



For the Period Ending September 30, 2021

City of New Braunfels FY 2020-21



ANNUAL COMPREHENSIVE FINANCIAL REPORT

NEW BRAUNFELS, TEXAS

***ANNUAL COMPREHENSIVE
FINANCIAL REPORT***

of the

CITY OF NEW BRAUNFELS, TEXAS

**For the Year Ended
September 30, 2021**

**Prepared by
Finance Department**

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CITY OF NEW BRAUNFELS, TEXAS

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INTRODUCTORY SECTION

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FINANCE DEPARTMENT

March 23, 2022

To the Honorable Mayor, Members of the City Council, and Citizens of the City of New Braunfels, Texas:

The Annual Comprehensive Financial Report for the City of New Braunfels, Texas (“City”) for the fiscal year ended September 30, 2021, is hereby submitted. This report was prepared through the cooperative efforts of the Finance Department and the City’s independent auditors. The purpose of the report is to provide the City Council, management, staff, the public, and other interested parties with detailed information reflecting the City’s financial condition.

This report consists of management’s representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse; and to compile sufficient, reliable information for the preparation of the City’s financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City’s framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the enclosed financial statements and schedules are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds, departments, and component units of New Braunfels, Texas.

The City Charter requires an independent auditing firm to annually complete an audit of the books and accounts of every City department. The City’s financial statements have been audited by Belt Harris Pechacek, LLLP, a firm of licensed certified public accountants. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the fiscal year ended September 30, 2021 are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). The basic financial statements, including the accompanying notes, represent the core of the financial section. These financial statements present the financial condition of the City as a single entity, as well as the individual funds that account for the City’s various governmental and business-type activities. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

New Braunfels is a dynamic and historic Texas community of about 90,000 located on Interstate 35, 30 miles north of San Antonio and 45 miles south of Austin. The population in 2020 was estimated at 90,403 which represents a 56 percent increase in population since the last official census figures were released. New Braunfels is the largest city in Comal County and serves as the County seat. The City's geographic boundaries encompass approximately 45.5 square miles. The City's history is one of the richest in Texas and is cherished by its residents who strive to preserve and protect their heritage that reflects both strong German and Hispanic influences. Often referred to as the "City of a Prince" (because it was founded by Prince Carl of Solms Braunfels), early New Braunfels became an important part of Texas civilization and industry. In the 1960's, the community became more committed to preserving its rich history and this has tied into the established tourism industry, a major factor in the economy of today's New Braunfels. Its prime location, endless entertainment options, natural amenities and vibrant economy are just a few of the variables that have led to the continued growth in population.

As provided in its Home Rule Charter, a Mayor and a six-member City Council govern the City of New Braunfels. The Mayor is elected at large while the remaining City Council members represent the six City Council Districts of the City. All policy making decisions are vested in the City Council. Among other duties, the City Council appoints a City Manager who directs the day-to-day operations of the City under guidelines and policies of the City Charter and the City Council and is responsible for presenting a Proposed Annual Budget and Plan of Municipal Services to City Council. Each City Council member is elected for a three-year term on a staggered basis. The City Charter limits service to a total of three terms of office, whether served as council member or Mayor.

The City of New Braunfels is a full-service municipal organization with the organizational structure and divisions as depicted in the organizational chart on page 15. The City provides a full range of external services that includes police and fire protection, emergency response services, solid waste service and recycling, maintenance of streets and drainage infrastructure, recreational activities (including a full service indoor recreation center) library services, planning and development services, code enforcement, animal control, river management, golf course management, civic/convention center management, a municipal court, a system of municipal parks, as well as the New Braunfels National Airport. Citizen engagement and involvement is a major component of the City's operations and policy development process, which has 31 active boards and commissions.

The New Braunfels Economic Development Corporation (NBEDC), a non-profit corporation, was formed to administer a special 3/8 of one cent sales tax for economic development. The City Council appoints all NBEDC board members and must approve the NBEDC's budget and associated expenditures. Because of this, City management has included the NBEDC in its financial reports as a discretely presented component unit. In addition, New Braunfels Utilities (NBU) is a City-owned water, wastewater, and electric utility serving the City of New Braunfels and some of the surrounding area. The City Council appoints these board members as well and approves proposed debt issuances and/or rate adjustments of the utility. The City also has two Tax Increment Reinvestment Zones (TIRZ). One encompasses the areas known as the Creekside Shopping Center and the other encompasses the area known as the "Milltown" area. A TIRZ board and local government authority were developed to issue bonds to be repaid to the developer for public infrastructure. The City Council appoints the board members and approves the annual budgets as well. Therefore, City Management has included both of the TIRZ and the New Braunfels Development Authority (NBDA) as blended component units.

The City interacts or contracts with various other governmental and non-governmental entities (e.g. Comal County, the New Braunfels Housing Authority, Texas Department of Transportation, and the New Braunfels Independent School District), but is not financially accountable for those entities.

FINANCIAL AND BUDGET MANAGEMENT

The City of New Braunfels maintains a system of budgetary controls, the objective of which is to ensure compliance with the legal provisions of the annual appropriated budget approved by the City Council. The annual Operating Budget and Plan of Municipal Services is the foundation of said controls. It governs all expenditures within a certain fiscal year, which runs from October 1 to September 30. The budget document also ensures that resource allocation aligns to the City's long-term financial planning and initiatives. The budget is proposed by the City Manager and adopted by the City Council in accordance with policies and procedures established by the City Charter, City Council ordinances, State requirements, and City policies. The budget is prepared and presented by fund (e.g., general fund), department (e.g., police) or function (e.g., debt service), and expenditure group (e.g., employee expenses, operations expenses, and capital expenses).

The budget, as adopted by City Council, controls expenditures at the fund and/or department level. This means that although funds are allocated into individual line items in each budget and those line item allocations are adopted as part of the budget, departments and City Management have some flexibility in expensing these funds. For example, City Management can approve transfers from one expenditure group to another i.e. employee expenditures to operating expenditures. City Council action is required only if a departmental budget and/or fund budget needs be increased/decreased.

In the Community Development Block Grant, Special Revenue and Grants Funds and NBEDC budgets, appropriations are controlled at the project level. As the City Council accepts federal entitlements and grants, as donations are received from outside sources, and as projects are approved, those proceeds are appropriated and available to departments to expend for identified City purposes and needs. Capital improvement funds are also controlled at the project level. Expenditures within the individual projects may span fiscal years. However, budgetary control is not exercised by fiscal year; it is by the total project cost and total project expenditures. This provides a more realistic approach to budgetary control for these types of activities.

Budget preparation begins with at least one City Council retreat to establish clear budget priorities of both the City Manager and City Council. During one of the retreats, the Five-Year Financial Forecast is presented which assists the City Council and Executive Leadership Team in setting and operationalizing budget priorities and goals. Budget development is a year-long process that includes a number of other functions. This is best illustrated in the graphic below:

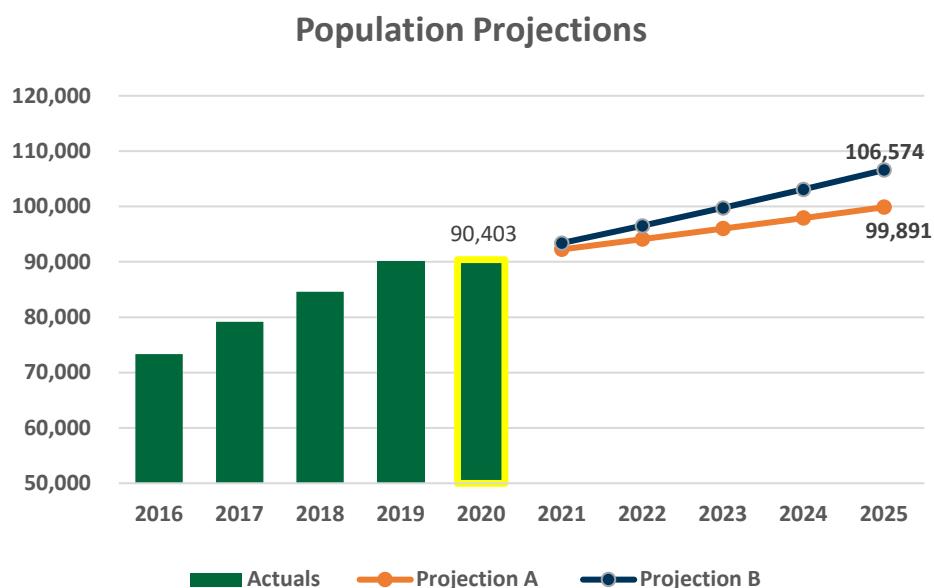


The City's budget team facilitates a kickoff meeting in the early spring to instruct all City departments on their responsibilities regarding revenue/expenditure analysis and the creation of resource requests. City Management is provided performance and budget metrics to support the justification of new resource requests. The City Council will hold several public workshops in an effort to thoroughly review the budget. The City Charter mandates that a proposed budget be presented to the City Council at least 45 days prior to the end of the fiscal year. Furthermore, the City Charter requires that a public hearing be held prior to the adoption of the budget. The City adopts a budget for all governmental funds except for the New Braunfels Development Authority fund. For more information, please refer to the City of New Braunfels FY 20-21 Adopted Budget and Plan of Municipal Services which can be found at www.nbtexas.org.

Monthly financial reports are generated that allow the leadership team, City Council, and citizens (as these reports are posted on the City's website) to monitor revenues, expenditures, and other key organizational/economic metrics. In addition, the Finance and Audit Committee, which is made up of the Mayor, Mayor Pro Tem, as well as an additional council member, meet quarterly to review the latest financial report as well as other key financial indicators such as our latest investment report and sales tax analysis. The Committee is also briefed on the status of the budget document and/or the Annual Comprehensive Financial Report.

ECONOMIC CONDITION AND OUTLOOK

With the exception of some stagnation during the 2008-2010 recession, New Braunfels has been in a sustained period of growth. In fact, the City has grown by 56% since 2011. Every year, the census releases figures of the fastest growing cities in the country. From 2010-2020, New Braunfels has been the fifth fastest growing city in the nation, and the third fastest growing city in Texas. The increase in population is driven by a number of factors such as quality of life and economic opportunity. The office of the State of Texas' official demographer provides population projections for the state, Metropolitan Statistical Area(s), and counties. The graph below utilizes two of those projections for estimating the New Braunfels population during the forecast period.

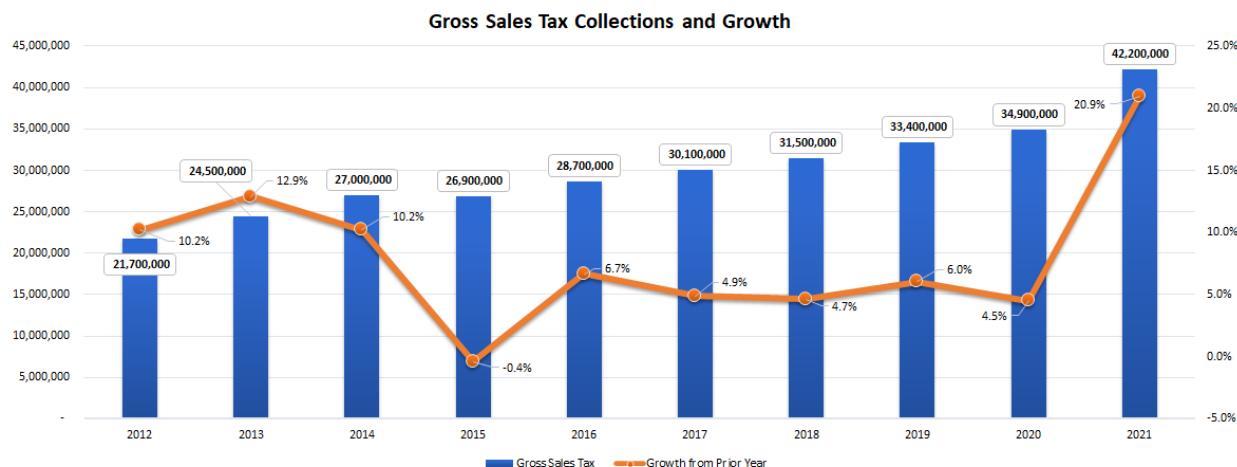


It is estimated that New Braunfels receives more than 3 million visitors a year. A 2017 economic impact analysis found that the tourism industry accounted for approximately \$706.5 million in 2017 – an increase

of 32.9 percent from the 2013 analysis. In 2017, the hospitality industry employed 7,764 direct workers and supported another 3,109 indirect workers in spinoff jobs in the community. Exclusive of government, the City's three largest industries in terms of the value of goods and services provided are manufacturing, health care and social assistance, and retail trade. The government (school district, local, state, and federal), retail trade, accommodation and food services, health care and social assistance, construction, administrative and support, waste management and remediation services , respectively, provide the greatest number of jobs in the community.

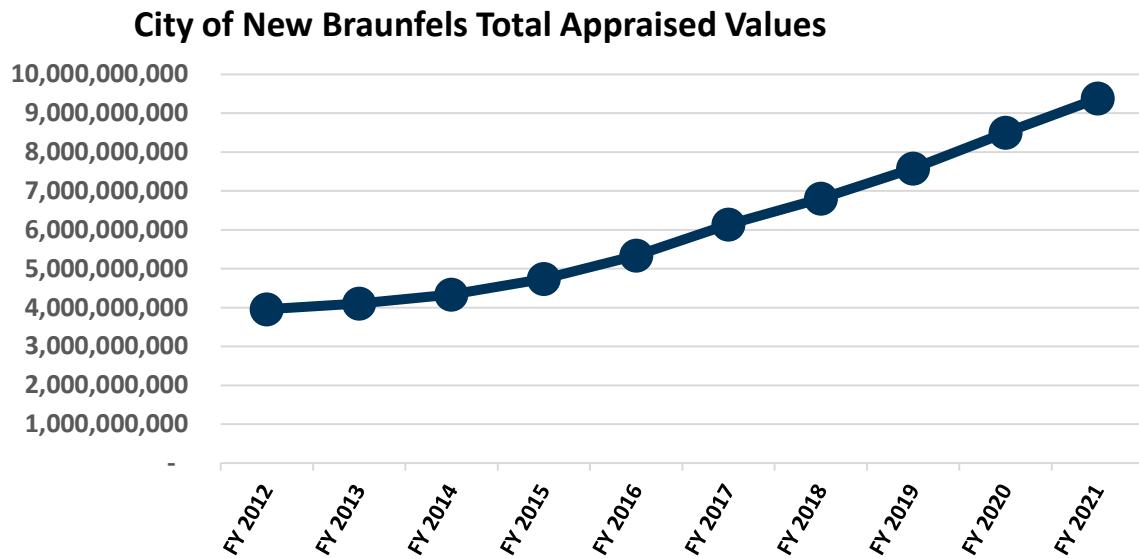
Sales Tax Activity

Sales taxes represent the single largest source of revenue to the City's General Fund. In addition, due to the positive effect that tourism has on our economy, sales tax collections are somewhat seasonal, with the largest monthly collection occurring during the summer. As the graph illustrates, sales tax has experienced varying levels of growth over the last ten years. Fiscal Year 2015 was the only year in which the City saw a decline in sales tax collections, driven entirely by a change in legislation which redirected sales tax to point of sale as opposed to point of distribution. Even in the fiscal year most impacted, by the COVID pandemic, the City still experienced overall growth. Like many cities in Texas, Fiscal Year 2021 has been a record year from a sales tax perspective. This is driven by many factors such as built-up demand for various services and commodities and inflationary pressures.



Property Values and Tax Rate

As mentioned earlier, the City of New Braunfels has been, and continues to be recognized as, one of the fastest growing cities in the country. The increase in population has also resulted in an increase in the demand for City services. As can be seen in the graph below, population growth has had a direct impact on the total increase in commercial, industrial, and residential property values. The graph below provides the most current available data – through tax year 2021 (Fiscal Year 2022).



For tax year 2020 (Fiscal Year 2021) total appraised values were approximately \$9.4 billion dollars, which represented a 10.4 percent increase from the prior year. Freeze adjusted values, which adjusts for the values that are impacted by the over-65 property tax exemption as well as the TIRZ, totaled \$7.9 billion.



Growth in property tax, sales tax, and other revenues sources has allowed the City to maintain, and even reduce, its tax rate in recent history, as evidenced in the following graph.

Property Tax Rate History



Major Developments

In 2007, the City established its first tax increment reinvestment zone district to facilitate the development of a 400-acre master planned, mixed-use development (Creekside TIRZ). The original value of all property within that district was approximately \$5 million. Today, the development integrates over 1 million square feet of retail with a 130-bed hospital, various restaurants, multi-family developments, and an entertainment complex. The total taxable values of all improvements in the district exceed \$440 million (2020 values). The developer has shifted their focus to the continued development of housing and entertainment while continuing to build out the project. In 2022, the City is also planning to break ground on a new fire station and training facility (see below) within the boundaries of the Creekside TIRZ. This project will be fully supported by the Creekside TIRZ, as well.



TaskUs Inc. is a business process outsourcing firm founded in 2008 and relocated its corporate headquarters to New Braunfels in 2018. The company occupies approximately 70,000 square feet of office space in the

Heritage Business Center located at the corner of Loop 337 and Highway 46. TaskUs is now the third largest employer in New Braunfels with 1,180 employees.

In the fall of 2019, the City Council established the boundaries of TIRZ #2. The zone is located in and around the area traditionally known as “Milltown” and includes some or all properties adjacent to McKenna Avenue, Oasis Street, Wright Avenue, Porter Street, and Rusk Avenue, including the Faust Street Bridge and Beaty Street. The redevelopment plan anticipates a mix of uses on the site to include a hotel, multi-family housing, office, retail, and entertainment spaces exceeding \$100 million in total project costs.

In 2021, the City established the boundaries of TIRZ #3, which is entirely made up of portions of the downtown area. The TIRZ #3 will serve as a reinvestment tool to allow for targeted infrastructure investments in the downtown area. There are several major redevelopment projects in various stages of development in the downtown area and the TIRZ #3 will provide a dedicated funding source to ensure that the infrastructure in and around these areas are adequate.

Advantages for the community’s economic stability and growth include: the close proximity to both San Antonio and Austin, the IH 35 Corridor, the availability of choice industrial sites throughout the City, and the strong tourism sector of the economy. While typical greenfield residential development has been occurring at a rapid pace for the last 10 to 15 years, the City is also beginning to observe more infill development (residential and commercial). In addition, there are also several developments and improvements occurring throughout our downtown area. The City expects tourism to remain strong because New Braunfels offers great attractions at reasonable prices. Collectively, the various attractions, natural resources, and commercial/industrial development provide the confidence in having a positive long-term economic outlook.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Capital Investment

Since 2003, over \$300 million in capital improvement investments have either been completed or are currently underway. \$93 million stems from the 2013 bond projects and \$143 million from the 2019 bond projects. The 2013 and 2019 bond programs’ goals continue to fund the projects identified in the 2012 Capital Improvement Plan (which exceeded \$500 million in needed investments) as well as address the priorities of the National Citizen Survey. The survey, which has now been conducted multiple times (and is currently underway) continues to support Streets, Public Safety, and Outdoor Recreation as the top three priorities of our citizens. Projects funded by the 2013 and 2019 bond programs allow for improvements in streets and drainage, public safety, libraries, and quality of life. The pictures below are of several of the bond projects that are recently completed or are currently under construction.





Additional detail on completed or in progress capital investments can be found in the Operating Budget and Plan of Municipal Services Document.

Future Capital Investment

The City Council remains committed to continue making key capital investments in this community in Fiscal Year 2022, the city began the update to the City's Capital Improvement Plan. As mentioned above, this document has not been updated formally since 2012. The projects identified during that process are serving as a critical resource to the recently formed 2023 Bond Advisory Committee. The current projected capacity for the 2023 bond is approximately \$140 million of property tax supported bonds.

Maintaining and Increasing Services Levels

Maintaining and increasing service levels have been a major challenge for the City, yet the Fiscal Year 2021 operations and maintenance portion of the tax rate is still lower than it was in Fiscal Year 2007. In that time, the City has opened and staffed two new fire stations with a third soon to break ground, established operations and staffing at various new parks and recreation facilities such as Fischer Park and the Das Rec Recreation Center, implemented an additional streets maintenance crew, added positions to enhance the development review processes, established a transportation and capital improvements division, and increased police department personnel by 45% (based on Fiscal Year 2021 authorized positions), among many other initiatives.

RESERVES AND BOND RATING

The General Fund ended the year with a total fund balance of \$41 million. This balance provides adequate protection against unforeseen occurrences and fluctuations in revenue sources. The City's financial policies require fund balance of at least 25 percent of operating expenditures and the City has maintained a minimum of a 30 percent balance to protect our strong bond rating. Growth in fund balance continues to be driven by conservative budgeting policies and preparing for the impact from potential legislative changes. Since the onset of the pandemic, the City has been overtly conservative given the economic uncertainty. Fortunately, impacts to revenues have been minimal and the City has been able to generate savings through various strategies. As a result, we have carried surplus reserves over the past two fiscal years. This has provided the opportunity to make significant investments in one-time equipment and initiatives. Specifically, the organization has focused one-time investments on initiatives that increase efficiency and productivity. For example, the Fiscal Year 2022 budget includes over \$1 million in equipment for the streets division to expand their efforts.

The City's commitment to sound financial management and strong reserves paid dividends in Fiscal Year 2016 as Standard and Poor's raised the City's bond rating from AA- to AA. The City's Standard and Poor's rating of AA, Moody's rating of Aa2, and Fitch's rating of AA were all reaffirmed within the past year.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of New Braunfels for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020. This was the thirteenth year that the City has achieved this prestigious award (in recent history). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Annual Comprehensive Financial Report on a timely basis requires a great deal of cooperation and teamwork. In recognition of that, the Finance Department gratefully acknowledges the leadership and support of the City Council, the Finance and Audit Committee, and the City Manager. Also, the collaborative efforts of our Finance team and external audit firm were invaluable.

Respectfully Submitted,



Robert Camareno
City Manager



Sandy Paulos
Finance Director

CITY OF NEW BRAUNFELS, TEXAS

*CERTIFICATE OF ACHIEVEMENT FOR
EXCELLENCE IN FINANCIAL REPORTING*



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of New Braunfels
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

CITY OF NEW BRAUNFELS, TEXAS

ORGANIZATIONAL CHART



CITY OF NEW BRAUNFELS, TEXAS

CITY COUNCIL

September 30, 2021

CITY OF NEW BRAUNFELS, TEXAS

CITY COUNCIL



Mayor
Rusty Brockman



District One
Shane Hines



District Two
Justin Meadows



District Three
Harry Bowers



District Four
Lawrence Spradley



District Five
Jason Hurta



District Six
James Blakey

Appointed Officials

City Manager: Robert Camareno

City Attorney: Valeria Acevedo

Municipal Court Judge: Rose Zamora

Executive Leadership Team

Assistant City Manager:

Jared Werner

Assistant City Manager:

Jordan Matney

Police Chief:

Keith Lane

Interim Fire Chief:

Michael Wehman

Public Works Director:

Greg Malatek

Finance Director:

Sandy Paulos

Human Resources Director:

Becca Miears

Information Technology Director:

Tony Gonzalez

Planning and Development Services Director:

Christopher Looney

Parks and Recreation Director:

Stacey Laird Dicke

Library Director:

Gretchen Pruett

Director of Economic and Community Development:

Jeff Jewell

Director of Comm. and Community Engagement:

Jenna Vinson

Transportation and Capital Improvement Director:

Garry Ford

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council of the
City of New Braunfels, Texas:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Braunfels, Texas (the "City"), as of and for the year ended September 30, 2021, 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 did not audit the financial statements of New Braunfels Utilities, a discretely presented component unit, which financial statements reflect total assets of \$924,569,509 and total revenues of \$280,413,390 for the fiscal year ending July 31, 2021. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion insofar as it relates to the amounts included for New Braunfels Utilities is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 23, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Belt Harris Pechacek, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas
March 23, 2022

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

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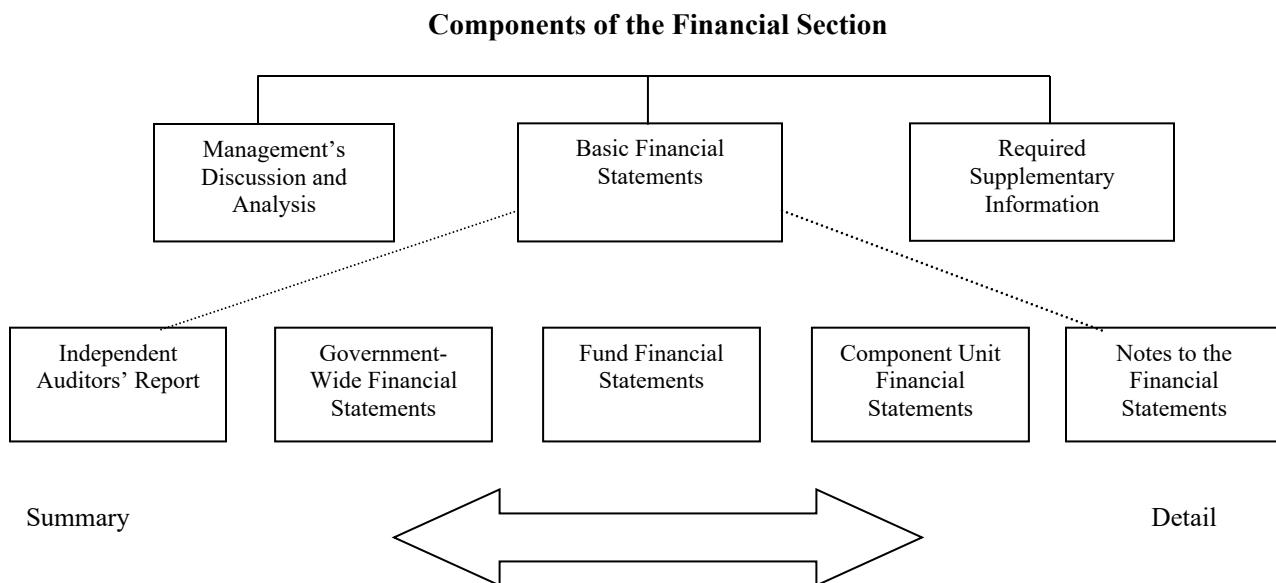
CITY OF NEW BRAUNFELS, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2021

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the City of New Braunfels, Texas (the "City") for the year ending September 30, 2021. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the City's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



The City's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The government-wide statements report information for the City as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the City as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the City's financial statements, report information on the City's activities that enable the reader to understand the financial condition of the City. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other nonfinancial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

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

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

1. *Governmental Activities* – The City's tax-supported services are reported here including police and fire protection (public safety), streets and drainage (public works), public improvements, parks and recreation, planning and development, and general administrative services (general government). Interest payments on the City's tax-supported debt are also reported here. Property tax, sales tax, franchise fees, municipal court fines, and permit fees finance most of these activities.
2. *Business-Type Activities* – Services involving a fee for those services are reported here. These services include the City's airport, solid waste, golf course, and civic/convention center services, as well as interest payments on debt issued for equipment financing.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate economic development corporation and a legally separate utilities entity for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Tax Increment Reinvestment Zone No. 1 (TIRZ), the New Braunfels Development Authority (NBDA), and the River Mill TIRZ, although legally separate, function for all practical purposes as departments of the City and have been included as an integral part of the primary government.

FUND FINANCIAL STATEMENTS

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 42 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

balances for the general debt service, 2019 capital improvement, and grant funds which are considered to be major funds for reporting purposes. The general obligations, hotel/motel tax, roadway impact fees and 2020 capital improvement fund are not major, but the City has elected to present them as major due to their significance.

The City adopts an annual appropriated budget for its general fund, debt service fund, and select special revenue funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

Proprietary Funds

The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airport, solid waste, golf course, and civic/convention center services. The proprietary fund financial statements provide separate information for the airport, solid waste, golf course, and civic/convention center 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 self-funded health plan. This internal service fund has been included within governmental activities in the government-wide financial statements.

Notes to Financial Statements

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

Other Information

In addition to basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general and hotel/motel tax funds, schedules of changes in net pension liability and related ratios for the Texas Municipal Retirement System (TMRS), a schedule of changes in total OPEB liability and related ratios for the TMRS Supplemental Death Benefit Fund, schedule of changes in total OPEB liability and related ratios for the Retiree Health Benefits plan, and schedules of contributions for TMRS. RSI can be found after the notes to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$73,673,314 as of September 30, 2021 for the primary government. This compares with \$55,973,018 from the prior fiscal year. A portion of the City's net position, \$36,685,922, reflects its investments in capital assets (e.g., land, buildings and improvements, equipment, construction in progress, and infrastructure), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Current and other assets	\$ 204,962,321	\$ 182,141,050	\$ 9,922,604	\$ 8,289,891	\$ 214,884,925	\$ 190,430,941
Capital assets, net	217,162,245	192,679,710	26,435,962	27,813,062	243,598,207	220,492,772
Total Assets	422,124,566	374,820,760	36,358,566	36,102,953	458,483,132	410,923,713
Deferred charge on refunding	1,401,910	1,397,374	-	-	1,401,910	1,397,374
Deferred outflows - pensions	8,086,659	7,612,726	833,317	787,671	8,919,976	8,400,397
Deferred outflows - OPEB	1,062,379	1,106,781	87,568	91,845	1,149,947	1,198,626
Total Deferred Outflows of Resources	10,550,948	10,116,881	920,885	879,516	11,471,833	10,996,397
Long-term liabilities	358,246,732	339,796,825	4,999,090	4,901,456	363,245,822	344,698,281
Other liabilities	25,918,783	14,717,949	2,012,901	1,812,270	27,931,684	16,530,219
Total Liabilities	384,165,515	354,514,774	7,011,991	6,713,726	391,177,506	361,228,500
Deferred inflows - pensions	3,897,839	4,217,900	391,468	422,295	4,289,307	4,640,195
Deferred inflows - OPEB	744,512	72,769	70,326	5,628	814,838	78,397
Total Deferred Inflows of Resources	4,642,351	4,290,669	461,794	427,923	5,104,145	4,718,592
Net Position:						
Net investment in capital assets	10,249,960	10,677,848	26,435,962	27,813,062	36,685,922	38,490,910
Restricted	32,697,863	25,877,320	-	-	32,697,863	25,877,320
Unrestricted	919,825	(10,422,970)	3,369,704	2,027,758	4,289,529	(8,395,212)
Total Net Position	\$ 43,867,648	\$ 26,132,198	\$ 29,805,666	\$ 29,840,820	\$ 73,673,314	\$ 55,973,018

A portion of the primary government's net position, \$32,697,863, represents resources that are subject to external restriction on how they may be used. The balance of unrestricted net position is a balance of \$4,289,529.

