



**Village of Point Venture
Village Council Meeting
June 19, 2019
@ 6:30 PM
555 Venture Blvd. S.
Point Venture, Texas**

*"Partnership with the community.
Foster community pride. Preserve
and enhance the natural beauty of
our environment"*

AGENDA

In Point Venture, Travis County, Texas, commencing on June 19, 2019 @ 6:30 p.m.
To consider and act upon any lawful subject, which may come before it, including among others, the following:

A. Items Opening Meeting

1. Call to order
2. Pledge
3. Roll Call
4. Consent Agenda
 - a. Approve Village Council Meeting Minutes May 15, 2019.
 - b. Approve the FY18 Audit.

B. Citizen Communications

C. General Business and Action Items

1. Mayor's Report
 - a. Resignation from Councilmember Christopher
 - b. The duties of the Mayor
2. Old Business
 - a. Discuss and take possible action on Road Maintenance Plan in preparation for 2020 Budgeting.
 - b. Discuss and take possible action on updating the 2017 Road Plan.
 - c. Discuss and take action on Village Employee Retirement Plan.
3. New Business
 - a. Discuss and take possible action with the PV-ACC.
 - b. Discuss and take possible action from the Mayor's CCC Committee.
 - c. Discuss and take possible action concerning the 4th of July Parade.
 - d. Discuss and take possible action on hiring Part-time, On-call ACO.
 - e. Discuss and take possible action concerning a third full-time employee.
 - f. Results of the recent Village survey

D. Council Reports

- a. Treasurer Report
 1. Fiscal Year 2020 Budget Meeting to be June 26, 2019
- b. Building Department
- c. Code Enforcement
- d. Animal Control
- e. Village Services
- f. Public Works
- g. Emergency Services
- h. Travis Co. Sheriff's Report

E. Announcement / Closing comments

F. Adjournment

Eric Love, Mayor – Village of Point

*The Village of Point Venture Council Meetings will follow Open Meeting Rules. Be advised that a quorum of the Travis County WCID Board of Directors may be present at these meetings.

**Village of Point Venture
Village Council Meeting
May 15,, 2019
@ 6:30 PM
555 Venture Blvd. S.
Point Venture, Texas**

*“Partnership with the community. Foster community pride.
Preserve and enhance the natural beauty of our environment”*

Minutes

In Point Venture, Travis County, Texas, commencing on May 15, 2019 @ 6:30 p.m.

To consider and act upon any lawful subject, which may come before it, including among others, the following:

A. Items Opening Meeting

1. **Call to order** Mayor Pro Tem Clinton called the meeting to order at 6:30 p.m.
2. **Pledge** Mayor Pro Tem Clinton led the Pledge of Allegiance.
3. **Roll Call** Village Secretary Janice Huling called roll. Present were, Mayor Pro Tem Lance Clinton, Councilmember Don Conyer, Councilmember Dan Olson, Councilmember Stephen Perschler and Councilmember Royce Christopher. Absent: Mayor Love. A quorum was present.

4. Consent Agenda

All items under Consent Agenda are considered routine by the Village Council and will be enacted on by one motion. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- a. Approve Village Council Meeting Minutes April 17, 2019.
- b. Approve Village Council Special Workshop Meeting Minutes April 25, 2019.
- c. Approval Travis Central Appraisal District real estate acquisition.

Councilmember Christopher made a motion to approve consent agenda. Councilmember seconded the motion. Don Conyer abstained. Three councilmembers approved. Motion carried.

- B. Citizen Communications:** Not for items listed on this agenda. No deliberations with Council. Council may respond with factual information. There is a three (3) minute time limit on any communication.

No citizen communications presented.

C. General Business and Action Items

1. Mayor's Report

- a. Mayor Pro Tem Clinton thanked Fred Marshall for coming as a representatives of the WCID. He said that after a lot of work and headache, that he personally believes, and that this was not a statement from the council or Mayor, that all outstanding issues between The Village and WCID should be resolved. He said he had been in discussion with Fred Marshall, WCID President, on the Citizen's Collection Center and the December ILA payment. He stated that Dan Olson has been hard at work with a solution the he hopes will be fair and equitable to both sides. His hope is that the council, in it's wisdom, will approve these measures at the meeting and we can move onto a new level of cooperation with the WCID. He said that in the end, all entities within the confines of Point Venture work for all of us and that we need to move forward today as partners and neighbors.
- b. Mayor Pro Tem spoke of the Builder's Meeting with Mayor Love, Janice Huling, Chad Christianson and Point Venture Home Builders on May 1, 2019 at The Village Offices. Janice Huling stated that most of the local builders attended the roundtable discussion meeting with a great exchange of ideas to streamline the permitting process. She discussed the first digital submittal to ATS happening today, instead of the submittal being sent through the mail.

2. Old Business

- a. **Discuss and take action on Village Employee Health Benefits.**

Mayor Pro Tem Clinton tabled for next council meeting due to typo in agenda, should have been to discuss and take action on Village Employee Retirement Plan. Employee Handbook by

Councilmember Dan Olson to be included also.

b. Discuss and take action regarding residential drainage concerns.

Councilmember Steve Perschler discussed the numerous drainage complaints from residents and his concern of whether The Village should be responsible for funding the solutions. He said that after a 7 year drought, and then the recent heavy rains in the area, many drainage problems have just now started to show up, thus the number of complaints have increased. He said that Lakeway had worked with Haney Engineering and Land Surveying, which is also Point Venture's consultant, for their drainage issues for a \$2500 retainer fee. He said that Chad Christianson had been working on culverts and right of ways and that would continue. He stated that much thought must go into this situation. Janice Huling reported the procedure and how ATS evaluates the drainage on a lot. Councilmember Perschler said that we should work with professionals in the field and proceed slowly.

c. Discuss and take action on Lease Agreement with WCID.

Mayor Pro Tem Clinton stated the lease agreement for 1 year with the WCID originally included \$1,000,000 in liability insurance, but he and Fred Marshall, WCID President verbally agreed to \$750,000 in liability insurance. The lease includes rent in the amount of \$10 per year for the Citizen's Collection Center and the kennel. He said the additional insurance would result in \$25 extra per year.

