



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

February 17, 2023

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, 2022 and have issued our report thereon dated February 17, 2023. 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 August 30, 2022, 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 2022 except for the following:

The City implemented Governmental Accounting Standards Board Statement 87 regarding leases. This required the City to record a receivable in the General Fund for the AT&T communication tower agreement as well as record corresponding deferred inflows for leases for the communication tower and the parking lot agreement with Northside Independent School District in the General Fund. The implementation had no impact to fund balance or net position.

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:

- Various department salaries are understated by a net impact of \$35,573 due to accrued payroll for partial fiscal year pay periods were not accrued in the current or prior fiscal year.

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 franchise fees and sales tax as well as to record 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 17, 2023.

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.

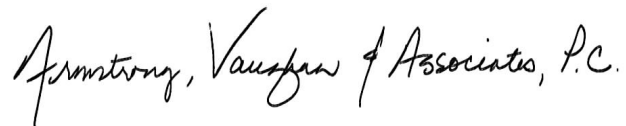
Trend Analysis

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 17, 2023

TREND ANALYSIS	9/30/19	9/30/20	9/30/21	9/30/22
GENERAL GOVERNMENT				
FUND BALANCE - GENERAL FUND (1)	\$ 1,590,430	\$ 1,763,524	\$ 3,075,641	\$ 5,441,512
AVERAGE MONTHLY OPERATING EXPENDITURES (2)	540,255	523,664	546,769	535,244
GROWTH RATE PER YEAR - AVERAGE MONTHLY OPERATING EXPENDITURES	4.87%	-3.07%	4.41%	-2.11%
MONTHS OF AVERAGE MONTHLY EXPENDITURES IN FUND BALANCE	2.9	3.4	5.6	10.2
GENERAL BONDED DEBT	8,875,000	8,235,000	7,570,000	6,880,000
RATIO OF GENERAL BONDED DEBT TO FUND BALANCE	5.58 / 1	4.67 / 1	2.46 / 1	1.26 / 1

(1) Includes unassigned fund balance only

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

CITY OF HELOTES, TEXAS
ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FISCAL YEAR ENDED
SEPTEMBER 30, 2022

OFFICIALS ISSUING REPORT

Marian V. Mendoza
City Administrator

Tabitha “Taby” Durr
Finance Director



CITY OF HELOTES, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

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INTRODUCTORY SECTION



February 17, 2023

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”) Annual Comprehensive Financial Report (the “Report”) for the fiscal year ending (the “FYE”) September 30, 2022. 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 2022 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 9,303 residents in 2020. 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 over 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 37 and 39 percent totaling 76 percent of general fund revenues. The City's revenue sources have remained strong through the entire Fiscal Year 21-22.

Approximately 95% of Helotes' eligible labor force is currently employed, and the average 2020 household income was \$115,236. By 2023, the average household income is expected to increase to \$156,437. Roughly 52% of the City's population is employed in management, business, science and arts, 10% in service occupation, 22% in sales and office, 7% in construction and maintenance, while an estimated 9% of residents work in production and transportation roles.

Since 2008, the City's general and economic development sales and use tax receipts have increased approximately 669%, from \$766,305 to \$5.125 million. Similarly, ad valorem (property) tax receipts have risen from \$2.17 million in 2008 to \$4.1 million in 2022, an increase of 85%. 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 18,814 existing homes. With approximately \$78 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, 2022, a balance of a little over \$8 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 an Investment Pooled fund. Cash in this fund is essentially liquid. The average yield on the investment portfolio was 0.10 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.

Relevant Financial Policies. Maintenance and improvement of the City's infrastructure is a priority of the City Council. A Street Maintenance Plan was developed which allows for the proper maintenance of every City street. The City's annual Street Maintenance Plan includes several major street projects. In November 2015 voters approved a ¼ cent sales tax for a 4-year period to fund street maintenance. A Street Maintenance Fund was created to account for the revenues and expenditures associated with the maintenance of City streets. The voters reauthorized this tax in May 2019.

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.

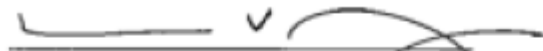
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Helotes for its annual comprehensive financial report (ACFR) for the twelve months ended September 30, 2021. This was second year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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
GFOA CERTIFICATE OF ACHIEVEMENT



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Helotes
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

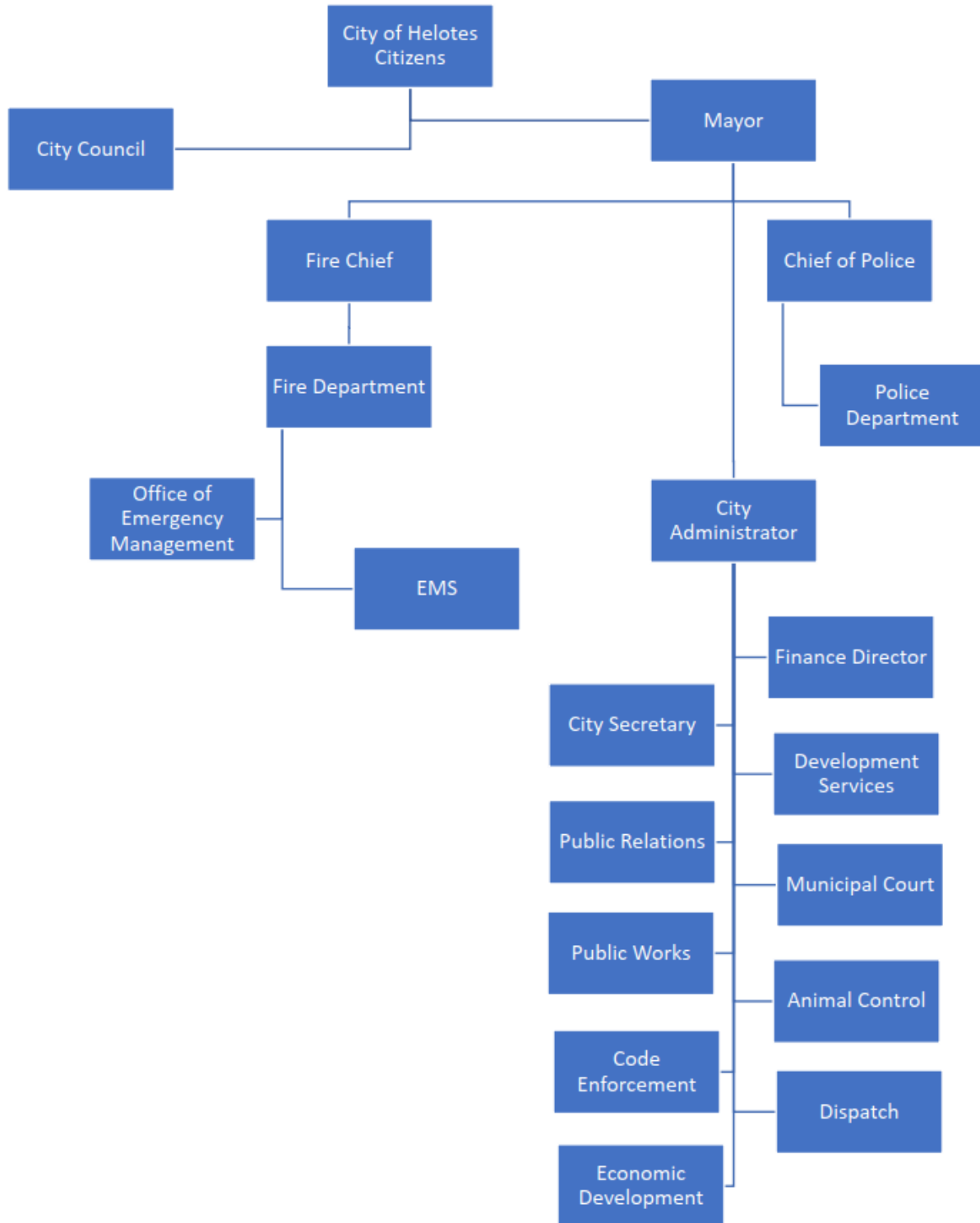
A handwritten signature in black ink that reads "Christopher P. Morill". The signature is written in a cursive style.

Executive Director/CEO

CITY OF HELOTES, TEXAS

ORGANIZATIONAL CHART

SEPTEMBER 30, 2022



CITY OF HELOTES, TEXAS
PRINCIPAL OFFICERS
AS OF SEPTEMBER 30, 2022

CITY OFFICIALS

MAYOR	RICH WHITEHEAD
MAYOR PRO-TEMPORE	CYNTHIA MASSEY
CITY COUNCIL	CRAIG SANDERS
	JEN SONES
	MATTHEW MCCROSSEN
	MATTHEW MERCHANT
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 Audit of the Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

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, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Helotes and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Helotes's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Helotes's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Helotes's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 17, 2023, 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 17, 2023

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, 2022. Operating through Mayor Rich Whitehead, Management consists of City Administrator Marian Mendoza and Finance Director 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 \$14.7 million at September 30, 2022. 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, deferred inflows and outflows of resources, net pension and other debt liabilities.
- During the year, the City's governmental activity expenses decreased 4.0% from the prior year, and were approximately \$6.4 million less than the \$14.5 million generated in taxes and other revenues from governmental activities. The City's governmental activity revenues increased 24.4% from the prior year and were approximately \$2.8 million more than the same revenues collected in FYE 2021 with the single most significant increase as sales tax revenue. The governmental activity expenses include depreciation recorded on municipal capital assets.
- The General Fund reported a fund balance this year of approximately \$5.4 million at September 30, 2022. The average months of operating expenditures within the General Fund is 10.2 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 \$9.3 million exceeded expenditures and transfers of \$7.0 million resulting in an increase of approximately \$2.3 million from the prior fiscal year.

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

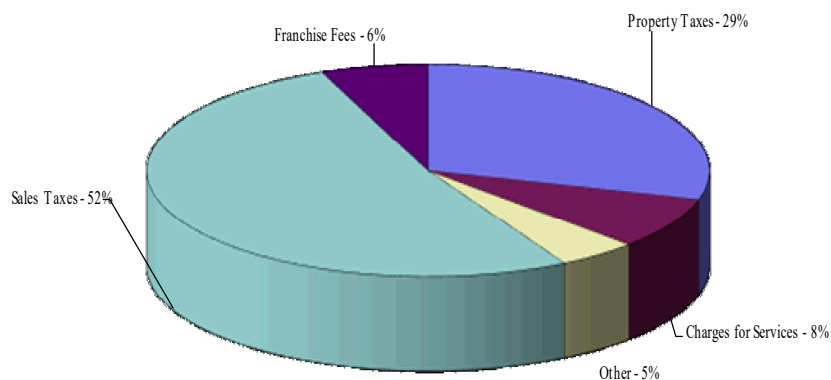
Net Position. The City's Government-wide net position was \$14.7 million at September 30, 2022. (See Table A-1). The City's Government-wide Financial Statements reported unrestricted net position of \$1.8 million.

Table A-1
City of Helotes Net Position

	Governmental Activities		Total Percentage Change
	2022	2021	2022-2021
<i>Assets:</i>			
Current Assets	\$ 17,566,133	\$ 10,588,474	65.9%
Capital Assets	9,167,762	8,983,188	2.1%
Other non current assets	929,601	485,518	91.5%
<i>Total Assets</i>	<u>27,663,496</u>	<u>20,057,180</u>	37.9%
<i>Deferred Outflows</i>	<u>291,559</u>	<u>282,183</u>	3.3%
<i>Liabilities:</i>			
Current Liabilities	5,433,551	3,776,384	43.9%
Noncurrent Liabilities	6,717,023	7,877,154	-14.7%
<i>Total Liabilities</i>	<u>12,150,574</u>	<u>11,653,538</u>	4.3%
<i>Deferred Inflows</i>	<u>1,134,892</u>	<u>419,259</u>	170.7%
<i>Net Position:</i>			
Net Investment in Capital Assets	5,485,953	4,449,467	23.3%
Restricted	7,376,028	4,750,891	55.3%
Unrestricted (Deficit)	1,807,608	(933,792)	-293.6%
<i>Total Net Position</i>	<u>\$14,669,589</u>	<u>\$ 8,266,566</u>	77.5%

Changes in Net Position. The City's total net position increased from the prior year by \$6.4 million. The City's revenues were \$14.5 million. A significant portion, or 81%, of the City's revenue originates from property and sales taxes, while 19% originates from franchise fees, charges for services, grants, hotel occupancy taxes, interest and investment earnings, and other miscellaneous fees (See Figure A-1). The City's governmental activity revenues increased 24.4% from the prior year, and were approximately \$2.8 million more than the same revenues collected in FYE 2021.

**Figure A-1 City of Helotes
Revenue Sources for Fiscal Year 2022**



The total cost of all governmental programs and services was \$8.1 million; 50% 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 4.0% from the prior year, and were approximately \$6.4 million less than the \$14.5 million generated in taxes and other revenues from governmental activities.

Governmental Activities

- The property tax rate declined slightly from the prior year from 0.346524 to 0.343979 per \$100 valuation; however, property tax revenues increased by \$146 thousand due to an increase in assessed valuations by the Bexar Appraisal District.
- The cost of all *governmental activities* in FYE 2022 was \$8.1 million. The amount of these activities that were paid for by taxpayers through property taxes was \$4.3 million (52.8%).
- 19.0% of the cost, or \$1.5 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
	2022	2021	2022-2021
Primary Government:			
City Council	\$ 9,702	\$ 4,214	130.2%
City Administration	1,176,310	1,759,169	-33.1%
Dispatch	96,711	122,711	-21.2%
City Secretary	111,784	105,453	6.0%
Human Resources	78,045	71,065	9.8%
Municipal Court	339,104	368,332	-7.9%
Animal Control, Public Works	1,018,207	747,692	36.2%
Development Services	379,211	284,734	33.2%
Building and Grounds	655,962	763,764	-14.1%
Police Department	1,994,682	1,983,497	0.6%
Emergency Medical Services	276,637	269,865	2.5%
Fire Department	1,652,541	1,619,475	2.0%
Interest and Fiscal Charges on LT Debt	274,697	299,876	-8.4%
Total Governmental Activities	8,063,593	8,399,847	-4.0%
Program Revenues:			
Charges for Services	1,149,081	1,144,344	0.4%
Operating Grants & Contributions	380,425	399,127	-4.7%
General Revenues:			
General Property Tax	4,259,710	4,113,899	3.5%
Sales Taxes	7,505,227	5,016,498	49.6%
Franchise Fees	889,333	797,342	11.5%
Hotel Occupancy Tax	33,283	30,814	8.0%
Investment Earnings	99,620	5,667	1657.9%
Miscellaneous	149,937	118,332	26.7%
Total Revenues	14,466,616	11,626,023	24.4%
Increase (Decrease) in Net Position	6,403,023	3,226,176	98.5%
Beginning Net Position	8,266,566	5,040,390	64.0%
Ending Net Position	\$ 14,669,589	\$ 8,266,566	77.5%

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		
	2022	2021	% Change	2022	2021	% Change
<i>Governmental</i>						
City Council	\$ 10	\$ 4	150.0%	\$ 10	\$ 4	142.6%
City Administration	1,176	1,759	-33.1%	810	1,376	-41.1%
Dispatch	97	123	-21.4%	97	123	-21.4%
City Secretary	112	105	6.5%	112	105	6.5%
Human Resources	78	71	9.9%	78	71	9.9%
Municipal Court	339	368	-7.9%	(36)	(43)	-16.1%
Animal Control, PW	1,018	748	36.1%	1,012	741	36.6%
Development Services	379	285	33.1%	13	(195)	-106.9%
Building and Grounds	656	764	-14.1%	569	728	-21.8%
Police Department	1,995	1,983	0.6%	1,939	1,937	0.1%
Emergency Medical	277	270	2.5%	3	89	-97.0%
Fire Department	1,653	1,619	2.1%	1,653	1,619	2.1%

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 \$14.4 million, an increase of 24.6% over the prior year. The increase is primarily due to increased sales tax and permitting activity. The increase of sales tax within the City is a result of continued economic activity and impacts multiple of the City’s funds.

