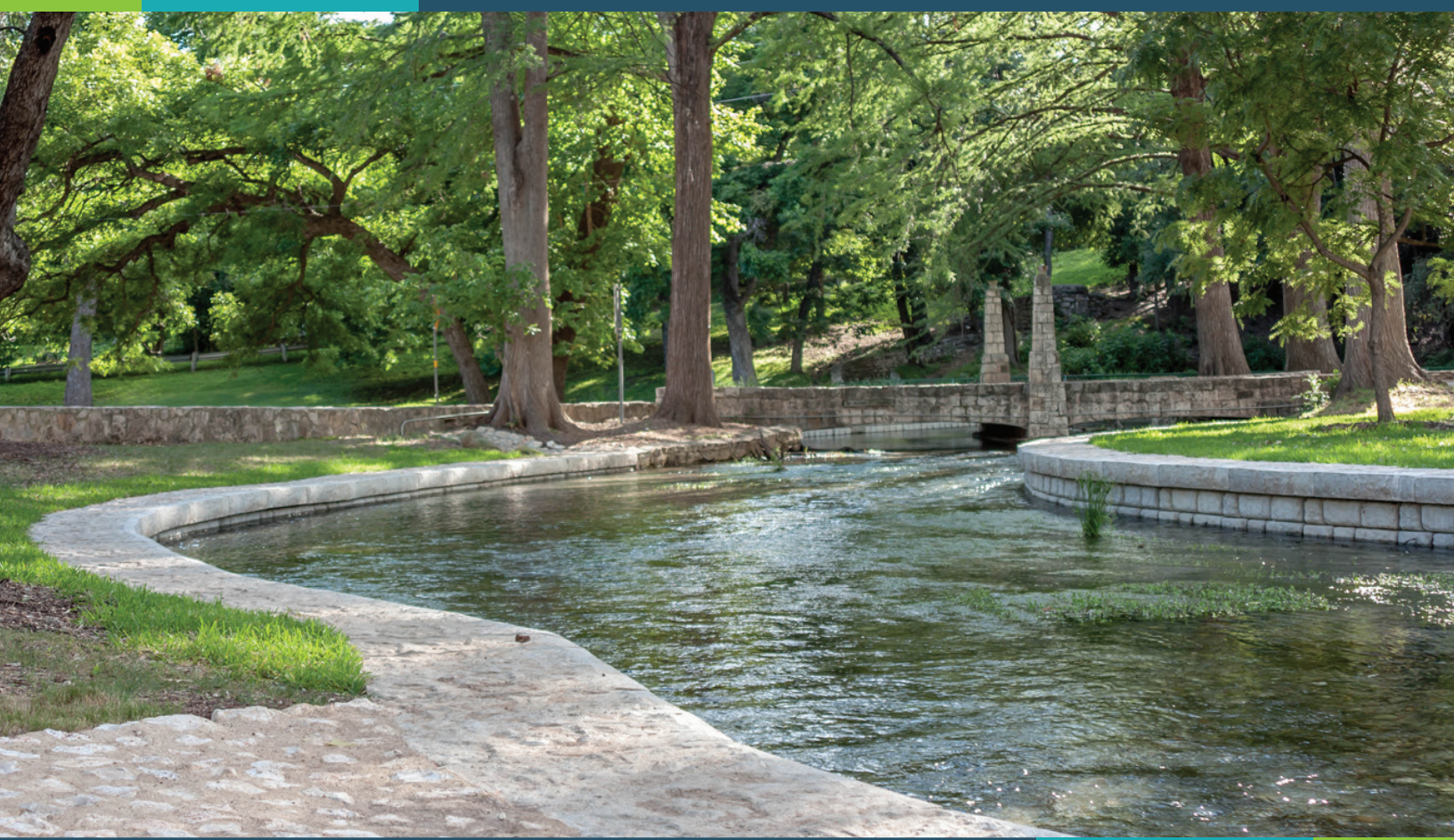




CITY OF NEW BRAUNFELS

FY2024



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2024

CITY OF NEW BRAUNFELS, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the year ended September 30, 2024

Prepared by
Finance Department

CITY OF NEW BRAUNFELS, TEXAS

ANNUAL FINANCIAL REPORT
For the year ended September 30, 2024

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INTRODUCTORY SECTION



FINANCE DEPARTMENT

March 24, 2025

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

The Annual Comprehensive Financial Report for the City of New Braunfels, Texas ("City") for the fiscal year ended September 30, 2024, is hereby submitted. This report was prepared through the cooperative efforts of the Finance Department and the City's independent auditors. The purpose of the report is to provide the citizens, City Council, management, staff, and other interested parties with detailed information reflecting the City's financial condition.

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

The City Charter requires an independent auditing firm to annually complete an audit of the books and accounts of every City department. The City's financial statements have been audited by Crowe LLP, a firm of licensed certified public accountants. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

New Braunfels is a dynamic and historic Texas community of about 117,000 located on Interstate 35, 30 miles north of San Antonio and 45 miles south of Austin. New Braunfels is the largest city in Comal County and serves as the County seat. The City's geographic boundaries encompass approximately 45.5 square miles. The City's history is one of the richest in Texas and is cherished by its residents who strive to preserve and protect their heritage that reflects both strong German and Hispanic influences. Often referred to as the "City of a Prince" (because it was founded by Prince Carl of Solms Braunfels), early New Braunfels became an important part of Texas civilization and industry. The community has always been committed to preserving its rich history and this has tied into the established tourism industry, a major factor in the economy of today's New Braunfels. Our location, year-round entertainment options, natural resources and vibrant economy are just a few of the factors that have led to the continued growth in population.

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

The City of New Braunfels is a full-service municipal organization with the organizational structure and divisions as depicted in the organizational chart on page 14. The City provides a full range of external services that includes police and fire protection, emergency response services, solid waste service and recycling, maintenance of streets and drainage infrastructure, recreational activities (including a full-service indoor recreation center) library services, planning and development services, code enforcement, animal control, river management, golf course management, civic/convention center management, a municipal court, a system of municipal parks, as well as the New Braunfels National Airport. Citizen engagement and involvement is a major component of the City's operations and policy development process, which has 31 active boards and commissions.

The New Braunfels Economic Development Corporation (NBEDC), a non-profit corporation, was formed to administer a special 3/8 of one cent sales tax for economic development. The City Council appoints all NBEDC board members and must approve the NBEDC's budget and associated expenditures. Because of this, City management has included the NBEDC in its financial reports as a discretely presented component unit. In addition, New Braunfels Utilities (NBU) is a City-owned water, wastewater, and electric utility serving the City of New Braunfels and some of the surrounding area. The City Council appoints these board members as well and approves proposed debt issuances and/or rate adjustments of the utility. The City also has three Tax Increment Reinvestment Zones (TIRZ). One encompasses the areas known as the Creekside Shopping Center, one encompasses the area known as the "Milltown" area, and the newest is in the downtown district of New Braunfels. The City Council appoints the board members and approves the annual budgets as well. Therefore, City Management has included all the TIRZ and the New Braunfels Development Authority (NBDA) as blended component units. In January 2019, the Solms Landing Public Improvement District (PID) was created. The PID is a 98-acre development east of I-35 in the Creekside area and will incorporate a mixture of residential and non-residential developments. For reporting purposes, City Management includes the Solms Landing PID as a fiduciary fund.

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

FINANCIAL AND BUDGET MANAGEMENT

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

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

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

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



The City's budget team facilitates a kickoff meeting in the early spring to instruct all City departments on their responsibilities regarding revenue/expenditure analysis and the creation of resource requests. City Management is provided performance and budget metrics to support the justification of new resource requests. The City Council will hold several workshops to thoroughly review the budget. The City Charter mandates that a proposed budget be presented to the City Council at least 45 days prior to the end of the fiscal year. Furthermore, the City Charter requires that a public hearing be held prior to the adoption of the budget. The City adopts a budget for all governmental funds. For more information, please refer to the City of New Braunfels FY 2024 Adopted Budget and Plan of Municipal Services which can be found at www.newbraunfels.gov. The city also adheres to a variety of other state requirements as part of adopting the annual budget and tax rate.

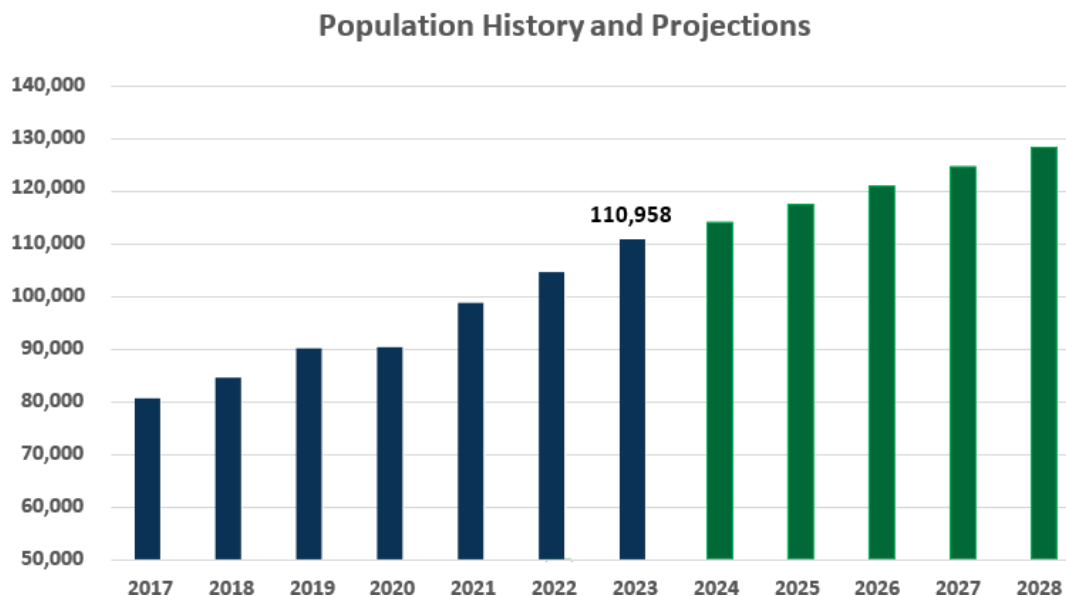
Monthly financial reports are generated that allow the leadership team, City Council, and citizens (as these reports are posted on the City's website) to monitor revenues, expenditures, and other key organizational/economic metrics. In addition, the Finance and Audit Committee, which is made up of the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

ECONOMIC CONDITION AND OUTLOOK

The national economy influences the New Braunfels and larger San Antonio economy in a variety of ways. Interest rates affect individual and business purchasing and construction. Inflation continued to be a concern for FY 2024, affecting local purchases and wages. An assessment of New Braunfels' economic performance and forecasting begins with a discussion around the widely documented and understood reality that New Braunfels has consistently been amongst the fastest growing cities in the United States. An examination of trends around New Braunfels' population growth suggests the city's attractiveness as a place to relocate has accelerated in recent decades. Since 2010, New Braunfels' population growth (92%) has more than tripled that of the San Antonio-New Braunfels MSA (24%) and nearly doubled that of the Austin MSA (41%).

The latest official census information for New Braunfels provides a July 2023 population estimate of 110,958. This represents a compounded annual growth rate (CAGR) of 4.4% since the 2010 census estimate of 57,740. While applying the 4.4% CAGR projection through the forecast period would make intuitive sense, there is a practical limitation to the number of people that can locate within city limits in each period. This growth rate of 4.4% means that, on average, approximately 3,900 people have located to the city every year since 2010. In some years this number was higher and in other years it was lower. The availability of developable property and other variables such as the construction of new water and wastewater infrastructure suggest that the 3,900 figure likely represents the upper bounds of annual population growth.

When a 4.4% CAGR is applied from the 2023 figures through the forecast period, this means that approximately 5,900 people are added annually for an estimated total population of 130,000 by 2028:



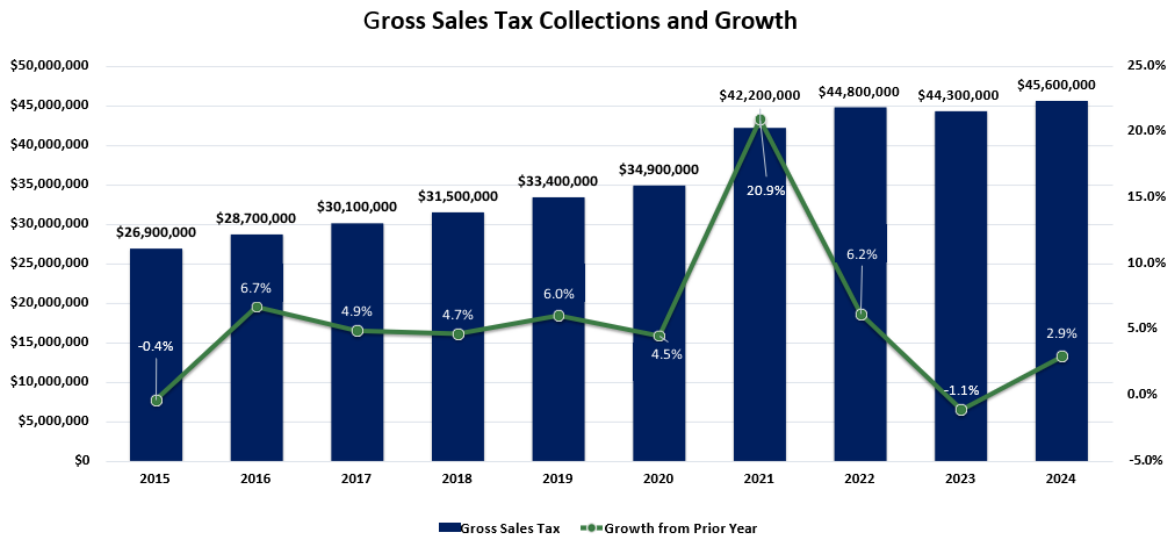
It is estimated that New Braunfels receives more than 3 million visitors a year. A 2023 economic impact analysis found that the tourism industry accounted for approximately \$1.3 billion in 2023, an increase of 10% from the 2022 analysis. In 2023, the hospitality industry employed 11,560 direct workers and supported another 3,855 indirect workers in spinoff jobs in the community.