Councilmember Christopher made a motion to approve Lease Agreement with WCID.
Councilmember Conyer seconded the motion. All approved. Motion carried.

3. New Business

a. Discuss and take possible action to fund \$2500 for Peckham/Lakefront drainage plans

Councilmember Perschler made a motion to fund \$2500 for Peckham/Lakefront drainage plans, as he would like to finish what the previous council started, which began with \$5000 for the study. This would result in work done in the right of way as well as in residential lots.

Mayor ProTem Clinton seconded the motion. All approved. Motion carried.

b. Discuss options and take possible action on Road Maintenance Plan in preparation for 2020 Budgeting.

Councilmember Perschler stated that the 2015 Road Maintenance Plan was updated in 2017, but postponed in 2018 due to WCID projects. He said that Valley Hill is fixed, Venture Dr. and Venture Blvd. S were partially repaved, as Valley Hill Dr. and Venture Blvd. N were repaired. He discussed pavement preservation with crack sealing and reclamite. He wants permission to recalibrate road plan for next 10 years.

- i. Reclamite, a compound that restores the flexibility, was used in Travis County successfully. Reclamite and Paving will need approval and more details.

Councilmember Christopher motioned to table for next council meeting, as details needed.
Councilmember Conyer seconded the motion. All approved. Motion carried.

c. Discuss and take possible action on updating 2017 Road Plan.

Councilmember Christopher motioned to table for next council meeting, as more research needed.
Councilmember Conyer seconded the motion. All approved. Motion carried.

d. Discuss and take possible action on job description and pay scale for part-time on-call Animal Control Officer.

Mayor Pro Tem stated that we must have a back up for Chad Christianson. Mayor Love wrote a job description. He suggested \$15 per hour with a 2 hour minimum, or \$30 per day as a retainer. Councilman Christopher said the person should live in The Village, and should be trained as an ACO. Mayor Pro Tem will notify Mayor Love to move forward.

Councilmember Perschler brought up late and proposed striping for Venture Blvd. and Venture Dr. for approximately \$11,000.00. (See Transportation and Natural Resource Sheet) Councilmember Olson

made a motion to approve. Mayor Pro Tem Clinton seconded the motion. All approved. Motion carried

e. Discuss and take possible action on WCID December ILA.

Councilmember Olson gave an history of WCID situation with the Waste Manage and the inaccuracies of the trash can count resulting in a \$15,000 penalty, which The Village paid. He encouraged moving on from the discord to find closure for the best interest of the residents. He said the Mayor wanted transparency and that would be important moving forward. He proposed paying 50% of the bill. Mayor Pro Tem Clinton asked WCID President Fred Marshall for his approval, and he said that the proposal sounded reasonable.

Councilmember Perschler made a motion to pay 50% of bill at \$4563.99 and forgive penalty fee Councilmember Conyer seconded the motion. All approved. Motion carries.

D. Council Reports

1. Treasurer Report

Councilmember Olson reported the FY2019 audit was done. For April YTD, he reported The Village's total income at \$479,225.71 and total expenses at \$299,947.08.

2. Building Department

Councilmember Christopher asked how many permits for new residential buildings in April and Janice Huling stated there were three in April.

3. Code Enforcement

Chad Christianson reported working with Mike Herral from ATS and Janice Huling to streamline the permit process and understand the ordinances.

4. Animal Control

ACO Chad Christianson reported 12 wild animal calls, 4 deer in the freezer, 6 dog complaints and 7 ACO calls after hours. He completed the ACO course and will take test within the year. He has established a relationship with Starr Lockwood with Lifelong Friends Animal Rescue.

5. Village Services

Mayor ProTem Clinton gave overview of The Village Offices with new conference table, chairs and new sign. He offered Cindy Clemons from ACC the use of office space to hold the ACC meetings. He listed the lawn mover, weed eater, trailer, chain saw, blower, as well as a new refrigerator and a back up battery for phone system and computers as new purchases. He said The Village intends to put up new sign, paint interior, add security cameras and new locks in the future.

6. Public Works

7. Emergency Services

8. Travis Co. Sheriff's Report

Sergeant Greg Lawson reported 730 actionable items in the Crystal Report. He said Point Venture had 16-20 directed patrol per month, which take an hour and are free. Also, 15-20 off duty patrols per month, which are paid for by Point Venture. Their goal is to keep people safe, but not to overdo. Councilmember Olson would like to schedule a meeting to address the fast commuters in the morning and evening. The Sheriff wants a balance approach to create a good community.

E. Announcement / Closing comments

a. Mayor ProTem Clinton thanked the WCID.

F. Adjournment

Councilmember Christopher made a motion to adjourn. Councilmember Perschler seconded the motion. All approved. Meeting adjourned at 8:15 PM.

This facility is wheelchair accessible and accessible parking spaces are available. Reasonable modifications and equal access to communications will be provided upon request. The Village Council for the Village of Point Venture reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development).

Lance Clinton, Mayor Pro Tem - Village of Point Venture

Attest:

Janice Huling, **Village Secretary**

VILLAGE OF POINT VENTURE, TEXAS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2018

VILLAGE OF POINT VENTURE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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NEFFENDORF & KNOPP, P.C.

Certified Public Accountants

P.O. BOX 874 · 736 S. WASHINGTON ST.

FREDERICKSBURG, TEXAS 78624-0874

(830) 997-3348

FAX: (830) 997-3333

Email: info@nkpcpa.com

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
TEXAS SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Honorable Mayor and Council
Village of Point Venture, Texas
Point Venture, TX

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Village of Point Venture, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Point Venture, Texas, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3–7 and 22 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.



NEFFENDORF & KNOPP, P.C.
Fredericksburg, Texas

March 1, 2019

VILLAGE OF POINT VENTURE
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Village of Point Venture, we offer readers of the Village's financial statements this narrative overview and analysis of the financial statements of the Village for the year ended September 30, 2018. Please read it in conjunction with the independent auditors' report on page 1, and Village's Basic Financial Statements which begin on page 8.

