



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

February 23, 2021

City Council and City Management  
City of Helotes, Texas

We have audited the financial statements of the City of Helotes, Texas for the year ended September 30, 2020 and have issued our report thereon dated February 23, 2021. Professional standards require that we advise you of the following matters related to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 16, 2020, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly in all material aspects and in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatements. An audit of financial statements includes consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls over financial reporting. Accordingly, as part of our audit, we considered the internal controls of the City of Helotes solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal controls.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethical Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by City of Helotes is included in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions or (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive estimates affecting the financial statements were:

- Useful lives of depreciable assets;
- Allowance for uncollectible accounts receivable for Emergency Medical Services; and
- Net Pension and Total Other Post-Employment Benefit (OPEB) Liabilities and the assumptions for mortality rates and investment returns.

The useful lives of the depreciable assets are based on past history, engineering estimates, and industry standards. The allowance for uncollectibles is based on the City of Helotes' EMS collection history. The estimates related to the Net Pension and Total OPEB Liabilities are based on the actuarial study performed by Texas Municipal Retirement System with no input from the City's management. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive financial statement disclosures include revenue recognition and employees' retirement systems.

## **Significant Difficulties Encountered during the Audit**

We encountered no difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The following transaction summarizes an uncorrected financial misstatement whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole:

- Salaries in various departments are understated by \$113,483 as a result of payroll accrual not recorded.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Significant adjustments were made to accrue additional sales tax revenue and CARES Act funding, reverse prior year payables, and to accrue current year payables related to reimbursement of sales tax through 380 agreements with developers.

### **Disagreements with Management**

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

### **Representations Requested from Management**

We have requested certain representations from management that are included in the management representation letter dated February 23, 2021.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

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

### **Compliance with Public Funds Investment Act**

The Public Funds Investment Act (the "Act") requires that we include, as part of our audit, procedures to determine if the City of Helotes had complied with the provisions of the Act. We found, as a result of our tests, that the City had complied, in all material respects, with the provisions of the Act and the City's internal investment policy.

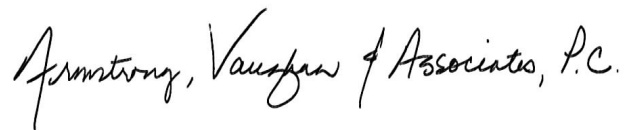
### **Trend Analysis**

We have prepared the attached "Trend Analysis" as a financial snapshot for Council and Staff. Sound financial management dictates that a minimum fund balance be maintained that is sufficient to ensure operations will continue uninterrupted and emergencies that arise from time to time will be met. A rule of thumb for a minimum fund balance for the general fund is no less than two months average of operating expenditures (exclusive of capital outlay and debt service expenditures). The attachment details the trend over the last four years. This is presented for additional analysis and as a planning tool. We make no recommendation regarding the analysis of this information.

## Other Matters

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

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

A handwritten signature in cursive script that reads "Armstrong, Vaughan & Associates, P.C.".

Armstrong, Vaughan & Associates, P.C.

February 23, 2021

<b>TREND ANALYSIS</b>	<b>9/30/17</b>	<b>9/30/18</b>	<b>9/30/19</b>	<b>9/30/20</b>
<b>GENERAL GOVERNMENT</b>				
FUND BALANCE - GENERAL FUND (1)	\$ 1,996,778	\$ 1,908,237	\$ 1,590,430	\$ 1,763,524
AVERAGE MONTHLY OPERATING EXPENDITURES (2)	490,740	515,144	540,255	523,664
GROWTH RATE PER YEAR - AVERAGE MONTHLY OPERATING EXPENDITURES		4.97%	4.87%	-3.07%
MONTHS OF AVERAGE MONTHLY EXPENDITURES IN FUND BALANCE	4.1	3.7	2.9	3.4
GENERAL BONDED DEBT	10,250,000	9,490,000	8,875,000	8,235,000
RATIO OF GENERAL BONDED DEBT TO FUND BALANCE	5.13 / 1	4.97 / 1	5.58 / 1	4.62 / 1

(1) Includes unassigned fund balance only

(2) Exclusive of Capital Outlay and Debt Service expenditures.

**CITY OF HELOTES, TEXAS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FISCAL YEAR ENDED  
SEPTEMBER 30, 2020**

**OFFICIALS ISSUING REPORT**

Marian V. Mendoza  
City Administrator

Tabitha “Taby” Durr  
Finance Director



CITY OF HELOTES, TEXAS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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## INTRODUCTORY SECTION



February 23, 2021

Honorable Mayor and City Council  
City of Helotes, Texas  
12951 Bandera Rd.  
Helotes, Texas 78023

Honorable Mayor, City Council, and Citizens of Helotes:

We are pleased to present the City of Helotes (the "City") Comprehensive Annual Financial Report (the "Report") for the fiscal year ending (the "FYE") September 30, 2020. State Law requires us to annually publish a set of financial statements that are in compliance with the United States Securities and Exchange Commission's Generally-Accepted Accounting Principles (the "GAAP"). The City has done so with the assistance of Armstrong, Vaughan & Associates, P.C. (the "Auditor"), a firm of licensed certified public accountants. To the best of our knowledge and belief, the financial statements are accurate in all material respects and are reported in a manner designed to fairly present the financial position and results of operations of all City funds.

Management assumes full responsibility for the accuracy of the data and disclosures contained herein and the Report's completeness and fairness.

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

This report includes all activities, functions, and organizations that relate to the City and are controlled by its governing body, the City Council.

Based upon the aforementioned information, the Auditor rendered an unmodified ("clean") opinion that the City's FYE 2020 financial statements are fairly presented and in conformance with GAAP.

### ***City of Helotes Profile***

Located just northwest of San Antonio, the City of Helotes was incorporated in 1981 as a Type A General Law municipality. Helotes, whose name is derived from the Spanish word elotes or "corn-on-the-cob," has been on Texas maps since the 1850s. Once inhabited by Lipan Apaches, Tonkawas, and Comanches, the City originally served as a stagecoach stop between the cities of San Antonio and Bandera. Today, the City of Helotes is a unique community that maintains its small-town tranquility and family-oriented activities. Citizens remain committed to economic prosperity, while balancing environmental consciousness and historic preservation with modern revitalization.

According to the U.S. Census, the City of Helotes had an estimated population of 9,961 residents in 2019. It is part of the San Antonio-New Braunfels Metropolitan Statistical Area.

The City of Helotes operates under a Council-Mayor form of government. All powers of the City are vested in an elected Council, consisting of five Councilmembers and a Mayor. The Council enacts local legislation, determines City policies, and employs the City Administrator.

The Mayor is the Chief Executive Officer of the City. The City Administrator serves as the assistant to the Mayor and City Council in carrying out activities prescribed by them and those activities contained within the City Administrator's contract.

The City government provides a broad range of goods and services to its citizens. The activities and personnel required to provide these goods and services are organized into broad managerial areas called Funds. Funds are separate fiscal and accounting entities with their own resources and budgets necessary to carry on specific activities and attain certain objectives.

Funds are further organized into function groups called Departments. A Department is a group of related activities aimed at accomplishing a major City service or program (i.e. Police or Fire Departments).

A Department may be further divided into smaller areas called Divisions. Divisions perform specific functions within the Department (i.e. Criminal Investigations or EMS).

Each Department is led by a Department Head who has supervisory responsibility over their respective Department(s) and the Divisions within it; however, they are subject to supervision and control by the Mayor and/or City Administrator. A Department Head may supervise more than one Department.

### ***Local Economy***

With just under 7 square miles of land within its corporate limits, the City of Helotes' economy continues to thrive. Property taxes and sales taxes equally constitute the majority of the general fund revenues, representing approximately 40 percent each totaling approximately 80 percent of general fund revenues. The City's revenue sources have remained strong through the entire Fiscal Year 19-20.

Approximately 93% of Helotes' eligible labor force is currently employed, and the average 2019 household income was \$116,875.00. By 2023, the average household income is expected to increase to \$134,709.

Since 2008, the City's general and economic development sales and use tax receipts have increased approximately 502%, from \$766,305 to \$3.85 million. Similarly, ad valorem (property) tax receipts have risen from \$2.17 million in 2008 to \$4 million in 2020, an increase of 84%. Over the same time period, sales and use and property tax receipts, as components of total City revenue, equalized at approximately one-third each. The property tax rate has declined or stayed the same since 2009.

The City's retail trade area (RTA) includes over 19,000 existing homes. With approximately \$56 million in retail, food, and beverage sales leaking from Helotes into the City of San Antonio, the estimated 31,000 additional rooftops in active and/or planned subdivisions in the City's RTA will continue to produce fruitful economic development opportunities in Helotes.

## ***Long-Term Financial Planning & Ratings***

The City of Helotes currently holds two (2) Certificate of Obligation issues dated 2007 and 2015. At a little over \$14 million (at issue) or \$1,561 per capita, the debt instruments were issued to fund new Police and Fire Stations, Old Town Helotes Special District improvements, and streets, utility, park, and drainage improvements throughout the City.

As of September 30, 2020, a balance of a little over \$10 million, including principal and interest, for the 2007 and 2015 issuances remained. The City does not anticipate issuing additional debt instruments at this time.

In December 2013, Standard & Poor's Ratings Services (the "S&P") raised its long-term and underlying rating for the City of Helotes from 'A+' to 'AA'. In 2015, S&P reaffirmed the City's long-term rating of 'AA/Stable'. S&P noted a "very strong economy, with access to a broad and diverse metropolitan statistical area."

## ***Financial Information***

**Internal Control.** Management is responsible for establishing and maintaining internal controls designed to ensure that assets of the City are protected from loss, theft or misuse and to provide adequate accounting information compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB), the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants (AICPA). The internal control system is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of an internal control should not exceed the benefits derived from the internal control. The City utilizes financial accounting software which is designed with a system of internal controls. These controls are continually being reevaluated to provide reasonable, but not absolute, assurances.

**Budget Controls.** The City also utilizes budgetary controls. Legally expenditures cannot exceed the appropriated amount. The objective of these budgetary controls is to ensure compliance with the adopted budget approved by the City Council as mandated by state law. The levels of budgetary control are established at the line-item basis and at the fund level.

**Cash management policies and practices.** During the year, temporarily idle cash was invested through a Investment Pooled fund. Cash in this fund is essentially liquid. The average yield on the investment portfolio was 1.18 percent.

**Pension benefits.** The City of Helotes is a member city of the Texas Municipal Retirement System, referred to as TMRS. TMRS is one of the leading public pension funds in the nation. Each year, an independent actuary engaged by the pension plan calculates the amount of the annual contribution the City of Helotes must make to the pension plan to ensure the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the City of Helotes fully funds each year's annual required contribution to the pension plan as determined by the actuary. The remaining unfunded amount is being systematically funded as part of the annual required contribution calculated by the actuary.


## ***Other Financial Information:***

**Independent Audit.** An independent audit is performed every year of the general ledger, accounts, financial records, and transactions of all city departments. The audit is completed by an independent certified public accounting firm selected by the City Council. The City is in compliance with this requirement and the independent auditor's report by Armstrong, Vaughan & Associates, P.C. Certified Public Accountants, has been included in this report.

### *Awards and Acknowledgements*

The City of Helotes is seeking the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report for the fiscal year ended September 30, 2020. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is for a period of one year only. We believe our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility. The preparation of this report would not have been possible without the efficient and dedicated services of the staff of the finance department. We would like to express our appreciation to all staff who assisted and contributed to the preparation of this report.

Best,

  
Marian Mendoza, City Administrator

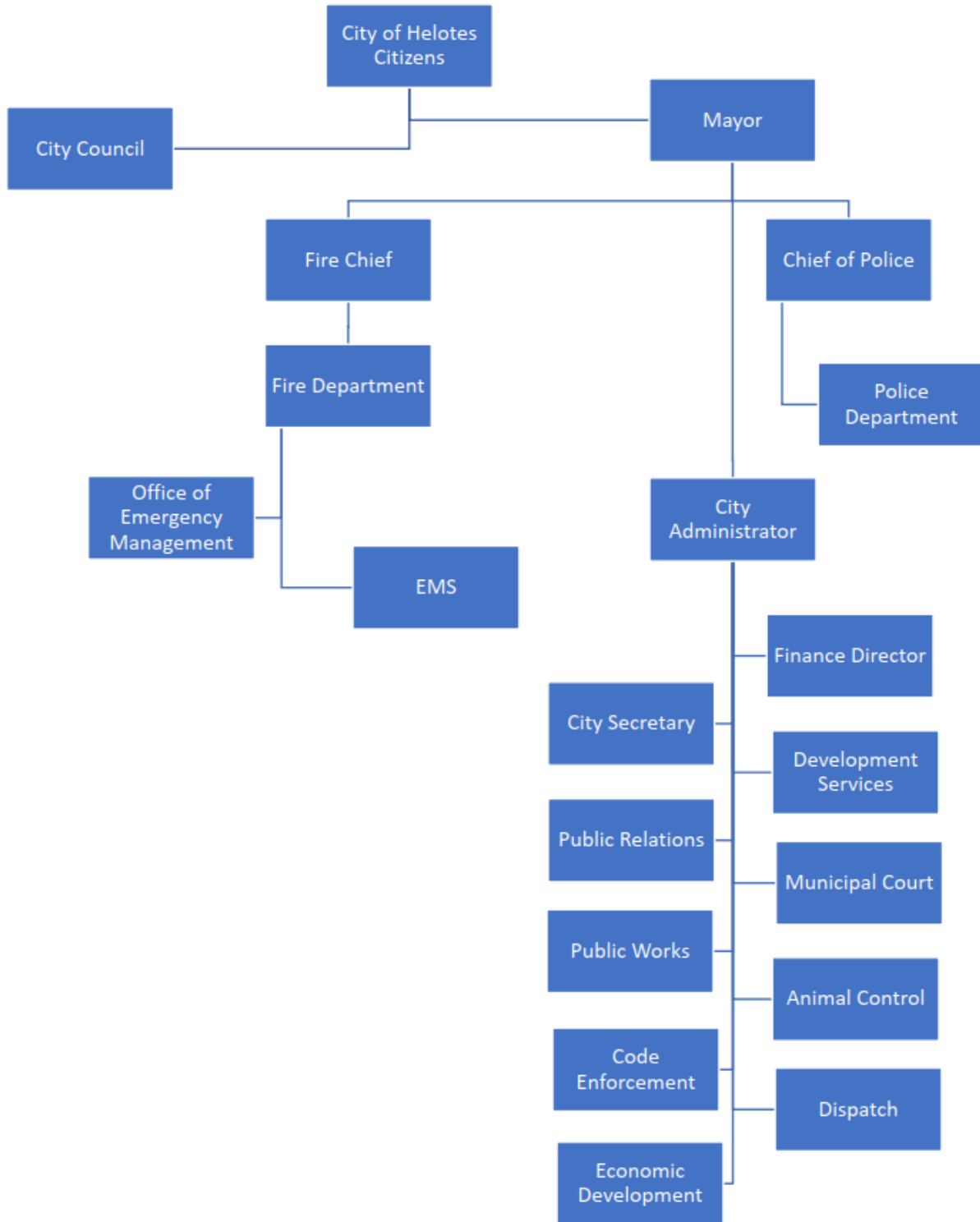
  
Tabitha Durr, Finance Director



CITY OF HELOTES, TEXAS

ORGANIZATIONAL CHART

SEPTEMBER 30, 2020



CITY OF HELOTES, TEXAS  
PRINCIPAL OFFICERS  
AS OF SEPTEMBER 30, 2020

CITY OFFICIALS

MAYOR	THOMAS A. SCHOOLCRAFT
MAYOR PRO-TEMPORE	ALEX BLUE
CITY COUNCIL	ALAN HOLMES
	NORBERT “BERT” BUYS
	CYNTHIA MASSEY
	PAUL FRIEDRICH
CITY ADMINISTRATOR	MARIAN V. MENDOZA
FINANCE DIRECTOR	TABITHA “TABY” DURR
CITY SECRETARY	CELINA PEREZ
ATTORNEY	DAVIDSON, TROILO, REAM & GARZA P.C.



## FINANCIAL SECTION



## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and  
Members of the City Council  
City of Helotes, Texas

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

City of Helotes 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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 of material misstatements.

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Helotes, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year ended in conformity 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 management's discussion and analysis, budgetary comparison information, schedule of changes – net pension liability and related ratios, and schedule of changes – total other post-employment benefit (OPEB) liability and related ratios, as identified in 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 regarding the methods of preparing the information and comparing the information for consistency with management's response 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 performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Helotes' financial statements as a whole. The introductory section, comparative statements, budgetary comparison for other nonmajor funds, and the statistical section are presented for purposes of additional analysis and are not required to be part of the financial statements. The comparative statements for the General Fund, combining and individual nonmajor fund financial statements, and budgetary comparison information for nonmajor funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

The introductory and statistical section have not been subjected to the same 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 *Governmental Auditing Standards*, we have also issued our report dated February 23, 2021, on our consideration of the City of Helotes, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering City of Helotes's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Armstrong, Vaughan & Associates, P.C." The signature is written in a cursive, flowing style.

Armstrong, Vaughan & Associates, P.C.

February 23, 2021

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This Section of the City of Helotes' Annual Financial Report presents Management's discussion and analysis of the City's financial performance during the fiscal year ended September 30, 2020. Operating through Mayor Tom Schoolcraft, Management consists of City Administrator Marian Mendoza and City Treasurer Tabitha "Taby" Durr. Please read this Section in conjunction with the City's financial statements that follow this Section.

### FINANCIAL HIGHLIGHTS

- Based upon the Government-wide Financial Statements, the City's total net position was \$5.0 million at September 30, 2020. Government-wide Financial Statements include all government components and functions, including, but not limited to, City-wide liquid cash assets, capital assets, restricted fund assets, accumulated depreciation, net pension and other debt liabilities.
- During the year, the City's governmental activity expenses decreased 11.7% from the prior year, and were approximately \$2.0 million less than the \$9.9 million generated in taxes and other revenues from governmental activities. Conversely, the City's governmental activity revenues increased 6.5% from the prior year and were approximately \$604 thousand more than the same revenues collected in FYE 2019. The governmental activity expenses include depreciation recorded on municipal capital assets.
- The General Fund reported a fund balance this year of approximately \$1.8 million at September 30, 2020. The average months of operating expenditures within the General Fund is 3.4 months; a rule of thumb for a minimum fund balance for the General Fund is no less than two months of average operating expenditures.
- General Fund revenues of \$6.7 million exceeded expenditures of \$6.3 million; however, the General Fund balance only increased by approximately \$149 thousand from the prior fiscal year due to transfers to other funds during FYE 2020.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The statement of net position presents information on all of the City's assets and deferred outflows of resources less liabilities and deferred inflows of resources (including those of the Economic Development Corp.). Over time, increases or decreases in net position *may* serve as a useful indicator of whether the financial position of the City of Helotes is improving or deteriorating. Changes in net position may also serve as a useful indicator of depreciation in existing capital assets. In Management's opinion, the net position of the City is stable.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned, but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Helotes that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Helotes include general administration, dispatch, the City Secretary's office, Municipal Court, human resources, development services, public works, animal control, code enforcement, buildings and grounds, parks and recreation, and emergency services (police, fire, and EMS).



Property taxes, sales taxes, franchise fees, and charges for services finance most of these activities. The City does not currently have any business-type activities.

*Fund Financial Statements.* A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Helotes, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City has several governmental funds.

*Governmental Funds.* Governmental funds are used to account for 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 each fiscal year. Such information is useful in evaluating a government'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 can 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, expenses, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

*Notes to the Financial Statements.* The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

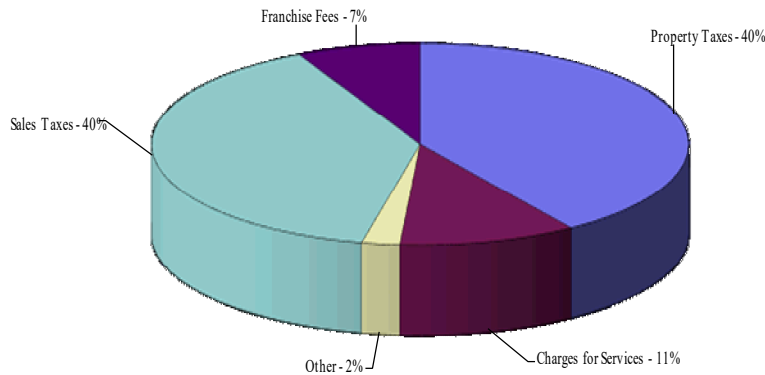
**Net Position.** The City's Government-wide net position was \$5.0 million at September 30, 2020. (See Table A-1). The City's Government-wide Financial Statements reported a deficit in unrestricted net position of \$2.5 million.