Exclusive of government, the City's three largest industries in terms of the value of goods and services provided are retail trade, wholesale trade, and construction. Retail trade, accommodation and food services, health care and social assistance, construction, transportation and warehousing, manufacturing, administrative support services, wholesale trade, government (school district, local, state, and federal), and professional services provide the greatest number of jobs in the community.

New Braunfels' economic performance and overall growth is somewhat linked to the broader San Antonio region. While employment growth in the region is slower than the state, the region continues to see low unemployment and wage growth. New Braunfels' attraction to college educated adults is leading to higher shares of the population having completed a bachelor's degree or greater. This is likely to lead to continued household income growth overall. A recent market analysis of all major commercial real estate classes – office, retail, industrial, and hospitality- showed that New Braunfels occupancy rates and rent growth is among the strongest in the region. As such, the City can expect to see the private sector move to meet the demand for these uses in the area. The question of whether those potential projects can be accommodated within the City limits, however, is a question of the availability of a clear path towards redevelopment and infill of parcels.

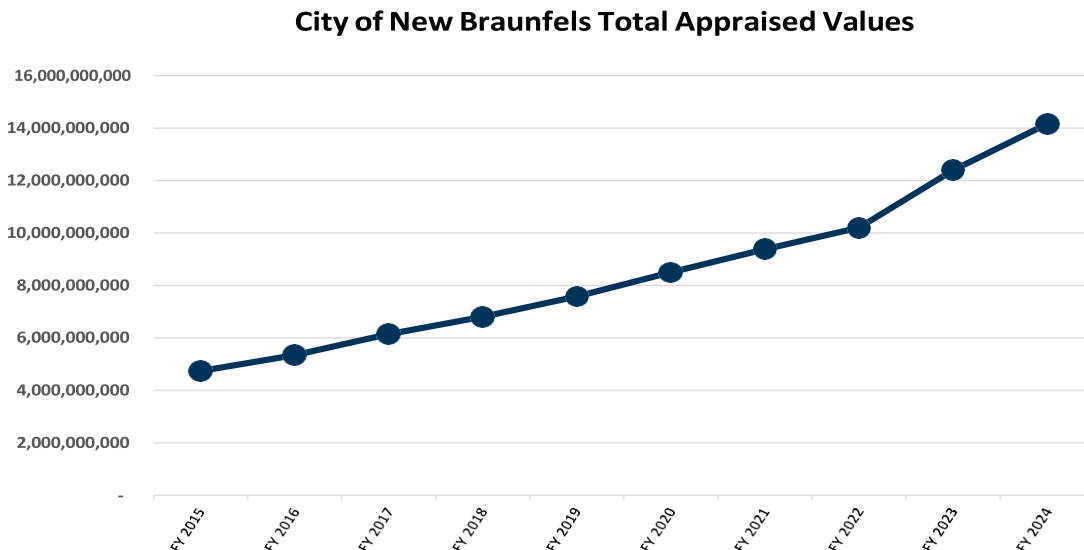
Sales Tax Activity

Sales taxes represent the single largest source of revenue to the City's General Fund. In addition, due to the positive effect that tourism has on our economy, sales tax collections are somewhat seasonal, with the largest monthly collections occurring during the summer. As depicted in the graph, sales tax revenue has experienced fluctuating growth over the past decade. In Fiscal Year 2023, there was a decline in sales tax revenue compared to Fiscal Year 2022. This decrease was primarily due to the inclusion of sales tax revenue in Fiscal Year 2022 from the City's largest taxpayer, who altered their business model during that year. This change resulted in a significant reduction in tax remitted to the City in Fiscal Year 2023. Additionally, a correction made by the Comptroller's Office in Fiscal Year 2023 addressed an error where sales tax payments from a large taxpayer—whose location had been incorrectly identified as within the city limits—had been included in the City's prior payments. However, sales tax revenue for Fiscal Year 2024 increased by 2.9% over Fiscal Year 2023, marking a record year in terms of gross sales tax revenue.

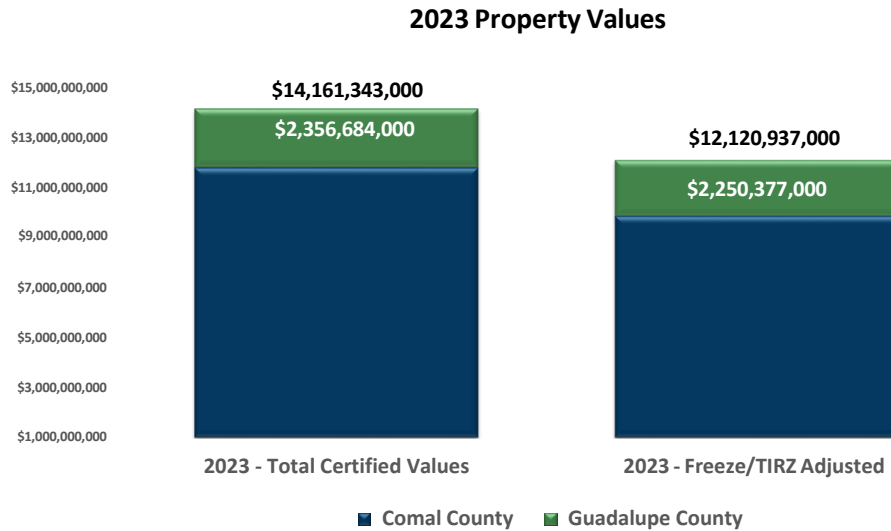


Property Values and Tax Rate

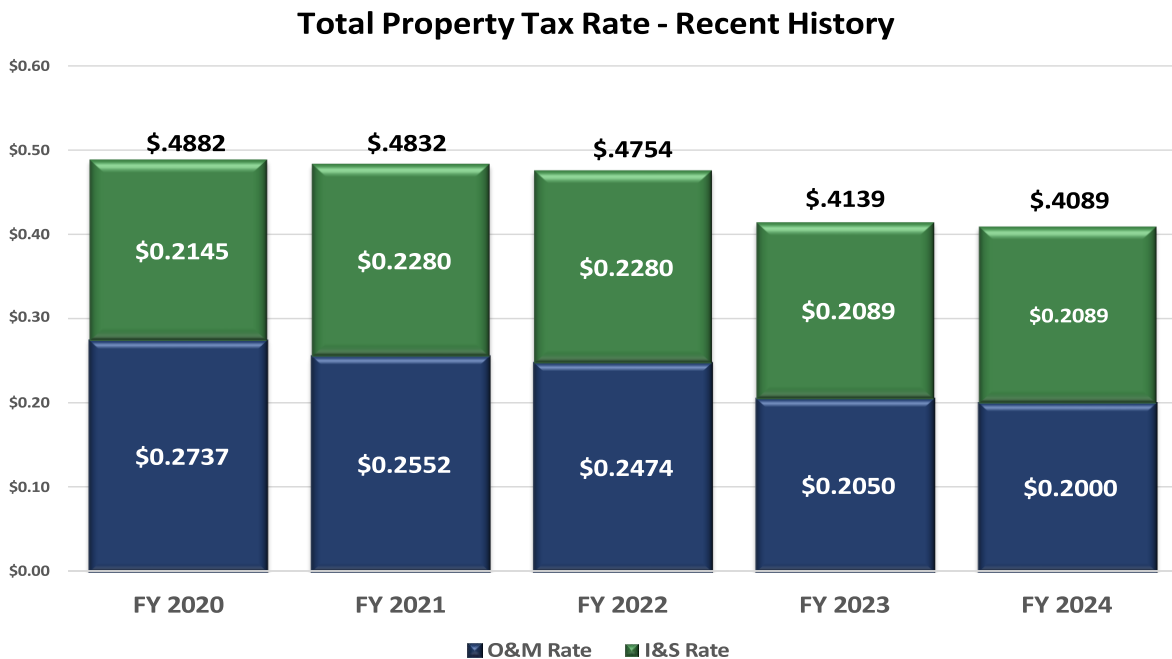
As mentioned earlier, the City of New Braunfels has been, and continues to be recognized as, one of the fastest growing cities in the country. The increase in population has resulted in an increase in the demand for City services. As can be seen in the graph below, population growth has had a direct impact on the total increase in commercial, industrial, and residential property values. The following graph provides the most current available data through tax year 2023 (Fiscal Year 2024).



For tax year 2023 (Fiscal Year 2024) total appraised values were approximately \$14.1 billion dollars, which represented a 14.3% increase from the prior year. Freeze adjusted values, which adjusts for the values that are impacted by the over-65 property tax exemption as well as the TIRZ, totaled \$12.1 billion.



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



Major Developments

In 2007, the City established its first Tax Increment Reinvestment Zone (TIRZ) to support the development of a 400 - acre master-planned, mixed-use project (Creekside TIRZ). At the time, the total value of all property within the district was approximately \$5 million. Today, the development features over 1 million square feet of retail space, a 130-bed hospital, various dining options, housing, and an entertainment complex. The total taxable value of improvements within the zone now exceeds \$700 million. The next phase of development will focus on expanding housing and entertainment offerings. In 2024, Top Golf began construction within the development, which is expected to be the catalyst for continued entertainment focused development within the town center. In 2022, the City broke ground on a new fire station within the TIRZ boundaries, fully supported by the Creekside TIRZ. Fire Station #7 became operational in May 2024.



Fire Station #7 Uncoupling Ceremony

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

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

Veramendi and Mayfair, which are both water control and improvement districts (WCID) are currently in different stages of development. These master planned communities will include a variety of residential and commercial uses. While these developments are outside of the city limits, the City has entered into development agreements with each agency. As a result of these agreements, the City will receive development related revenue as well as sales taxes on commercial properties. The City is also positioned to gain indirect economic benefits as these developments progress.

While greenfield residential development has been progressing rapidly over the past 10 to 15 years, the City is now seeing a rise in infill development, both residential and commercial. The City anticipates that tourism will remain robust, as New Braunfels continues to offer exceptional attractions at affordable prices. Together, the diverse range of attractions, natural resources, and commercial/industrial development contribute to a strong and positive long - term economic outlook.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Strategic Plan

In the summer of 2023, the City initiated a comprehensive process to update its Strategic Plan, with the finalized version adopted in April 2024. The updated plan outlines five key Strategic Priorities:

- Economic Mobility
- Enhanced Connectivity
- Community Identity
- Organizational Excellence
- Community Well-being

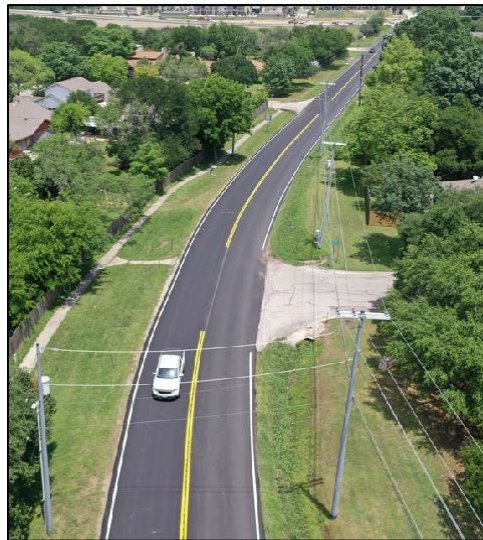
These priorities are supported by 39 objectives and 62 performance measures, which have been and will continue to be used to guide the development of the fiscal and operational policies and resource allocation for the City of New Braunfels.

Capital Investment

Over the last 20 years, more than \$400 million in capital improvement investments have either been completed or are currently underway. \$93 million stems from the 2013 bond projects, \$143 million from the 2019 bond projects, and \$140 million from the 2023 bond projects. Projects funded by bond programs have allowed for improvements in streets and drainage, public safety, libraries, and quality of life. The following pictures are several of the bond projects that are recently completed or currently under construction.