The City's total net position increased by \$17,700,296 during the current fiscal year. This increase includes a decrease in net investment of capital assets net of an increase in restricted net position and unrestricted net position. Current and other assets increased primarily from proceeds from issuance of debt net of principal debt reductions, funds received for the American Rescue Program grant, and from a surplus in operating grants and contributions. Capital assets net of accumulated depreciation increased due to capital additions in excess of depreciation expense. Long-term liabilities primarily increased due to issuance of debt for capital projects. The majority of these funds were unspent at the end of the fiscal year. The majority of the other liabilities increase was from unearned revenue from the funds received for the American Rescue Program grant and from an increase in accounts payable for construction projects.

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

Statement of Activities

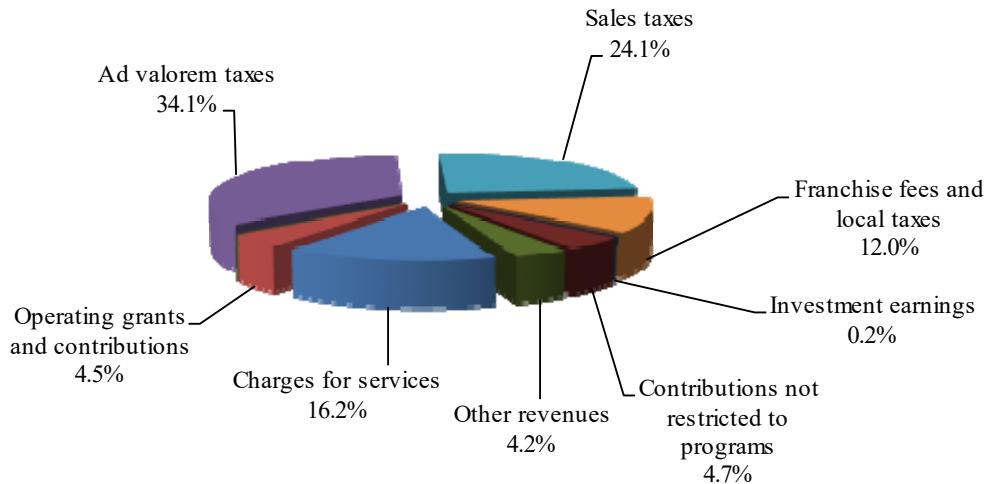
The following table provides a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	\$ 21,114,417	\$ 16,202,561	\$ 16,467,514	\$ 14,380,913	\$ 37,581,931	\$ 30,583,474
Operating grants and contributions	5,852,879	2,394,269	1,009,760	5,010,309	6,862,639	7,404,578
General revenues:						
Ad valorem taxes	44,385,894	40,536,722	-	-	44,385,894	40,536,722
Sales taxes	31,329,222	25,606,243	-	-	31,329,222	25,606,243
Franchise fees and local taxes	15,599,535	13,288,249	-	-	15,599,535	13,288,249
Investment earnings	205,026	1,002,922	1,337	26,641	206,363	1,029,563
Contributions not restricted to programs	6,127,563	4,687,445	-	-	6,127,563	4,687,445
Other revenues	5,448,786	4,585,204	279,904	387,769	5,728,690	4,972,973
Total Revenues	130,063,322	108,303,615	17,758,515	19,805,632	147,821,837	128,109,247
Expenses						
General government	9,828,717	12,716,137	-	-	9,828,717	12,716,137
Finance and tax	1,193,628	1,054,156	-	-	1,193,628	1,054,156
Planning and environmental development	3,922,622	3,299,504	-	-	3,922,622	3,299,504
Public safety	41,195,757	34,333,684	-	-	41,195,757	34,333,684
Public works	39,944,252	39,376,084	-	-	39,944,252	39,376,084
Parks and recreation	7,612,568	8,452,811	-	-	7,612,568	8,452,811
Civic/convention center	-	-	1,043,786	1,165,991	1,043,786	1,165,991
Library	1,897,297	2,026,390	-	-	1,897,297	2,026,390
Interest and fiscal agent fees	9,020,609	9,388,355	-	-	9,020,609	9,388,355
Airport	-	-	3,566,788	3,297,954	3,566,788	3,297,954
Solid waste	-	-	8,985,299	8,717,897	8,985,299	8,717,897
Golf course	-	-	1,910,218	1,823,784	1,910,218	1,823,784
Total Expenses	114,615,450	110,647,121	15,506,091	15,005,626	130,121,541	125,652,747
Increase (Decrease) in Net Position						
Before Transfers	15,447,872	(2,343,506)	2,252,424	4,800,006	17,700,296	2,456,500
Transfers	2,287,578	2,311,111	(2,287,578)	(2,311,111)	-	-
Change in Net Position	17,735,450	(32,395)	(35,154)	2,488,895	17,700,296	2,456,500
Beginning net position	26,132,198	26,164,593	29,840,820	27,351,925	55,973,018	53,516,518
Ending Net Position	\$ 43,867,648	\$ 26,132,198	\$ 29,805,666	\$ 29,840,820	\$ 73,673,314	\$ 55,973,018

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

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

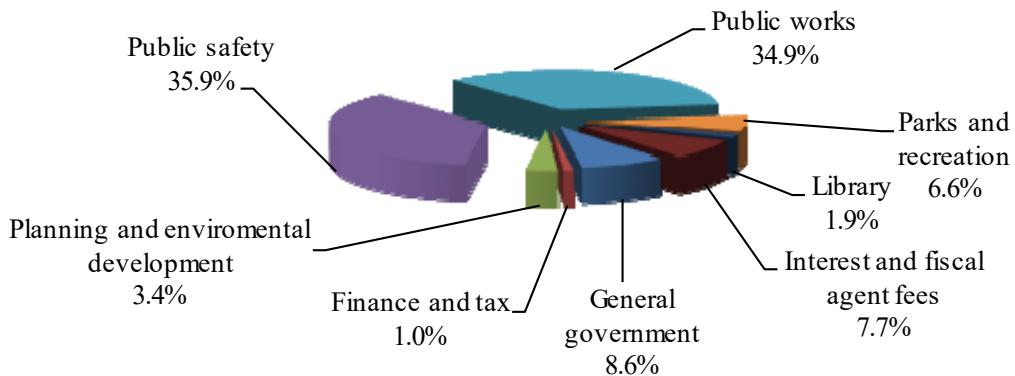
Governmental Activities - Revenues



For the year ended September 30, 2021, revenues from governmental activities totaled \$130,063,322. This \$21,759,707 increase was primarily from an increase in ad valorem taxes, sales taxes, charges for services and operating grants and contributions. There was an increase of \$3,849,172 in additional ad valorem tax revenue as a result of increases in growth within the City. Sales tax revenue increased year over year, primarily driven by higher than anticipated growth and the relaxation of pandemic-related shutdowns and restrictions. Charges for services primarily increased due to a higher volume of issued permits related to increased development as well as a one-time increase in our uncompensated ambulance service payment from the state. There was also a significant increase in federal funding which is the primary reason for the increase in operating grants and contribution revenue.

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

Governmental Activities - Expenses

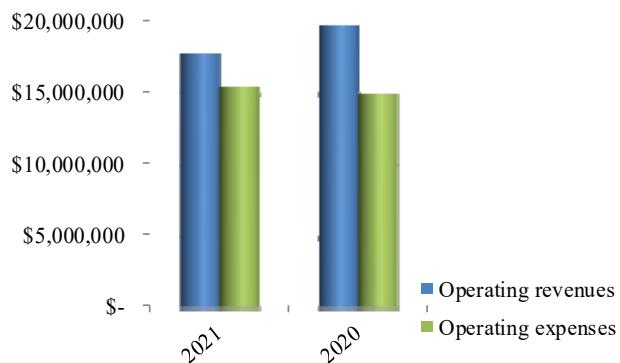


Governmental expenses increased by \$3,968,329, or 4%. This increase is primarily related to increases in public safety. The continued increase in public safety expenses as a portion of total government expenditures is tied directly to increases in staffing, as well as support for those employees throughout the pandemic.

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

Business-type activities are shown comparing operating costs to revenue generated by related services.

Business-Type Activities - Revenues and Expenses



Overall, business-type activity revenues decreased by \$2,047,117 from the prior period, primarily due to decreases in operating grants and contributions.

Business-type activity expenses increased by \$500,465, mostly due to increases in expenses for operations of the City's services as usage of those services increased during the year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

The City's governmental funds reflect a combined fund balance of \$177,982,310. Of this, \$231,795 is nonspendable, \$129,876,277 is restricted for various purposes, \$6,817,721 is committed, \$892,803 is assigned, and \$40,163,714 is unassigned.

There was an increase in the combined fund balance of \$12,631,734 over the prior year. This is largely due to a surplus in the general fund operating grants and spending down restricted funds within the grant fund.

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 \$40,163,714, while total fund balance reached \$41,057,124. 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 55 percent of total general fund expenditures, while total fund balance represents 56 percent of that same amount. The general fund fund balance increased by \$13,671,012 this year, primarily related to increases in various revenue sources such as, but not limited to, sales tax, licenses and permits and COVID-19 related funding.

It is important to note that this fund balance includes all of the fund balance in the general fund and equipment replacement subfund. The equipment replacement subfund contributes \$892,803 to this stated fund balance. This

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

fund allows the City to account for equipment replacement and improvements in a separate subfund and not include these activities in the primary general operating fund.

The hotel/motel tax fund experienced an increase of \$1,455,681, mostly due to increases in tourism and activity in the City as a result of pandemic shutdowns and restrictions coming to an end.

Fund balance in the debt service fund experienced a slight increase of \$530,039 due to the issuance of debt that was paid to escrow to refund other debt issuances, debt service payments and issuance costs of \$23,027,573, along with property tax revenues and contributions of \$21,614,611.

The fund balance in the general obligations capital projects fund had a decrease in fund balance of \$6,542,952, which was primarily a result of the use of debt proceeds for capital outlay projects.

The fund balance in the roadway impact fees fund had an increase in fund balance of \$1,649,507, which was primarily a net result of increases in impact fees and other contributions collected by the City.

The fund balance in the 2019 capital improvement fund had an increase in fund balance of \$950,049, which was primarily a result of capital outlay and proceeds from the issuance of debt for capital projects.

The 2020 capital improvement fund accounts for capital expenses related to the debt issuance in 2020. The fund ended the year with a fund balance of \$12,263,699.

The grant fund is used to track various special project expenditures and reimbursements for grant programs in the City. The fund experienced a decrease of \$718,744 due primarily to spending down restricted funds received in prior years for various projects.

Proprietary Funds – The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The Airport fund experienced a decrease in net position of \$1,158,554 primarily related to less intergovernmental revenue as a result of less grants received. The Solid Waste fund experienced an increase in net position of \$1,138,983 primarily related to increases in charges for services as more customers used the service in the current year. The Golf Course fund experienced an increase of \$232,051 primarily related to increases in charges for services as usage of the facilities increased due to reductions in COVID related restrictions and shutdowns. The Civic/Con. Center fund experienced a decrease in net position of \$247,634 primarily related to less revenue than anticipated as activity rebounded slower after COVID restrictions and lockdowns eased.

GENERAL FUND BUDGETARY HIGHLIGHTS

The amended budget included a planned decrease in fund balance in the amount of \$4,350,624. The actual fund balance for the year increased by \$13,671,012. Actual revenues exceeded the amended budget by \$14,095,108 spread across various revenue lines. The largest positive variances were in sales taxes and intergovernmental. The City's conservative revenue projections, as well as the diverse economy within the City, are both attributable to the positive variance. Actual expenditures were under the amended budget by \$3,346,773.

CAPITAL ASSETS

At the end of fiscal year 2021, the City's governmental activities had invested \$217,162,245 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$24,482,535.

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

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
For the Year Ended September 30, 2021

LONG-TERM DEBT

At the end of the current year, the City had total general obligation bonds and certificates of obligation outstanding of \$260,115,000. Of this amount, \$197,225,000 was general obligation debt and \$62,890,000 was certificates of obligation. The City had several new debt issuances during the year for capital projects and refunding purposes.

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

The City's bonds presently carry an 'AA' rating from Standard and Poor's and an 'Aa2' rating from Moody's Investor Service and a 'AA' rating from Fitch.

ECONOMIC FACTORS AND NEXT YEARS BUDGET

New Braunfels is still one of the fastest growing areas in the country. With that growth in population comes an increased demand for City services which must be considered in future budgets. FY 2022 is the first year to see the effects of the loss of sales taxes from the largest sales tax contributor in the city, as they made a change to their business model that will redirect all sales currently sourced to their New Braunfels location. The full effect of this will be reflected in FY 2023.

As the report indicates, General Fund reserves remain strong. Short-term budget and fiscal planning will once again focus on one-time investments that have the potential to increase efficiency and productivity, as well as reduce long term staffing demands. Short term budgeting priorities will focus on full year funding for operating costs related to capital projects that are currently in progress such as the Police Department Headquarters, the Westside Library Branch, and Fire Station #7. Also, to be considered, will be the effects of four-decade high inflation on the budget, along with supply chain issues. A bond election will be held in FY 2023 to support a new bond program.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors with a general overview of the finances of the City. For questions concerning this report, separately issued statements for New Braunfels Utilities or the Housing Authority, or for additional financial information, contact the City's Finance Department, 550 Landa Street, New Braunfels, TX, 78130; telephone 830-221-4000; or for general City information, visit the City's website at www.nbtexas.org.

BASIC FINANCIAL STATEMENTS

CITY OF NEW BRAUNFELS, TEXAS

STATEMENT OF NET POSITION (page 1 of 2)

September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and equity in pooled cash and investments	\$ 177,292,062	\$ 7,757,001	\$ 185,049,063
Pooled and temporary investments	10,151,705	-	10,151,705
Receivables, net	10,799,203	2,078,414	12,877,617
Inventories	607	87,189	87,796
Prepaid items	-	-	-
Other current assets	-	-	-
Restricted current assets			
Cash and cash equivalents	6,718,744	-	6,718,744
Investments	-	-	-
	204,962,321	9,922,604	214,884,925
Capital assets:			
Nondepreciable	99,219,698	2,593,233	101,812,931
Depreciable, net	117,942,547	23,842,729	141,785,276
Investments:			
Restricted	-	-	-
Unrestricted	-	-	-
Other noncurrent assets	-	-	-
	217,162,245	26,435,962	243,598,207
	Total Assets	422,124,566	36,358,566
			458,483,132
Deferred Outflows of Resources			
Deferred charge on refunding	1,401,910	-	1,401,910
Deferred outflows - pensions	8,086,659	833,317	8,919,976
Deferred outflows - OPEB	1,062,379	87,568	1,149,947
	Total Deferred Outflows of Resources	10,550,948	920,885
			11,471,833
Liabilities			
Accounts payable	15,877,341	1,670,140	17,547,481
Deposit payable	-	122,246	122,246
Accrued expenses payable	2,663,016	220,515	2,883,531
Accrued interest	1,880,769	-	1,880,769
Unearned revenue	5,497,657	-	5,497,657
	25,918,783	2,012,901	27,931,684
Noncurrent liabilities:			
Due within one year:			
Bonds payable	17,750,000	-	17,750,000
Loan payable	67,440	-	67,440
Capital lease payable	261,875	-	261,875
Accrued compensated absences	7,397,165	390,165	7,787,330
Due in more than one year:			
Bonds payable	286,703,253	-	286,703,253
Loan payable	139,137	-	139,137
Capital lease payable	401,956	-	401,956
Net pension liability	31,470,517	3,247,361	34,717,878
Total OPEB liability - TMRS	2,010,602	200,147	2,210,749
Total OPEB liability - retiree benefit	11,222,880	1,118,065	12,340,945
Accrued compensated absences	821,907	43,352	865,259
Other noncurrent liability	-	-	-
	Total Liabilities	358,246,732	4,999,090
			363,245,822
		384,165,515	7,011,991
			391,177,506

Component Units		
Economic Development Corporation	New Braunfels Utilities	
\$ 14,710,006	\$ 39,531,302	
-	2,000,000	
4,689,765	33,635,131	
-	2,730,310	
-	1,518,639	
5,016,200	50,544,942	
-	16,659,729	
-	6,989,117	
24,415,971	153,609,170	
-	86,884,847	
-	660,915,778	
-	3,995,457	
-	11,253,166	
-	7,911,091	
24,415,971	770,960,339	
24,415,971	924,569,509	
-	-	
-	5,332,804	
-	-	
-	5,332,804	
1,820,859	30,568,069	
-	9,293,186	
-	1,220,630	
-	-	
1,820,859	41,081,885	
-	6,155,000	
-	65,250,000	
-	-	
-	1,608,456	
-	297,741,182	
-	-	
-	-	
-	14,800,005	
-	-	
-	-	
-	750,527	
-	1,009,039	
-	387,314,209	
1,820,859	428,396,094	

CITY OF NEW BRAUNFELS, TEXAS

STATEMENT OF NET POSITION (page 2 of 2)

September 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Deferred Inflows of Resources			
Deferred inflows - pensions	\$ 3,897,839	\$ 391,468	\$ 4,289,307
Deferred inflows - OPEB	744,512	70,326	814,838
Total Deferred Inflows of Resources	4,642,351	461,794	5,104,145
Net Position			
Net investment in capital assets	10,249,960	26,435,962	36,685,922
Restricted for:			
Debt service	2,772,611	-	2,772,611
Capital projects	14,646,782	-	14,646,782
Cemetery perpetual care (nonexpendable)	231,188	-	231,188
Grants	3,140	-	3,140
Impact fees	-	-	-
Municipal court	423,703	-	423,703
Public safety	6,817	-	6,817
Governmental programming	417,900	-	417,900
Tourism	2,600,650	-	2,600,650
Economic development	11,004,439	-	11,004,439
Special donation	590,633	-	590,633
Unrestricted	919,825	3,369,704	4,289,529
Total Net Position	\$ 43,867,648	\$ 29,805,666	\$ 73,673,314

See Notes to Financial Statements.

Component Units		
Economic Development Corporation	New Braunfels Utilities	
\$ -	\$ 2,378,863	
<u>-</u>	<u>-</u>	
<u>-</u>	<u>2,378,863</u>	
 - 449,609,691		
- 614,072		
- -		
- -		
- -		
- -		
- -		
- -		
- -		
- -		
- -		
- -		
<u>- 22,595,112</u>	<u>47,373,622</u>	
<u>\$ 22,595,112</u>	<u>\$ 499,127,356</u>	

CITY OF NEW BRAUNFELS, TEXAS

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government					
Governmental Activities					
General government	\$ 9,828,717	\$ 111,843	\$ 4,115,579	\$ -	
Finance and tax	1,193,628	-	-	-	
Planning and environmental	3,922,622	-	972,990	-	
Public safety	41,195,757	5,479,088	632,072	-	
Public works	39,944,252	8,852,640	132,238	-	
Parks and recreation	7,612,568	6,660,011	-	-	
Library	1,897,297	10,835	-	-	
Interest and fiscal agent fees	9,020,609	-	-	-	
Total Governmental Activities	114,615,450	21,114,417	5,852,879	-	
Business-Type Activities					
Airport	3,566,788	2,757,380	111,254	-	
Solid waste	8,985,299	11,234,440	898,506	-	
Golf course	1,910,218	2,078,899	-	-	
Civic center	1,043,786	396,795	-	-	
Total Business-Type Activities	15,506,091	16,467,514	1,009,760	-	
Total Primary Government	\$ 130,121,541	\$ 37,581,931	\$ 6,862,639	\$ -	
Component Units					
Economic Development Corporation	\$ 8,468,861	\$ -	\$ -	\$ -	
New Braunfels Utilities	257,679,973	244,077,629	-	36,099,266	
Total Component Units	\$ 266,148,834	\$ 244,077,629	\$ -	\$ 36,099,266	

General Revenues and Transfers:

- Taxes and fees
- Property
- Sales
- Hotel/motel occupancy
- Franchise
- Mixed beverages
- Investment income
- Contributions not restricted to programs
- Miscellaneous
- 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			Component Units		
Governmental Activities	Business-Type Activities	Total	Economic Development Corporation	New Braunfels Utilities	
\$ (5,601,295)	\$ -	\$ (5,601,295)	\$ -	\$ -	-
(1,193,628)	-	(1,193,628)	-	-	-
(2,949,632)	-	(2,949,632)	-	-	-
(35,084,597)	-	(35,084,597)	-	-	-
(30,959,374)	-	(30,959,374)	-	-	-
(952,557)	-	(952,557)	-	-	-
(1,886,462)	-	(1,886,462)	-	-	-
(9,020,609)	-	(9,020,609)	-	-	-
<u>(87,648,154)</u>	<u>-</u>	<u>(87,648,154)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(698,154)	(698,154)	-	-	-
-	3,147,647	3,147,647	-	-	-
-	168,681	168,681	-	-	-
-	(646,991)	(646,991)	-	-	-
-	1,971,183	1,971,183	-	-	-
<u>(87,648,154)</u>	<u>1,971,183</u>	<u>(85,676,971)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	(8,468,861)	-	-
-	-	-	-	22,496,922	
-	-	-	(8,468,861)	22,496,922	
44,385,894	-	44,385,894	-	-	-
31,329,222	-	31,329,222	7,806,627	-	-
4,412,298	-	4,412,298	-	-	-
10,503,856	-	10,503,856	-	-	-
683,381	-	683,381	-	-	-
205,026	1,337	206,363	21,931	236,495	
6,127,563	-	6,127,563	-	-	-
5,448,786	279,904	5,728,690	161,685	-	-
2,287,578	(2,287,578)	-	-	-	-
<u>105,383,604</u>	<u>(2,006,337)</u>	<u>103,377,267</u>	<u>7,990,243</u>	<u>236,495</u>	
17,735,450	(35,154)	17,700,296	(478,618)	22,733,417	
26,132,198	29,840,820	55,973,018	23,073,730	476,393,939	
<u>\$ 43,867,648</u>	<u>\$ 29,805,666</u>	<u>\$ 73,673,314</u>	<u>\$ 22,595,112</u>	<u>\$ 499,127,356</u>	

CITY OF NEW BRAUNFELS, TEXAS

BALANCE SHEET GOVERNMENTAL FUNDS

September 30, 2021

	General	Hotel/Motel Tax	Debt Service	General Obligations
Assets				
Cash and equity in pooled cash and investments	\$ 27,629,819	\$ 2,669,080	\$ 2,882,804	\$ 7,211,228
Investments	10,151,705	-	-	-
Receivables, net of allowance:	9,783,281	384,765	323,538	-
Due from other funds	493,219	-	-	-
Inventory	607	-	-	-
Restricted cash	-	-	-	-
Total Assets	<u>48,058,631</u>	<u>3,053,845</u>	<u>3,206,342</u>	<u>7,211,228</u>
Liabilities				
Accounts payable	\$ 4,966,598	\$ 453,195	\$ 110,193	\$ 1,708,481
Due to other funds	-	-	-	-
Accrued wages payable	1,613,375	-	-	-
Unearned revenue	-	-	-	-
Total Liabilities	<u>6,579,973</u>	<u>453,195</u>	<u>110,193</u>	<u>1,708,481</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	<u>421,534</u>	<u>-</u>	<u>323,538</u>	<u>-</u>
Fund Balances				
Nonspendable	607	-	-	-
Restricted	-	2,600,650	2,772,611	5,502,747
Committed	-	-	-	-
Assigned	892,803	-	-	-
Unassigned	40,163,714	-	-	-
Total Fund Balances	<u>41,057,124</u>	<u>2,600,650</u>	<u>2,772,611</u>	<u>5,502,747</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 48,058,631</u>	<u>\$ 3,053,845</u>	<u>\$ 3,206,342</u>	<u>\$ 7,211,228</u>

See Notes to Financial Statements.

Roadway Impact Fees	2019 Capital Improvement	2020 Capital Improvement	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ 9,417,440	\$ 81,474,279	\$ 12,721,787	\$ -	\$ 30,049,346	\$ 174,055,783
-	-	-	-	-	10,151,705
12,056	-	-	5,176	280,100	10,788,916
-	-	-	-	-	493,219
-	-	-	-	-	607
-	-	-	5,497,940	1,220,804	6,718,744
<u>\$ 9,429,496</u>	<u>\$ 81,474,279</u>	<u>\$ 12,721,787</u>	<u>\$ 5,503,116</u>	<u>\$ 31,550,250</u>	<u>\$ 202,208,974</u>
\$ 704,890	\$ 6,929,298	\$ 458,088	\$ 2,319	\$ 544,279	\$ 15,877,341
-	-	-	-	493,219	493,219
-	-	-	-	-	1,613,375
-	-	-	5,497,657	-	5,497,657
<u>704,890</u>	<u>6,929,298</u>	<u>458,088</u>	<u>5,499,976</u>	<u>1,037,498</u>	<u>23,481,592</u>
-	-	-	-	-	745,072
-	-	-	-	231,188	231,795
8,724,606	74,544,981	12,263,699	3,140	23,463,843	129,876,277
-	-	-	-	6,817,721	6,817,721
-	-	-	-	-	892,803
-	-	-	-	-	40,163,714
<u>8,724,606</u>	<u>74,544,981</u>	<u>12,263,699</u>	<u>3,140</u>	<u>30,512,752</u>	<u>177,982,310</u>
<u>\$ 9,429,496</u>	<u>\$ 81,474,279</u>	<u>\$ 12,721,787</u>	<u>\$ 5,503,116</u>	<u>\$ 31,550,250</u>	<u>\$ 202,208,974</u>

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CITY OF NEW BRAUNFELS, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

September 30, 2021

Total fund balances for governmental funds	\$ 177,982,310
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - nondepreciable	99,219,698
Capital assets - depreciable	<u>117,942,547</u>
	217,162,245

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.

745,072

Some liabilities, including bonds payable, are not reported as liabilities in the governmental funds.

Accrued interest	(1,880,769)
Bonds, notes and other payables due in one year	(17,750,000)
Bonds, notes and other payables due in more than one year	<u>(261,340,000)</u>
	(280,970,769)

Premiums on bond issuance and deferred loss on bond refunding are recorded as other financing sources and uses in the fund financial statements, but are capitalized and amortized in the government-wide financial statements over the life of the bond.

Premiums	(25,363,253)
Deferred charge on refunding	<u>1,401,910</u>
	(23,961,343)

Loans payable and capital leases are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.

(870,408)

Net pension liability and total other postemployment benefits (OPEB) obligations are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds balance sheet.

Net pension liability	(31,470,517)
Total OPEB liability - TMRS	(2,010,602)
Total OPEB liability - retiree benefits	<u>(11,222,880)</u>
	(44,703,999)

Deferred outflows and inflows of resources related to the net pension and total OPEB liability are not reported in the funds.

Deferred outflows - pensions	8,086,659
Deferred inflows - pensions	(3,897,839)
Deferred outflows - OPEB	1,062,379
Deferred inflows - OPEB	<u>(744,512)</u>
	4,506,687

Accrued liabilities for compensated absences are not due and payable in the current period and, therefore, have not been included in the fund financial statements.

(8,219,072)

The City uses an internal service fund to charge the costs of certain activities to individual funds. Assets and liabilities of the internal service fund are included in governmental activities.

2,196,925

Net Position of Governmental Activities

\$ 43,867,648

See Notes to Financial Statements.

CITY OF NEW BRAUNFELS, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES **GOVERNMENTAL FUNDS** For the Year Ended September 30, 2021

	General	Hotel/Motel Tax	Debt Service	General Obligations
Revenues				
Taxes and fees	\$ 62,671,638	\$ 4,412,298	\$ 19,566,893	\$ -
Licenses and permits	7,151,224	-	-	-
Intergovernmental	4,115,304	-	-	-
Fines and forfeitures	1,074,959	-	-	-
Interest	31,857	28	6,198	11,777
Parks and recreation	4,882,892	-	-	-
Miscellaneous	3,066,441	1,238	-	449,267
Other contributions	-	-	2,047,718	-
Charges for services	3,294,552	-	-	-
Total Revenues	86,288,867	4,413,564	21,620,809	461,044
Expenditures				
Current:				
General government	9,251,373	2,188,682	-	-
Finances and tax	1,279,968	-	-	-
Planning and environmental	3,489,270	-	-	-
Public safety	41,926,703	-	-	-
Public works	7,400,095	-	-	6,896,049
Parks and recreation	7,307,840	-	-	-
Library	2,103,654	-	-	-
Debt Service:				
Principal	-	-	14,425,000	-
Interest	-	-	8,422,843	-
Issuance cost and fiscal charges	-	-	179,694	-
Total Expenditures	72,758,903	2,188,682	23,027,537	6,896,049
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,529,964	2,224,882	(1,406,728)	(6,435,005)
Other Financing Sources (Uses)				
Transfers in	808,917	-	1,763,118	-
Transfers (out)	(885,226)	(769,201)	-	(107,947)
Sale of capital assets	217,357	-	-	-
Long-term debt issuance	-	-	-	-
Refunding bonds issued	-	-	10,100,000	-
Premium received on the issuance of debt	-	-	1,306,602	-
Payment to escrow agent	-	-	(11,232,953)	-
Total Other Financing Sources (Uses)	141,048	(769,201)	1,936,767	(107,947)
Net Change in Fund Balances	13,671,012	1,455,681	530,039	(6,542,952)
Beginning fund balances	27,386,112	1,144,969	2,242,572	12,045,699
Ending Fund Balances	\$ 41,057,124	\$ 2,600,650	\$ 2,772,611	\$ 5,502,747

See Notes to Financial Statements.

