0.63%	-	-
Legal Debt Margin Calculation				
Assessed value	\$ 405,119,070	\$ 423,859,502	\$ 484,505,389	\$ 547,686,817
Debt limit (10% of assessed value)	40,511,907	42,385,950	48,450,539	54,768,682
Debt applicable to limit:				
Tax note	515,000	265,000	-	-
Less: amount set aside for repayment of general obligation debt	-	-	-	-
Total net debt applicable to limit	<u>515,000</u>	<u>265,000</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 39,996,907</u>	<u>\$ 42,120,950</u>	<u>\$ 48,450,539</u>	<u>\$ 54,768,682</u>

(1) Note: There is no debt limit established by law; therefore, the limit is governed by the City's ability to levy and collect taxes to service the debt. The Attorney General of the State of Texas will not approve more than \$1.00 of the tax rate for debt service. The City's maximum legal tax rate is \$2.50 per \$100 valuation assessed at 100% of the market value. Ten percent (10%) of the assessed value has been applied as a "rule of thumb" procedure.

Fiscal Year

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 83,150,666	\$ 64,161,098	\$ 65,329,028	\$ 68,203,341	\$ 70,297,760	\$ 75,952,906
-	-	-	-	-	-
<u>\$ 83,150,666</u>	<u>\$ 64,161,098</u>	<u>\$ 65,329,028</u>	<u>\$ 68,203,341</u>	<u>\$ 70,297,760</u>	<u>\$ 75,952,906</u>
-	-	-	-	-	-
\$ 831,506,659	\$ 641,610,978	\$ 653,290,276	\$ 682,033,413	\$ 702,977,603	\$ 759,529,059
83,150,666	64,161,098	65,329,028	68,203,341	70,297,760	75,952,906
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 83,150,666</u>	<u>\$ 64,161,098</u>	<u>\$ 65,329,028</u>	<u>\$ 68,203,341</u>	<u>\$ 70,297,760</u>	<u>\$ 75,952,906</u>

CITY OF SPRING VALLEY VILLAGE, TEXAS

PLEDGED-REVENUE COVERAGE

Last Ten Years

	<u>Fiscal Year</u>
	<u>2014</u>
Gross Revenues (1)	\$ 2,753,885
Operating Expenses (2)	<u>2,658,992</u>
Net Revenues Available for Debt Service	<u>\$ 94,893</u>
Debt Service Requirements (3)	
Principal	\$ 165,000
Interest	78,900
Total	<u>\$ 243,900</u>
Coverage	0.39

(1) Gross revenues as defined in the revenue bond ordinances include operating and non-operating revenue and exclude capital contributions, grant revenues, and capital recovery fees.

(2) Total operating expenses as defined in the revenue bond ordinances do not include amortization, bond interest, and fiscal charges.

(3) Debt service requirements are based on the expected debt service payments for the following fiscal year.

Note: The City did not have revenue bonds prior to fiscal year 2014

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Years

Fiscal Year Ended Sept. 30	Population ⁽¹⁾	Personal Income ⁽²⁾	Per Capita Personal Income ⁽²⁾	Median Age ⁽²⁾	Public School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾	Education Level in Years of Formal Schooling ⁽⁵⁾
2005	3,615	\$ N/A	\$ N/A	N/A	852	N/A	N/A
2006	3,615	\$ N/A	\$ N/A	N/A	844	N/A	N/A
2007	3,615	\$ N/A	\$ N/A	N/A	914	N/A	N/A
2008	3,700	\$ N/A	\$ N/A	N/A	905	N/A	N/A
2009	3,710	\$ N/A	\$ N/A	N/A	813	N/A	N/A
2010	3,715	\$ N/A	\$ N/A	N/A	773	N/A	N/A
2011	3,843	\$ N/A	\$ N/A	N/A	812	N/A	N/A
2012	3,941	\$ N/A	\$ N/A	N/A	839	N/A	N/A
2013	3,852	\$ N/A	\$ N/A	N/A	732	N/A	N/A
2014	4,013	\$ 266,584	\$ 66,430	44.0	905	4.7%	78%

Data sources:

- (1) Estimated
- (2) CDS Market Research/Claritas Survey/ESRI Data Source
- (3) Spring Branch ISD
- (4) Texas Workforce Commission
- (5) Percent of population with Bachelor's degree or higher

Note: Personal income is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the start of the school year.

Information not presented is not available.