FINANCIAL HIGHLIGHTS

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$1,554,054 (net position). Of this amount, \$767,010 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizen's and creditors.
- The Village's net position increased by \$305,975 as a result of this year's operations.
- At September 30, 2018, the Village's governmental fund reported an ending fund balance of \$761,343 an increase of \$100,503 in comparison with the prior year. The increase in fund balance was due to the revenues in the general fund exceeded expenditures.
- At September 30, 2018, the unassigned fund balance of the general fund was \$424,124 or 64 percent of total general fund expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 8 and 9). These provide information about the activities of the Village as a whole and present a longer-term view of the Village's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (on pages 10 & 12) report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget.

The notes to the financial statements (starting on page 14) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The Budgetary Comparison Schedule (operating fund) is presented as required supplementary information on page 22.

Reporting the Village as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the Village's overall financial condition and operations begins on page 8. Its primary purpose is to show whether the Village is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the Village's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the Village's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. All the Village's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the Village's net position and changes in them. The Village's net position (the difference between assets and liabilities) provide one measure of the Village's financial health, or financial position. Over time, increases or decreases in the Village's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the Village, however, you should consider other factors as well, such as changes in the Village's customers or its property tax base and the condition of the Village's facilities.

In the Statement of Net Position and the Statement of Activities, the Village has one kind of activity:

➤ Governmental activity - The Village's basic services are reported here, including the public safety, public works, and administration. Property taxes, user charges, sales tax and franchise tax finance most of these activities.

Reporting the Village's Most Significant Funds

Fund Financial Statements

The fund financial statements on pages 10 & 12 provide detailed information about the most significant funds - not the Village as a whole. Governmental fund types include the general fund.

➤ Governmental funds - All of the Village's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the Village's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in Note II to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the Village's governmental activities.

Net position of the Village's governmental activities increased from \$1,260,682 to \$1,554,054. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - was \$767,010 at September 30, 2018. This increase in governmental net position was the result of two factors. First, the Village's revenues exceeded the expenditures by \$113,106. Second, the Village acquired capital assets in the amount of \$232,627 and recorded depreciation in the amount of \$38,923.

Table I
VILLAGE OF POINT VENTURE

NET POSITION
in thousands

	Governmental Activities	
	2018	2017
Current and Other Assets	\$ 859	\$ 902
Capital Assets	787	594
Total Assets	\$ 1,646	\$ 1,496
Other Liabilities	\$ 92	\$ 235
Total Liabilities	\$ 92	\$ 235
Net Position		
Net Investment in		
Capital Assets	\$ 787	\$ 594
Restricted		13
Unrestricted	767	654
Total Net Position	\$ 1,554	\$ 1,261

Table II
VILLAGE OF POINT VENTURE
CHANGES IN NET POSITION
in thousands

	Governmental Activities	
	2018	2017
Revenues:		
Charges for Services	\$ 232	\$ 224
Maintenance & Operations Taxes	233	219
Other Taxes	136	107
Grants	127	3
Contributions		218
Investment Earnings	8	4
Miscellaneous	41	30
Total Revenue	\$ 777	\$ 805
Expenses:		
General Government	\$ 296	\$ 260
Animal Control	3	1
Public Works	23	165
Disposal Services	108	106
Public Safety	41	21
Total Expenses	\$ 471	\$ 553
Increase in Net Position		
Before Transfers	\$ 306	\$ 252
Net Position at Beginning of Period	1,261	1,009
Prior Period Adjustment	(13)	-
Net Position at End of Period	\$ 1,554	\$ 1,261

The cost of all governmental activities this year was \$470,615. However, as shown in the Statement of Activities on page 9, the amount that our taxpayers ultimately financed for these activities through Village taxes was only \$233,472 because the other costs were paid by other taxes (\$134,734), investment income (\$8,470), user charges (\$232,207) and other miscellaneous (\$40,573).

THE VILLAGE'S FUNDS

As the Village completed the year, its governmental fund (as presented in the balance sheet on page 10) reported a fund balance of \$761,343, which is more than last year's total of \$660,840. The primary reasons for the General Fund's gain mirror the governmental activities analysis highlighted on page 5.

The Village adopted the General Fund Budget. Actual revenues were more than budgeted amounts and actual expenditures were more than budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of 2018, the Village had \$4,992,267 invested in capital assets, including buildings, equipment and other improvements.

More detailed information about the Village's capital assets is presented in Note C to the financial statements.

DEBT

At year-end, the Village had no outstanding debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2019 budget and tax rates. The major factors are the assessed property values and population growth. These indicators were taken into account when adopting the General Fund budget for 2019. Amounts available for appropriation in the General Fund budget are \$628,874 and expenditures are estimated to be \$743,471.

If these estimates are realized, the Village's budgetary General fund balance is expected to decrease by the close of 2019.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Village's business office, at Village of Point Venture, Point Venture, Texas.

BASIC FINANCIAL STATEMENTS

VILLAGE OF POINT VENTURE, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

EXHIBIT A-1

	Primary Government
	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 280,113
Investments - Current	534,968
Taxes Receivable, Net	5,965
Accounts Receivable (Net)	38,039
Capital Assets:	
Infrastructure, Net	384,619
Buildings, Net	246,765
Improvements other than Buildings, Net	154,399
Furniture and Equipment, Net	1,261
Total Assets	1,646,129
LIABILITIES	
Accounts Payable	33,993
Unearned Revenues	36,146
Other Current Liabilities	21,638
Total Liabilities	91,777
DEFERRED INFLOW OF RESOURCES	
Unavailable Revenue - Property Taxes	298
Total Deferred Inflows of Resources	298
NET POSITION	
Net Investment in Capital Assets	787,044
Unrestricted Net Position	767,010
Total Net Position	\$ 1,554,054

The notes to the financial statements are an integral part of this statement.

VILLAGE OF POINT VENTURE, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT B-1

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Capital Grants and Contributions	Primary Gov. Governmental Activities
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 295,788	\$ 36,479	\$ -	\$ (259,309)
Animal Control	2,719	-	-	(2,719)
Public Works	23,252	-	-	(23,252)
Disposal Services	108,168	194,882	-	86,714
Public Safety	40,688	846	127,134	87,292
TOTAL PRIMARY GOVERNMENT	\$ 470,615	\$ 232,207	\$ 127,134	(111,274)

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes	233,472
General Sales and Use Taxes	60,399
Franchise Tax	61,603
Other Taxes	12,732
Miscellaneous Revenue	40,573
Investment Earnings	8,470

Change in Net Position 305,975

Net Position-- Beginning

1,260,682

Prior Period Adjustment

(12,603)

Net Position--Ending

\$ 1,554,054

The notes to the financial statements are an integral part of this statement.