Roadway Impact Fees	2019 Capital Improvement	2020 Capital Improvement	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	4,663,822	\$ 91,314,651
-	-	-	-	7,175	7,158,399
-	-	-	490,524	1,247,051	5,852,879
-	-	-	-	335,495	1,410,454
3,142	129,795	10,801	282	9,855	203,735
-	-	-	-	1,772,904	6,655,796
-	-	-	-	1,714,583	5,231,529
4,062,854	-	-	-	16,991	6,127,563
-	-	-	-	2,595,116	5,889,668
<u>4,065,996</u>	<u>129,795</u>	<u>10,801</u>	<u>490,806</u>	<u>12,362,992</u>	<u>129,844,674</u>
-	1,281	406,594	946,228	56,599	12,850,757
-	-	-	-	-	1,279,968
-	-	-	-	901,438	4,390,708
-	-	710,370	211,381	1,240,594	44,089,048
-	29,531,009	5,422,772	196,448	4,308,645	53,755,018
2,416,489	-	-	-	141,150	9,865,479
-	-	-	5,994	95,194	2,204,842
-	-	-	-	2,110,000	16,535,000
-	-	-	-	1,108,167	9,531,010
-	244,922	52,413	-	62,810	539,839
<u>2,416,489</u>	<u>29,777,212</u>	<u>6,592,149</u>	<u>1,360,051</u>	<u>10,024,597</u>	<u>155,041,669</u>
<u>1,649,507</u>	<u>(29,647,417)</u>	<u>(6,581,348)</u>	<u>(869,245)</u>	<u>2,338,395</u>	<u>(25,196,995)</u>
-	352,544	-	150,501	5,653,641	8,728,721
-	-	-	-	(4,678,769)	(6,441,143)
-	-	-	-	-	217,357
-	27,140,000	1,675,000	-	2,835,000	31,650,000
-	-	-	-	-	10,100,000
-	3,104,922	167,413	-	227,810	4,806,747
-	-	-	-	-	(11,232,953)
-	30,597,466	1,842,413	150,501	4,037,682	37,828,729
1,649,507	950,049	(4,738,935)	(718,744)	6,376,077	12,631,734
<u>7,075,099</u>	<u>73,594,932</u>	<u>17,002,634</u>	<u>721,884</u>	<u>24,136,675</u>	<u>165,350,576</u>
<u>\$ 8,724,606</u>	<u>\$ 74,544,981</u>	<u>\$ 12,263,699</u>	<u>\$ 3,140</u>	<u>\$ 30,512,752</u>	<u>\$ 177,982,310</u>

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CITY OF NEW BRAUNFELS, TEXAS
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**
For the Year Ended September 30, 2021

Net changes in fund balances - total governmental funds \$ 12,631,734

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

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.

Depreciation	(14,580,324)
Capital outlay	39,062,859

The City uses an internal service fund to charge the costs of certain activities to individual funds. Net change in net position of the internal service fund is reported with governmental activities.

(852,601)

The issuance of long-term debt (e.g., bonds, leases, and certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when it is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.

General obligation bonds issued	(41,750,000)
Payment to escrow agent	11,232,953
Premium from issuance of debt	(4,806,747)
Principal repayments	16,535,000
Capital lease principal payment	252,288
Loan principal payment	66,059
Amortization of deferred charge on refunding	(218,417)
Amortization of premium on bonds	1,427,353
Accrued interest on long-term debt	(158,696)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	(648,769)
Change in net pension liability	(234,835)
Change in total OPEB liability - TMRS	(378,713)
Change in total OPEB liability - retiree benefit	78,457
Change in deferred outflows - pensions	473,933
Change in deferred inflows - pensions	320,061
Change in deferred outflows - OPEB	(44,402)
Change in deferred inflows - OPEB	(671,743)

Change in Net Position of Governmental Activities \$ 17,735,450

See Notes to Financial Statements.

CITY OF NEW BRAUNFELS, TEXAS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

September 30, 2021

	Business-Type Activities			
	Airport	Solid Waste	Golf Course	Civic/Con. Center
Assets				
Current assets:				
Cash and equity in pooled cash and investments	\$ 1,300,569	\$ 5,076,159	\$ 1,314,773	\$ 65,500
Receivables, net	351,784	1,709,138	17,492	-
Inventories	-	87,189	-	-
Total Current Assets	1,652,353	6,872,486	1,332,265	65,500
Noncurrent assets:				
Capital assets:				
Nondepreciable	2,458,233	-	135,000	-
Net depreciable capital assets	9,757,795	4,266,563	4,440,899	5,377,472
Total Capital Assets,				
Net of Accumulated Depreciation	12,216,028	4,266,563	4,575,899	5,377,472
Total Noncurrent Assets	12,216,028	4,266,563	4,575,899	5,377,472
Total Assets	13,868,381	11,139,049	5,908,164	5,442,972
Deferred Outflows of Resources				
Deferred outflows - pensions	92,333	571,705	109,517	59,762
Deferred outflows - OPEB	7,713	57,312	14,752	7,791
Total Deferred Outflows of Resources	100,046	629,017	124,269	67,553
Liabilities				
Current liabilities:				
Accounts payable	1,147,632	379,214	120,281	23,013
Due to other funds	-	-	-	-
Deposits payable	46,186	-	-	76,060
Accrued expenses payable	24,263	153,840	28,589	13,823
Current portion of long-term liabilities:				
Accrued compensated absences	19,376	292,693	68,879	9,217
Total Current Liabilities	1,237,457	825,747	217,749	122,113
Noncurrent liabilities:				
Compensated absences	2,153	32,522	7,653	1,024
Net pension liability	322,375	2,158,717	535,202	231,067
Total OPEB liability - TMRS	20,805	136,480	27,720	15,142
Total OPEB liability - retiree benefits	104,090	769,859	159,747	84,369
Total Noncurrent Liabilities	449,423	3,097,578	730,322	331,602
Total Liabilities	1,686,880	3,923,325	948,071	453,715
Deferred Inflows of Resources				
Deferred inflows - pension	46,157	273,138	40,790	31,383
Deferred inflows - OPEB	7,958	47,949	8,975	5,444
Total Deferred Inflows of Resources	54,115	321,087	49,765	36,827
Net Position				
Net investment in capital assets	12,216,028	4,266,563	4,575,899	5,377,472
Unrestricted	11,404	3,257,091	458,698	(357,489)
Total Net Position	\$ 12,227,432	\$ 7,523,654	\$ 5,034,597	\$ 5,019,983

See Notes to Financial Statements.

Business-Type Activities	Governmental Activities
Total	Internal Service
\$ 7,757,001	\$ 3,236,279
2,078,414	10,287
87,189	-
<u>9,922,604</u>	<u>3,246,566</u>
2,593,233	-
<u>23,842,729</u>	<u>-</u>
26,435,962	-
<u>26,435,962</u>	<u>-</u>
<u>36,358,566</u>	<u>3,246,566</u>
833,317	-
87,568	-
<u>920,885</u>	<u>-</u>
1,670,140	-
-	-
122,246	-
220,515	1,049,641
<u>390,165</u>	<u>-</u>
<u>2,403,066</u>	<u>1,049,641</u>
43,352	-
3,247,361	-
200,147	-
<u>1,118,065</u>	<u>-</u>
<u>4,608,925</u>	<u>-</u>
<u>7,011,991</u>	<u>1,049,641</u>
391,468	-
70,326	-
<u>461,794</u>	<u>-</u>
26,435,962	-
3,369,704	2,196,925
<u>\$ 29,805,666</u>	<u>\$ 2,196,925</u>

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2021

	Business-Type Activities			
	Airport	Solid Waste	Golf Course	Civic/Con. Center
Operating Revenues				
Charges for services	\$ 2,757,380	\$ 11,234,440	\$ 2,078,899	\$ 396,795
Miscellaneous	2,063	144,429	38,732	687
Total Operating Revenues	2,759,443	11,378,869	2,117,631	397,482
Operating Expenses				
Personnel	644,732	4,064,356	778,735	480,647
Purchased services	307,618	2,569,346	210,159	212,615
Professional services	28,339	105,382	25,534	-
Supplies	1,318,140	1,316,798	336,946	38,203
Depreciation and amortization	1,267,959	929,417	558,844	312,321
Insurance premiums	-	-	-	-
Claims	-	-	-	-
Total Operating Expenses	3,566,788	8,985,299	1,910,218	1,043,786
Operating Income (Loss)	(807,345)	2,393,570	207,413	(646,304)
Nonoperating Revenues (Expenses)				
Investment earnings	2	1,326	9	-
Gain on sale of assets	-	-	93,993	-
Intergovernmental	111,254	898,506	-	-
Total Nonoperating Revenue	111,256	899,832	94,002	-
Income (Loss) Before Transfers	(696,089)	3,293,402	301,415	(646,304)
Transfers				
Transfers in	99,910	-	-	436,526
Transfers (out)	(562,375)	(2,154,419)	(69,364)	(37,856)
Total Transfers	(462,465)	(2,154,419)	(69,364)	398,670
Change in Net Position	(1,158,554)	1,138,983	232,051	(247,634)
Beginning net position	13,385,986	6,384,671	4,802,546	5,267,617
Ending Net Position	\$ 12,227,432	\$ 7,523,654	\$ 5,034,597	\$ 5,019,983

See Notes to Financial Statements.

Business-Type Activities		Governmental Activities	
		Internal Service	
	Total		
\$	16,467,514	\$	6,501,250
	185,911		22,788
	<u>16,653,425</u>		<u>6,524,038</u>
	5,968,470		-
	3,299,738		-
	159,255		73,442
	3,010,087		-
	3,068,541		-
	-		1,452,446
	-		<u>5,852,042</u>
	<u>15,506,091</u>		<u>7,377,930</u>
	1,147,334		(853,892)
	1,337		1,291
	93,993		-
	<u>1,009,760</u>		-
	<u>1,105,090</u>		<u>1,291</u>
	2,252,424		(852,601)
	536,436		-
	(2,824,014)		-
	<u>(2,287,578)</u>		<u>-</u>
	(35,154)		(852,601)
	29,840,820		3,049,526
\$	<u>29,805,666</u>	\$	<u>2,196,925</u>

CITY OF NEW BRAUNFELS, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 1 of 2)

For the Year Ended September 30, 2021

	Business-Type Activities			
	Airport	Solid Waste	Golf Course	Civic/Con. Center
<u>Cash Flows from Operating Activities</u>				
Receipts from customers	\$ 3,524,206	\$ 9,763,122	\$ 2,115,329	\$ 397,495
Receipts for interfund services provided & used	-	-	-	-
Payments to suppliers	(1,657,238)	(3,018,576)	(535,978)	(252,066)
Payments for premiums, claims, and administrative charges	-	-	-	-
Payments for personnel services	(639,383)	(4,032,774)	(761,814)	(480,839)
Net Cash Provided (Used) by Operating Activities	1,227,585	2,711,772	817,537	(335,410)
<u>Cash Flows from Noncapital Financing Activities</u>				
Transfers in from other funds	99,910	-	-	436,526
Transfers (out) to other funds	(562,375)	(2,154,419)	(69,364)	(37,856)
Intergovernmental revenue	111,254	898,506	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(351,211)	(1,255,913)	(69,364)	398,670
<u>Cash Flows from Capital and Related Financing Activities</u>				
Acquisition and construction of capital assets	(76,121)	(1,098,333)	(516,986)	-
Sale of capital assets	-	-	93,993	-
Net Cash Provided by Capital and Related Financing Activities	(76,121)	(1,098,333)	(422,993)	-
<u>Cash Flows from Investing Activities</u>				
Interest on investments	2	1,326	9	-
Net Cash Provided by Investing Activities	2	1,326	9	-
Net Increase (Decrease) in Cash and Equity in Pooled Cash and Investments	800,255	358,852	325,189	63,260
Beginning cash and equity in pooled cash and investments	500,314	4,717,307	989,584	2,240
Ending Cash and Equity in Pooled Cash and Investments	\$ 1,300,569	\$ 5,076,159	\$ 1,314,773	\$ 65,500
Total Cash and Cash Equivalents	\$ 1,300,569	\$ 5,076,159	\$ 1,314,773	\$ 65,500

Business-Type Activities	Governmental Activities
Total	Internal Service
\$ 15,800,152	\$ -
-	6,516,433
(5,463,858)	-
-	(6,838,140)
(5,914,810)	<hr/> -
<hr/> 4,421,484	<hr/> (321,707)
 536,436	 -
(2,824,014)	-
<hr/> 1,009,760	<hr/> -
<hr/> (1,277,818)	<hr/> -
 (1,691,440)	 -
<hr/> 93,993	<hr/> -
<hr/> (1,597,447)	<hr/> -
 1,337	 1,291
<hr/> 1,337	<hr/> 1,291
 1,547,556	 (320,416)
 6,209,445	 3,556,695
<hr/> \$ 7,757,001	<hr/> \$ 3,236,279
<hr/> \$ 7,757,001	<hr/> \$ 3,236,279

CITY OF NEW BRAUNFELS, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Page 2 of 2)

For the Year Ended September 30, 2021

	Business-Type Activities			
	Airport	Solid Waste	Golf Course	Civic/Con. Center
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating income (loss)	\$ (807,345)	\$ 2,393,570	\$ 207,413	\$ (646,304)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	1,267,959	929,417	558,844	312,321
Changes in Operating Assets and Liabilities:				
(Increase) Decrease in:				
Accounts receivable	766,387	(1,615,747)	(2,302)	1,603
Inventories	-	(9,010)	-	-
Due from other funds	-	784,581	-	-
Deferred outflows - pensions	(12,862)	(31,127)	(5,821)	(3,549)
Deferred outflows - OPEB	8,195	2,917	546	332
Increase (Decrease) in:				
Accounts payable	1,088,117	148,365	29,049	8,368
Accrued expenses	(1,095,373)	24,141	2,960	(1,783)
Due to other funds	-	-	-	(10,669)
Net pension liability	2,552	15,424	2,884	1,759
Total OPEB liability - TMRS	4,115	24,873	4,652	2,836
Total OPEB liability - retiree benefit	(852)	(5,153)	(964)	(588)
Accrued compensated absences	4,495	26,424	15,956	(779)
Customer deposits	(1,624)	-	-	(1,590)
Deferred inflows - pensions	(3,478)	(21,021)	(3,931)	(2,397)
Deferred inflows - OPEB	7,299	44,118	8,251	5,030
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,227,585</u>	<u>\$ 2,711,772</u>	<u>\$ 817,537</u>	<u>\$ (335,410)</u>

See Notes to Financial Statements.

Business-Type Activities	Governmental Activities
Total	Internal Service
\$ 1,147,334	\$ (853,892)
3,068,541	-
(850,059)	(7,605)
(9,010)	-
784,581	-
(53,359)	-
11,990	-
1,273,899	-
(1,070,055)	539,790
(10,669)	-
22,619	-
36,476	-
(7,557)	-
46,096	-
(3,214)	-
(30,827)	-
64,698	-
<u>\$ 4,421,484</u>	<u>\$ (321,707)</u>

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CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS

For the Year Ended September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of New Braunfels, Texas (the “City”) was founded in 1845. It has adopted a “Home Rule Charter”, which provides for a “Mayor-Council” form of government. A Mayor and seven Council members are elected by voters of the City at large for three-year terms.

The City Council is the principal legislative and administrative body of the City.

The City Manager is the head of the administrative departments of the City and is the supervisor of all administrative officers, employees, directors, and department heads. Departments and agencies of the City submit budget requests to the City Manager.

The City provides the following services: public safety (police, fire, and EMS), public works, parks and recreation, library, airport, solid waste collection, community services, and general government.

The City is an independent political subdivision of the State of Texas (the “State”) governed by an elected Council and a Mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City’s financial reporting entity. The component units, as listed below, although legally separate, are considered part of the reporting entity. No other entities have been included in the City’s reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

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

Discretely Presented Component Units

Economic Development Corporation

The New Braunfels Economic Development Corporation (the “Corporation”) is a legally separate nonprofit entity which was organized under the laws of the State to provide economic development benefits for the City. Prior to fiscal year 2018, the entity was operating as the “Industrial Development Corporation”. On April 9, 2018, City Council amended the bylaws, renaming the Corporation as the New Braunfels Economic Development Corporation. The Corporation is presented as a governmental component unit. City Council appoints the Board of Directors and approves expenditures. Separate financial statements can be obtained by contacting the President of the Corporation.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

New Braunfels Utilities

New Braunfels Utilities (NBU) is a legally separate entity which provides waterworks, sanitary sewer, and electric services in the New Braunfels area. City Council appoints the NBU Board of Trustees, and approves utility rates and the issuance of debt. The NBU is presented as an enterprise component unit. Complete financial statements for the NBU may be obtained at the NBU's administrative offices at 263 Main Plaza, New Braunfels, Texas 78130. The NBU's financial statements are presented on a July 31 fiscal year end.

Blended Component Units

Tax Increment Reinvestment Zone No. 1

During fiscal year 2007, the City passed a resolution creating a Tax Increment Reinvestment Zone No. 1 (TIRZ No 1), in accordance with Section 311 of the Texas Tax Code, for the purpose of financing public improvements in support of the Creekside Town Center Development. The TIRZ No 1 includes participation by a developer and by other governmental entities, the Corporation, and Comal County, Texas (the "County"). Under this arrangement, a certain percentage of the incremental ad valorem tax revenue collected by the City and the County and one-half cent of sales taxes collected by the City and the Corporation will be utilized to pay for certain infrastructure costs. During the fiscal year, city council voted on and implemented a change to this arrangement. Effective October of 2021, the City's portion of sales tax collected will no longer be utilized for TIRZ infrastructure costs. Such tax revenue is controlled by the Board of Directors managing the TIRZ No 1 and is accounted for in a special revenue fund with the City's financial oversight. The Board of Directors is made up of seven members, five of which are appointed by the City Council.

New Braunfels Development Authority

During fiscal year 2007, the City passed a resolution creating the New Braunfels Development Authority (NBDA) in accordance with Section 394 of the Texas Local Government Code. The NBDA has been included in the reporting entity as a blended component unit. The NBDA was created to assist and act on behalf of the City in the performance of the City's governmental functions to promote the common good and general welfare of the TIRZ and to promote, develop, encourage, and maintain employment, commerce, and economic development in the City. During fiscal year 2007, the City passed an agreement (the "Agreement") between the City, the NBDA, and the TIRZ No 1 in which the NBDA will facilitate the implementation of the TIRZ plan and assist the City with reimbursement to the developer participating in the TIRZ No 1. Reimbursement to the developer will be made through the issuance of bonds, notes, or other obligations available to the NBDA but only after consent of the City Council. Efforts of the NBDA will be financed using the TIRZ No 1 tax increment as outlined in the Agreement. Such taxes and payment of debt service activity are controlled by the Board of Directors managing the NBDA and are accounted for in a special revenue fund with the City's financial oversight. The Board of Directors is made up of seven members, five of which are appointed by the City Council.

River Mill Tax Increment Reinvestment Zone

In December 2019, the City Council established the River Mill Tax Increment Reinvestment Zone (TIRZ No. 2). Similar to Creekside TIRZ No. 1, the City's participation is limited to 85% of the real and business personal property tax revenue and 1/3 of all sales tax revenue. The current property owner is finalizing redevelopment plans for the approximate seven acre Mill area, which is conveniently located off I-35, directly behind Marketplace shopping area. The conceptual plan includes various uses for the property such as a hotel, entertainment venue, and boutique retail, as

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

well as other multi-family housing options. The City is currently engaging other public sector partners to participate in the TIRZ as well. The project and finance plan has not been approved, therefore the City Council has not established a board for TIRZ No. 2 at this point. Once the project and finance plan is approved, a board will be established to oversee the utilization of the incremental funds to support appropriate public improvements in accordance with section 311 of the Texas Tax Code.

Separate financial statements for both of the TIRZ and NBDA funds are not prepared.

The City also has the following related organization:

The Housing Authority of the City of New Braunfels (the “Authority”) is a nonprofit entity, which was organized under the laws of the State to provide housing for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development. City Council appoints the Board of Directors of the Authority. However, the City is not financially accountable for the Authority because the Authority’s operations are subsidized by the federal government, it sets its own budget subject to federal approval, it sets its rental rate, and it can issue debt in its own name. The City is not responsible for the deficits or liabilities of the Authority. Separately audited financial statements may be obtained at the City’s administrative offices at 550 Landa Street, New Braunfels, Texas 78130.

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 of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

C. Basis of Presentation – Government-Wide Financial Statements

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

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 NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The City reports the following governmental funds:

The *general fund* is used to account for and report all financial resources not accounted for and reported in another fund. The principal sources of revenues include local property taxes, sales taxes, franchise fees, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, public works, parks and recreation, and library. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

The *special revenue funds* are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Grants fund was the only special revenue fund that was considered major. The special revenue funds are considered nonmajor funds for reporting purposes, except for the hotel/motel tax fund, which do not qualify as major, but the City has elected to present it as major due to its significance.

Hotel/motel tax fund: This fund accounts for the tax collections of the hotel/motel occupancy taxes and the disbursement of those funds.

Grants fund: This fund accounts for the receipt and expenditures of various grant funds and special projects for the City.

The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The capital projects funds are considered nonmajor funds for reporting purposes, except for the 2019 capital improvement fund. The general obligations fund, roadway development impact fees fund, and the 2020 capital improvement fund were not major funds, but the City elected to present them as major due to their significance.

General obligations fund: This fund accounts for the expenditures of the proceeds from the June 2014, April 2015, and July 2016 debt series issued for various purposes, including street improvements, construction of drainage, equipping of parks and a recreations center, and constructing and building the Center Texas Technology Center.

2019 Capital Improvement fund: This fund accounts for the expenditures of the proceeds from the 2018 and 2019 debt issuances related to capital improvements in the City.

2020 Capital Improvement fund: This fund accounts for the expenditures of the proceeds from the 2020 debt issuance related to capital improvements in the City.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Roadway Impact Fees fund: This fund accounts for the collection of impact fees to be used in specific roadway and paved surface repairs, improvements and developments.

The *permanent fund* is used to account for nonexpendable trust arrangements where the principal may not be spent, and the earnings must be spent for a particular purpose. This fund is used to report the activity of the cemetery perpetual care fund. It is considered a nonmajor fund for reporting purposes.

The City reports the following proprietary funds:

The *enterprise funds* are used to account for the operations that provide airport, solid waste, golf course, and civic/convention center 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 airport and solid waste funds are considered major funds for reporting purposes. While the golf course and civic/convention center funds did not technically meet the criteria to be presented as major funds, the City has elected to present them as such due to their significance.

Internal service funds account for services provided to other departments or agencies of the primary government, or to other governments, on a cost reimbursement basis. The City's internal service fund is used to account for services for the City's self-funded health plan, which is financed from systematic transfers from general governmental and enterprise funds.

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

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

E. Measurement Focus and Basis of Accounting

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

The government-wide, proprietary fund, and fiduciary 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

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

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

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

1. Cash and Cash Equivalents

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

The City maintains a pooled cash account. Each fund whose monies are deposited in the pooled cash account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end. Amounts on deposit in interest bearing accounts and other investments are displayed on the combined balance sheet as "cash and equity in pooled cash."

2. Investments

Investments, except for certain investment pools and commercial paper, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Commercial paper is reported at amortized cost.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"). The City is required by the Act to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, and maturity and the quality and capability of investment management; and include a list of the

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

types of authorized investments in which the City's funds may be invested and the maximum allowable stated maturity of any individual investment owned by the City.

The Act contains specific provisions in the area of investment practices, management reports, and establishment of appropriate policies. Investments are administered by City management under terms of an investment policy and strategy that is updated to conform to the Act as last amended. The preservation of capital is the City's most important investment objective. Other objectives include providing liquidity and maximizing earnings within the constraints of other objectives. The City is in substantial compliance with the requirements of the Act and with local policies.

In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. government
- Money market mutual funds that meet certain criteria
- Collateralized certificates of deposit
- Municipal securities that meet certain criteria
- Fully collateralized repurchase agreements that meet certain criteria
- Bankers' acceptances
- Commercial paper that meets certain criteria
- Guaranteed investment contracts that meet certain criteria
- 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 future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years:

Asset Description	Estimated Useful Life
Streets/Drainage Infrastructure	20 years
Buildings	30 years
Building Improvements	20 years
Equipment	5-7 years
Fleet	5-7 years

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

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*, represent a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the City's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

6. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Amounts accumulated, up to certain amounts, may be paid to employees upon termination of employment. On retirement or death of certain employees, the City pays accrued sick leave in a lump sum payment to such employee or his/her estate. Non-civil service employees with 15 or more years of service are eligible to receive one-half of their accumulated sick leave up to 480 hours. These employees are also eligible if they retire with 10 or more years of service. Police and fire personnel covered by civil service receive payment for all accumulated sick leave up to 720 hours for police and fire (non-shift) and 1,080 for fire shift personnel. Police came under civil service in October 2011. Employees are paid for all accrued vacation leave when they leave the City's employment. The City accrues its liability for such accumulated unpaid benefits in the government-wide financial statements and proprietary fund financial statements. The general fund has historically been used to liquidate this liability.

The estimated amount of compensation for services provided that is expected to be liquidated with expendable, available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it when it matures or becomes due. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable, available financial resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

7. Long-Term Obligations

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

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

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

Assets acquired under the terms of a capital lease are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, capital lease transactions are recorded as other financing sources and as capital outlay expenditures in the applicable fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

8. Net Position Flow Assumption

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

9. Fund Balance Flow Assumptions

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

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

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).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

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

Unassigned fund balance includes amounts that have not been assigned to other funds or restricted, committed, or assigned to specific purpose within the general fund or deficit balances in other funds.

	General	Hotel/Motel Tax	Debt Service	General Obligations	Roadway Impact Fees	2019 Capital Improvement	2020 Capital Improvement	Grants	Nonmajor Governmental Funds
Nonspendable:									
Cemetery perpetual care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 231,188
Inventory	607	-	-	-	-	-	-	-	-
Total Nonspendable	607	-	-	-	-	-	-	-	231,188
Restricted:									
Tourism	-	2,600,650	-	-	-	-	-	-	-
Debt service	-	-	2,772,611	-	-	-	-	-	-
Grants	-	-	-	-	-	-	-	3,140	-
Special donation	-	-	-	-	-	-	-	-	590,633
Stormwater development	-	-	-	-	-	-	-	-	400,136
Capital projects	-	-	-	5,502,747	8,724,606	74,544,981	12,263,699	-	10,620,215
Public safety	-	-	-	-	-	-	-	-	6,817
Municipal court	-	-	-	-	-	-	-	-	423,703
Governmental programming	-	-	-	-	-	-	-	-	417,900
Economic development	-	-	-	-	-	-	-	-	11,004,439
Total Restricted	-	2,600,650	2,772,611	5,502,747	8,724,606	74,544,981	12,263,699	3,140	23,463,843
Committed:									
Enterprise equipment	-	-	-	-	-	-	-	-	6,817,721
Assigned:									
Equipment replacement	892,803	-	-	-	-	-	-	-	-
Unassigned	40,163,714	-	-	-	-	-	-	-	-
Total Fund Balances	\$ 41,057,124	\$ 2,600,650	\$ 2,772,611	\$ 5,502,747	\$ 8,724,606	\$ 74,544,981	\$ 12,263,699	\$ 3,140	\$ 30,512,752

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Minimum Fund Balance Policy

The City will maintain an operating reserve for use in the event of unanticipated, extraordinary expenditures and/or the loss of a major revenue source. In the general fund, the operating reserve and specified contingencies shall be established at a minimum of 25 percent of the general fund budgeted expenditures for the current fiscal year. For special revenue funds, the operating reserve shall equal 10 percent of the budgeted annual expenditures. The funds can only be appropriated by an affirmative vote of five of the seven City Council members.

Capital projects funds' reserves will be established by project, not by fund and will, and in general, reflect 3 percent of the total project costs.

The City will maintain a balance in the debt service fund equal to not less than 10 percent of the principal and interest payments on outstanding debt for each fiscal year.

11. Estimates

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

12. Pensions

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS' fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Other Postemployment Benefits

The City participates in a single-employer, unfunded, defined benefit group-term life insurance plan operated by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Benefit payments and refunds are due and payable in accordance with the benefit terms. Information about the City's total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by TMRS from reports prepared by their consulting actuary.

The City also provides their own defined benefit group health benefit plan to eligible retirees.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied by October 1 of each year on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Taxes are due upon receipt of the City's tax bill and become delinquent, with an enforceable lien on property, on February 1 of the following year.

Allowance for uncollectible tax receivables within the general and debt service funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

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

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The City follows the procedures outlined below in establishing budgetary data reflected in the financial statements:

Prior to the beginning of the fiscal year, the City prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.

Two meetings of the City Council are then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must have been given.

Prior to the start of the fiscal year, the budget is legally enacted through passage of an ordinance by the City Council.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except the capital projects funds, which adopt project length budgets. The general obligations fund, a major fund for reporting purposes, is considered a capital projects fund and does not present an annual operating

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

budget. Budgetary legal level of control is set at the fund, department, or project level. Once a budget is approved, it can be amended only by approval of a majority of the members of the City Council. As required by law, such amendments are made before the fact, and are reflected in the official minutes of the City Council. During the year, the budget was amended as necessary. Appropriations lapse at the end of the year, excluding capital project budgets.