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, ARPA Grant 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 \$2.3 million due to increased sales tax and permitting activity.
- EDC Fund increased by \$1.1 million due to increased sales tax revenue.
- Debt Service Fund increased by \$180 thousand due to lower principal payments.
- Capital Projects Fund increased by \$77 thousand due transfers in excess of current year capital outlay and payments on prior capital outlay financed through lease agreements.
- ARPA Grant Fund reported zero fund balance as all grant funds were recognized to the extent of current year expenditures.
- Street Maintenance Fund increased by \$1.3 million due to increased sales tax revenues.
- Total Nonmajor Funds decreased by \$11 thousand due to various expenditures exceeding various corresponding revenues.

General Fund Budgetary Highlights

The budget was amended throughout the year, but the final adopted FYE 2022 General Fund budget anticipated revenues and other financing sources to the extent of expenditures anticipating a decrease of fund balance of \$54 thousand. Actual revenues exceeded budgeted expectations by \$1.9 million due to actual receipt of sales tax of \$1.2 million more than anticipated. Actual expenditures of \$6.6 million were less than budgeted by \$488 thousand. Therefore actual change in fund balance of \$2.3 million was \$2.3 million greater than anticipated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At the end of 2022, the City had invested \$25.7 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 \$9.2 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
	2022	2021	2022-2021
Land	\$ 1,764	\$ 1,764	0.0%
Buildings and Improvements	7,081	6,920	2.3%
Vehicles and Equipment	4,539	4,395	3.3%
Infrastructure	12,317	11,748	4.8%
Totals at historical cost	25,701	24,827	3.5%
Total accumulated depreciation	(16,534)	(15,843)	4.4%
Net Capital Assets	<u>\$ 9,168</u>	<u>\$ 8,984</u>	2.0%

Long Term Debt. At year-end, the City had \$6.9 million (principle only) in Certificates of Obligation outstanding, as shown in Table A-5. Total bonded debt decreased approximately 9.1% from \$7.6 million in FYE 2021. 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
	2022	2021	2022-2021
Certificates of Obligation	\$ 6,880	\$ 7,570	-9.1%
Total Bonded Debt	<u>\$ 6,880</u>	<u>\$ 7,570</u>	-9.1%

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

As of September 30, 2022, a balance of a little over \$8 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 increased in the FYE 2022 budget from \$7 million in FYE 2021 to \$7.3 million in FYE 2022. Unadjusted General Fund budgeted revenues increased in the FYE 2022 budget from \$7.2 million in FYE 2021 to \$7.66 million in FYE 2022. This increase is primarily a result of increases in sales and use tax collections.

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, 2022

	Governmental Activities
ASSETS	
<i>Current Assets:</i>	
Cash and Investments	\$ 14,517,826
Receivables (Net of Allowances for Uncollectibles)	
Property Taxes	89,259
Lease Receivable	250,335
Other Receivables	2,707,803
Prepaid Items	910
<i>Total Current Assets</i>	<u>17,566,133</u>
<i>Noncurrent Assets:</i>	
Restricted Assets:	
Cash and Investments	571,326
Capital Assets:	
Land	1,763,771
Buildings	7,081,463
Vehicles & Equipment	4,538,888
Infrastructure	12,317,253
Accumulated Depreciation	<u>(16,533,613)</u>
Total Capital Assets	9,167,762
Net Pension Asset	<u>358,275</u>
<i>Total Noncurrent Assets</i>	<u>10,097,363</u>
TOTAL ASSETS	<u>27,663,496</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Related Outflows	240,692
Deferred OPEB Related Outflows	<u>50,867</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 291,559</u>

See accompanying notes to basic financial statements.

CITY OF HELOTES, TEXAS
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2022

	<u>Governmental Activities</u>
LIABILITIES	
<i>Current Liabilities:</i>	
Accounts Payable	\$ 219,170
Accrued Liabilities	1,767,772
Accrued Compensated Absences	475,487
Accrued Interest Payable	42,186
Unearned Revenue	2,156,378
Current Portion of Long-Term Debt	<u>772,558</u>
<i>Total Current Liabilities</i>	<u>5,433,551</u>
<i>Noncurrent Liabilities:</i>	
Long-Term Debt	6,509,872
Total OPEB Liability	<u>207,151</u>
<i>Total Noncurrent Liabilities</i>	<u>6,717,023</u>
TOTAL LIABILITIES	<u>12,150,574</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Related Inflows	797,205
Deferred Inflows - Lease	<u>337,687</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,134,892</u>
NET POSITION	
Net Investment in Capital Assets	5,485,953
Restricted for:	
Debt Service	592,916
Public Safety	130,566
Public Education Government	83,387
Street Maintenance	3,201,773
Hotel Occupancy Tax	98,158
Tree Mitigation	70,325
Economic Development	3,198,903
Unrestricted	<u>1,807,608</u>
TOTAL NET POSITION	<u>\$ 14,669,589</u>

See accompanying notes to basic financial statements.



CITY OF HELOTES, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Functions and Programs	Expenses	Program Revenues		Program Revenues	Net Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	(Expense) and
					Changes in
					Net Position
					Primary Governmental Activities
Primary Government:					
Governmental Activities:					
City Council	\$ 9,702	\$ -	\$ -	\$ -	\$ (9,702)
City Administration	1,176,310	-	366,103	-	(810,207)
Dispatch	96,711	-	-	-	(96,711)
City Secretary	111,784	-	-	-	(111,784)
Human Resources	78,045	-	-	-	(78,045)
Municipal Court	339,104	375,182	-	-	36,078
Animal Control, Public Works	1,018,207	5,722	-	-	(1,012,485)
Development Services	379,211	365,784	-	-	(13,427)
Buildings and Grounds	655,962	86,999	-	-	(568,963)
Police Department	1,994,682	41,416	14,322	-	(1,938,944)
Emergency Medical Services	276,637	273,978	-	-	(2,659)
Fire Department	1,652,541	-	-	-	(1,652,541)
Interest and Fiscal Fees on					
Long-term Debt	274,697	-	-	-	(274,697)
Total Governmental Activities	8,063,593	1,149,081	380,425	-	(6,534,087)
Total Government	\$ 8,063,593	\$ 1,149,081	\$ 380,425	\$ -	\$ (6,534,087)
General Revenues:					
Taxes:					
General Property Taxes					4,259,710
Sales Taxes					7,505,227
Franchise Fees					889,333
Hotel Occupancy Tax					33,283
Interest and Investment Earnings					99,620
Miscellaneous					149,937
Total General Revenues					12,937,110
Change in Net Position					6,403,023
Net Position at Beginning of Year					8,266,566
Net Position at End of Year					\$ 14,669,589

See accompanying notes to basic financial statements.

CITY OF HELOTES, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	Major Funds		
	General Fund	Economic Development Corporation	Debt Service Fund
ASSETS			
Cash and Investments	\$ 8,241,238	\$ 3,126,328	\$ 58,820
Receivables:			
Property Taxes (Net of Uncollectibles)	72,977	-	16,282
Lease Receivable	250,335	-	-
Sales Tax and Other Receivable	1,687,575	672,143	-
Due from Other Funds	-	-	560,000
Prepaid Items	910	-	-
Restricted Assets:			
Cash and Investments	-	-	-
TOTAL ASSETS	<u>\$ 10,253,035</u>	<u>\$ 3,798,471</u>	<u>\$ 635,102</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ 126,225	\$ 10,211	\$ -
Accrued Liabilities	1,178,415	589,357	-
Due to Other Funds	2,923,962	-	-
Unearned Revenue	19,834	-	-
<i>Total Liabilities</i>	<u>4,248,436</u>	<u>599,568</u>	<u>-</u>
<i>Deferred Inflows of Resources:</i>			
Unavailable Revenue - Property Taxes	70,835	-	15,804
Unavailable Revenue - EMS	153,655	-	-
Unavailable Revenue - Lease	337,687	-	-
<i>Total Deferred Inflows of Resources</i>	<u>562,177</u>	<u>-</u>	<u>15,804</u>
<i>Fund Balances:</i>			
Nonspendable:			
Prepaid Items	910	-	-
Restricted for:			
Public Safety	-	-	-
Public Education Government	-	-	-
Street Maintenance	-	-	-
Hotel Occupancy Tax	-	-	-
Tree Mitigation	-	-	-
Economic Development	-	3,198,903	-
Debt Service	-	-	619,298
Capital Projects	-	-	-
Unassigned	5,441,512	-	-
<i>Total Fund Balances</i>	<u>5,442,422</u>	<u>3,198,903</u>	<u>619,298</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 10,253,035</u>	<u>\$ 3,798,471</u>	<u>\$ 635,102</u>

See accompanying notes to basic financial statements.

Major Funds				
Capital Projects Fund	ARPA Grant Fund	Street Maintenance Fund	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ 37,911	\$ 2,878,038	\$ 175,491	\$ 14,517,826
-	-	-	-	89,259
-	-	-	-	250,335
-	-	334,840	13,245	2,707,803
-	2,136,537	-	227,425	2,923,962
-	-	-	-	910
571,326	-	-	-	571,326
<u>\$ 571,326</u>	<u>\$ 2,174,448</u>	<u>\$ 3,212,878</u>	<u>\$ 416,161</u>	<u>\$ 21,061,421</u>
\$ -	\$ 37,904	\$ 11,105	\$ 33,725	\$ 219,170
-	-	-	-	1,767,772
-	-	-	-	2,923,962
-	2,136,544	-	-	2,156,378
<u>-</u>	<u>2,174,448</u>	<u>11,105</u>	<u>33,725</u>	<u>7,067,282</u>
-	-	-	-	86,639
-	-	-	-	153,655
-	-	-	-	337,687
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>577,981</u>
-	-	-	-	910
-	-	-	130,566	130,566
-	-	-	83,387	83,387
-	-	3,201,773	-	3,201,773
-	-	-	98,158	98,158
-	-	-	70,325	70,325
-	-	-	-	3,198,903
-	-	-	-	619,298
571,326	-	-	-	571,326
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,441,512</u>
<u>571,326</u>	<u>-</u>	<u>3,201,773</u>	<u>382,436</u>	<u>13,416,158</u>
<u>\$ 571,326</u>	<u>\$ 2,174,448</u>	<u>\$ 3,212,878</u>	<u>\$ 416,161</u>	<u>\$ 21,061,421</u>



CITY OF HELOTES, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		\$ 13,416,158
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.		9,167,762
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the governmental funds.		240,294
Accrued vacation leave payable is not due and payable in the current period and, therefore, not reported in the governmental funds.		(475,487)
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	(6,880,000)	
Unamortized Bond Premium	(95,621)	
Lease Liability	<u>(306,809)</u>	(7,282,430)
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 Asset	358,275	
Pension Related Deferred Inflows	(797,205)	
Pension Related Deferred Outflows	<u>240,692</u>	(198,238)
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	(207,151)	
OPEB Related Deferred Outflows	<u>50,867</u>	(156,284)
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>(42,186)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		<u><u>\$ 14,669,589</u></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, 2022

	Major Funds		
	General Fund	Economic Development Corporation	Debt Service Fund
REVENUES			
Taxes	\$ 7,100,411	\$ 1,810,249	\$ 793,287
Franchise Fees	867,728	-	-
Licenses and Permits	366,609	-	-
Fines and Forfeits	396,104	-	-
Charges for Services	310,617	-	-
Grants and Interlocal Agreements	31,930	-	-
Interest	60,514	18,414	296
Miscellaneous	142,784	4,200	-
TOTAL REVENUES	<u>9,276,697</u>	<u>1,832,863</u>	<u>793,583</u>
EXPENDITURES			
Current:			
City Council	9,702	-	-
City Administration	512,004	318,288	-
Dispatch Services	382,995	-	-
City Secretary	110,868	-	-
Human Resources	78,100	-	-
Municipal Court	325,912	-	-
Animal Control, Public Works	543,866	-	-
Development Services	377,286	-	-
Building and Grounds	437,783	-	-
Police Department	1,893,363	-	-
Emergency Medical Services	555,202	-	-
Fire Department	1,195,852	-	-
Capital Outlay	136,268	-	-
Debt Service:			
Principal	-	-	690,000
Interest and Fiscal Charges	-	-	263,487
TOTAL EXPENDITURES	<u>6,559,201</u>	<u>318,288</u>	<u>953,487</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,717,496</u>	<u>1,514,575</u>	<u>(159,904)</u>
OTHER FINANCING SOURCES (USES):			
Transfers In (Out)	<u>(400,000)</u>	<u>(402,295)</u>	<u>339,560</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(400,000)</u>	<u>(402,295)</u>	<u>339,560</u>
Net Change in Fund Balance	2,317,496	1,112,280	179,656
FUND BALANCES - OCTOBER 1	<u>3,124,926</u>	<u>2,086,623</u>	<u>439,642</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 5,442,422</u>	<u>\$ 3,198,903</u>	<u>\$ 619,298</u>

See accompanying notes to basic financial statements.

Major Funds				
Capital Projects Fund	ARPA Grant Fund	Street Maintenance Fund	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,047,636	\$ 33,283	\$ 11,784,866
-	-	-	21,605	889,333
-	-	-	4,896	371,505
-	-	-	20,494	416,598
-	-	-	-	310,617
-	334,173	-	-	366,103
2,928	18	17,155	295	99,620
1,200	-	-	16,075	164,259
4,128	334,191	2,064,791	96,648	14,402,901
-	-	-	-	9,702
320	74,107	1,001	86,887	992,607
-	-	-	-	382,995
-	-	-	-	110,868
-	-	-	-	78,100
-	-	-	12,646	338,558
-	-	-	-	543,866
-	-	725,710	2,180	1,105,176
-	-	-	-	437,783
-	-	-	5,791	1,899,154
-	-	-	-	555,202
-	-	-	-	1,195,852
108,262	260,084	-	-	504,614
256,912	-	-	-	946,912
24,871	-	-	-	288,358
390,365	334,191	726,711	107,504	9,389,747
(386,237)	-	1,338,080	(10,856)	5,013,154
462,735	-	-	-	-
462,735	-	-	-	-
76,498	-	1,338,080	(10,856)	5,013,154
494,828	-	1,863,693	393,292	8,403,004
\$ 571,326	\$ -	\$ 3,201,773	\$ 382,436	\$ 13,416,158

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, 2022

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 5,013,154

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	875,227	
Depreciation Expense	<u>(690,653)</u>	184,574

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.	63,715
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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	<u>946,912</u>	946,912
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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.	268,764
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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.	(21,644)
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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	(65,604)	
Interest Expense/Amortization of Premium	<u>13,152</u>	<u>(52,452)</u>

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES	<u>\$ 6,403,023</u>
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CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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, 2022, 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, 2022

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, Economic Development Corporation, Debt Service Fund, Capital Projects Fund, ARPA Grant 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, 2022

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.