VILLAGE OF POINT VENTURE, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

EXHIBIT C-1

	General Fund
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 280,113
Investments - Current	534,968
Taxes Receivable	5,965
Accounts Receivable (Net)	38,039
Total Assets	<u>\$ 859,085</u>
LIABILITIES	
Accounts Payable	\$ 33,993
Unearned Revenues	36,146
Other Current Liabilities	21,638
Total Liabilities	<u>91,777</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable Revenue - Property Taxes	5,965
Total Deferred Inflows of Resources	<u>5,965</u>
FUND BALANCES	
Committed Fund Balance:	
Dedicated for Roads	337,219
Unassigned Fund Balance	424,124
Total Fund Balances	<u>761,343</u>
Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 859,085</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF POINT VENTURE, TEXAS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2018

Total Fund Balances - Governmental Funds	\$	761,343
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. The net effect of including the beginning balances for capital assets (net of depreciation) in the governmental activities is to increase net position.		594,506
Current year capital outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of including the 2018 capital outlays is to increase net position.		231,461
The 2018 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.		(38,923)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue. The net effect of these reclassifications and recognitions is to increase net position.		5,667
Net Position of Governmental Activities	\$	1,554,054

The notes to the financial statements are an integral part of this statement.

VILLAGE OF POINT VENTURE, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT C-3

General
Fund

REVENUES:

Taxes:

Property Taxes	\$ 233,141
General Sales and Use Taxes	60,399
Franchise Tax	61,603
Other Taxes	12,732
Licenses and Permits	36,479
Intergovernmental Revenue and Grants	127,134
Charges for Services	194,882
Fines	846
Investment Earnings	8,470
Other Revenue	40,740
Total Revenues	776,426

EXPENDITURES:

Current:

General Government	271,324
Animal Control	2,494
Public Works	21,329
Disposal Services	99,222
Public Safety	37,323
Capital Outlay:	
Capital Outlay	232,628
Total Expenditures	664,320
Excess of Revenues Over Expenditures	112,106

OTHER FINANCING SOURCES (USES):

Sale of Real and Personal Property	1,000
Total Other Financing Sources (Uses)	1,000
Net Change in Fund Balances	113,106
Fund Balance - October 1 (Beginning)	660,840
Prior Period Adjustment	(12,603)
Fund Balance - September 30 (Ending)	\$ 761,343

The notes to the financial statements are an integral part of this statement.

VILLAGE OF POINT VENTURE, TEXAS
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

Total Net Change in Fund Balances - Governmental Funds	\$	113,106
Current year capital outlays are expenditures in the fund financial statements, but they should be shown as increases in capital assets in the government-wide financial statements. The net effect of removing the 2018 capital outlays is to increase the change in net position.		231,461
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease the change in net position.		(38,923)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue. The net effect of these reclassifications and recognitions is to increase the change in net position.		331
Change in Net Position of Governmental Activities	\$	305,975

The notes to the financial statements are an integral part of this statement.

VILLAGE OF POINT VENTURE, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Point Venture, Texas, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The *Government Accounting Standards Board* (GASB) is the accepted standard-setting body for establishing government accounting and financial reporting principles. The more significant of the Village's accounting policies are described below:

A. Reporting Entity

In evaluating how to define the Village, for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14. The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Based on the foregoing criteria, there were no component units identified that would require inclusion in this report.

B. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Village of Point Venture nonfiduciary activities with most of the interfund activities removed. *Governmental activities* include programs supported primarily by taxes, sales tax, franchise tax, municipal court fines, charges for services and other miscellaneous revenues.

The Statement of Activities demonstrates how other people or entities that participate in programs the Village operates have shared in the payment of the direct costs. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the Village. The "grants and contributions" column includes amounts paid by organizations outside the Village to help meet the operational or capital requirements of a given function. If a revenue is not a program revenue, it is a general revenue used to support all of the Village's functions. Taxes are always general revenues.

The fund financial statements provide reports on the financial condition and results of operations for governmental funds. The Village considers both governmental funds major and reports their financial condition and results of operations in a separate column.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements use 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 the 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.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e. revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The Village considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the "susceptible to accrual" concept; that is, when they are both measurable and available. The Village considers them "available" if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors some times require the Village to refund all or part of the unused amount.

D. Fund Accounting

The Village reports the following major governmental funds:

1. **The General Fund** - The general fund is the Village's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

E. Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position

1. Capital assets, which include land, buildings, furniture, equipment and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an estimated useful life in excess of two 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.

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. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings, furniture and equipment of the Village are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30
Infrastructure	20
Improvements	20
Machinery & Equipment	7
Vehicles	5

Pursuant to GASB Statement Number 34, an extended period of deferral is available before the requirement to record and depreciate infrastructure assets (e.g., roads, bridges, and similar items) acquired before the implementation date becomes effective. Therefore, infrastructure assets acquired prior to October 1, 2001 have not yet been capitalized.

2. When the Village incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first whenever they will have to be returned if they are not used.
3. The original budget is adopted by the Village Council prior to the beginning of the fiscal year through passage of an ordinance. The budget includes proposed expenditures and the means of financing them.

Budgeted amounts for expenditures from the various funds may not exceed the beginning balances of those funds plus the anticipated revenues for the fiscal year. The final amended budget has been presented in this report. Unencumbered appropriations lapse at the end of each year.

4. The presentation 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 expenses during the reporting period. Actual results could differ from those estimates.
5. Beginning with fiscal year end September 30, 2011, the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Non-spendable fund balance – amounts that are not in non-spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e. City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City

takes the same highest level action to remove or change the constraint.

- Assigned fund balance – amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the City Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or other purposes).

6. Implementation of new GASB Accounting Standard:

The Village has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* as well as GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Under GASB 63 and 65, amounts previously reported as deferred charges as a part of total assets have been reported in a separate section as deferred outflows of resources and amounts previously reported as deferred revenue as a part of total liabilities have been reported in a separate section as deferred inflows of resources.