**Table A-1**  
City of Helotes Net Position

	Governmental Activities		Total Percentage Change
	2020	2019	2020-2019
<i>Assets:</i>			
Current Assets	\$ 6,140,004	\$ 4,893,225	25.5%
Capital Assets	9,300,199	9,567,467	-2.8%
Other non current assets	720,431	631,732	14.0%
<i>Total Assets</i>	<u>16,160,634</u>	<u>15,092,424</u>	7.1%
<i>Deferred Outflows</i>	<u>288,752</u>	<u>594,112</u>	-51.4%
<i>Liabilities:</i>			
Current Liabilities	2,195,231	2,404,770	-8.7%
Noncurrent Liabilities	8,755,840	10,173,984	-13.9%
<i>Total Liabilities</i>	<u>10,951,071</u>	<u>12,578,754</u>	-12.9%
<i>Deferred Inflows</i>	<u>457,925</u>	<u>80,857</u>	466.3%
<i>Net Position:</i>			
Net Investment in Capital Assets	4,122,782	3,809,511	8.2%
Restricted	3,446,262	2,042,612	68.7%
Unrestricted (Deficit)	(2,528,654)	(2,825,198)	-10.5%
<i>Total Net Position</i>	<u>\$ 5,040,390</u>	<u>\$ 3,026,925</u>	66.5%

**Changes in Net Position.** The City’s total net position improved from the prior year by \$2.0 million. The City’s revenues were \$9.9 million. A significant portion, or 80%, of the City’s revenue originates from property and sales taxes, while 20% originates from franchise fees, charges for services, grants, hotel occupancy taxes, interest and investment earnings, and other miscellaneous fees (See Figure A-1). Significantly, sales and use tax and property tax collections nearly equalized in FYE 2020. The City’s governmental activity revenues increased 6.5% from the prior year, and were approximately \$604 thousand more than the same revenues collected in FYE 2019.

Figure A-1 City of Helotes  
Revenue Sources for Fiscal Year 2020



The total cost of all governmental programs and services was \$7.9 million; 53% of this cost is directly related to emergency services consisting of police, fire, EMS and dispatch. During the year, the City’s governmental activity expenses decreased 11.7% from the prior year, and were approximately \$2.0 million less than the \$9.9 million generated in taxes and other revenues from governmental activities.

## Governmental Activities

The property tax rate remained the same as the prior year at 0.350000 per \$100 valuation; however, property tax revenues increased by \$260 thousand due to an increase in assessed valuations by the Bexar Appraisal District.

- The cost of all *governmental activities* in FYE 2020 was \$7.9 million.
- The amount of these activities that were paid for by taxpayers through property taxes was \$4.0 million (50.9%).
- 14.8% of the cost, or \$1.2 million, was paid by those who directly benefited from the programs and activities through direct charges for services as well as operating grants and contributions.

**Table A-2**  
Changes in City of Helotes' Net Position

	Governmental Activities		Total Percentage Change
	2020	2019	2020-2019
Primary Government:			
City Council	\$ 2,868	\$ 4,014	-28.6%
City Administration	1,634,035	1,632,100	0.1%
Dispatch	146,243	167,121	-12.5%
City Secretary	83,634	90,057	-7.1%
Human Resources	116,527	150,667	-22.7%
Municipal Court	318,172	313,389	1.5%
Animal Control, Public Works	706,271	1,494,060	-52.7%
Development Services	145,352	154,499	-5.9%
Building and Grounds	369,817	592,481	-37.6%
Police Department	2,006,187	1,962,729	2.2%
Emergency Medical Services	224,105	314,718	-28.8%
Fire Department	1,778,584	1,659,996	7.1%
Interest and Fiscal Charges on LT Debt	323,360	357,277	-9.5%
Total Governmental Activities	<u>7,855,155</u>	<u>8,893,108</u>	-11.7%
Program Revenues:			
Charges for Services	1,056,182	1,061,602	-0.5%
Operating Grants & Contributions	105,954	19,946	431.2%
General Revenues:			
General Property Tax	3,997,600	3,737,447	7.0%
Sales Taxes	3,852,457	3,492,555	10.3%
Franchise Fees	736,278	747,447	-1.5%
Hotel Occupancy Tax	30,225	22,163	36.4%
Investment Earnings	52,320	110,900	-52.8%
Miscellaneous	37,604	72,208	-47.9%
Total Revenues	<u>9,868,620</u>	<u>9,264,268</u>	6.5%
Increase (Decrease) in Net Position	2,013,465	371,160	442.5%
Beginning Net Position	<u>3,026,925</u>	<u>2,655,765</u>	14.0%
Ending Net Position	<u>\$ 5,040,390</u>	<u>\$ 3,026,925</u>	66.5%

Table A-3 presents the cost of each of the City’s functions, as well as each function’s net cost (or total cost less fees generated by the same function). The net cost reflects what municipal revenues directly funded.

**Table A-3**  
Net Cost of Selected City Functions  
(In thousands dollars)

	Total Cost of Services			Net Cost of Services		
	2020	2019	% Change	2020	2019	% Change
<i>Governmental</i>						
City Council	\$ 3	\$ 4	-25.0%	\$ 3	\$ 4	-28.3%
City Administration	1,634	1,632	0.1%	1,550	1,632	-5.0%
Dispatch	146	167	-12.4%	146	167	-12.4%
City Secretary	84	90	-7.1%	84	90	-7.1%
Human Resources	117	151	-22.8%	117	151	-22.8%
Municipal Court	318	313	1.7%	(59)	(36)	64.3%
Animal Control, PW	706	1,494	-52.7%	700	1,490	-53.0%
Development Services	145	154	-5.6%	(322)	(352)	-8.6%
Building and Grounds	370	592	-37.5%	315	478	-34.1%
Police Department	2,006	1,963	2.2%	1,960	1,903	3.0%
Emergency Medical	224	315	-28.9%	98	268	-63.5%
Fire Department	1,779	1,660	7.1%	1,779	1,660	7.1%

## Fund Financial Statements

The fund financial statements provide more detailed information about the City’s most significant funds—not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State Law and by bond covenants; or
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has the following kind of fund:

*Governmental Funds* — Most of the City’s basic services are included in governmental funds, which focus on (1) how cash and other financial assets, which are readily convertible into cash, flow in and out of the funds and (2) the balances left at year-end that are available for spending in the subsequent fiscal year.

Consequently, governmental fund statements provide a detailed, short-range view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s activities. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided at the bottom of or on the subsequent page of the governmental funds statements to explain the relationship between them.

## FINANCIAL ANALYSIS OF THE CITY’S FUNDS

Revenues from governmental fund types totaled \$9.9 million, an increase of 6.0% over the prior year. The increase is primarily due to increased ad valorem and sales tax.

The City of Helotes maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenses, and changes in fund balances for the General Fund, EDC Fund, Debt Service Fund, Capital Projects Fund, Street Maintenance Fund, and Total Nonmajor Funds. At year end, fund balances increased or decreased by the following approximate amounts:

General Fund increased by \$149 thousand due to increased revenues from ad valorem and sales tax.  
 EDC Fund increased by \$517 thousand due to increased sales tax revenues.  
 Debt Service Fund increased by \$186 thousand due to lower principal payments.  
 Capital Projects Fund increased by \$56 thousand due to transfers from the General Fund.  
 Street Maintenance Fund decreased by \$493 thousand due to increased sales tax revenues.  
 Total Nonmajor Funds increased by \$202 thousand due to revenues from tree mitigation.

### General Fund Budgetary Highlights

The budget was amended throughout the year, but the final adopted FYE 2020 General Fund budget anticipated revenues and other financing sources to the extent of expenditures anticipating an increase of fund balance of \$39 thousand. Actual revenues fell short of budget by \$257 thousand, however, actual expenditures of \$6.3 million were less than budgeted by \$368 thousand. Therefore actual change in fund balance of \$149 thousand was \$110 thousand greater than anticipated.

Even though total expenditures were less than total final budgeted amounts, the following departments expended more than budgeted:

- Development Services (\$2,506) due to engineering fees exceeding budget;
- Police Department (\$120) due to overtime wages exceeding budget; and
- Fire Department (\$12,873) due to salaries, including overtime, exceeding budget.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** At the end of 2020, the City had invested \$24.6 million in a broad range of capital assets, including land, buildings, vehicles, equipment, and infrastructure (see Table A-4). This amount, less accumulated depreciation, results in a net capital asset value of \$9.3 million. More detailed information about the City's capital assets is presented in Note I of this report.

**Table A-4**  
 City of Helotes's Capital Assets  
*(In thousands dollars)*

	Governmental Activities		Total Percentage Change
	2020	2019	2020-2019
Land	\$ 1,764	\$ 1,764	0.0%
Buildings and Improvements	6,874	6,874	0.0%
Vehicles and Equipment	4,350	4,156	4.7%
Infrastructure	11,564	11,277	2.5%
Totals at historical cost	24,552	24,071	2.0%
Total accumulated depreciation	(15,251)	(14,503)	5.2%
Net Capital Assets	<u>\$ 9,300</u>	<u>\$ 9,568</u>	-2.8%

**Long Term Debt.** At year-end, the City had \$8.2 million (principle only) in Certificates of Obligation outstanding, as shown in Table A-5. Total bonded debt decreased approximately 7.2% from \$8.9 million in FYE 2019. More detailed information about the City’s debt is presented in Note J of this report.

**Table A-5**  
City's Long-Term Debt  
(In thousands dollars)

	Governmental Activities		Total Percentage Change
	2020	2019	2020-2019
Certificates of Obligation	\$ 8,235	\$ 8,875	-7.2%
Total Bonded Debt	<u>\$ 8,235</u>	<u>\$ 8,875</u>	-7.2%

## ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

With just under 7 square miles of land within its corporate limits, the City of Helotes’ economy continues to thrive. Property taxes and sales taxes equally constitute the majority of the general fund revenues, representing approximately 40 percent each totaling approximately 80 percent of general fund revenues. The City’s revenue sources have remained strong through the entire Fiscal Year 19-20.

Approximately 93% of Helotes’ eligible labor force is currently employed, and the average 2019 household income was \$116,875. By 2023, the average household income is expected to increase to \$134,709.

Since 2008, the City’s general and economic development sales and use tax receipts have increased approximately 502%, from \$766,305 to \$3.85 million. Similarly, ad valorem (property) tax receipts have risen from \$2.17 million in 2008 to \$4 million in 2020, an increase of 84%. Over the same time period, sales and use and property tax receipts, as components of total City revenue, equalized at approximately one-third each. The property tax rate has declined or stayed the same since 2009.

The City’s retail trade area (RTA) includes over 19,000 existing homes. With approximately \$56 million in retail, food, and beverage sales leaking from Helotes into the City of San Antonio, the estimated 31,000 additional rooftops in active and/or planned subdivisions in the City’s RTA will continue to produce fruitful economic development opportunities in Helotes.

The City of Helotes currently holds two (2) Certificate of Obligation issues dated 2007 and 2015. At a little over \$14 million (at issue) or \$1,561 per capita, the debt instruments were issued to fund new Police and Fire Stations, Old Town Helotes Special District improvements, and street, utility, park, and drainage improvements throughout the City.

As of September 30, 2020, a balance of a little over \$10 million, including principal and interest, for the 2007 and 2015 issuances remained. The City does not anticipate issuing additional debt instruments at this time.

In December 2013, Standard & Poor's Ratings Services (the “S&P”) raised its long-term and underlying rating for the City of Helotes from 'A+' to 'AA'. In 2015, S&P reaffirmed the City’s long-term rating of ‘AA/Stable’. S&P noted a “very strong economy, with access to a broad and diverse metropolitan statistical area.”

Unadjusted General Fund budgeted expenditures decreased in the FYE 2021 budget from \$6.95 million in FYE 2020 to \$6.8 million in FYE 2021. Unadjusted General Fund budgeted revenues stayed at approximately the same in the FYE 2021 budget from \$7.0 million in FYE 2020 to \$7.0 million in FYE 2021.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the revenue it receives from multiple sources. If you have questions about this report or need additional financial information, contact the Finance Director, Taby Durr, at:

12951 Bandera Road (Physical)  
P.O. Box 507 (Mailing)  
Helotes, Texas 78023

## BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements, as required by the GASB. The statements include:

- Government – wide financial statements; and
- Fund financial statements:
  - Governmental funds.

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.



CITY OF HELOTES, TEXAS  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020

	<u>Governmental Activities</u>
<b>ASSETS</b>	
<i>Current Assets:</i>	
Cash and Investments	\$ 4,753,380
Receivables (Net of Allowances for Uncollectibles)	
Property Taxes	71,174
Other Receivables	1,302,275
Prepaid Items	<u>13,175</u>
<i>Total Current Assets</i>	<u>6,140,004</u>
<i>Noncurrent Assets:</i>	
Restricted Assets:	
Cash and Investments	720,431
Capital Assets:	
Land	1,763,771
Buildings	6,873,540
Vehicles & Equipment	4,350,364
Infrastructure	11,563,866
Accumulated Depreciation	<u>(15,251,342)</u>
Total Capital Assets	<u>9,300,199</u>
<i>Total Noncurrent Assets</i>	<u>10,020,630</u>
<b>TOTAL ASSETS</b>	<u>16,160,634</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Pension Related Outflows	267,041
Deferred OPEB Related Outflows	<u>21,711</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 288,752</u>

See accompanying notes to basic financial statements.

CITY OF HELOTES, TEXAS  
STATEMENT OF NET POSITION (CONTINUED)  
SEPTEMBER 30, 2020

	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
<i>Current Liabilities:</i>	
Accounts Payable	\$ 145,109
Accrued Liabilities	489,111
Accrued Compensated Absences	397,844
Accrued Interest Payable	52,706
Unearned Revenue	135,197
Settlement Payable - Current Portion	201,136
Current Portion of Long-Term Debt	774,128
<i>Total Current Liabilities</i>	<u>2,195,231</u>
<i>Noncurrent Liabilities:</i>	
Long-Term Debt	8,208,620
Net Pension Liability	408,290
Total OPEB Liability	138,930
<i>Total Noncurrent Liabilities</i>	<u>8,755,840</u>
<b>TOTAL LIABILITIES</b>	<u>10,951,071</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Pension Related Inflows	457,925
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>457,925</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	4,122,782
Restricted for:	
Debt Service	347,338
Public Safety	78,869
Public Education Government	89,742
Street Maintenance	932,528
Hotel Occupancy Tax	51,805
Tree Mitigation	137,158
Economic Development	1,808,822
Unrestricted (Deficit)	<u>(2,528,654)</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 5,040,390</u></u>

See accompanying notes to basic financial statements.



CITY OF HELOTES, TEXAS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions and Programs	Expenses	Program Revenues		Program Revenues	Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities
Primary Government:					
Governmental Activities:					
City Council	\$ 2,868	\$ -	\$ -	\$ -	\$ (2,868)
City Administration	1,634,035	-	84,278	-	(1,549,757)
Dispatch	146,243	-	-	-	(146,243)
City Secretary	83,634	-	-	-	(83,634)
Human Resources	116,527	-	-	-	(116,527)
Municipal Court	318,172	377,323	-	-	59,151
Animal Control, Public Works	706,271	6,483	-	-	(699,788)
Development Services	145,352	467,196	-	-	321,844
Buildings and Grounds	369,817	54,742	-	-	(315,075)
Police Department	2,006,187	24,068	21,676	-	(1,960,443)
Emergency Medical Services	224,105	126,370	-	-	(97,735)
Fire Department	1,778,584	-	-	-	(1,778,584)
Interest and Fiscal Fees on Long-term Debt	323,360	-	-	-	(323,360)
Total Governmental Activities	7,855,155	1,056,182	105,954	-	(6,693,019)
Total Government	\$ 7,855,155	\$ 1,056,182	\$ 105,954	\$ -	\$ (6,693,019)
General Revenues:					
Taxes:					
General Property Taxes					3,997,600
Sales Taxes					3,852,457
Franchise Fees					736,278
Hotel Occupancy Tax					30,225
Interest and Investment Earnings					52,320
Miscellaneous					37,604
Total General Revenues					8,706,484
Change in Net Position					2,013,465
Net Position at Beginning of Year					3,026,925
Net Position at End of Year					\$ 5,040,390

See accompanying notes to basic financial statements.

CITY OF HELOTES, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020

	Major Funds		
	General Fund	Economic Development Corporation	Debt Service Fund
<b>ASSETS</b>			
Cash and Investments	\$ 1,823,740	\$ 1,625,508	\$ 211,420
Receivables:			
Property Taxes (Net of Uncollectibles)	53,196	-	17,978
Sales Tax and Other Receivable	853,477	286,862	-
Due from Other Funds	15,548	60,000	170,646
Prepaid Items	13,175	-	-
Restricted Assets:			
Cash and Investments	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 2,759,136</u>	<u>\$ 1,972,370</u>	<u>\$ 400,044</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<i>Liabilities:</i>			
Accounts Payable	\$ 145,109	\$ -	\$ -
Accrued Liabilities	325,974	163,137	-
Due to Other Funds	281,237	411	-
Unearned Revenue	135,197	-	-
<i>Total Liabilities</i>	<u>887,517</u>	<u>163,548</u>	<u>-</u>
<i>Deferred Inflows of Resources:</i>			
Unavailable Revenue - Property Taxes	46,454	-	15,699
Unavailable Revenue - EMS	48,466	-	-
<i>Total Deferred Inflows of Resources</i>	<u>94,920</u>	<u>-</u>	<u>15,699</u>
<i>Fund Balances:</i>			
Nonspendable:			
Prepaid Items	13,175	-	-
Restricted for:			
Public Safety	-	-	-
Public Education Government	-	-	-
Street Maintenance	-	-	-
Hotel Occupancy Tax	-	-	-
Tree Mitigation	-	-	-
Economic Development	-	1,808,822	-
Debt Service	-	-	384,345
Capital Projects	-	-	-
Unassigned	1,763,524	-	-
<i>Total Fund Balances</i>	<u>1,776,699</u>	<u>1,808,822</u>	<u>384,345</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 2,759,136</u>	<u>\$ 1,972,370</u>	<u>\$ 400,044</u>

See accompanying notes to basic financial statements.

Major Funds			
Capital Projects Fund	Street Maintenance Fund	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ 789,585	\$ 303,127	\$ 4,753,380
-	-	-	71,174
-	142,943	18,993	1,302,275
-	-	50,591	296,785
-	-	-	13,175
720,431	-	-	720,431
<u>\$ 720,431</u>	<u>\$ 932,528</u>	<u>\$ 372,711</u>	<u>\$ 7,157,220</u>
\$ -	\$ -	\$ -	\$ 145,109
-	-	-	489,111
-	-	15,137	296,785
-	-	-	135,197
<u>-</u>	<u>-</u>	<u>15,137</u>	<u>1,066,202</u>
-	-	-	62,153
-	-	-	48,466
<u>-</u>	<u>-</u>	<u>-</u>	<u>110,619</u>
-	-	-	13,175
-	-	78,869	78,869
-	-	89,742	89,742
-	932,528	-	932,528
-	-	51,805	51,805
-	-	137,158	137,158
-	-	-	1,808,822
-	-	-	384,345
720,431	-	-	720,431
-	-	-	1,763,524
<u>720,431</u>	<u>932,528</u>	<u>357,574</u>	<u>5,980,399</u>
<u>\$ 720,431</u>	<u>\$ 932,528</u>	<u>\$ 372,711</u>	<u>\$ 7,157,220</u>



CITY OF HELOTES, TEXAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		\$ 5,980,399
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		9,300,199
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the governmental funds.		110,619
Accrued vacation leave payable is not due and payable in the current period and, therefore, not reported in the governmental funds.		(397,844)
Long-term liabilities, including bonds and capital leases are not due and payable in the current period and, therefore, not reported in the governmental funds.		
Bonds Payable	(8,235,000)	
Unamortized Bond Premium	(110,331)	
Capital Lease	<u>(637,417)</u>	(8,982,748)
Net pension liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources and are not reported in the funds.		
Net Pension Liability	(408,290)	
Pension Related Deferred Inflows	(457,925)	
Pension Related Deferred Outflows	<u>267,041</u>	(599,174)
Total OPEB liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources and are not reported in the funds.		
Total OPEB Liability	(138,930)	
OPEB Related Deferred Inflows	-	
OPEB Related Deferred Outflows	<u>21,711</u>	(117,219)
Claims and judgments do not consume current financial resources and are not reported in the funds.		(201,136)
Accrued interest payable on long-term bonds are not due and payable in the current period and, therefore, not reported in the governmental funds.		<u>(52,706)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		<u>\$ 5,040,390</u>

See accompanying notes to basic financial statements.