Alligator Creek Trail - West



Hunter Road



Landa Lake Dam



Fire Station #5 Renovation Rendering



Zipp Family Sports Park

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

Future Capital Investment

In May of 2023, citizens voted in favor of an additional \$140 million in continued capital investment. The 2023 bond program is comprised of three propositions. The streets proposition totals nearly \$99 million, with the remaining funding going towards a proposition for parks and for a southeast library branch. The 2023 bond program was developed over a nearly two-year process, which involved a bond advisory committee, citizen survey, an update to the City's Capital Improvement Plan, and multiple public input meetings. These efforts then led to the City Council determining a final composition of the projects and propositions. In addition to the \$140 million investment, the NBEDC has committed to an additional \$25 million of projects that were originally considered by the bond committee as well as additional investments including \$8 million of additional parkland (pictured below).



Southeast Library Rendering



Northwest Park Land

Maintaining and meeting service level expectations from the community

Maintaining and enhancing service levels has been a significant challenge for the City and continues to be so. However, the Fiscal Year 2024 operations and maintenance portion of the tax rate remains lower than it was in Fiscal Year 1998. Over the past 15 years, the City has made substantial investments in infrastructure and services, including the opening and staffing of new fire stations, a new police department facility, and a Veterans' Memorial. The City has also established operations at several new parks and recreation facilities, such as Fischer Park and the Das Rec Recreation Center, completed Phase 1 of the new Mission Hill Park, and opened and staffed the new West Side Library. In addition, the City has expanded its streets maintenance crews, added positions to streamline the development review process, established a transportation and capital improvements division, and increased staffing in both the police and fire departments, among numerous other initiatives. The City remains committed to prioritizing investments in technology and equipment to further enhance efficiency and productivity.

RESERVES AND BOND RATING

The General Fund ended the year with a total fund balance of \$34 million. This balance provides adequate protection against unforeseen occurrences and fluctuations in revenue sources. The City's financial policies require fund balance of at least 25 percent of operating expenditures; however, the City has maintained a minimum of a 30 percent of recurring expenditures fund balance to protect our bond rating. Growth in fund balance continues to be driven by conservative budgeting policies. As a result, the organization carried surplus reserves over the past four fiscal years. This has provided the opportunity to make significant investments in one-time equipment and initiatives. The City's commitment to sound financial management and strong reserves is reflected by its Standard and Poor's rating of AA, Moody's rating of Aa2, and Fitch rating of AA.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of New Braunfels for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both GAAP and applicable legal requirements. This was the 16th year that the City has achieved this prestigious award (in recent history).

The Triple Crown Award designation recognizes governments who have received GFOA's Certificate of Achievement for Excellence in Financial Reporting, Popular Annual Financial Reporting Award and Distinguished Budget Presentation Award for a fiscal year. The City of New Braunfels has achieved this distinction annually since 2019.

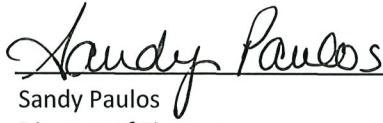
A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely preparation of the Annual Comprehensive Financial Report requires significant cooperation and teamwork. In recognition of this, the Finance Department expresses its sincere appreciation for the leadership and support provided by the City Council, the Finance and Audit Committee, and the City Manager's Office. Additionally, the collaborative efforts of our Finance team and the external audit firm were instrumental in the successful completion of this report.

Respectfully Submitted,



Robert Camareno
City Manager



Sandy Paulos
Director of Finance

CITY OF NEW BRAUNFELS, TEXAS
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of New Braunfels
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

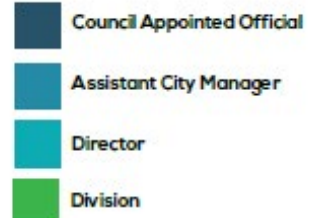
September 30, 2023

Christopher P. Morill

Executive Director/CEO

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CITY OF NEW BRAUNFELS, TEXAS
ORGANIZATIONAL CHART



CITY OF NEW BRAUNFELS, TEXAS
LIST OF ELECTED AND APPOINTED OFFICIALS

NEW BRAUNFELS CITY COUNCIL



Mayor
Neal Linnartz
nlinnartz@newbraunfels.gov



District One & Mayor Pro Tem
Andrés Campos
acampos@newbraunfels.gov



District Two
Christopher Willis
cwillis@newbraunfels.gov



District Three
D. Lee Edwards
dledwards@newbraunfels.gov



District Four
Lawrence Spradley
lspradley@newbraunfels.gov



District Five
Mary Ann Labowski
mlabowski@newbraunfels.gov



District Six
April Ryan
april.ryan@newbraunfels.gov



FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Braunfels (the "City"), as of and for the year ended September 30, 2024, 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, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the New Braunfels Utilities, a discrete component unit of the city ("NBU"), which represent 98 percent and 96 percent, respectively, of the assets and net position of the aggregate discretely presented component units as of July 31, 2024, and 97 percent of the revenues of the aggregate discretely presented component units for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for NBU, is based solely on the report of the other auditors.

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 (*Government Auditing Standards*). 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, 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

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'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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 the City'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 the City'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 the management's discussion and analysis, budgetary comparison information, and schedules of changes and contributions related to the City and NBU's participation in various pension and OPEB plans as identified on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance

(Continued)

with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of other auditors, the <the combining statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Crowe LLP

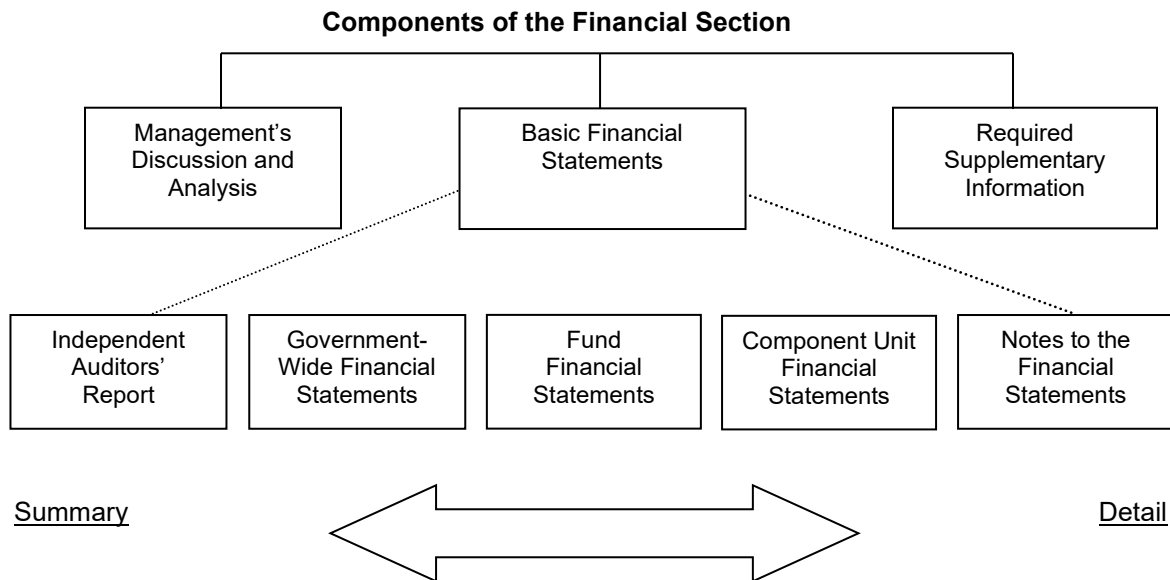
Houston, Texas
March 21, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the City of New Braunfels, Texas (the "City") for the year ending September 30, 2024. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the City's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the City's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



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

Government-Wide Statements

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

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

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

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

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

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

FUND FINANCIAL STATEMENTS

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

Governmental Funds

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

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

The City maintains 43 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service, 2019 capital improvement, 2023 capital improvement, parks improvement, and grant funds, which are considered to be major funds for reporting purposes. The general obligations, hotel/motel tax, and roadway impact fees funds are not major funds, but the City has elected to present them as major due to their significance.

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

Proprietary Fund

The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airport, solid waste, golf course, and civic/convention center services. The proprietary fund financial statements provide separate information for the airport, solid waste, golf course, and civic/convention center operations. The proprietary fund financial statements can be found in the basic financial statements of this report.

The City also uses an internal service fund to account for its self-funded health plan and city-wide fleet services. These internal service funds have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains two types of fiduciary funds. The private-purpose trust fund is used to report resources held in trust for contributions and payments made on behalf of the Solms Landing Public Improvement District (the "PID"). The custodial fund is used to report the collection of special assessment tax revenue and the associated contributions to the private-purpose trust fund. The fiduciary fund financial statements can be found in the basic financial statements of this report.

Notes to Financial Statements

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

Other Information

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$139,901,405 as of September 30, 2024 for the primary government. This compares with \$123,760,370 from the prior fiscal year. A portion of the City's net position, \$81,415,003, reflects its investments in capital assets (e.g., land, buildings and improvements, equipment, construction in progress, and infrastructure), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
ASSETS						
Current and other assets	\$ 226,301,675	\$ 208,664,758	\$ 16,075,277	\$ 11,057,752	\$ 242,376,952	\$ 219,722,510
Capital assets, net	<u>293,904,351</u>	<u>260,252,340</u>	<u>24,159,782</u>	<u>26,124,633</u>	<u>318,064,133</u>	<u>286,376,973</u>
Total assets	<u>520,206,026</u>	<u>468,917,098</u>	<u>40,235,059</u>	<u>37,182,385</u>	<u>560,441,085</u>	<u>506,099,483</u>
DEFERRED OUTFLOWS ON RESOURCES						
Deferred charge on refunding	745,678	959,505	-	-	745,678	959,505
Deferred outflows - pensions	17,979,322	23,545,470	1,859,510	2,346,901	19,838,832	25,892,371
Deferred outflows - OPEB	<u>902,336</u>	<u>1,028,996</u>	<u>73,065</u>	<u>84,155</u>	<u>975,401</u>	<u>1,113,151</u>
Total deferred outflows of resources	<u>19,627,336</u>	<u>25,533,971</u>	<u>1,932,575</u>	<u>2,431,056</u>	<u>21,559,911</u>	<u>27,965,027</u>
LIABILITIES						
Long-term liabilities	396,631,953	365,577,904	6,027,332	6,415,619	402,659,285	371,993,523
Other liabilities	<u>31,569,013</u>	<u>29,106,467</u>	<u>1,981,268</u>	<u>1,986,501</u>	<u>33,550,281</u>	<u>31,092,968</u>
Total liabilities	<u>428,200,966</u>	<u>394,684,371</u>	<u>8,008,600</u>	<u>8,402,120</u>	<u>436,209,566</u>	<u>403,086,491</u>
DEFERRED INFLOWS ON RESOURCES						
Deferred inflows - leases	566,681	574,102	1,694,969	1,387,091	2,261,650	1,961,193
Deferred inflows - grants	280,260	-	-	-	280,260	-
Deferred inflows - pensions	518,019	-	45,360	-	563,379	-
Deferred inflows - OPEB	<u>2,522,151</u>	<u>4,794,863</u>	<u>262,585</u>	<u>461,593</u>	<u>2,784,736</u>	<u>5,256,456</u>
Total deferred inflows of resources	<u>3,887,111</u>	<u>5,368,965</u>	<u>2,002,914</u>	<u>1,848,684</u>	<u>5,890,025</u>	<u>7,217,649</u>
NET POSITION						
Net investment in capital assets	57,282,700	38,706,190	24,132,303	26,069,805	81,415,003	64,775,995
Restricted	113,579,896	54,789,238	-	-	113,579,896	54,789,238
Unrestricted	<u>(63,117,311)</u>	<u>902,305</u>	<u>8,023,817</u>	<u>3,292,832</u>	<u>(55,093,494)</u>	<u>4,195,137</u>
Total net position	<u>\$ 107,745,285</u>	<u>\$ 94,397,733</u>	<u>\$ 32,156,120</u>	<u>\$ 29,362,637</u>	<u>\$ 139,901,405</u>	<u>\$ 123,760,370</u>

A portion of the primary government's net position, \$113,579,896, represents resources that are subject to external restriction on how they may be used. The balance of unrestricted net position is a deficit balance of \$55,903,494.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

The City's total net position increased by \$16,141,035 during the current fiscal year. Capital assets, net of accumulated depreciation, increased due to capital additions in excess of depreciation expense, as the City continued to add infrastructure to sustain growth. Long-term liabilities increased during the year primarily due to the issuance of new long-term debt and other liabilities during the year.