7. Fair Value Measurement. The Village adopted GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into three-level fair value hierarchy as follows:

Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.

Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 inputs are observable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

Market approach – uses prices generated by market transactions involving identical or comparable assets or liabilities.

Cost approach – uses the amount that currently would be required to replace the service capacity of an asset (replacement costs).

Income approach – uses valuation techniques to convert future amounts to present amounts based on current market expectations.

II. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments

The funds of the Village must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank places approved pledged securities for safekeeping and trust with the Village's agent bank in an amount sufficient to protect Village funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At September 30, 2018, the carrying amount of the Village's deposits was \$280,113 the bank balance was \$286,208. The Village's cash deposits at September 30, 2018 and during the year ended September 30, 2018 were entirely covered by FDIC insurance or by pledged collateral held by the Village's agent bank in the Village's name.

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Village to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the Village to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the Village to have independent auditors perform test procedures related to investment practices as provided by the Act. The Village is in substantial compliance with the requirements of the Act and with local policies.

The District's temporary investments at September 30, 2018, are shown below:

Name	Carrying Amount	Market Value	FDIC Coverage	Pledged Securities
Liquid Asset Portfolio - TexPool	\$ 534,968	\$ 534,968	\$	\$
Total Governmental Activities	\$ 534,968	\$ 534,968	\$ -	\$ -

Local government investment pools operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Local government investment pools use

amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in these pools is the same as the value of the shares in each pool.

Policies Governing Deposits and Investments

In compliance with the **Public Funds Investment Act**, the Village has adopted a deposit and investment policy. That policy does address the following risks:

Custodial Credit Risk - Deposits: This is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village was not exposed to custodial credit risk since its deposits at year-end and during the year ended September 30, 2018 were covered by depository insurance or by pledged collateral held by the Village's agent bank in the Village's name.

Custodial Credit Risk – Investments: This is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Other Credit Risk: There is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk, TexPool Investment Pool invests only in investments authorized under the Public Funds Investment Act. TexPool's portfolio has low market (credit) risk due to restrictions on weighted average maturity and maximum maturity of any one investment. The investment manager is required to maintain a stable \$1.00 net asset value and must take immediate action if the net asset value of the portfolio falls below \$.995 or rises above \$1.005. At September 30, 2018, the City was not exposed to concentration of credit risk, interest rate risk or foreign currency risk.

B. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the Village in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the Village fiscal year.

For 2018, the Village of Point Venture had property with an assessed valuation of \$191,380,409. The tax rate was \$.1216 per \$100 valuation (general fund only). A summary of taxes receivable by years follows:

Tax Roll	Taxes Receivable 10/1/17	Taxes Assessed	Collections and Adjustment	Taxes Receivable 9/30/18
2017	\$	\$ 232,711	\$ 230,911	\$ 1,800
2016	1,767		982	785
2015	1,202		458	744
2014	719		12	707
2013	516		-	516
2012	413		-	413
2011	314		-	314
2010	305		-	305
2009	306		-	306
2008	71		-	71
2007	1		-	1
2006	1		-	1
2005 & Prior	2		-	2
	\$ 5,617	\$ -	\$ 232,363	\$ 5,965

C. Capital Asset Activity

Capital asset activity for the Village for the year ended September 30, 2018, was as follows:

	Primary Government			
	Prior Year Balance	Increases	Decrease s	Current Year Balance
Governmental Activities				
Buildings	\$ 283,506	\$	\$	\$ 283,506
Improvements/Infrastructure	4,445,113	232,627		4,677,740
Machinery and Equipment	33,521	-	(2,500)	31,021
Total Historic Cost	\$ 4,762,140	\$ 232,627	\$ (2,500)	\$ 4,992,267
Accumulated Depreciation				
Buildings	\$ (26,108)	\$ (9,678)	\$	\$ (35,786)
Improvements/Infrastructure	(4,113,577)	(27,032)		(4,140,609)
Machinery and Equipment	(27,949)	(2,213)	1,333	(28,829)
	\$ (4,167,634)	\$ (38,923)	\$ 1,333	\$ (4,205,224)
Net Capital Assets	\$ 594,506	\$ 193,704	\$ (1,167)	\$ 787,043

D. Risk Management

The Village of Point Venture is exposed to various risks of loss relating to general liability, accidental loss of real and personal property, damage to assets, errors and omissions, acts of God and personnel risks which relate to workers compensation.

The Village contracts with the Texas Municipal League (TML) to provide insurance coverage for identified risks. TML is a multi-government group that provides for a combination of modified self-insurance and stop-loss coverage. Contributions are sent annually to TML. Liability by the Village is generally limited to the contributed amounts. Contributions for the year ended September 30, 2018 were \$7,366.

E. Travis Village Water Control Improvement District – Point Venture Contract

The Village entered into an interlocal agreement with the Travis Village WCID – Point Venture to provide certain services and the use of District facilities and personnel. The Village pays monthly invoices for clerical support and public works. For the year ended September 30, 2018 the Village paid \$122,551 under the agreement.

F. Contingent Liabilities

Amounts received or receivable from grantor 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, if any of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

G. Excess Of Expenditures Over Appropriations

The Capital Outlay function in the General Fund exceeded the budgeted appropriations and expenditures exceeded appropriations in total.

H. Prior Period Adjustment

A prior period adjustment in the amount of (\$12,603) was recorded. This adjustment was necessary to correct the recording of the PEG Public Ed Grant funds received. The grant is specific regarding the expenditures the funds can be used for. The City has not expended funds for those expenditures. Therefore, the funds should be classified as unearned revenue. The restated beginning fund balance of the General Fund is \$648,237 and the restated beginning net position for the governmental activities is \$1,248,079.