CITY OF HELOTES, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Major Funds		
	General Fund	Economic Development Corporation	Debt Service Fund
<b>REVENUES</b>			
Taxes	\$ 4,998,978	\$ 1,022,152	\$ 1,011,344
Franchise Fees	712,663	-	-
Licenses and Permits	336,501	-	-
Fines and Forfeits	367,942	-	-
Charges for Services	132,313	-	-
Grants and Interlocal Agreements	24,278	60,000	-
Interest	22,508	14,410	816
Miscellaneous	96,177	-	-
<b>TOTAL REVENUES</b>	<u>6,691,360</u>	<u>1,096,562</u>	<u>1,012,160</u>
<b>EXPENDITURES</b>			
Current:			
City Council	2,868	-	-
City Administration	963,656	250,066	-
Dispatch Services	470,271	-	-
City Secretary	82,757	-	-
Human Resources	117,527	-	-
Municipal Court	305,585	-	-
Animal Control, Public Works	409,646	-	-
Development Services	134,683	-	-
Building and Grounds	275,812	-	-
Police Department	1,811,804	-	-
Emergency Medical Services	383,138	-	-
Fire Department	1,326,224	-	-
Capital Outlay	20,744	-	-
Debt Service:			
Principal	-	-	640,000
Interest and Fiscal Charges	-	-	313,737
Settlement Payment	-	-	201,136
<b>TOTAL EXPENDITURES</b>	<u>6,304,715</u>	<u>250,066</u>	<u>1,154,873</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>386,645</u>	<u>846,496</u>	<u>(142,713)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Capital Lease Issuance	-	-	-
Proceeds from Disposal of Assets	-	-	-
Transfers In (Out)	(237,271)	(329,210)	329,210
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(237,271)</u>	<u>(329,210)</u>	<u>329,210</u>
<b>Net Change in Fund Balance</b>	149,374	517,286	186,497
<b>FUND BALANCES - OCTOBER 1</b>	<u>1,627,325</u>	<u>1,291,536</u>	<u>197,848</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ 1,776,699</u>	<u>\$ 1,808,822</u>	<u>\$ 384,345</u>

See accompanying notes to basic financial statements.

Major Funds			
Capital Projects Fund	Street Maintenance Fund	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ 816,854	\$ 30,225	\$ 7,879,553
-	-	23,616	736,279
-	-	137,178	473,679
-	-	32,051	399,993
-	-	-	132,313
-	-	-	84,278
6,377	6,390	1,015	51,516
-	-	25,426	121,603
<u>6,377</u>	<u>823,244</u>	<u>249,511</u>	<u>9,879,214</u>
-	-	-	2,868
500	250	652	1,215,124
-	-	-	470,271
-	-	-	82,757
-	-	-	117,527
-	-	9,016	314,601
-	-	-	409,646
-	330,193	5,268	470,144
-	-	-	275,812
-	-	32,420	1,844,224
-	-	-	383,138
-	-	-	1,326,224
146,269	-	-	167,013
159,548	-	-	799,548
23,950	-	-	337,687
-	-	-	201,136
<u>330,267</u>	<u>330,443</u>	<u>47,356</u>	<u>8,417,720</u>
<u>(323,890)</u>	<u>492,801</u>	<u>202,155</u>	<u>1,461,494</u>
129,009	-	-	129,009
14,089	-	-	14,089
237,271	-	-	-
<u>380,369</u>	<u>-</u>	<u>-</u>	<u>143,098</u>
56,479	492,801	202,155	1,604,592
<u>663,952</u>	<u>439,727</u>	<u>155,419</u>	<u>4,375,807</u>
<u>\$ 720,431</u>	<u>\$ 932,528</u>	<u>\$ 357,574</u>	<u>\$ 5,980,399</u>

CITY OF HELOTES, 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, 2020

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 1,604,592

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.

Capital Outlay	513,164	
Depreciation Expense	<u>(760,460)</u>	(247,296)

In the Statement of Activities, only the gain or loss on the disposal of a capital  
asset is reported, whereas in the governmental funds, the proceeds from the  
sale increase financial resources. Thus, the change in net position differs from  
the change in fund balance by the net book value of the disposed asset. (19,972)

Revenues in the Statement of Activities that do not provide current financial  
resources are not reported as revenues in the governmental funds. (5,214)

The issuance of long-term debt (e.g. bonds, leases) provides current financial  
resources to governmental funds, which the repayment of the principal of  
long-term debt consumes the current financial resources of the governmental  
funds. Neither transaction, however, has any affect on net position. This  
amount is the net effect of these differences in the treatment of long-term  
debt and related items.

Principal Payments	799,548	
Payments on Settlement	201,136	
Issuance of New Debt	<u>(129,009)</u>	871,675

Governmental funds report required contributions to employee pensions as  
expenditures. However, in the Statement of Activities the cost of the pension  
is recorded based on the actuarially determined cost of the plan. This is the  
amount that the actuarially determined pension expense exceeded contributions. (132,012)

Governmental funds report required contributions to other post-employment  
benefits as expenditures. However, in the Statement of Activities the cost of  
the expense is recorded based on the actuarially determined cost of the plan.  
This is the amount that the actuarially determined OPEB expense exceeded  
contributions. (13,171)

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	(59,464)	
Interest Expense/ Amortization of Premium	<u>14,327</u>	<u>(45,137)</u>

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 2,013,465

See accompanying notes to basic financial statements.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020

**NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**1. REPORTING ENTITY**

*Component Units*

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations; thus, data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the government.

*Blended Component Unit*

The Helotes Economic Development Corporation, a nonprofit corporation and an entity legally separate from the City, was incorporated under the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6, Section 4B. The purpose of the Corporation is to promote economic development in order to eliminate unemployment and to promote and encourage public welfare of, for, and on behalf of the City. The City exerts significant control over the Corporation, which is organized exclusively for public purposes of the City of Helotes. The Corporation is governed by a seven member board appointed by the City Council. The Corporation receives all proceeds from assessing a .50% sales tax. The City. For financial reporting purposes, the Corporation is reported as a blended component unit due to the City having operational responsibility for the component unit, and that any debt issued would be expected to be paid using City resources. Additionally, the City is financially accountable for the Corporation because the city council approves the Corporation's budget and the management of the primary government has operational responsibility for the component unit, including hiring and firing of EDC employees. Separate financial statements for the Corporation may be obtained by contacting the City's Finance Department.

*Discretely Presented Component Units*

As of September 30, 2020, the City had no component units that would require a discrete presentation in the financial statements.

**2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The **government-wide financial statements** include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the City and its component units. The effect of interfund transfers has been removed from the government-wide statements, but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues. The primary government is reported within the government wide statements. Business-type activities are financed, in whole or in part, by fees charged to external parties for goods and services. The City has no business-type activities or fiduciary funds.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate **fund financial statements** are provided for governmental funds and proprietary funds. The General Fund, Debt Service Fund, Economic Development Corporation, Capital Projects Fund, and Street Maintenance Fund meet the criteria as **major governmental funds**. All of these funds are reflected in single columns on the Fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year which they are levied. Major revenue types, which have been accrued, include revenue from investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as *program revenues* and *general revenues*. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants not restricted to specific programs, and investment earnings.

**Governmental fund level financial statements** are reported using a 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as unavailable revenue.

Expenditures, generally, are recorded when a fund liability is incurred; however, debt service expenditures and expenditures related to compensated absences, claims, and judgments are recorded only when the liability has matured and payment is due.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

The government reports the following major governmental funds:

**The General Fund** is the general operating fund of the City and is always classified as a major fund. The General Fund is used to account for all financial resources, except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues, and investment of idle funds. Primary expenditures are for general administration, public safety, and capital acquisition.

**Economic Development Corporation** is used to account for sales and use tax proceeds collected and expenditures associated with promoting economic development in the City.

**Debt Service Fund** is used to account for resources and expenditures related to principal and interest payments on outstanding debt.

**Capital Projects Fund** is used to account for resources and expenditures related to capital projects financed through debt instruments issued during the current or prior years.

**Street Maintenance Fund** is used to account for revenue received for the use of street maintenance.

The City has several nonmajor governmental funds for various special revenues including Court Technology and Security, Federal and State Forfeiture, School Safety, Police Training, PEG Fees, Hotel Occupancy Tax Fund, Truancy & Prevention Fund, Municipal Jury Fund, and Tree Mitigation.

4. CASH AND INVESTMENTS

Cash and investments include cash deposits and investments with a maturity date within three (3) months of the date acquired by the City, including local government investments pools.

The City's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value, unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

The City's investments include local government investment pools. These pools are 2a7-like which means they are not registered with the Securities and Exchange Commission as an investment company, but nevertheless have a policy that they will, and do, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. These pools are reported at a share price of \$1 which approximates fair value.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. ACCOUNTS RECEIVABLE**

Property taxes are levied based on taxable assessed values on January 1, prior to September 30, and become due October 1 of the same year and past due on January 31 of the following year. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior years' levies are shown net of an allowance for uncollectible accounts.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the Court and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as unavailable revenue in the fund statements. Receivables are shown net of an allowance for uncollectibles.

**6. PREPAID ITEMS**

Payments made for goods or services to be received in future periods are recorded on the balance sheet as prepaid items.

**7. INTERFUND RECEIVABLES/PAYABLES**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund statements.

**8. CAPITAL ASSETS**

Capital assets, which include land, buildings, vehicles, equipment, capital leases, and infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets, such as equipment, are defined as assets with a cost of \$5,000 or more. Infrastructure assets include City-owned streets, sidewalks, curbs, and bridges. Capital assets are recorded at historical costs, if purchased or constructed. Donated capital assets, donated works of art, and similar items received in a service concession arrangement are recorded at acquisition value rather than fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest has not been capitalized during the construction period on property and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20 to 40 years
Vehicles and Equipment	5 to 25 years
Infrastructure	20 years
Capital Leases	10 years

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**9. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has pension and other post-employment benefit related deferred outflows of resources.

*Deferred inflows of resources* represent an acquisition of net position that applies to a future period and, consequently, will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of accounting. Unavailable revenues from property tax are deferred and recognized as an inflow of resources in the period the amounts become available. The City also has pension-related deferred inflows.

**10. COMPENSATED ABSENCES**

The City permits employees to accumulate earned, yet unused paid time off up to the amount defined in the Personnel Policy. The City no longer offers sick leave.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

**11. UNEARNED REVENUE**

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

**12. SETTLEMENT PAYABLE**

In the government-wide financial statements, Settlement Payable represents the total claim to be paid to multiple homebuilders following a settlement on the issuance and payment of building permits.

**13. LONG-TERM OBLIGATIONS**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts are amortized over the life of the bond.

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.



CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**14. PENSIONS**

The net pension (asset) liability, deferred inflows and outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS), and additions to and deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

**15. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the Total OPEB Liability of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS' Total OPEB Liability 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.

**16. FUND BALANCE**

Fund balances in governmental funds are classified as follows:

**Nonspendable** - Represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact.

**Restricted** - Represents amounts that are constrained by external parties, constitutional provisions, or enabling legislation.

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

**Assigned** - Represents amounts which the City intends to use for a specific purpose, but do not meet the criteria of restricted or committed funds. The City Council may make assignments, and it has chosen not to delegate that authority to any other individuals.

**Unassigned** - Represents the residual balance that may be spent on any other purpose of the City.

When an expenditure is incurred for a purpose in which multiple classifications are available, the City wishes restricted balances to be spent first, committed second, and assigned third.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

17. NET POSITION

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources, and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

18. USE OF ESTIMATES

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

19. RECLASSIFICATIONS

Certain reclassifications have been made to the September 30, 2019 comparative information to conform to the September 30, 2020 presentation. These reclassifications had no effect on fund balances or net position.

**NOTE B -- CASH AND CASH INVESTMENTS**

1. Cash

At September 30, 2020, the carrying amount of the primary government's (including the blended component unit) cash on hand was \$1,420; the carrying amount of deposits was \$1,398,943; and the bank balance was \$2,121,642. Of the bank balance, \$250,000 was covered by Federal Deposit Insurance, and the City's depository had pledged securities having a face value of \$1,913,687 and a fair value of \$2,177,195 as collateral for the City's deposits. All of the City's cash was fully collateralized.

2. Investments

The City is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE B -- CASH AND CASH INVESTMENTS (Continued)**

2. Investments (Continued)

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that, in the areas of investment practices, management reports, and establishment of appropriate policies, the City has adhered to the requirements of the Act.

The Act determines the types of investments which are allowable for the City. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. Agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The City's investments at September 30, 2020 were as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Rating</u>
Investment Pools:			
TexPool	\$ 772	38	AAAm
LOGIC	4,072,676	52	AAAm
Total Investments	<u>\$ 4,073,448</u>		

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end, and, if so, the reporting of certain related disclosures is required:

a. Credit Risk

Credit risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligations. The ratings of securities by nationally-recognized rating agencies are designed to give an indication of credit risk. At year end, the City was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent, but not in the City's name.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE B -- CASH AND CASH INVESTMENTS (Continued)**

3. Analysis of Specific Deposit and Investment Risks (Continued)

c. Custodial Credit Risk (Continued)

At year end, the City was not exposed to custodial credit risk.

d. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was not exposed to concentration of credit risk.

e. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year-end, the City was not exposed to interest rate risk.

f. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

4. Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally-recognized rating service; and 3) maintain the fair value of its underlying investment portfolio within one half of one percent of the value of its shares.

**NOTE C -- PROPERTY TAX CALENDAR**

Taxes were levied on and payable as of October 1. The City has contracted with the Bexar County Tax Assessor-Collector to collect taxes on its behalf. Current year taxes become delinquent February 1. Current year delinquent taxes not paid by July 1 are turned over to attorneys for collection action.

For fiscal year 2020, the assessed tax rate for the City was \$0.350000 per \$100 on an assessed valuation of \$932,282,068, which was less applicable freeze adjustments. The tax rate is split \$0.261595 for general maintenance and operations and \$0.088405 for interest and sinking. The total tax levy for fiscal year 2020 was \$3,996,662. As of September 30, 2020, the delinquent taxes were \$76,531, with an allowance for estimated uncollectible accounts recorded as \$5,357. The freeze adjusted taxable value was 78.1% of the net taxable value of \$1,194,327,999.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE C -- PROPERTY TAX CALENDAR (Continued)**

Taxes were levied on and payable as of October 1. The City has contracted with the Bexar County Tax. The City is permitted by the Constitution of the State of Texas to levy taxes up to \$2.50 per \$100 of taxable assessed valuation for all governmental purposes. Pursuant to a decision of the Attorney General of the State of Texas up to \$1.50 per \$100 of assessed valuation may be used for the payment of long-term debt. The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt, for the year ended September 30, 2020 was \$.350000 per \$100 of assessed value. Consequently, the City has a tax margin of \$2.150000 for each \$100 of assessed value and could increase its annual tax levy by approximately \$20,044,064 based upon the present freeze adjusted value of \$932,282,068, before the limit is reached. The City may not, however, adopt a tax rate that exceeds the tax rate calculated in accordance with the Texas Property Tax Code without holding two public hearings. The Property Tax Code subjects an increase in the proposed tax rate to a referendum election, if petitioned by registered voters, when the effective tax rate increase is more than eight percent (8%) of the previous year's maintenance and operations tax rate.

**NOTE D -- RECEIVABLES**

The following is a summary of the gross property taxes and charges for services receivable and the related allowances for uncollectible amounts:

	Amount Receivable	Allowance for Uncollectible Accounts	Net Receivable
<i>Taxes:</i>			
General Fund	\$ 57,200	\$ 4,004	\$ 53,196
Debt Service Fund	19,331	1,353	17,978
Total Tax Receivables	<u>\$ 76,531</u>	<u>\$ 5,357</u>	<u>\$ 71,174</u>

Other receivables, as of September 30, 2020, for the City's individual major funds are as follows:

	General	EDC	Street Maintenance	Nonmajor
Sales Taxes	\$ 576,219	\$ 286,862	\$ 142,943	\$ -
Franchise Fees	145,048	-	-	5,702
Hotel Occupancy Tax	-	-	-	8,113
EMS Services	430,487	-	-	-
Allowance for EMS Services	(382,022)	-	-	-
Other	83,745	-	-	5,178
Total Other Receivables	<u>\$ 853,477</u>	<u>\$ 286,862</u>	<u>\$ 142,943</u>	<u>\$ 18,993</u>

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE E -- INTERFUND BALANCES**

Interfund balances represent reimbursements for expenditures paid or cash received on behalf of other funds and are expected to be liquidated in the next fiscal year. Interfund balances between City funds at September 30, 2020 consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Reason/Intent</u>
General Fund	EDC	\$ 411	Reimbursement of expenses
General Fund	Nonmajor Funds	15,137	Reimbursement of expenses
EDC	General Fund	60,000	Reimbursement of grant funds
Debt Service Fund	General Fund	170,646	Reimbursement of expenses
Nonmajor Funds	General Fund	50,591	Reimbursement of collected fees
Total Interfund Balances		<u>\$ 296,785</u>	

**NOTE F -- TRANSFERS**

Transfers during the year ended September 30, 2020 were as follows:

<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Capital Projects Fund	\$ 237,271	Supplemental funding
EDC	Debt Service Fund	329,210	Pledged Revenue
Total Governmental Funds Transfers		<u>\$ 566,481</u>	

**NOTE G -- UNEARNED REVENUE - LEASE REVENUE**

The City is leasing land to Cingular Wireless for a period of 30 years for a cell phone tower. This agreement runs from September 1, 2005 through August 31, 2035. The first five years of the lease were prepaid and the remaining term is in annual installments.

The City is also leasing a parking lot to Northside Independent School District (NISD) for a term of 50 years. The entire lease was paid in advance and is being recognized over the term of the lease. The City may cancel the lease with written notice, but would be required to refund the pro-rata portion of unearned lease revenue. The balance of unrecognized parking lease revenue is shown as unearned revenue on the Balance Sheet and the Statement of Net Position.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE G -- UNEARNED REVENUE - LEASE REVENUE (Continued)**

Fiscal Year Ending September 30,	Minimum Future Lease Revenue		
	Tower Lease	Parking Lease	Total
2021	\$ 18,696	\$ 2,533	\$ 21,229
2022	19,256	2,533	21,789
2023	19,834	2,533	22,367
2024	20,429	2,533	22,962
2025	21,042	2,533	23,575
2026-2030	115,067	12,665	127,732
2031-2035	133,394	12,665	146,059
2036-2040	-	12,665	12,665
2041 -2045	-	12,665	12,665
2046-2050	-	12,665	12,665
2051-2055	-	12,665	12,665
2056-2060	-	11,055	11,055
	<u>\$ 347,718</u>	<u>\$ 99,710</u>	<u>\$ 447,428</u>

**NOTE H -- PLEDGED REVENUE**

The Helotes Economic Development Corporation has pledged to reimburse the City for the debt service requirements of \$4,000,000 for the 2007 Series Certificates of Obligation and \$937,480 for the 2015 Certificates of Obligation through an interlocal agreement. Subject to the Corporation's availability of funds, the remaining pledged revenues are as follows:

Fiscal Year Ending September 30,	Series 2007	Series 2015	Total
2021	\$ 297,203	\$ 24,466	\$ 321,669
2022	297,968	24,144	322,112
2023	298,339	23,822	322,161
2024	298,318	24,028	322,346
2025	297,903	23,633	321,536
2026 - 2030	597,892	262,348	860,240
2031 - 2035	-	162,319	162,319
	<u>\$ 2,087,623</u>	<u>\$ 544,760</u>	<u>\$ 2,632,383</u>

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE I -- CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2020 was as follows:

<i>Governmental Activities</i>	Balance 10/1/2019	Additions	Disposals/ Transfers	Balance 9/30/2020
Land	\$ 1,763,771	\$ -	\$ -	\$ 1,763,771
Buildings	6,873,540	-	-	6,873,540
Vehicles & Equipment	4,156,185	226,566	(32,387)	4,350,364
Infrastructure	11,277,268	286,598	-	11,563,866
	<u>24,070,764</u>	<u>513,164</u>	<u>(32,387)</u>	<u>24,551,541</u>
Less Accumulated Depreciation				
Buildings	(2,522,257)	(227,241)	-	(2,749,498)
Vehicles & Equipment	(2,905,715)	(329,242)	12,415	(3,222,542)
Infrastructure	(9,075,325)	(203,977)	-	(9,279,302)
	<u>(14,503,297)</u>	<u>(760,460)</u>	<u>12,415</u>	<u>(15,251,342)</u>
Governmental Capital Assets, Net	<u>\$ 9,567,467</u>	<u>\$ (247,296)</u>	<u>\$ (19,972)</u>	<u>\$ 9,300,199</u>

Land is not depreciated.