Encumbrances represent the estimated amount of expenditures ultimately to result when unperformed contracts (in progress at year end) are completed. Such encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits and Investments

As of September 30, 2021, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)	Credit Rating
Primary Government and Component Unit-EDC:			
U.S. agency treasury notes	\$ 2,493,555	1.75	AAA
Certificates of deposit	7,658,150	0.98	AA+
External investment pools:			
TexPool	97,928,856	0.10	AAAm
Texas CLASS	25,825,735	0.11	AAAm
Texas FIT	38,498,445		
Total	<u>\$ 172,404,741</u>		
Portfolio weighted average maturity		0.59	
Component Unit - NBU			
U.S. agency securities	\$ 12,993,481	2.03	AA+
U.S. agency treasury notes	9,244,260	5.92	
Demand deposit and money market	11,931,376	0.00	
Pooled funds	46,259,701	0.00	AAAm
Total	<u>\$ 80,428,818</u>		
Portfolio weighted average maturity		1.59	

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value establishing a three-level fair value hierarchy that describes the inputs used to measure assets and liabilities:

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices within Level 1 that are observable for an asset or liability, either directly or indirectly.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Fair value is measured in a manner consistent with one of the three approaches: market approach, cost approach, and the income approach. The valuation methodology used is based upon whichever technique is the most appropriate and provides the best representation of fair value for that particular asset or liability. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or groups of assets and liabilities. The cost approach reflects the amount that would be required to replace the present service capacity of an asset. The income approach converts future amounts, such as cash flows, to a single current (discounted) amount.

As of September 30, 2021, the City had the following recurring fair value measurements:

	<u>September 30, 2021</u>	Significant Other Observable Inputs (Level 2)
Investments by Fair Value Level		
Primary Government		
U.S. agency treasury notes	\$ 2,493,555	\$ 2,493,555
Total - Primary Government	<u>\$ 2,493,555</u>	<u>\$ 2,493,555</u>
Component Unit - NBU		
U.S. agency securities	\$ 12,993,481	\$ 12,993,481
U.S. agency treasury notes	9,244,260	9,244,260
Total - NBU	<u>\$ 22,237,741</u>	<u>\$ 22,237,741</u>

U. S. Government agency bonds and notes are classified in Level 2 of the fair value hierarchy and are valued using the market approach.

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. The City's policy requires that investment pools must be rated no lower than 'AAA' or 'AAAm'. As of September 30, 2021, the City's investments in investment pools were 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. These investments were rated not less than 'AA+' by both Moody's and Standard & Poor's.

Custodial credit risk – deposits. In the case of deposits, this is the risk that the City's deposits may not be returned in the event of a bank failure. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of September 30, 2021, fair values of pledged securities and FDIC coverage exceeded bank balances.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Custodial credit risk – investments. For an investment, this is the risk that 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 in the event of the failure of the counterparty. The City's investment policy requires that it will seek to safekeep securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, shall be conducted on a delivery versus payment basis or commercial book entry system as utilized by the Federal Reserve and shall be protected through the use of a third-party custody/safekeeping agent.

TexPool

TexPool was established as a trust company with the Treasurer of the State 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 rates TexPool 'AAAm'. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

Texas CLASS

The Texas Cooperative Liquid Assets Securities System Trust – Texas (CLASS) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained from CLASS' website at www.texasclass.com.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Texas FIT

The TX-FIT Government Pool provides Texas' public entities a conservatively managed, PFIA compliant, investment option with no corporate exposure. The TX-FIT Government Pool seeks the preservation of principal, a competitive yield and a stable NAV, while also providing same day liquidity to its participants. Performance data quoted represents past performance; past performance does not guarantee future results. Current performance of the investment pools may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (888) 909-9998. Complete performance history can be found at www.tx-fit.com/yield-and-pool-characteristics. Investments in the TX-FIT investment pools are not insured or guaranteed by the FDIC or any other government agency. Certain securities in the pool may be FDIC insured through participating FDIC insured banks as part of a sponsored program by an affiliate bank. The FDIC insurance pertains only to the specific securities and not the entire pool. Programs, rates, and terms and conditions are subject to change at any time without notice. TX-FIT may invest in fixed income securities, which are subject to risks including interest rate, credit and inflation.

B. Receivables

Amounts are aggregated into a single accounts receivable line (net of allowance for uncollectible) for certain funds and aggregated columns. Below is the detail of receivables for the general fund, hotel/motel tax fund, debt service fund, the nonmajor governmental funds in the aggregate, and the proprietary funds, including the applicable allowances for uncollectible accounts:

Governmental Funds							
	Hotel/Motel		Roadway		Nonmajor		
	General	Tax	Debt Service	Impact Fees	Grants	Funds	Total
Ad valorem taxes	\$ 467,288	\$ -	\$ 353,031	\$ -	\$ -	\$ -	\$ 820,319
Franchise fees and local taxes	-	-	-	12,056	-	35,238	47,294
Accounts	9,361,747	384,765	-	-	-	244,862	9,991,374
Intergovernmental	-	-	-	-	5,176	-	5,176
Less allowances	<u>(45,754)</u>	<u>-</u>	<u>(29,493)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(75,247)</u>
	<u>\$ 9,783,281</u>	<u>\$ 384,765</u>	<u>\$ 323,538</u>	<u>\$ 12,056</u>	<u>\$ 5,176</u>	<u>\$ 280,100</u>	<u>\$ 10,788,916</u>
Proprietary Funds							
	Solid						
	Airport	Waste	Golf Course	Total			
Accounts	\$ 351,784	\$ 1,709,138	\$ 298	\$ 2,061,220			
Other	-	-	17,194	17,194			
	<u>\$ 351,784</u>	<u>\$ 1,709,138</u>	<u>\$ 17,492</u>	<u>\$ 2,078,414</u>			
Component Unit							
	NBU						
Customer accounts	\$ 21,949,704						
Interest	24,908						
Other	11,954,444						
Less allowance	<u>(293,925)</u>						
	<u>\$ 33,635,131</u>						

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

C. Capital Assets

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

	Beginning Balance	Increases	Reclassifications (Decreases)	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 41,806,449	\$ 637,586	\$ (59,675)	\$ 42,384,360
Construction in progress	33,996,821	33,738,745	(10,900,228)	56,835,338
Total capital assets not being depreciated	<u>75,803,270</u>	<u>34,376,331</u>	<u>(10,959,903)</u>	<u>99,219,698</u>
Other capital assets				
Road network	112,793,867	6,157,656	-	118,951,523
Infrastructure	25,040,967	-	-	25,040,967
Buildings	85,658,562	-	-	85,658,562
Improvements other than buildings	46,878,706	5,080,703	-	51,959,409
Machinery and equipment	12,886,475	2,963,755	-	15,850,230
Fleet	22,561,605	1,444,317	(1,361,748)	22,644,174
Total other capital assets	<u>305,820,182</u>	<u>15,646,431</u>	<u>(1,361,748)</u>	<u>320,104,865</u>
Less accumulated depreciation for:				
Road network	(81,997,130)	(5,820,105)	-	(87,817,235)
Infrastructure	(10,429,832)	(834,699)	-	(11,264,531)
Buildings	(40,591,184)	(2,102,843)	-	(42,694,027)
Improvements other than buildings	(27,358,187)	(3,291,211)	-	(30,649,398)
Machinery and equipment	(10,333,294)	(936,086)	-	(11,269,380)
Fleet	(18,234,115)	(1,595,380)	1,361,748	(18,467,747)
Total accumulated depreciation	<u>(188,943,742)</u>	<u>(14,580,324)</u>	<u>1,361,748</u>	<u>(202,162,318)</u>
Other capital assets, net	<u>116,876,440</u>	<u>1,066,107</u>	<u>-</u>	<u>117,942,547</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 192,679,710</u>	<u>\$ 35,442,438</u>	<u>\$ (10,959,903)</u>	<u>217,162,245</u>
		Less associated debt	(305,323,661)	
		Plus deferred charge on refunding	1,401,910	
		Plus unspent bond proceeds	97,009,466	
		Net Investment in Capital Assets	<u>\$ 10,249,960</u>	

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

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Depreciation was charged to governmental functions as follows:

General government	\$ 1,156,220
Finance and tax	304,729
Planning and environmental development	764,009
Public safety	9,617,182
Public works	1,318,061
Parks and recreation	959,385
Library	460,738
Total Governmental Activities Depreciation Expense	\$ 14,580,324

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Reclassifications (Decreases)</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 2,540,961	\$ -	\$ -	\$ 2,540,961
Construction in progress	- -	52,272	- -	52,272
Total capital assets not being depreciated	<u>2,540,961</u>	<u>52,272</u>	<u>- -</u>	<u>2,593,233</u>
Other capital assets				
Buildings	21,256,251	156,680	- -	21,412,931
Improvements other than building	22,070,496	- -	- -	22,070,496
Furniture and fixtures	20,190	- -	- -	20,190
Machinery and equipment	1,406,152	101,574	- -	1,507,726
Fleet	13,744,423	1,380,915	(1,925,035)	13,200,303
Airspace easement	37,515	- -	- -	37,515
Total other capital assets	<u>58,535,027</u>	<u>1,639,169</u>	<u>(1,925,035)</u>	<u>58,249,161</u>
Less accumulated depreciation for:				
Buildings	(11,019,145)	(590,706)	(11,609,851)	(11,609,851)
Improvements other than building	(11,488,765)	(1,439,543)	(12,928,308)	(12,928,308)
Furniture and fixtures	(16,618)	(2,884)	(19,502)	(19,502)
Machinery and equipment	(913,848)	(125,906)	(1,039,754)	(1,039,754)
Fleet	(9,799,739)	(908,564)	1,925,035	(8,783,268)
Airspace easement	(24,811)	(938)	- -	(25,749)
Total accumulated depreciation	<u>(33,262,926)</u>	<u>(3,068,541)</u>	<u>1,925,035</u>	<u>(34,406,432)</u>
Other capital assets, net	<u>25,272,101</u>	<u>(1,429,372)</u>	<u>- -</u>	<u>23,842,729</u>
Business-Type Activities				
Capital Assets, Net	<u>\$ 27,813,062</u>	<u>\$ (1,377,100)</u>	<u>\$ -</u>	<u>\$ 26,435,962</u>
		<u>Net Investment in Capital Assets</u>		<u>\$ 26,435,962</u>

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Depreciation was charged to business-type functions as follows:

Airport	\$ 1,267,959
Solid waste	929,417
Golf course	558,844
Civic center	312,321
Total Business-Type Activities Depreciation Expense	\$ 3,068,541

The following is a summary of changes in capital assets for the NBU, a component unit for the year end:

Component Unit:	Beginning Balance	Increases	Reclassifications (Decreases)	Ending Balance
Capital assets not being depreciated:				
Land and improvements	\$ 28,981,039	\$ 9,992,156	\$ -	\$ 38,973,195
Construction in progress	165,259,979	128,719,532	(207,094,664)	86,884,847
Total capital assets not being depreciated	194,241,018	138,711,688	(207,094,664)	125,858,042
Other capital assets				
Buildings	67,749,124	55,946,390	-	123,695,514
Infrastructure	533,346,174	132,213,992	(2,913,841)	662,646,325
Equipment	114,433,108	8,845,028	(162,703)	123,115,433
Wells and springs	1,926,640	97,099	-	2,023,739
Total other capital assets	717,455,046	197,102,509	(3,076,544)	911,481,011
Less accumulated depreciation for:				
Buildings	(31,594,485)	(1,776,882)	-	(33,371,367)
Infrastructure	(189,023,521)	(19,298,389)	2,381,099	(205,940,811)
Equipment	(46,463,051)	(3,339,228)	162,698	(49,639,581)
Wells and springs	(541,745)	(44,924)	-	(586,669)
Total accumulated depreciation	(267,622,802)	(24,459,423)	2,543,797	(289,538,428)
Other capital assets, net	449,832,244	172,643,086	(532,747)	621,942,583
Component Unit Capital Assets, Net	\$ 644,073,262	\$ 311,354,774	\$ (207,627,411)	\$ 747,800,625

Depreciation was charged to the NBU as follows:

Electric	\$ 10,298,835
Water	6,482,470
Wastewater	7,678,118
Total Component Unit Activities Depreciation Expense	\$ 24,459,423

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

D. Long-Term Debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Bonds, notes, and other payables:					
General obligation bonds/notes	\$ 165,890,000	\$ 41,750,000	\$ (10,415,000)	\$ 197,225,000	\$ 12,540,000
Certificates of obligation	78,615,000	-	(15,725,000)	62,890,000	3,760,000
Contract revenue obligations	20,380,000	-	(1,405,000)	18,975,000	1,450,000
Bond premium	21,983,859	4,806,747	(1,427,353)	25,363,253	-
	<u>286,868,859</u>	<u>46,556,747</u>	<u>(28,972,353)</u>	<u>304,453,253</u>	<u>** 17,750,000</u>
Other liabilities:					
Equipment loan payable	272,636	-	(66,059)	206,577	** 67,440
Capital lease payable	916,119	-	(252,288)	663,831	** 261,875
Net pension liability	31,235,682	234,835	-	31,470,517	-
Total OPEB liability - TMRS	1,631,889	378,713	-	2,010,602	-
Total OPEB liability - Retiree benefit	11,301,337	-	(78,457)	11,222,880	-
Compensated absences	7,570,303	7,462,042	(6,813,273)	8,219,072	7,397,165
Total Governmental Activities	<u>\$ 339,796,825</u>	<u>\$ 54,632,337</u>	<u>\$ (36,182,430)</u>	<u>\$ 358,246,732</u>	<u>\$ 25,476,480</u>
				<u>Long-term debt due in more than one year</u>	<u>\$ 332,770,252</u>
				<u>** Debt associated with capital assets</u>	<u>\$ 305,323,661</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Business-Type Activities:					
Net pension liability	\$ 3,224,742	\$ 22,619	\$ -	\$ 3,247,361	\$ -
Total OPEB liability - TMRS	163,671	36,476	-	200,147	-
Total OPEB liability - Retiree benefit	1,125,622	-	(7,557)	1,118,065	-
Compensated absences	387,421	394,774	(348,678)	433,517	390,165
Total Business-Type Activities	<u>\$ 4,901,456</u>	<u>\$ 453,869</u>	<u>\$ (356,235)</u>	<u>\$ 4,999,090</u>	<u>\$ 390,165</u>
				<u>Long-term debt due in more than one year</u>	<u>\$ 4,608,925</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Component Units:					
Bonds payable	\$ 215,670,593	\$ 68,394,101	\$ (5,030,000)	\$ 279,034,694	\$ 6,155,000
Bond premium	15,860,240	9,001,248	-	24,861,488	-
Net pension liability	14,400,209	399,797	-	14,800,005	-
Compensated absences	2,172,057	1,202,165	(1,015,194)	2,359,028	1,608,456
Total Component Units	<u>\$ 248,103,099</u>	<u>\$ 78,997,311</u>	<u>\$ (6,045,194)</u>	<u>\$ 321,055,215</u>	<u>\$ 7,763,456</u>
				<u>Long-term debt due in more than one year</u>	<u>\$ 313,291,759</u>

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

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

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

Governmental Activities:

Series	Final Maturity	Original Issue	Interest Rate	Balance
General Obligation Bonds/Notes				
2013 General Obligation Refunding Bonds	2023	\$ 3,820,000	2.00-3.00%	\$ 910,000
2014 General Obligation Bonds	2034	\$ 13,970,000	2.00-5.00%	10,185,000
2015 General Obligation and Refunding Bonds	2035	\$ 29,260,000	2.00-5.00%	23,805,000
2015 Tax Note	2022	\$ 1,285,000	1.63%	190,000
2016 General Obligation Refunding Bonds	2036	\$ 37,360,000	2.00-5.00%	28,350,000
2017 General Obligation Refunding Bonds	2029	\$ 5,255,000	1.91%	4,190,000
2018 General Obligation Bonds	2038	\$ 21,620,000	3.00-5.00%	20,130,000
2018 Tax Note	2025	\$ 3,000,000	2.78%	1,775,000
2018A Tax Note	2026	\$ 2,300,000	2.35-2.87%	1,700,000
2019 General Obligation Bonds	2039	\$ 19,985,000	2.00-5.00%	18,370,000
2020 General Obligation Bonds	2040	\$ 47,770,000	3.00-5.00%	46,095,000
2020 Tax Note	2026	\$ 1,675,000	2.00-4.00%	1,450,000
2020 General Obligation Refunding Bonds	2020	\$ 10,100,000	3.00-4.00%	10,100,000
2021 Tax Note	2028	\$ 2,835,000	2.00-3.00%	2,835,000
2021 General Obligation Bonds	2041	\$ 27,140,000	2.00-5.00%	27,140,000
Total General Obligation				197,225,000
Certificates of Obligation				
2012 Certificates of Obligation	2032	\$ 19,470,000	2.00-5.00%	12,370,000
2013 Certificates of Obligation	2033	\$ 19,490,000	3.00-5.00%	13,560,000
2014A Certificates of Obligation	2034	\$ 6,845,000	2.00-5.00%	4,950,000
2014B Certificates of Obligation	2034	\$ 3,280,000	2.00-5.00%	2,585,000
2015 Certificates of Obligation	2035	\$ 5,395,000	2.00-5.00%	4,170,000
2018 Certificates of Obligation	2038	\$ 8,120,000	2.00-5.00%	7,270,000
2019 Certificates of Obligation	2039	\$ 4,755,000	2.00-5.00%	4,385,000
2020 Certificates of Obligation	2040	\$ 14,470,000	3.00-5.00%	13,600,000
Total Certificates of Obligation				62,890,000
Tax Increment Contract Revenue Obligations				
2012 Tax Increment Contract Revenue				
Improvement and Refunding Obligations	2032	\$ 11,670,000	2.93%	7,360,000
2014 Tax Increment Contract Revenue Notes	2032	\$ 17,000,000	3.68%	11,615,000
Total Tax Increment Contract Revenue Obligations				18,975,000
Total Governmental Activities Long-Term Debt				<u>279,090,000</u>

Component Unit - NBU:

Series	Original Issue	Interest Rate	Balance
Revenue Bond			
2004 Utility System Revenue	2,572,596	3.10-5.16%	\$ 1,084,004
Capital Appreciation Bonds			
2012 Utility System Revenue and Refunding	23,940,000	2.00-4.00%	25,725,000
2015 Utility System Revenue	26,870,000	2.00-4.00%	58,095,000
2016 Utility System Revenue and Refunding	62,235,000	2.00-5.00%	39,140,000
2018 Utility System Revenue	45,200,000	2.00-5.00%	85,215,000
2020 Utility System Refunding	88,100,000	3.00-5.00%	68,250,000
Total Capital Appreciation Bonds			277,509,004

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

The annual requirements to amortize general obligation bonds, certificates of obligation, and tax increment contract revenue obligations outstanding at year end were as follows:

Year Ending Sep. 30	Governmental Activities							
	General Obligation		Certificates of Obligation		Tax Increment Contract Revenue Obligations		Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Total		
2022	\$ 12,540,000	\$ 7,261,288	\$ 3,760,000	\$ 2,533,706	\$ 1,450,000	\$ 28,188,074		
2023	12,010,000	6,782,705	3,905,000	2,382,844	1,500,000	27,174,582		
2024	12,395,000	6,244,862	4,070,000	2,226,063	1,550,000	27,029,220		
2025	13,305,000	5,679,254	4,240,000	2,052,632	1,605,000	27,372,716		
2026	12,415,000	5,114,955	4,440,000	1,851,876	1,660,000	25,918,322		
2027-2031	55,285,000	18,380,076	25,470,000	5,985,028	9,180,000	115,599,519		
2032-2036	50,475,000	8,239,412	13,825,000	1,352,363	2,030,000	75,990,704		
2037-2041	28,800,000	1,538,854	3,180,000	145,738	-	33,664,592		
Total	\$ 197,225,000	\$ 59,241,406	\$ 62,890,000	\$ 18,530,250	\$ 18,975,000	\$ 360,937,729		

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

The City issued \$10,100,000 in General Obligation Refunding bonds, Series 2021 (the “Refunding Bonds”) with interest rates ranging from 3% to 4%. The proceeds were used to fully refunding the Series 2011 Certificates of Obligation in the amount of 11,010,000. This refunding represented an economic savings of \$143,540. The carrying cost of the new debt exceeded the old debt by \$222,952 and this will be amortized over the life of the new bonds.

The City issued \$27,140,000 of General Obligation bonds, Series 2021 (the “Bonds”) with interest rates ranging from 2% to 5%. The proceeds will be used for various roadway and street improvements throughout the City. The Bonds are set to mature in 2041.

The City issued \$2,835,000 of Tax Notes, Series 2021 (the “Notes”) with interest rates ranging from 2% to 3%. The proceeds will be used for contractual obligations of the City to be incurred for making permanent public improvements. The Bonds are set to mature in 2028.

The City issued \$1,675,000 of Tax Notes, Series 2020 (the “Notes”) with interest rates ranging from 2% to 4%. The proceeds will be used for contractual obligations of the City to be incurred for making permanent public improvements. The Bonds are set to mature in 2027.

In December 2012 and July 2014, the NBDA issued Tax Increment Contract Revenue and Refunding Obligations, series 2012 and Tax Increment Contract Revenue Obligations, series 2014, respectively, with the authorization and approval of the City. The obligations were issued to reimburse a developer for certain public improvement projects related to the Creekside Town Center Development and pay the costs of issuance. The debt issuances are the limited obligation of the NBDA, payable solely from pledged revenues. The pledged revenues consist of tax increments from the TIRZ payable to the NBDA as specified in the tri-party agreement between the City, the TIRZ, and the NBDA. The City is not obligated to make payments on the series 2012 and series 2014 obligations.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

The City entered into a ten-year loan payable of \$1,394,231 with an interest rate of 2.09% with a national bank on May 30, 2014. The proceeds of the loan were used to acquire capital assets by which the loan is secured. The annual requirements to amortize the equipment loan payable outstanding at year end were as follows:

Equipment Loan Payable:				
Governmental Activities				
Year Ending				
Sep. 30	Principal	Interest	Total	
2022	\$ 67,440	\$ 4,317	\$ 71,757	
2023	68,849	2,908	71,757	
2024	70,288	1,469	71,757	
Total	\$ 206,577	\$ 8,694	\$ 215,271	

The City has entered into various capital lease financing arrangements with interest rates that range from 1.85% to 2.25%. The annual requirements to amortize the capital leases payable outstanding at year end were as follows:

Governmental Activities				
Year Ending				
Sep. 30	Principal	Interest	Total	
2022	\$ 261,875	\$ 24,435	\$ 286,310	
2023	44,260	14,442	58,702	
2024	45,850	12,852	58,702	
2025	47,498	11,204	58,702	
2026	49,205	9,498	58,703	
2027-2030	215,143	19,666	234,809	
Total	\$ 663,831	\$ 92,097	\$ 755,928	

The annual requirements to amortize NBU bonds outstanding at year end were as follows:

Bonds Payable				
Year Ending				
Sep. 30	Principal	Interest	Total	
2022	\$ 6,155,000	\$ 11,112,831	\$ 17,267,831	
2023	5,400,398	10,863,031	16,263,429	
2024	6,399,416	10,635,481	17,034,897	
2025	6,544,346	10,371,731	16,916,077	
2026	6,795,703	10,087,781	16,883,484	
2027-2031	38,589,831	45,583,106	84,172,937	
2032-2036	45,490,000	37,124,163	82,614,163	
2037-2041	52,850,000	27,863,631	80,713,631	
2042-2046	61,800,000	17,346,744	79,146,744	
2047-2051	49,010,000	5,149,600	54,159,600	
Total	\$ 279,034,694	\$ 186,138,099	\$ 465,172,793	

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

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

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 Receivables and Payables

Interfund balances at September 30, 2021 consisted of the following:

Receivable Fund	Payable Fund	
General	Nonmajor governmental	\$ 493,219
		<u><u>\$ 493,219</u></u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

F. Interfund Transfers

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

	Transfers In	Transfers Out	Explanation
General	\$ 71,094	\$ -	Airport operational expenses
	37,856	-	Civic Center operational expenses
	632,546	-	Solid Waste operational expenses
	67,421	-	Golf operational expenses
	-	150,501	Grant Fund
	-	83,000	Edwards Aquifer Habitat Conservation Fund
	-	99,910	Airport
	-	93,609	CDBG Fund-to replenish deficit fund balance
	-	83,305	Edwards Aquifer HCP Fund-to replenish deficit fund balance
	-	9,922	2012 Certificates of Obligation Fund-to replenish deficit fund balance
Total General Fund	808,917	520,247	
Hotel Motel Tax	-	582,675	Civic/Convention Center Fund
	-	186,526	Debt Service
Total Hotel Motel Tax Fund	-	769,201	
Debt Service	364,979	-	Equipment Replacement fund
	45,000	-	Fire Apparatus Replacement Maintenance Fund
	384,834	-	Airport-Debt Service
	385,630	-	Solid Waste-Debt Service
	582,675	-	Hotel Motel Tax Fund-Civic/Convention Center
Total Debt Service Fund	1,763,118	-	
2019 Bond Program	352,544	-	2018 Certificates of Obligation
Total 2019 Bond Program Fund	352,544	-	
Grant	150,501	-	General Fund
Total Grant Fund	150,501	-	
NB Development Authority	4,139,172	-	Tax Increment Reinvestment Zone No. 1
Total NB Development Authority Fund	4,139,172	-	
Community Block Development Grant	93,609	-	General Fund-to replenish deficit fund balance
Total Community Block Development Grant Fund	93,609	-	
Tax Increment Reinvestment Zone No. 1	-	4,139,172	NB Development Authority-pass through of TIRZ revenue and existing balance to NBDA to support debt service.
Total NB Development Authority Fund	-	4,139,172	
River Activities	136,243	-	Solid Waste Fund - river litter pick up
Total River Activities Fund	136,243	-	

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

	Transfers In	Transfers Out	Explanation
2018 Tax Notes	-	107,947	2019 Bond Fund
	-	136,650	2019 Bond Fund
Total 2018 Tax Notes	244,597		
2012 Certificate of Obligation	9,922	-	General Fund-to replenish deficit fund balance
Total 2012 Certificate of Obligation Fund	9,922		
2018 Certificates of Obligation	-	107,947	2019 Bond Fund
Total 2018 Certificates of Obligation	107,947		
Edwards Aquifer HCP	83,000	-	General Fund -administrative support
	83,305	-	General Fund-to replenish deficit fund balance
Total Edwards Aquifer HCP Fund	166,305		
Enterprise Maintenance	1,000,000	-	Solid Waste Fund
	106,447	-	Airport
	1,943	-	Golf
	-	250,000	Civic Center
	-	45,000	Debt Service
Total Enterprise Maintenance Fund	1,108,390	295,000	
Equipment Replacement	-	364,979	Debt Service
Total Equipment Replacement Fund	364,979		
Airport	99,910	-	General Fund
	-	71,094	General Fund
	-	106,447	Enterprise Equipment Replacement Fund
	-	384,834	Debt Service
Total Airport Fund	99,910	562,375	
Solid Waste	-	632,546	General Fund admin
	-	1,000,000	Enterprise Equipment Replacement Fund
	-	385,630	Debt Service
	-	136,243	River fund- River Litter Removal
Total Solid Waste Fund	-	2,154,419	
Golf Course	-	67,421	General Fund
	-	1,943	Enterprise Equipment Replacement Fund
Total Golf Course Fund	-	69,364	
Civic/Convention Center	250,000	-	Enterprise Maintenance and Equipment Replacement Fund
	186,526	-	Hotel/Motel Tax Fund
	-	37,856	General Fund
Total Civic/Convention Center Fund	436,526	37,856	
	\$ 9,265,157	\$ 9,265,157	

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in other funds in accordance with budgetary authorizations.

IV. OTHER INFORMATION

A. Risk Management

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

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

The City's health insurance program is a self-insured minimum premium cash flow plan (the "Plan"). The City makes pre-determined monthly contributions to the Plan to fully cover the cost of employee-only coverage. The City and each covered employee make a pre-determined monthly contribution to the Plan if they cover one or more dependents. All claims are reviewed and processed by an independent insurance company. The insurance company pays claims based on the Plan, and the City reimburses the insurance company for the amount of each claim paid. The insurance company charges the City a fee for each claim processed. Funding covers both the cost of claims and administrative expenses. The City paid \$5,852,042 in health claims and paid \$965,177 for administrative costs for the year ended September 30, 2021. The City contributed \$6,329,786 and City employees contributed \$914,634 to the Plan for the year ended September 30, 2021.

The transactions of the Plan are reported in the City's internal service fund. The City pays a specified monthly amount for each employee and a portion of an employee's dependent coverage which averages to approximately \$766. The largest portion of this amount is dedicated to the direct payment of claims. The remaining part of the monthly amount is dedicated to the payments of administrative fees and commercial insurance for excess claims. The commercial insurance coverage becomes effective when the claims exceed the maximum amount per employee.

Estimated health claims that have been incurred but not reported are accrued at year end. The estimated liability for health claims is \$1,049,641 at September 30, 2021. The estimated liability for health claims is based upon historical claims experience.

The changes in the claim liability for the years ended September 30, 2021 and 2020 are as follows:

	2021	2020
Claims payable, beginning of year	\$ 509,851	\$ 491,853
Plus: incurred claims	5,852,042	5,594,228
Less: claims paid	(5,312,252)	(5,576,230)
Claims Payable, End of Year	\$ 1,049,641	\$ 509,851

B. Contingent Liabilities

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

At September 30, 2021, the City is involved in various lawsuits. These lawsuits generally involve claims relating to general liability, automobile liability, civil rights actions, and various contractual matters. In the opinion of management, any liability resulting from such litigation would not have a material adverse effect on the City's financial statements.