ARPA Grant Fund is used to account for resources and expenditures related to federal grant proceeds from the American Rescue Plan Act.

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 Municipal Court Technology and Security, 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, 2022

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. Prepaid items of governmental funds are recorded as expenditures when consumed rather than when they are purchased.

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.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

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

8. CAPITAL ASSETS (Continued)

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

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 assets 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 assets 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 and lease 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.

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.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

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

13. LONG-TERM OBLIGATIONS (Continued)

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.

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.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

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

16. FUND BALANCE (Continued)

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. The general fund is the only fund that reports a positive fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for a specific purposes, it may be necessary to report a negative unassigned fund balance in that particular fund.

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.

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, 2021 comparative information to conform to the September 30, 2022 presentation. These reclassifications had no effect on fund balances or net position.

20. ADOPTION OF NEW ACCOUNTING PRONOUNCEMENT

As of October 1, 2021, the City implemented Governmental Accounting Standards Board Statement 87 regarding leases. The City examined its agreements and determined that two leases qualify for new accounting treatment under GASB 87. A lease receivable at the net present value of future lease payments as of October 1, 2021 was recorded with an offsetting deferred inflow in the General Fund. No change to beginning fund balance or net position was necessary.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE B -- CASH AND CASH INVESTMENTS

1. Cash

At September 30, 2022, 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 \$1,841,616; and the bank balance was \$2,110,695. 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 \$2,480,000 and a fair value of \$2,324,802 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.

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, 2022 were as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Rating</u>
Investment Pools:			
TexPool	\$ 777	25	AAAm
LOGIC	13,245,339	14	AAAm
Total Investments	<u>\$ 13,246,116</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:

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE B -- CASH AND CASH INVESTMENTS (Continued)

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

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.

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

c. 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.

d. 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.

e. 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.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE B -- CASH AND CASH INVESTMENTS (Continued)

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 2022, the assessed tax rate for the City was \$0.343979 per \$100 on an assessed valuation of \$1,011,043,946, which was less applicable freeze adjustments. The tax rate is split \$0.281232 for general maintenance and operations and \$0.062747 for interest and sinking. The total tax levy for fiscal year 2022 was \$4,338,396. As of September 30, 2022, the delinquent taxes were \$95,978, with an allowance for estimated uncollectible accounts recorded as \$6,719. The freeze adjusted taxable value was 76.1% of the net taxable value of \$1,328,592,500.

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, 2022 was \$.343979 per \$100 of assessed value. Consequently, the City has a tax margin of \$2.156021 for each \$100 of assessed value and could increase its annual tax levy by approximately \$21,798,320 based upon the present freeze adjusted value of \$1,011,043,946, before the limit is reached. However, the City generally may not increase the maintenance and operations portion of the property tax rate (that funds the General Fund) more than 3.5% annually (based on a three-year average) without an election.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

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	\$ 78,470	\$ 5,493	\$ 72,977
Debt Service Fund	17,508	1,226	16,282
Total Tax Receivables	<u>\$ 95,978</u>	<u>\$ 6,719</u>	<u>\$ 89,259</u>

Other receivables, as of September 30, 2022, for the City's individual major funds are as follows:

	General	EDC	Street Maintenance	Nonmajor
Sales Taxes	\$ 1,344,286	\$ 672,143	\$ 334,840	\$ -
Franchise Fees	178,999	-	-	5,291
Hotel Occupancy Tax	-	-	-	7,175
EMS Services	582,140	-	-	-
Allowance for EMS Services	(428,485)	-	-	-
Other	10,635	-	-	779
Total Other Receivables	<u>\$ 1,687,575</u>	<u>\$ 672,143</u>	<u>\$ 334,840</u>	<u>\$ 13,245</u>

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, 2022 consist of the following:

Receivable Fund	Payable Fund	Amount	Reason/Intent
Debt Service Fund	General Fund	\$ 560,000	Reimbursement of expenses
ARPA Grant Fund	General Fund	2,136,537	Reimbursement of collected funds
Nonmajor Funds	General Fund	227,425	Reimbursement of collected fees
Total Interfund Balances		<u>\$ 2,923,962</u>	

NOTE F -- TRANSFERS

Transfers during the year ended September 30, 2022 were as follows:

Transfer Out	Transfer In	Amount	Purpose
EDC	Debt Service Fund	\$ 339,560	Pledged Revenue
EDC	Capital Projects Fund	62,735	Capital Contribution
General Fund	Capital Projects Fund	400,000	Supplemental Funding
Total Governmental Funds Transfers		<u>\$ 802,295</u>	

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE G -- LEASES

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 amortized 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.

	Tower Lease	Parking Lease
Current Term Ends	August 2035	January 2060
Extension Options End	August 2035	January 2060
Total Payments During Year:		
Reduction of Receivable	\$ 11,404	\$ -
Interest Payment	7,852	-
Variable and Other Payments	-	-
	<u>\$ 19,256</u>	<u>\$ -</u>
Total Lease Revenue During Year:		
Lease Revenue	\$ 18,696	\$ 2,533
Interest Revenue	7,852	-
	<u>\$ 45,804</u>	<u>\$ 2,533</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 \$1,254,333 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
2023	\$ 298,339	\$ 32,321	\$ 330,660
2024	298,318	32,365	330,683
2025	297,903	31,795	329,698
2026	297,096	31,779	328,875
2027	300,797	31,189	331,986
2028 - 2032	-	339,999	339,999
2033 - 2035	-	128,773	128,773
	<u>\$ 1,492,453</u>	<u>\$ 628,221</u>	<u>\$ 2,120,674</u>

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE I -- CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

<i>Governmental Activities</i>	Balance 10/1/2021	Additions	Disposals/ Transfers	Balance 9/30/2022
Land	\$ 1,763,771	\$ -	\$ -	\$ 1,763,771
Buildings	6,920,139	161,324	-	7,081,463
Vehicles & Equipment	4,394,602	144,286	-	4,538,888
Infrastructure	11,747,636	569,617	-	12,317,253
	<u>24,826,148</u>	<u>875,227</u>	<u>-</u>	<u>25,701,375</u>
Less Accumulated Depreciation				
Buildings	(2,976,739)	(230,807)	-	(3,207,546)
Vehicles & Equipment	(3,376,713)	(225,862)	-	(3,602,575)
Infrastructure	(9,489,508)	(233,984)	-	(9,723,492)
	<u>(15,842,960)</u>	<u>(690,653)</u>	<u>-</u>	<u>(16,533,613)</u>
Governmental Capital Assets, Net	<u>\$ 8,983,188</u>	<u>\$ 184,574</u>	<u>\$ -</u>	<u>\$ 9,167,762</u>

Land is not depreciated.

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

City Administration	\$ 8,122
Animal Control, Public Works	239,053
Building and Grounds	79,660
Police Department	155,394
Emergency Medical Services	36,092
Fire Department	172,332
Total Depreciation Expense - Governmental Activities	<u>\$ 690,653</u>

NOTE J -- LONG-TERM DEBT

Long-term debt and obligations payable at September 30, 2022 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). \$ 3,375,000

\$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). 3,505,000

Total Governmental Long-Term Obligations \$ 6,880,000

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE J -- LONG-TERM DEBT (Continued)

In August 2018, the City financed a note payable for a fire truck with an effective interest rate between 3.05% and 6.50%.

Changes in Long-Term Liabilities

	Balance 10/1/2021	Additions	Reductions	Balance 9/30/2022	Due Within One Year
<i>Governmental Activities</i>					
Series 2007	\$ 3,970,000	\$ -	\$ (595,000)	\$ 3,375,000	\$ 620,000
Series 2015	3,600,000	-	(95,000)	3,505,000	95,000
Premium on Series 2015	102,976	-	(7,355)	95,621	-
Total Bonded Debt	<u>7,672,976</u>	<u>-</u>	<u>(697,355)</u>	<u>6,975,621</u>	<u>715,000</u>
Notes Payable	563,721	-	(256,912)	306,809	57,558
Compensated Absences	<u>409,883</u>	<u>475,487</u>	<u>(409,883)</u>	<u>475,487</u>	<u>475,487</u>
Total Governmental Activities	<u>\$ 8,646,580</u>	<u>\$ 475,487</u>	<u>\$(1,364,150)</u>	<u>\$ 7,757,917</u>	<u>\$ 1,248,045</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 mature serially through 2035 as follows:

Year Ending September 30,	Certificates of Obligation		Notes Payable		Total
	Principal	Interest	Principal	Interest	
2023	\$ 715,000	\$ 236,318	\$ 57,558	\$ 9,818	\$ 1,018,694
2024	745,000	208,285	59,400	7,976	1,020,661
2025	775,000	178,847	61,301	6,075	1,021,223
2026	805,000	148,241	63,263	4,113	1,020,617
2027	840,000	116,368	65,287	2,089	1,023,744
2028 - 2032	2,185,000	296,622	-	-	2,481,622
2033 - 2035	815,000	44,860	-	-	859,860
	<u>\$ 6,880,000</u>	<u>\$ 1,229,541</u>	<u>\$ 306,809</u>	<u>\$ 30,071</u>	<u>\$ 8,446,421</u>
Average Annual Debt Service Requirement					<u>\$ 649,725</u>

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K -- EMPLOYEES' RETIREMENT SYSTEMS

Texas Municipal Retirement System

1. Plan Description

The City participates as one of 892 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan 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 employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at www.tmr.com. All eligible employees of the City are required to participate in 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:

	2020	2021
Inactive employees or beneficiaries currently receiving benefits	20	22
Inactive employees entitled to, but not yet receiving, benefits	54	66
Active employees	67	68
	<u>141</u>	<u>156</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.

For the year ending September 30, 2022, 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 7.14% and 7.24% in calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022 were \$301,973, and were equal to the required contributions.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K -- EMPLOYEES' RETIREMENT SYSTEMS (Continued)

4. Net Pension Liability

The City's Net Pension Liability (NPL) or Asset was measured as of December 31, 2021, 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, 2021 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 are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (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.

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).

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K -- EMPLOYEES' RETIREMENT SYSTEMS (Continued)

5. Actuarial Assumptions (Continued)

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	35.00%	7.55%
Core Fixed Income	6.00%	2.00%
Non-Core Fixed Income	20.00%	5.68%
Other Public and Private Markets	12.00%	7.22%
Real Estate	12.00%	6.85%
Hedge Funds	5.00%	5.35%
Private Equity	10.00%	10.00%
	<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)	\$ 1,046,580	\$ (358,275)	\$ (1,507,027)

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K -- 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, 2021:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at December 31, 2020	\$ 8,649,323	\$ 8,360,297	\$ 289,026
Changes for the year:			
Service Cost	505,547	-	505,547
Interest	591,959	-	591,959
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	(105,779)	-	(105,779)
Changes of Assumptions	-	-	-
Contributions - Employer	-	279,598	(279,598)
Contributions - Employee	-	274,115	(274,115)
Net Investment Income	-	1,090,322	(1,090,322)
Benefit Payments, Including Refunds of Employee Contributions	(264,669)	(264,669)	-
Administrative Expense	-	(5,043)	5,043
Other Changes	-	36	(36)
Net Changes	<u>727,058</u>	<u>1,374,359</u>	<u>(647,301)</u>
Balance at December 31, 2021	<u>\$ 9,376,381</u>	<u>\$ 9,734,656</u>	<u>\$ (358,275)</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.

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE K -- EMPLOYEES' RETIREMENT SYSTEMS (Continued)

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

For the year ended September 30, 2022, the City recognized a pension expense of \$33,210. Also, as of September 30, 2022, 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	\$ -	\$ 239,886
Changes in Actuarial Assumptions	18,452	-
Differences between Projected and Actual Investment Earnings	-	557,319
Contributions Subsequent to the Measurement Date	222,240	-
	<u>\$ 240,692</u>	<u>\$ 797,205</u>

Deferred outflows of resources in the amount of \$222,240 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, 2022. 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,	
2022	\$ (160,000)
2023	(294,894)
2024	(181,668)
2025	(140,527)
2026	(1,664)
Thereafter	-
	<u>\$ (778,753)</u>

NOTE L -- 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, 2022

NOTE L -- 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, 2021, the valuation and measurement date, consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefits	20
Inactive Employees Entitled to but Not Yet Receiving Benefits	14
Active Employees	68
	102

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>
2022	0.13%	0.06%
2021	0.13%	0.05%

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

These assumptions are summarized below:

Inflation	2.50%
Salary Increases	3.50% to 11.50% Including Inflation
Discount Rate	1.84% (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, 2022

NOTE L -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

The City's Total OPEB Liability (TOL), based on the actuarial factors, as of December 31, 2021 was calculated as follows:

	Total OPEB Liability
Balance at December 31, 2020	<u>\$ 175,540</u>
Changes for the year:	
Service Cost	12,139
Interest	3,613
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	10,430
Changes of Assumptions or Other Inputs	7,387
Benefit Payments	<u>(1,958)</u>
Net Changes	<u>31,611</u>
Balance at December 31, 2021	<u><u>\$ 207,151</u></u>

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 1.84% as well as what the City's TOL would be if it were calculated using a discount rate that is 1-percentage point lower (0.84%) and 1-percentage point higher (2.84%) than the current rate:

	Discount Rate 0.84%	Discount Rate 1.84%	Discount Rate 2.84%
Total OPEB Liability	<u>\$ 260,377</u>	<u>\$ 207,151</u>	<u>\$ 166,952</u>

For the year ended September 30, 2022, the City recognized OPEB expense of \$24,044. Also as of September 30, 2022, 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	\$ 8,758	\$ -
Changes in Actuarial Assumptions	40,267	-
Contributions Subsequent to the Measurement Date	1,842	-
	<u>\$ 50,867</u>	<u>\$ -</u>

CITY OF HELOTES, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2022

NOTE L -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

Deferred outflows of resources in the amount of \$1,842 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, 2022. 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,			
	2022	\$	8,292
	2023		8,292
	2024		8,292
	2025		8,292
	2026		7,467
	Thereafter		8,390
		\$	<u>49,025</u>

NOTE M -- 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, 2022 were \$176,214 for property, casualty, and workers compensation coverage.