Depreciation expense was charged to the governmental functions, as follows:

City Administration	\$ 40,352
Animal Control, Public Works	200,181
Building and Grounds	79,979
Police Department	189,085
Emergency Medical Services	51,259
Fire Department	199,604
Total Depreciation Expense - Governmental Activities	<u>\$ 760,460</u>

**NOTE J -- LONG-TERM DEBT**

Long-term debt and obligations payable at September 30, 2020 comprise the following individual issues:

*Certificates of Obligation:*

\$10,000,000 2007 Combination Tax and Limited-Pledge Revenue Certificates of  
Obligation due in annual installments through 2027; interest at 3.93%.

The EDC has pledged to cover a portion of this debt (see note H). \$ 4,540,000

\$4,315,000 2015 Combination Tax and Limited-Pledge Revenue Certificates of  
Obligation due in annual installments through 2035; interest at 3.00%.

The EDC has pledged to cover a portion of this debt (see note H). 3,695,000

**Total Governmental Long-Term Obligations** \$ 8,235,000



CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE J -- LONG-TERM DEBT (Continued)**

Changes in Long-Term Liabilities

	Balance 10/1/2019	Additions	Reductions	Balance 9/30/2020	Due Within One Year
<i>Governmental Activities</i>					
Series 2007	\$ 5,090,000	\$ -	\$ (550,000)	\$ 4,540,000	\$ 570,000
Series 2015	3,785,000	-	(90,000)	3,695,000	95,000
Premium on Series 2015	117,686	-	(7,355)	110,331	7,355
Total Bonded Debt	<u>8,992,686</u>	<u>-</u>	<u>(647,355)</u>	<u>8,345,331</u>	<u>672,355</u>
Capital Leases	667,956	129,009	(159,548)	637,417	101,773
Compensated Absences	<u>338,380</u>	<u>397,844</u>	<u>(338,380)</u>	<u>397,844</u>	<u>397,844</u>
Total Governmental Activities	<u>\$ 9,999,022</u>	<u>\$ 526,853</u>	<u>\$(1,145,283)</u>	<u>\$ 9,380,592</u>	<u>\$ 1,171,972</u>

Compensated absences, net pension liability, and total other post-employment benefit liability for governmental activities are generally liquidated by the general fund. Because of time restrictions placed on compensated absences, the City estimates that accrued compensated absences are generally taken within one year from the fiscal year end. Thus, the liability is shown as a current liability on the Statement of Net Position.

The general long-term debt bonds mature serially through 2035 as follows:

Year Ending September 30,	Principal	Interest	Total
2021	\$ 665,000	\$ 288,784	\$ 953,784
2022	690,000	263,042	953,042
2023	715,000	236,318	951,318
2024	745,000	208,285	953,285
2025	775,000	178,847	953,847
2026 - 2030	3,330,000	484,295	3,814,295
2031 - 2035	<u>1,315,000</u>	<u>121,795</u>	<u>1,436,795</u>
	<u>\$ 8,235,000</u>	<u>\$ 1,781,366</u>	<u>\$ 10,016,366</u>
Average Annual Debt Service Requirement			<u>\$ 667,758</u>

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE J -- LONG-TERM DEBT (Continued)**

The City has leased multiple vehicles each year for the last several fiscal years. Additionally, the City leased a fire truck and ambulance in August 2018 with the capital outlay received in fiscal year 2019. The leases have an effective interest rate between 3.05% and 6.50% and bargain purchase options of \$1 upon maturity. Future minimum lease payments are as follows:

Year Ending September 30,	Lease Payments
2021	\$ 154,914
2022	136,732
2023	126,454
2024	91,513
2025	67,376
2026 - 2027	134,752
	<u>711,741</u>
Less: Interest Amount	<u>(74,324)</u>
	<u><u>\$ 637,417</u></u>

The following is an analysis of the property under capital lease as of September 30, 2020:

Transportation & Equipment	\$ 1,048,315
Less: Accumulated Depreciation	<u>(241,601)</u>
Net Leased Property	<u><u>\$ 806,714</u></u>

**NOTE K -- SETTLEMENT PAYABLE**

The City settled lawsuits in favor of multiple developers regarding building permits. The total claim to be paid has been accrued, as shown on the Statement of Net Position as a Settlement Payable. The payment schedule for the Settlement Payable over the next year is as follows:

Year Ending September 30,	Principal
2021	\$ 201,136
Total Settlement Payable	<u><u>\$ 201,136</u></u>

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE L -- EMPLOYEES' RETIREMENT SYSTEMS**

Texas Municipal Retirement System

**1. Plan Description**

The City participates as one of 888 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 (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the system with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Service Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmrs.com](http://www.tmrs.com).

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

**2. 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% of the member's deposits and interest.

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

	2018	2019
Inactive employees or beneficiaries currently receiving benefits	15	17
Inactive employees entitled to, but not yet receiving, benefits	39	44
Active employees	70	68
	<u>124</u>	<u>129</u>

**3. Contributions**

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, 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.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE L -- EMPLOYEES' RETIREMENT SYSTEMS (Continued)**

**3. Contributions (Continued)**

For the year ending September 30, 2020, employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 6.72% and 7.58% in calendar years 2019 and 2020, respectively. The City's contributions to TMRS for the year ended September 30, 2020 were \$276,021, and were equal to the required contributions.

**4. Net Pension Liability**

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

**5. Actuarial Assumptions**

The Total Pension Liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Salary Increases	3.50% to 11.50%, including inflation
Investment Rate of Return*	6.75%

\*Presented net of pension plan investment expense, including inflation.

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the 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 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 (APRs) 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.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE L -- EMPLOYEES' RETIREMENT SYSTEMS (Continued)**

**5. Actuarial Assumptions (Continued)**

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 rates of return by the target asset allocation percentage and by adding the 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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
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%
	<u>100.00%</u>	

**6. Discount Rate**

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

**7. Discount Rate Sensitivity Analysis**

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

	Discount Rate 5.75%	Discount Rate 6.75%	Discount Rate 7.75%
Net Pension Liability (Asset)	\$ 1,615,222	\$ 408,290	\$ (578,515)

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE L -- EMPLOYEES' RETIREMENT SYSTEMS (Continued)**

**8. Changes in Net Pension Liability**

The below schedule presents the changes in the Net Pension Liability (Asset) as of December 31, 2019:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at December 31, 2018	\$ 7,241,749	\$ 6,262,627	\$ 979,122
Changes for the year:			
Service Cost	495,727	-	495,727
Interest	504,533	-	504,533
Changes of Benefit Terms	84,342	-	84,342
Difference Between Expected and Actual Experience	(205,278)	-	(205,278)
Changes of Assumptions	(3,192)	-	(3,192)
Contributions - Employer	-	255,863	(255,863)
Contributions - Employee	-	228,445	(228,445)
Net Investment Income	-	968,291	(968,291)
Benefit Payments, Including Refunds of Employee Contributions	(198,770)	(198,770)	-
Administrative Expense	-	(5,471)	5,471
Other Changes	-	(164)	164
Net Changes	<u>677,362</u>	<u>1,248,194</u>	<u>(570,832)</u>
Balance at December 31, 2019	<u>\$ 7,919,111</u>	<u>\$ 7,510,821</u>	<u>\$ 408,290</u>

**9. 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 at [www.tmrs.com](http://www.tmrs.com).

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE L -- EMPLOYEES' RETIREMENT SYSTEMS (Continued)**

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

For the year ended September 30, 2020, the City recognized a pension expense of \$408,290. Also, as of September 30, 2020, 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	\$ -	\$ 236,298
Changes in Actuarial Assumptions	63,730	-
Differences between Projected and Actual Investment Earnings	-	221,627
Contributions Subsequent to the Measurement Date	203,311	-
	<u>\$ 267,041</u>	<u>\$ 457,925</u>

Deferred outflows of resources in the amount of \$203,311 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year ended December 31,		
2020	\$	(87,816)
2021		(87,810)
2022		(16,941)
2023		(151,835)
2024		(38,609)
Thereafter		(11,184)
	<u>\$</u>	<u>(394,195)</u>

**NOTE M -- OTHER POST EMPLOYMENT BENEFIT (OPEB)**

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (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 City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE M -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)**

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 annual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB. Membership in the plan at December 31, 2019, the valuation and measurement date, consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefits	15
Inactive Employees Entitled to but Not Yet Receiving Benefits	9
Active Employees	68
	92

The SDBF required contribution rates, based on these assumptions, are as follows:

<u>For the Calendar Year Ended December 31,</u>	<u>Total SBDF Contribution Rate</u>	<u>Retiree Portion of SDBF Contribution Rate</u>
2018	0.13%	0.01%
2019	0.13%	0.01%
2020	0.13%	0.02%

These contribution rates are based on actuarial assumptions 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. For calculating the OPEB liability and the OPEB contribution rates, the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. Based on the size of the city, rates are multiplied by an additional factor of 100.0%.

These assumptions are summarized below:

Inflation	2.50%
Salary Increases	3.50% to 11.50% Including Inflation
Discount Rate	2.75% (Based on Fidelity Index's 20-Year Municipal GO AA Index)
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scan UMP.
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% 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.



CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE M -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)**

The City's Total OPEB Liability (TOL), based on the actuarial factors, as of December 31, 2019 was calculated as follows:

	Total OPEB Liability
Balance at December 31, 2018	\$ 105,343
Changes for the year:	
Service Cost	6,853
Interest	4,028
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	(1,052)
Changes of Assumptions or Other Inputs	24,139
Benefit Payments	(381)
Net Changes	33,587
Balance at December 31, 2019	\$ 138,930

There is no separate trust maintained to fund this Total OPEB Liability. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

The following presents the TOL of the City, calculated using the discount rate of 2.75% as well as what the City's TOL would be if it were calculated using a discount rate that is 1-percentage point lower (1.75%) and 1-percentage point higher (3.75%) than the current rate:

	Discount Rate 1.75%	Discount Rate 2.75%	Discount Rate 3.75%
Total OPEB Liability	\$ 171,699	\$ 138,930	\$ 113,617

For the year ended September 30, 2020, the City recognized OPEB expense of \$13,824. Also as of September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Experience	\$ 715	\$ -
Changes in Actuarial Assumptions	20,451	-
Contributions Subsequent to the Measurement Date	545	-
	\$ 21,711	\$ -

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE M -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)**

Deferred outflows of resources in the amount of \$545 is related to OPEB benefits resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the total OPEB liability for the plan year ended December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Plan Year Ended December 31,		
2020	\$	2,943
2021		2,943
2022		2,943
2023		2,943
2024		2,943
Thereafter		6,451
	\$	<u>21,166</u>

**NOTE N -- RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City contracts with the Texas Municipal League (TML) to provide insurance coverage for property, casualty, and workers compensation. TML is a multi-employer group that provides for a combination of risk sharing among pool participants and stop loss coverage. Contributions are set annually by the provider. Liability by the City is generally limited to the contributed amounts. Annual contributions for the year ended September 30, 2020 were \$193,667 for property, casualty, and workers compensation coverage.

**NOTE O -- COMMITMENTS AND CONTINGENCIES**

Litigation

Management is unaware of any pending or threatened claims that may have a material effect on the City's financial position.

Chapter 380 Economic Development Agreements

The City of Helotes and the Economic Development Corporation have entered into Chapter 380 Economic Development Agreements to encourage growth within the City. The Agreements involve the City and Economic Development Corporation reimbursing the project costs through refunding portions of the sales and use taxes and/or increased property tax revenues, up to a maximum amount. The City and Economic Development Corporation are accruing estimated sales and use tax rebates as of September 30, 2020 based on the sales and use tax and property tax collections of projects in anticipation of the developers' requests for payment. The terms of the agreements are as follows:

CITY OF HELOTES, TEXAS  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020

**NOTE O -- COMMITMENTS AND CONTINGENCIES (Continued)**

Development	Sales Tax Refund Agreement		Maximum Grant Amount	Current Year Reductions	Maximum Balance Due	Term
	City	EDC				
Bandera Helotes Plaza (2010)	50%	50%	\$ 300,000	\$ 2,525	\$ -	10 years
Bluff & Shops at Old Town Helotes (2014)	50%	50%	\$ 2,000,000	\$ -	\$ 2,000,000	15 years
Texas Developers, LLC (2016)	75% of excess	75% of excess	N/A	\$ 1,852,234	N/A	20 years
CSDRE, LLC & Slim Texas, LLC (2017)	40%	40%	\$ 600,000	\$ -	\$ 596,051	13 years

Development	Ad Valorem Tax Refund		Maximum Grant Amount	Current Year Reductions	Maximum Balance Due	Term
	City	EDC				
New Leaf Homes (2015)	25%	0%	\$ 3,542,817	\$ 50,591	\$ 3,443,984	25 years
New Leaf Homes (2018)	25%	0%	\$ 3,321,753	\$ -	\$ 3,321,753	25 years

The City has adopted the state criteria for 380 Economic Development Agreements. Each entity has a separate performance agreement.

## REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedule – Economic Development Corporation
- Budgetary Comparison Schedule – Street Maintenance Fund
- Schedule of Changes – Net Pension Liability and Related Ratios
- Notes to Schedule of Changes – Net Pension Liability and Related Ratios
- Schedule of Changes – Total OPEB Liability and Related Ratios
- Notes to Schedule of Changes – Total OPEB Liability and Related Ratios

CITY OF HELOTES, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2019)

	Budget Amounts		2020 Actual Amounts	Variance Favorable (Unfavorable)	2019 Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Taxes	\$ 5,026,969	\$ 5,026,969	<b>\$4,998,978</b>	\$ (27,991)	\$ 4,471,021
Franchise Fees	746,184	746,184	<b>712,663</b>	(33,521)	723,662
Licenses and Permits	512,818	512,818	<b>336,501</b>	(176,317)	510,662
Fines and Forfeits	407,004	313,404	<b>367,942</b>	54,538	368,162
Charges for Services	130,199	130,199	<b>132,313</b>	2,114	137,333
Grants and Interlocal Agreements	-	-	<b>24,278</b>	24,278	-
Interest	76,776	76,776	<b>22,508</b>	(54,268)	52,571
Miscellaneous	142,333	142,333	<b>96,177</b>	(46,156)	155,393
<i>Total Revenues</i>	<u>7,042,283</u>	<u>6,948,683</u>	<u><b>6,691,360</b></u>	<u>(257,323)</u>	<u>6,418,804</u>
<b>EXPENDITURES</b>					
<i>City Council:</i>					
Seminars	830	830	<b>18</b>	812	1,010
Reimbursements	3,698	3,698	<b>2,850</b>	848	3,004
<i>Total City Council</i>	<u>4,528</u>	<u>4,528</u>	<u><b>2,868</b></u>	<u>1,660</u>	<u>4,014</u>
<i>City Administration:</i>					
Personnel	460,682	460,682	<b>393,644</b>	67,038	431,244
Insurance	125,486	125,486	<b>122,977</b>	2,509	109,654
Contractual	375,025	375,025	<b>319,140</b>	55,885	377,798
Supplies and Maintenance	96,422	149,922	<b>127,895</b>	22,027	102,654
<i>Total City Administration</i>	<u>1,057,615</u>	<u>1,111,115</u>	<u><b>963,656</b></u>	<u>147,459</u>	<u>1,021,350</u>
<i>Dispatch Services:</i>					
Personnel	495,471	495,471	<b>450,347</b>	45,124	483,311
Contractual	13,048	13,048	<b>5,040</b>	8,008	13,872
Supplies and Maintenance	16,904	16,904	<b>14,884</b>	2,020	15,567
<i>Total Dispatch Services</i>	<u>525,423</u>	<u>525,423</u>	<u><b>470,271</b></u>	<u>55,152</u>	<u>512,750</u>
<i>City Secretary:</i>					
Personnel	68,988	68,568	<b>67,816</b>	752	64,177
Contractual	19,431	19,851	<b>7,667</b>	12,184	19,946
Supplies and Maintenance	5,945	5,945	<b>7,274</b>	(1,329)	6,077
<i>Total City Secretary</i>	<u>94,364</u>	<u>94,364</u>	<u><b>82,757</b></u>	<u>11,607</u>	<u>90,200</u>
<i>Human Resources:</i>					
Personnel	144,192	144,192	<b>112,846</b>	31,346	136,158
Contractual	10,844	10,844	<b>4,681</b>	6,163	13,748
Supplies and Maintenance	-	-	-	-	-
<i>Total Human Resources</i>	<u>\$ 155,036</u>	<u>\$ 155,036</u>	<u><b>\$ 117,527</b></u>	<u>\$ 37,509</u>	<u>\$ 149,906</u>

CITY OF HELOTES, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2019)

	Budget Amounts		2020 Actual Amounts	Variance Favorable (Unfavorable)	2019 Actual Amounts
	Original	Final			
<b>EXPENDITURES (CONT.)</b>					
<i>Municipal Court:</i>					
Personnel	\$ 260,617	\$ 260,617	\$ 247,843	\$ 12,774	\$ 233,451
Contractual	66,169	66,169	55,747	10,422	47,044
Supplies and Maintenance	2,250	2,250	1,995	255	1,440
<i>Total Municipal Court</i>	<u>329,036</u>	<u>329,036</u>	<u>305,585</u>	<u>23,451</u>	<u>281,935</u>
<i>Animal Control, Public Works:</i>					
Personnel	357,844	357,844	351,090	6,754	329,159
Contractual	27,220	42,220	44,890	(2,670)	29,683
Supplies and Maintenance	18,185	18,185	13,666	4,519	19,774
Capital Outlay	52,223	37,223	17,267	19,956	30,982
<i>Total Animal Control, Public Works</i>	<u>455,472</u>	<u>455,472</u>	<u>426,913</u>	<u>28,559</u>	<u>409,598</u>
<i>Development Services:</i>					
Personnel	126,343	126,343	120,598	5,745	114,487
Contractual	5,534	5,534	13,785	(8,251)	5,565
Supplies and Maintenance	300	300	300	-	-
<i>Total Development Services</i>	<u>132,177</u>	<u>132,177</u>	<u>134,683</u>	<u>(2,506)</u>	<u>120,052</u>
<i>Buildings and Grounds:</i>					
Contractual	140,438	140,438	100,295	40,143	329,903
Supplies and Maintenance	3,277	3,277	2,157	1,120	3,490
Community Events	206,689	81,089	59,006	22,083	140,510
Utilities	106,567	106,567	114,354	(7,787)	102,206
Capital Outlay	5,000	5,000	3,477	1,523	15,232
<i>Total Buildings and Grounds</i>	<u>461,971</u>	<u>336,371</u>	<u>279,289</u>	<u>57,082</u>	<u>591,341</u>
<i>Police Department:</i>					
Personnel	1,589,850	1,589,850	1,594,075	(4,225)	1,542,769
Contractual	28,117	28,117	24,138	3,979	30,687
Supplies and Maintenance	193,717	193,217	193,591	(374)	115,833
Capital Outlay	500	500	-	500	37,919
<i>Total Police Department</i>	<u>\$ 1,812,184</u>	<u>\$ 1,811,684</u>	<u>\$ 1,811,804</u>	<u>\$ (120)</u>	<u>\$ 1,727,208</u>

CITY OF HELOTES, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2019)