I. Subsequent Events

The Village has evaluated events through March 1, 2019, the date which the financial statements were available to be issued. The Village is not aware of any subsequent events that materially impact the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF POINT VENTURE, TEXAS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Taxes:				
Property Taxes	\$ 221,612	\$ 221,612	\$ 233,141	\$ 11,529
General Sales and Use Taxes	50,000	50,000	60,399	10,399
Franchise Tax	51,400	51,400	61,603	10,203
Other Taxes	4,000	4,000	12,732	8,732
Licenses and Permits	23,980	23,980	36,479	12,499
Intergovernmental Revenue and Grants	-	-	127,134	127,134
Charges for Services	193,196	193,196	194,882	1,686
Fines	400	400	846	446
Investment Earnings	1,665	1,665	8,470	6,805
Other Revenue	27,300	27,300	40,740	13,440
Total Revenues	573,553	573,553	776,426	202,873
EXPENDITURES:				
Current:				
General Government	297,953	299,763	271,324	28,439
Animal Control	6,300	4,490	2,494	1,996
Public Works	31,221	31,221	21,329	9,892
Disposal Services	114,600	114,600	99,222	15,378
Public Safety	38,479	38,479	37,323	1,156
Capital Outlay:				
Capital Outlay	85,000	85,000	232,628	(147,628)
Total Expenditures	573,553	573,553	664,320	(90,767)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	112,106	112,106
OTHER FINANCING SOURCES (USES):				
Sale of Real and Personal Property	-	-	1,000	1,000
Total Other Financing Sources (Uses)	-	-	1,000	1,000
Net Change	-	-	113,106	113,106
Fund Balance - October 1 (Beginning)	660,840	660,840	660,840	-
Prior Period Adjustment	-	-	(12,603)	(12,603)
Fund Balance - September 30 (Ending)	\$ 660,840	\$ 660,840	\$ 761,343	\$ 100,503

The notes to the financial statements are an integral part of this statement.

NEFFENDORF & KNOPP, P.C.
Certified Public Accountants

P.O. BOX 874 · 736 S. WASHINGTON ST.

FREDERICKSBURG, TEXAS 78624-0874

(830) 997-3348

FAX: (830) 997-3333

Email: info@nkpcpa.com

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
TEXAS SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

March 1, 2019

Honorable Mayor and Council
Village of Point Venture, Texas
Point Venture, TX

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Village of Point Venture, Texas for the year ended September 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 27, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Village of Point Venture, Texas are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant accounting estimates.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 1, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of management, Mayor and Council of Village of Point Venture and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



NEFFENDORF & KNOPP, P.C.
Fredericksburg, Texas

Village of Point Venture
Budget vs. Actual
 October 2018 through
 May 2019

	<u>Oct '18 - May 19</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
Cap Metro	39,000.00	0.00	100.0%
Fines	0.00	300.00	0.0%
Franchise Fees	34,777.46	51,000.00	68.19%
Inspection Fees	43,991.62	43,170.00	101.9%
Permits	7,383.00	7,100.00	103.99%
Trash and Recycling Service	139,586.80	203,322.40	68.65%
Tax Income	297,403.94	320,946.75	92.67%
Grants	0.00	0.00	0.0%
Interest Earned - Bank	8,982.82	3,034.73	296.0%
Miscellaneous	0.00	0.00	0.0%
Total Income	<u>571,125.64</u>	<u>628,873.88</u>	<u>90.82%</u>
Gross Profit	571,125.64	628,873.88	90.82%
Expense			
Capital Outlay	59,422.48	70,000.00	84.89%
Maintenance and Repair	8,395.89	20,770.00	40.42%
Trash and Other Muni Expense	143,793.98	221,824.40	64.82%
Professional Expenses	10,572.40	25,150.00	42.04%
Education and Training	1,196.43	5,200.00	23.01%
Insurance Expense	7,577.66	8,120.00	93.32%
Animal Control Costs	1,021.14	3,850.00	26.52%
Administration Expenses	14,117.44	12,100.00	116.67%
Dues Fees and Subscriptions	5,050.21	10,450.00	48.33%
Contracted Services	75,664.24	240,042.00	31.52%
Wages, Benefits and Payroll Exp	17,062.68	0.00	
Bank related charges and fees	339.88	250.00	135.95%
Travel	197.86	6,420.00	3.08%
Utilities	1,750.10	4,295.00	40.75%
Total Expense	<u>346,162.39</u>	<u>628,471.40</u>	<u>55.08%</u>
Net Ordinary Income	<u>224,963.25</u>	<u>402.48</u>	<u>55,894.27%</u>
Net Income	<u><u>224,963.25</u></u>	<u><u>402.48</u></u>	<u><u>55,894.27%</u></u>

Village of Point Venture
Cash in Banks
As of May 31, 2019

	<u>May 31, 19</u>	<u>May 31, 18</u>
ASSETS		
Current Assets		
Checking/Savings		
Banks		
1010 · Security State - Money Market	94,436.13	94,343.43
1015 · Security State - Operating Fund	177,694.41	458,400.47
1030 · TexPool - Money Market	284,608.44	180,261.22
1046 · TexPool - Road Fund	481,583.25	335,081.49
1047 · TexPool TimeWarner	16,558.87	12,716.93
Total Banks	<u>1,054,881.10</u>	<u>1,080,803.54</u>
Total Checking/Savings	<u>1,054,881.10</u>	<u>1,080,803.54</u>