NOTE N -- 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, 2022 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, 2022

NOTE N -- COMMITMENTS AND CONTINGENCIES (Continued)

Development	Sales Tax Refund Agreement		Maximum Grant Amount	Current Year Reductions	Maximum Balance Due	Term
	City	EDC				
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	\$ 6,888,690	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	\$ 85,468	\$ 3,288,248	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, 2022
(WITH COMPARATIVE ACTUAL TOTALS FOR 2021)

	Budget Amounts		2022 Actual Amounts	Variance Favorable (Unfavorable)	2021 Actual Amounts
	Original	Final			
REVENUES					
Taxes	\$ 5,793,987	\$ 5,793,987	\$ 7,100,411	\$ 1,306,424	\$ 5,807,645
Franchise Fees	585,056	585,056	867,728	282,672	774,634
Licenses and Permits	331,700	331,700	366,609	34,909	477,778
Fines and Forfeits	355,500	355,500	396,104	40,604	414,956
Charges for Services	202,000	202,000	310,617	108,617	161,205
Grants and Interlocal Agreements	-	15,719	31,930	16,211	223,038
Interest	2,800	2,800	60,514	57,714	2,282
Miscellaneous	106,704	106,704	142,784	36,080	111,344
<i>Total Revenues</i>	<u>7,377,747</u>	<u>7,393,466</u>	<u>9,276,697</u>	<u>1,883,231</u>	<u>7,972,882</u>
EXPENDITURES					
<i>City Council:</i>					
Seminars and Supplies	1,175	6,675	5,991	684	1,932
Reimbursements	6,300	6,300	3,711	2,589	2,282
<i>Total City Council</i>	<u>7,475</u>	<u>12,975</u>	<u>9,702</u>	<u>3,273</u>	<u>4,214</u>
<i>City Administration:</i>					
Personnel	390,984	388,089	305,874	82,215	370,883
Insurance	123,000	123,000	107,320	15,680	107,889
Contractual	108,100	105,000	82,006	22,994	72,094
Supplies and Maintenance	32,000	32,000	16,804	15,196	17,173
<i>Total City Administration</i>	<u>654,084</u>	<u>648,089</u>	<u>512,004</u>	<u>136,085</u>	<u>568,039</u>
<i>Dispatch Services:</i>					
Personnel	475,760	462,292	355,693	106,599	456,939
Contractual	18,138	30,106	24,693	5,413	6,268
Supplies and Maintenance	1,500	3,000	2,609	391	26,001
<i>Total Dispatch Services</i>	<u>495,398</u>	<u>495,398</u>	<u>382,995</u>	<u>112,403</u>	<u>489,208</u>
<i>City Secretary:</i>					
Personnel	74,826	75,501	74,864	637	74,340
Contractual	29,710	27,235	28,088	(853)	24,963
Supplies and Maintenance	6,000	7,800	7,916	(116)	4,749
<i>Total City Secretary</i>	<u>110,536</u>	<u>110,536</u>	<u>110,868</u>	<u>(332)</u>	<u>104,052</u>
<i>Human Resources:</i>					
Personnel	67,218	67,893	67,520	373	66,098
Contractual	5,439	14,764	10,580	4,184	4,058
Supplies and Maintenance	10,000	-	-	-	-
<i>Total Human Resources</i>	<u>\$ 82,657</u>	<u>\$ 82,657</u>	<u>\$ 78,100</u>	<u>\$ 4,557</u>	<u>\$ 70,156</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, 2022
(WITH COMPARATIVE ACTUAL TOTALS FOR 2021)

	Budget Amounts		2022 Actual Amounts	Variance Favorable (Unfavorable)	2021 Actual Amounts
	Original	Final			
EXPENDITURES (CONT.)					
<i>Municipal Court:</i>					
Personnel	\$ 273,740	\$ 250,599	\$ 238,183	\$ 12,416	\$ 264,044
Contractual	74,625	97,766	82,761	15,005	82,203
Supplies and Maintenance	20,200	20,200	4,968	15,232	12,685
<i>Total Municipal Court</i>	<u>368,565</u>	<u>368,565</u>	<u>325,912</u>	<u>42,653</u>	<u>358,932</u>
<i>Animal Control, Public Works:</i>					
Personnel	478,653	475,653	445,588	30,065	416,983
Contractual	45,747	43,747	41,011	2,736	23,530
Supplies and Maintenance	58,450	58,450	57,267	1,183	41,609
Capital Outlay	22,271	27,271	32,191	(4,920)	25,785
<i>Total Animal Control, Public Works</i>	<u>605,121</u>	<u>605,121</u>	<u>576,057</u>	<u>29,064</u>	<u>507,907</u>
<i>Development Services:</i>					
Personnel	184,546	185,221	179,628	5,593	156,143
Contractual	177,275	186,100	194,050	(7,950)	138,882
Supplies and Maintenance	2,500	3,700	3,608	92	300
<i>Total Development Services</i>	<u>364,321</u>	<u>375,021</u>	<u>377,286</u>	<u>(2,265)</u>	<u>295,325</u>
<i>Buildings and Grounds:</i>					
Contractual	333,862	328,862	283,333	45,529	374,420
Supplies and Maintenance	3,000	3,000	1,649	1,351	-
Community	75,000	43,935	32,483	11,452	181,498
Utilities	107,500	107,500	120,318	(12,818)	111,299
Capital Outlay	74,464	74,464	75,782	(1,318)	16,567
<i>Total Buildings and Grounds</i>	<u>593,826</u>	<u>557,761</u>	<u>513,565</u>	<u>44,196</u>	<u>683,784</u>
<i>Police Department:</i>					
Personnel	1,779,988	1,779,988	1,716,592	63,396	1,687,930
Contractual	34,700	34,700	36,334	(1,634)	31,868
Supplies and Maintenance	145,400	145,400	140,437	4,963	126,924
Capital Outlay	1,500	1,500	1,440	60	160
<i>Total Police Department</i>	<u>\$ 1,961,588</u>	<u>\$ 1,961,588</u>	<u>\$ 1,894,803</u>	<u>\$ 66,785</u>	<u>\$ 1,846,882</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, 2022
(WITH COMPARATIVE ACTUAL TOTALS FOR 2021)

	Budget Amounts		2022 Actual Amounts	Variance Favorable (Unfavorable)	2021 Actual Amounts
	Original	Final			
EXPENDITURES (CONT.)					
<i>Emergency Medical Services:</i>					
Personnel	\$ 477,771	\$ 477,772	\$ 444,874	\$ 32,898	\$ 418,072
Contractual	65,055	45,055	42,475	2,580	48,730
Supplies and Maintenance	66,210	66,210	67,853	(1,643)	48,921
<i>Total Emergency Medical Services</i>	<u>609,036</u>	<u>589,037</u>	<u>555,202</u>	<u>33,835</u>	<u>515,723</u>
<i>Fire Department:</i>					
Personnel	1,076,920	1,127,785	1,117,022	10,763	1,091,158
Contractual	28,041	23,042	19,748	3,294	23,357
Supplies and Maintenance	63,755	57,755	59,082	(1,327)	44,998
Capital Outlay	16,500	32,219	26,855	5,364	20,920
<i>Total Fire Department</i>	<u>1,185,216</u>	<u>1,240,801</u>	<u>1,222,707</u>	<u>18,094</u>	<u>1,180,433</u>
TOTAL EXPENDITURES	<u>7,037,823</u>	<u>7,047,549</u>	<u>6,559,201</u>	<u>488,348</u>	<u>6,624,655</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>339,924</u>	<u>345,917</u>	<u>2,717,496</u>	<u>2,371,579</u>	<u>1,348,227</u>
Other Financing Sources (Uses)					
Transfers In (Out)	-	(400,000)	(400,000)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	339,924	(54,083)	2,317,496	2,371,579	1,348,227
BEGINNING FUND BALANCE	<u>3,124,926</u>	<u>3,124,926</u>	<u>3,124,926</u>	<u>-</u>	<u>1,776,699</u>
ENDING FUND BALANCE	<u>\$ 3,464,850</u>	<u>\$ 3,070,843</u>	<u>\$ 5,442,422</u>	<u>\$ 2,371,579</u>	<u>\$ 3,124,926</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, 2022
(WITH COMPARATIVE ACTUAL TOTALS FOR 2021)

	<u>Budgeted Amounts</u>		2022	Variance	2021
	<u>Original</u>	<u>Final</u>	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Taxes	\$ 1,086,150	\$ 1,086,150	\$1,810,249	\$ 724,099	\$ 1,284,636
Grants and Interlocal Agreements	-	-	-	-	160,000
Interest	5,000	5,000	18,414	13,414	1,667
Miscellaneous	4,200	4,200	4,200	-	4,200
TOTAL REVENUES	<u>1,095,350</u>	<u>1,095,350</u>	<u>1,832,863</u>	<u>737,513</u>	<u>1,450,503</u>
EXPENDITURES					
Current:					
Professional Services	174,700	174,700	128,670	46,030	62,757
Personnel Costs	95,994	95,994	94,225	1,769	95,392
City Administration Cost	36,000	36,000	36,000	-	36,000
Training and Seminars	19,200	19,200	13,762	5,438	6,206
Parking Agreement	6,120	6,120	5,586	534	5,457
Office Supplies and Expenses	113,250	113,250	40,045	73,205	30,421
Other Expenses	250	250	-	250	614,800
Capital Outlay	460,000	460,000	-	460,000	-
TOTAL EXPENDITURES	<u>905,514</u>	<u>905,514</u>	<u>318,288</u>	<u>587,226</u>	<u>851,033</u>
Excess (Deficiency)					
of Revenues					
Over (Under) Expenditures	<u>189,836</u>	<u>189,836</u>	<u>1,514,575</u>	<u>1,324,739</u>	<u>599,470</u>
OTHER FINANCING					
SOURCES (USES)					
Transfer In (Out) to					
Primary Government	<u>(141,112)</u>	<u>(141,112)</u>	<u>(402,295)</u>	<u>(261,183)</u>	<u>(321,669)</u>
TOTAL OTHER					
FINANCING					
SOURCES (USES)	<u>(141,112)</u>	<u>(141,112)</u>	<u>(402,295)</u>	<u>(261,183)</u>	<u>(321,669)</u>
Net Change in					
Fund Balance	48,724	48,724	1,112,280	1,063,556	277,801
BEGINNING FUND BALANCE	<u>2,086,623</u>	<u>2,086,623</u>	<u>2,086,623</u>	<u>-</u>	<u>1,808,822</u>
ENDING FUND BALANCE	<u><u>\$ 2,135,347</u></u>	<u><u>\$ 2,135,347</u></u>	<u><u>\$3,198,903</u></u>	<u><u>\$ 1,063,556</u></u>	<u><u>\$ 2,086,623</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	<u>Budgeted Amounts</u>		2022	Variance	2021
	<u>Original</u>	<u>Final</u>	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Taxes	\$ 925,000	\$ 925,000	\$2,047,636	\$ 1,122,636	\$ 1,138,444
Interest	900	900	17,155	16,255	1,055
TOTAL REVENUES	<u>925,900</u>	<u>925,900</u>	<u>2,064,791</u>	<u>1,138,891</u>	<u>1,139,499</u>
EXPENDITURES					
Current:					
City Administration	250	1,001	1,001	-	178
Development Services	<u>830,000</u>	<u>829,249</u>	<u>725,710</u>	<u>103,539</u>	<u>208,156</u>
TOTAL EXPENDITURES	<u>830,250</u>	<u>830,250</u>	<u>726,711</u>	<u>103,539</u>	<u>208,334</u>
Net Change in Fund Balance	95,650	95,650	1,338,080	1,242,430	931,165
FUND BALANCES - OCTOBER 1	<u>1,863,693</u>	<u>1,863,693</u>	<u>1,863,693</u>	<u>-</u>	<u>932,528</u>
FUND BALANCES - SEPTEMBER 30	<u><u>\$ 1,959,343</u></u>	<u><u>\$ 1,959,343</u></u>	<u><u>\$3,201,773</u></u>	<u><u>\$ 1,242,430</u></u>	<u><u>\$ 1,863,693</u></u>

CITY OF HELOTES, TEXAS
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SEPTEMBER 30, 2022

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, Street Maintenance 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. City Management may transfer budgeted amounts within departments within any fund; however, transfers between departments and funds must be approved 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 EIGHT CALENDAR YEARS

	Total Pension Liability		
	2014	2015	2016
Service Cost	\$ 312,260	\$ 327,583	\$ 359,315
Interest (on the Total Pension Liability)	284,925	319,639	359,177
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(23,615)	(23,708)	(30,699)
Changes of Assumptions	-	182,129	-
Benefit Payments, Including Refunds of Employee Contributions	(92,277)	(78,371)	(54,911)
Net Change in Total Pension Liability	481,293	727,272	632,882
Total Pension Liability - Beginning	3,960,372	4,441,665	5,168,937
Total Pension Liability - Ending	<u>\$ 4,441,665</u>	<u>\$ 5,168,937</u>	<u>\$ 5,801,819</u>
	Plan Fiduciary Net Position		
	2014	2015	2016
Contributions - Employer	\$ 146,084	\$ 189,904	\$ 192,822
Contributions - Employee	174,603	179,826	189,946
Net Investment Income	212,062	6,116	299,552
Benefit Payments, Including Refunds of Employee Contributions	(92,277)	(78,371)	(54,911)
Administrative Expense	(2,213)	(3,724)	(3,387)
Other	(182)	(184)	(182)
Net Change in Plan Fiduciary Net Position	438,077	293,567	623,840
Plan Fiduciary Net Position - Beginning	3,705,756	4,143,833	4,437,400
Plan Fiduciary Net Position - Ending	<u>\$ 4,143,833</u>	<u>\$ 4,437,400</u>	<u>\$ 5,061,240</u>
Net Pension Liability (Asset) - Ending	\$ 297,832	\$ 731,537	\$ 740,579
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.29%	85.85%	87.24%
Covered-Employee Payroll	\$ 2,910,052	\$ 2,997,102	\$ 3,165,775
Net Pension Liability as a Percentage of Covered-Employee Payroll	10.23%	24.41%	23.39%

Note: The schedule above reflects the changes in the net pension liability for the current year and the previous seven 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.

2017	2018	2019	2020	2021
\$ 394,631	\$ 413,438	\$ 495,727	\$ 486,411	\$ 505,547
402,524	452,051	504,533	541,759	591,959
-	52,125	84,342	-	-
(11,701)	(36,644)	(205,278)	(25,452)	(105,779)
-	-	(3,192)	-	-
(71,636)	(154,858)	(198,770)	(272,506)	(264,669)
713,818	726,112	677,362	730,212	727,058
5,801,819	6,515,637	7,241,749	7,919,111	8,649,323
<u>\$ 6,515,637</u>	<u>\$ 7,241,749</u>	<u>\$ 7,919,111</u>	<u>\$ 8,649,323</u>	<u>\$ 9,376,381</u>

2017	2018	2019	2020	2021
\$ 238,112	\$ 250,200	\$ 255,863	\$ 288,949	\$ 279,598
208,984	220,696	228,445	266,840	274,115
701,077	(183,631)	968,291	570,026	1,090,322
(71,636)	(154,858)	(198,770)	(272,506)	(264,669)
(3,635)	(3,551)	(5,471)	(3,689)	(5,043)
(185)	(186)	(164)	(144)	36
1,072,717	128,670	1,248,194	849,476	1,374,359
5,061,240	6,133,957	6,262,627	7,510,821	8,360,297
<u>\$ 6,133,957</u>	<u>\$ 6,262,627</u>	<u>\$ 7,510,821</u>	<u>\$ 8,360,297</u>	<u>\$ 9,734,656</u>

\$ 381,680	\$ 979,122	\$ 408,290	\$ 289,026	\$ (358,275)
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94.14%	86.48%	94.84%	96.66%	103.82%
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\$ 3,483,062	\$ 3,678,270	\$ 3,807,424	\$ 3,812,002	\$ 3,915,933
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10.96%	26.62%	10.72%	7.58%	-9.15%
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<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 247,778	\$ 255,295	\$ 276,021	\$ 282,379	\$ 301,973
<u>247,778</u>	<u>255,295</u>	<u>276,021</u>	<u>282,379</u>	<u>301,973</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,635,200	\$ 3,783,250	\$ 3,805,420	\$ 3,887,805	\$ 4,186,314
6.82%	6.75%	7.25%	7.26%	7.21%