Statement of Activities

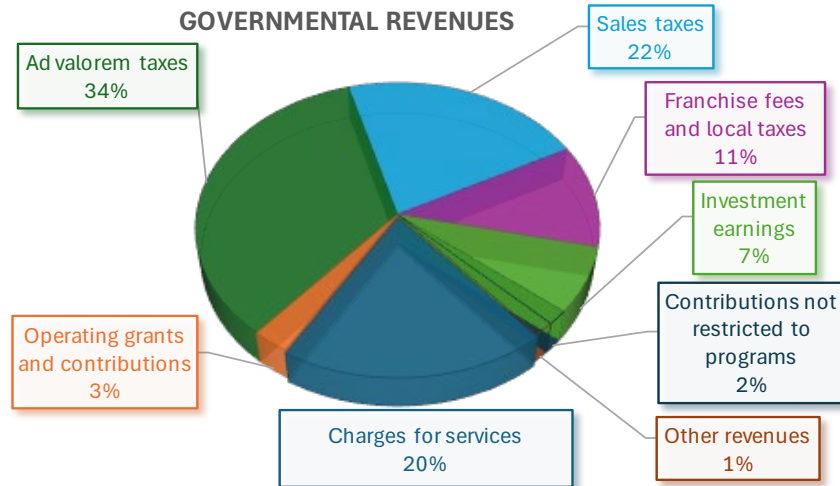
The following table provides a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues:						
Charges for services	\$ 32,839,052	\$ 32,453,912	\$ 18,743,016	\$ 18,350,775	\$ 51,582,068	\$ 50,804,687
Operating grants and contributions	4,497,718	3,044,408	374,000	-	4,871,718	3,044,408
Capital grants and contributions	-	-	1,009,962	3,081,470	1,009,962	3,081,470
General revenues:						
Property taxes	57,533,753	52,102,388	-	-	57,533,753	52,102,388
Sales taxes	35,837,335	34,516,607	-	-	35,837,335	34,516,607
Franchise fees and local taxes	19,022,205	18,546,923	-	-	19,022,205	18,546,923
Investment earnings	12,188,593	8,706,006	246,677	182,195	12,435,270	8,888,201
Contributions not restricted to programs	2,630,647	8,025,412	-	-	2,630,647	8,025,412
Other revenues	2,437,995	6,660,591	352,724	270,872	2,790,719	6,931,463
Gain on disposal of capital assets	-	2,817,167	2,250	14,363	2,250	2,831,530
Total revenues	<u>166,987,298</u>	<u>166,873,414</u>	<u>20,728,629</u>	<u>21,899,675</u>	<u>187,715,927</u>	<u>188,773,089</u>
Expenses						
General government	22,222,702	18,361,048	-	-	22,222,702	18,361,048
Finance and tax	2,237,077	1,732,848	-	-	2,237,077	1,732,848
Planning and environmental development	6,090,934	5,667,729	-	-	6,090,934	5,667,729
Public safety	69,162,016	62,482,323	-	-	69,162,016	62,482,323
Public works	25,917,148	31,166,168	-	-	25,917,148	31,166,168
Parks and recreation	10,963,013	10,345,668	-	-	10,963,013	10,345,668
Civic/convention center	-	-	1,309,114	1,246,041	1,309,114	1,246,041
Library	3,502,449	2,793,210	-	-	3,502,449	2,793,210
Interest and fiscal agent fees	10,268,375	14,842,161	-	-	10,268,375	14,842,161
Airport	390,572	72,443	5,402,713	5,152,896	5,793,285	5,225,339
Solid waste	-	-	11,560,331	11,040,163	11,560,331	11,040,163
Golf course	-	-	2,548,448	2,419,968	2,548,448	2,419,968
Total expenses	<u>150,754,286</u>	<u>147,463,598</u>	<u>20,820,606</u>	<u>19,859,068</u>	<u>171,574,892</u>	<u>167,322,666</u>
Increase in net position before transfers	16,233,012	19,409,816	(91,977)	2,040,607	16,141,035	21,450,423
Transfers in (out)	<u>(2,885,460)</u>	<u>2,278,281</u>	<u>2,885,460</u>	<u>(2,278,281)</u>	<u>-</u>	<u>-</u>
Change in net position	13,347,552	21,688,097	2,793,483	(237,674)	16,141,035	21,450,423
Beginning net position	<u>94,397,733</u>	<u>72,709,636</u>	<u>29,362,637</u>	<u>29,600,311</u>	<u>123,760,370</u>	<u>102,309,947</u>
Ending net position	<u>\$ 107,745,285</u>	<u>\$ 94,397,733</u>	<u>\$ 32,156,120</u>	<u>\$ 29,362,637</u>	<u>\$ 139,901,405</u>	<u>\$ 123,760,370</u>

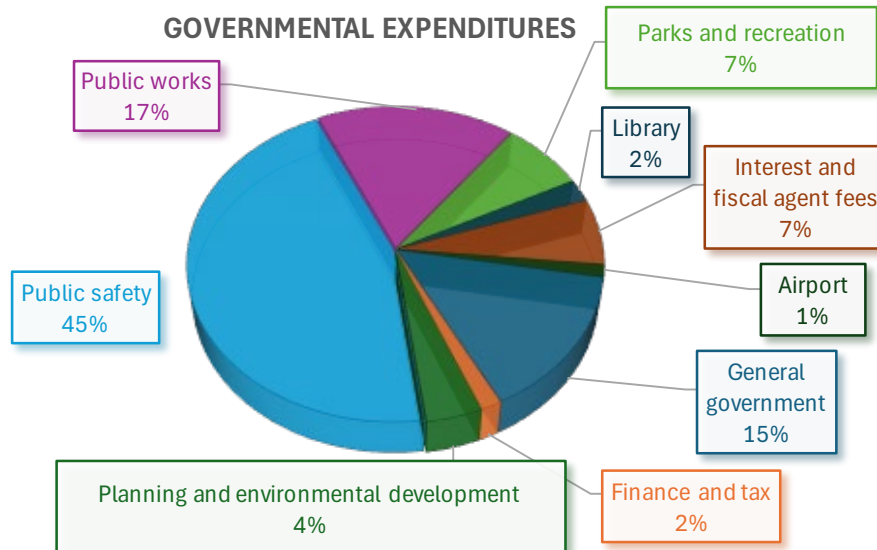
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CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

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



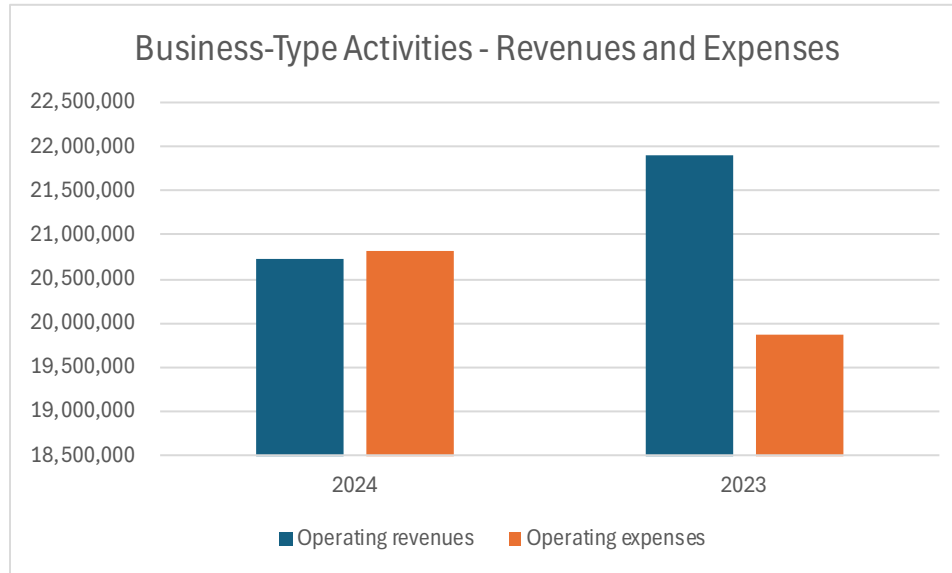
For the year ended September 30, 2024, revenues from governmental activities totaled \$166,987,298. Overall governmental revenues increased by \$113,884 primarily due to an increase in ad valorem taxes, sales taxes, and investment earnings. Ad valorem property taxes increased due to an increase in property values, sales taxes increased due to higher consumer spending than the previous year, and investment earnings increased due to an increase in interest rates on investments.



For the year ended September 30, 2024, expenses from governmental activities totaled \$150,754,286. Governmental expenses increased by a net \$3,290,688. This net increase is primarily related to increases in general government and public safety. Overall, the increase in expenses can primarily be attributed to increases to overall personnel costs in the fiscal year for salaries and benefits.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024



Overall business-type activities revenues decreased by a net \$1,171,046 from the prior period primarily related to less capital contributions received in the current year.

Business-type activities expenses increased by a net \$961,538 mostly due to increases in overall costs of service across all business-type functions.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

The City's governmental funds reflect a combined fund balance of \$190,688,133. Of this, \$245,840 is nonspendable, \$152,644,769 is restricted for various purposes, \$84,208 is committed, \$3,719,791 is assigned, and \$33,993,525 is unassigned.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$33,993,525, while total fund balance reached \$37,716,746. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 32% of total general fund expenditures, while total fund balance represents 35% of that same amount. The general fund balance decreased by \$3,684,968 this year, primarily related to transfers to other funds, as well as increases in the general government and public safety expenditures primarily attributable to increases in personnel costs.

It is important to note that this fund balance includes all of the fund balance in the general fund and equipment replacement subfund. The equipment replacement subfund contributes \$3,719,791 to this stated fund balance. This fund allows the City to account for equipment replacement and improvements in a separate subfund and not include these activities in the primary general operating fund.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

The fund balance of the hotel/motel tax fund experienced a decrease of \$601,199, mostly due to transfers out to the Civic Center fund due to the cost to replace capital equipment.

The fund balance in the debt service fund experienced a slight increase of \$390,447. The debt service fund property tax revenue increased during the year mostly due to increases in property valuations. This increase was partially offset by increases in principal and interest payments on the City's debt.

The fund balance in the general obligations capital projects fund had a decrease of \$222,387, which was primarily a result of transfers out to other funds.

The fund balance in the roadway impact fees fund had an increase of \$1,719,204, which was primarily a result of increases in impact fee collections in fiscal year 2024.

The fund balance in the 2019 capital improvement fund had a decrease of \$10,699,258, which was primarily a result of bond proceeds being used for capital projects. This decrease was partially offset by the issuance of additional debt to fund the sports complex.

The fund balance in the 2023 capital improvement fund had an increase of \$31,813,827 which was primarily related to the issuance of new debt in the fiscal year.

The fund balance in the park improvement fund had an increase of \$2,161,136, which was primarily a result of increases in collections of park development impact fees in fiscal year 2024.

The grants fund is used to track various special project expenditures and reimbursements for grant programs in the City. The fund experienced an increase of \$616,573 due primarily to transfers in from other funds. The City expended for certain costs in this fund for which grant money was ultimately not awarded and required a supplement from another fund.

Proprietary Funds – The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The Airport fund experienced a decrease in net position of \$55,580 primarily related to the increase in supplies costs. The Solid Waste fund experienced an increase in net position of \$2,330,666 primarily related to capital contributions and transfers in from other funds. The Golf Course fund experienced a decrease in net position of \$205,891 primarily related to overall increases in costs of service. The Civic/Convention Center fund experienced an increase in net position of \$724,288 due to transfers in from other funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

The amended budget included a planned decrease in fund balance in the amount of \$10,529,593. The actual fund balance for the year decreased by \$3,684,968. Actual revenues exceeded the amended budget by \$4,632,460 spread across various revenue lines. The largest positive variances were in investment earnings and licenses and permits. The City's conservative revenue projections, as well as the diverse economy within the City, are both attributable to the positive variances. Actual expenditures were under the amended budget by \$1,511,667. The largest positive variance was in the general government function.

CITY OF NEW BRAUNFELS, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2024

CAPITAL ASSETS

At the end of fiscal year 2024, the City's governmental activities had invested \$293,904,351 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$33,652,011.

More detailed information about the City's capital assets is presented in note 3 to the financial statements.

LONG-TERM DEBT

At the end of the current year, the City had total general obligation bonds and certificates of obligation outstanding of \$282,380,000. Of this amount, \$235,385,000 was general obligation debt and \$46,995,000 was certificates of obligation.

More detailed information about the City's long-term liabilities and issuances of debt presented in note 3 to the financial statements.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

From a budget planning perspective, inflation and interest rates created a significant amount of economic uncertainty. The fiscal strategy over the past year was to continue to budget conservatively. Fortunately, the City's reserves are in a strong surplus position which has allowed for major one-time investments in equipment and technology with specific focus on improving efficiency, safety, and productivity.