Village of Point Venture
Statement of Financial Position
 As of May 31, 2019

	May 31, 19	May 31, 18
ASSETS		
Current Assets		
Checking/Savings		
Banks		
1010 · Security State - Money Market	94,436.13	94,343.43
1015 · Security State - Operating Fund	177,694.41	458,400.47
1030 · TexPool - Money Market	284,608.44	180,261.22
1046 · TexPool - Road Fund	481,583.25	335,081.49
1047 · TexPool TimeWarner	16,558.87	12,716.93
Total Banks	1,054,881.10	1,080,803.54
Total Checking/Savings	1,054,881.10	1,080,803.54
Accounts Receivable		
1100 · Accounts Receivable	19,393.15	18,569.96
Total Accounts Receivable	19,393.15	18,569.96
Other Current Assets		
Accounts Receivable - Misc		
1103 · A/R Clearing	5,300.00	0.00
1105 · A/R - Taxes	5,965.25	5,617.03
Total Accounts Receivable - Misc	11,265.25	5,617.03
1499 · Undeposited Funds	0.00	281.78
4011 · Road Fund Income	19,500.00	0.00
Total Other Current Assets	30,765.25	5,898.81
Total Current Assets	1,105,039.50	1,105,272.31
TOTAL ASSETS	1,105,039.50	1,105,272.31
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
1500 · Accounts Payable	24,981.85	30,988.05
Total Accounts Payable	24,981.85	30,988.05
Credit Cards		
1610 · SSBT MasterCard LClinton	1,354.68	0.00
1605 · SSBT MasterCard VKnight	421.52	0.00
1600 · MasterCard -Jean Cecala	0.00	309.76
Total Credit Cards	1,776.20	309.76
Other Current Liabilities		
1510 · A/P Clearing	0.00	4,500.00
2010 · Building Contractors Bond	23,700.00	62,100.00
2100 · Payroll Liabilities	3,376.51	0.00
2230 · Deferred Revenue - Taxes	5,965.25	5,617.03
Council Reserved Funds		
2241 · Deferred Revenue - PEG Revenue	16,646.25	0.00
2240 · Deferred Revenue - Cap Metro	19,500.00	127,134.00
2013 · Reserve for future expenditures	0.00	52,250.00
2014 · Reserve for PEG Public Ed Grant	3,286.76	15,586.40
2011 · Dedicated Road Fund	337,219.19	359,378.84
Total Council Reserved Funds	376,652.20	554,349.24
Total Other Current Liabilities	409,693.96	626,566.27
Total Current Liabilities	436,452.01	657,864.08
Total Liabilities	436,452.01	657,864.08

06/08/19
Accrual Basis

Village of Point Venture
Statement of Financial Position
As of May 31, 2019

	May 31, 19	May 31, 18
Equity		
3000 · Opening Bal Equity	26,368.59	26,368.59
3200 · Retained Earnings	429,858.79	208,820.01
3700 · Prior Period Adjustment	-12,603.14	0.00
Net Income	224,963.25	212,219.63
Total Equity	668,587.49	447,408.23
TOTAL LIABILITIES & EQUITY	1,105,039.50	1,105,272.31

Village of Point Venture
Statement of Financial Activities
All Departments - October-May

	Animal Control	Building Admin	Code Enforcement	Emergency Mgmt	Fire House	General Admin	General Fund	Public Works	Sheriff's	TOTAL
Ordinary Income/Expense										
Income										
Cap Metro	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39,000.00	0.00	39,000.00
Franchise Fees	0.00	0.00	0.00	0.00	0.00	0.00	34,777.46	0.00	0.00	34,777.46
Inspection Fees	0.00	43,991.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43,991.62
Permits	1,007.00	6,376.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,383.00
Trash and Recycling Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	139,586.80	0.00	139,586.80
Tax Income	0.00	0.00	0.00	0.00	0.00	0.00	297,403.94	0.00	0.00	297,403.94
Interest Earned - Bank	0.00	0.00	0.00	0.00	0.00	0.00	8,982.82	0.00	0.00	8,982.82
Total Income	1,007.00	50,367.62	0.00	0.00	0.00	0.00	341,164.22	178,586.80	0.00	571,125.64
Expense										
Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00	59,422.48	0.00	59,422.48
Maintenance and Repair	0.00	0.00	0.00	417.65	71.99	1,149.80	0.00	6,756.45	0.00	8,395.89
Trash and Other Muni Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	143,793.98	0.00	143,793.98
Professional Expenses	210.00	0.00	0.00	0.00	0.00	279.40	0.00	10,083.00	0.00	10,572.40
Education and Training	175.00	0.00	500.00	0.00	0.00	521.43	0.00	0.00	0.00	1,196.43
Insurance Expense	0.00	0.00	0.00	0.00	0.00	7,577.66	0.00	0.00	0.00	7,577.66
Animal Control Costs	1,021.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,021.14
Administration Expenses	140.44	404.86	45.17	0.00	0.00	13,400.33	0.00	0.00	126.64	14,117.44
Dues Fees and Subscriptions	56.99	600.00	274.39	39.57	0.00	2,288.92	1,790.34	0.00	0.00	5,050.21
Contracted Services	2,157.28	29,943.54	1,797.17	0.00	0.00	13,183.43	0.00	10,357.82	18,225.00	75,664.24
Wages, Benefits and Payroll Exp	0.00	0.00	0.00	0.00	0.00	17,062.68	0.00	0.00	0.00	17,062.68
Bank related charges and fees	0.00	0.00	0.00	0.00	0.00	339.88	0.00	0.00	0.00	339.88
Travel	22.76	0.00	31.65	37.69	0.00	94.12	0.00	11.64	0.00	197.86
Utilities	452.65	0.00	0.00	0.00	736.69	560.76	0.00	0.00	0.00	1,750.10
Total Expense	4,236.26	30,948.40	2,648.38	494.91	808.68	56,458.41	1,790.34	230,425.37	18,351.64	346,162.39
Net Income	-3,229.26	19,419.22	-2,648.38	-494.91	-808.68	-56,458.41	339,373.88	-51,838.57	-18,351.64	224,963.25

May 2019

Point Venture Law Enforcement Activity Reports

Deputy: Greg Pasak

Date: 5/11/19 **Day:** Saturday **Beginning:** 4:00 pm **End:** 1:00 am **Hours:** 9

4:00 pm – On duty.
4:25 pm – Met with security, no current issues reported by security.
4:40 pm – Community contact, 19000 Whispering Hollow Dr.
5:10 pm – Flagged down by a citizen about an intoxicated male yelling in the area of 500 S Venture Dr. I checked the area and was unable to locate.
5:40 pm – Monitored traffic in subdivision, checked vehicle speeds by radar.
6:10 pm – Citizen contact, 200 Lohman's Ford Rd. Citizen with questions about lake level and park access.
6:40 pm – Found property. Pocket knife in roadway. Given to security for lost and found. Knife is damaged from being run over.
7:20 pm – Flagged down by a motorist. Child with a laceration to the scalp. I provided first aid and provided directions to Cedar Park Regional Hospital. Parents declined EMS for child.
7:55 pm – 911 call, Reckless Driving – 19000 Whispering Hollow in the park. White white truck driving fast and spinning out in grass. Checked the area and subdivision and was unable to locate the vehicle.
8:15 pm – Monitored traffic in subdivision and checked vehicle speeds by radar.
9:05 pm – Walk through of the Gnarly Gar.
9:45 pm – Walk through of the Caddy Shack.
10:50 pm – Traffic Stop, 300 N Venture Dr., Vehicle failing to maintain a signal marked lane. Warning citation x 1.
11:25 pm – Walk though of the Gnarly Gar.
1:00 am- Off Duty.