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. With the exception of health claims, no other claim liabilities are reported at year end.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

C. Pension Plan

Texas Municipal Retirement System

Plan Description

The City participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by TMRS. TMRS is an agency created by the State and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the "TMRS Act") as an agent multiple-employer retirement system for municipal employees in the State. The TMRS Act places the general administration and management of TMRS with a six-member Board of Trustees (the "Board"). Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmrs.com.

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

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits, with interest, were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75 percent of the member's deposits and interest.

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:

	2021	2020
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, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	294
Inactive employees entitled to, but not yet receiving, benefits	333
Active employees	644
Total	1,271

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Contributions

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

Employees for the City were required to contribute seven percent of their annual gross earnings during the fiscal year. The contribution rates for the City were 17.08 percent and 17.14 percent in calendar years 2020 and 2021, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2021 were \$7,636,263, which were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The TPL in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.0% per year
Overall payroll growth	3.0% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees, and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied for males and females, respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for annuity purchase rates is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

real rates of return by the target allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, the actuary focused on the area between (1) arithmetic mean (aggressive without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	100.00%	

Discount Rate

The discount rate used to measure the TPL was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the TMRS fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Changes in the NPL

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Changes for the year:			
Service cost	\$ 8,207,720	\$ -	\$ 8,207,720
Interest	12,604,862	-	12,604,862
Changes in current period benefits	-	-	-
Difference between expected and actual experience	1,661,149	-	1,661,149
Changes in assumptions	-	-	-
Contributions - employer	-	7,636,802	(7,636,802)
Contributions - employee	-	3,172,560	(3,172,560)
Net investment income	-	11,484,015	(11,484,015)
Benefit payments, including refunds of employee contributions	(5,809,554)	(5,809,554)	-
Administrative expense	-	(74,206)	74,206
Other changes	-	(2,894)	2,894
Net Changes	16,664,177	16,406,723	257,454
Balance at December 31, 2019	185,539,613	151,079,189	34,460,424
Balance at December 31, 2020	\$ 202,203,790	\$ 167,485,912	\$ 34,717,878

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Sensitivity of the NPL to Changes in the Discount Rate

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
	City's Net Pension Liability	\$ 67,191,682	\$ 34,717,878

Pension Plan Fiduciary Net Position

Detailed information about the TMRS fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

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

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$7,050,476.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 2,815,278	\$ -
Changes in actuarial assumptions	387,208	-
Difference between projected and actual investment earnings	-	4,289,307
Contributions subsequent to the measurement date	5,717,490	-
Total	\$ 8,919,976	\$ 4,289,307

\$5,717,490 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30	Pension Expense
2022	\$ (465,201)
2023	864,990
2024	(1,760,073)
2025	209,576
2026	63,887
Thereafter	-
Total	\$ (1,086,821)

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

D. Other Postemployment Benefits

1. TMRS Supplemental Death Benefits

Plan Description

The City participates in an OPEB plan administered by TMRS. TMRS administers the defined benefit group-term life insurance plan known as the SDBF. This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. Employers may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The member city contributes to the SDBF at a contractually required rate (based on the covered payroll of employee members) as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers. No assets are accumulated in a trust that meets the criteria in paragraph 4 GASB 75. As such, the SDBF is considered to be a single-employer unfunded OPEB defined benefit plan with benefit payments treated as being equal to the employer's yearly contributions for retirees.

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

Benefits

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e., no assets are accumulated). Participation in the SDBF as of December 31, 2020 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	244
Inactive employees entitled to, but not yet receiving, benefits	99
Active employees	644
Total	987

Total OPEB Liability

The City's total OPEB liability of \$2,210,749 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate	2.00%
Retirees' share of benefit-related costs	Zero
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements under GASB 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year setforward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

* The discount rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Changes in the Total OPEB Liability

	Total OPEB Liability
Changes for the year:	
Service cost	\$ 95,175
Interest	50,500
Differences between expected and actual experience	(30,249)
Changes of assumptions	313,359
Benefit payments*	(13,596)
	Net Changes
	415,189
Beginning balance	1,795,560
	Ending Balance
	\$ 2,210,749

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

There were no changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

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

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

	1% Decrease in Discount Rate (1.00%)	Discount Rate (2.00%)	1% Increase in Discount Rate (3.00%)
City's Total OPEB Liability	\$ 2,743,235	\$ 2,210,749	\$ 1,806,480

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

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 529,890	\$ 62,820
Changes in assumptions	-	91,315
Contributions subsequent to the measurement date	27,033	-
Total	\$ 556,923	\$ 154,135

\$27,033 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the fiscal year ending September 30, 2022.

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended <u>September 30</u>	OPEB Expense
2022	\$ 74,132
2023	74,132
2024	71,777
2025	58,711
2026	70,489
Thereafter	26,514
Total	\$ 375,755

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

For the fiscal year ended September 30, 2021, the City recognized TMRS OPEB expense of \$219,807.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

2. Retiree Health Plan

Plan Description

The City provides post-retirement medical, dental, vision, and life insurance benefits on behalf of its eligible retirees. GASB 75 requires public employers to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of the employer.

Benefits

The City maintains self-funded medical and prescription drug coverage administered by Aetna for eligible employees and retired employees and their dependents (prior to attaining Medicare eligibility). Employees and retirees are also eligible for the City's fully-insured dental and vision plan options. In addition, retirees eligible for Medicare can remain with the City but are moved to a fully-insured Medicare Advantage plan. The dental, vision, and Medicare Advantage plans are 100% funded through retiree contributions. Since the retiree has to pay the full premium and there is not a material implicit subsidy for these benefits, there is no liability for the City. Therefore, the dental, vision, and Medicare Advantage plans were excluded from this valuation.

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	549
Total	561

Total OPEB Liability

The City's total OPEB liability of \$12,340,945 was measured as of September 30, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the September 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00%
Discount rate	2.31%

The discount rate was based on an average of the September 30, 2021 S&P Municipal Bond 20-Year High Grade Rate Index and the Fidelity General Obligation AA 20-Year Yield.

Mortality rates for active employees were based on the PubG.H-2010 Employee Mortality Table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

Mortality rates for retirees disabled employees were based on the PubG.H-2010 Healthy Annuitant and Disabled Retiree Mortality Table, Generational with Projection Scale MP-2021 for males or females, as appropriate.

The actuarial assumptions used in the September 30, 2020 valuation were based on the results of an actuarial experience study for the period September 30, 2016 to September 30, 2018.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Changes in the Total OPEB Liability

	Total OPEB Liability
Changes for the year:	
Service cost	\$ 610,063
Interest	295,949
Changes of assumptions	(880,937)
Differences between expected and actual experience	12,307
Benefit payments	(123,396)
	Net Changes
	(86,014)
Beginning balance	<u>12,426,959</u>
	Ending Balance
	<u>\$ 12,340,945</u>

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

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

	1% Decrease in Discount Rate (2.73%)	Discount Rate (3.73%)	1% Increase in Discount Rate (4.73%)
	\$ 14,219,456	\$ 12,340,945	\$ 10,724,347
City's Total OPEB Liability			
City's Total OPEB Liability	\$ 10,402,653	\$ 12,340,945	\$ 14,697,279

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

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 339,718	\$ -
Changes in actuarial assumptions	253,306	660,703
Total	\$ 593,024	\$ 660,703

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended	
September 30	OPEB Expense
2022	160,273
2023	(113,976)
2024	(113,976)
2025	-
2026	-
Thereafter	-
Total	\$ (67,679)

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

For the fiscal year ended September 30, 2021, the City recognized retiree OPEB expense of \$1,066,285.

3. Operating Lease

NBU has an operating lease with the Lower Colorado River Authority (LCRA) to lease certain transmission assets to LCRA. Payments for the lease facilities are based on the original cost of the facilities, adjusted for depreciation, and are updated annually to reflect additions, retirements, and depreciation. The terms of the leases are perpetual, but may be terminated by either party upon five years written notice. On March 30, 2017, LCRA and NBU executed a Memorandum of Agreement (MOA) to terminate the lease effective on March 31, 2022. The MOA outlines a lease payment freeze that reverts the lease payments to the lease asset value as of NBU's Transmission Cost of Service (TCOS) rate case dated July 7, 2014. The compensable lease asset value at that time was \$10,992,460, which equates to lease revenue of \$855,667 per year. Lease revenues were \$855,667 and \$926,972 in Fiscal Year 2021 and Fiscal Year 2020, respectively. The receipts for Fiscal Year 2022 are expected to be \$855,667.

4. Tax Abatements

1. Chapter 378 Neighborhood Empowerment Zone Agreement

Chapter 378 of the Texas Local Government Code, *Neighborhood Empowerment Zone*, provides the authority to the governing body of a municipality to create a Neighborhood Empowerment Zone that would promote an increase in economic development in the municipality. The City has entered into a property tax abatement agreement (the "Agreement") with a company (the "Company") as authorized by Chapter 378 of the Texas Local Government Code. Under the Agreement, the Company agrees to establish a customer contact center that will employ 120 people by the end of the first year of operation and will employ at least 343 people by the end of the tenth year of operation. In exchange, the City will pay the Company 50 percent of the sales tax revenue received by the City which is connected to the Company's business activities within the City starting on the date outlined in the Agreement for a period of 10 years. The Agreement provides for recapture of sales taxes in the event of material breach. For the year ended September 30, 2021, the total amount of taxes abated were \$1,496,735 for the City and \$1,496,735 for the NBEDC.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

2. Chapter 380 Economic Development Agreement

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

Sales Taxes

The City has entered into sales tax abatement agreements (the “Agreements”) with several developers (the “Developers”) as authorized by Chapter 380 of the Texas Local Government Code.

Under each Agreement, the Developers must meet certain commercial/retail development and/or employment requirements in order to have a portion of their sales taxes abated. The minimum limitation value varies by Agreement. Each Agreement provides for recapture in the event of material breach. The following summarizes the current Agreements:

- A Developer constructed a commercial and mixed-use development of approximately 160.56 acres of land for the purpose of promoting economic development in the City and stimulating business and commercial activity. The improvements were to be completed based on the terms of the Agreement. The Agreement expires 25 years after the effective date of the Agreement. The City will make payments to the Developer from sales tax revenues at an amount equal to 50 percent of sales tax revenue collected by the City and generated by the project. For the year ended September 30, 2021, the total amount of taxes abated were \$66,701 for the City.

A reconciliation of gross sales tax collections for these tax abatement agreements and the Creekside Town Center TIRZ is disclosed below:

	Sales Tax Reconciliation		
	Economic		
	General	Dev. Corporation	Total
Payments from Comptroller	\$ 31,653,529	\$ 10,551,176	\$ 42,204,705
Creekside Town Center - Chapter 380			
Abatement Payments	(1,979,376)	(2,744,550)	(4,723,926)
Net Sales Tax Collected	<u>\$ 29,674,153</u>	<u>\$ 7,806,626</u>	<u>\$ 37,480,779</u>

Property Taxes

The City has entered into property tax abatement agreements (the “Agreements”) with several developers (the “Developers”) as authorized by Chapter 380 of the Texas Local Government Code.

Under each Agreement, the Developers must meet certain commercial/retail development and/or employment requirements in order to have a portion of their property taxes abated. The minimum limitation value varies by Agreement.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Each Agreement provides for recapture in the event of material breach. The following summarizes the current Agreements:

- The Developer constructed a commercial and mixed-use development of approximately 160.56 acres of land for the purpose of promoting economic development in the City and stimulating business and commercial activity. In exchange, the City will pay the company an amount annually equal to 70 percent of all property taxes received by the City related to the property in each tax year starting the first tax year following a transition period as outlined in the Agreement for a period of 25 years or until \$4,117,000 of the economic development grant is paid. For the year ended September 30, 2021, the total amount of taxes abated were \$358,634 for the City.
- The Developer agrees to construct a manufacturing facility of approximately 240,000 square-feet for the purpose of promoting economic development in the City and stimulating business and commercial activity. The City has granted the Developer a tax limitation for a period of 15 years. In order to be eligible to receive the limitation, the Developer agrees to make an investment of \$80 million that increases total taxable assessed value of at least \$35 million by January 2017 and \$50 million by January 2018. In addition, the Developer must meet certain employment conditions. The City will make annual payments to the Developer from property tax revenues at an amount equal to 80 percent, 60 percent, and 50 percent of total taxable assessed value for years one through five, six through eight, and nine through fifteen, respectively. For the years ending September 30, 2021 and 2020, the total amount of taxes abated were \$272,575 and \$265,579 respectively.

A reconciliation of gross property tax collections for these tax abatement agreements and the Creekside Town Center TIRZ is disclosed below:

Property Tax Reconciliation			
	Maintenance and Operations	Interest and Sinking	Total
Property Taxes Collected*			
Current	\$ 22,884,073	\$ 20,456,974	\$ 43,341,047
Delinquent	118,066	105,544	223,610
Penalties and Interest	113,156	101,155	214,311
Protest Adjustments	24,278	21,703	45,981
Property Taxes Collected	\$ 23,139,573	\$ 20,685,376	\$ 43,824,949
Less: Adjustments**	(1,181,628)	(1,118,483)	(2,300,111)
Net Property Taxes Collected	21,957,945	19,566,893	41,524,838

* Per Comal County Tax Office Records

**Includes Adjustments to TIRZ & 380 Payments

5. New Braunfels Utilities Defined Benefit Pension Plan

Plan Description

NBU participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (“TMRS Act”) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS’s defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Internal Revenue Code. TMRS issues a publicly available CAFR that can be obtained online at www.tmrs.com. All eligible employees of NBU are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the Board, within the options available in the state statutes governing TMRS. At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and NBU-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefits as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75 percent of the member's deposits and interest.

Employees Covered by Benefit Terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	133
Inactive employees entitled to, but not yet receiving, benefits	92
Active employees	322
Total	547

Contributions

The contribution rates for employees in TMRS are either 5 percent, 6 percent, or 7 percent of employee gross earnings, and the city matching percentages are either 100 percent, 150 percent, or 200 percent, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees of NBU were required to contribute 7 percent of their annual gross earnings during the fiscal year. The contribution rates for NBU were 17.08 percent and 17.39 percent in calendar years 2021 and 2020, respectively. NBU's contributions to TMRS for the years ended July 31, 2021 and 2020 were \$4,371,468 and \$3,776,143, respectively, and were equal to the required contributions.

Net Pension Liability

NBU's Net Pension Liability (NPL) was measured as of December 31, 2020 and 2019, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Actuarial Assumptions

The TPL in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees, and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled, annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females, respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

Actuarial assumptions used in the December 31, 2020 and 2019 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	100.00%	

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75 percent. The projection of cash flows used to determine the discount rate assured that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the NPL

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Changes for the year:			
Service cost	\$ 4,031,193	\$ -	\$ 4,031,193
Interest	6,625,838	-	6,625,838
Changes in current period benefits	-	-	-
Difference between expected and actual experience	1,586,860	-	1,586,860
Changes in assumptions	-	-	-
Contributions - employer	-	3,946,380	(3,946,380)
Contributions - employee	-	1,604,227	(1,604,227)
Net investment income	-	6,336,072	(6,336,072)
Benefit payments, including refunds of employee contributions	(3,395,518)	(3,395,518)	-
Administrative expense	-	(40,984)	40,984
Other changes	-	(1,599)	1,599
Net Changes	8,848,373	8,448,578	399,795
Balance at December 31, 2019	97,842,729	83,442,519	14,400,210
Balance at December 31, 2020	\$ 106,691,102	\$ 91,891,097	\$ 14,800,005

Sensitivity of the NPL to Changes in the Discount Rate

The following presents the Net Pension Liability of NBU, calculated using the discount rate that was included in the actuarial valuation, as well as what NBU's Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
	NBU's Net Pension Liability	\$ 30,512,819	\$ 14,800,005

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

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

For the fiscal year ended July 31, 2021, the City recognized pension expense of \$4,640,790.

At July 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 2,594,135	\$ 4,745
Changes in actuarial assumptions	135,347	-
Difference between projected and actual investment earnings	-	2,374,118
Contributions subsequent to the measurement date	2,603,322	-
Total	\$ 5,332,804	\$ 2,378,863

NBU contributions of \$2,603,322 made subsequent to the measurement date of December 31, 2020, as shown in the table above, are included as part of pension deferred outflows in the Statement of Net Position. These contributions will be recognized as a reduction of the NPL for the year ending July 31, 2022. The remaining net amount of \$350,619 is comprised of the difference between (i) the deferred outflows of resources of \$2,729,482 consisting of the difference between expected and actual economic experience and (ii) deferred inflows of \$2,378,863 resulting from differences between projected and actual investment earnings. This amount will be recognized in pension expense as follows:

Fiscal Year Ended July 31	Pension Expense
2022	\$ (182,807)
2023	720,645
2024	(779,225)
2025	336,406
2026	255,600
Thereafter	-
Total	\$ 350,619

6. New Braunfels Utilities Supplemental Death Benefit Fund

NBU also participates in the cost sharing multi-employer defined benefit group-term life insurance plan operated by the TMRS known as the Supplemental Death Benefits Fund (SDBF). NBU elected, by ordinance, to provide group life insurance coverage to both current and retired employees. NBU 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. Benefits - The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other post-employment benefit," or OPEB. Contributions - NBU contributes to the SDBF at a contractually required contribution 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 of this plan is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to

CITY OF NEW BRAUNFELS, TEXAS

NOTES TO FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2021

pre-fund retiree term life insurance during employees' entire careers. NBU's contributions for 2021, 2020, and 2019 were \$38,390, \$37,507, and \$31,250, respectively, and equaled the required contributions for those years. GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions was deemed not material and has no impact on NBU's financial reporting.

7. Intergovernmental Revenue

NBU is a semiautonomous entity with a Board of Trustees (the "Board) that is responsible for its operations. The Board is appointed by the City Council.

The Board may authorize NBU to transfer annual payments to the General Fund of the City payable in monthly installments. The calculation is based on a rolling three-year average of electric, water, and sewer operating revenues. The formula percentage is 7.45 percent for electric, 4.35 percent for water, and 4.35 percent for wastewater. The amount is limited to income before extraordinary items less bond principal and any future bond reserve or contingency requirements. These monies can be transferred only if such funds are available after meeting the needs of properly operating and maintaining the system and fulfilling all bonded debt requirements.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (Page 1 of 2)
GENERAL FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Taxes:				
Ad valorem	\$ 21,956,900	\$ 21,956,900	\$ 21,957,944	\$ 1,044
Sales	22,834,193	22,834,193	29,674,154	6,839,961
Franchise fees and other taxes	10,512,908	10,512,908	11,039,540	526,632
Licenses and permits	4,370,300	4,370,300	7,151,224	2,780,924
Intergovernmental	25,000	25,000	4,115,304	4,090,304
Fines and forfeitures	1,401,000	1,401,000	1,074,959	(326,041)
Interest	257,500	257,500	31,857	(225,643)
Parks and recreation	3,807,000	3,807,000	4,882,892	1,075,892
Miscellaneous	2,772,160	2,898,798	3,066,441	167,643
Charges for services	4,130,160	4,130,160	3,294,552	(835,608)
Total Revenues	72,067,121	72,193,759	86,288,867	14,095,108
Expenditures				
General government:				
City council	35,350	35,350	31,331	4,019
City attorney	930,031	930,031	902,688	27,343
City administration	4,604,158	4,604,158	4,487,028	117,130
Human resources	1,020,671	1,020,671	943,717	76,954
Economic development	408,228	408,228	388,906	19,322
Nondepartmental	3,811,145	3,775,009	2,497,703	1,277,306
Finance and tax	1,280,039	1,280,039	1,279,968	71
Planning and environmental development	3,587,542	3,587,542	3,489,270	98,272
Public safety:				
Police	20,484,379	20,484,379	20,352,574	131,805
Fire	19,517,417	21,574,129	21,574,129	-
Public works	7,888,471	7,888,471	7,400,095	488,376
Parks and recreation	8,151,414	8,151,414	7,307,840	843,574
Library	2,366,255	2,366,255	2,103,654	262,601
Total Expenditures	74,085,100	76,105,676	72,758,903	3,346,773
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,017,979)	(3,911,917)	13,529,964	17,441,881

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (Page 2 of 2)
GENERAL FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses)				
Transfers in	\$ 908,917	\$ 908,917	\$ 808,917	\$ (100,000)
Transfers (out)	(1,347,624)	(1,347,624)	(885,226)	462,398
Sale of capital asset	-	-	217,357	217,357
Total Other Financing Sources (Uses)	(438,707)	(438,707)	141,048	579,755
Net Change in Fund Balance	<u>\$ (2,456,686)</u>	<u>\$ (4,350,624)</u>	13,671,012	<u>\$ 18,021,636</u>
Beginning fund balance			<u>27,386,112</u>	
Ending Fund Balance			<u>\$ 41,057,124</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. This schedule includes budget and actual amounts for the general fund subfund.

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 4,585,491	\$ 4,585,491	\$ 490,524	\$ (4,094,967)
Interest	-	-	282	282
Total Revenues	4,585,491	4,585,491	490,806	(4,094,685)
Expenditures				
Current:				
General government	988,045	988,045	946,228	41,817
Public safety	3,722,928	3,722,928	211,381	3,511,547
Public works	-	-	196,448	(196,448)
Library	-	-	5,994	(5,994)
Total Expenditures	4,710,973	4,710,973	1,360,051	3,350,922
Other Financing Sources (Uses)				
Transfers in	50,000	50,000	150,501	100,501
Total Other Financing Sources	50,000	50,000	150,501	100,501
Net Change in Fund Balance	\$ (75,482)	\$ (75,482)	(718,744)	\$ (643,262)
Beginning fund balance			721,884	
Ending Fund Balance			\$ 3,140	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. Budgets for the grant fund have a legal level of control at the project level, which did not exceed appropriations for the project in fiscal year 2021.

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	\$ 3,415,000	\$ 3,415,000	\$ 4,412,298	\$ 997,298
Interest	-	-	28	28
Miscellaneous	5,000	5,000	1,238	(3,762)
Total Revenues	3,420,000	3,420,000	4,413,564	993,564
Expenditures				
Current				
General government	2,749,700	2,749,700	2,188,682	561,018
Total Expenditures	2,749,700	2,749,700	2,188,682	561,018
Excess of Revenues Over Expenditures	670,300	670,300	2,224,882	1,554,582
Other Financing Sources (Uses)				
Transfers (out)	(708,691)	(708,691)	(769,201)	(60,510)
Total Other Financing (Uses)	(708,691)	(708,691)	(769,201)	(60,510)
Net Change in Fund Balance	\$ (38,391)	\$ (38,391)	1,455,681	\$ 1,494,072
Beginning fund balance			1,144,969	
Ending Fund Balance			\$ 2,600,650	

Notes to Required Supplementary Information:

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

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended September 30, 2021

	Measurement Year*			
	2014	2015	2016	2017
Total Pension Liability				
Service cost	\$ 5,143,064	\$ 5,732,589	\$ 6,283,281	\$ 6,602,665
Interest (on the total pension liability)	8,027,752	8,602,512	8,990,600	9,783,894
Changes in current period benefits	-	-	-	-
Difference between expected and actual experience	(1,028,253)	420,652	887,337	1,216,121
Change in assumptions	-	(437,911)	-	-
Benefit payments, including refunds of employee contributions	(4,136,590)	(4,316,359)	(4,267,920)	(4,868,903)
Net Change in Total Pension Liability	8,005,973	10,001,483	11,893,298	12,733,777
Beginning total pension liability	<u>114,178,940</u>	<u>122,184,913</u>	<u>132,186,396</u>	<u>144,079,694</u>
Ending Total Pension Liability	<u>122,184,913</u>	<u>132,186,396</u>	<u>144,079,694</u>	<u>156,813,471</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 4,725,941	\$ 5,365,044	\$ 5,961,496	\$ 6,162,903
Contributions - employee	2,011,041	2,213,355	2,424,270	2,546,656
Net investment income	4,945,274	138,605	6,574,073	14,955,206
Benefit payments, including refunds of employee contributions	(4,136,590)	(4,316,359)	(4,267,920)	(4,868,903)
Administrative expense	(51,621)	(84,411)	(74,212)	(77,461)
Other	(4,244)	(4,169)	(3,998)	(3,926)
Net Change in Plan Fiduciary Net Position	7,489,801	3,312,065	10,613,709	18,714,475
Beginning plan fiduciary net position	<u>86,429,472</u>	<u>93,919,273</u>	<u>97,231,338</u>	<u>107,845,047</u>
Ending Plan Fiduciary Net Position	<u>93,919,273</u>	<u>97,231,338</u>	<u>107,845,047</u>	<u>126,559,522</u>
Net Pension Liability	<u>\$ 28,265,640</u>	<u>\$ 34,955,058</u>	<u>\$ 36,234,647</u>	<u>\$ 30,253,949</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.87%	73.56%	74.85%	80.71%
Covered Payroll	\$ 28,695,633	\$ 31,619,357	\$ 34,599,565	\$ 36,318,289
Net Pension Liability as a Percentage of Covered Payroll	98.50%	110.55%	104.73%	83.30%

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

Measurement Year*			
2018	2019	2020	
\$ 7,075,714	\$ 7,548,546	\$ 8,207,720	
10,661,364	11,540,144	12,604,862	
-	-	-	
227,139	1,420,919	1,661,149	
-	615,649	-	
<u>(4,810,400)</u>	<u>(5,552,933)</u>	<u>(5,809,554)</u>	
<u>13,153,817</u>	<u>15,572,325</u>	<u>16,664,177</u>	
<u>156,813,471</u>	<u>169,967,288</u>	<u>185,539,613</u>	
<u><u>\$ 169,967,288</u></u>	<u><u>\$ 185,539,613</u></u>	<u><u>\$ 202,203,790</u></u>	
 \$ 6,539,492	 \$ 7,026,523	 \$ 7,636,802	
2,719,934	2,901,000	3,172,560	
(3,794,347)	19,681,894	11,484,015	
 (4,810,400)	 (5,552,933)	 (5,809,554)	
 (73,269)	 (111,061)	 (74,206)	
 (3,829)	 (3,337)	 (2,895)	
 <u>577,581</u>	 <u>23,942,086</u>	 <u>16,406,722</u>	
 <u>126,559,522</u>	 <u>127,137,103</u>	 <u>151,079,190</u>	
 <u>\$ 127,137,103</u>	 <u>\$ 151,079,189</u>	 <u>\$ 167,485,912</u>	
 <u>\$ 42,830,185</u>	 <u>\$ 34,460,424</u>	 <u>\$ 34,717,878</u>	
 74.80%	 81.43%	 82.83%	
 \$ 38,856,198	 \$ 41,430,000	 \$ 45,321,482	
 110.23%	 83.18%	 76.60%	

CITY OF NEW BRAUNFELS, TEXAS

NEW BRAUNFELS UTILITIES

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM

For the Year Ended July 31, 2021

	Measurement Year*			
	2015	2016	2017	2018
Total Pension Liability				
Service cost	\$ 1,852,821	\$ 2,063,217	\$ 2,328,445	\$ 3,034,811
Interest (on the total pension liability)	4,534,158	4,623,082	5,349,632	5,697,720
Changes in current period benefits	-	-	6,881,135	-
Difference between expected and actual experience	(452,450)	(33,315)	424,537	638,332
Change in assumptions	288,151	-	-	-
Benefit payments, including refunds of employee contributions	(2,689,654)	(2,533,258)	(3,272,818)	(3,325,058)
Net Change in Total Pension Liability	3,533,026	4,119,726	11,710,931	6,045,805
Beginning total pension liability	65,192,104	68,725,130	72,844,856	84,555,787
Ending Total Pension Liability	\$ 68,725,130	\$ 72,844,856	\$ 84,555,787	\$ 90,601,592
Plan Fiduciary Net Position				
Contributions - employer	\$ 1,827,177	\$ 1,811,489	\$ 2,046,699	\$ 3,194,908
Contributions - employee	944,629	1,018,513	1,151,967	1,259,258
Net investment income	87,534	4,017,620	8,830,361	(2,169,446)
Benefit payments, including refunds of employee contributions	(2,689,654)	(2,533,258)	(3,272,818)	(3,325,058)
Administrative expense	(53,311)	(45,360)	(45,751)	(41,917)
Other	(2,634)	(2,444)	(2,319)	(2,190)
Net Change in Plan Fiduciary Net Position	113,741	4,266,560	8,708,139	(1,084,445)
Beginning plan fiduciary net position	59,316,009	59,429,750	63,696,310	72,404,449
Ending Plan Fiduciary Net Position	\$ 59,429,750	\$ 63,696,310	\$ 72,404,449	\$ 71,320,004
Net Pension Liability	\$ 9,295,380	\$ 9,148,546	\$ 12,151,338	\$ 19,281,588
Plan Fiduciary Net Position as a Percentage of Total Pension Liability				
	86.47%	87.44%	85.63%	78.72%
Covered Payroll	\$ 13,494,694	\$ 14,550,190	\$ 16,443,818	\$ 17,989,394
Net Pension Liability as a Percentage of Covered Payroll	68.88%	62.88%	73.90%	107.18%

Measurement Year*	
2019	2020
\$ 3,421,657	\$ 4,031,193
6,104,485	6,625,838
-	-
1,260,367	1,586,860
205,839	-
<u>(3,751,212)</u>	<u>(3,395,518)</u>
7,241,136	8,848,373
<u>90,601,592</u>	<u>97,842,729</u>
<u>\$ 97,842,728</u>	<u>106,691,102</u>
 \$ 3,502,065	\$ 3,946,380
1,407,263	1,604,227
11,028,572	6,336,072
 (3,751,212)	 (3,395,518)
(62,302)	(40,984)
(1,871)	(1,599)
<u>12,122,515</u>	<u>8,448,578</u>
<u>71,320,004</u>	<u>83,442,519</u>
<u>\$ 83,442,519</u>	<u>91,891,097</u>
<u>\$ 14,400,209</u>	<u>14,800,005</u>
 85.28%	86.13%
 \$ 20,103,751	22,917,524
 71.63%	64.58%

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF CONTRIBUTIONS

TEXAS MUNICIPAL RETIREMENT SYSTEM

For the Year Ended September 30, 2021

	Fiscal Year*			
	2014	2015	2016	2017
Actuarially determined contribution	\$ 4,725,941	\$ 5,365,044	\$ 6,066,843	\$ 6,102,303
Contributions in relation to the actuarially determined contribution	<u>4,705,262</u>	<u>5,400,580</u>	<u>6,066,843</u>	<u>6,102,303</u>
Contribution deficiency (excess)	<u><u>\$ 20,679</u></u>	<u><u>\$ (35,536)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Covered payroll	\$ 28,695,633	\$ 31,619,357	\$ 35,348,062	\$ 35,884,508
Contributions as a percentage of covered payroll	16.40%	17.08%	17.16%	17.01%

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

Notes to Required Supplementary Information:

1. Valuation Date:

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

2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 Years
Asset valuation method	10 year smoothed market, 15% soft corridor
Inflation	2.0%
Salary increases	3.00% to 11.50% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period December 31, 2014 - 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

3. Other Information:

There were no benefit changes during the year.