Long-term budgeting priorities include considering staffing strategies and other initiatives driven by population growth and increased demand for services.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF NET POSITION
September 30, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Corporation	New Braunfels Utilities
ASSETS					
Cash and equity in pooled cash and investments	\$ 201,168,813	\$ 13,450,045	\$ 214,618,858	\$ 27,918,867	\$ 90,701,469
Investments	4,906,876	-	4,906,876	-	20,938,583
Receivables, net	13,361,142	889,880	14,251,022	4,184,198	49,130,913
Leases receivable	583,505	1,735,352	2,318,857	-	-
Inventory	116,350	-	116,350	-	8,365,563
Prepaid items	-	-	-	-	1,609,303
Other current assets	-	-	-	-	18,451,065
Restricted current assets					
Cash and cash equivalents	6,164,989	-	6,164,989	-	56,090,897
Investments	-	-	-	-	20,622,130
Capital assets:					
Nondepreciable/amortizable	89,371,228	2,967,053	92,338,281	-	213,497,729
Depreciable/amortizable capital assets, net	204,533,123	21,192,729	225,725,852	-	847,703,226
Investments					
Restricted	-	-	-	-	5,998,273
Unrestricted	-	-	-	-	4,472,656
Other noncurrent assets	-	-	-	-	12,860,700
Total assets	520,206,026	40,235,059	560,441,085	32,103,065	1,350,442,507
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	745,678	-	745,678	-	-
Deferred outflows - pensions	17,979,322	1,859,510	19,838,832	-	14,157,920
Deferred outflows - OPEB	902,336	73,065	975,401	-	-
Total deferred inflows of resources	19,627,336	1,932,575	21,559,911	-	14,157,920
LIABILITIES					
Accounts payable	19,049,570	1,504,863	20,554,433	204,669	51,356,559
Deposit payable	-	123,986	123,986	-	13,851,204
Leases payable	227,612	27,479	255,091	-	-
Accrued expenses payable	3,413,433	324,940	3,738,373	-	-
Accrued interest	1,973,579	-	1,973,579	-	1,617,368
Unearned revenue	6,904,819	-	6,904,819	-	-
Generation and transmission cost recovery	-	-	-	-	14,160,796
Long-term liabilities					
Due within one year					
Bonds payable	24,575,000	-	24,575,000	-	8,700,000
Loan payable	797,498	-	797,498	-	-
Commercial paper	-	-	-	-	15,000,000
Accrued compensated absences	9,666,168	320,910	9,987,078	-	2,296,800
Due in more than one year					
Bonds payable and premiums	298,569,235	-	298,569,235	-	492,250,517
Loan payable	6,563,987	-	6,563,987	-	-
Net pension liability	46,961,755	4,826,322	51,788,077	-	26,716,411
Total OPEB liability - TMRS	1,643,100	162,220	1,805,320	-	-
Total OPEB liability - retiree benefits	6,781,191	682,223	7,463,414	-	-
Accrued compensated absences	1,074,019	35,657	1,109,676	-	1,121,488
Other long-term liabilities	-	-	-	-	18,470,308
Total liabilities	428,200,966	8,008,600	436,209,566	204,669	645,541,451

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF NET POSITION
September 30, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Corporation	New Braunfels Utilities
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pensions	518,019	45,360	563,379	-	437,161
Deferred inflows - OPEB	2,522,151	262,585	2,784,736	-	-
Deferred inflows - grants	280,260	-	280,260	-	-
Deferred inflows - leases	566,681	1,694,969	2,261,650	-	-
Total deferred inflows of resources	<u>3,887,111</u>	<u>2,002,914</u>	<u>5,890,025</u>	<u>-</u>	<u>437,161</u>
NET POSITION					
Net investment in capital assets	57,282,700	24,132,303	81,415,003	-	571,540,910
Restricted for:					
Debt service	1,439,675	-	1,439,675	-	40,004,811
Capital projects	93,366,003	-	93,366,003	-	-
Cemetery perpetual care (nonexpendable)	242,410	-	242,410	-	-
Grants	891,846	-	891,846	-	-
Impact fees	-	-	-	-	9,457,029
Municipal court	112,905	-	112,905	-	-
Public safety	659,010	-	659,010	-	-
Governmental programming	834,200	-	834,200	-	-
Tourism	6,779,078	-	6,779,078	-	-
Economic development	7,551,639	-	7,551,639	-	-
Special donation	1,703,130	-	1,703,130	-	-
Unrestricted	<u>(63,117,311)</u>	<u>8,023,817</u>	<u>(55,093,494)</u>	<u>31,898,396</u>	<u>97,619,065</u>
Total net position	<u>\$ 107,745,285</u>	<u>\$ 32,156,120</u>	<u>\$ 139,901,405</u>	<u>\$ 31,898,396</u>	<u>\$ 718,621,815</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF ACTIVITIES
For the year ended September 30, 2024

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Government Activities	Business-Type Activities	Total	Economic Development Corporation	New Braunfels Utilities
Primary Government									
Governmental activities									
General government	\$ 22,222,702	\$ 741,622	\$ 2,812,102	\$ -	\$ (18,668,978)	\$ -	\$ (18,668,978)	\$ -	\$ -
Finance and tax	2,237,077	-	-	-	(2,237,077)	-	(2,237,077)	-	-
Planning and environmental development	6,090,934	-	604	-	(6,090,330)	-	(6,090,330)	-	-
Public safety	69,162,016	8,341,423	1,294,396	-	(59,526,197)	-	(59,526,197)	-	-
Public works	25,917,148	8,612,908	-	-	(17,304,240)	-	(17,304,240)	-	-
Parks and recreation	10,963,013	15,130,071	-	-	4,167,058	-	4,167,058	-	-
Library	3,502,449	13,028	44	-	(3,489,377)	-	(3,489,377)	-	-
Airport	390,572	-	390,572	-	-	-	-	-	-
Interest	10,268,375	-	-	-	(10,268,375)	-	(10,268,375)	-	-
Total governmental activities	<u>150,754,286</u>	<u>32,839,052</u>	<u>4,497,718</u>	<u>-</u>	<u>(113,417,516)</u>	<u>-</u>	<u>(113,417,516)</u>	<u>-</u>	<u>-</u>
Business-type activities									
Airport	5,402,713	4,346,727	374,000	48,048	-	(633,938)	(633,938)	-	-
Solid waste	11,560,331	11,478,149	-	961,914	-	879,732	879,732	-	-
Golf course	2,548,448	2,324,068	-	-	-	(224,380)	(224,380)	-	-
Civic center	1,309,114	594,072	-	-	-	(715,042)	(715,042)	-	-
Total business-type activities	<u>20,820,606</u>	<u>18,743,016</u>	<u>374,000</u>	<u>1,009,962</u>	<u>-</u>	<u>(693,628)</u>	<u>(693,628)</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 171,574,892</u>	<u>\$ 51,582,068</u>	<u>\$ 4,871,718</u>	<u>\$ 1,009,962</u>	<u>(113,417,516)</u>	<u>(693,628)</u>	<u>(114,111,144)</u>	<u>-</u>	<u>-</u>
Component Units									
Economic Development Corporation	8,438,322	-	-	-	-	-	-	(8,438,322)	-
New Braunfels Utilities	271,575,104	284,242,431	-	56,030,439	-	-	-	-	68,697,766
Total component units	<u>\$ 280,013,426</u>	<u>\$ 284,242,431</u>	<u>\$ -</u>	<u>\$ 56,030,439</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,438,322)</u>	<u>68,697,766</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF ACTIVITIES
For the year ended September 30, 2024

	Net Revenue (Expense) and Changes in Net Position				
	Primary Government			Component Units	
	Government Activities	Business-Type Activities	Total	Economic Development Corporation	New Braunfels Utilities
General revenues					
Taxes and fees					
Property	57,533,753	-	57,533,753	-	-
Sales	35,837,335	-	35,837,335	-	-
Hotel/motel occupancy	4,864,003	-	4,864,003	-	-
Franchise	13,198,177	-	13,198,177	9,796,748	-
Mixed beverages	960,025	-	960,025	-	-
Investment earnings	12,188,593	246,677	12,435,270	1,009,863	9,962,840
Contributions not restricted to programs	2,630,647	-	2,630,647	-	-
Miscellaneous	2,437,995	352,724	2,790,719	173,754	3,398,253
Gain on sale of capital assets	-	2,250	2,250	-	4,327,957
Transfers	(2,885,460)	2,885,460	-	-	-
Total general revenues and transfers	126,765,068	3,487,111	130,252,179	10,980,365	17,689,050
Change in net position	13,347,552	2,793,483	16,141,035	2,542,043	86,386,816
Beginning net position	94,397,733	29,362,637	123,760,370	29,356,353	632,234,999
Ending net position	<u>\$ 107,745,285</u>	<u>\$ 32,156,120</u>	<u>\$ 139,901,405</u>	<u>\$ 31,898,396</u>	<u>\$ 718,621,815</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2024

	<u>General</u>	<u>Hotel/Motel Tax</u>	<u>Debt Service</u>	<u>General Obligations</u>	<u>Roadway Impact Fees</u>	<u>2019 Capital Improvements</u>
ASSETS						
Cash and cash equivalents	\$ 34,183,728	\$ 3,650,231	\$ 3,456,426	\$ 5,113,445	\$ 14,192,764	\$ 52,244,110
Investments	4,906,876	-	-	-	-	-
Receivables, net	8,088,963	305,953	689,582	-	-	-
Leases receivable	583,505	-	-	-	-	-
Due from other funds	922,250	-	-	-	-	-
Inventory	3,430	-	-	-	-	-
Restricted cash	-	-	-	-	-	-
Total assets	<u>\$ 48,688,752</u>	<u>\$ 3,956,184</u>	<u>\$ 4,146,008</u>	<u>\$ 5,113,445</u>	<u>\$ 14,192,764</u>	<u>\$ 52,244,110</u>
LIABILITIES						
Accounts payable	\$ 6,382,351	\$ 91,126	\$ 74,400	\$ -	\$ 88,849	\$ 6,732,027
Due to other funds	-	-	-	-	-	-
Accrued wages payable	3,368,328	-	-	-	-	1,404
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>9,750,679</u>	<u>91,126</u>	<u>74,400</u>	<u>-</u>	<u>88,849</u>	<u>6,733,431</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - leases receivable	566,681	-	-	-	-	-
Unavailable revenue - grants	-	-	-	-	-	-
Unavailable revenue - property taxes	654,646	-	658,354	-	-	-
Total deferred inflows of resources	<u>1,221,327</u>	<u>-</u>	<u>658,354</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	3,430	-	-	-	-	-
Restricted	-	3,865,058	3,413,254	5,113,445	14,103,915	45,510,679
Committed	-	-	-	-	-	-
Assigned	3,719,791	-	-	-	-	-
Unassigned	33,993,525	-	-	-	-	-
Total fund balances	<u>37,716,746</u>	<u>3,865,058</u>	<u>3,413,254</u>	<u>5,113,445</u>	<u>14,103,915</u>	<u>45,510,679</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 48,688,752</u>	<u>\$ 3,956,184</u>	<u>\$ 4,146,008</u>	<u>\$ 5,113,445</u>	<u>\$ 14,192,764</u>	<u>\$ 52,244,110</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2024

	2023 Capital Improvement	Park Improvement	Grants	Nonmajor Governmental	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 33,099,880	\$ 23,607,404	\$ 29	\$ 26,225,412	\$ 195,773,429
Investments	-	-	-	-	4,906,876
Receivables, net	-	-	1,888,104	2,388,421	13,361,023
Leases receivable	-	-	-	-	583,505
Due from other funds	-	-	-	-	922,250
Inventory	-	-	-	-	3,430
Restricted cash	-	-	4,941,904	1,223,085	6,164,989
Total assets	<u>\$ 33,099,880</u>	<u>\$ 23,607,404</u>	<u>\$ 6,830,037</u>	<u>\$ 29,836,918</u>	<u>\$ 221,715,502</u>
LIABILITIES					
Accounts payable	\$ 729,439	\$ 199,177	\$ 351,342	\$ 3,053,166	\$ 17,701,877
Due to other funds	-	-	891,000	-	891,000
Accrued wages payable	-	-	-	-	3,369,732
Unearned revenue	-	-	4,492,694	2,412,125	6,904,819
Total liabilities	<u>729,439</u>	<u>199,177</u>	<u>5,735,036</u>	<u>5,465,291</u>	<u>28,867,428</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - leases receivable	-	-	-	-	566,681
Unavailable revenue - grants	-	-	280,260	-	280,260
Unavailable revenue - property taxes	-	-	-	-	1,313,000
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>280,260</u>	<u>-</u>	<u>2,159,941</u>
FUND BALANCES					
Nonspendable	-	-	-	242,410	245,840
Restricted	32,370,441	23,408,227	814,741	24,045,009	152,644,769
Committed	-	-	-	84,208	84,208
Assigned	-	-	-	-	3,719,791
Unassigned	-	-	-	-	33,993,525
Total fund balances	<u>32,370,441</u>	<u>23,408,227</u>	<u>814,741</u>	<u>24,371,627</u>	<u>190,688,133</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 33,099,880</u>	<u>\$ 23,607,404</u>	<u>\$ 6,830,037</u>	<u>\$ 29,836,918</u>	<u>\$ 221,715,502</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2024