Deputy: Greg Lawson

Date: 5/15/19 **Day:** Wednesday **Beginning:** 6:30 pm **End:** 8:30 pm **Hours:** 3

6:30 pm – Attended the City Council meeting.

Deputy: Greg Lawson

Date: 5/18/19 **Day:** Saturday **Beginning:** 9:00 am **End:** 4:00 pm **Hours:** 7

9:00 am – On duty.
9:30 am – Monitored traffic on Venture Blvd.
10:40 am – Monitored traffic at the gate.
11:50 am – Walk thru at the Caddy Shack.
1:40 pm – Monitored traffic on Venture Drive.
2:40 pm – Traffic stop at Venture and Post Oak – Warning issued.
4:00 pm – Off Duty.

Point Venture Activity Reports

Deputy: Greg Pasak

Date: 5/18/19 **Day:** Saturday **Beginning:** 3:00 pm **End:** 10:00 pm **Hours:** 7

3:00 pm – On duty.

3:00 pm – Monitored traffic / checked vehicle speeds by radar in subdivision.

4:10 pm – Community contact, 19000 Whispering Hollow Dr.

4:55 pm – Walk through of the Gnarly Gar

5:40 pm – Walk through of the Caddy Shack.

6:20 pm – Met with security. No issues passed on by security.

7:00 pm - Monitored traffic / checked vehicle speeds by radar in subdivision.

7:55 pm – Walk through of the Caddy Shack

8:40 pm – Walk though of the Gnarly Gar.

9:10 pm – Check welfare, 400 S. Venture Dr.

10:00 pm – Off duty

Deputy: Greg Pasak

Date: 5/22/19 **Day:** Wednesday **Beginning:** 8:00 pm **End:** 1:00 Am **Hours:** 5

8:00 pm – On duty.

8:00 pm – Monitored traffic / checked vehicle speeds by radar in subdivision.

8:25 pm – Met with security. No issues passed on by security.

9:20 pm – Walk through of the Caddy Shack

9:55 pm – Walk through of the Gnarly Gar

10:15 pm – Community contact – 18200 Lakepoint Cv.

11:45 pm – Check Welfare, 200 Lohmans Ford Rd, vehicle at entrance to Dink Pearson Park.

01:00 am – Off duty

Deputy: Greg Lawson

Date: 5/27/19 **Day:** Monday **Beginning:** 7:00 pm **End:** 12:00 am **Hours:** 5

7:00 pm – On duty.

7:05 pm – Found Village office door open. I notified Councilman Clinton who responded to the office. I check the door latch and it was sticking and not operating properly. I lubricated it and it worked fine. We locked the office.

7:15 pm – Reckless driving reported by 911 in the park. Resident on Venture Cove reporting jet skis and boat violating the no wake zone. I monitored the area from the park and located one jet ski leaving a small wake. And another jet ski who had a someone on it that made a rude gesture to him, however he could not positively ID the subject. All were warned about the no wake zone.

During my interaction with the jet skis, a resident that appeared intoxicated tried to intervene, and another resident diverted him and took him out of the park.

*I monitored the park until sundown.

Point Venture Activity Reports

9:10 pm – Monitored traffic on Venture Blvd.
10:05 pm – Traffic stop at Venture Dr. and Venture Blvd. Warning issued.
11:05 pm – Monitored traffic on Venture Drive.
12:00 am – Off Duty.

Deputy: Greg Pasak

Date: 5/29/19 **Day:** Wednesday **Beginning:** 7:30 pm **End:** 12:30 am **Hours:** 5

7:30 pm – On duty
7:30 pm – Monitored traffic / checked vehicle speeds by radar in subdivision.
8:05 pm – Met with security. No issues passed on by security.
8:20 pm – Community contact, 18600 Venture Dr.
8:50 pm – Walk through of the Gnarly Gar
9:20 pm – Community contact, flagged down by a citizen at the pool, 555
Venture Dr. Discussed current issues in subdivision.
9:45 pm – Monitored traffic / checked vehicle speeds by radar in subdivision.
10:45 pm – Walk through of the Caddy Shack
11:15 pm – Monitored traffic / checked vehicle speeds by radar in subdivision.
12:30 am – End of shift.

Deputy: Greg Lawson

Date: 5/30/19 **Day:** Thursday **Beginning:** 5:00 pm **End:** 10:00 am **Hours:** 5

5:00 pm – On duty.
5:30 pm – Checked in with POA security.
6:15 pm – Contacted by citizen of a kid riding a motorized mini bike on deckhouse.
Checked area and was unable to locate.
6:45 pm – Walk-thru check on the Catty Shack.
7:45 pm – Stopped a suspicious vehicle coming out of PV gate toward Lago.
Determined subject was lost and provided directions.
8:10 pm – Monitored traffic on Venture Blvd.
10:00 am – Off duty.

Deputy: Greg Pasak

Date: 5/31/19 **Day:** Friday **Beginning:** 7:00 am **End:** 9:00 am **Hours:** 2

7:00 am – On duty
7:00 am – Monitored traffic / checked vehicle speeds by radar in subdivision.
7:20 am – 18808 Venture Dr., Overhead an alarm at this address which is a house
for sale. Checked the address and alarm was a septic alarm. Called and left a
message for the realtor in reference to the alarm.
8:00 am – Community contact – 18800 Lakeland Dr.
8:35 am – Community contact – 19000 Whispering Hollow Dr.

Point Venture Activity Reports

9:00 am – Off duty.

Deputy: Greg Pasak

Date: 5/31/19 **Day:** Friday **Beginning:** 9:30 pm **End:** 11:30 pm **Hours:** **2**

9:30 pm – On duty

9:30 pm – Monitored traffic / checked vehicle speeds by radar in subdivision.

10:10 pm – Walk through of the Caddy Shack.

10:45 pm – 911 Alarm call at a residence on Lakepoint Cv. Checked residence and spoke with homeowner who advised it was a false alarm.

11:10 pm – Walk through of the Gnarly Gar.

11:30 pm – Off Duty.