	Budget Amounts		2020 Actual Amounts	Variance Favorable (Unfavorable)	2019 Actual Amounts
	Original	Final			
<b>EXPENDITURES (CONT.)</b>					
<i>Emergency Medical Services:</i>					
Personnel	\$ 310,904	\$ 310,904	\$ 286,420	\$ 24,484	\$ 455,351
Contractual	39,516	39,516	38,917	599	40,439
Supplies and Maintenance	53,711	53,711	57,801	(4,090)	59,747
<i>Total Emergency Medical Services</i>	<u>404,131</u>	<u>404,131</u>	<u>383,138</u>	<u>20,993</u>	<u>555,537</u>
<i>Fire Department:</i>					
Personnel	1,160,435	1,192,435	1,214,303	(21,868)	990,400
Contractual	31,504	31,504	27,427	4,077	32,606
Supplies and Maintenance	89,412	89,412	84,494	4,918	80,295
<i>Total Fire Department</i>	<u>1,281,351</u>	<u>1,313,351</u>	<u>1,326,224</u>	<u>(12,873)</u>	<u>1,103,301</u>
<i>Debt Service:</i>					
Principal	-	-	-	-	261,457
Interest and Fiscal Charges	-	-	-	-	29,774
<i>Total Debt Service</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>291,231</u>
<b>TOTAL EXPENDITURES</b>	<u>6,713,288</u>	<u>6,672,688</u>	<u>6,304,715</u>	<u>367,973</u>	<u>6,858,423</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>328,995</u>	<u>275,995</u>	<u>386,645</u>	<u>110,650</u>	<u>(439,619)</u>
<b>Other Financing Sources (Uses)</b>					
Capital Lease Issuance	-	-	-	-	37,499
Transfers In (Out)	(237,271)	(237,271)	(237,271)	-	91,810
<b>Total Other Financing Sources (Uses)</b>	<u>(237,271)</u>	<u>(237,271)</u>	<u>(237,271)</u>	<u>-</u>	<u>129,309</u>
<b>Net Change in Fund Balance</b>	91,724	38,724	149,374	110,650	(310,310)
<b>BEGINNING FUND BALANCE</b>	<u>1,627,325</u>	<u>1,627,325</u>	<u>1,627,325</u>	<u>-</u>	<u>1,937,634</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 1,719,049</u>	<u>\$ 1,666,049</u>	<u>\$ 1,776,699</u>	<u>\$ 110,650</u>	<u>\$ 1,627,324</u>

CITY OF HELOTES, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
ECONOMIC DEVELOPMENT CORPORATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL TOTALS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	Favorable	Actual
			<b>Amounts</b>	(Unfavorable)	Amounts
<b>REVENUES</b>					
Taxes	\$ 907,785	\$ 907,785	<b>\$1,022,152</b>	\$ 114,367	\$ 915,256
Grants and Interlocal Agreements	-	-	<b>60,000</b>	60,000	-
Interest	21,315	21,315	<b>14,410</b>	(6,905)	21,643
<b>TOTAL REVENUES</b>	<u>929,100</u>	<u>929,100</u>	<u><b>1,096,562</b></u>	<u>167,462</u>	<u>936,899</u>
<b>EXPENDITURES</b>					
Current:					
Professional Services	79,907	79,907	<b>38,185</b>	41,722	42,058
Personnel Costs	92,031	92,031	<b>89,430</b>	2,601	83,934
City Administration Cost	5,400	5,400	<b>15,000</b>	(9,600)	5,524
Training and Seminars	19,000	19,000	<b>19,711</b>	(711)	10,635
Parking Lease Agreement	5,520	5,520	<b>4,960</b>	560	5,169
Office Supplies and Expenses	29,893	29,893	<b>21,686</b>	8,207	25,621
Other Expenses	115,183	115,183	<b>61,094</b>	54,089	168
<b>TOTAL EXPENDITURES</b>	<u>346,934</u>	<u>346,934</u>	<u><b>250,066</b></u>	<u>96,868</u>	<u>173,109</u>
<b>Excess (Deficiency)</b>					
<b>of Revenues</b>					
<b>Over (Under) Expenditures</b>	<u>582,166</u>	<u>582,166</u>	<u><b>846,496</b></u>	<u>264,330</u>	<u>763,790</u>
<b>OTHER FINANCING</b>					
<b>SOURCES (USES)</b>					
Transfer In (Out) to					
Primary Government	<u>(329,210)</u>	<u>(329,210)</u>	<u><b>(329,210)</b></u>	<u>-</u>	<u>(422,333)</u>
<b>TOTAL OTHER</b>					
<b>FINANCING</b>					
<b>SOURCES (USES)</b>	<u>(329,210)</u>	<u>(329,210)</u>	<u><b>(329,210)</b></u>	<u>-</u>	<u>(422,333)</u>
<b>Net Change in</b>					
<b>Fund Balance</b>	252,956	252,956	<b>517,286</b>	264,330	341,457
<b>BEGINNING FUND BALANCE</b>	<u>1,291,536</u>	<u>1,291,536</u>	<u><b>1,291,536</b></u>	<u>-</u>	<u>950,079</u>
<b>ENDING FUND BALANCE</b>	<u><u>\$ 1,544,492</u></u>	<u><u>\$ 1,544,492</u></u>	<u><u><b>\$1,808,822</b></u></u>	<u><u>\$ 264,330</u></u>	<u><u>\$ 1,291,536</u></u>



CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
STREET MAINTENANCE FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	Favorable	Actual
			<b>Amounts</b>	(Unfavorable)	Amounts
<b>REVENUES</b>					
Taxes	\$ 736,077	\$ 736,077	<b>\$ 816,854</b>	\$ 80,777	\$ 755,407
Interest	7,306	7,306	<b>6,390</b>	(916)	7,786
<b>TOTAL REVENUES</b>	<u>743,383</u>	<u>743,383</u>	<u><b>823,244</b></u>	<u>79,861</u>	<u>763,193</u>
<b>EXPENDITURES</b>					
Current:					
City Administration	250	250	<b>250</b>	-	-
Development Services	<u>1,441,183</u>	<u>1,441,183</u>	<u><b>330,193</b></u>	<u>1,110,990</u>	<u>851,128</u>
<b>TOTAL EXPENDITURES</b>	<u>1,441,433</u>	<u>1,441,433</u>	<u><b>330,443</b></u>	<u>1,110,990</u>	<u>851,128</u>
<b>Net Change in Fund Balance</b>	(698,050)	(698,050)	<b>492,801</b>	1,190,851	(87,935)
<b>FUND BALANCES - OCTOBER 1</b>	<u>439,727</u>	<u>439,727</u>	<u><b>439,727</b></u>	<u>-</u>	<u>527,662</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u><u>\$ (258,323)</u></u>	<u><u>\$ (258,323)</u></u>	<u><u><b>\$ 932,528</b></u></u>	<u><u>\$ 1,190,851</u></u>	<u><u>\$ 439,727</u></u>

CITY OF HELOTES, TEXAS  
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
SEPTEMBER 30, 2020

**Budgetary Information** – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council and, as such, is a good management control device. The following are the funds which have legally adopted annual budgets: General Fund, Debt Service Fund, Capital Replacement Fund, Economic Development Corporation Fund, Municipal Court Security Fund, Municipal Court Technology Fund, Police Training and Education Fund, School Safety Fund, PEG Capital Fund, State Forfeiture Fund, Hotel Occupancy Tax Fund, Truancy and Prevention Fund, Municipal Jury Fund, and Tree Mitigation Fund.

Budgetary preparation and control is exercised at the Department level. Actual expenditures may not legally exceed appropriations at the fund level, unless authorized by City Council.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded, is utilized in the governmental funds. Encumbrances lapse at year-end, and the commitments must be reappropriated and honored during the subsequent year.

At a minimum, City Management provides to City Council on a monthly basis a Revenue and Expenditure, Balance Sheet, and Encumbrance Report for review and approval.

CITY OF HELOTES, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS MUNICIPAL RETIREMENT SYSTEM  
SCHEDULE OF CHANGES – NET PENSION LIABILITY AND RELATED RATIOS  
LAST SIX CALENDAR YEARS

	Total Pension Liability					
	2014	2015	2016	2017	2018	2019
Service Cost	\$ 312,260	\$ 327,583	\$ 359,315	\$ 394,631	\$ 413,438	\$ 495,727
Interest (on the Total Pension Liability)	284,925	319,639	359,177	402,524	452,051	504,533
Changes of Benefit Terms	-	-	-	-	52,125	84,342
Differences Between Expected and Actual Experience	(23,615)	(23,708)	(30,699)	(11,701)	(36,644)	(205,278)
Changes of Assumptions	-	182,129	-	-	-	(3,192)
Benefit Payments, Including Refunds of						
Employee Contributions	(92,277)	(78,371)	(54,911)	(71,636)	(154,858)	(198,770)
Net Change in Total Pension Liability	481,293	727,272	632,882	713,818	726,112	677,362
Total Pension Liability - Beginning	3,960,372	4,441,665	5,168,937	5,801,819	6,515,637	7,241,749
Total Pension Liability - Ending	<u>\$ 4,441,665</u>	<u>\$ 5,168,937</u>	<u>\$ 5,801,819</u>	<u>\$ 6,515,637</u>	<u>\$ 7,241,749</u>	<u>\$ 7,919,111</u>
	Plan Fiduciary Net Position					
	2014	2015	2016	2017	2018	2019
Contributions - Employer	\$ 146,084	\$ 189,904	\$ 192,822	\$ 238,112	\$ 250,200	\$ 255,863
Contributions - Employee	174,603	179,826	189,946	208,984	220,696	228,445
Net Investment Income	212,062	6,116	299,552	701,077	(183,631)	968,291
Benefit Payments, Including Refunds of						
Employee Contributions	(92,277)	(78,371)	(54,911)	(71,636)	(154,858)	(198,770)
Administrative Expense	(2,213)	(3,724)	(3,387)	(3,635)	(3,551)	(5,471)
Other	(182)	(184)	(182)	(185)	(186)	(164)
Net Change in Plan Fiduciary Net Position	438,077	293,567	623,840	1,072,717	128,670	1,248,194
Plan Fiduciary Net Position - Beginning	3,705,756	4,143,833	4,437,400	5,061,240	6,133,957	6,262,627
Plan Fiduciary Net Position - Ending	<u>\$ 4,143,833</u>	<u>\$ 4,437,400</u>	<u>\$ 5,061,240</u>	<u>\$ 6,133,957</u>	<u>\$ 6,262,627</u>	<u>\$ 7,510,821</u>
Net Pension Liability (Asset) - Ending	\$ 297,832	\$ 731,537	\$ 740,579	\$ 381,680	\$ 979,122	\$ 408,290
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.29%	85.85%	87.24%	94.14%	86.48%	94.84%
Covered Payroll	\$ 2,910,052	\$ 2,997,102	\$ 3,165,775	\$ 3,483,062	\$ 3,678,270	\$ 3,807,424
Net Pension Liability as a Percentage of Covered Payroll	10.23%	24.41%	23.39%	10.96%	26.62%	10.72%

Note: The schedule above reflects the changes in the net pension liability for the current year and the previous five plan years. GASB Statement No. 68 requires 10 fiscal years of data to be provided in this schedule. The City will build the schedule over the 10-year period beginning December 31, 2014 as data becomes available.

**CITY OF HELOTES, TEXAS  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
LAST SEVEN FISCAL YEARS**

**Schedule of Contributions:**

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 139,948	\$ 176,938	\$ 193,049	\$ 224,662	\$ 247,778	\$ 255,295	\$ 276,021
Contribution in Relation to the Actuarially Determined Contribution	139,948	176,938	193,049	224,662	247,778	255,295	276,021
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 2,867,984	\$ 2,970,585	\$ 3,132,983	\$ 3,387,847	\$ 3,635,200	\$ 3,783,250	\$ 3,805,420
Contributions as a Percentage of Covered Payroll	4.88%	5.96%	6.16%	6.63%	6.82%	6.75%	7.25%

Note: The schedule above reflects the TMRS contributions made by the City for the current year and the previous six fiscal years. GASB Statement No. 68 requires 10 fiscal years of data to be provided in this schedule. The City will build the schedule over the 10-year period beginning September 30, 2014 as data becomes available.

**NOTES TO THE SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**Valuation Date:**

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

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	24 Years
Asset Valuation Method	10 Year Smoothed Market, 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% 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 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.

**Other Information:**

- Notes
- 1) Increased employee contribution rate from 6% to 7%.
  - 2) Increased statutory max to 13.50% due to plan changes.

CITY OF HELOTES, TEXAS  
REQUIRED SUPPLEMENTARY INFORMATION  
TEXAS MUNICIPAL RETIREMENT SYSTEM  
SCHEDULE OF CHANGES – OTHER POST EMPLOYMENT BENEFIT  
LIABILITY AND RELATED RATIOS  
LAST THREE CALENDAR YEARS

	Total OPEB Liability		
	2017	2018	2019
Service Cost	\$ 6,618	\$ 8,092	\$ 6,853
Interest (on the Total Pension Liability)	3,235	3,457	4,028
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	8,625	2,106	(1,052)
Changes of Assumptions	-	(8,521)	24,139
Benefit Payments, Including Refunds of			
Employee Contributions	(348)	(368)	(381)
Net Change in Total Pension Liability	18,130	4,766	33,587
Total Pension Liability - Beginning	82,447	100,577	105,343
Total Pension Liability - Ending	<u>\$ 100,577</u>	<u>\$ 105,343</u>	<u>\$ 138,930</u>
Covered Payroll	\$ 3,483,062	\$ 3,678,270	\$ 3,807,424
Total OPEB Liability as a Percentage of Covered Payroll	2.89%	2.86%	3.65%

Note: The schedule above reflects the changes in the Total OPEB Liability for the current year and the previous two plan years. GASB Statement No. 75 requires 10 fiscal years of data to be provided in this schedule. The City will build the schedule over the 10-year period beginning December 31, 2017 as data becomes available.

#### NOTES TO SCHEDULE OF CHANGES

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

#### Methods and Assumptions Used to Determine Contribution Rate

Inflation	2.50%
Salary Increases	3.50% to 11.50% Including Inflation
Discount Rate	2.75% (Based on Fidelity Index's 20-Year Municipal GO AA Index)
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scan UMP.
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% 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.

## SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Comparative Balance Sheets – General Fund
- Comparative Balance Sheets – Economic Development Corporation
- Comparative Statements – Debt Service Fund
- Comparative Statements – Capital Projects Fund
- Comparative Balance Sheets – Street Maintenance Fund
- Combining Statement – Nonmajor Funds
- Statement of Revenues, Expenditures & Change in Fund Balance – Budget and Actual – Nonmajor Governmental Funds

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
GENERAL FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 1,823,740	\$ 1,731,876
Receivables:		
Property Taxes (Net of Allowance)	53,196	46,469
Sales Tax and Other Receivables	853,477	732,016
Due from Other Funds	15,548	-
Prepaid Items	13,175	36,895
<b>TOTAL ASSETS</b>	<u><u>\$ 2,759,136</u></u>	<u><u>\$ 2,547,256</u></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ 145,109	\$ 103,586
Accrued Expenditures	325,974	303,665
Due to Other Funds	281,237	294,212
Unearned Revenue	135,197	120,395
<i>Total Liabilities</i>	<u>887,517</u>	<u>821,858</u>
 <i>Deferred Inflows of Resources:</i>		
Unavailable Revenue - Taxes	46,454	43,665
Unavailable Revenue - EMS	48,466	54,408
<i>Total Deferred Inflows of Resources</i>	<u>94,920</u>	<u>98,073</u>
 <i>Fund Balances:</i>		
Nonspendable:		
Prepaid Items	13,175	36,895
Unassigned	1,763,524	1,590,430
<i>Total Fund Balances</i>	<u>1,776,699</u>	<u>1,627,325</u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 2,759,136</u></u>	<u><u>\$ 2,547,256</u></u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
ECONOMIC DEVELOPMENT CORPORATION  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 1,625,508	\$ 1,183,747
Accounts Receivable - State	286,862	259,837
Due from Other Funds	<u>60,000</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,972,370</u></u>	<u><u>\$ 1,443,584</u></u>
<b>LIABILITIES AND FUND BALANCE</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ 383
Accrued Liabilities	163,137	151,665
Due to Other Funds	<u>411</u>	<u>-</u>
<i>Total Liabilities</i>	<u>163,548</u>	<u>152,048</u>
<i>Fund Balance:</i>		
Restricted for Economic Development	<u>1,808,822</u>	<u>1,291,536</u>
<i>Total Fund Balance</i>	<u>1,808,822</u>	<u>1,291,536</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 1,972,370</u></u>	<u><u>\$ 1,443,584</u></u>



CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
DEBT SERVICE FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 211,420	\$ 6,062
Taxes Receivable (Net of Allowances)	17,978	18,900
Due from Other Funds	170,646	190,646
<b>TOTAL ASSETS</b>	<u><u>\$ 400,044</u></u>	<u><u>\$ 215,608</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Deferred Inflows of Resources:</i>		
Unavailable Revenue - Taxes	15,699	17,760
<i>Total Deferred Inflows of Resources</i>	<u>15,699</u>	<u>17,760</u>
<i>Fund Balance:</i>		
Restricted for Debt Service	384,345	197,848
<i>Total Fund Balance</i>	<u>384,345</u>	<u>197,848</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 400,044</u></u>	<u><u>\$ 215,608</u></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	Favorable	Actual
			<b>Amounts</b>	(Unfavorable)	Amounts
<b>REVENUES</b>					
Taxes	\$ 827,492	\$ 827,492	<b>\$1,011,344</b>	\$ 183,852	\$ 1,084,241
Interest	1,504	1,504	<b>816</b>	(688)	1,844
<b>TOTAL REVENUES</b>	<u>828,996</u>	<u>828,996</u>	<u><b>1,012,160</b></u>	<u>183,164</u>	<u>1,086,085</u>
<b>EXPENDITURES</b>					
Principal Payments	640,000	640,000	<b>640,000</b>	-	617,309
Interest and Fiscal Charges	323,320	323,320	<b>313,737</b>	9,583	339,804
Settlement Payment	201,136	201,136	<b>201,136</b>	-	258,281
<b>TOTAL EXPENDITURES</b>	<u>1,164,456</u>	<u>1,164,456</u>	<u><b>1,154,873</b></u>	<u>9,583</u>	<u>1,215,394</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>	<u>(335,460)</u>	<u>(335,460)</u>	<u><b>(142,713)</b></u>	<u>192,747</u>	<u>(129,309)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In (Out)	329,210	329,210	<b>329,210</b>	-	323,040
<b>TOTAL OTHER FINANCING</b>					
<b>SOURCES (USES)</b>	<u>329,210</u>	<u>329,210</u>	<u><b>329,210</b></u>	<u>-</u>	<u>323,040</u>
<b>Net Change in Fund Balance</b>	(6,250)	(6,250)	<b>186,497</b>	192,747	193,731
<b>BEGINNING FUND BALANCE</b>	<u>197,848</u>	<u>197,848</u>	<u><b>197,848</b></u>	<u>-</u>	<u>4,117</u>
<b>ENDING FUND BALANCE</b>	<u><b>\$ 191,598</b></u>	<u><b>\$ 191,598</b></u>	<u><b>\$ 384,345</b></u>	<u><b>\$ 192,747</b></u>	<u><b>\$ 197,848</b></u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
CAPITAL PROJECTS FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments, Restricted	\$ 720,431	\$ 631,732
Due from Other Funds	-	103,566
<b>TOTAL ASSETS</b>	<u>\$ 720,431</u>	<u>\$ 735,298</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ 71,346
<i>Total Liabilities</i>	<u>-</u>	<u>71,346</u>
 <i>Fund Balance:</i>		
Restricted for:		
Capital Projects	<u>720,431</u>	<u>663,952</u>
<i>Total Fund Balance</i>	<u>720,431</u>	<u>663,952</u>
 <b>TOTAL LIABILITIES AND FUND BALANCE</b>	 <u><u>\$ 720,431</u></u>	 <u><u>\$ 735,298</u></u>

CITY OF HELOTES, TEXAS  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>REVENUES</b>		
Interest	\$ 6,377	\$ 24,464
Miscellaneous	-	1,750
<b>TOTAL REVENUES</b>	<u>6,377</u>	<u>26,214</u>
<b>EXPENDITURES</b>		
Current:		
City Administration	500	-
Capital Outlay	146,269	1,247,155
Debt Service:		
Principal	159,548	-
Interest and Fiscal Charges	23,950	-
<b>TOTAL EXPENDITURES</b>	<u>330,267</u>	<u>1,247,155</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(323,890)</u>	<u>(1,220,941)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Capital Lease Issuance	129,009	743,690
Proceeds from Disposal of Assets	14,089	63,000
Transfers In (Out)	237,271	7,483
<b>TOTAL OTHER FINANCING</b>	<u>380,369</u>	<u>814,173</u>
<b>Net Change in Fund Balance</b>	56,479	(406,768)
<b>BEGINNING FUND BALANCE</b>	<u>663,952</u>	<u>1,070,720</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 720,431</u>	<u>\$ 663,952</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
STREET MAINTENANCE FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 789,585	\$ 592,914
Receivables:		
Sales Tax Receivable	<u>142,943</u>	<u>128,776</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 932,528</u></u>	<u><u>\$ 721,690</u></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ 281,963</u>
<i>Total Liabilities</i>	<u>-</u>	<u>281,963</u>
 <i>Fund Balances:</i>		
Restricted for:		
Street Maintenance	<u>932,528</u>	<u>439,727</u>
<i>Total Fund Balances</i>	<u><u>932,528</u></u>	<u><u>439,727</u></u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 932,528</u></u>	<u><u>\$ 721,690</u></u>

CITY OF HELOTES, TEXAS  
COMBINING FINANCIAL STATEMENTS  
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted (either legally or by Council designation) to expenditure for a specific purpose.