Total fund balances for governmental funds	\$ 190,688,133
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, not reported in the governmental funds.	
Capital assets - nondepreciable/nonamortizable	89,371,228
Capital assets - depreciable/amortizable	204,533,123
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the governmental funds.	1,313,000
Some liabilities, including bonds and leases payable, are not reported as liabilities in the governmental funds.	
Accrued interest	(1,973,579)
Leases payable	(227,612)
Bonds, notes, and other payables due in one year	(24,575,000)
Bonds, notes, and other payables due in more than one year	(272,280,000)
Premiums on bond issuance and deferred loss on bond refunding are recorded as other financing sources and uses in the fund financial statements when first issued, but are capitalized and amortized in the government-wide financial statements over the life of the bond.	
Premiums	(26,289,235)
Deferred charge on refunding	745,678
Loans payable are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	(7,361,485)
Net pension liability and other postemployment benefits (OPEB) obligations are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds balance sheet.	
Net pension liability	(46,961,755)
Total OPEB liability - TMRS	(1,643,100)
Total OPEB liability - retiree benefits	(6,781,191)
Deferred outflows and inflows of resources related to the net pension and total OPEB liability are not reported in the funds.	
Deferred outflows - pensions	17,979,322
Deferred inflows - pensions	(518,019)
Deferred outflows - OPEB	902,336
Deferred inflows - OPEB	(2,522,151)
Accrued liabilities for compensated absences are not due and payable in the current period and, therefore, have not been included in the fund financial statements.	(10,740,187)
The City uses an internal service fund to charge the costs of certain activities to individual funds. Assets and liabilities of the internal service fund are included in governmental activities.	4,085,779
Net position of governmental activities	<u>\$ 107,745,285</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
For the year ended September 30, 2024

	General	Hotel/Motel Tax	Debt Service	General Obligations	Roadway Impact Fees	2019 Capital Improvements
Revenues						
Taxes and fees	\$ 74,238,735	\$ 4,864,003	\$ 27,087,185	\$ -	\$ -	\$ -
Licenses and permits	6,974,152	-	-	-	-	-
Intergovernmental	1,175,032	-	-	-	-	-
Fines and forfeitures	1,362,124	-	-	-	603,225	-
Investment earnings	3,844,127	61,900	325,897	225,409	372,952	3,628,222
Parks and recreation	5,204,656	-	-	-	-	-
Miscellaneous	4,008,050	-	2,270,948	-	-	-
Other contributions	-	-	-	-	2,368,645	-
Charges for services	4,560,738	-	-	-	-	-
Total revenues	<u>101,367,614</u>	<u>4,925,903</u>	<u>29,684,030</u>	<u>225,409</u>	<u>3,344,822</u>	<u>3,628,222</u>
Expenditures						
Current						
General government	14,193,701	3,687,855	-	-	-	-
Finance and tax	1,843,486	-	-	-	-	-
Planning and environmental development	4,695,944	-	-	-	1,323,097	-
Public safety	59,237,655	-	-	-	-	-
Public works	11,232,021	-	-	-	302,521	28,865,554
Parks and recreation	10,603,747	-	-	-	-	-
Library	2,954,281	-	-	-	-	-
Airport	-	-	-	-	-	-
Debt service						
Principal	434,095	-	20,105,000	-	-	-
Interest	7,206	-	10,554,178	-	-	-
Issuance cost and fiscal charges	-	-	67,494	-	-	164,657
Total expenditures	<u>105,202,136</u>	<u>3,687,855</u>	<u>30,726,672</u>	<u>-</u>	<u>1,625,618</u>	<u>29,030,211</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,834,522)</u>	<u>1,238,048</u>	<u>(1,042,642)</u>	<u>225,409</u>	<u>1,719,204</u>	<u>(25,401,989)</u>
Other Financing Sources (Uses)						
Transfers in	1,288,676	-	1,379,040	-	-	4,534,811
Transfers (out)	(1,776,149)	(1,839,247)	-	(447,796)	-	-
Sale of capital assets	198,950	-	-	-	-	-
Notes issued	-	-	-	-	-	-
Payment to escrow	-	-	(4,684,467)	-	-	-
Premium from issuance of debt	-	-	438,516	-	-	507,920
Proceeds from issuance of debt	438,077	-	4,300,000	-	-	9,660,000
Total other financing sources (uses)	<u>149,554</u>	<u>(1,839,247)</u>	<u>1,433,089</u>	<u>(447,796)</u>	<u>-</u>	<u>14,702,731</u>
Net change in fund balances	(3,684,968)	(601,199)	390,447	(222,387)	1,719,204	(10,699,258)
Beginning fund balances	<u>41,401,714</u>	<u>4,466,257</u>	<u>3,022,807</u>	<u>5,335,832</u>	<u>12,384,711</u>	<u>56,209,937</u>
Change within financial reporting entity	-	-	-	-	-	-
Beginning fund balances, as adjusted	<u>41,401,714</u>	<u>4,466,257</u>	<u>3,022,807</u>	<u>5,335,832</u>	<u>12,384,711</u>	<u>56,209,937</u>
Ending fund balances	<u>\$ 37,716,746</u>	<u>\$ 3,865,058</u>	<u>\$ 3,413,254</u>	<u>\$ 5,113,445</u>	<u>\$ 14,103,915</u>	<u>\$ 45,510,679</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
For the year ended September 30, 2024

	2023 Capital Improvement	Park Improvement	Grants	Nonmajor Governmental	Total Governmental Funds
Revenues					
Taxes and fees	\$ -	\$ -	\$ -	\$ 5,828,275	\$ 112,018,198
Licenses and permits	-	-	-	7,464	6,981,616
Intergovernmental	-	-	4,132,359	1,628,323	6,935,714
Fines and forfeitures	-	-	-	397,567	2,362,916
Investment earnings	1,915,303	260,344	507,407	891,218	12,032,779
Parks and recreation	-	2,550,064	-	-	7,754,720
Miscellaneous	-	-	-	1,915,651	8,194,649
Other contributions	-	-	258,695	3,307	2,630,647
Charges for services	-	-	-	2,984,412	7,545,150
Total revenues	<u>1,915,303</u>	<u>2,810,408</u>	<u>4,898,461</u>	<u>13,656,217</u>	<u>166,456,389</u>
Expenditures					
Current					
General government	-	-	2,812,102	17,949,218	38,642,876
Finances and tax	-	-	-	-	1,843,486
Planning and environmental development	-	-	604	5,000	6,024,645
Public safety	-	-	1,294,396	3,380,286	63,912,337
Public works	5,104,530	-	-	7,967,400	53,472,026
Parks and recreation	-	149,272	-	224,327	10,977,346
Library	-	-	44	96,015	3,050,340
Airport	-	-	390,572	-	390,572
Debt service					
Principal	-	-	-	2,338,680	22,877,775
Interest	-	-	-	896,745	11,458,129
Issuance cost and fiscal charges	427,364	-	-	324,980	984,495
Total expenditures	<u>5,531,894</u>	<u>149,272</u>	<u>4,497,718</u>	<u>33,182,651</u>	<u>213,634,027</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,616,591)</u>	<u>2,661,136</u>	<u>400,743</u>	<u>(19,526,434)</u>	<u>(47,177,638)</u>
Other Financing Sources (Uses)					
Transfers in	-	-	215,830	4,258,849	11,677,206
Transfers (out)	-	(500,000)	-	(9,999,474)	(14,562,666)
Sale of capital assets	-	-	-	-	198,950
Notes issued	-	-	-	4,549,999	4,549,999
Payment to escrow	-	-	-	-	(4,684,467)
Premium from issuance of debt	1,715,418	-	-	526,590	3,188,444
Proceeds from issuance of debt	33,715,000	-	-	12,850,000	60,963,077
Total other financing sources (uses)	<u>35,430,418</u>	<u>(500,000)</u>	<u>215,830</u>	<u>12,185,964</u>	<u>61,330,543</u>
Net change in fund balances	31,813,827	2,161,136	616,573	(7,340,470)	14,152,905
Beginning fund balances	<u>-</u>	<u>21,247,091</u>	<u>198,168</u>	<u>32,268,711</u>	<u>176,535,228</u>
Change within financial reporting entity	<u>556,614</u>	<u>-</u>	<u>-</u>	<u>(556,614)</u>	<u>-</u>
Beginning fund balances, as adjusted	<u>556,614</u>	<u>21,247,091</u>	<u>198,168</u>	<u>31,712,097</u>	<u>176,535,228</u>
Ending fund balances	<u>\$ 32,370,441</u>	<u>\$ 23,408,227</u>	<u>\$ 814,741</u>	<u>\$ 24,371,627</u>	<u>\$ 190,688,133</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUND TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024

Net changes in fund balances - total governmental funds	\$ 14,152,905
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/amortization expense.	
Depreciation/amortization expense	(21,637,312)
Capital outlay	55,289,323
The City uses an internal service fund to charge the costs of certain activities to individual funds. Net change in net position of the internal service fund is reported with governmental activities.	885,419
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	375,095
The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when it is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.	
Payment to escrow	4,684,467
Issuance of bonds	(60,525,000)
Premium on issuance of bonds	(3,188,444)
Lease payments	210,465
Principal payments	22,385,000
Note proceeds	(4,549,999)
Loan proceeds	(438,077)
Note principal payment	866,139
Amortization of deferred charge on refunding	(258,294)
Amortization of premiums on bonds	2,132,989
Accrued interest on long-term debt	(284,275)
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	3,478,509
Change in net pension liability	4,782,531
Change in total OPEB liability - TMRS	(156,761)
Change in total OPEB liability - retiree benefits	(919,013)
Change in deferred outflows - pensions	(5,566,148)
Change in deferred inflows - pensions	(518,019)
Change in deferred outflows - OPEB	(126,660)
Change in deferred inflows - OPEB	2,272,712
Change in net position of governmental activities	<u>\$ 13,347,552</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2024

	Business-Type Activities					Governmental Activities
	Airport	Solid Waste	Golf Course	Civic/Con. Center	Total Funds	Internal Service
ASSETS						
Current assets						
Cash and cash equivalents	\$ 2,762,879	\$ 7,653,902	\$ 2,202,351	\$ 830,913	\$ 13,450,045	\$ 5,395,384
Receivables, net of allowances	22	861,241	27,768	849	889,880	119
Lease receivable	1,735,352	-	-	-	1,735,352	-
Inventory	-	-	-	-	-	112,920
Noncurrent assets						
Capital assets:						
Nondepreciable/amortizable	2,701,693	-	265,360	-	2,967,053	-
Net depreciable capital assets	6,306,433	7,048,417	3,059,533	4,778,346	21,192,729	-
Total assets	13,506,379	15,563,560	5,555,012	5,610,108	40,235,059	5,508,423
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows - pensions	197,843	1,291,528	238,251	131,888	1,859,510	-
Deferred outflows - OPEB	5,921	47,638	12,611	6,895	73,065	-
Total deferred inflows of resources	203,764	1,339,166	250,862	138,783	1,932,575	-
LIABILITIES						
Current liabilities						
Accounts payable	773,056	543,587	158,110	30,110	1,504,863	1,347,693
Due to other funds	-	-	-	-	-	31,250
Deposits payable	45,581	-	-	78,405	123,986	-
Leases payable	-	-	27,479	-	27,479	-
Accrued expenses payable	47,230	191,168	57,459	29,083	324,940	43,701
Current portion of long-term liabilities						
Accrued compensated absences	34,096	165,264	93,739	27,811	320,910	-
Noncurrent liabilities						
Compensated absences	3,788	18,363	10,416	3,090	35,657	-
Net pension liability	490,909	3,254,592	745,802	335,019	4,826,322	-
Total OPEB liability - TMRS	16,821	110,046	22,710	12,643	162,220	-
Total OPEB liability - retiree benefits	56,217	470,572	105,861	49,573	682,223	-
Total liabilities	1,467,698	4,753,592	1,221,576	565,734	8,008,600	1,422,644
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows - leases	1,694,969	-	-	-	1,694,969	-
Deferred inflows - pensions	5,847	29,758	6,740	3,015	45,360	-
Deferred inflows - OPEB	26,347	184,497	29,716	22,025	262,585	-
Total deferred inflows of resources	1,727,163	214,255	36,456	25,040	2,002,914	-
NET POSITION						
Net investment in capital assets	9,008,126	7,048,417	3,297,414	4,778,346	24,132,303	-
Unrestricted	1,507,156	4,886,462	1,250,428	379,771	8,023,817	4,085,779
Total net position	\$ 10,515,282	\$ 11,934,879	\$ 4,547,842	\$ 5,158,117	\$ 32,156,120	\$ 4,085,779