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

	Total OPEB Liability				
	2017	2018	2019	2020	2021
Service Cost	\$ 6,618	\$ 8,092	\$ 6,853	\$ 9,149	\$ 12,139
Interest (on the Total Pension Liability)	3,235	3,457	4,028	3,936	3,613
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	8,625	2,106	(1,052)	(1,066)	10,430
Changes of Assumptions	-	(8,521)	24,139	25,353	7,387
Benefit Payments, Including Refunds of					
Employee Contributions	(348)	(368)	(381)	(762)	(1,958)
Net Change in Total Pension Liability	18,130	4,766	33,587	36,610	31,611
Total Pension Liability - Beginning	82,447	100,577	105,343	138,930	175,540
Total Pension Liability - Ending	<u>\$ 100,577</u>	<u>\$ 105,343</u>	<u>\$ 138,930</u>	<u>\$ 175,540</u>	<u>\$ 207,151</u>
Covered-Employee Payroll	\$ 3,483,062	\$ 3,678,270	\$ 3,807,424	\$ 3,812,002	\$ 3,915,933
Total OPEB Liability as a Percentage of Covered-Employee Payroll	2.89%	2.86%	3.65%	4.60%	5.29%

Note: The schedule above reflects the changes in the Total OPEB Liability for the current year and the previous four 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	1.84% (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 Statements – ARPA Grant 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, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 8,241,238	\$ 4,889,737
Receivables:		
Property Taxes (Net of Allowance)	72,977	59,723
Lease Receivable	250,335	-
Sales Tax and Other Receivables	1,687,575	1,137,213
Prepaid Items	910	49,285
TOTAL ASSETS	<u><u>\$ 10,253,035</u></u>	<u><u>\$ 6,135,958</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 126,225	\$ 122,874
Accrued Expenditures	1,178,415	750,955
Due to Other Funds	2,923,962	1,879,071
Unearned Revenue	19,834	97,177
<i>Total Liabilities</i>	<u>4,248,436</u>	<u>2,850,077</u>
<i>Deferred Inflows of Resources:</i>		
Unavailable Revenue - Taxes	70,835	57,661
Unavailable Revenue - EMS	153,655	103,294
Unavailable Revenue - Lease	337,687	-
<i>Total Deferred Inflows of Resources</i>	<u>562,177</u>	<u>160,955</u>
<i>Fund Balances:</i>		
Nonspendable:		
Prepaid Items	910	49,285
Unassigned	5,441,512	3,075,641
<i>Total Fund Balances</i>	<u>5,442,422</u>	<u>3,124,926</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 10,253,035</u></u>	<u><u>\$ 6,135,958</u></u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
ECONOMIC DEVELOPMENT CORPORATION
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 3,126,328	\$ 1,966,864
Accounts Receivable - State	<u>672,143</u>	<u>409,064</u>
TOTAL ASSETS	<u><u>\$ 3,798,471</u></u>	<u><u>\$ 2,375,928</u></u>
LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 10,211	\$ 3,057
Accrued Liabilities	<u>589,357</u>	<u>286,248</u>
<i>Total Liabilities</i>	<u><u>599,568</u></u>	<u><u>289,305</u></u>
<i>Fund Balance:</i>		
Restricted for Economic Development	<u>3,198,903</u>	<u>2,086,623</u>
<i>Total Fund Balance</i>	<u><u>3,198,903</u></u>	<u><u>2,086,623</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 3,798,471</u></u>	<u><u>\$ 2,375,928</u></u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
DEBT SERVICE FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 58,820	\$ 59,083
Taxes Receivable (Net of Allowances)	16,282	16,183
Due from Other Funds	560,000	380,000
TOTAL ASSETS	<u><u>\$ 635,102</u></u>	<u><u>\$ 455,266</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Deferred Inflows of Resources:</i>		
Unavailable Revenue - Taxes	15,804	15,624
<i>Total Deferred Inflows of Resources</i>	<u>15,804</u>	<u>15,624</u>
<i>Fund Balance:</i>		
Restricted for Debt Service	619,298	439,642
<i>Total Fund Balance</i>	<u>619,298</u>	<u>439,642</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 635,102</u></u>	<u><u>\$ 455,266</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	<u>Budgeted Amounts</u>		2022	Variance	2021
	<u>Original</u>	<u>Final</u>	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Taxes	\$ 772,978	\$ 772,978	\$ 793,287	\$ 20,309	\$ 888,540
Interest	30	30	296	266	22
TOTAL REVENUES	<u>773,008</u>	<u>773,008</u>	<u>793,583</u>	<u>20,575</u>	<u>888,562</u>
EXPENDITURES					
Principal Payments	690,000	690,000	690,000	-	665,000
Interest and Fiscal Charges	263,617	264,202	263,487	715	288,797
Settlement Payment	-	-	-	-	201,136
TOTAL EXPENDITURES	<u>953,617</u>	<u>954,202</u>	<u>953,487</u>	<u>715</u>	<u>1,154,933</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(180,609)</u>	<u>(181,194)</u>	<u>(159,904)</u>	<u>21,290</u>	<u>(266,371)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In (Out)	<u>322,112</u>	<u>322,112</u>	<u>339,560</u>	<u>17,448</u>	<u>321,669</u>
TOTAL OTHER FINANCING					
SOURCES (USES)	<u>322,112</u>	<u>322,112</u>	<u>339,560</u>	<u>17,448</u>	<u>321,669</u>
Net Change in Fund Balance	141,503	140,918	179,656	38,738	55,298
BEGINNING FUND BALANCE	<u>439,642</u>	<u>439,642</u>	<u>439,642</u>	<u>-</u>	<u>384,344</u>
ENDING FUND BALANCE	<u>\$ 581,145</u>	<u>\$ 580,560</u>	<u>\$ 619,298</u>	<u>\$ 38,738</u>	<u>\$ 439,642</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
CAPITAL PROJECTS FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments, Restricted	\$ 571,326	\$ 485,518
Prepaid Items	-	9,310
TOTAL ASSETS	<u><u>\$ 571,326</u></u>	<u><u>\$ 494,828</u></u>
LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balance:</i>		
Restricted for:		
Capital Projects	<u>571,326</u>	<u>485,518</u>
<i>Total Fund Balance</i>	<u><u>571,326</u></u>	<u><u>494,828</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 571,326</u></u>	<u><u>\$ 494,828</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, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Interest	\$ 2,928	\$ 591
Miscellaneous	<u>1,200</u>	<u>1,250</u>
TOTAL REVENUES	<u>4,128</u>	<u>1,841</u>
EXPENDITURES		
Current:		
City Administration	320	195
Capital Outlay	108,262	130,348
Debt Service:		
Principal	256,912	141,019
Interest and Fiscal Charges	<u>24,871</u>	<u>23,205</u>
TOTAL EXPENDITURES	<u>390,365</u>	<u>294,767</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(386,237)</u>	<u>(292,926)</u>
OTHER FINANCING SOURCES (USES)		
Capital Lease Issuance	-	67,323
Transfers In (Out)	<u>462,735</u>	<u>-</u>
TOTAL OTHER FINANCING	<u>462,735</u>	<u>67,323</u>
Net Change in Fund Balance	76,498	(225,603)
BEGINNING FUND BALANCE	<u>494,828</u>	<u>720,431</u>
ENDING FUND BALANCE	<u><u>\$ 571,326</u></u>	<u><u>\$ 494,828</u></u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
ARPA GRANT FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 37,911	\$ -
Due from Other Funds	<u>2,136,537</u>	<u>1,234,098</u>
TOTAL ASSETS	<u><u>\$ 2,174,448</u></u>	<u><u>\$ 1,234,098</u></u>
LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 37,904	\$ -
Unearned Revenue	<u>2,136,544</u>	<u>1,234,098</u>
<i>Total Liabilities</i>	<u><u>2,174,448</u></u>	<u><u>1,234,098</u></u>
<i>Fund Balance:</i>		
Restricted for:		
Capital Projects	<u>-</u>	<u>-</u>
<i>Total Fund Balance</i>	<u><u>-</u></u>	<u><u>-</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 2,174,448</u></u>	<u><u>\$ 1,234,098</u></u>

CITY OF HELOTES, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
ARPA GRANT FUND
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
REVENUES		
Grants and Interlocal Agreements	\$ 334,173	\$ -
Interest	<u>18</u>	<u>-</u>
TOTAL REVENUES	<u>334,191</u>	<u>-</u>
EXPENDITURES		
Current:		
City Administration	74,107	-
Capital Outlay	<u>260,084</u>	<u>-</u>
TOTAL EXPENDITURES	<u>334,191</u>	<u>-</u>
Net Change in Fund Balance	-	-
BEGINNING FUND BALANCE	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
STREET MAINTENANCE FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 2,878,038	\$ 1,660,298
Receivables:		
Sales Tax Receivable	<u>334,840</u>	<u>203,395</u>
TOTAL ASSETS	<u>\$ 3,212,878</u>	<u>\$ 1,863,693</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ 11,105</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>11,105</u>	<u>-</u>
 <i>Fund Balances:</i>		
Restricted for:		
Street Maintenance	<u>3,201,773</u>	<u>1,863,693</u>
<i>Total Fund Balances</i>	<u>3,201,773</u>	<u>1,863,693</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 3,212,878</u>	<u>\$ 1,863,693</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, 2022

	Municipal Court Security Fund	Municipal Court Technology Fund	Police Training Fund	School Safety Fund	PEG Capital Fund
ASSETS					
Cash and Investments	\$ -	\$ 25,786	\$ 4,485	\$ 23,017	\$ 38,096
Receivables:					
Sales Tax and Other Receivable	-	-	-	779	5,291
Due from Other Funds	-	40,425	-	29,000	40,000
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 66,211</u>	<u>\$ 4,485</u>	<u>\$ 52,796</u>	<u>\$ 83,387</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
<i>Liabilities:</i>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>					
Restricted for:					
Public Safety	-	66,211	4,485	52,796	-
Public Education Government	-	-	-	-	83,387
Hotel Occupancy Tax	-	-	-	-	-
Tree Mitigation	-	-	-	-	-
<i>Total Fund Balances</i>	<u>-</u>	<u>66,211</u>	<u>4,485</u>	<u>52,796</u>	<u>83,387</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ -</u>	<u>\$ 66,211</u>	<u>\$ 4,485</u>	<u>\$ 52,796</u>	<u>\$ 83,387</u>

State Forfeiture Fund	Hotel Occupancy Tax Fund	Truancy & Prevention Fund	Municipal Jury Fund	Tree Mitigation Fund	Total Nonmajor Funds
\$ 7,074	\$ 37,983	\$ -	\$ -	\$ 39,050	\$ 175,491
-	7,175	-	-	-	13,245
-	53,000	-	-	65,000	227,425
<u>\$ 7,074</u>	<u>\$ 98,158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,050</u>	<u>\$ 416,161</u>
\$ -	\$ -	\$ -	\$ -	\$ 33,725	\$ 33,725
-	-	-	-	33,725	33,725
7,074	-	-	-	-	130,566
-	-	-	-	-	83,387
-	98,158	-	-	-	98,158
-	-	-	-	70,325	70,325
<u>7,074</u>	<u>98,158</u>	<u>-</u>	<u>-</u>	<u>70,325</u>	<u>382,436</u>
<u>\$ 7,074</u>	<u>\$ 98,158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,050</u>	<u>\$ 416,161</u>

CITY OF HELOTES, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Municipal Court Security Fund	Municipal Court Technology Fund	Police Training Fund	School Safety Fund	PEG Capital Fund
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise Fees	-	-	-	-	21,605
Licenses and Permits	-	-	-	-	-
Municipal Court	-	20,494	-	-	-
Interest	-	38	9	44	70
Miscellaneous	-	-	1,753	14,322	-
TOTAL REVENUES	<u>-</u>	<u>20,532</u>	<u>1,762</u>	<u>14,366</u>	<u>21,675</u>
EXPENDITURES					
Current:					
City Administration	-	-	-	-	-
Municipal Court	-	12,646	-	-	-
Development Services	-	-	-	-	2,180
Police Department	-	-	1,040	4,311	-
TOTAL EXPENDITURES	<u>-</u>	<u>12,646</u>	<u>1,040</u>	<u>4,311</u>	<u>2,180</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>7,886</u>	<u>722</u>	<u>10,055</u>	<u>19,495</u>
OTHER FINANCING SOURCES (USES):					
Transfers In (Out)	(18,486)	35,794	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(18,486)</u>	<u>35,794</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(18,486)	43,680	722	10,055	19,495
FUND BALANCES - OCTOBER 1	<u>18,486</u>	<u>22,531</u>	<u>3,763</u>	<u>42,741</u>	<u>63,892</u>
FUND BALANCES - SEPTEMBER 31	<u>\$ -</u>	<u>\$ 66,211</u>	<u>\$ 4,485</u>	<u>\$ 52,796</u>	<u>\$ 83,387</u>

State Forfeiture Fund	Hotel Occupancy Tax Fund	Truancy & Prevention Fund	Municipal Jury Fund	Tree Mitigation Fund	Total Nonmajor Funds
\$ -	\$ 33,283	\$ -	\$ -	\$ -	\$ 33,283
-	-	-	-	-	21,605
-	-	-	-	4,896	4,896
-	-	-	-	-	20,494
13	81	-	-	40	295
-	-	-	-	-	16,075
13	33,364	-	-	4,936	96,648
-	13,586	-	-	73,301	86,887
-	-	-	-	-	12,646
-	-	-	-	-	2,180
440	-	-	-	-	5,791
440	13,586	-	-	73,301	107,504
(427)	19,778	-	-	(68,365)	(10,856)
-	-	(17,208)	(100)	-	-
-	-	(17,208)	(100)	-	-
(427)	19,778	(17,208)	(100)	(68,365)	(10,856)
7,501	78,380	17,208	100	138,690	393,292
\$ 7,074	\$ 98,158	\$ -	\$ -	\$ 70,325	\$ 382,436