**Municipal Court Security Fund** – To account for revenues from court fines restricted to improving municipal court security.

**Municipal Court Technology Fund** – To account for revenues from court fines restricted to improving municipal court technology.

**Police Training Fund** – To account for revenues restricted for police training.

**School Safety Fund** – To account for fines from traffic violations in designated school zones to be spent for increased child safety.

**PEG Fund** – To account for revenues received from PEG Fees.

**State Forfeiture Fund** – To account for forfeited assets to be used to supplement law enforcement.

**Hotel Occupancy Tax Fund** – To account for the occupancy tax assessed to fund tourism and economic development in the City.

**Truancy & Prevention Fund** – To account for revenues from court fines restricted to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expense relating to the position of juvenile case manager.

**Municipal Jury Fund** – To account for revenues from court fines restricted to fund juror reimbursement and other jury services.

**Tree Mitigation Fund** – To account for revenues from permitting restricted for planting new trees and treating and mitigation oak wilt.

CITY OF HELOTES, TEXAS  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020

	Municipal Court Security Fund	Municipal Court Technology Fund	Police Training Fund	School Safety Fund	PEG Capital Fund
<b>ASSETS</b>					
Cash and Investments	\$ 8,653	\$ 21,968	\$ 2,885	\$ 23,472	\$ 99,017
Receivables:					
Sales Tax and Other Receivable	1,724	-	-	3,454	5,702
Due from Other Funds	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 10,377</u>	<u>\$ 21,968</u>	<u>\$ 2,885</u>	<u>\$ 26,926</u>	<u>\$ 104,719</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<i>Liabilities:</i>					
Due to Other Funds	\$ -	\$ -	\$ -	\$ -	\$ 14,977
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,977</u>
<i>Fund Balances:</i>					
Restricted for:					
Public Safety	10,377	21,968	2,885	26,926	-
Public Education Government	-	-	-	-	89,742
Hotel Occupancy Tax	-	-	-	-	-
Tree Mitigation	-	-	-	-	-
<i>Total Fund Balances</i>	<u>10,377</u>	<u>21,968</u>	<u>2,885</u>	<u>26,926</u>	<u>89,742</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 10,377</u>	<u>\$ 21,968</u>	<u>\$ 2,885</u>	<u>\$ 26,926</u>	<u>\$ 104,719</u>

State Forfeiture Fund	Hotel Occupancy Tax Fund	Truancy & Prevention Fund	Municipal Jury Fund	Tree Mitigation Fund	Total Nonmajor Funds
\$ 8,718	\$ 43,692	\$ 8,032	\$ 123	\$ 86,567	\$ 303,127
-	8,113	-	-	-	18,993
-	-	-	-	50,591	50,591
<u>\$ 8,718</u>	<u>\$ 51,805</u>	<u>\$ 8,032</u>	<u>\$ 123</u>	<u>\$ 137,158</u>	<u>\$ 372,711</u>
\$ -	\$ -	\$ -	\$ 160	\$ -	\$ 15,137
-	-	-	160	-	15,137
8,718	-	8,032	(37)	-	78,869
-	-	-	-	-	89,742
-	51,805	-	-	-	51,805
-	-	-	-	137,158	137,158
<u>8,718</u>	<u>51,805</u>	<u>8,032</u>	<u>(37)</u>	<u>137,158</u>	<u>357,574</u>
<u>\$ 8,718</u>	<u>\$ 51,805</u>	<u>\$ 8,032</u>	<u>\$ 123</u>	<u>\$ 137,158</u>	<u>\$ 372,711</u>



CITY OF HELOTES, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Municipal Court Security Fund	Municipal Court Technology Fund	Police Training Fund	School Safety Fund	PEG Capital Fund
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Fees	-	-	-	-	23,616
Licenses and Permits	-	-	-	-	-
Municipal Court	12,928	10,757	-	-	-
Interest	2	91	21	160	562
Miscellaneous	-	-	2,354	21,675	-
<b>TOTAL REVENUES</b>	<u>12,930</u>	<u>10,848</u>	<u>2,375</u>	<u>21,835</u>	<u>24,178</u>
<b>EXPENDITURES</b>					
Current:					
City Administration	-	-	-	-	-
Municipal Court	4,277	4,739	-	-	-
Development Services	-	-	-	-	5,268
Police Department	-	-	2,980	27,353	-
<b>TOTAL EXPENDITURES</b>	<u>4,277</u>	<u>4,739</u>	<u>2,980</u>	<u>27,353</u>	<u>5,268</u>
<b>Net Change in Fund Balance</b>	8,653	6,109	(605)	(5,518)	18,910
<b>FUND BALANCES - OCTOBER 1</b>	<u>1,724</u>	<u>15,859</u>	<u>3,490</u>	<u>32,444</u>	<u>70,832</u>
<b>FUND BALANCES - SEPTEMBER 31</b>	<u>\$ 10,377</u>	<u>\$ 21,968</u>	<u>\$ 2,885</u>	<u>\$ 26,926</u>	<u>\$ 89,742</u>

State Forfeiture Fund	Hotel Occupancy Tax Fund	Truancy & Prevention Fund	Municipal Jury Fund	Tree Mitigation Fund	Total Nonmajor Funds
\$ -	\$ 30,225	\$ -	\$ -	\$ -	\$ 30,225
-	-	-	-	-	23,616
-	-	-	-	137,178	137,178
-	-	8,200	166	-	32,051
-	179	-	-	-	1,015
1,397	-	-	-	-	25,426
<u>1,397</u>	<u>30,404</u>	<u>8,200</u>	<u>166</u>	<u>137,178</u>	<u>249,511</u>
-	261	168	203	20	652
-	-	-	-	-	9,016
-	-	-	-	-	5,268
2,087	-	-	-	-	32,420
<u>2,087</u>	<u>261</u>	<u>168</u>	<u>203</u>	<u>20</u>	<u>47,356</u>
(690)	30,143	8,032	(37)	137,158	202,155
9,408	21,662	-	-	-	155,419
<u>\$ 8,718</u>	<u>\$ 51,805</u>	<u>\$ 8,032</u>	<u>\$ (37)</u>	<u>\$ 137,158</u>	<u>\$ 357,574</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
MUNICIPAL COURT SECURITY FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 8,653	\$ -
Receivables:		
Other Receivable	<u>1,724</u>	<u>1,724</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 10,377</b></u>	<u><b>\$ 1,724</b></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
 <i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>10,377</u>	<u>1,724</u>
<i>Total Fund Balances</i>	<u><b>10,377</b></u>	<u><b>1,724</b></u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><b>\$ 10,377</b></u>	<u><b>\$ 1,724</b></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
MUNICIPAL COURT SECURITY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	Budgeted Amounts		2020	Variance	2019
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
<b>REVENUES</b>					
Municipal Court	\$ 8,035	\$ 8,035	\$ 12,928	\$ 4,893	\$ 7,689
Interest	14	14	2	(12)	12
<b>TOTAL REVENUES</b>	<u>8,049</u>	<u>8,049</u>	<u>12,930</u>	<u>4,881</u>	<u>7,701</u>
<b>EXPENDITURES</b>					
Current:					
Municipal Court	5,765	5,765	4,277	1,488	24,657
<b>TOTAL EXPENDITURES</b>	<u>5,765</u>	<u>5,765</u>	<u>4,277</u>	<u>1,488</u>	<u>24,657</u>
<b>Net Change in Fund Balance</b>	2,284	2,284	8,653	6,369	(16,956)
<b>FUND BALANCES - OCTOBER 1</b>	<u>1,724</u>	<u>1,724</u>	<u>1,724</u>	<u>-</u>	<u>18,680</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ 4,008</u>	<u>\$ 4,008</u>	<u>\$ 10,377</u>	<u>\$ 6,369</u>	<u>\$ 1,724</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
MUNICIPAL COURT TECHNOLOGY FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 21,968	\$ 13,560
Receivables:		
Other Receivable	<u>-</u>	<u>2,299</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 21,968</b></u>	<u><b>\$ 15,859</b></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
 <i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>21,968</u>	<u>15,859</u>
<i>Total Fund Balances</i>	<u><b>21,968</b></u>	<u><b>15,859</b></u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><b>\$ 21,968</b></u>	<u><b>\$ 15,859</b></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
MUNICIPAL COURT TECHNOLOGY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	Budgeted Amounts		2020	Variance	2019
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
<b>REVENUES</b>					
Municipal Court	\$ 10,716	\$ 10,716	\$ 10,757	\$ 41	\$ 10,254
Interest	237	237	91	(146)	236
<b>TOTAL REVENUES</b>	<u>10,953</u>	<u>10,953</u>	<u>10,848</u>	<u>(105)</u>	<u>10,490</u>
<b>EXPENDITURES</b>					
Current:					
Municipal Court	14,784	14,784	4,739	10,045	8,701
<b>TOTAL EXPENDITURES</b>	<u>14,784</u>	<u>14,784</u>	<u>4,739</u>	<u>10,045</u>	<u>8,701</u>
<b>Net Change in Fund Balance</b>	(3,831)	(3,831)	6,109	9,940	1,789
<b>FUND BALANCES - OCTOBER 1</b>	<u>15,859</u>	<u>15,859</u>	<u>15,859</u>	<u>-</u>	<u>14,070</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ 12,028</u>	<u>\$ 12,028</u>	<u>\$ 21,968</u>	<u>\$ 9,940</u>	<u>\$ 15,859</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
POLICE TRAINING FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 2,885	\$ 3,490
<b>TOTAL ASSETS</b>	<u><u>\$ 2,885</u></u>	<u><u>\$ 3,490</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>2,885</u>	<u>3,490</u>
<i>Total Fund Balances</i>	<u><u>2,885</u></u>	<u><u>3,490</u></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 2,885</u></u>	<u><u>\$ 3,490</u></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
POLICE TRAINING FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	Favorable	Actual
			<b>Amounts</b>	(Unfavorable)	Amounts
<b>REVENUES</b>					
Interest	\$ 109	\$ 109	\$ 21	\$ (88)	\$ 106
Miscellaneous	2,468	2,468	2,354	(114)	2,468
<b>TOTAL REVENUES</b>	<u>2,577</u>	<u>2,577</u>	<u>2,375</u>	<u>(202)</u>	<u>2,574</u>
<b>EXPENDITURES</b>					
Current:					
Police Department	5,820	5,820	2,980	2,840	3,650
<b>TOTAL EXPENDITURES</b>	<u>5,820</u>	<u>5,820</u>	<u>2,980</u>	<u>2,840</u>	<u>3,650</u>
<b>Net Change in Fund Balance</b>	(3,243)	(3,243)	<b>(605)</b>	2,638	(1,076)
<b>FUND BALANCES - OCTOBER 1</b>	<u>3,490</u>	<u>3,490</u>	<u>3,490</u>	-	<u>4,566</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ 247</u>	<u>\$ 247</u>	<u>\$ 2,885</u>	<u>\$ 2,638</u>	<u>\$ 3,490</u>



CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
SCHOOL SAFETY FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 23,472	\$ 29,745
Receivables:		
Other Receivable	<u>3,454</u>	<u>2,699</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 26,926</u></u>	<u><u>\$ 32,444</u></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
 <i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>26,926</u>	<u>32,444</u>
<i>Total Fund Balances</i>	<u><u>26,926</u></u>	<u><u>32,444</u></u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 26,926</u></u>	<u><u>\$ 32,444</u></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
SCHOOL SAFETY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual Amounts</b>	<u>Favorable (Unfavorable)</u>	<u>Actual Amounts</u>
<b>REVENUES</b>					
Interest	\$ 601	\$ 601	\$ 160	\$ (441)	\$ 605
Miscellaneous	18,062	18,062	21,675	3,613	19,945
<b>TOTAL REVENUES</b>	<u>18,663</u>	<u>18,663</u>	<u>21,835</u>	<u>3,172</u>	<u>20,550</u>
<b>EXPENDITURES</b>					
Current:					
Police Department	23,782	23,782	27,353	(3,571)	13,319
<b>TOTAL EXPENDITURES</b>	<u>23,782</u>	<u>23,782</u>	<u>27,353</u>	<u>(3,571)</u>	<u>13,319</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(5,119)</u>	<u>(5,119)</u>	<u>(5,518)</u>	<u>(399)</u>	<u>7,231</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers In (Out)	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(5,119)	(5,119)	(5,518)	(399)	7,231
<b>FUND BALANCES - OCTOBER 1</b>	<u>32,444</u>	<u>32,444</u>	<u>32,444</u>	<u>-</u>	<u>25,213</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ 27,325</u>	<u>\$ 27,325</u>	<u>\$ 26,926</u>	<u>\$ (399)</u>	<u>\$ 32,444</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
PEG CAPITAL FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 99,017	\$ 65,219
Receivables:		
Other Receivable	<u>5,702</u>	<u>5,927</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 104,719</u></u>	<u><u>\$ 71,146</u></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ 314
Due to Other Funds	<u>14,977</u>	<u>-</u>
<i>Total Liabilities</i>	<u><u>14,977</u></u>	<u><u>314</u></u>
 <i>Fund Balances:</i>		
Restricted for:		
Public Education Government	<u>89,742</u>	<u>70,832</u>
<i>Total Fund Balances</i>	<u><u>89,742</u></u>	<u><u>70,832</u></u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 104,719</u></u>	<u><u>\$ 71,146</u></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
PEG CAPITAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	Favorable	Actual
			<b>Amounts</b>	(Unfavorable)	Amounts
<b>REVENUES</b>					
Franchise Fees	\$ 23,579	23,579	<b>\$ 23,616</b>	\$ 37	\$ 23,785
Interest	1,544	1,544	<b>562</b>	(982)	1,511
<b>TOTAL REVENUES</b>	<u>25,123</u>	<u>25,123</u>	<u><b>24,178</b></u>	<u>(945)</u>	<u>25,296</u>
<b>EXPENDITURES</b>					
Current:					
Development Services	<u>98,818</u>	<u>98,818</u>	<u><b>5,268</b></u>	<u>93,550</u>	<u>28,722</u>
<b>TOTAL EXPENDITURES</b>	<u>98,818</u>	<u>98,818</u>	<u><b>5,268</b></u>	<u>93,550</u>	<u>28,722</u>
<b>Net Change in Fund Balance</b>	(73,695)	(73,695)	<b>18,910</b>	92,605	(3,426)
<b>FUND BALANCES - OCTOBER 1</b>	<u>70,832</u>	<u>70,832</u>	<u><b>70,832</b></u>	<u>-</u>	<u>74,258</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u><b>\$ (2,863)</b></u>	<u><b>\$ (2,863)</b></u>	<u><b>\$ 89,742</b></u>	<u><b>\$ 92,605</b></u>	<u><b>\$ 70,832</b></u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
STATE FORFEITURE FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 8,718	\$ 9,408
<b>TOTAL ASSETS</b>	<u><u>\$ 8,718</u></u>	<u><u>\$ 9,408</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>8,718</u>	<u>9,408</u>
<i>Total Fund Balances</i>	<u><u>8,718</u></u>	<u><u>9,408</u></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 8,718</u></u>	<u><u>\$ 9,408</u></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
STATE FORFEITURE FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual</b>	Favorable	Actual
			<b>Amounts</b>	(Unfavorable)	Amounts
<b>REVENUES</b>					
Miscellaneous	\$ -	\$ -	\$ <b>1,397</b>	\$ 1,397	\$ 3,400
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u><b>1,397</b></u>	<u>1,397</u>	<u>3,400</u>
<b>EXPENDITURES</b>					
Current:					
Police Department	9,323	9,323	<b>2,087</b>	7,236	3,600
<b>TOTAL EXPENDITURES</b>	<u>9,323</u>	<u>9,323</u>	<u><b>2,087</b></u>	<u>7,236</u>	<u>3,600</u>
<b>Net Change in Fund Balance</b>	(9,323)	(9,323)	<b>(690)</b>	8,633	(200)
<b>FUND BALANCES - OCTOBER 1</b>	<u>9,408</u>	<u>9,408</u>	<u><b>9,408</b></u>	<u>-</u>	<u>9,608</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ 85</u>	<u>\$ 85</u>	<u><b>\$ 8,718</b></u>	<u>\$ 8,633</u>	<u>\$ 9,408</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
HOTEL OCCUPANCY TAX FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 43,692	\$ 14,019
Receivables:		
Hotel Occupancy Tax Receivable	<u>8,113</u>	<u>7,643</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 51,805</b></u>	<u><b>\$ 21,662</b></u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
 <i>Fund Balances:</i>		
Restricted for:		
Hotel Occupancy Tax	<u>51,805</u>	<u>21,662</u>
<i>Total Fund Balances</i>	<u><b>51,805</b></u>	<u><b>21,662</b></u>
 <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	 <u><b>\$ 51,805</b></u>	 <u><b>\$ 21,662</b></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
HOTEL OCCUPANCY TAX FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	<u>Budgeted Amounts</u>		<b>2020</b>	Variance	2019
	<u>Original</u>	<u>Final</u>	<b>Actual Amounts</b>	<u>Favorable (Unfavorable)</u>	<u>Actual Amounts</u>
<b>REVENUES</b>					
Taxes	\$ 14,520	\$ 14,520	<b>\$ 30,225</b>	\$ 15,705	\$ 22,163
Interest	111	111	<b>179</b>	68	118
<b>TOTAL REVENUES</b>	<u>14,631</u>	<u>14,631</u>	<u><b>30,404</b></u>	<u>15,773</u>	<u>22,281</u>
<b>EXPENDITURES</b>					
Current:					
City Administration	<u>28,643</u>	<u>28,643</u>	<u><b>261</b></u>	<u>28,382</u>	<u>3,945</u>
<b>TOTAL EXPENDITURES</b>	<u>28,643</u>	<u>28,643</u>	<u><b>261</b></u>	<u>28,382</u>	<u>3,945</u>
<b>Net Change in Fund Balance</b>	(14,012)	(14,012)	<b>30,143</b>	44,155	18,336
<b>FUND BALANCES - OCTOBER 1</b>	<u>21,662</u>	<u>21,662</u>	<u><b>21,662</b></u>	<u>-</u>	<u>3,326</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u><u>\$ 7,650</u></u>	<u><u>\$ 7,650</u></u>	<u><u><b>\$ 51,805</b></u></u>	<u><u>\$ 44,155</u></u>	<u><u>\$ 21,662</u></u>



CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
TRUANCY & PREVENTION FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	<u>\$ 8,032</u>	<u>\$ -</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 8,032</u></u>	<u><u>\$ -</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>8,032</u>	<u>-</u>
<i>Total Fund Balances</i>	<u><u>8,032</u></u>	<u><u>-</u></u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 8,032</u></u>	<u><u>\$ -</u></u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
TRUANCY & PREVENTION FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	Budgeted Amounts		2020	Variance	2019
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
<b>REVENUES</b>					
Municipal Court	\$ -	\$ -	\$ 8,200	\$ 8,200	\$ -
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>8,200</u>	<u>8,200</u>	<u>-</u>
<b>EXPENDITURES</b>					
Current:					
City Administration	-	-	168	(168)	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>168</u>	<u>(168)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	<b>8,032</b>	8,032	-
<b>FUND BALANCES - OCTOBER 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,032</u>	<u>\$ 8,032</u>	<u>\$ -</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
MUNICIPAL JURY FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 123	\$ -
<b>TOTAL ASSETS</b>	<u>\$ 123</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
Due to Other Funds	160	-
<i>Total Liabilities</i>	<u>160</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>(37)</u>	<u>-</u>
<i>Total Fund Balances</i>	<u>(37)</u>	<u>-</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 123</u>	<u>\$ -</u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
MUNICIPAL JURY FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	Budgeted Amounts		2020	Variance	2019
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
<b>REVENUES</b>					
Municipal Court	\$ -	\$ -	\$ 166	\$ 166	\$ -
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>166</u>	<u>166</u>	<u>-</u>
<b>EXPENDITURES</b>					
Current:					
City Administration	-	-	203	(203)	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>203</u>	<u>(203)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	(37)	(37)	-
<b>FUND BALANCES - OCTOBER 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (37)</u>	<u>\$ (37)</u>	<u>\$ -</u>

CITY OF HELOTES, TEXAS  
COMPARATIVE BALANCE SHEETS  
TREE MITIGATION FUND  
SEPTEMBER 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and Investments	\$ 86,567	\$ -
Due from Other Funds	50,591	-
<b>TOTAL ASSETS</b>	<u>\$ 137,158</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Tree Mitigation	137,158	-
<i>Total Fund Balances</i>	<u>137,158</u>	<u>-</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 137,158</u>	<u>\$ -</u>

CITY OF HELOTES, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
TREE MITIGATION FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

	Budgeted Amounts		2020	Variance	2019
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
<b>REVENUES</b>					
Licenses and Permits	\$ -	\$ -	\$ 137,178	\$ 137,178	\$ -
<b>TOTAL REVENUES</b>	<u>-</u>	<u>-</u>	<u>137,178</u>	<u>137,178</u>	<u>-</u>
<b>EXPENDITURES</b>					
Current:					
City Administration	-	-	20	(20)	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>20</u>	<u>(20)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	137,158	137,158	-
<b>FUND BALANCES - OCTOBER 1</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES - SEPTEMBER 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,158</u>	<u>\$ 137,158</u>	<u>\$ -</u>



CITY OF HELOTES, TEXAS  
STATISTICAL SECTION  
SEPTEMBER 30, 2020

This part of the City of Helotes' annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Balcones Heights' overall financial health.