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2014		
	Employees	Percent of Total Employment⁽¹⁾	Rank
Spring Branch ISD	185	30.08%	1
Home Depot	140	22.76%	2
DTK	75	12.20%	3
Spring Branch Presbyterian Church	40	6.50%	4
Pueblo Viejo	36	5.85%	5
Starbucks Corporation	35	5.69%	6
AOK Emergency Room	35	5.69%	7
Specs	29	4.72%	8
SSI	25	4.07%	9
Premier Technology Group	15	2.44%	10
	<u>615</u>	<u>100.00%</u>	

Source: Human Resource Department of each company

Note: The requirement is for the current year and nine years ago, however only the current year information is available.

(This page intentionally left blank.)

CITY OF SPRING VALLEY VILLAGE, TEXAS

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

Last Ten Years

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<u>Governmental Activities:</u>										
General government	8	8	8	8	8	8	8	8	8	8
Public safety	21	21	21	21	21	21	21	21	23	23
Public works	2	2	2	2	2	2	2	2	3	3
<u>Business-Type Activities:</u>										
Water, sewer, and solid waste	4	4	4	4	4	4	4	4	4	4
Total City Positions	35	35	35	35	35	35	35	35	38	38

Source: City Finance Department

CITY OF SPRING VALLEY VILLAGE, TEXAS

OPERATING INDICATORS BY FUNCTION

Last Ten Years

	Fiscal Year			
	2005	2006	2007	2008
City of Spring Valley Village				
Budgeted full time employees	35	35	35	35
Function				
Police				
Arrests	NA	NA	NA	595
Accident reports	NA	NA	NA	230
Citations	NA	NA	NA	4,374
Offense reports	NA	NA	NA	1,286
Calls for service	NA	NA	NA	12,676
Municipal court				
Traffic violations	7,741	6,432	6,457	7,397
Non-traffic violations	191	204	205	249
Community Development				
Residential building permits issued	30	28	48	47
Residential building permits-value	\$ 12,481,325	\$ 10,313,270	\$ 17,005,400	\$ 18,247,972
Commercial building permits issued	16	6	6	5
Commercial building permits-value	\$ 884,500	\$ 1,824,000	\$ 157,003	\$ 736,550
Water				
Average daily gallons pumped-combined water (millions of gallons)	0.70	0.65	0.56	0.65
Average daily gallons pumped-surface water (millions of gallons)	-	-	-	-
Average daily gallons pumped-well water (millions of gallons)	0.69	0.65	0.56	0.65
Number of connections	1,400	1,410	1,419	1,442

Source: Various City departments

Fiscal Year

	2009	2010	2011	2012	2013	2014
	35	35	35	35	38	39
	708	540	402	293	508	719
	148	124	125	134	155	160
	4,162	5,655	5,760	4,137	5,190	8,043
	1,222	1,082	918	988	1,183	1,530
	15,227	15,922	21,838	22,587	19,560	36,254
	6,566	8,093	5,714	3,725	9,585	12,352
	175	225	470	484	302	1,472
	21	36	32	23	38	19
\$	7,726,877	\$ 13,518,000	\$ 13,813,000	\$ 10,681,000	\$ 17,061,800	\$ 9,353,990
	3	11	11	12	15	9
\$	127,000	\$ 1,061,000	\$ 496,084	\$ 742,000	\$ 1,090,500	\$ 1,343,000
	0.71	0.74	0.95	0.78	0.79	0.71
	0.01	0.16	0.02	-	0.05	-
	0.70	0.58	0.93	0.78	0.75	0.71
	1,439	2,041	2,059	2,045	2,130	2,135

CITY OF SPRING VALLEY VILLAGE, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Years

Function	Fical Year			
	2005	2006	2007	2008
General government				
Municipal buildings	1	1	1	1
Public safety				
Police protection				
Stations	1	1	1	1
Public works				
Streets (lane miles)	-	-	-	-
Community services				
Parks	-	-	-	-
Pavilions	-	-	-	-
Park acreage developed	-	-	-	-
Water				
Water wells	1	1	1	1
Ground/elevated storage tanks	-	-	-	-
Water mains (miles)	-	-	-	-
Fire hydrants	150	150	153	153
Wastewater				
Sanitary sewers (miles)	-	-	-	-
Sewer manholes	-	-	-	-

Source: Various City departments

Fical Year

2009	2010	2011	2012	2013	2014
1	1	1	1	1	1
1	1	1	1	1	1
-	-	-	-	-	20.01
-	-	-	-	-	1
-	-	-	-	-	1
-	-	-	-	-	2.62
1	1	1	1	1	1
-	-	-	-	-	3
-	-	-	-	-	26
153	157	157	157	157	157
-	-	-	-	-	16
-	-	-	-	-	389

(This page intentionally left blank.)

SPRING VALLEY VILLAGE, TEXAS
1025 CAMPBELL ROAD
HOUSTON, TX 77055