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
MUNICIPAL COURT SECURITY FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ -	\$ 8,486
Due from Other Funds	-	10,000
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 18,486</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	-	18,486
<i>Total Fund Balances</i>	<u>-</u>	<u>18,486</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ -</u>	<u>\$ 18,486</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	Budgeted Amounts		2022 Actual Amounts	Variance Favorable (Unfavorable)	2021 Actual Amounts
	Original	Final			
REVENUES					
Municipal Court	\$ 11,400	\$ -	\$ -	\$ -	\$ 8,193
Interest	5	-	-	-	1
TOTAL REVENUES	<u>11,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,194</u>
EXPENDITURES					
Current:					
Municipal Court	180	-	-	-	85
TOTAL EXPENDITURES	<u>180</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>85</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,109</u>
OTHER FINANCING SOURCES (USES):					
Transfers In (Out)	-	(18,486)	(18,486)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(18,486)</u>	<u>(18,486)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	11,225	(18,486)	(18,486)	-	8,109
FUND BALANCES - OCTOBER 1	<u>18,486</u>	<u>18,486</u>	<u>18,486</u>	<u>-</u>	<u>10,377</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 29,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,486</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
MUNICIPAL COURT TECHNOLOGY FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 25,786	\$ 3,531
Due from Other Funds	<u>40,425</u>	<u>19,000</u>
TOTAL ASSETS	<u><u>\$ 66,211</u></u>	<u><u>\$ 22,531</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<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>66,211</u>	<u>22,531</u>
<i>Total Fund Balances</i>	<u><u>66,211</u></u>	<u><u>22,531</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 66,211</u></u>	<u><u>\$ 22,531</u></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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	Budgeted Amounts		2022	Variance	2021
	Original	Final	Actual Amounts	Favorable (Unfavorable)	Actual Amounts
REVENUES					
Municipal Court	\$ 9,850	\$ 32,110	\$ 20,494	\$ (11,616)	\$ 8,564
Interest	5	11	38	27	2
TOTAL REVENUES	<u>9,855</u>	<u>32,121</u>	<u>20,532</u>	<u>(11,589)</u>	<u>8,566</u>
EXPENDITURES					
Current:					
Municipal Court	10,042	12,896	12,646	250	8,003
TOTAL EXPENDITURES	<u>10,042</u>	<u>12,896</u>	<u>12,646</u>	<u>250</u>	<u>8,003</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(187)</u>	<u>19,225</u>	<u>7,886</u>	<u>(11,339)</u>	<u>563</u>
OTHER FINANCING SOURCES (USES):					
Transfers In (Out)	-	35,794	35,794	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>35,794</u>	<u>35,794</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(187)	55,019	43,680	(11,339)	563
FUND BALANCES - OCTOBER 1	<u>22,531</u>	<u>22,531</u>	<u>22,531</u>	<u>-</u>	<u>21,968</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 22,344</u>	<u>\$ 77,550</u>	<u>\$ 66,211</u>	<u>\$ (11,339)</u>	<u>\$ 22,531</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
POLICE TRAINING FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 4,485	\$ 3,763
TOTAL ASSETS	<u>\$ 4,485</u>	<u>\$ 3,763</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	4,485	3,763
<i>Total Fund Balances</i>	<u>4,485</u>	<u>3,763</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 4,485</u>	<u>\$ 3,763</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	<u>Budgeted Amounts</u>		2022	Variance	2021
	<u>Original</u>	<u>Final</u>	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Interest	\$ 1	\$ 1	\$ 9	\$ 8	\$ 1
Miscellaneous	<u>2,000</u>	<u>2,000</u>	<u>1,753</u>	<u>(247)</u>	<u>2,071</u>
TOTAL REVENUES	<u>2,001</u>	<u>2,001</u>	<u>1,762</u>	<u>(239)</u>	<u>2,072</u>
EXPENDITURES					
Current:					
Police Department	<u>4,250</u>	<u>4,250</u>	<u>1,040</u>	<u>3,210</u>	<u>1,194</u>
TOTAL EXPENDITURES	<u>4,250</u>	<u>4,250</u>	<u>1,040</u>	<u>3,210</u>	<u>1,194</u>
Net Change in Fund Balance	(2,249)	(2,249)	722	2,971	878
FUND BALANCES - OCTOBER 1	<u>3,763</u>	<u>3,763</u>	<u>3,763</u>	<u>-</u>	<u>2,885</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 1,514</u>	<u>\$ 1,514</u>	<u>\$ 4,485</u>	<u>\$ 2,971</u>	<u>\$ 3,763</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
SCHOOL SAFETY FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 23,017	\$ 12,962
Receivables:		
Other Receivable	779	779
Due from Other Funds	<u>29,000</u>	<u>29,000</u>
TOTAL ASSETS	<u><u>\$ 52,796</u></u>	<u><u>\$ 42,741</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>52,796</u>	<u>42,741</u>
<i>Total Fund Balances</i>	<u><u>52,796</u></u>	<u><u>42,741</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 52,796</u></u>	<u><u>\$ 42,741</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	Budgeted Amounts		2022	Variance	2021
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Interest	\$ 2	\$ 2	\$ 44	\$ 42	\$ 3
Miscellaneous	16,500	16,500	14,322	(2,178)	16,089
TOTAL REVENUES	<u>16,502</u>	<u>16,502</u>	<u>14,366</u>	<u>(2,136)</u>	<u>16,092</u>
EXPENDITURES					
Current:					
Police Department	21,250	21,250	4,311	16,939	277
TOTAL EXPENDITURES	<u>21,250</u>	<u>21,250</u>	<u>4,311</u>	<u>16,939</u>	<u>277</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,748)</u>	<u>(4,748)</u>	<u>10,055</u>	<u>14,803</u>	<u>15,815</u>
OTHER FINANCING SOURCES (USES):					
Transfers In (Out)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(4,748)	(4,748)	10,055	14,803	15,815
FUND BALANCES - OCTOBER 1	<u>42,741</u>	<u>42,741</u>	<u>42,741</u>	<u>-</u>	<u>26,926</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 37,993</u>	<u>\$ 37,993</u>	<u>\$ 52,796</u>	<u>\$ 14,803</u>	<u>\$ 42,741</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
PEG CAPITAL FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 38,096	\$ 41,741
Receivables:		
Other Receivable	5,291	5,678
Due from Other Funds	<u>40,000</u>	<u>16,473</u>
TOTAL ASSETS	<u><u>\$ 83,387</u></u>	<u><u>\$ 63,892</u></u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
 <i>Fund Balances:</i>		
Restricted for:		
Public Education Government	<u>83,387</u>	<u>63,892</u>
<i>Total Fund Balances</i>	<u><u>83,387</u></u>	<u><u>63,892</u></u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 83,387</u></u>	<u><u>\$ 63,892</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	<u>Budgeted Amounts</u>		2022	Variance	2021
	<u>Original</u>	<u>Final</u>	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Franchise Fees	\$ 15,000	\$ 15,000	\$ 21,605	\$ 6,605	\$ 22,708
Interest	8	8	70	62	9
TOTAL REVENUES	<u>15,008</u>	<u>15,008</u>	<u>21,675</u>	<u>6,667</u>	<u>22,717</u>
EXPENDITURES					
Current:					
Development Services	<u>10,155</u>	<u>10,155</u>	<u>2,180</u>	<u>7,975</u>	<u>48,567</u>
TOTAL EXPENDITURES	<u>10,155</u>	<u>10,155</u>	<u>2,180</u>	<u>7,975</u>	<u>48,567</u>
Net Change in Fund Balance	4,853	4,853	19,495	14,642	(25,850)
FUND BALANCES - OCTOBER 1	<u>63,892</u>	<u>63,892</u>	<u>63,892</u>	<u>-</u>	<u>89,742</u>
FUND BALANCES - SEPTEMBER 30	<u><u>\$ 68,745</u></u>	<u><u>\$ 68,745</u></u>	<u><u>\$ 83,387</u></u>	<u><u>\$ 14,642</u></u>	<u><u>\$ 63,892</u></u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
STATE FORFEITURE FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 7,074	\$ 7,501
TOTAL ASSETS	<u><u>\$ 7,074</u></u>	<u><u>\$ 7,501</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Public Safety	7,074	7,501
<i>Total Fund Balances</i>	<u>7,074</u>	<u>7,501</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 7,074</u></u>	<u><u>\$ 7,501</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	<u>Budgeted Amounts</u>		2022	Variance	2021
	<u>Original</u>	<u>Final</u>	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Interest	\$ -	\$ -	\$ 13	\$ 13	\$ 6
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>	<u>6</u>
EXPENDITURES					
Current:					
Police Department	210	440	440	-	1,223
TOTAL EXPENDITURES	<u>210</u>	<u>440</u>	<u>440</u>	<u>-</u>	<u>1,223</u>
Net Change in Fund Balance	(210)	(440)	(427)	13	(1,217)
FUND BALANCES - OCTOBER 1	<u>7,501</u>	<u>7,501</u>	<u>7,501</u>	<u>-</u>	<u>8,718</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 7,291</u>	<u>\$ 7,061</u>	<u>\$ 7,074</u>	<u>\$ 13</u>	<u>\$ 7,501</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
HOTEL OCCUPANCY TAX FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 37,983	\$ 15,612
Receivables:		
Hotel Occupancy Tax Receivable	7,175	9,768
Due from Other Funds	<u>53,000</u>	<u>53,000</u>
TOTAL ASSETS	<u><u>\$ 98,158</u></u>	<u><u>\$ 78,380</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<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>98,158</u>	<u>78,380</u>
<i>Total Fund Balances</i>	<u><u>98,158</u></u>	<u><u>78,380</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 98,158</u></u>	<u><u>\$ 78,380</u></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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	<u>Budgeted Amounts</u>		2022	Variance	2021
	<u>Original</u>	<u>Final</u>	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Taxes	\$ 25,000	\$ 25,000	\$ 33,283	\$ 8,283	\$ 30,814
Interest	5	5	81	76	4
TOTAL REVENUES	<u>25,005</u>	<u>25,005</u>	<u>33,364</u>	<u>8,359</u>	<u>30,818</u>
EXPENDITURES					
Current:					
City Administration	<u>200</u>	<u>13,987</u>	<u>13,586</u>	<u>401</u>	<u>4,243</u>
TOTAL EXPENDITURES	<u>200</u>	<u>13,987</u>	<u>13,586</u>	<u>401</u>	<u>4,243</u>
Net Change in Fund Balance	24,805	11,018	19,778	8,760	26,575
FUND BALANCES - OCTOBER 1	<u>78,380</u>	<u>78,380</u>	<u>78,380</u>	<u>-</u>	<u>51,805</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 103,185</u>	<u>\$ 89,398</u>	<u>\$ 98,158</u>	<u>\$ 8,760</u>	<u>\$ 78,380</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
TRUANCY & PREVENTION FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ -	\$ 6,708
Due from Other Funds	-	10,500
TOTAL ASSETS	<u><u>\$ -</u></u>	<u><u>\$ 17,208</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<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	-	17,208
<i>Total Fund Balances</i>	<u>-</u>	<u>17,208</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ -</u></u>	<u><u>\$ 17,208</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	Budgeted Amounts		2022	Variance	2021
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Municipal Court	\$ 10,645	\$ -	\$ -	\$ -	\$ 9,236
Interest	1	-	-	-	-
TOTAL REVENUES	<u>10,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,236</u>
EXPENDITURES					
Current:					
City Administration	75	-	-	-	60
TOTAL EXPENDITURES	<u>75</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,571</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,176</u>
OTHER FINANCING SOURCES (USES):					
Transfers In (Out)	-	(17,208)	(17,208)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(17,208)</u>	<u>(17,208)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	10,571	(17,208)	(17,208)	-	9,176
FUND BALANCES - OCTOBER 1	<u>17,208</u>	<u>17,208</u>	<u>17,208</u>	<u>-</u>	<u>8,032</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 27,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,208</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
MUNICIPAL JURY FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ -	\$ 100
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 100</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
Due to Other Funds	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
 <i>Fund Balances:</i>		
Restricted for:		
Public Safety	<u>-</u>	<u>100</u>
<i>Total Fund Balances</i>	<u>-</u>	<u>100</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u>\$ -</u>	 <u>\$ 100</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	Budgeted Amounts		2022	Variance	2021
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Municipal Court	\$ 215	\$ -	\$ -	\$ -	\$ 184
Interest	-	-	-	-	-
TOTAL REVENUES	<u>215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184</u>
EXPENDITURES					
Current:					
City Administration	75	-	-	-	47
TOTAL EXPENDITURES	<u>75</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137</u>
OTHER FINANCING SOURCES (USES):					
Transfers In (Out)	-	(100)	(100)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(100)</u>	<u>(100)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	140	(100)	(100)	-	137
FUND BALANCES - OCTOBER 1	<u>100</u>	<u>100</u>	<u>100</u>	<u>-</u>	<u>(37)</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>

CITY OF HELOTES, TEXAS
COMPARATIVE BALANCE SHEETS
TREE MITIGATION FUND
SEPTEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Investments	\$ 39,050	\$ 11,690
Due from Other Funds	<u>65,000</u>	<u>127,000</u>
TOTAL ASSETS	<u>\$ 104,050</u>	<u>\$ 138,690</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ 33,725</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>33,725</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for:		
Tree Mitigation	<u>70,325</u>	<u>138,690</u>
<i>Total Fund Balances</i>	<u>70,325</u>	<u>138,690</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 104,050</u>	<u>\$ 138,690</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, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2021)

	Budgeted Amounts		2022	Variance	2021
	Original	Final	Actual	Favorable	Actual
			Amounts	(Unfavorable)	Amounts
REVENUES					
Licenses and Permits	\$ -	\$ -	\$ 4,896	\$ 4,896	\$ 9,399
Interest	40	40	40	-	24
TOTAL REVENUES	<u>40</u>	<u>40</u>	<u>4,936</u>	<u>4,896</u>	<u>9,423</u>
EXPENDITURES					
Current:					
City Administration	25,250	77,326	73,301	4,025	7,891
TOTAL EXPENDITURES	<u>25,250</u>	<u>77,326</u>	<u>73,301</u>	<u>4,025</u>	<u>7,891</u>
Net Change in Fund Balance	(25,210)	(77,286)	(68,365)	8,921	1,532
FUND BALANCES - OCTOBER 1	<u>138,690</u>	<u>138,690</u>	<u>138,690</u>	-	<u>137,158</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 113,480</u>	<u>\$ 61,404</u>	<u>\$ 70,325</u>	<u>\$ 8,921</u>	<u>\$ 138,690</u>



CITY OF HELOTES, TEXAS
STATISTICAL SECTION
SEPTEMBER 30, 2022

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 Helotes' 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
Direct and Overlapping Governmental Activities Debt
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

	Fiscal Year			
	2013	2014	2015	2016
Governmental Activities				
Net Investment in Capital Assets	\$ 2,559,746	\$ 2,745,214	\$ 3,840,681	\$ 2,317,358
Restricted	765,238	798,952	878,422	1,005,770
Unrestricted (Deficit)	2,881,908	3,509,184	(534,577)	449,432
Total Governmental Activities	<u>\$ 6,206,892</u>	<u>\$ 7,053,350</u>	<u>\$ 4,184,526</u>	<u>\$ 3,772,560</u>
Business-Type Activities*				
Net Investment in Capital Assets	\$ 390,806	\$ 329,498	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted (Deficit)	(1,501,982)	(2,170,221)	-	-
Total Business-Type Activities	<u>\$ (1,111,176)</u>	<u>\$ (1,840,723)</u>	<u>\$ -</u>	<u>\$ -</u>
Primary Government				
Net Investment in Capital Assets	\$ 2,950,552	\$ 3,074,712	\$ 3,840,681	\$ 2,317,358
Restricted	765,238	798,952	878,422	1,005,770
Unrestricted (Deficit)	1,379,926	1,338,963	(534,577)	449,432
Total Primary Government	<u>\$ 5,095,716</u>	<u>\$ 5,212,627</u>	<u>\$ 4,184,526</u>	<u>\$ 3,772,560</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					
2017	2018	2019	2020	2021	2022
\$ 3,393,539	\$ 3,284,419	\$ 3,809,511	\$ 4,122,782	\$ 4,449,467	\$ 5,485,953
1,218,367	1,583,373	2,042,612	3,446,262	4,750,891	7,376,028
(1,308,086)	(2,215,353)	(2,825,198)	(2,528,654)	(933,792)	1,807,608
<u>\$ 3,303,820</u>	<u>\$ 2,652,439</u>	<u>\$ 3,026,925</u>	<u>\$ 5,040,390</u>	<u>\$ 8,266,566</u>	<u>\$ 14,669,589</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,393,539	\$ 3,284,419	\$ 3,809,511	\$ 4,122,782	\$ 4,449,467	\$ 5,485,953
1,218,367	1,583,373	2,042,612	3,446,262	4,750,891	7,376,028
(1,308,086)	(2,215,353)	(2,825,198)	(2,528,654)	(933,792)	1,807,608
<u>\$ 3,303,820</u>	<u>\$ 2,652,439</u>	<u>\$ 3,026,925</u>	<u>\$ 5,040,390</u>	<u>\$ 8,266,566</u>	<u>\$ 14,669,589</u>