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2024

	Business-Type Activities					Governmental Activities
	<u>Airport</u>	<u>Solid Waste</u>	<u>Golf Course</u>	<u>Civic/Con. Center</u>	<u>Total Funds</u>	<u>Internal Service</u>
Operating revenues						
Charges for services	4,346,727	11,478,149	2,324,068	594,072	18,743,016	9,156,444
Miscellaneous	15,870	252,822	83,720	312	352,724	211,612
Total operating revenues	<u>4,362,597</u>	<u>11,730,971</u>	<u>2,407,788</u>	<u>594,384</u>	<u>19,095,740</u>	<u>9,368,056</u>
Operating expenses						
Personnel services	1,000,731	4,251,677	1,132,331	529,081	6,913,820	7,500,938
Purchased services	673,926	2,852,180	194,449	332,859	4,053,414	1,137,513
Professional services	24,875	61,764	-	-	86,639	-
Supplies	2,349,905	2,377,525	475,311	46,452	5,249,193	-
Depreciation/Amortization	1,353,276	2,017,185	746,357	400,722	4,517,540	-
Total operating expenses	<u>5,402,713</u>	<u>11,560,331</u>	<u>2,548,448</u>	<u>1,309,114</u>	<u>20,820,606</u>	<u>8,638,451</u>
Operating income (loss)	<u>(1,040,116)</u>	<u>170,640</u>	<u>(140,660)</u>	<u>(714,730)</u>	<u>(1,724,866)</u>	<u>729,605</u>
Nonoperating revenues						
Investment earnings	34,709	182,866	27,154	1,948	246,677	155,814
Intergovernmental revenue	374,000	-	-	-	374,000	-
Gain on sale of capital assets	-	-	2,250	-	2,250	-
Total nonoperating revenues	<u>408,709</u>	<u>182,866</u>	<u>29,404</u>	<u>1,948</u>	<u>622,927</u>	<u>155,814</u>
Income (loss) before transfers	<u>(631,407)</u>	<u>353,506</u>	<u>(111,256)</u>	<u>(712,782)</u>	<u>(1,101,939)</u>	<u>885,419</u>
Transfers						
Capital contributions	48,048	961,914	-	-	1,009,962	-
Transfers in	933,636	2,359,811	124,579	1,515,314	4,933,340	-
Transfers (out)	<u>(405,857)</u>	<u>(1,344,565)</u>	<u>(219,214)</u>	<u>(78,244)</u>	<u>(2,047,880)</u>	-
Total transfers	<u>575,827</u>	<u>1,977,160</u>	<u>(94,635)</u>	<u>1,437,070</u>	<u>3,895,422</u>	-
Change in net position	<u>(55,580)</u>	<u>2,330,666</u>	<u>(205,891)</u>	<u>724,288</u>	<u>2,793,483</u>	<u>885,419</u>
Beginning net position	<u>10,570,862</u>	<u>9,604,213</u>	<u>4,753,733</u>	<u>4,433,829</u>	<u>29,362,637</u>	<u>3,200,360</u>
Ending Net Position	<u>\$ 10,515,282</u>	<u>\$ 11,934,879</u>	<u>\$ 4,547,842</u>	<u>\$ 5,158,117</u>	<u>\$ 32,156,120</u>	<u>\$ 4,085,779</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2024

	Business-Type Activities					Governmental Activities
	Airport	Solid Waste	Golf Course	Civic/Con. Center	Total Funds	Internal Service
Cash flows from operating activities						
Receipts from customers	\$ 4,089,513	\$ 11,751,511	\$ 2,408,262	\$ 593,534	\$ 18,842,820	\$ -
Receipts for interfund services provided and used	-	-	-	-	-	9,368,056
Payments to suppliers	(3,335,259)	(5,070,995)	(627,302)	(360,848)	(9,394,404)	(7,010,094)
Payments for personnel services	(683,402)	(4,328,436)	(1,115,793)	(521,837)	(6,649,468)	(949,396)
Net cash provided by operating activities	<u>70,852</u>	<u>2,352,080</u>	<u>665,167</u>	<u>(289,151)</u>	<u>2,798,948</u>	<u>1,408,566</u>
Cash flows from noncapital financing activities						
Transfers from other funds	933,636	2,359,811	124,579	1,515,314	4,933,340	-
Operating grants	374,000	-	-	-	374,000	-
Transfer to other funds	(405,857)	(1,344,565)	(219,214)	(78,244)	(2,047,880)	-
Net cash provided by noncapital financing activities	<u>901,779</u>	<u>1,015,246</u>	<u>(94,635)</u>	<u>1,437,070</u>	<u>3,259,460</u>	<u>-</u>
Cash flows from capital and related financing activities						
Acquisition and construction of capital assets	(284,683)	(549,918)	(182,958)	(525,170)	(1,542,729)	-
Gain on sale of capital assets	-	-	2,250	-	2,250	-
Net cash provided (used) by capital and related financing activities	<u>(284,683)</u>	<u>(549,918)</u>	<u>(180,708)</u>	<u>(525,170)</u>	<u>(1,540,479)</u>	<u>-</u>
Cash flows from investing activities						
Interest on investments	34,709	182,866	27,154	1,948	246,677	155,814
Net cash provided by investing activities	<u>34,709</u>	<u>182,866</u>	<u>27,154</u>	<u>1,948</u>	<u>246,677</u>	<u>155,814</u>
Net Increase in cash and cash equivalents	722,657	3,000,274	416,978	624,697	4,764,606	1,564,380
Beginning cash and cash equivalents	<u>2,040,222</u>	<u>4,653,628</u>	<u>1,785,373</u>	<u>206,216</u>	<u>8,685,439</u>	<u>3,831,004</u>
Ending cash and cash equivalents	<u>\$ 2,762,879</u>	<u>\$ 7,653,902</u>	<u>\$ 2,202,351</u>	<u>\$ 830,913</u>	<u>\$ 13,450,045</u>	<u>\$ 5,395,384</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2024

	Business-Type Activities					Governmental Activities
	<u>Airport</u>	<u>Solid Waste</u>	<u>Golf Course</u>	<u>Civic/Con. Center</u>	<u>Total Funds</u>	<u>Internal Service</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	\$ (1,040,116)	\$ 170,640	\$ (140,660)	\$ (714,730)	\$ (1,724,866)	\$ 729,605
Adjustments to reconcile operating income to net cash provided (used in) by operating activities:						
Depreciation and amortization	1,353,276	2,017,185	746,357	400,722	4,517,540	-
Changes in operating assets and liabilities						
(Increase) decrease in assets						
Accounts receivable	56,631	20,540	474	(850)	76,795	(119)
Lease receivable	(329,715)	-	-	-	(329,715)	-
Inventories	-	-	-	-	-	(10,141)
Due from other funds	-	-	-	-	-	-
Deferred outflows - pensions	62,828	319,749	72,416	32,398	487,391	-
Deferred outflows - OPEB	1,429	7,276	1,648	737	11,090	-
Increase (decrease) in:						
Accounts payable	(296,365)	205,713	52,914	(3,839)	(41,577)	691,682
Leases payable	-	-	(27,349)	-	(27,349)	-
Accrued expenses	13,216	14,761	16,893	10,697	55,567	-
Due to other funds	-	-	-	-	-	(2,461)
Net pension liability	(53,983)	(274,734)	(62,221)	(27,837)	(418,775)	-
Total OPEB liability - TMRS	1,769	9,005	2,039	912	13,725	-
Total OPEB liability - retiree benefits	10,373	52,793	11,956	5,349	80,471	-
Accrued compensated absences	6,841	(90,049)	13,529	5,899	(63,780)	-
Customer deposits	(3,404)	-	-	11,605	8,201	-
Deferred inflows - leases	307,878	-	-	-	307,878	-
Deferred inflows - pensions	5,847	29,758	6,740	3,015	45,360	-
Deferred inflows - OPEB	(25,653)	(130,557)	(29,569)	(13,229)	(199,008)	-
Net cash provided by (used in) operating activities	<u>\$ 70,852</u>	<u>\$ 2,352,080</u>	<u>\$ 665,167</u>	<u>\$ (289,151)</u>	<u>\$ 2,798,948</u>	<u>\$ 1,408,566</u>
Noncash capital activities						
Capital assets contributed during the year	<u>\$ 48,048</u>	<u>\$ 961,914</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,009,962</u>	<u>\$ -</u>

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2024

	<u>Custodial</u>	Private-Purpose <u>Trust</u>
ASSETS		
Current assets		
Cash	\$ -	\$ 1,498,941
Total assets	-	1,498,941
NET POSITION		
Restricted for debt service	-	1,498,941
Total net position	\$ -	\$ 1,498,941

See notes to financial statements.

CITY OF NEW BRAUNFELS, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2024

	<u>Custodial</u>	Private-Purpose <u>Trust</u>
Additions		
Special assessment collections	\$ 732,753	\$ -
Contributions	-	732,753
Investment earnings	-	81,969
Total additions	<u>732,753</u>	<u>814,722</u>
Deductions		
Contribution to trust	732,753	-
Payment to developer	-	583,997
Payment to bond holders	-	557,261
Payment to fiscal agents	-	18,565
Total deductions	<u>732,753</u>	<u>1,159,823</u>
Net decrease in Fiduciary net position	-	(345,101)
Beginning net position	<u>-</u>	<u>1,844,042</u>
Ending Net Position	<u>\$ -</u>	<u>\$ 1,498,941</u>

See notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The City provides the following services: public safety (police, fire, and EMS), public works, parks and recreation, library, airport, solid waste collection, community services, and general government. The City is an independent political subdivision of the State of Texas (the "State") governed by an elected Council and a Mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The component units, as listed below, although legally separate, are considered part of the reporting entity. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

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

Discretely Presented Component Units

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Braunfels Utilities - New Braunfels Utilities (NBU) is a legally separate entity which provides waterworks, sanitary sewer, and electric services in the New Braunfels area. City Council appoints the NBU Board of Trustees, and approves utility rates and the issuance of debt. The NBU is presented as an enterprise component unit. Complete financial statements for the NBU may be obtained at the NBU's administrative offices at 1488 S Seguin Ave., New Braunfels, Texas 78130. The NBU's financial statements are presented on a July 31 fiscal year end.

Blended Component Units

Tax Increment Reinvestment Zone No. 1 - During fiscal year 2007, the City passed a resolution creating a Tax Increment Reinvestment Zone No. 1 (TIRZ No. 1), in accordance with Section 311 of the Texas Tax Code, for the purpose of financing public improvements in support of the Creekside Town Center Development. The TIRZ No. 1 includes participation by a developer and by other governmental entities, the Corporation, and Comal County, Texas (the "County"). Under this arrangement, a certain percentage of the incremental ad valorem tax revenue collected by the City and the County and one-half cent of sales taxes collected by the City and the Corporation will be utilized to pay for certain infrastructure costs. In fiscal year 2021, City Council voted on and implemented a change to this arrangement to be implemented in fiscal year 2022. Effective October of 2021, the City's portion of sales tax collected will no longer be utilized for TIRZ infrastructure costs. Such tax revenue is controlled by the Board of Directors managing the TIRZ No. 1 and is accounted for in a special revenue fund with the City's financial oversight. The Board of Directors is made up of seven members, five of which are appointed by the City Council.

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

River Mill Tax Increment Reinvestment Zone - In December 2019, the City Council established the River Mill Tax Increment Reinvestment Zone (TIRZ No. 2). Similar to TIRZ No. 1, the City's participation is limited to 85% of the real and business personal property tax revenue and 1/3 of all sales tax revenue. The current property owner is finalizing redevelopment plans for the approximate seven-acre River Mill area, which is conveniently located off I-35, directly behind Marketplace shopping area. The conceptual plan includes various uses for the property such as a hotel, entertainment venue, and boutique retail, as well as other multi-family housing options. The City is currently engaging other public sector partners to participate in the TIRZ No. 2 as well. The project and finance plan has not been approved, therefore, the City Council has not established a board for TIRZ No. 2 at this point. Once the project and finance plan is approved, a board will be established to oversee the utilization of the incremental funds to support appropriate public improvements in accordance with section 311 of the Texas Tax Code.

Downtown Tax Increment Reinvestment Zone - In September 2021, the City Council established the Downtown Tax Increment Reinvestment Zone (TIRZ No. 3). Similar to TIRZ No. 1, the City's participation is limited to 85% of the real and business personal property tax revenue. The TIRZ will provide support for catalytic infrastructure and incentives that will facilitate the redevelopment of the downtown area. The downtown area faces barriers to continued redevelopment as much of the pedestrian infrastructure in the zone is insufficient. Additionally, new development in the zone has been stifled due to lack of convenient and adequate parking given the built-out nature of the development pattern. The City has established a board for TIRZ #3 to oversee the utilization of the incremental funds, and a project and financing plan has been approved. Collections of revenue in the TIRZ started in fiscal year 2023.

Separate financial statements for the TIRZ's and NBDA funds are not prepared.

The City also has the following related organization:

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

Government-Wide Financial Statements: The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

The City reports the following governmental funds:

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

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Projects Funds: The *capital projects funds* are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The capital projects funds are considered nonmajor funds for reporting purposes, except for the 2019 capital improvement fund, 2023 capital improvement fund, and the park improvement fund. The general obligations fund and roadway impact fees fund were not major funds, but the City elected to present them as major due to their significance.

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

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

2023 Capital Improvement fund: This fund was called the 2021 Tax Notes fund in prior years. The proceeds from the 2021 Tax Notes have been expended, and the City used this fund to reflect the issuance of new debt for capital projects in fiscal year 2024.

Park improvement fund: This fund accounts for collection and expenditure of park development impact fees charged within the City.

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

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

The City reports the following proprietary funds:

Enterprise Funds: The *enterprise funds* are used to account for the operations that provide airport, solid waste, golf course, and civic/convention center operations. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The airport and solid waste funds are considered major funds for reporting purposes. While the golf course and civic/convention center funds did not technically meet the criteria to be presented as major funds, the City has elected to present them as such due to their significance.

Internal Service Funds: *Internal service funds* account for services provided to other departments or agencies of the primary government, or to other governments, on a cost reimbursement basis. The City's internal service funds are used to account for services for the City's self-funded health plan, which is financed from systematic transfers from general governmental and enterprise funds, as well as the operation of the City's fleet service program to service and maintain City vehicles.