Fiscal Year*				
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	
\$ 6,439,837	\$ 6,937,744	\$ 7,429,745	\$ 7,753,182	
<u>6,439,837</u>	<u>6,937,744</u>	<u>7,429,745</u>	<u>7,753,182</u>	
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	
\$ 38,208,179	\$ 40,641,797	\$ 43,646,238	\$ 45,447,930	

16.85% 17.07% 17.02% 17.06%

CITY OF NEW BRAUNFELS, TEXAS
NEW BRAUNFELS UTILITIES
SCHEDULE OF CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the Year Ended July 31, 2021

	Fiscal Year*			
	2016	2017	2018	2019
Actuarially determined contribution	\$ 1,842,516	\$ 1,941,283	\$ 1,941,283	\$ 3,343,248
Contributions in relation to the actuarially determined contribution	<u>1,842,516</u>	<u>1,941,283</u>	<u>2,700,230</u>	<u>3,343,248</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (758,947)</u></u>	<u><u>\$ -</u></u>
Covered payroll	\$ 14,270,549	\$ 15,599,975	\$ 17,387,972	\$ 19,038,042
Contributions as a percentage of covered payroll	12.91%	12.44%	15.53%	17.56%

*Only six years of information is currently available. NBU will build this schedule over the next four-year period.

Notes to Required Supplementary Information:

1. Valuation Date:

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

2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 Years
Asset valuation method	10 year smoothed market, 12% soft corridor
Inflation	2.5%
Salary increases	3.5% to 11.5% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period December 31, 2010 - 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

3. Other Information:

There were no benefit changes during the year.

Fiscal Year*	
2020	2021
\$ 3,343,248	\$ 4,333,080
<u>3,776,143</u>	<u>4,333,080</u>
<u>\$ (432,895)</u>	<u>\$ -</u>
\$ 21,832,301	\$ 24,621,104
17.30%	17.60%

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CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
RETIREE BENEFIT PROGRAM
For the Year Ended September 30, 2021

	Measurement Year*			
	2017	2018	2019	2020
Total Pension Liability				
Service cost	\$ 431,371	\$ 444,312	\$ 516,533	\$ 610,062
Interest (on the total pension liability)	363,757	312,824	365,899	295,949
Difference between expected & actual experience	237,182	61,055	446,312	12,307
Change of assumptions	-	846,197	69,594	(880,937)
Benefit payments	<u>(392,489)</u>	<u>(149,364)</u>	<u>24,719</u>	<u>(133,148)</u>
Net Change in Total OPEB Liability	639,821	1,515,024	1,423,057	(95,767)
Beginning total OPEB liability	8,858,810	9,498,631	11,013,655	12,436,712
Ending Total OPEB Liability	<u>\$ 9,498,631</u>	<u>\$ 11,013,655</u>	<u>\$ 12,436,712</u>	<u>\$ 12,340,945</u>
Covered Payroll	\$ 30,768,150	\$ 31,691,195	\$ 33,253,958	\$ 34,251,577
Total OPEB Liability as a Percentage of Covered Payroll	30.87%	34.75%	37.40%	36.03%

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

Notes to Required Supplementary Information:

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

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CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS ***TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS) -*** ***SUPPLEMENTAL DEATH BENEFIT FUND***

For the Year Ended September 30, 2021

	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 58,109	\$ 73,827	\$ 66,288	\$ 95,175
Interest (on the total pension liability)	48,695	50,176	55,022	50,500
Difference between expected and actual experience	-	(29,490)	(69,364)	(30,249)
Change of assumptions	124,268	(111,517)	299,899	313,359
Benefit payments**	(10,895)	(11,657)	(12,429)	(13,596)
Net Change in Total OPEB Liability	220,177	(28,661)	339,416	415,189
Beginning total OPEB liability	1,264,628	1,484,805	1,456,144	1,795,560
Ending Total OPEB Liability	<u>\$ 1,484,805</u>	<u>\$ 1,456,144</u>	<u>\$ 1,795,560</u>	<u>\$ 2,210,749</u>
Covered Payroll	\$ 36,318,289	\$ 38,856,198	\$ 41,430,000	\$ 45,321,482
Total OPEB Liability as a Percentage of Covered Payroll	4.09%	3.75%	4.33%	4.88%

*Only four years of information is currently available.

The City will build this schedule over the next six-year period.

**Due to the SDBF being considered an unfunded OPEB plan under GASB 75,

benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Notes to Required Supplementary Information:

Other Information:

There were no changes in assumption or other inputs that affected measurement of the total OPEB liability since the prior measurement period.

There were no changes in benefit terms that affected measurement of the total OPEB liability during the measurement period.

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***COMBINING STATEMENTS
AND SCHEDULES***

CITY OF NEW BRAUNFELS, TEXAS

COMBINING BALANCE SHEET GENERAL FUND - SUBFUNDs

September 30, 2021

	General	Equipment Replacement	Eliminations	Totals
Assets				
Cash and equity in pooled cash and investments	\$ 26,734,630	\$ 895,189	\$ -	\$ 27,629,819
Pooled and temporary investments	10,151,705	-	-	10,151,705
Receivables, net				
Taxes and fees	421,534	-	-	421,534
Accounts	9,361,747	-	-	9,361,747
Due from other funds	493,219	-	-	493,219
Inventory	607	-	-	607
Total Assets	<u>\$ 47,163,442</u>	<u>\$ 895,189</u>	<u>\$ -</u>	<u>\$ 48,058,631</u>
Liabilities				
Accounts payable	\$ 4,964,212	\$ 2,386	\$ -	\$ 4,966,598
Accrued wages payable	1,613,375	-	-	1,613,375
Total Liabilities	<u>6,577,587</u>	<u>2,386</u>	<u>-</u>	<u>6,579,973</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	421,534	-	-	421,534
Fund Balances				
Nonspendable	607	-	-	607
Assigned	-	892,803	-	892,803
Unassigned	40,163,714	-	-	40,163,714
Total Fund Balances	<u>40,164,321</u>	<u>892,803</u>	<u>-</u>	<u>41,057,124</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 47,163,442</u>	<u>\$ 895,189</u>	<u>\$ -</u>	<u>\$ 48,058,631</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND - SUBFUND
For the Year Ended September 30, 2021

	General	Equipment Replacement	Eliminations	Totals
Revenues				
Taxes and fees	\$ 62,671,638	\$ -	\$ -	\$ 62,671,638
Licenses and permits	7,151,224	-	-	7,151,224
Intergovernmental	4,115,304	-	-	4,115,304
Fines and forfeitures	1,074,959	-	-	1,074,959
Interest	31,375	482	-	31,857
Parks and recreation	4,882,892	-	-	4,882,892
Miscellaneous	2,945,199	121,242	-	3,066,441
Charges for services	3,294,552	-	-	3,294,552
Total Revenues	86,167,143	121,724	-	86,288,867
Expenditures				
Current				
General government	9,096,967	154,406	-	9,251,373
Finance and tax	1,279,968	-	-	1,279,968
Planning and environmental	3,489,270	-	-	3,489,270
Public safety	41,532,730	393,973	-	41,926,703
Public works	7,400,095	-	-	7,400,095
Parks and recreation	7,306,756	1,084	-	7,307,840
Library	2,103,654	-	-	2,103,654
Total Expenditures	72,209,440	549,463	-	72,758,903
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,957,703	(427,739)	-	13,529,964
Other Financing Sources (Uses)				
Transfers in	808,917	670,000	(670,000)	808,917
Transfers (out)	(1,190,247)	(364,979)	670,000	(885,226)
Sale of capital assets	-	217,357	-	217,357
Total Other Financing Sources (Uses)	(381,330)	522,378	-	141,048
Net Change in Fund Balances	13,576,373	94,639	-	13,671,012
Beginning fund balances	<u>26,587,948</u>	<u>798,164</u>	<u>-</u>	<u>27,386,112</u>
Ending Fund Balances	<u>\$ 40,164,321</u>	<u>\$ 892,803</u>	<u>\$ -</u>	<u>\$ 41,057,124</u>

CITY OF NEW BRAUNFELS, TEXAS

COMBINING BALANCE SHEET **NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2021

	Special Revenue	Capital Projects	Permanent Fund	Total Nonmajor Governmental Funds
			Cemetery Perpetual Care	
Assets				
Cash and equity in pooled cash and investments	\$ 19,093,959	\$ 10,723,979	\$ 231,408	\$ 30,049,346
Accounts receivable	279,800	300	-	280,100
Restricted cash	1,220,804	-	-	1,220,804
Total Assets	\$ 20,594,563	\$ 10,724,279	\$ 231,408	\$ 31,550,250
Liabilities				
Accounts payable	\$ 452,859	\$ 91,200	\$ 220	\$ 544,279
Due to other funds	480,355	12,864	-	493,219
Total Liabilities	933,214	104,064	220	1,037,498
Fund Balances				
Nonspendable	-	-	231,188	231,188
Restricted	12,843,628	10,620,215	-	23,463,843
Committed	6,817,721	-	-	6,817,721
Total Fund Balances	19,661,349	10,620,215	231,188	30,512,752
Total Liabilities and Fund Balances	\$ 20,594,563	\$ 10,724,279	\$ 231,408	\$ 31,550,250

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021

	Special Revenue	Capital Projects	Permanent Fund Cemetery Perpetual Care	Total Nonmajor Governmental Funds
Revenues				
Ad valorem taxes	\$ 2,861,057	\$ -	\$ -	\$ 2,861,057
Sales taxes	1,655,068	- -	- -	1,655,068
Franchise fees and local taxes	147,697	- -	- -	147,697
Licenses and permits	6,700	- -	475	7,175
Fines and forfeitures	335,495	- -	- -	335,495
Parks and recreation	- -	1,772,904	- -	1,772,904
Interest	3,010	6,845	- -	9,855
Intergovernmental	1,247,051	- -	- -	1,247,051
Miscellaneous	1,578,884	135,699	- -	1,714,583
Other contributions	- -	- -	16,991	16,991
Charges and fees	2,591,376	- -	3,740	2,595,116
Total Revenues	10,426,338	1,915,448	21,206	12,362,992
Expenditures				
General government	40,914	15,685	- -	56,599
Planning and environmental development	901,438	- -	- -	901,438
Public safety	1,219,189	21,405	- -	1,240,594
Public works	4,131,049	177,596	- -	4,308,645
Parks and recreation	100,931	27,584	12,635	141,150
Library	95,194	- -	- -	95,194
Debt service				
Principal	2,110,000	- -	- -	2,110,000
Interest expense	1,108,167	- -	- -	1,108,167
Issuance cost and fiscal charges	- -	62,810	- -	62,810
Total Expenditures	9,706,882	305,080	12,635	10,024,597
Excess of Revenues Over Expenditures	719,456	1,610,368	8,571	2,338,395
Other Financing Sources (Uses)				
Transfers in	5,643,719	9,922	- -	5,653,641
Transfers (out)	(4,434,172)	(244,597)	- -	(4,678,769)
Proceeds from issuance of debt	- -	2,835,000	- -	2,835,000
Bond premium	- -	227,810	- -	227,810
Total Other Financing Sources	1,209,547	2,828,135	- -	4,037,682
Net Change in Fund Balances	1,929,003	4,438,503	8,571	6,376,077
Beginning fund balances	17,732,346	6,181,712	222,617	24,136,675
Ending Fund Balances	\$ 19,661,349	\$ 10,620,215	\$ 231,188	\$ 30,512,752

CITY OF NEW BRAUNFELS, TEXAS

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS (page 1 of 3)

September 30, 2021

	Community Development Block Grant	Special Revenue Donations	River	Court Security
<u>Assets</u>				
Cash and equity in pooled cash and investments	\$ 93,609	\$ 607,089	\$ 190,229	\$ 25,050
Accounts receivable	162,355	875	3,362	-
Restricted cash	-	-	-	-
Total Assets	<u>255,964</u>	<u>607,964</u>	<u>193,591</u>	<u>25,050</u>
<u>Liabilities</u>				
Accounts payable	\$ 164,252	\$ 17,331	\$ 34,389	\$ -
Due to other funds	91,712	-	-	-
Total Liabilities	<u>255,964</u>	<u>17,331</u>	<u>34,389</u>	<u>-</u>
<u>Fund Balances</u>				
Restricted	-	590,633	159,202	25,050
Committed	-	-	-	-
Total Fund Balances	<u>-</u>	<u>590,633</u>	<u>159,202</u>	<u>25,050</u>
Total Liabilities and Fund Balances	<u>255,964</u>	<u>607,964</u>	<u>193,591</u>	<u>25,050</u>

River Mill TIRZ	Judicial Efficiency	Court Technology	Child Safety	Stormwater Development	Juvenile Case Management
\$ 34,835	\$ 15,075	\$ 79,943	\$ 74,320 1,211	\$ 402,493	\$ 6,817
-	-	-	-	-	-
-	-	-	-	-	-
\$ 34,835	\$ 15,075	\$ 79,943	\$ 75,531	\$ 402,493	\$ 6,817
<hr/>					
\$ -	\$ -	\$ 164	\$ 18,909	\$ 2,357	\$ -
-	-	-	-	-	-
-	-	164	18,909	2,357	-
34,835	15,075	79,779	56,622	400,136	6,817
-	-	-	-	-	-
<u>34,835</u>	<u>15,075</u>	<u>79,779</u>	<u>56,622</u>	<u>400,136</u>	<u>6,817</u>
<u>\$ 34,835</u>	<u>\$ 15,075</u>	<u>\$ 79,943</u>	<u>\$ 75,531</u>	<u>\$ 402,493</u>	<u>\$ 6,817</u>

CITY OF NEW BRAUNFELS, TEXAS

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS (page 2 of 3)

September 30, 2021

	Faust Library	Federal Court Awards	Non-Federal Court Awards	Edwards Aquifer HCP
Assets				
Cash and equity in pooled cash and investments	\$ -	\$ 92,525	\$ 154,652	\$ 83,305
Accounts receivable	-	-	-	43,834
Restricted cash	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 92,525</u>	<u>\$ 154,652</u>	<u>\$ 127,139</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 75,503
Due to other funds	-	-	-	51,636
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 127,139</u>
Fund Balances				
Restricted	-	92,525	154,652	-
Committed	-	-	-	-
Total Fund Balances	<u>\$ -</u>	<u>\$ 92,525</u>	<u>\$ 154,652</u>	<u>\$ -</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 92,525</u>	<u>\$ 154,652</u>	<u>\$ 127,139</u>

Cable Franchise PEG	Tax Increment Reinvestment Zone No. 1	New Braunfels Development Authority	Recreation Center Improvements	Enterprise Maintenance and Equipment	Developmental Services
\$ 382,662	\$ 347,921	\$ 7,403,655	\$ 918,664	\$ 6,793,961	\$ 1,387,154
35,238	-	-	-	28,437	4,488
-	-	1,220,804	-	-	-
<u>\$ 417,900</u>	<u>\$ 347,921</u>	<u>\$ 8,624,459</u>	<u>\$ 918,664</u>	<u>\$ 6,822,398</u>	<u>\$ 1,391,642</u>
\$ -	\$ 10,914	\$ -	\$ -	\$ 4,677	\$ 124,363
-	337,007	-	-	-	-
-	<u>347,921</u>	<u>-</u>	<u>-</u>	<u>4,677</u>	<u>124,363</u>
417,900	-	8,624,459	918,664	-	1,267,279
-	-	-	-	6,817,721	-
<u>417,900</u>	<u>-</u>	<u>8,624,459</u>	<u>918,664</u>	<u>6,817,721</u>	<u>1,267,279</u>
<u>\$ 417,900</u>	<u>\$ 347,921</u>	<u>\$ 8,624,459</u>	<u>\$ 918,664</u>	<u>\$ 6,822,398</u>	<u>\$ 1,391,642</u>

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CITY OF NEW BRAUNFELS, TEXAS

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS (page 3 of 3)

September 30, 2021

	Total Nonmajor Special Revenue Funds
<u>Assets</u>	
Cash and equity in pooled cash and investments	\$ 19,093,959
Accounts receivable	279,800
Restricted cash	1,220,804
Total Assets	<u>\$ 20,594,563</u>
<u>Liabilities</u>	
Accounts payable	\$ 452,859
Due to other funds	480,355
Total Liabilities	<u>933,214</u>
<u>Fund Balances</u>	
Restricted	12,843,628
Committed	6,817,721
Total Fund Balances	<u>19,661,349</u>
Total Liabilities and Fund Balances	<u>\$ 20,594,563</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (page 1 of 3)
For the Year Ended September 30, 2021

	Community Development Block Grant	Special Revenue Donations	River	Court Security
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	- -	- -	- -	- -
Franchise fees and local taxes	- -	- -	- -	- -
Licenses and permits	- -	- -	6,700	- -
Fines and forfeitures	- -	- -	180,647	42,237
Interest	- -	- -	- -	- -
Intergovernmental	972,990	275	- -	- -
Miscellaneous	- -	483,280	- -	- -
Charges and fees	- -	- -	936,475	- -
Total Revenues	972,990	483,555	1,123,822	42,237
Expenditures				
Current				
General government	- -	- -	- -	- -
Planning and environmental development	901,438	- -	- -	- -
Public safety	- -	220,881	560,648	28,000
Public works	- -	94,266	540,215	- -
Parks and recreation	- -	100,931	- -	- -
Library	- -	93,334	- -	- -
Debt service				
Principal	- -	- -	- -	- -
Interest and fiscal charges	- -	- -	- -	- -
Total Expenditures	901,438	509,412	1,100,863	28,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	71,552	(25,857)	22,959	14,237
Other Financing Sources (Uses)				
Transfers in	93,609	- -	136,243	- -
Transfers (out)	- -	- -	- -	- -
Total Other Financing Sources (Uses)	93,609	- -	136,243	- -
Net Change in Fund Balances	165,161	(25,857)	159,202	14,237
Beginning fund balances	(165,161)	616,490	- -	10,813
Ending Fund Balances	\$ -	\$ 590,633	\$ 159,202	\$ 25,050

River Mill TIRZ	Judicial Efficiency	Court Technology	Child Safety	Stormwater Development	Juvenile Case Management
\$ 29,033	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	7,013	35,991	1,585	-	45,985
-	-	-	-	4	-
-	-	-	141,548	-	-
-	-	-	-	-	-
-	-	-	-	23,737	-
<u>29,033</u>	<u>7,013</u>	<u>35,991</u>	<u>143,133</u>	<u>23,741</u>	<u>45,985</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	26,318	169,081	-	43,005
-	-	-	-	44,211	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>26,318</u>	<u>169,081</u>	<u>44,211</u>	<u>43,005</u>
<u>29,033</u>	<u>7,013</u>	<u>9,673</u>	<u>(25,948)</u>	<u>(20,470)</u>	<u>2,980</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
29,033	7,013	9,673	(25,948)	(20,470)	2,980
<u>5,802</u>	<u>8,062</u>	<u>70,106</u>	<u>82,570</u>	<u>420,606</u>	<u>3,837</u>
<u>\$ 34,835</u>	<u>\$ 15,075</u>	<u>\$ 79,779</u>	<u>\$ 56,622</u>	<u>\$ 400,136</u>	<u>\$ 6,817</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (page 2 of 3)
For the Year Ended September 30, 2021

	Faust Library	Federal Court Awards	Non-Federal Court Awards	Edwards Aquifer HCP
Revenues				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Sales taxes	- -	- -	- -	- -
Franchise fees and local taxes	- -	- -	- -	- -
Licenses and permits	- -	- -	- -	- -
Fines and forfeitures	- -	- -	- -	- -
Interest	- -	- -	- -	- -
Intergovernmental	- -	- -	- -	132,238
Miscellaneous	- -	- -	11,055	564,751
Charges and fees	- -	- -	- -	- -
Total Revenues	- -	- -	11,055	696,989
Expenditures				
Current				
General government	- -	- -	- -	- -
Planning and environmental development	- -	- -	- -	- -
Public safety	- -	140	32,628	- -
Public works	- -	- -	- -	770,168
Parks and recreation	- -	- -	- -	- -
Library	1,860	- -	- -	- -
Debt service				
Principal	- -	- -	- -	- -
Interest and fiscal charges	- -	- -	- -	- -
Total Expenditures	1,860	140	32,628	770,168
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,860)	(140)	(21,573)	(73,179)
Other Financing Sources (Uses)				
Transfers in	- -	- -	- -	166,305
Transfers (out)	- -	- -	- -	- -
Total Other Financing Sources (Uses)	- -	- -	- -	166,305
Net Change in Fund Balances	(1,860)	(140)	(21,573)	93,126
Beginning fund balances	1,860	92,665	176,225	(93,126)
Ending Fund Balances	\$ -	\$ 92,525	\$ 154,652	\$ -

Cable Franchise PEG	Tax Increment Reinvestment Zone No. 1	New Braunfels Development Authority	Recreation Center Improvements	Enterprise Maintenance and Equipment	Developmental Services
\$ -	\$ 2,832,024	\$ -	\$ -	\$ -	\$ -
	1,655,068	-	-	-	-
147,697	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	22,037
	46	453	-	2,489	18
	-	-	-	-	-
	-	-	71	519,727	-
	-	-	-	-	1,631,164
147,697	4,487,138	453	71	522,216	1,653,219
	40,914	-	-	-	-
	-	-	-	-	-
	-	-	-	138,488	-
	-	339,232	-	898,506	1,444,451
	-	-	-	-	-
	-	-	-	-	-
	-	2,110,000	-	-	-
	-	1,108,167	-	-	-
	40,914	3,557,399	-	1,036,994	1,444,451
147,697	4,446,224	(3,556,946)	71	(514,778)	208,768
-	-	4,139,172	-	1,108,390	-
	(4,139,172)	-	-	(295,000)	-
	(4,139,172)	4,139,172	-	813,390	-
147,697	307,052	582,226	71	298,612	208,768
270,203	(307,052)	8,042,233	918,593	6,519,109	1,058,511
\$ 417,900	\$ -	\$ 8,624,459	\$ 918,664	\$ 6,817,721	\$ 1,267,279

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CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (page 3 of 3)
For the Year Ended September 30, 2021

	Total Nonmajor Special Revenue Funds
Revenues	
Ad valorem taxes	\$ 2,861,057
Sales taxes	1,655,068
Franchise fees and local taxes	147,697
Licenses and permits	6,700
Fines and forfeitures	335,495
Interest	3,010
Intergovernmental	1,247,051
Miscellaneous	1,578,884
Charges and fees	2,591,376
Total Revenues	10,426,338
Expenditures	
Current	
General government	40,914
Planning and environmental development	901,438
Public safety	1,219,189
Public works	4,131,049
Parks and recreation	100,931
Library	95,194
Debt service	
Principal	2,110,000
Interest and fiscal charges	1,108,167
Total Expenditures	9,706,882
Excess (Deficiency) of Revenues Over (Under) Expenditures	719,456
Other Financing Sources (Uses)	
Transfers in	5,643,719
Transfers (out)	(4,434,172)
Total Other Financing Sources (Uses)	1,209,547
Net Change in Fund Balances	1,929,003
Beginning fund balances	17,732,346
Ending Fund Balances	\$ 19,661,349

CITY OF NEW BRAUNFELS, TEXAS

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECTS FUNDS (page 1 of 2)

September 30, 2021

	Park Improvement	Certificates of Obligation 2004	Certificates of Obligation 2007	Certificates of Obligation 2008
<u>Assets</u>				
Cash and equity in pooled cash and investments	\$ 6,013,076	\$ 60,643	\$ 2	\$ 360,302
Accounts receivable (net of allowance)	300	-	-	-
Total Assets	<u>\$ 6,013,376</u>	<u>\$ 60,643</u>	<u>\$ 2</u>	<u>\$ 360,302</u>
<u>Liabilities</u>				
Accounts payable	\$ 91,200	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total Liabilities	<u>91,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund Balances</u>				
Restricted	5,922,176	60,643	2	360,302
Unassigned	-	-	-	-
Total Fund Balances	<u>5,922,176</u>	<u>60,643</u>	<u>2</u>	<u>360,302</u>
Total Liabilities and Fund Balances	<u>\$ 6,013,376</u>	<u>\$ 60,643</u>	<u>\$ 2</u>	<u>\$ 360,302</u>

<u>Certificates of Obligation 2009</u>	<u>Certificates of Obligation 2011</u>	<u>Certificates of Obligation 2012</u>	<u>Certificates of Obligation 2013</u>	<u>Certificates of Obligation 2014</u>	<u>Certificates of Obligation 2015</u>
\$ 22,373	\$ 893,123	\$ 12,864	\$ 237,571	\$ 55,365	\$ 196
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 22,373</u>	<u>\$ 893,123</u>	<u>\$ 12,864</u>	<u>\$ 237,571</u>	<u>\$ 55,365</u>	<u>\$ 196</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>12,864</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>12,864</u>	<u>-</u>	<u>-</u>	<u>-</u>
22,373	893,123	-	237,571	55,365	196
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>22,373</u>	<u>893,123</u>	<u>-</u>	<u>237,571</u>	<u>55,365</u>	<u>196</u>
<u>\$ 22,373</u>	<u>\$ 893,123</u>	<u>\$ 12,864</u>	<u>\$ 237,571</u>	<u>\$ 55,365</u>	<u>\$ 196</u>

CITY OF NEW BRAUNFELS, TEXAS

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECTS FUNDS (page 2 of 2)

September 30, 2021

	Tax Note 2015	Certificates of Obligation 2018	Tax Note 2018A	Tax Note 2021
Assets				
Cash and equity in pooled cash and investments	\$ 21,903	\$ 97	\$ 46,423	\$ 3,000,041
Accounts receivable (net of allowance)	-	-	-	-
Total Assets	<u>\$ 21,903</u>	<u>\$ 97</u>	<u>\$ 46,423</u>	<u>\$ 3,000,041</u>
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted	21,903	97	46,423	3,000,041
Unassigned	-	-	-	-
Total Fund Balances	<u>21,903</u>	<u>97</u>	<u>46,423</u>	<u>3,000,041</u>
Total Liabilities and Fund Balances	<u>\$ 21,903</u>	<u>\$ 97</u>	<u>\$ 46,423</u>	<u>\$ 3,000,041</u>

**Total Nonmajor
Capital
Projects Funds**

\$ 10,723,979
300
\$ 10,724,279

\$ 91,200
12,864
104,064

10,620,215
-
10,620,215
\$ 10,724,279

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS (page 1 of 2)
For the Year Ended September 30, 2021

	<u>Park Improvement</u>	<u>Certificates of Obligation 2004</u>	<u>Certificates of Obligation 2007</u>	<u>Certificates of Obligation 2008</u>
Revenues				
Parks and recreation	\$ 1,772,904	\$ -	\$ -	\$ -
Interest	-	-	-	267
Miscellaneous	-	-	-	-
Total Revenues	1,772,904	-	-	267
Expenditures				
Current				
General government	-	-	-	-
Public works	-	-	-	53,638
Parks and recreation	27,250	-	-	-
Debt service				
Fiscal agent fees	-	-	-	-
Total Expenditures	27,250	-	-	53,638
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,745,654	-	-	(53,371)
Other Financing Sources (Uses)				
Transfers (out)	-	-	-	-
Proceeds from long-term debt issued	-	-	-	-
Bond premium	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,745,654	-	-	(53,371)
Beginning fund balances	4,176,522	60,643	2	413,673
Ending Fund Balances	\$ 5,922,176	\$ 60,643	\$ 2	\$ 360,302

<u>Certificates of Obligation 2009</u>	<u>Certificates of Obligation 2011</u>	<u>Certificates of Obligation 2012</u>	<u>Certificates of Obligation 2013</u>	<u>Certificates of Obligation 2014</u>	<u>Certificates of Obligation 2015</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	335	135,364	-	-
<u>-</u>	<u>-</u>	<u>335</u>	<u>135,364</u>	<u>-</u>	<u>-</u>
 8,310	 - 32,556	 - 334	 - 67,553	 7,375 23,849	 - -
<u>8,310</u>	<u>32,556</u>	<u>334</u>	<u>88,958</u>	<u>31,224</u>	<u>-</u>
 (8,310)	 (32,556)	 1	 46,406	 (31,224)	 -
<u>(8,310)</u>	<u>(32,556)</u>	<u>1</u>	<u>46,406</u>	<u>(31,224)</u>	<u>-</u>
 - - - - 9,922	 - - - - -	 - - - - 9,922	 - - - - -	 - - - - -	 - - - - -
 (8,310)	 (32,556)	 9,923	 46,406	 (31,224)	 -
<u>30,683</u>	<u>925,679</u>	<u>(9,923)</u>	<u>191,165</u>	<u>86,589</u>	<u>196</u>
 <u>\$ 22,373</u>	 <u>\$ 893,123</u>	 <u>\$ -</u>	 <u>\$ 237,571</u>	 <u>\$ 55,365</u>	 <u>\$ 196</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS (page 2 of 2)
For the Year Ended September 30, 2021