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

	Fiscal Year			
	2013	2014	2015	2016
Primary Government Expenses				
<i>Governmental Activities:</i>				
City Council	\$ 2,891	\$ 3,477	\$ 3,045	\$ 2,427
City Administration	830,758	1,005,449	2,434,134	1,652,423
Dispatch	-	-	130,356	192,556
City Secretary	99,534	102,401	103,952	109,864
Human Resources	14,445	10,031	17,042	91,248
Municipal Court	269,700	298,008	296,791	242,764
Animal Control, Public Works	433,462	464,904	506,340	545,158
Development Services	93,908	99,167	161,531	576,909
Buildings and Grounds	324,282	350,322	432,385	1,035,486
Police Department	1,558,849	1,557,978	1,607,179	1,689,271
Emergency Medical Services	-	-	185,805	159,129
Fire Department	1,106,778	1,241,411	1,589,683	1,567,523
Interest and Fiscal Charges on Long-Term Debt	416,689	326,977	409,933	411,846
<i>Total Governmental Activities Expenses</i>	<u>5,151,296</u>	<u>5,460,125</u>	<u>7,878,176</u>	<u>8,276,604</u>
<i>Business-Type Activities*</i>				
Dispatch	370,269	419,557	-	-
Emergency Medical Services	455,302	447,289	-	-
<i>Total Business Type Activities Expenses</i>	<u>825,571</u>	<u>866,846</u>	<u>-</u>	<u>-</u>
Total Primary Government Expenses	<u>\$ 5,976,867</u>	<u>\$ 6,326,971</u>	<u>\$ 7,878,176</u>	<u>\$ 8,276,604</u>
Program Revenues				
<i>Governmental Activities:</i>				
Charges for Services:				
Municipal Court	\$ 259,967	\$ 263,801	\$ 345,564	\$ 353,903
Animal Control, Public Works	4,464	4,885	6,241	7,561
Development Services	484,609	963,548	689,221	410,592
Buildings and Grounds	-	-	-	-
Police Department	49,452	65,703	55,407	53,669
Fire & EMS Department	75,081	75,155	293,091	165,775
Operating Grants and Contributions	8,665	8,682	10,784	14,939
Capital Grants and Contributions	-	-	329,498	-
<i>Total Governmental Activities Program Revenues</i>	<u>882,238</u>	<u>1,381,774</u>	<u>1,729,806</u>	<u>1,006,439</u>
<i>Business-Type Activities*:</i>				
Charges for Services:				
Dispatch	5,001	5,007	-	-
Emergency Medical Services	136,337	132,274	-	-
Capital Grants and Contributions	-	-	(329,498)	-
<i>Total Business-Type Activities Program Revenues</i>	<u>141,338</u>	<u>137,281</u>	<u>(329,498)</u>	<u>-</u>
Total Primary Government Program Revenues	<u>\$ 1,023,576</u>	<u>\$ 1,519,055</u>	<u>\$ 1,400,308</u>	<u>\$ 1,006,439</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					
2017	2018	2019	2020	2021	2022
\$ 3,096	\$ 2,563	\$ 4,014	\$ 2,868	\$ 4,214	\$ 9,702
1,472,694	1,577,337	1,632,100	1,634,035	1,759,169	1,176,310
228,958	178,918	167,121	146,243	122,711	96,711
114,497	77,001	90,057	83,634	105,453	111,784
110,574	130,155	150,667	116,527	71,065	78,045
264,832	277,140	313,389	318,172	368,332	339,104
758,192	1,019,129	1,494,060	706,271	747,692	1,018,207
1,342,107	1,418,567	154,499	145,352	284,734	379,211
515,472	457,573	592,481	369,817	763,764	655,962
1,793,494	1,990,989	1,962,729	2,006,187	1,983,497	1,994,682
191,382	199,204	314,718	224,105	269,865	276,637
1,703,215	1,642,002	1,659,996	1,778,584	1,619,475	1,652,541
387,941	360,513	357,277	323,360	299,876	274,697
8,886,454	9,331,091	8,893,108	7,855,155	8,399,847	8,063,593
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 8,886,454	\$ 9,331,091	\$ 8,893,108	\$ 7,855,155	\$ 8,399,847	\$ 8,063,593
\$ 398,614	\$ 445,179	\$ 349,572	\$ 377,323	\$ 410,902	\$ 375,182
5,400	3,187	4,095	6,483	6,996	5,722
500,477	502,261	506,567	467,196	480,181	365,784
-	-	114,570	54,742	35,482	86,999
42,970	54,283	39,933	24,068	30,232	41,416
141,331	165,447	46,865	126,370	180,551	273,978
193,853	53,681	19,946	105,954	399,127	380,425
-	-	-	-	-	-
1,282,645	1,224,038	1,081,548	1,162,136	1,543,471	1,529,506
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 1,282,645	\$ 1,224,038	\$ 1,081,548	\$ 1,162,136	\$ 1,543,471	\$ 1,529,506

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

	Fiscal Year			
	2013	2014	2015	2016
Primary Government Net Expenses				
Governmental Activities	\$ (4,269,058)	\$ (4,078,351)	\$ (6,148,370)	\$ (7,270,165)
Business-Type Activities	(684,233)	(729,565)	(329,498)	-
Total Primary Government Net Expenses	<u>\$ (4,953,291)</u>	<u>\$ (4,807,916)</u>	<u>\$ (6,477,868)</u>	<u>\$ (7,270,165)</u>
General Revenues and Other Changes in Net Position				
<i>Governmental Activities:</i>				
Taxes:				
General Property Taxes	\$ 2,639,461	\$ 2,681,143	\$ 2,876,136	\$ 3,141,427
Sales Taxes	1,424,354	1,645,268	1,846,456	2,208,136
Franchise Taxes	477,344	527,251	795,805	758,253
Hotel Occupancy Taxes	-	-	-	-
Interest and Investment earnings	5,791	9,874	10,314	15,540
Proceeds from Sale of Land	-	-	-	519,514
Miscellaneous	167,926	61,273	72,931	215,329
Transfers	-	-	(2,170,221)	-
<i>Total Governmental General Revenues</i>	<u>4,714,876</u>	<u>4,924,809</u>	<u>3,431,421</u>	<u>6,858,199</u>
<i>Business-Type Activities**:</i>				
Interest and Investment earnings	68	18	-	-
Transfers	-	-	2,170,221	-
<i>Total Business-Type General Revenues</i>	<u>68</u>	<u>18</u>	<u>2,170,221</u>	<u>-</u>
Total Primary Government General Revenues	<u>\$ 4,714,944</u>	<u>\$ 4,924,827</u>	<u>\$ 5,601,642</u>	<u>\$ 6,858,199</u>
Changes In Net Position				
Governmental Activities	\$ 445,818	\$ 846,458	\$ (2,716,949)	\$ (411,966)
Business-Type Activities*	(684,165)	(729,547)	1,840,723	-
Total Primary Government	<u>\$ (238,347)</u>	<u>\$ 116,911</u>	<u>\$ (876,226)</u>	<u>\$ (411,966)</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 (Cont.)

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ (7,603,809)	\$ (8,107,053)	\$ (7,811,560)	\$ (6,693,019)	\$ (6,856,376)	\$ (6,534,087)
-	-	-	-	-	-
\$ (7,603,809)	\$ (8,107,053)	\$ (7,811,560)	\$ (6,693,019)	\$ (6,856,376)	\$ (6,534,087)
\$ 3,377,228	\$ 3,531,105	\$ 3,737,447	\$ 3,997,600	\$ 4,113,899	\$ 4,259,710
2,718,920	3,099,082	3,492,555	3,852,457	5,016,498	7,505,227
785,898	764,828	747,447	736,278	797,342	889,333
-	3,313	22,163	30,225	30,814	33,283
39,661	83,214	110,900	52,320	5,667	99,620
-	-	-	-	-	-
213,362	59,657	72,208	37,604	118,332	149,937
-	-	-	-	-	-
7,135,069	7,541,199	8,182,720	8,706,484	10,082,552	12,937,110
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 7,135,069	\$ 7,541,199	\$ 8,182,720	\$ 8,706,484	\$ 10,082,552	\$ 12,937,110
\$ (468,740)	\$ (565,854)	\$ 371,160	\$ 2,013,465	\$ 3,226,176	\$ 6,403,023
-	-	-	-	-	-
\$ (468,740)	\$ (565,854)	\$ 371,160	\$ 2,013,465	\$ 3,226,176	\$ 6,403,023

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

	Fiscal Year			
	2013	2014	2015	2016
<i>General Fund:</i>				
<i>Nonspendable Fund Balance:</i>				
Prepaid Items	\$ 1,744	\$ -	\$ -	\$ -
<i>Total Nonspendable Fund Balance</i>	<u>1,744</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Restricted Fund Balance:</i>				
Public Safety	54,764	40,388	-	-
Public Education Government	31,702	29,833	-	-
<i>Total Restricted Fund Balance</i>	<u>86,466</u>	<u>70,221</u>	<u>-</u>	<u>-</u>
Unassigned Fund Balance	<u>2,924,244</u>	<u>3,786,300</u>	<u>1,660,768</u>	<u>2,101,643</u>
<i>Total General Fund</i>	<u>\$ 3,012,454</u>	<u>\$ 3,856,521</u>	<u>\$ 1,660,768</u>	<u>\$ 2,101,643</u>
<i>All Other Governmental Funds:</i>				
<i>Nonspendable Fund Balance:</i>				
Prepaid Items	\$ 440	\$ 440	\$ -	\$ 2,477
<i>Total Nonspendable Fund Balance</i>	<u>440</u>	<u>440</u>	<u>-</u>	<u>2,477</u>
<i>Restricted Fund Balance:</i>				
Public Safety	-	-	34,215	37,559
Public Education Government	-	-	53,002	58,284
Explorer Post	-	-	2,783	-
Street Maintenance	-	-	-	135,491
Hotel Occupancy Tax	-	-	-	-
Tree Mitigation	-	-	-	-
Economic Development	563,116	684,370	747,282	733,861
Debt Service	119,989	4,107	15,261	64,428
Capital Projects	-	-	4,301,770	3,651,769
<i>Total Restricted Fund Balance</i>	<u>683,105</u>	<u>688,477</u>	<u>5,154,313</u>	<u>4,681,392</u>
<i>Committed Fund Balance:</i>				
Capital Projects	192,482	6,283	-	-
<i>Total Committed Fund Balance</i>	<u>192,482</u>	<u>6,283</u>	<u>-</u>	<u>-</u>
Unassigned Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total All Other Governmental Funds</i>	<u>\$ 876,027</u>	<u>\$ 695,200</u>	<u>\$ 5,154,313</u>	<u>\$ 4,683,869</u>

TABLE 3

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ -	\$ 29,397	\$ 36,895	\$ 13,175	\$ 49,285	\$ 910
-	29,397	36,895	13,175	49,285	910
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,996,778	1,908,237	1,590,430	1,763,524	3,075,641	5,441,512
<u>\$ 1,996,778</u>	<u>\$ 1,937,634</u>	<u>\$ 1,627,325</u>	<u>\$ 1,776,699</u>	<u>\$ 3,124,926</u>	<u>\$ 5,442,422</u>
\$ -	\$ 91,810	\$ -	\$ -	\$ 9,310	\$ -
-	91,810	-	-	9,310	-
38,949	72,137	62,925	78,869	112,330	130,566
61,001	74,258	70,832	89,742	63,892	83,387
-	-	-	-	-	-
362,248	527,662	439,727	932,528	1,863,693	3,201,773
-	3,326	21,662	51,805	78,380	98,158
-	-	-	137,158	138,690	70,325
807,430	950,079	1,291,536	1,808,822	2,086,623	3,198,903
6,711	4,117	197,848	384,345	439,642	619,298
2,396,308	978,910	663,952	720,431	485,518	571,326
<u>3,672,647</u>	<u>2,610,489</u>	<u>2,748,482</u>	<u>4,203,700</u>	<u>5,268,768</u>	<u>7,973,736</u>
-	-	-	-	-	-
-	-	-	-	-	-
(1,352)	-	-	-	-	-
<u>\$ 3,671,295</u>	<u>\$ 2,702,299</u>	<u>\$ 2,748,482</u>	<u>\$ 4,203,700</u>	<u>\$ 5,278,078</u>	<u>\$ 7,973,736</u>

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

	Fiscal Year			
	2013	2014	2015	2016
REVENUES				
Taxes	\$ 4,062,138	\$ 4,334,193	\$ 4,715,367	\$ 5,347,339
Franchise Fees	477,344	527,251	795,805	758,252
Licenses and Permits	489,073	968,433	695,462	418,153
Fines and Forfeits	309,419	329,504	400,971	407,573
Charges for Services	75,081	75,155	206,605	147,248
Grants and Interlocal Agreements	-	-	-	-
Interest	5,791	9,874	10,314	15,851
Miscellaneous	176,589	69,955	78,670	230,268
TOTAL REVENUES	5,595,435	6,314,365	6,903,194	7,324,684
EXPENDITURES				
Current:				
City Council	2,891	3,477	3,045	2,427
City Administration	774,049	954,482	1,122,044	1,059,043
Dispatch Services	-	-	374,095	496,109
City Secretary	97,265	104,296	98,213	109,816
Human Resources	14,445	10,031	17,042	88,357
Municipal Court	263,895	289,042	294,864	248,944
Animal Control, Public Works	206,188	232,348	276,116	271,941
Development Services	92,557	90,866	162,743	199,740
Buildings and Grounds	251,854	282,776	365,604	347,643
Police Department	1,449,750	1,424,571	1,413,777	1,482,328
Emergency Medical Services	-	-	450,757	413,288
Fire Department	951,384	1,090,695	1,098,189	1,132,589
Capital Outlay	111,543	378,437	212,651	1,002,362
Debt Service:				
Principal	589,902	658,787	666,186	802,147
Interest and Fiscal Charges	351,444	331,317	305,166	410,600
Settlement Payment	-	-	94,223	-
TOTAL EXPENDITURES	5,157,167	5,851,125	6,954,715	8,067,334
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	438,268	463,240	(51,521)	(742,650)
OTHER FINANCING SOURCES (USES)				
Issuance of Debt	84,340	200,000	4,315,000	193,567
Premium on Bond Issuance	-	-	147,106	-
Proceeds from Disposal of Assets	-	-	-	519,514
Insurance Proceeds	-	-	22,996	-
Transfers In (Out)	-	-	(2,170,221)	-
TOTAL OTHER FINANCING SOURCES (USES)	84,340	200,000	2,314,881	713,081
Net Change in Fund Balance	\$ 522,608	\$ 663,240	\$ 2,263,360	\$ (29,569)
Debt Service as a Percentage of Noncapital Expenditures	18.85%	18.02%	14.36%	15.76%