Financial Trends

Net Position by Component  
Change in Net Position  
Fund Balances, Governmental Funds  
Changes in Fund Balances, Governmental Funds

*These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.*

Revenue Capacity

Tax Revenues by Source, Governmental Funds  
Assessed Taxable Values  
Direct and Overlapping Property Tax Rates  
Principal Property Taxpayers  
Property Tax Levies and Collections

*These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales tax.*

Debt Capacity

Ratios of Outstanding Debt by Type  
Legal Debt Margin

*These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

Demographic and Economic Information

Demographic and Economic Statistics  
Principal Employers

*These schedules offer demographic and economic indicators to help the reader understand how the City's financial activities take place and to help make comparisons over time with other governments.*

Operating Information

Operating Indicators by Function  
Capital Asset Statistics by Function  
Full-time Equivalent City Government Employees by Function

*These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.*



CITY OF HELOTES, TEXAS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS

	<b>Fiscal Year</b>			
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Governmental Activities				
Net Investment in Capital Assets	\$ 2,609,738	\$ 2,525,712	\$ 2,559,746	\$ 2,745,214
Restricted	746,104	695,127	765,238	798,952
Unrestricted (Deficit)	2,272,143	2,540,235	2,881,908	3,509,184
Total Governmental Activities	<u>\$ 5,627,985</u>	<u>\$ 5,761,074</u>	<u>\$ 6,206,892</u>	<u>\$ 7,053,350</u>
Business-Type Activities*				
Net Investment in Capital Assets	\$ 510,684	\$ 450,745	\$ 390,806	\$ 329,498
Restricted	-	-	-	-
Unrestricted (Deficit)	(362,016)	(877,756)	(1,501,982)	(2,170,221)
Total Business-Type Activities	<u>\$ 148,668</u>	<u>\$ (427,011)</u>	<u>\$ (1,111,176)</u>	<u>\$ (1,840,723)</u>
Primary Government				
Net Investment in Capital Assets	\$ 3,120,422	\$ 2,976,457	\$ 2,950,552	\$ 3,074,712
Restricted	746,104	695,127	765,238	798,952
Unrestricted (Deficit)	1,910,127	1,662,479	1,379,926	1,338,963
Total Primary Government	<u>\$ 5,776,653</u>	<u>\$ 5,334,063</u>	<u>\$ 5,095,716</u>	<u>\$ 5,212,627</u>

*GASB Statement No. 68 reporting requirements were implemented in fiscal year 2015. The above information prior to 2015 has not been restated as information is to be reported prospectively.*

*GASB Statement No. 75 reporting requirements were implemented in fiscal year 2018. The above information prior to 2018 has not been restated as information is to be reported prospectively.*

*\*The Business-type Activities were transferred to the Governmental Activities on October 1, 2014.*

TABLE 1

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 3,840,681	\$ 2,317,358	\$ 3,393,539	\$ 3,284,419	\$ 3,809,511	\$ 4,122,782
878,422	1,005,770	1,218,367	1,583,373	2,042,612	3,446,262
(534,577)	449,432	(1,308,086)	(2,215,353)	(2,825,198)	(2,528,654)
<u>\$ 4,184,526</u>	<u>\$ 3,772,560</u>	<u>\$ 3,303,820</u>	<u>\$ 2,652,439</u>	<u>\$ 3,026,925</u>	<u>\$ 5,040,390</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,840,681	\$ 2,317,358	\$ 3,393,539	\$ 3,284,419	\$ 3,809,511	\$ 4,122,782
878,422	1,005,770	1,218,367	1,583,373	2,042,612	3,446,262
(534,577)	449,432	(1,308,086)	(2,215,353)	(2,825,198)	(2,528,654)
<u>\$ 4,184,526</u>	<u>\$ 3,772,560</u>	<u>\$ 3,303,820</u>	<u>\$ 2,652,439</u>	<u>\$ 3,026,925</u>	<u>\$ 5,040,390</u>

CITY OF HELOTES, TEXAS  
CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
<b>Primary Government Expenses</b>				
<i>Governmental Activities:</i>				
City Council	\$ 2,220	\$ 1,952	\$ 2,891	\$ 3,477
City Administration	680,091	777,467	830,758	1,005,449
Dispatch	-	-	-	-
City Secretary	95,229	92,634	99,534	102,401
Human Resources	13,358	13,321	14,445	10,031
Municipal Court	245,506	272,767	269,700	298,008
Animal Control, Public Works	389,432	417,889	433,462	464,904
Development Services	53,911	51,626	93,908	99,167
Buildings and Grounds	360,351	297,025	324,282	350,322
Police Department	1,505,223	1,545,810	1,558,849	1,557,978
Emergency Medical Services	-	-	-	-
Fire Department	1,156,926	1,120,975	1,106,778	1,241,411
Interest and Fiscal Charges on Long-Term Debt	383,924	372,892	416,689	326,977
<i>Total Governmental Activities Expenses</i>	<u>4,886,171</u>	<u>4,964,358</u>	<u>5,151,296</u>	<u>5,460,125</u>
<i>Business-Type Activities*</i>				
Dispatch	273,290	319,658	370,269	419,557
Emergency Medical Services	281,390	440,165	455,302	447,289
<i>Total Business Type Activities Expenses</i>	<u>554,680</u>	<u>759,823</u>	<u>825,571</u>	<u>866,846</u>
<b>Total Primary Government Expenses</b>	<u>\$ 5,440,851</u>	<u>\$ 5,724,181</u>	<u>\$ 5,976,867</u>	<u>\$ 6,326,971</u>
<b>Program Revenues</b>				
<i>Governmental Activities:</i>				
Charges for Services:				
Municipal Court	\$ 302,741	\$ 363,923	\$ 259,967	\$ 263,801
Animal Control, Public Works	3,951	3,150	4,464	4,885
Development Services	271,218	353,095	484,609	963,548
Buildings and Grounds	16,790	-	-	-
Police Department	83,771	48,091	49,452	65,703
Fire & EMS Department	75,060	76,695	75,081	75,155
Operating Grants and Contributions	7,168	10,594	8,665	8,682
Capital Grants and Contributions	416,050	-	-	-
<i>Total Governmental Activities Program Revenues</i>	<u>1,176,749</u>	<u>855,548</u>	<u>882,238</u>	<u>1,381,774</u>
<i>Business-Type Activities*:</i>				
Charges for Services:				
Dispatch	54,000	68,729	5,001	5,007
Emergency Medical Services	82,080	115,415	136,337	132,274
Capital Grants and Contributions	-	-	-	-
<i>Total Business-Type Activities Program Revenues</i>	<u>136,080</u>	<u>184,144</u>	<u>141,338</u>	<u>137,281</u>
<b>Total Primary Government Program Revenues</b>	<u>\$ 1,312,829</u>	<u>\$ 1,039,692</u>	<u>\$ 1,023,576</u>	<u>\$ 1,519,055</u>

*GASB Statement No. 68 reporting requirements were implemented in fiscal year 2015. The above information prior to 2015 has not been restated as information is to be reported prospectively.*

*GASB Statement No. 75 reporting requirements were implemented in fiscal year 2018. The above information prior to 2018 has not been restated as information is to be reported prospectively.*

*\*The Business-type Activities were transferred to the Governmental Activities on October 1, 2014.*

TABLE 2

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 3,045	\$ 2,427	\$ 3,096	\$ 2,563	\$ 4,014	\$ 2,868
2,434,134	1,652,423	1,472,694	1,577,337	1,632,100	1,634,035
130,356	192,556	228,958	178,918	167,121	146,243
103,952	109,864	114,497	77,001	90,057	83,634
17,042	91,248	110,574	130,155	150,667	116,527
296,791	242,764	264,832	277,140	313,389	318,172
506,340	545,158	758,192	1,019,129	1,494,060	706,271
161,531	576,909	1,342,107	1,418,567	154,499	145,352
432,385	1,035,486	515,472	457,573	592,481	369,817
1,607,179	1,689,271	1,793,494	1,990,989	1,962,729	2,006,187
185,805	159,129	191,382	199,204	314,718	224,105
1,589,683	1,567,523	1,703,215	1,642,002	1,659,996	1,778,584
409,933	411,846	387,941	360,513	357,277	323,360
7,878,176	8,276,604	8,886,454	9,331,091	8,893,108	7,855,155
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 7,878,176	\$ 8,276,604	\$ 8,886,454	\$ 9,331,091	\$ 8,893,108	\$ 7,855,155
\$ 345,564	\$ 353,903	\$ 398,614	\$ 445,179	\$ 349,572	\$ 377,323
6,241	7,561	5,400	3,187	4,095	6,483
689,221	410,592	500,477	502,261	506,567	467,196
-	-	-	-	114,570	54,742
55,407	53,669	42,970	54,283	39,933	24,068
293,091	165,775	141,331	165,447	46,865	126,370
10,784	14,939	193,853	53,681	19,946	105,954
329,498	-	-	-	-	-
1,729,806	1,006,439	1,282,645	1,224,038	1,081,548	1,162,136
-	-	-	-	-	-
-	-	-	-	-	-
(329,498)	-	-	-	-	-
(329,498)	-	-	-	-	-
\$ 1,400,308	\$ 1,006,439	\$ 1,282,645	\$ 1,224,038	\$ 1,081,548	\$ 1,162,136

CITY OF HELOTES, TEXAS  
CHANGE IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
<b>Primary Government Net Expenses</b>				
Governmental Activities	\$ (3,709,422)	\$ (4,108,810)	\$ (4,269,058)	\$ (4,078,351)
Business-Type Activities	(418,600)	(575,679)	(684,233)	(729,565)
<b>Total Primary Government Net Expenses</b>	<u>\$ (4,128,022)</u>	<u>\$ (4,684,489)</u>	<u>\$ (4,953,291)</u>	<u>\$ (4,807,916)</u>
<b>General Revenues and Other Changes in Net Position</b>				
<i>Governmental Activities:</i>				
Taxes:				
General Property Taxes	\$ 2,626,085	\$ 2,635,240	\$ 2,639,461	\$ 2,681,143
Sales Taxes	970,912	1,054,778	1,424,354	1,645,268
Franchise Taxes	455,020	442,683	477,344	527,251
Hotel Occupancy Taxes	-	-	-	-
Interest and Investment earnings	21,114	8,488	5,791	9,874
Proceeds from Sale of Land	-	-	-	-
Miscellaneous	54,065	100,710	167,926	61,273
Transfers	(567,268)	-	-	-
<i>Total Governmental General Revenues</i>	<u>3,559,928</u>	<u>4,241,899</u>	<u>4,714,876</u>	<u>4,924,809</u>
<i>Business-Type Activities**:</i>				
Interest and Investment earnings	-	-	68	18
Transfers	567,268	-	-	-
<i>Total Business-Type General Revenues</i>	<u>567,268</u>	<u>-</u>	<u>68</u>	<u>18</u>
<b>Total Primary Government General Revenues</b>	<u>\$ 4,127,196</u>	<u>\$ 4,241,899</u>	<u>\$ 4,714,944</u>	<u>\$ 4,924,827</u>
<b>Changes In Net Position</b>				
Governmental Activities	\$ (149,494)	\$ 133,089	\$ 445,818	\$ 846,458
Business-Type Activities*	148,668	(575,679)	(684,165)	(729,547)
<b>Total Primary Government</b>	<u>\$ (826)</u>	<u>\$ (442,590)</u>	<u>\$ (238,347)</u>	<u>\$ 116,911</u>

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*GASB Statement No. 75 reporting requirements were implemented in fiscal year 2018. The above information prior to 2018 has not been restated as information is to be reported prospectively.*

*\*The Business-type Activities were transferred to the Governmental Activities on October 1, 2014.*

TABLE 2 (Cont.)

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ (6,148,370)	\$ (7,270,165)	\$ (7,603,809)	\$ (8,107,053)	\$ (7,811,560)	\$ (6,693,019)
(329,498)	-	-	-	-	-
<u>\$ (6,477,868)</u>	<u>\$ (7,270,165)</u>	<u>\$ (7,603,809)</u>	<u>\$ (8,107,053)</u>	<u>\$ (7,811,560)</u>	<u>\$ (6,693,019)</u>
\$ 2,876,136	\$ 3,141,427	\$ 3,377,228	\$ 3,531,105	\$ 3,737,447	\$ 3,997,600
1,846,456	2,208,136	2,718,920	3,099,082	3,492,555	3,852,457
795,805	758,253	785,898	764,828	747,447	736,278
-	-	-	3,313	22,163	30,225
10,314	15,540	39,661	83,214	110,900	52,320
-	519,514	-	-	-	-
72,931	215,329	213,362	59,657	72,208	37,604
(2,170,221)	-	-	-	-	-
<u>3,431,421</u>	<u>6,858,199</u>	<u>7,135,069</u>	<u>7,541,199</u>	<u>8,182,720</u>	<u>8,706,484</u>
-	-	-	-	-	-
<u>2,170,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,170,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 5,601,642</u>	<u>\$ 6,858,199</u>	<u>\$ 7,135,069</u>	<u>\$ 7,541,199</u>	<u>\$ 8,182,720</u>	<u>\$ 8,706,484</u>
\$ (2,716,949)	\$ (411,966)	\$ (468,740)	\$ (565,854)	\$ 371,160	\$ 2,013,465
1,840,723	-	-	-	-	-
<u>\$ (876,226)</u>	<u>\$ (411,966)</u>	<u>\$ (468,740)</u>	<u>\$ (565,854)</u>	<u>\$ 371,160</u>	<u>\$ 2,013,465</u>

CITY OF HELOTES, TEXAS  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
<i>Nonspendable Fund Balance:</i>				
Prepaid Items	\$ -	\$ -	\$ 2,184	\$ 440
<i>Total Nonspendable Fund Balance</i>	-	-	2,184	440
<i>Restricted Fund Balance:</i>				
Public Safety	70,671	55,499	54,764	40,388
Public Education Government	-	35,890	31,702	29,833
Explorer Post	-	-	-	-
Street Maintenance	-	-	-	-
Hotel Occupancy Tax	-	-	-	-
Tree Mitigation	-	-	-	-
Economic Development	589,761	524,912	563,116	684,370
Debt Service	93,677	87,158	119,989	4,107
Capital Projects	-	-	-	-
<i>Total Restricted Fund Balance</i>	754,109	703,459	769,571	758,698
<i>Committed Fund Balance:</i>				
Capital Projects	196,999	165,852	192,482	6,283
<i>Total Committed Fund Balance</i>	196,999	165,852	192,482	6,283
Unassigned Fund Balance	2,188,309	2,496,562	2,924,244	3,786,300
<i>Total Governmental Funds</i>	<u>\$ 3,139,417</u>	<u>\$ 3,365,873</u>	<u>\$ 3,888,481</u>	<u>\$ 4,551,721</u>

TABLE 3

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ -	\$ 2,477	\$ -	\$ 121,207	\$ 36,895	\$ 13,175
-	2,477	-	121,207	36,895	13,175
34,215	37,559	38,949	72,137	62,925	78,869
53,002	58,284	61,001	74,258	70,832	89,742
2,783	-	-	-	-	-
-	135,491	362,248	527,662	439,727	932,528
-	-	-	3,326	21,662	51,805
-	-	-	-	-	137,158
747,282	733,861	807,430	950,079	1,291,536	1,808,822
15,261	64,428	6,711	4,117	197,848	384,345
4,301,770	3,651,769	2,396,308	978,910	663,952	720,431
5,154,313	4,681,392	3,672,647	2,610,489	2,748,482	4,203,700
-	-	-	-	-	-
-	-	-	-	-	-
1,660,768	2,101,643	1,995,426	1,908,237	1,590,430	1,763,524
\$ 6,815,081	\$ 6,785,512	\$ 5,668,073	\$ 4,639,933	\$ 4,375,807	\$ 5,980,399



CITY OF HELOTES, TEXAS  
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

	Fiscal Year			
	2011	2012	2013	2014
<b>REVENUES</b>				
Taxes	\$ 3,591,052	\$ 3,693,695	\$ 4,062,138	\$ 4,334,193
Franchise Fees	455,020	442,683	477,344	527,251
Licenses and Permits	269,821	356,245	489,073	968,433
Fines and Forfeits	386,512	412,014	309,419	329,504
Charges for Services	75,060	76,695	75,081	75,155
Grants and Interlocal Agreements	416,050	-	-	-
Interest	21,117	8,488	5,791	9,874
Miscellaneous	85,537	111,875	176,589	69,955
<b>TOTAL REVENUES</b>	<b>5,300,169</b>	<b>5,101,695</b>	<b>5,595,435</b>	<b>6,314,365</b>
<b>EXPENDITURES</b>				
Current:				
City Council	2,220	1,952	2,891	3,477
City Administration	624,710	723,786	774,049	954,482
Dispatch Services	-	-	-	-
City Secretary	92,184	93,323	97,265	104,296
Human Resources	13,358	13,321	14,445	10,031
Municipal Court	260,169	263,797	263,895	289,042
Animal Control, Public Works	164,919	189,702	206,188	232,348
Development Services	53,974	53,011	92,557	90,866
Buildings and Grounds	245,973	242,912	251,854	282,776
Police Department	1,359,034	1,361,029	1,449,750	1,424,571
Emergency Medical Services	-	-	-	-
Fire Department	941,619	926,726	951,384	1,090,695
Capital Outlay	800,496	164,382	111,543	378,437
Debt Service:				
Principal	503,805	543,882	589,902	658,787
Interest and Fiscal Charges	383,828	369,434	351,444	331,317
Settlement Payment	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>5,446,289</b>	<b>4,947,257</b>	<b>5,157,167</b>	<b>5,851,125</b>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(146,120)	154,438	438,268	463,240
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of Debt	105,657	72,018	84,340	200,000
Premium on Bond Issuance	-	-	-	-
Proceeds from Disposal of Assets	-	-	-	-
Insurance Proceeds	-	-	-	-
Transfers In (Out)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>105,657</b>	<b>72,018</b>	<b>84,340</b>	<b>200,000</b>
Net Change in Fund Balance	\$ (40,463)	\$ 226,456	\$ 522,608	\$ 663,240
Debt Service as a Percentage of Noncapital Expenditures	19.11%	18.91%	18.85%	18.02%