	Tax Note 2015	Certificates of Obligation 2018	Tax Note 2018A	Tax Note 2021
Revenues				
Parks and recreation	\$ -	\$ -	\$ -	\$ -
Interest	6,414	123	-	41
Miscellaneous	-	-	-	-
Total Revenues	6,414	123	-	41
Expenditures				
Current				
General government	-	-	-	-
Public works	-	-	-	-
Parks and recreation	-	-	-	-
Debt service				
Fiscal agent fees	-	-	-	62,810
Total Expenditures	-	-	-	62,810
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,414	123	-	(62,769)
Other Financing Sources (Uses)				
Transfers (out)	-	(244,597)	-	-
Proceeds from long-term debt issued	-	-	-	2,835,000
Bond premium	-	-	-	227,810
Total Other Financing Sources (Uses)	-	(244,597)	-	3,062,810
Net Change in Fund Balances	6,414	(244,474)	-	3,000,041
Beginning fund balances	15,489	244,571	46,423	-
Ending Fund Balances	\$ 21,903	\$ 97	\$ 46,423	\$ 3,000,041

**Total Nonmajor
Capital
Projects Funds**

\$	1,772,904
	6,845
	<u>135,699</u>
	<u>1,915,448</u>

15,685
177,596
27,584

<u>62,810</u>
<u>305,080</u>

<u>1,610,368</u>

(244,597)
2,835,000
<u>227,810</u>
<u>2,828,135</u>

4,438,503

<u>6,181,712</u>

\$	<u>10,620,215</u>
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CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	\$ 19,447,112	\$ 19,447,112	\$ 19,566,893	\$ 119,781
Interest	50,000	50,000	6,198	(43,802)
Other contributions	2,047,719	2,047,719	2,047,718	(1)
Total Revenues	21,544,831	21,544,831	21,620,809	75,978
Expenditures				
Debt Service:				
Principal	14,425,000	14,425,000	14,425,000	-
Interest	8,417,897	8,423,436	8,422,843	593
Bond issuance costs and fees	179,694	185,651	179,694	5,957
Total Expenditures	23,022,591	23,034,087	23,027,537	6,550
(Deficiency) of Revenues				
(Under) Expenditures	(1,477,760)	(1,489,256)	(1,406,728)	82,528
Other Financing Sources (Uses)				
Transfers in	1,718,118	1,718,118	1,763,118	45,000
Refunding bonds issued	-	10,100,000	10,100,000	-
Premium received on the issuance of debt	-	1,306,602	1,306,602	-
Payments to escrow agent for bond refunding	-	(11,232,953)	(11,232,953)	-
Total Other Financing Sources	1,718,118	1,891,767	1,936,767	45,000
Net Change in Fund Balance	\$ 240,358	\$ 402,511	\$ 530,039	\$ 127,528
Beginning fund balance			2,242,572	
Ending Fund Balance	\$ 2,772,611			

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL COMMUNITY DEVELOPMENT BLOCK GRANT FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 455,613	\$ 455,613	\$ 972,990	\$ 517,377
Total Revenues	455,613	455,613	972,990	517,377
Expenditures				
Current:				
Planning and environmental development	455,613	455,613	901,438	(445,825)
Total Expenditures	455,613	455,613	901,438	(445,825)
Net Change in Fund Balance	\$ -	\$ -	165,161	\$ 165,161
Beginning fund balance			(165,161)	
Ending Fund Balance			\$ -	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE DONATIONS FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental		-	275	275
Miscellaneous	200,000	200,000	\$ 483,280	283,280
Total Revenues	200,000	200,000	483,555	283,555
Expenditures				
Current:				
Public safety	300,000	300,000	220,881	79,119
Public works	50,000	50,000	94,266	(44,266)
Parks and recreation	50,000	50,000	100,931	(50,931)
Library	50,000	50,000	93,334	(43,334)
Total Expenditures	450,000	450,000	509,412	(59,412)
Net Change in Fund Balance	\$ (250,000)	\$ (250,000)	(25,857)	\$ 224,143
Beginning fund balance			616,490	
Ending Fund Balance			\$ 590,633	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RIVER FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Licenses and permits	\$ 8,400	\$ 8,400	\$ 6,700	\$ (1,700)
Fines and forfeitures	110,000	110,000	180,647	70,647
Charges and fees	975,000	975,000	936,475	(38,525)
Total Revenues	1,093,400	1,093,400	1,123,822	30,422
Expenditures				
Current:				
Public safety	690,978	690,978	560,648	130,330
River operations	630,157	630,157	540,215	89,942
Total Expenditures	1,321,135	1,321,135	1,100,863	220,272
(Deficiency) of Revenues				
(Under) Expenditures	(227,735)	(227,735)	22,959	250,694
Other Financing Sources (Uses)				
Transfers in	227,735	227,735	136,243	(91,492)
Total Other Financing Sources	227,735	227,735	136,243	(91,492)
Net Change in Fund Balance	\$ -	\$ -	159,202	\$ 159,202
Beginning fund balance				-
Ending Fund Balance			\$ 159,202	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COURT SECURITY FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 42,237	\$ 12,237
Total Revenues	\$ 30,000	\$ 30,000	\$ 42,237	\$ 12,237
Expenditures				
Current:				
Public safety	28,000	28,000	28,000	-
Total Expenditures	28,000	28,000	28,000	-
Net Change in Fund Balance	\$ 2,000	\$ 2,000	14,237	\$ 12,237
Beginning fund balance			10,813	
Ending Fund Balance			\$ 25,050	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUDICIAL EFFICIENCY FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 6,000	\$ 6,000	\$ 7,013	\$ 1,013
Total Revenues	<u>6,000</u>	<u>6,000</u>	<u>7,013</u>	<u>1,013</u>
Expenditures				
Current:				
Public safety	7,000	7,000	-	7,000
Total Expenditures	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Net Change in Fund Balance	<u>\$ (1,000)</u>	<u>\$ (1,000)</u>	7,013	<u>\$ 8,013</u>
Beginning fund balance			8,062	
Ending Fund Balance			<u>\$ 15,075</u>	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL COURT TECHNOLOGY FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 30,000	\$ 30,000	\$ 35,991	\$ 5,991
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>35,991</u>	<u>5,991</u>
Expenditures				
Current:				
Public safety	42,000	42,000	26,318	15,682
Total Expenditures	<u>42,000</u>	<u>42,000</u>	<u>26,318</u>	<u>15,682</u>
Net Change in Fund Balance	<u>\$ (12,000)</u>	<u>\$ (12,000)</u>	9,673	<u>\$ 21,673</u>
Beginning fund balance			70,106	
Ending Fund Balance			<u>\$ 79,779</u>	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CHILD SAFETY FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 4,000	\$ 4,000	\$ 1,585	\$ (2,415)
Intergovernmental	148,000	148,000	141,548	(6,452)
Total Revenues	152,000	152,000	143,133	(8,867)
Expenditures				
Current:				
Public safety	197,000	197,000	169,081	27,919
Total Expenditures	197,000	197,000	169,081	27,919
Net Change in Fund Balance	\$ (45,000)	\$ (45,000)	(25,948)	\$ 19,052
Beginning fund balance			82,570	
Ending Fund Balance			\$ 56,622	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STORMWATER DEVELOPMENT FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Charges and fees	\$ 80,000	\$ 80,000	\$ 23,737	\$ (56,263)
Interest	-	-	4	4
Total Revenues	80,000	80,000	23,741	(56,259)
Expenditures				
Current:				
Public works	100,000	100,000	44,211	55,789
Total Expenditures	100,000	100,000	44,211	55,789
Net Change in Fund Balance	\$ (20,000)	\$ (20,000)	(20,470)	\$ (470)
Beginning fund balance			420,606	
Ending Fund Balance			\$ 400,136	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JUVENILE CASE MANAGEMENT FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 50,000	\$ 50,000	\$ 45,985	\$ (4,015)
Total Revenues	50,000	50,000	45,985	(4,015)
Expenditures				
Current:				
Public safety	46,950	46,950	43,005	3,945
Total Expenditures	46,950	46,950	43,005	3,945
Net Change in Fund Balance	\$ 3,050	\$ 3,050	2,980	\$ (70)
Beginning fund balance			3,837	
Ending Fund Balance			\$ 6,817	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FAUST LIBRARY FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u> - </u>	<u> - </u>	<u> - </u>	<u> - </u>
Expenditures				
Current:				
Library	1,860	1,860	1,860	-
Total Expenditures	<u>1,860</u>	<u>1,860</u>	<u>1,860</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (1,860)</u>	<u>\$ (1,860)</u>	<u>(1,860)</u>	<u>\$ -</u>
Beginning fund balance			1,860	
Ending Fund Balance			<u>\$ -</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEDERAL COURT AWARDS FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
Public safety	30,000	30,000	140	29,860
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>140</u>	<u>29,860</u>
Net Change in Fund Balance	<u>\$ (30,000)</u>	<u>\$ (30,000)</u>	<u>(140)</u>	<u>\$ 29,860</u>
Beginning fund balance			<u>92,665</u>	
Ending Fund Balance			<u>\$ 92,525</u>	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

NON-FEDERAL COURT AWARDS FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Miscellaneous	\$ -	\$ -	\$ 11,055	\$ 11,055
Total Revenues	<u>-</u>	<u>-</u>	<u>11,055</u>	<u>11,055</u>
<u>Expenditures</u>				
Current:				
Public safety	68,000	68,000	32,628	35,372
Total Expenditures	<u>68,000</u>	<u>68,000</u>	<u>32,628</u>	<u>35,372</u>
Net Change in Fund Balance	<u>\$ (68,000)</u>	<u>\$ (68,000)</u>	<u>(21,573)</u>	<u>\$ 46,427</u>
Beginning fund balance			<u>176,225</u>	
Ending Fund Balance			<u>\$ 154,652</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EDWARDS AQUIFER HCP FUND
For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,229,148	\$ 1,229,148	\$ 132,238	\$ (1,096,910)
Miscellaneous	-	-	564,751	564,751
Total Revenues	1,229,148	1,229,148	696,989	(532,159)
Expenditures				
Current:				
Public works - River Authority	1,314,148	1,314,148	770,168	543,980
Total Expenditures	1,314,148	1,314,148	770,168	543,980
(Deficiency) of Revenues (Under) Expenditures	(85,000)	(85,000)	(73,179)	11,821
Other Financing Sources (Uses)				
Transfers in	85,000	85,000	166,305	81,305
Total Other Financing Sources	85,000	85,000	166,305	81,305
Net Change in Fund Balance	\$ -	\$ -	93,126	\$ 93,126
Beginning fund balance			(93,126)	
Ending Fund Balance			\$ -	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL **CABLE FRANCHISE PEG FUND** For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Franchise fees and local taxes	\$ 182,500	\$ 182,500	\$ 147,697	\$ (34,803)
Total Revenues	<u>182,500</u>	<u>182,500</u>	<u>147,697</u>	<u>(34,803)</u>
Expenditures				
Current:				
General government	125,000	265,000	-	265,000
Total Expenditures	<u>125,000</u>	<u>265,000</u>	<u>-</u>	<u>265,000</u>
Net Change in Fund Balance	<u>\$ 57,500</u>	<u>\$ (82,500)</u>	<u>147,697</u>	<u>\$ 230,197</u>
Beginning fund balance			<u>270,203</u>	
Ending Fund Balance			<u>\$ 417,900</u>	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL TAX INCREMENT REINVESTMENT ZONE NO. 1 FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	\$ 2,978,244	\$ 2,978,244	\$ 2,832,024	\$ (146,220)
Sales taxes	1,000,934	1,000,934	1,655,068	654,134
Interest	30,000	30,000	46	(29,954)
Total Revenues	4,009,178	4,009,178	4,487,138	477,960
Expenditures				
Current:				
General government	1,530,000	1,530,000	40,914	1,489,086
Principal	3,265,430	3,265,430	-	3,265,430
Total Expenditures	4,795,430	4,795,430	40,914	4,754,516
Excess (Deficiency) of Revenues Over (Under) Expenditures	(786,252)	(786,252)	4,446,224	5,232,476
Other Financing Sources (Uses)				
Transfers (out)	(3,265,430)	(3,265,430)	(4,139,172)	(873,742)
Total Other Financing (Uses)	(3,265,430)	(3,265,430)	(4,139,172)	(873,742)
Net Change in Fund Balance	\$ (4,051,682)	\$ (4,051,682)	307,052	\$ 4,358,734
Beginning fund balance			(307,052)	
Ending Fund Balance			\$ -	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL ENTERPRISE MAINTENANCE AND EQUIPMENT FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Interest	\$ 50,000	\$ 50,000	\$ 2,489	\$ (47,511)
Miscellaneous	10,000	10,000	519,727	509,727
Total Revenues	60,000	50,000	522,216	462,216
Expenditures				
Current:				
Public safety	250,000	250,000	138,488	111,512
Public works	1,006,500	1,006,500	898,506	107,994
Total Expenditures	1,256,500	1,256,500	1,036,994	219,506
(Deficiency) of Revenues				
(Under) Expenditures	(1,196,500)	(1,206,500)	(514,778)	681,722
Other Financing Sources (Uses)				
Transfers out	-	(250,000)	(295,000)	(45,000)
Transfers in	1,108,390	1,108,390	1,108,390	-
Total Other Financing Sources	1,108,390	858,390	813,390	(45,000)
Net Change in Fund Balance	\$ (88,110)	\$ (348,110)	298,612	\$ 636,722
				10000
Beginning fund balance			6,519,109	
Ending Fund Balance			\$ 6,817,721	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CEMETERY PERPETUAL FUND

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Charges and fees	- -	- -	20,731	20,731
Total Revenues	5,000	5,000	21,206	16,206
Expenditures				
Current:				
Parks and recreation	188,000	188,000	12,635	175,365
Total Expenditures	188,000	188,000	12,635	175,365
Net Change in Fund Balance	\$ (183,000)	\$ (183,000)	8,571	\$ 191,571
Beginning fund balance			222,617	
Ending Fund Balance			\$ 231,188	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RECREATION CENTER IMPROVEMENTS

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$ 150	\$ 150	\$ 71	\$ (79)
Total Revenues	<u>150</u>	<u>150</u>	<u>71</u>	<u>(79)</u>
Expenditures				
Current:				
General government	100,000	100,000	-	100,000
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balance	<u><u>\$ (99,850)</u></u>	<u><u>\$ (99,850)</u></u>	71	<u><u>\$ 99,921</u></u>
Beginning fund balance			<u>918,593</u>	
Ending Fund Balance			<u><u>\$ 918,664</u></u>	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DEVELOPMENTAL SERVICES

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ -	\$ -	\$ 22,037	\$ 22,037
Interest	- -	- -	18	18
Charges and fees	922,000	922,000	1,631,164	709,164
Total Revenues	922,000	922,000	1,653,219	731,219
Expenditures				
Current:				
Public works	1,102,766	1,102,766	1,444,451	(341,685)
Total Expenditures	1,102,766	1,102,766	1,444,451	(341,685)
Net Change in Fund Balance	\$ (180,766)	\$ (180,766)	208,768	\$ 389,534
Beginning fund balance			1,058,511	
Ending Fund Balance			\$ 1,267,279	

CITY OF NEW BRAUNFELS, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL RIVER MILL TIRZ

For the Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual GAAP Basis	Variance with Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	\$ 115,421	\$ 115,421	\$ 29,033	\$ (86,388)
Total Revenues	<u>115,421</u>	<u>115,421</u>	<u>29,033</u>	<u>(86,388)</u>
Net Change in Fund Balance	<u>\$ 115,421</u>	<u>\$ 115,421</u>	29,033	<u>\$ (86,388)</u>
Beginning fund balance			5,802	
Ending Fund Balance			<u>\$ 34,835</u>	

STATISTICAL SECTION

This part of the City's Annual Comprehensive 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	166
<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	180
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, property tax revenues.</i>	
Debt Capacity	190
<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	199
<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	203
<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>	

Source: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

CITY OF NEW BRAUNFELS, TEXAS

NET POSITION BY COMPONENT

Last Ten Years

(accrual basis of accounting)

(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Governmental Activities				
Net investment in capital assets	\$ 25,891	0	24,207	\$ 8,094
Restricted	4,587	0	7,931	6,879
Unrestricted	15,937	0	12,650	13,828
Total Governmental Activities Net Position	<u>\$ 46,415</u>	<u>0</u>	<u>44,788</u>	<u>\$ 28,801</u>
	<u>\$ 5,144</u>			
Business-Type Activities				
Net investment in capital assets	\$ 8,200	\$ 11,549	\$ 34,960	\$ 34,775
Unrestricted	1,930	2,057	1,967	298
Total Business-Type Activities Net Position	<u>\$ 10,130</u>	<u>13,606</u>	<u>\$ 36,927</u>	<u>\$ 35,073</u>
Primary Government				
Net investment in capital assets	\$ 34,091	35,756	\$ 43,054	\$ 39,896
Restricted	4,587	7,931	6,879	10,919
Unrestricted	17,867	14,704	15,795	(10,598)
Total Primary Government Net Position	<u>\$ 56,545</u>	<u>58,391</u>	<u>\$ 65,728</u>	<u>\$ 40,217</u>

Source: City financial statements

**Balances have been restated.*

Fiscal Year

2016	2017	2018	2019	2020	2021
\$ 2,127	\$ 5,470	\$ (3,398)	\$ 7,297	\$ 10,678	\$ 10,250
16,400	21,269	24,333	18,232	25,877	32,698
(16,030)	(15,905)	(18,031)	635	(10,423)	920
\$ 2,497	\$ 10,834	\$ 2,904	\$ 26,164	\$ 26,132	\$ 43,868
\$ 33,493	\$ 31,025	\$ 29,515	\$ 28,869	\$ 27,813	\$ 26,436
(236)	(748)	525	(1,517)	2,028	3,370
\$ 33,257	\$ 30,277	\$ 30,040	\$ 27,352	\$ 29,841	\$ 29,806
\$ 35,620	\$ 36,495	\$ 26,117	\$ 36,166	\$ 38,491	\$ 36,686
16,400	21,269	24,333	18,232	25,877	32,698
(16,266)	(16,653)	(17,506)	(882)	(8,395)	4,290
\$ 35,754	\$ 41,111	\$ 32,944	\$ 53,516	\$ 55,973	\$ 73,673

CITY OF NEW BRAUNFELS, TEXAS

CHANGES IN NET POSITION (page 1 of 3)

Last Ten Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Expenses				
Governmental activities				
General government	\$ 9,416	\$ 12,083	\$ 14,850	\$ 17,936
Finance and tax	1,050	1,305	972	719
Planning and environmental development	2,816	3,413	2,489	2,622
Public safety	31,810	30,057	31,597	33,327
Public works	8,180	12,973	8,241	9,377
Parks and recreation	5,995	3,632	4,572	8,551
Library	1,954	2,203	2,400	1,969
Civic/convention center	-	6	5	191
Airport	-	219	107	48
Interest on long-term debt	4,213	3,913	4,985	5,369
Total Governmental Activities Expenses	65,434	69,804	70,218	80,109
Business-Type Activities				
Airport	2,174	2305	2,855	2,778
Solid waste	5,167	5779	6,171	6,670
Golf course	1,015	904	678	1,775
Civic/convention center	730	671	924	894
Total Business-Type Activities Expenses	9,086	9,659	10,628	12,117
Total Expenses	\$ 74,520	\$ 79,463	\$ 80,846	\$ 92,226

Fiscal Year											
	2016		2017		2018		2019		2020		2021
\$	22,722	\$	11,764	\$	13,085	\$	11,177	\$	12,716	\$	9,829
690		1,269		1,574		1,210		1,054		1,194	
2,772		4,527		4,874		3,759		3,300		3,923	
29,273		43,328		57,457		41,360		34,334		41,196	
15,314		11,858		11,912		26,422		39,376		39,944	
4,597		6,357		8,018		8,322		8,453		7,613	
1,660		2,664		3,091		2,460		2,026		1,897	
49		-		-		-		-		-	
1,493		15		9		-		-		-	
6,757		5,752		6,553		6,828		9,388		9,021	
85,327		87,534		106,573		101,538		110,647		114,615	
2,968		3,221		3,499		3,645		3,298		3,567	
7,271		7,721		7,897		8,779		8,718		8,985	
1,938		1,838		1,898		2,019		1,824		1,910	
886		979		963		1,071		1,166		1,044	
13,063		13,759		14,257		15,514		15,006		15,506	
\$ 98,390		\$ 101,293		\$ 120,830		\$ 117,052		\$ 125,653		\$ 130,122	

CITY OF NEW BRAUNFELS, TEXAS

CHANGES IN NET POSITION (page 2 of 3)

Last Ten Years

(accrual basis of accounting)

(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 165	\$ 1,182	\$ 1,095	\$ 1,265
Planning and environmental development	2,988	3,209	3,335	3,912
Public safety	3,822	3,936	3,108	3,841
Public works	1,141	75	898	1,076
Parks and recreation	1,386	1,600	1,963	1,642
Library	98	111	114	102
Civic/convention center	-	-	-	8
Operating grants and contributions	1,366	1,000	1,539	1,963
Capital grants and contributions	2,072	3,000	-	-
Total Governmental Activities Program Revenues	13,038	14,113	12,052	13,809
Business-Type Activities				
Charges for services				
Airport	1,667	1,771	2,387	2,317
Solid waste	7,020	7,215	7,591	7,985
Golf course	975	1,076	128	1,378
Civic/convention center	279	293	371	418
Operating grants and contributions	50	55	43	50
Capital grants and contributions	2,224	4,570	441	290
Total Business-Type Activities Program Revenues	12,215	14,980	10,961	12,438
Total Program Revenues	\$ 25,253	\$ 29,093	\$ 23,013	\$ 26,247
Net (Expense)/Revenue				
Governmental activities	\$ (52,396)	\$ (55,691)	\$ (58,166)	\$ (66,300)
Business-type activities	3,129	5,321	333	321
Total Net Expense	\$ (49,267)	\$ (50,370)	\$ (57,833)	\$ (65,979)

Fiscal Year											
2016		2017		2018		2019		2020		2021	
\$ 1,505	\$ 164	\$ 150	\$ 152	\$ 125	\$ 112						
3,489	-	-	-	-	-						
4,384	6,503	6,528	5,918	5,748	5,479						
1,231	4,163	4,507	6,465	7,019	8,853						
2,745	2,226	2,288	5,501	3,283	6,660						
101	96	89	61	27	11						
14	-	-	-	-	-						
2,377	1,759	3,819	1,402	2,394	5,853						
-	3,460	1,831	1,768	-	-						
<u>15,846</u>	<u>18,371</u>	<u>19,212</u>	<u>21,267</u>	<u>18,597</u>	<u>26,967</u>						
2,077	2,399	2599	2,894	2,296	2,757						
8,280	8,664	10168	9,865	10,176	11,234						
1,486	1,436	1578	1,714	1,634	2,079						
436	450	420	496	274	397						
50	397	-	51	5,010	1,010						
2,263	-	-	-	-	-						
<u>14,592</u>	<u>13,346</u>	<u>14,765</u>	<u>15,020</u>	<u>19,391</u>	<u>17,477</u>						
<u>\$ 30,438</u>	<u>\$ 31,717</u>	<u>\$ 33,977</u>	<u>\$ 36,287</u>	<u>\$ 37,988</u>	<u>\$ 44,445</u>						
\$ (69,481)	\$ (69,163)	\$ (87,361)	\$ (80,271)	\$ (92,050)	\$ (87,648)						
1,529	(413)	508	(494)	4,386	1,971						
<u>\$ (67,952)</u>	<u>\$ (69,576)</u>	<u>\$ (86,853)</u>	<u>\$ (80,765)</u>	<u>\$ (87,665)</u>	<u>\$ (85,677)</u>						

CITY OF NEW BRAUNFELS, TEXAS

CHANGES IN NET POSITION (page 3 of 3)

Last Ten Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
General Revenues and Other Changes in Net Position				
Governmental activities				
Property taxes, levied for general purposes	\$ 10,578	\$ 11,206	\$ 10,851	\$ 13,956
Property taxes, levied for debt services	7,260	8,019	9,231	10,159
Sales tax	14,665	16,420	18,613	18,608
Hotel/motel occupancy taxes	3,118	3,375	3,604	3,813
Franchise fees	7,694	7,875	8,283	8,435
Mixed beverage tax	211	275	390	439
Investment income	155	187	87	47
Other contributions	171	1,806	1,989	2,336
Miscellaneous	1,052	4,492	4,183	3,643
Transfers	1,268	1,618	(8,222)	284
Total Governmental Activities	46,172	55,273	49,009	61,720
Business-type activities				
Investment earnings	2	2	1	2
Miscellaneous income	82	(233)	68	86
Transfers	(1,269)	(1,618)	8,222	(284)
Total Business-Type Activities	(1,185)	(1,849)	8,291	(196)
Total Primary Government	\$ 44,987	\$ 53,424	\$ 57,300	\$ 61,524
Change in Net Position				
Governmental activities	\$ (6,224)	\$ (418)	\$ (9,157)	\$ (4,580)
Business-type activities	1,944	3,472	8,624	125
Total Change in Net Position	\$ (4,280)	\$ 3,054	\$ (533)	\$ (4,455)

Source: Statements of Activities from City ACFR

Fiscal Year											
	2016		2017		2018		2019		2020		2021
\$	14,409	\$	18,065	\$	18,188	\$	23,135	\$	23,138	\$	21,958
11,414		12,434		12,471		14,667		17,398		22,428	
19,077		21,008		21,997		23,675		25,606		31,329	
3,767		3,994		4,070		4,001		2,872		4,412	
8,904		9,590		9,749		10,070		9,908		10,504	
472		515		584		649		508		683	
242		471		966		2,300		1,003		205	
2,892		4,570		3,683		4,215		4,687		6,128	
4,989		3,948		6,423		3,915		4,585		5,449	
3,436		2,905		2,152		2,398		2,311		2,288	
69,602		77,500		80,283		89,025		92,017		105,384	
8		17		39		63		27		1	
83		320		1,239		141		388		280	
(3,436)		(2,905)		(2,152)		(2,398)		(2,311)		(2,288)	
(3,345)		(2,568)		(874)		(2,194)		(1,896)		(2,006)	
\$ 66,257		\$ 74,932		\$ 79,409		\$ 86,831		\$ 90,121		\$ 103,377	
\$	121	\$	8,337	\$	(7,078)	\$	8,754	\$	(33)	\$	17,735
(1,816)		(2,981)		(366)		(2,688)		2,490		(35)	
\$ (1,695)		\$ 5,356		\$ (7,444)		\$ 6,066		\$ 2,456		\$ 17,700	

CITY OF NEW BRAUNFELS, TEXAS

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
General Fund				
Nonspendable	\$ -	\$ -	\$ 1	\$ -
Assigned	7,611	4,662	4,430	4,319
Unassigned	16,838	15,189	18,188	16,677
Total General Fund	<u>\$ 24,449</u>	<u>\$ 19,851</u>	<u>\$ 22,619</u>	<u>\$ 20,996</u>
All Other Governmental Funds				
Nonspendable	\$ 88	\$ 95	\$ 94	\$ 94
Restricted	36,789	45,162	40,930	51,895
Committed	531	3,160	2,863	3,188
Unassigned, reported in:				
Special revenue funds	(19)	(733)	(187)	(211)
Capital project funds	(2,014)	-	-	-
Total All Other Governmental Funds	<u>\$ 35,375</u>	<u>\$ 47,684</u>	<u>\$ 43,700</u>	<u>\$ 54,966</u>

Fiscal Year

2016	2017	2018	2019	2020	2021
\$ -	\$ 1	\$ 1	\$ 1	\$ 3	\$ 1
2,516	1,368	551	1,124	798	893
16,096	17,699	20,377	24,951	26,585	40,164
\$ 18,612	\$ 19,068	\$ 20,929	\$ 26,076	\$ 27,386	\$ 41,057
\$ 19	\$ 29	\$ 169	\$ 223	\$ 223	\$ 231
65,988	50,200	56,071	82,729	130,313	129,876
4,295	5,652	7,413	9,729	6,519	6,818
(591)	-	-	-	910	-
-	-	-	-	-	-
\$ 69,711	\$ 55,881	\$ 63,653	\$ 92,681	\$ 137,964	\$ 136,925

CITY OF NEW BRAUNFELS, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (page 1 of 2)
Last Ten Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Taxes	\$ 43,365	\$ 47,119	\$ 52,201	\$ 55,205
Licenses and permits	2,340	2,252	2,581	3,052
Intergovernmental	-	107	152	242
Charges for services	3,946	3,093	3,133	3,573
Fines and forfeitures	1,233	1,173	1,235	1,743
Parks and recreation	1,062	1,528	1,883	2,307
Interest	302	187	87	46
Federal grants*	267	689	1,990	758
State and local grants*	57	1,980	312	368
Other contributions	1,150	2,917	3,594	3,374
Miscellaneous	2,047	4,440	2,565	3,466
Total Revenues	55,769	65,485	69,733	74,134
Expenditures				
General government	8,312	8,550	12,490	11,695
Finance and tax	870	1,120	848	855
Planning and environmental development	2,335	3,264	2,729	2,983
Public safety	34,934	28,311	30,207	31,134
Public works	10,112	20,863	18,319	15,231
Parks and recreation	5,907	5,555	18,797	11,645
Library	1,608	2,020	2,059	2,187
Civic/convention center	-	55	61	296
Airport	-	263	1,977	407
Debt service				
Principal	4,715	5,825	6,775	7,805
Interest	3,961	4,242	4,762	5,056
Other	249	185	414	551
Total Expenditures	73,003	80,253	99,438	89,845
(Deficit) of Revenues				
(Under) Expenditures	(17,234)	(14,768)	(29,705)	(15,711)

Fiscal Year											
	2016		2017		2018		2019		2020		2021
\$	57,652	\$	65,735	\$	68,595	\$	76,136	\$	79,279	\$	91,315
	3,606		3,943		4,178		5,265		5,653		7,158
	228		1,759		3,819		1,403		2,394		5,853
	4,439		5,068		5,306		5,582		6,014		5,890
	1,642		1,925		1,800		1,755		1,256		1,410
	2,656		2,216		2,278		5,496		3,280		6,656
	241		468		966		2,299		999		204
	2,117		-		-		-		-		-
	194		-		-		-		-		-
	4,804		4,570		3,683		4,215		4,687		6,128
	2,751		3,791		4,837		3,716		4,567		5,232
	<u>80,330</u>		<u>89,475</u>		<u>95,462</u>		<u>105,867</u>		<u>108,129</u>		<u>129,845</u>
	16,791		11,594		11,302		12,446		14,088		12,851
	900		1,011		1,037		1,159		1,288		1,280
	3,331		3,796		3,435		3,626		3,881		4,391
	34,926		35,078		37,840		38,016		40,963		44,089
	21,618		28,965		34,243		26,191		40,391		53,755
	5,431		5,474		6,482		8,165		9,180		9,865
	2,006		2,136		2,224		2,378		2,395		2,205
	89		-		-		-		-		-
	1,534		1		-		-		-		-
	8,319		10,550		10,601		10,365		13,990		16,535
	5,977		7,274		6,881		9,108		10,375		9,531
	<u>462</u>		<u>97</u>		<u>5</u>		<u>41</u>		<u>199</u>		<u>540</u>
	<u>101,384</u>		<u>105,976</u>		<u>114,050</u>		<u>111,495</u>		<u>136,748</u>		<u>155,042</u>
	<u>(21,054)</u>		<u>(16,501)</u>		<u>(18,588)</u>		<u>(5,628)</u>		<u>(28,619)</u>		<u>(25,197)</u>

CITY OF NEW BRAUNFELS, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (page 2 of 2)

Last Ten Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Other Financing Sources (Uses)				
Transfer in	\$ 4,975	\$ 6,871	\$ 3,827	\$ 4,923
Transfer out	(4,106)	(5,253)	(1,491)	(2,017)
Issuance of debt	19,470	30,330	24,095	35,940
Premium (discount) on debt issuance	1,526	1,795	1,016	3,309
Payment to bond escrow agent	-	(11,677)	-	(17,101)
Sale of assets	121	412	369	301
Capital lease	-	-	-	-
Loan payable	-	-	673	-
Total Other Financing Sources	21,986	22,478	28,489	25,355
Net Change in Fund Balances	\$ 4,752	\$ 7,710	\$ (1,216)	\$ 9,644
Debt service as a percentage of noncapital expenditures	14.9%	15.0%	15.3%	17.0%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds

*In fiscal year 2017, federal and state grant revenue was reported with intergovernmental revenue.