TABLE 4

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 6,090,318	\$ 6,622,212	\$ 7,248,088	\$ 7,879,553	\$ 9,150,079	\$ 11,784,866
785,898	764,828	747,447	736,279	797,342	889,333
505,877	505,448	510,662	473,679	487,177	371,505
439,940	497,192	386,105	399,993	441,133	416,598
125,373	141,541	137,333	132,313	161,205	310,617
159,797	34,126	-	84,278	383,038	366,103
39,657	83,214	110,896	51,516	5,667	99,620
249,060	51,913	182,956	121,603	134,954	164,259
8,395,920	8,700,474	9,323,487	9,879,214	11,560,595	14,402,901
3,096	2,563	4,014	2,868	4,214	9,702
1,069,902	1,182,004	1,198,404	1,215,124	1,431,686	992,607
558,492	526,668	512,749	470,271	489,208	382,995
129,969	76,867	90,200	82,757	104,052	110,868
110,121	129,105	149,906	117,527	70,156	78,100
262,390	277,288	315,293	314,601	367,020	338,558
258,112	355,493	378,616	409,646	482,122	543,866
403,530	597,220	999,902	470,144	552,048	1,105,176
376,584	357,504	576,109	275,812	667,217	437,783
1,552,524	1,685,610	1,709,858	1,844,224	1,849,416	1,899,154
447,542	474,662	555,537	383,138	515,723	555,202
1,232,511	1,208,272	1,103,301	1,326,224	1,159,513	1,195,852
1,675,329	1,470,247	1,331,288	167,013	193,780	504,614
838,192	849,768	878,766	799,548	806,019	946,912
399,729	372,898	369,578	337,687	312,002	288,358
301,108	258,281	258,281	201,136	201,136	-
9,619,131	9,824,450	10,431,802	8,417,720	9,205,312	9,389,747
(1,223,211)	(1,123,976)	(1,108,315)	1,461,494	2,355,283	5,013,154
105,772	65,941	781,189	129,009	67,323	-
-	-	-	-	-	-
-	-	-	14,089	-	-
-	29,895	63,000	-	-	-
-	-	-	-	-	-
105,772	95,836	844,189	143,098	67,323	-
\$ (1,117,439)	\$ (1,028,140)	\$ (264,126)	\$ 1,604,592	\$ 2,422,606	\$ 5,013,154
13.39%	12.55%	13.71%	14.39%	12.65%	14.51%

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 & Use</u>	<u>Franchise</u>	<u>Hotel Occupancy</u>	<u>Total</u>
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
2021	4,102,767	5,016,498	797,342	30,814	9,947,421
2022	4,246,356	7,505,227	889,333	33,283	12,674,199

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>
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
2021	1,154,587,296	235,951,017	127,073,018	1,263,465,295	0.346524
2022	1,235,137,592	240,902,303	147,447,395	1,328,592,500	0.343979

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				
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				
2021	0.272646	0.073878	0.346524				
2022	0.281232	0.062747	0.343979				

Overlapping Rates							Total Direct and Overlapping Rates
Fiscal Year	Total Direct Rate	Northside ISD	University Health System	Alamo Community College	San Antonio River Authority	Bexar County	
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
2021	0.346524	1.285700	0.276235	0.149150	0.018580	0.301097	2.377286
2022	0.343979	1.261300	0.276235	0.149150	0.018580	0.299999	2.349243

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	2022			2013		
	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.	\$ 19,385,840	1	1.46%			
Milam Helotes Plaza LLC	8,230,000	2	0.62%			
TKGSM-TX LP	8,031,190	3	0.60%	\$ 2,410,210	5	0.32%
L&F-1 LLC	7,718,250	4	0.58%			
Braden 1996 Family LP	6,383,110	5	0.48%			
Shurgard Texas LTD	6,370,930	6	0.48%	2,235,000	8	0.30%
KJK Helotes Town Center LLC	5,900,820	7	0.44%	4,724,010	1	0.63%
JDL Texas Ventures	5,400,000	8	0.41%	4,068,310	2	0.55%
Parker & Parker Investment	3,848,340	9	0.29%			
Youngquist Investments LTD	3,600,000	10	0.27%			
Bandera Helotes Plaza LLC				4,033,660	3	0.54%
White Turkey Creek LTD				3,872,640	4	0.52%
8990 Helotes Holdings LLC				2,390,500	6	0.32%
Pela General Builders, LLC				2,316,240	7	0.31%
CVS Pharmacy Inc.				1,596,960	9	0.21%
Leopard Enterprises LLC				1,525,290	10	0.20%
Total	<u>\$ 74,868,480</u>		<u>5.64%</u>	<u>\$29,172,820</u>		<u>3.92%</u>

Taxable value of \$1,328,592,500

Source: Bexar Appraisal District

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
2013	\$ 2,635,251	\$ 2,618,686	99.37%	13,867	\$ 2,632,553	99.90%
2014	2,682,643	2,668,143	99.46%	10,664	2,678,807	99.86%
2015	2,866,335	2,846,427	99.31%	16,086	2,862,513	99.87%
2016	3,146,535	3,132,848	99.57%	9,579	3,142,427	99.87%
2017	3,379,649	3,361,931	99.48%	12,366	3,374,297	99.84%
2018	3,541,895	3,519,503	99.37%	14,249	3,533,752	99.77%
2019	3,741,128	3,719,714	99.43%	13,721	3,733,435	99.79%
2020	3,996,662	3,970,245	99.34%	17,054	3,987,299	99.77%
2021	4,179,387	4,157,252	99.47%	9,059	4,166,311	99.69%
2022	4,338,396	4,305,387	99.24%	-	4,305,387	99.24%

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				Per Capita*
	General Obligation Bonds	Certificates of Obligation	Notes Payable	Total Primary Government	
2013	\$ -	\$ 8,450,000	\$ 124,424	\$ 8,574,424	1,088
2014	-	7,905,000	210,637	8,115,637	1,001
2015	-	11,650,000	114,270	11,764,270	1,407
2016	-	10,965,000	191,780	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
2021	-	7,672,976	563,721	8,236,697	912
2022	-	6,975,621	306,809	7,282,430	806

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

* 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, TX
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
CURRENT YEAR

TABLE 11

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Alamo CCD	\$ 777,390,000	0.67%	\$ 5,208,513
Bexar County	2,015,625,000	0.67%	13,504,688
Bexar Co Hospital District	1,168,200,000	0.67%	7,826,940
Northside ISD	2,327,690,000	1.89%	43,993,341
Subtotal, Overlapping Debt			70,533,482
Helotes Direct Debt			7,282,430
Total Direct and Overlapping Debt			\$ 77,815,912

Source: Municipal Advisory Council of Texas

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 12

Assessed Value, less applicable freeze adjustments	<u>\$ 1,011,043,946</u>
Debt Limit - 10% of taxable value [1]	\$ 101,104,395
Amount of Debt Applicable to Debt Limit:	
Total Bonded Debt	\$ 6,975,621
Less Funds Available in Debt Service Fund	<u>619,298</u>
Total Amount of Debt Applicable to Debt Limit	<u>6,356,323</u>
Legal Debt Margin	<u>\$ 94,748,072</u>

	Fiscal Year		
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Limit	\$ 87,311,347	\$ 93,228,207	\$ 97,779,851
Total Net Debt Applicable to Debt Limit	<u>(8,794,838)</u>	<u>(7,960,986)</u>	<u>(7,233,334)</u>
Legal Debt Margin	<u>\$ 78,516,509</u>	<u>\$ 85,267,221</u>	<u>\$ 90,546,517</u>

	Fiscal Year		
	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt Limit	\$ 74,438,083	\$ 79,987,484	\$ 83,346,557
Total Net Debt Applicable to Debt Limit	<u>(11,092,352)</u>	<u>(10,550,045)</u>	<u>(9,761,457)</u>
Legal Debt Margin	<u>\$ 63,345,731</u>	<u>\$ 69,437,439</u>	<u>\$ 73,585,100</u>

	Fiscal Year		
	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit	\$ 62,466,659	\$ 63,313,192	\$ 67,595,035
Total Net Debt Applicable to Debt Limit	<u>(8,454,435)</u>	<u>(8,111,530)</u>	<u>(11,749,009)</u>
Legal Debt Margin	<u>\$ 54,012,224</u>	<u>\$ 55,201,662</u>	<u>\$ 55,846,026</u>

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

TABLE 13

<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
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%
2021	9,030	47,995	44.1	4,268	3.9%
2022	9,178	48,885	44.8	3,952	3.3%

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 14

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Joint Base San Antonio (JBSA)	74,300	1	6.07%			
HEB Food Stores	20,000	2	1.63%	20,000	1	1.95%
USAA	19,000	3	1.55%	17,000	2	1.66%
Northside ISD	13,046	4	1.07%	12,751	3	1.24%
Methodist Healthcare System	12,000	5	0.98%	8,000	6	0.78%
City of San Antonio	11,739	6	0.96%	11,731	4	1.14%
North East ISD	8,152	7	0.67%	10,522	5	1.03%
Baptist Health System	7,500	8	0.61%			
San Antonio ISD	7,236	9	0.59%	7,374	7	0.72%
Rackspace	6,300	10	0.51%			
Bill Miller Bar-B-Que				4,190	8	0.41%
Frost Bank				3,982	9	0.39%
Valero Energy				3,777	10	0.37%
Total	<u>179,273</u>		<u>14.64%</u>	<u>99,327</u>		<u>9.69%</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: San Antonio Economic Development Foundation

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

TABLE 15

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Animal Control/Code Enforcement										
Animals Impounded	90	65	101	101	83	78	78	44	47	56
Animals Returned to Owner	-	-	31	36	40	40	40	13	25	25
Transfers to Vet Clinics	74	66	64	36	12	18	18	12	11	22
Transfers to Humane Society	-	-	6	29	36	37	37	29	20	27
Animals Euthanized	-	-	-	8	2	1	1	2	2	2
City Secretary										
Number of Public Info Requests	-	461	537	279	348	228	242	240	211	225
Court										
Number of Cases Filed	4,364	5,756	6,476	5,673	7,208	6,553	3,434	4,010	2,350	2,812
Number of Cases Closed	3,802	3,462	3,624	3,474	3,834	4,279	3,351	4,129	3,199	2,264
Warnings/Voids	1,358	2,509	2,625	2,260	2,346	2,246	1,738	2,066	2,020	3,308
Inactive Cases	1,177	2,504	2,694	3,048	3,450	4,238	1,294	703	987	946
Development Services										
Building Permits Issued	1,833	2,594	2,039	2,045	2,316	2,530	1,357	115	178	199
Business Licenses Issued	1,490	1,438	897	310	234	245	180	31	44	25
Food Establishment Inspections	35	31	42	53	64	87	58	110	79	73
Foster/Adoption Inspections	7	5	2	3	5	4	3	3	4	-
Dispatch										
Calls for Service	9,018	10,438	28,100	52,036	49,974	28,920	28,920	33,069	33,608	31,839
Number of 911 Calls Received	3,013	3,432	7,324	13,113	9,651	4,098	4,098	4,022	5,621	4,965
Number of 911 Calls Dispatched	617	726	883	4,025	3,645	1,588	1,588	2,743	3,558	2,999
EMS										
Requests for Transport	473	473	607	719	679	830	794	731	779	890
Actual Transports	219	224	259	303	273	302	304	285	324	340
EMT Students	-	-	-	-	1	2	2	6	39	67
Finance										
Number of Checks Issued	1,323	1,503	1,555	1,426	1,462	1,637	1,674	1,522	1,326	1,482
Fire										
Number of Rescue/Other Respon	228	285	222	258	285	299	258	259	334	320
Number of Fire Responses	24	29	25	25	38	32	40	40	31	31
Number of Inspections	334	258	279	446	382	384	380	401	444	466
Number of Training Classes Con	356	344	401	404	669	393	402	517	591	615
Number of Pre-Plan Inspections	80	67	64	67	71	77	71	76	78	89
Helotes Magazine										
Number of Magazines Printed	-	-	-	-	46,000	64,000	64,000	64,000	-	-
Human Resources										
Number of New Employees Proc	5	16	14	18	20	16	16	19	19	18
Police										
Calls for Service	6,474	7,934	8,458	6,150	3,323	3,436	3,666	3,296	3,180	3,427
Arrests	194	196	205	190	217	246	263	256	232	287
Traffic Violations	4,364	5,756	6,476	5,673	7,208	6,553	5,086	6,191	4,362	6,157
Accidents	174	243	358	331	266	265	248	226	302	387
Public Relations / Events										
Number of Social Media Posts	-	-	-	621	1,022	714	714	887	2,621	5,268
Number of Community Events	-	-	-	26	26	26	26	10	14	28
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	40,705
Warrants										
Warrants Issued	1,313	1,455	1,085	1,300	1,179	1,169	1,169	724	1,049	1,017
Warrants Cleared	499	1,097	821	851	802	842	842	1,566	916	1,019
Active Warrants	179	345	282	391	611	873	873	484	644	645

Source: Various city departments.

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

TABLE 16

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Animal Control / Code Enforcement Vehicles	1	1	1	1	2	2	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
Fire Vehicles	8	8	8	8	8	8	7	7	7	7
Helotes Area Community Band Trailer	1	1	1	1	1	1	1	1	1	1
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	12	11	12	13	12	13	13	12	12	13
Parks & Recreation Parks - Developed	2	2	3	3	3	3	3	3	3	3
Parks - Undeveloped	3	3	2	2	2	2	2	2	2	2
Playground	1	1	1	1	1	1	1	1	1	2
Public Works & Facilities Streets, paved (miles)	34.5	38.4	38.4	38.4	40	41.7	42.5	42.5	42.5	44.73
Streets, unpaved (miles)	0	0	0	0	0	0	0	0	0	0
Vehicles	2	3	3	4	5	6	5	7	7	7
Trailers	4	4	4	4	4	5	7	8	8	8
Generators (Buildings)	2	2	2	2	2	2	2	2	2	2
Generators (Portable)	1	1	2	2	3	3	2	3	3	3
Warrants Vehicles	1	1	1	1	1	1	1	1	1	1
Administration Vehicles	0	0	0	0	0	0	0	0	1	1

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

TABLE 17

Function	Fiscal Year End									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<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	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	1.5	1.5	1.5	2.5	2.5	3.0	3.0	4.0	4.0	3.0
Municipal Court	4.5	4.0	6.0	6.0	6.5	6.5	6.5	5.5	5.5	5.5
<i>Public Safety</i>										
Police Department	21.5	21.5	25.0	24.5	25.0	25.0	25.0	24.0	24.0	24.0
Dispatch	6.5	7.5	7.5	7.0	9.0	10.0	10.0	9.0	9.0	9.0
Fire Department/EMS	23.0	23.5	27.0	26.5	26.5	23.0	23.0	23.0	20.0	20.0
<i>Public Works</i>										
Development Services	2.0	2.0	2.0	2.5	2.5	2.0	2.0	2.0	3.0	3.0
Animal Control/Code Enforcement	2.0	1.5	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Streets and Grounds	1.0	1.0	2.5	3.0	3.5	5.0	5.0	6.0	7.0	8.0
<i>Culture and Recreation</i>										
Public Relations/Special Events	0.0	0.0	2.5	3.0	3.0	5.0	5.0	4.5	3.0	3.0
<i>Total</i>	64.0	64.5	77.0	78.0	81.5	83.5	83.5	81.0	78.5	78.5

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, 2022, 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 17, 2023.

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.

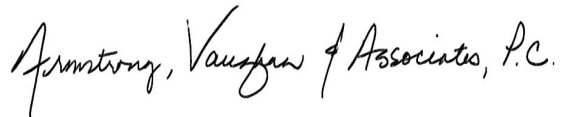
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given 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 17, 2023