TABLE 4

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 4,715,367	\$ 5,347,339	\$ 6,090,318	\$ 6,622,212	\$ 7,248,088	\$ 7,879,553
795,805	758,252	785,898	764,828	747,447	736,279
695,462	418,153	505,877	505,448	510,662	473,679
400,971	407,573	439,940	497,192	386,105	399,993
206,605	147,248	125,373	141,541	137,333	132,313
-	-	159,797	34,126	-	84,278
10,314	15,851	39,657	83,214	110,896	51,516
78,670	230,268	249,060	51,913	182,956	121,603
6,903,194	7,324,684	8,395,920	8,700,474	9,323,487	9,879,214
3,045	2,427	3,096	2,563	4,014	2,868
1,122,044	1,059,043	1,069,902	1,182,004	1,198,404	1,215,124
374,095	496,109	558,492	526,668	512,749	470,271
98,213	109,816	129,969	76,867	90,200	82,757
17,042	88,357	110,121	129,105	149,906	117,527
294,864	248,944	262,390	277,288	315,293	314,601
276,116	271,941	258,112	355,493	378,616	409,646
162,743	199,740	403,530	597,220	999,902	470,144
365,604	347,643	376,584	357,504	576,109	275,812
1,413,777	1,482,328	1,552,524	1,685,610	1,709,858	1,844,224
450,757	413,288	447,542	474,662	555,537	383,138
1,098,189	1,132,589	1,232,511	1,208,272	1,103,301	1,326,224
212,651	1,002,362	1,675,329	1,470,247	1,331,288	167,013
666,186	802,147	838,192	849,768	878,766	799,548
305,166	410,600	399,729	372,898	369,578	337,687
94,223	-	301,108	258,281	258,281	201,136
6,954,715	8,067,334	9,619,131	9,824,450	10,431,802	8,417,720
(51,521)	(742,650)	(1,223,211)	(1,123,976)	(1,108,315)	1,461,494
4,315,000	193,567	105,772	65,941	781,189	129,009
147,106	-	-	-	-	-
-	519,514	-	-	-	14,089
22,996	-	-	29,895	63,000	-
(2,170,221)	-	-	-	-	-
2,314,881	713,081	105,772	95,836	844,189	143,098
\$ 2,263,360	\$ (29,569)	\$ (1,117,439)	\$ (1,028,140)	\$ (264,126)	\$ 1,604,592
15.76%	15.76%	16.64%	15.20%	16.55%	16.93%

CITY OF HELOTES, TEXAS  
TAX REVENUE BY SOURCE, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

TABLE 5

<u>Fiscal Year</u>	<u>Property</u>	<u>Sales &amp; Use</u>	<u>Franchise</u>	<u>Hotel Occupancy</u>	<u>Total</u>
2011	\$ 2,620,140	\$ 970,912	\$ 455,020	\$ -	\$ 4,046,072
2012	2,638,917	1,054,778	442,683	-	4,136,378
2013	2,637,784	1,424,354	477,344	-	4,539,482
2014	2,688,925	1,645,268	527,251	-	4,861,444
2015	2,868,911	1,846,456	795,805	-	5,511,172
2016	3,139,203	2,208,136	758,252	-	6,105,591
2017	3,371,398	2,718,920	785,898	-	6,876,216
2018	3,519,817	3,099,082	764,828	3,313	7,387,040
2019	3,733,370	3,492,555	747,447	22,163	7,995,535
2020	3,996,871	3,852,457	736,279	30,225	8,615,832

CITY OF HELOTES, TEXAS  
 ASSESSED VALUE AND ACTUAL TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS

TABLE 6

<u>Fiscal Year Ended September 30,</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value*</u>	<u>Total Direct Tax Rate</u>
2011	\$ 652,132,270	\$ 120,241,773	\$ 49,651,853	\$ 722,722,190	0.363651
2012	663,227,472	120,004,340	51,751,163	731,480,649	0.360000
2013	677,033,974	124,391,838	56,356,942	745,068,870	0.355000
2014	697,083,124	146,200,980	75,978,756	767,305,348	0.350000
2015	741,137,332	147,042,320	62,375,351	825,804,301	0.350000
2016	822,061,262	173,966,055	81,203,521	914,823,796	0.350000
2017	880,405,573	202,593,210	90,399,368	992,599,415	0.350000
2018	935,682,076	203,255,105	92,878,191	1,046,058,990	0.350000
2019	990,287,349	214,903,210	97,447,904	1,107,742,655	0.350000
2020	1,086,181,131	224,382,485	116,235,617	1,194,327,999	0.350000

Source: Bexar Appraisal District.

\* Total Taxable Assessed Value and Total Estimated Actual Value of taxable property is the same.  
 The Taxable Assessed Value is further reduced by any freeze adjustments.

CITY OF HELOTES, TEXAS  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS

TABLE 7

		City Direct Rates					
		Fiscal Year	General Fund	Debt Service	Total Direct		
		2011	0.282731	0.080920	0.363651		
		2012	0.282640	0.077360	0.360000		
		2013	0.273140	0.081860	0.355000		
		2014	0.271503	0.078497	0.350000		
		2015	0.271503	0.078497	0.350000		
		2016	0.269894	0.080106	0.350000		
		2017	0.278268	0.071732	0.350000		
		2018	0.243142	0.106858	0.350000		
		2019	0.248805	0.101195	0.350000		
		2020	0.261595	0.088405	0.350000		

		Overlapping Rates					Total
Fiscal Year	Total Direct Rate	Northside ISD	University Health System	Alamo Community College	San Antonio River Authority	Bexar County	Direct and Overlapping Rates
2011	0.363651	1.365500	0.276235	0.141623	0.016652	0.326866	2.490527
2012	0.360000	1.375500	0.276235	0.141623	0.017370	0.326866	2.497594
2013	0.355000	1.375500	0.276235	0.149150	0.017370	0.326866	2.500121
2014	0.350000	1.375500	0.276235	0.149150	0.017798	0.326866	2.495549
2015	0.350000	1.375500	0.276235	0.149150	0.017500	0.314500	2.482885
2016	0.350000	1.375500	0.276235	0.149150	0.017290	0.314500	2.482675
2017	0.350000	1.375500	0.276235	0.149150	0.017290	0.308950	2.477125
2018	0.350000	1.375500	0.276235	0.149150	0.017290	0.304097	2.472272
2019	0.350000	1.375500	0.276235	0.149150	0.018580	0.301097	2.470562
2020	0.350000	1.305500	0.276235	0.149150	0.018580	0.301097	2.400562

Source: Information furnished by Bexar County Tax Assessor - Collector

CITY OF HELOTES, TEXAS  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT AND NINE YEARS AGO

TABLE 8

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Wal Mart Stores Inc.	\$ 20,861,800	1	1.75%			
Milam Helotes Plaza LLC	8,370,000	2	0.70%			0.00%
TKGSM-TX LP	7,606,870	3	0.64%	2,377,280	6	0.33%
Helotes Town Centre LP	7,500,820	4	0.63%	4,300,140	1	0.59%
CCP Shurgard Texas LTD	6,500,000	5	0.54%	2,230,000	7	0.31%
JDL Texas Ventures	5,500,000	6	0.46%	3,915,680	2	0.54%
L&F-1 LLC	4,989,350	7	0.42%			
Abiso Helotes LP	4,577,150	8	0.38%			
Circle Bar Investments LLC	3,850,000	9	0.32%			
Isola Corporation	3,520,000	10	0.29%			
White Turkey Creek LTD				3,902,124	3	0.54%
Bandera Helotes Plaza LLC				3,583,570	4	0.50%
Pela General Builders, LLC				2,390,720	5	0.33%
SCP 2009-C34-CATXLP				2,189,530	8	0.30%
HSF Properties LLC				1,930,000	9	0.27%
Pulte Homes of Texas				1,929,650	10	0.27%
Total	<u>\$ 73,275,990</u>		<u>6.14%</u>	<u>\$28,748,694</u>		<u>3.98%</u>

Taxable value of \$1,194,327,999

CITY OF HELOTES, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

TABLE 9

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 2,614,869	\$ 2,591,187	99.09%	21,230	\$ 2,612,417	99.91%
2012	2,622,552	2,604,356	99.31%	16,280	2,620,636	99.93%
2013	2,635,251	2,618,686	99.37%	13,656	2,632,342	99.89%
2014	2,682,643	2,668,143	99.46%	10,116	2,678,259	99.84%
2015	2,866,335	2,846,427	99.31%	16,016	2,862,443	99.86%
2016	3,146,535	3,132,848	99.57%	9,354	3,142,202	99.86%
2017	3,379,649	3,361,931	99.48%	9,633	3,371,564	99.76%
2018	3,541,895	3,519,503	99.37%	13,360	3,532,863	99.75%
2019	3,741,128	3,719,714	99.43%	11,074	3,730,788	99.72%
2020	3,996,662	3,970,245	99.34%	-	3,970,245	99.34%

Source: Bexar County Tax Assessor Collector

CITY OF HELOTES, TEXAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

TABLE 10

Fiscal Year	Governmental Activities				Total Primary Government	Per Capita*
	General Obligation Bonds	Certificates of Obligation	Capital Leases	Note Payable		
2011	\$ -	\$ 9,475,000	\$ 76,852	\$ -	\$ 9,551,852	1,301
2012	-	8,975,000	104,987	-	9,079,987	1,286
2013	-	8,450,000	124,424	-	8,574,424	1,088
2014	-	7,905,000	60,637	150,000	8,115,637	1,001
2015	-	11,650,000	14,270	100,000	11,764,270	1,407
2016	-	10,965,000	141,780	50,000	11,156,780	1,299
2017	-	10,382,396	174,360	-	10,556,756	1,205
2018	-	9,615,041	150,533	-	9,765,574	1,065
2019	-	8,992,686	667,956	-	9,660,642	1,010
2020	-	8,345,331	637,417	-	8,982,748	902

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

\* Per Capita is derived by dividing the total debt by the population reported on the Demographic and Economic Statistics Table (Table 12)



CITY OF HELOTES, TEXAS  
LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS

Texas municipalities are not bound by any direct constitutional or statutory maximums as to the amount of general obligation bonds which may be issued; however, all local bonds must be submitted to and approved by the State Attorney General. It is the established practice of the Attorney General not to approve a prospective bond issue if it will result in the levy of a tax for bonded debt of over \$1.00 for cities under a population of 5,000 or \$1.50 for the cities over 5,000 in population.

TABLE 11

Taxable Value	<u>\$ 932,282,068</u>
Debt Limit - 10% of taxable value [1]	\$ 93,228,207
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt	\$ 8,345,331
Less Funds Available in Debt Service Fund	<u>384,345</u>
Total Amount of Debt Applicable to Debt Limit	<u>7,960,986</u>
Legal Debt Margin	<u><u>\$ 85,267,221</u></u>

	<b>Fiscal Year</b>		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Limit	\$ 79,987,484	\$ 83,346,557	\$ 87,311,347
Total Net Debt Applicable to Debt Limit	<u>(10,550,045)</u>	<u>(9,761,457)</u>	<u>(8,794,838)</u>
Legal Debt Margin	<u><u>\$ 69,437,439</u></u>	<u><u>\$ 73,585,100</u></u>	<u><u>\$ 78,516,509</u></u>

	<b>Fiscal Year</b>		
	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 63,313,192	\$ 67,595,035	\$ 74,438,083
Total Net Debt Applicable to Debt Limit	<u>(8,111,530)</u>	<u>(11,749,009)</u>	<u>(11,092,352)</u>
Legal Debt Margin	<u><u>\$ 55,201,662</u></u>	<u><u>\$ 55,846,026</u></u>	<u><u>\$ 63,345,731</u></u>

	<b>Fiscal Year</b>		
	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt Limit	\$ 61,267,669	\$ 61,623,027	\$ 62,466,659
Total Net Debt Applicable to Debt Limit	<u>(9,458,175)</u>	<u>(8,992,829)</u>	<u>(8,454,435)</u>
Legal Debt Margin	<u><u>\$ 51,809,494</u></u>	<u><u>\$ 52,630,198</u></u>	<u><u>\$ 54,012,224</u></u>

CITY OF HELOTES, TEXAS  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

TABLE 12

Year	Population	Per Capita Income	Median Age	School Enrollment	Unemployment Rate
2011	7,341	32,123	41.1	4,371	7.9%
2012	7,060	31,335	41.1	4,161	6.8%
2013	7,880	41,549	41.1	4,031	5.5%
2014	8,104	42,053	41.1	4,256	4.3%
2015	8,364	42,053	44.4	4,284	3.7%
2016	8,591	42,772	44.4	4,448	3.5%
2017	8,758	45,272	43.6	4,415	3.2%
2018	9,169	45,622	44.0	4,368	3.2%
2019	9,567	50,046	44.0	4,276	2.8%
2020	9,961	47,995	44.0	4,336	7.3%

Sources: Population, per capita income and median age information provided by the United States Census Bureau. School enrollment information was provided by the Northside Independent School District. Unemployment rates were provided by the Bureau of Labor Statistics.

CITY OF HELOTES, TEXAS  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

TABLE 13

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Joint Base San Antonio (JBSA)						
Lackland, Fort Sam & Randolph*	80,000	1	7.71%	100,578	1, 2, 3	12.09%
HEB Food Stores	22,000	2	2.12%	14,588	5	1.75%
USAA	19,000	3	1.83%	15,000	4	1.80%
Northside ISD	13,977	4	1.35%	12,244	6	1.47%
City of San Antonio	13,881	5	1.34%	12,211	7	1.47%
Methodist Healthcare System	9,851	6	0.95%	7,747	8	0.93%
North East ISD	9,001	7	0.87%			
San Antonio ISD	7,677	8	0.74%			
Baptist Health System	6,371	9	0.61%	6,310	9	0.76%
JP Morgan Chase & Co.	5,000	10	0.48%			
Total	<u>186,758</u>		<u>18.00%</u>	<u>168,678</u>		<u>20.27%</u>

The City of Helotes, Texas is surrounded by the City of San Antonio, and no data is available for the employers in Helotes, Texas. The above data is for the City of San Antonio.

Source: City of San Antonio Comprehensive Annual Financial Report 2019.

\*In Fiscal Year 2012, Lackland, Fort Sam, and Randolph military operations were consolidated into Joint Base San Antonio. In fiscal year 2011, the employee counts were 52,561, 32,000, and 16,017, respectively.

**CITY OF HELOTES, TEXAS  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

**TABLE 14**

Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Animal Control/Code Enforcement										
Animals Impounded	-	-	90	65	101	101	83	78	78	44
Animals Returned to Owner	-	-	-	-	31	36	40	40	40	13
Transfers to Vet Clinics	-	-	74	66	64	36	12	18	18	12
Transfers to Humane Society	-	-	-	-	6	29	36	37	37	29
Animals Euthanized	-	-	-	-	-	8	2	1	1	2
City Secretary										
Number of Public Info Requests	-	-	-	461	537	279	348	228	242	240
Court										
Number of Cases Filed	4,163	7,576	4,364	5,756	6,476	5,673	7,208	6,553	3,434	4,010
Number of Cases Closed	3,740	5,653	3,802	3,462	3,624	3,474	3,834	4,279	3,351	4,129
Warnings/Voids	-	-	1,358	2,509	2,625	2,260	2,346	2,246	1,738	2,066
Inactive Cases	-	1,844	1,177	2,504	2,694	3,048	3,450	4,238	1,294	703
Development Services										
Building Permits Issued	1,257	1,211	1,833	2,594	2,039	2,045	2,316	2,530	1,357	115
Business Licenses Issued	1,645	1,398	1,490	1,438	897	310	234	245	180	31
Food Establishment Inspections	30	27	35	31	42	53	64	87	58	110
Foster/Adoption Inspections	6	5	7	5	2	3	5	4	3	3
Dispatch										
Calls for Service	4,640	7,303	9,018	10,438	28,100	52,036	49,974	28,920	28,920	33,069
Number of 911 Calls Received	-	3,434	3,013	3,432	7,324	13,113	9,651	4,098	4,098	4,022
Number of 911 Calls Dispatched	200	875	617	726	883	4,025	3,645	1,588	1,588	2,743
EMS										
Requests for Transport	395	514	473	473	607	719	679	830	794	731
Actual Transports	47	174	219	224	259	303	273	302	304	285
EMT Students	3	-	-	-	-	-	1	2	2	6
Finance										
Number of Checks Issued	1,027	1,381	1,323	1,503	1,555	1,426	1,462	1,637	1,674	1,522
Fire										
Number of Rescue/Other Respor	282	208	228	285	222	258	285	299	258	259
Number of Fire Responses	40	18	24	29	25	25	38	32	40	40
Number of Inspections	285	173	334	258	279	446	382	384	380	401
Number of Training Classes Con	340	360	356	344	401	404	669	393	402	517
Number of Pre-Plan Inspections	66	79	80	67	64	67	71	77	71	76
Helotes Magazine										
Number of Magazines Printed	-	-	-	-	-	-	46,000	64,000	64,000	64,000
Human Resources										
Number of New Employees Proc	12	8	5	16	14	18	20	16	16	19
Police										
Calls for Service	3,620	4,362	6,474	7,934	8,458	6,150	3,323	3,436	3,666	3,296
Arrests	129	119	194	196	205	190	217	246	263	256
Traffic Violations	4,163	7,576	4,364	5,756	6,476	5,673	7,208	6,553	5,086	6,191
Accidents	153	157	174	243	358	331	266	265	248	226
Public Relations / Events										
Number of Social Media Posts	-	-	-	-	-	621	1,022	714	714	887
Number of Community Events	-	-	-	-	-	26	26	26	26	10
Public Works & Facilities										
Number of Buildings Maintained	6	6	6	6	6	6	6	6	6	6
Square Footage	40,405	40,405	40,405	40,405	40,405	40,405	40,405	40,405	40,405	40,405
Warrants										
Warrants Issued	671	1,174	1,313	1,455	1,085	1,300	1,179	1,169	1,169	724
Warrants Cleared	-	75	499	1,097	821	851	802	842	842	1,566
Active Warrants	74	220	179	345	282	391	611	873	873	484

Source: Various city departments.

CITY OF HELOTES, TEXAS  
CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS

TABLE 15

Function	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Animal Control / Code Enforcement Vehicles	-	1	1	1	1	1	2	2	2	2
EMS Ambulances	2	2	2	2	2	2	2	2	2	2
Fire Stations	1	1	1	1	1	1	1	1	1	1
Training Facility	-	-	-	-	-	-	-	-	-	-
Fire Vehicles	8	8	8	8	8	8	8	8	7	7
Helotes Area Community Band Trailer	-	1	1	1	1	1	1	1	1	1
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	13	12	12	11	12	13	12	13	13	12
Parks & Recreation Parks - Developed	2	2	2	2	3	3	3	3	3	3
Parks - Undeveloped	2	2	3	3	2	2	2	2	2	2
Playground	1	1	1	1	1	1	1	1	1	1
Public Works & Facilities Streets, paved (miles)	33.6	34.5	34.5	38.4	38.4	38.4	40	41.7	42.5	42.5
Streets, unpaved (miles)	0	0	0	0	0	0	0	0	0	0
Vehicles	1	2	2	3	3	4	5	6	5	7
Trailers	4	4	4	4	4	4	4	5	7	8
Generators (Buildings)	2	2	2	2	2	2	2	2	2	2
Generators (Portable)	1	1	1	1	2	2	3	3	2	3
Warrants Vehicles	1	1	1	1	1	1	1	1	1	1

CITY OF HELOTES, TEXAS  
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS

TABLE 16

Function	Fiscal Year End									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<i>General Government</i>										
City Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant City Administrator	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	-
Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Personnel/Finance	0.0	1.5	1.5	1.5	1.5	2.5	2.5	3.0	3.0	4.0
Municipal Court	4.5	4.0	4.5	4.0	6.0	6.0	6.5	6.5	6.5	5.5
<i>Public Safety</i>										
Police Department	21.0	21.5	21.5	21.5	25.0	24.5	25.0	25.0	25.0	24.0
Dispatch	5.0	6.0	6.5	7.5	7.5	7.0	9.0	10.0	10.0	9.0
Fire Department/EMS	21.5	22.5	23.0	23.5	27.0	26.5	26.5	23.0	23.0	23.0
<i>Public Works</i>										
Development Services	1.0	1.0	2.0	2.0	2.0	2.5	2.5	2.0	2.0	2.0
Animal Control/Code Enforcement	1.0	1.0	2.0	1.5	1.0	1.0	1.0	1.0	1.0	1.0
Streets and Grounds	1.0	1.0	1.0	1.0	2.5	3.0	3.5	5.0	5.0	6.0
<i>Culture and Recreation</i>										
Public Relations/Special Events	0.0	0.0	0.0	0.0	2.5	3.0	3.0	5.0	5.0	4.5
<i>Total</i>	57.0	60.5	64.0	64.5	77.0	78.0	81.5	83.5	83.5	81.0

## COMPLIANCE SECTION



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

*Independent Auditor's Report*

The Honorable Mayor and  
Members of the City Council  
City of Helotes, Texas

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Helotes, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 23, 2021.

***Internal Control Over Financial Reporting***

In planning and performing our audit, we considered the City of Helotes, Texas' internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Helotes, Texas' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Helotes, Texas' internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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




### ***Compliance and Other Matters***

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

### **Purpose of this Report**

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

A handwritten signature in black ink that reads "Armstrong, Vaughan & Associates, P.C." The signature is written in a cursive, flowing style.

Armstrong, Vaughan & Associates, P.C.

February 23, 2021