Fiscal Year											
2016		2017		2018		2019		2020		2021	
\$	4,757	\$	7,835	\$	9,441	\$	19,664	\$	9,475	\$	8,729
	(2,847)		(5,330)		(7,181)		(17,266)		(7,164)		(6,441)
37,360		5,255		24,620		35,160		62,240		41,750	
5,953		-		1,594		2,045		10,644		4,807	
(14,799)		(5,165)		-		-		-		(11,233)	
39		157		6		199		19		217	
757		375		-		-		-		-	
-		-		(258)		-		-		-	
<u>31,220</u>		<u>3,127</u>		<u>28,222</u>		<u>39,802</u>		<u>75,214</u>		<u>37,829</u>	
<u>\$ 10,166</u>		<u>\$ (13,374)</u>		<u>\$ 9,634</u>		<u>\$ 34,174</u>		<u>\$ 46,595</u>		<u>\$ 12,632</u>	

18.7% 20.9% 18.8% 20.0% 22.2% 23.8%

CITY OF NEW BRAUNFELS, TEXAS
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE
Last Ten Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Revenue				
Property tax	\$ 17,828	\$ 19,174	\$ 21,311	\$ 24,115
Sales tax	14,665	16,420	18,613	23,978
Franchise fees	1,475	1,671	1,805	1,961
Utilities franchise fees	6,065	6,204	6,478	6,474
Hotel occupancy tax	3,118	3,375	3,604	3,813
Mixed beverage tax	211	275	390	439
Total Revenue	\$ 43,362	\$ 47,119	\$ 52,201	\$ 60,780

Data Source: City ACFRs and detailed financial records

Fiscal Year											
	2016		2017		2018		2019		2020		2021
\$	25,823	\$	30,628	\$	30,659	\$	37,802	\$	40,537	\$	44,386
	19,077		21,008		21,997		23,675		25,606		31,329
	1,934		1,784		1,840		1,770		1,552		1,670
	6,970		7,805		7,909		8,121		8,204		8,833
	3,767		3,994		4,070		4,001		2,872		4,412
	472		516		583		649		508		683
\$	<u>58,043</u>	\$	<u>65,735</u>	\$	<u>67,058</u>	\$	<u>76,018</u>	\$	<u>79,279</u>	\$	<u>91,314</u>

CITY OF NEW BRAUNFELS, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Years
(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Real property	\$ 4,610,203	\$ 4,665,542	\$ 4,917,972	\$ 5,528,399
Personal	349,205	379,051	395,771	426,910
Less: Tax Exempt Property	<u>853,111</u>	<u>866,905</u>	<u>904,189</u>	<u>1,047,373</u>
Total Taxable Assessed Valuation (1)	<u><u>\$ 4,106,297</u></u>	<u><u>\$ 4,177,688</u></u>	<u><u>\$ 4,409,554</u></u>	<u><u>\$ 4,907,936</u></u>
Total Direct Tax Rate	\$ 0.44836	\$ 0.46734	\$ 0.49823	\$ 0.49823
Estimated Actual Taxable Value	\$ 4,106,297	\$ 4,177,688	\$ 4,409,554	\$ 4,907,936
Assessed Value as a Percentage of Actual Value	82.80%	82.82%	82.98%	82.41%

Source: Comal County Appraisal District

(1) Assessed Actual Values are net of local option over-65 exemptions, state mandated agricultural exemptions and disabled veterans' exemptions.

Fiscal Year						
2016	2017	2018	2019	2020	2021	
\$ 6,138,209	\$ 6,716,299	\$ 7,584,703	\$ 8,406,848	\$ 9,297,167	\$ 10,497,424	
540,437	512,991	564,298	625,957	639,947	681,287	
1,050,021	1,150,855	1,352,207	1,455,217	1,634,543	1,835,996	
\$ 5,628,625	\$ 6,078,435	\$ 6,796,794	\$ 7,577,588	\$ 8,302,571	\$ 9,342,715	
\$ 0.49823	\$ 0.48822	\$ 0.48822	\$ 0.48822	\$ 0.48822	\$ 0.48319	
\$ 5,628,625	\$ 6,078,435	\$ 6,796,794	\$ 7,577,588	\$ 8,302,571	\$ 9,342,715	
84.28%	84.08%	83.41%	83.89%	83.55%	83.58%	

CITY OF NEW BRAUNFELS, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (per \$100 of assessed value)
 Last Ten Years

	Fiscal Year			
	2012	2013	2014	2015
City of New Braunfels Tax Rates:				
General government	\$ 0.261360	\$ 0.268560	\$ 0.278080	\$ 0.278080
Debt service	0.187000	0.198780	0.220150	0.220150
Total Direct Rates	<u>\$ 0.448360</u>	<u>\$ 0.467340</u>	<u>\$ 0.498230</u>	<u>\$ 0.498230</u>
Overlapping Tax Rates (2):				
Comal County	\$ 0.350420	\$ 0.305220	\$ 0.292821	\$ 0.292921
Guadalupe County	0.345600	0.341900	0.336100	0.331100
Navarro ISD	1.460000	1.430000	1.420000	1.390000
New Braunfels ISD	1.339100	1.339100	1.339100	1.339100
Comal ISD	1.430000	1.430000	1.390000	1.390000
Total Direct and Overlapping Rates (1)(2)	<u>\$ 5.337870</u>	<u>\$ 5.375260</u>	<u>\$ 5.246251</u>	<u>\$ 5.295351</u>

Source: Comal County Tax Assessor-Collector and Guadalupe County Appraisal District

(1) Tax rate is per \$100 of taxable assessed value.

(2) Overlapping rates are those of local and county governments that apply to property owners within the City. Overlapping rates are shown for each of the three school districts servicing the City. The total tax rate for a parcel in 2021 would be between \$2.05 and \$2.17 depending on the overlapping jurisdiction the parcel was located.

Fiscal Year

2016	2017	2018	2019	2020	2021
\$ 0.278080	\$ 0.278080	\$ 0.288370	\$ 0.278370	\$ 0.273720	\$ 0.255238
0.220150	0.220150	0.199850	0.209850	0.214498	0.227956
\$ 0.498230	\$ 0.498230	\$ 0.488220	\$ 0.488220	\$ 0.488220	\$ 0.483194

\$ 0.292821	\$ 0.307821	\$ 0.295191	\$ 0.322415	\$ 0.358515	\$ 0.314000
0.331100	0.326900	0.330900	0.331900	0.335400	0.329900
1.390000	1.350000	1.350000	1.275930	1.262300	1.185200
1.339100	1.339100	1.365800	1.295800	1.223300	1.197800
1.390000	1.390000	1.390000	1.320000	1.275700	1.292000
\$ 5.200851	\$ 5.202041	\$ 5.220111	\$ 5.034265	\$ 5.007135	\$ 4.802094

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CITY OF NEW BRAUNFELS, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Property Taxpayer	2021			2012		
	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
A L 95 Creekside Town Center LP	\$ 105,439,654	1	1.1%	\$ 38,387,023	2	0.0%
Central Texas Corridor Hospital LLC	97,383,115	2	1.0%			0.0%
CGT, US Limited	73,563,690	3	0.8%			
Rush Enterprises	63,499,590	4	0.7%	40,979,300	1	1.0%
Kahlig Enterprises INC	62,897,502	5	0.7%	18,633,840	4	0.5%
Grey Forest Development LLC	54,044,602	6	0.6%		0	0.0%
BMEF Creekside Fund LLC	52,056,360	7	0.6%		-	0.0%
BES Creekside Fund XIII LLC ET AL	51,602,886	8	0.6%		-	0.0%
HEB Grocery CO LP	43,916,066	9	0.5%	14,496,007	9	0.4%
Passco Lakeview Villas DST	42,139,090	10	0.5%			
LPF Westpointe LLC			0.0%	15,930,890	6	0.4%
Health Care Reit Inc			0.0%	15,126,910	7	0.4%
Walmart Real Estate Business Trust			0.0%	20,271,920	3	0.5%
Augusta Gruene Apartments LP			0.0%	16,395,220	5	0.4%
SC New Braunfels LLC			0.0%	13,900,000	10	0.3%
Coleman Company INC			0.0%	14,910,405	8	0.4%
Subtotal	\$ 646,542,555		6.92%	\$ 209,031,515		4.16%
Other Taxpayers	8,696,172,632		93.08%	3,897,265,485		
Total	\$ 9,342,715,187		100.00%	\$ 4,106,297,000		

Source: Comal County Tax Assessor-Collector's Office

CITY OF NEW BRAUNFELS, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Years

(amounts expressed in thousands)

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
2012	2011	\$ 0.448360	\$ 17,740	\$ 17,431	98.26%
2013	2012	\$ 0.467340	\$ 19,163	\$ 19,092	99.63%
2014	2013	\$ 0.498230	\$ 21,493	\$ 21,251	98.87%
2015	2014	\$ 0.498230	\$ 24,003	\$ 23,817	99.23%
2016	2015	\$ 0.498230	\$ 27,061	\$ 26,830	99.15%
2017	2016	\$ 0.498230	\$ 29,510	\$ 29,287	99.24%
2018	2017	\$ 0.488220	\$ 32,393	\$ 32,002	98.79%
2019	2018	\$ 0.488220	\$ 35,929	\$ 35,560	98.97%
2020	2019	\$ 0.488220	\$ 39,994	\$ 39,507	98.78%
2021	2020	\$ 0.483194	\$ 44,750	\$ 43,379	96.94%

Source: Comal County Tax Assessor or City ACFR

Note: Taxes stated are for general fund and debt service funds

Collected in Subsequent Years	Total Collections to Date		
	Amount Collected	Amount Collected	Percentage of Levy
\$ 277	\$ 17,708	99.82%	
\$ 8	\$ 19,100	99.67%	
\$ 176	\$ 21,427	99.69%	
\$ 131	\$ 23,948	99.77%	
\$ 130	\$ 26,960	99.63%	
\$ 56	\$ 29,343	99.43%	
\$ 592	\$ 32,002	98.79%	
\$ -	\$ 35,560	98.97%	
\$ 151	\$ 39,658	99.16%	
\$ 223	\$ 43,602	97.43%	

CITY OF NEW BRAUNFELS, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Years

(amounts expressed in thousands, except per capita amount)

	Fiscal Year			
	2012	2013	2014	2015
Governmental Activities:				
General obligation bonds	\$ 10,725	\$ 21,305	\$ 34,685	\$ 52,730
Certificates of obligation	94,190	97,030	100,970	95,585
Contract revenue obligations	-	11,405	27,950	26,745
Loan payable	-	-	673	553
Capital lease payable	-	-	-	-
Subtotal	104,915	129,740	164,278	175,613
Business-Type Activities:				
Loan payable	-	-	721	593
Subtotal	-	-	721	593
Government-Wide:				
General obligation bonds	10,725	21,305	34,685	52,730
Certificates of obligation	94,190	97,030	100,970	95,585
Contract revenue obligations	-	11,405	27,950	26,745
Loan payable	-	-	1,394	1,146
Capital lease payable	-	-	-	-
Total Government-Wide	\$ 104,915	\$ 129,740	\$ 164,999	\$ 176,206
Percentage of Personal Income (1)	3.97%	4.60%	7.39%	5.75%
Per Capita (1)	\$ 1,726	\$ 2,096	\$ 2,619	\$ 2,654

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Fiscal Year										
2016		2017		2018		2019		2020		
\$ 99,243		\$ 100,656		\$ 111,150		\$ 139,704		\$ 187,874		\$ 222,588
76,178		64,345		58,950		67,880		78,615		62,890
25,555		24,325		23,055		21,740		20,380		18,975
534		467		401		337		273		207
757		944		1,786		1,352		916		664
202,267		190,737		195,342		231,013		288,058		305,324
 363		 182		 -		 -		 -		 -
 363		 182		 -		 -		 -		 -
 99,243		 100,656		 111,150		 139,704		 187,874		 222,588
76,178		64,345		58,950		67,880		78,615		62,890
25,555		24,325		23,055		21,740		20,380		18,975
897		649		401		337		273		207
757		944		1,786		1,352		916		664
\$ 202,630		\$ 190,919		\$ 195,342		\$ 231,013		\$ 288,058		\$ 305,324
 5.97%		 5.60%		 4.69%		 5.27%		 6.16%		 6.53%
\$ 2,872		\$ 2,581		\$ 2,468		\$ 2,814		\$ 3,193		\$ 3,377

CITY OF NEW BRAUNFELS, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Years
(amounts expressed in thousands, except per capita amount)

	Fiscal Year			
	2012	2013	2014	2015
Estimated Actual Taxable Value of Property	\$ 4,106,297	\$ 4,177,688	\$ 4,409,554	\$ 4,907,936
General obligation bonds and Certificates of obligation	\$ 10,725	\$ 21,305	\$ 34,685	\$ 52,730
Less: amounts available in debt service fund	786	809	1,279	1,418
Total	<u>\$ 11,511</u>	<u>\$ 20,496</u>	<u>\$ 33,406</u>	<u>\$ 51,312</u>
Percentage of Estimated Actual Taxable Value of Property	0.28%	0.49%	0.76%	1.05%
Per Capita (1)	\$ 192	\$ 337	\$ 540	\$ 815

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Fiscal Year

2016	2017	2018	2019	2020	2021
\$ 5,628,625	\$ 6,078,435	\$ 6,796,794	\$ 7,577,588	\$ 8,302,571	\$ 9,342,715
\$ 88,385	\$ 165,001	\$ 170,100	\$ 207,584	\$ 266,489	\$ 285,478
<u>1,577</u>	<u>2,237</u>	<u>1,310</u>	<u>1,806</u>	<u>2,243</u>	<u>2,773</u>
<u>\$ 86,808</u>	<u>\$ 162,764</u>	<u>\$ 168,790</u>	<u>\$ 205,778</u>	<u>\$ 264,246</u>	<u>\$ 282,706</u>
1.54%	2.68%	2.48%	2.72%	3.18%	3.03%
\$ 1,307	\$ 2,307	\$ 2,282	\$ 2,600	\$ 3,219	\$ 3,127

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CITY OF NEW BRAUNFELS, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2021

Government Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Amount Applicable to Primary Government
New Braunfels ISD	\$ 244,235,226	80.81%	\$ 197,366,486
Comal ISD	671,245,179	19.12%	128,342,078
Navarro ISD	34,381,494	2.61%	897,357
Guadalupe County	15,625,000	10.60%	1,656,250
Comal County	<u>129,825,000</u>	34.81%	<u>45,192,083</u>
Subtotal, overlapping debt			<u>373,454,254</u>
City Direct Debt	<u>\$ 260,115,000</u>	100.00%	<u>260,115,000</u>
Total Direct and Overlapping Debt			<u>\$ 633,569,254</u>

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the government's taxable assessed value that is within the government's boundaries and dividing it by the government's total taxable assessed value.

CITY OF NEW BRAUNFELS, TEXAS

LEGAL DEBT MARGIN INFORMATION

Last Ten Years

(amounts expressed in thousands)

	Fiscal Year			
	2012	2013	2014	2015
Debt Limit	\$ 495,941	\$ 504,459	\$ 531,374	\$ 595,531
Total Net Debt Applicable to Limit	10,725	21,305	34,685	52,730
Total	\$ 485,216	\$ 483,154	\$ 496,689	\$ 542,801
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2.16%	4.22%	6.53%	8.85%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Value	\$ 9,342,715
Add Back: Exempt Real Property	1,835,996
Total Assessed Value	\$ 11,178,711

Debt Limit (10% of Total Assessed Value)	1,117,871
Debt Applicable to Limit:	
General Obligation Bonds	222,588
Legal Debt Margin	\$ 895,283

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 667,865	\$ 722,929	\$ 820,355	\$ 903,281	\$ 993,711	\$ 1,117,871
88,385	165,001	171,015	139,704	187,874	222,588
<u>\$ 579,480</u>	<u>\$ 557,928</u>	<u>\$ 649,340</u>	<u>\$ 763,577</u>	<u>\$ 805,837</u>	<u>\$ 895,283</u>
13.23%	22.82%	20.85%	15.47%	18.91%	19.91%

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CITY OF NEW BRAUNFELS, TEXAS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2021			2012			
	Employees	Percentage of Total Employment		Rank	Employees	Percentage of Total Employment	
		Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	Rank
Comal ISD	3,105	28.42%	1		2,300	22.64%	1
Wal-Mart Distribution Center	1,379	12.62%	2		1,077	10.60%	4
TaskUs	1,180	10.80%	3		-	0.00%	-
New Braunfels ISD	1,131	10.35%	4		945	9.30%	5
City of New Braunfels	960	8.79%	5		511	5.03%	10
Hunter Industries-Colorado Materials	788	7.21%	6		525	5.17%	8
Comal County	760	6.96%	7		616	6.06%	6
Sysco	670	6.12%	8		-	0.00%	-
HD Supply	477	4.37%	9		525	5.17%	8
Resolute Health	476	4.36%	10		-	0.00%	-
The Scooter Store	-	0.00%	-		1,400	13.78%	3
Christus Santa Rosa Hospital	-	0.00%	-		576	5.67%	7
Schlitterbahn Water Park	-	0.00%	-		1,683	16.58%	2
	<u>10,926</u>	<u>100.00%</u>			<u>10,158</u>	<u>100.00%</u>	

Source: Greater New Braunfels Chamber of Commerce

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CITY OF NEW BRAUNFELS, TEXAS

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Years

Fiscal Year Ended Sept. 30	Population⁽¹⁾	Total Wages		Per Capita		Average Annual Pay All Industries⁽²⁾	Public School Enrollment⁽³⁾	Unemployment Rate⁽⁴⁾
		All Industries⁽²⁾ (expressed in thousands)		Personal Income⁽²⁾ (expressed in thousands)				
2012	60,791	\$ 2,642,199		\$ 43.46		\$ 37,555	15,883	5.1%
2013	61,885	\$ 2,822,616		\$ 45.61		\$ 41,155	8,265	5.2%
2014	62,998	\$ 2,232,220		\$ 35.43		\$ 43,800	8,441	3.8%
2015	66,394	\$ 3,064,162		\$ 46.15		\$ 46,871	8,438	2.9%
2016	70,543	\$ 3,394,824		\$ 48.12		\$ 51,558	8,438	3.5%
2017	73,959	\$ 3,407,192		\$ 46.07		\$ 46,883	8,583	3.3%
2018	79,152	\$ 4,168,203		\$ 52.66		\$ 42,234	8,950	3.2%
2019	82,081	\$ 4,384,612		\$ 53.42		\$ 43,921	9,126	2.9%
2020	90,403	\$ 4,674,477		\$ 51.71		\$ 45,700	9,537	6.6%
2021	97,983	\$ 5,076,170		\$ 51.81		\$ 49,803	9,282	3.9%

Data sources:

(1) Total population from the census.gov website or City of New Braunfels Adopted Budget document.

(2) Total wages and average annual pay are for Comal and Guadalupe counties combined. Data provided by the Bureau of Labor Statistics.

(3) School enrollment for 2012 is for City of New Braunfels only; 2013 and following years include only New Braunfels ISD.

(4) Data is for the City of New Braunfels. 2020 data reflected COVID-19 shutdown related data

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CITY OF NEW BRAUNFELS, TEXAS
AUTHORIZED CITY GOVERNMENT POSITIONS BY FUNCTION

Last Ten Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
City Secretary	3.00	3.00	3.00	3.00	3.00	3.50	3.50	3.50	3.75	3.00
City Attorney	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
City Manager's Office	5.00	5.00	5.00	5.00	5.00	6.00	6.00	7.00	7.00	4.00
Communications and										
Community Engagement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
Economic & Community										
Development	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.75
Information Technology	0.00	0.00	0.00	7.00	11.00	11.00	12.00	14.00	14.00	14.00
Human Resources	7.00	7.00	7.00	7.00	7.00	8.00	8.00	8.00	9.00	9.00
Finance	16.00	17.00	17.00	10.00	11.00	11.00	11.00	12.00	13.00	13.00
Municipal Court	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	10.00
Police*	142.00	148.00	136.50	143.00	149.00	155.00	159.00	168.00	175.00	178.00
Fire	134.00	134.00	134.00	134.00	134.00	137.00	138.00	138.00	138.00	138.00
Planning and Community										
Development	26.00	29.00	30.00	31.00	32.00	35.00	36.00	36.00	39.00	39.00
Planning and Comm.										
Devel. - Main Street	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Parks and Recreation	141.50	150.50	150.50	161.50	160.50	162.50	252.75	260.75	272.25	270.50
Public Works	47.00	44.50	43.50	45.50	51.00	53.00	57.00	65.00	62.00	67.00
Library	26.50	28.50	28.50	28.25	28.25	28.25	28.25	28.75	28.50	29.00
Total General Fund	562.00	580.50	569.00	589.25	605.75	624.25	725.50	755.00	775.50	785.25
Golf Course Fund	11.50	11.50	12.50	17.00	17.00	17.00	17.00	15.00	17.00	17.00
Airport Fund	6.00	7.00	7.00	7.00	7.00	7.00	7.00	9.00	9.00	9.00
Solid Waste Fund	48.00	50.50	49.50	52.50	52.50	54.00	54.00	57.00	59.00	61.00
Capital Project Funds**	0.00	6.00	6.50	8.00	9.00	9.00	9.00	5.00	5.00	0.00
Civic/Convention Center										
Fund	8.00	8.50	8.50	8.50	8.50	8.50	8.50	8.50	9.00	9.00
River Activities Fund	67.50	54.50	54.50	54.50	55.50	74.00	73.50	74.00	74.00	74.00
Facilities Maint. Fund	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
CDBG Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EAHCP Fund	0.00	1.00								
Juvenile Case Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Child Safety Fund	1.00	1.00	14.00	14.00	14.00	0.00	0.00	0.00	0.00	0.00
Development Services Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	3.00
Total Funds	706.00	722.50	724.50	753.75	771.25	795.75	896.50	925.50	953.50	960.25

Source: City of New Braunfels Annual Budget

Full-time and seasonal positions = 1 position

Part-time position = .5 position

*Police positions decreased as a result of contracting out crossing guard services

**Positions supported by both Capital Project Funds and the General Fund. 4 employees were reclassified out of the Capital Projects Funds and into the General Fund.

CITY OF NEW BRAUNFELS, TEXAS

OPERATING INDICATORS BY FUNCTION

Last Ten Years

Function	Fiscal Year			
	2012	2013	2014	2015
Police				
Response time for priority calls	6:41	6:36	7:34	6:50
Number of DWI Arrests	0:00	328	304	387
Fire				
Response times - structure fire	4:39	6:48	7:15	6:50
Response times - EMS	5:38	5:51	7:13	6:27
Smoke detectors issued/inspected/updated	842	1,200	420	440
Public Works				
Percentage of commercial and residential permit reviews completed within twenty business days	N/A	N/A	N/A	N/A
Permits reviewed and completed	240	240	360	497
Number of plat reviews completed	N/A	N/A	N/A	N/A
Number of street service requests processed	N/A	N/A	N/A	N/A
Acres of right-of-way mowed	165	188	188	188
Construction stormwater inspections completed	N/A	N/A	N/A	N/A
Solid Waste				
Waste diverted from landfill	36%	35%	29%	29%
Residential operationg cost per ton collected	\$ 94	\$ 104.00	\$ 73.00	\$ 51.39
Parks and Recreation				
Recreation programs participants	3,080	3,000	3,918	6,499
Das Rec memberships	N/A	N/A	N/A	N/A
Athletic leagues teams participants (including Das Rec)	212	190	233	219
Golf course rounds played	39,140	43,000	N/A	34,396
Planning and Community Development				
Residential building permits issued	1,556	1,603	2,302	2,185
Commercial building permits issued	442	455	344	446
Calls for service - animal control	5,553	6,900	7,349	8,404
Historic landmark designations	3	3	2	4
Airport Operations				
Flight operations annually	28,099	39,880	45,000	42,475
Gallons of fuel sold	289,882	308,000	399,151	370,915
Library				
Visitors annually	312,138	285,000	285,000	282,335
Annual circulation of library materials	762,491	800,000	828,426	781,603
Database accesses	18,021	28,000	45,780	48,557
Municipal Court				
Percentage of cases closed in 30 days or less	N/A	N/A	N/A	N/A
Number of new cases filed	N/A	N/A	N/A	N/A
River				
Wristbands sold- private tubers	N/A	N/A	N/A	N/A
Wristbands sold- outfitter tubers	N/A	N/A	N/A	N/A
Pounds of litter recovered	N/A	N/A	N/A	N/A

Source: Various City departments

CONB FY 2019-20 Budget Document

Fiscal Year					
2016	2017	2018	2019	2020	2021
6:30 379	6:42 419	7:27 382	7:28 353	7:25 400	7:20 360
7:04 6:00 425	6:55 5:57 450	6:38 6:51 450	7:15 5:37 518	7:15 5:16 578	6:30 6:30 722
N/A 514	43% 680	43% 791	46% 577	52% 585	88% 351
N/A	234	157	154	85	184
N/A	532	531	556	517	545
188	188	188	220	220	188
N/A	360	778	1,071	1,000	1,000
\$ 30% \$ 71.89	33% \$ 68.61	30% \$ 62.02	30% \$ 66.62	30% \$ 57.27	30% \$ 53.27
6,478 N/A	7,318 N/A	8,363 4,900	10,806 6,208	8,757 5,500	5,616 4,873
213 39,175	247 38,250	193 39,673	709 43,213	666 36,924	601 50,000
3000 400 7,800 3	2687 481 6,030 2	2,870 434 6,762 2	3,736 1,267 7,721 2	3,600 1,290 7,100 2	3,633 517 7,843 2
48,000 445,000	53,407 500,000	52,000 518,667	67,861 555,045	68,888 446,000	62,982 550,159
290,000 850,000 45,000	284,437 905,000 65,000	293,146 914,556 85,619	277,680 1,063,122 94,335	175,000 800,000 45,000	100,000 750,000 25,000
N/A N/A	30% 13,720	22% 13,720	27% 14,988	30% 9,750	N/A 10,000
N/A N/A N/A	73,414 228,109 35,970	66,919 184,153 13,650	71,515 177,436 17,046	58,200 194,800 20,000	51,610 187,391 19,953

CITY OF NEW BRAUNFELS, TEXAS

CAPITAL ASSET STATISTICS BY FUNCTION

Last Ten Years

	Fiscal Year			
	2012	2013	2014	2015
Function				
General Government				
City vehicles	257	269	291	320
Public Safety				
Police stations	1	1	1	1
Fire stations	6	6	6	6
Highways and Streets				
Streets (miles)	318	318	323	323
Area in square miles	1.9	1.9	2	2.0
Culture and Recreation				
Park acreage	373	373	373	435
Swimming pools	2	2	2	2
Golf course	1	1	1	1
Recreation center	1	1	1	1

Source: Various City departments

Fiscal Year

2016	2017	2018	2019	2020	2021
360	380	412	453	455	475
1	1	1	1	1	1
6	6	6	6	6	6
323	354	368	342	345	353
2.0	2.0	2.0	1.9	2.0	2.0
435	435	557.45	709	684	747
2	2	4	5	5	5
1	1	1	1	1	1
1	1	2	2	2	2

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