The City reports the following fiduciary funds:

Private-Purpose Trust Fund: The *private-purpose trust fund* accounts for contributions and payments made on behalf of the Solms Landing Public Improvement District (the "PID").

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Custodial Fund: The *custodial fund* accounts for collection of special assessment revenue and contributions made to the trust related to the PID.

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

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

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

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

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

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

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

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

- Direct obligations of the U.S. Government
- Money market mutual funds that meet certain criteria
- Collateralized certificates of deposit
- Municipal securities that meet certain criteria
- Fully collateralized repurchase agreements that meet certain criteria
- Bankers' acceptances
- Commercial paper that meets certain criteria
- Guaranteed investment contracts that meet certain criteria
- Statewide investment pools

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<u>Assets Depreciation</u>	<u>Estimated Useful Life</u>
Streets/Drainage Infrastructure	20 years
Buildings	30 years
Building Improvements	20 years
Equipment	5-7 years
Fleet	5-7 years

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

Deferred outflows/inflows of resources are amortized as follows:

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

(Continued)

- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the City has two types of items, which arises only under a modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, these items, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and from leases in which the government is the lessor. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

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

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

Lessee - The City is a lessee for a noncancellable lease of equipment. The City recognizes a lease liability and an intangible, right-to-use lease asset (the "lease asset") in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$10,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor - The City is a lessor for a noncancellable lease of a building. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements: The City has noncancellable subscription-based information technology arrangements (SBITAs) to finance the use of information technology software. The City would recognize a liability (the “subscription liability”) and an intangible, right-to-use subscription asset (the “subscription asset”) in the financial statements. The City’s SBITAs to report are immaterial to the financial statements as a whole and are not recognized as a subscription liability or a subscription asset.

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

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

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

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

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

	General	Hotel/Motel Tax	Debt Service	General Obligations	Roadway Impact Fees	2019 Capital Improvement	2023 Capital Improvement	Park Improvement	Grants	Nonmajor Governmental
Nonspendable										
Cemetery perpetual care	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,410
Inventory	3,430	-	-	-	-	-	-	-	-	-
Total nonspendable	<u>3,430</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>242,410</u>
Restricted										
Tourism	-	3,865,058	-	-	-	-	-	-	-	-
Debt service	-	-	3,413,254	-	-	-	-	-	814,741	-
Grants	-	-	-	-	-	-	-	-	-	77,105
Special donation	-	-	-	-	-	-	-	-	-	1,703,130
Stormwater development	-	-	-	-	-	-	-	-	-	936,777
Edwards Aquifer	-	-	-	-	-	-	-	-	-	92,560
Capital projects	-	-	-	5,113,445	14,103,915	45,510,679	32,370,441	23,408,227	-	10,371,438
Public safety	-	-	-	-	-	-	-	-	-	459,360
Municipal court	-	-	-	-	-	-	-	-	-	199,650
Governmental programming	-	-	-	-	-	-	-	-	-	834,200
Economic development	-	-	-	-	-	-	-	-	-	9,370,789
Total restricted	<u>-</u>	<u>3,865,058</u>	<u>3,413,254</u>	<u>5,113,445</u>	<u>14,103,915</u>	<u>45,510,679</u>	<u>32,370,441</u>	<u>23,408,227</u>	<u>814,741</u>	<u>24,045,009</u>
Committed										
Facilities Maintenance	-	-	-	-	-	-	-	-	-	56,435
Enterprise equipment	-	-	-	-	-	-	-	-	-	27,773
Assigned										
Equipment replacement	3,719,791	-	-	-	-	-	-	-	-	-
Unassigned	<u>33,993,525</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>\$ 37,716,746</u>	<u>\$ 3,865,058</u>	<u>\$ 3,413,254</u>	<u>\$ 5,113,445</u>	<u>\$ 14,103,915</u>	<u>\$ 45,510,679</u>	<u>\$ 32,370,441</u>	<u>\$ 23,408,227</u>	<u>\$ 814,741</u>	<u>\$ 24,371,627</u>

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Revenues and Expenditures/Expenses:

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

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

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

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

(Continued)

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

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

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

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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except the capital projects funds, which adopt project length budgets. The general obligations fund, roadway impact fees fund, 2019 capital improvements fund, 2023 capital improvements fund, and park improvement funds are major funds for reporting purposes and are considered capital projects funds that do not present an annual operating budget. The Transit District fund was a new fund created during the year, and therefore did not have an annual adopted budget. Budgetary legal level of control is set at the fund, department, or project level. Once a budget is approved, it can be amended only by approval of a majority of the members of the City Council. As required by law, such amendments are made before the fact and are reflected in the official minutes of the City Council. During the year, the budget was amended as necessary. Appropriations lapse at the end of the year, excluding capital project budgets.

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

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS

Deposits and Investments: As of September 30, 2024, the City had the following investments:

<u>Investment Type</u>	<u>Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Rating</u>
Primary Governmental and Component Unit - EDC			
U.S. agency treasury notes	\$ 5,024,764	1.21	AAA
Certificates of Deposit	4,500,000	0.40	Aaa
External investment pools			
TexPool	76,956,918	0.08	AAAm
Texas CLASS	24,552,141	0.23	AAAm
Texas FIT	32,712,808	0.00	AAAmmf
Total	<u>\$ 143,746,631</u>		
Portfolio weighted average maturity		0.18	
Component Unit - NBU			
U.S. agency securities	\$ 30,923,975	0.81	AA+
U.S. agency treasury notes	21,107,668	1.47	AA+
Escrow funds	39,061,676	0.00	N/A
Demand deposit and money market	40,295,127	0.00	N/A
Investment pools	67,435,562	0.00	AAAm
Total	<u>\$ 198,824,008</u>		
Portfolio weighted average maturity		0.46	

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

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

As of September 30, 2024, the City had the following recurring fair value measurements:

<u>Investments by Fair Value Level</u>	September 30, <u>2024</u>	Active Markets Identical Assets (<u>Level 1</u>)	Significant Other Observable Inputs (<u>Level 2</u>)
Primary Government			
U.S. agency treasury notes	\$ 5,024,764	\$ -	\$ 5,024,764
Total - Primary Government	<u>\$ 5,024,764</u>	<u>\$ -</u>	<u>\$ 5,024,764</u>
Component Unit - NBU			
U.S. agency securities	\$ 30,923,976	\$ -	\$ 30,923,976
U.S. agency treasury notes	21,107,668	21,107,668	-
Total - NBU	<u>\$ 52,031,644</u>	<u>\$ 21,107,668</u>	<u>\$ 30,923,976</u>

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

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

Credit risk - The City's policy requires that investment pools must be rated no lower than 'AAA' or 'AAAm.' As of September 30, 2024, the City's investments in investment pools were rated 'AAAm' by Standard & Poor's. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States government or the issuing U.S. agency. These investments were rated not less than 'AA+' by both Moody's and Standard & Poor's.

Custodial credit risk - deposits. In the case of deposits, this is the risk that the City's deposits may not be returned in the event of a bank failure. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of September 30, 2024, fair values of pledged securities and FDIC coverage exceeded bank balances.

Custodial credit risk – investments. For an investment, this is the risk that the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party in the event of the failure of the counterparty. The City's investment policy requires that it will seek to safekeep securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, shall be conducted on a delivery versus payment basis or commercial book entry system as utilized by the Federal Reserve and shall be protected through the use of a third-party custody/safekeeping agent.

(Continued)

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

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

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

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

Governmental Funds						
	General	Hotel/Motel Tax	Debt Service	Roadway Impact Fees	Grants	Nonmajor Funds
Ad valorem taxes	\$ 854,905	\$ -	\$ 840,542	\$ -	\$ -	\$ -
Franchise fees and local taxes	-	-	-	-	-	-
Accounts	7,226,083	305,953	-	-	-	2,388,421
Intergovernmental	-	-	-	-	1,888,104	-
Other	7,975	-	-	-	-	-
Less allowances	-	-	(150,960)	-	-	-
Total	<u>\$ 8,088,963</u>	<u>\$ 305,953</u>	<u>\$ 689,582</u>	<u>\$ -</u>	<u>\$ 1,888,104</u>	<u>\$ 2,388,421</u>
						<u>\$ 13,361,023</u>

Proprietary Funds				
	Airport	Solid Waste	Golf Course	Civic/Con. Center
Accounts	\$ 22	\$ 861,241	\$ 27,768	\$ 849
Other	-	-	-	-
Total	<u>\$ 22</u>	<u>\$ 861,241</u>	<u>\$ 27,768</u>	<u>\$ 849</u>
				<u>\$ 889,880</u>

Component Unit	
NBU	
Customer accounts	\$ 38,192,165
Interest	318,507
Other	<u>10,620,241</u>
Total	<u>\$ 49,130,913</u>

Lease Receivable: The City is a lessor for two agreements related to the lease of space. These leases combined are for 86 years. The City receives annual payments of \$14,500 for these two leases. The City recognized \$2,985 in lease revenue and \$6,291 in interest revenue related to these leases in the current year. As of September 30, 2024, the City's receivable for these lease payments was \$583,505. The City also has a deferred inflow of resources associated with these leases that will be recognized over the lease term. As of September 30, 2024, the balance of the deferred inflow of resources was \$566,681.

The Airport is a lessor of land space for a variety of different parties. The combined lease term for these leases is 59 years. The Airport receives variable amounts for annual payments related to these leases. The Airport recognized \$29,873 in lease revenue and \$260 in interest revenue during the current fiscal year related to these leases. As of September 30, 2024, the Airport's receivable for lease payments was \$1,735,352. The Airport fund also has a deferred inflow of resources related to these leases that will be recognized as revenue over the lease term. As of year end, this balance of the deferred inflow of resources was \$1,694,969.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets: A summary of changes in capital assets at year end is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>(Decreases)/ Reclassifications</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets not being depreciated/ amortized				
Land	\$ 43,683,947	\$ 7,643,531	\$ -	\$ 51,327,478
Construction in progress	22,285,461	33,149,109	(17,390,820)	38,043,750
Total capital assets not being depreciated/amortized	<u>65,969,408</u>	<u>40,792,640</u>	<u>(17,390,820)</u>	<u>89,371,228</u>
Other capital assets				
Road network	158,814,973	3,852,047	-	162,667,020
Infrastructure	25,040,967	-	-	25,040,967
Buildings	132,801,289	12,247,447	-	145,048,736
Improvements other than buildings	59,523,276	4,753,071	-	64,276,347
Machinery and equipment	24,354,045	6,074,503	-	30,428,548
Fleet	29,882,752	4,960,435	(1,048,763)	33,794,424
Total other capital assets	<u>430,417,302</u>	<u>31,887,503</u>	<u>(1,048,763)</u>	<u>461,256,042</u>
Less accumulated depreciation/ amortization for				
Road network	(102,740,513)	(8,063,520)	-	(110,804,033)
Infrastructure	(12,933,929)	(834,699)	-	(13,768,628)
Buildings	(47,489,020)	(3,609,032)	-	(51,098,052)
Improvements other than buildings	(38,307,131)	(4,124,309)	-	(42,431,440)
Machinery and equipment	(13,999,928)	(2,271,924)	-	(16,271,852)
Fleet	(20,663,849)	(2,733,828)	1,048,763	(22,348,914)
Total accumulated depreciation	<u>(236,134,370)</u>	<u>(21,637,312)</u>	<u>1,048,763</u>	<u>(256,722,919)</u>
Other capital assets, net	<u>194,282,932</u>	<u>10,250,191</u>	<u>-</u>	<u>204,533,123</u>
Governmental activities capital assets, net	<u>\$ 260,252,340</u>	<u>\$ 51,042,831</u>	<u>\$ (17,390,820)</u>	<u>\$ 293,904,351</u>
				Less associated debt (330,733,332)
				Plus deferred charge on refunding 745,678
				Plus unspent bond proceeds 93,366,003
				<u>Net investment in capital assets \$ 57,282,700</u>

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation was charged to governmental functions as follows:

General government	\$ 1,564,378
Finance and tax	460,875
Planning and environmental development	1,276,601
Public safety	14,585,712
Public works	1,897,592
Parks and recreation	1,304,730
Library	<u>547,424</u>
Total governmental activities depreciation expense	<u>\$ 21,637,312</u>

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

	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
<u>Business-type activities</u>				
Capital assets not being depreciated				
Land	\$ 2,540,961	\$ 295,732	\$ -	\$ 2,836,693
Construction in progress	<u>58,318</u>	<u>130,360</u>	<u>(58,318)</u>	<u>130,360</u>
Total capital assets not being depreciated	<u>2,599,279</u>	<u>426,092</u>	<u>(58,318)</u>	<u>2,967,053</u>
Other capital assets				
Building	21,444,046	-	-	21,444,046
Improvements other than building	22,128,151	78,159	-	22,206,310
Furniture and fixtures	20,190	-	-	20,190
Machinery and equipment	3,259,946	813,062	-	4,073,008
Fleet	15,702,013	1,293,694	(15,240)	16,980,467
Airspace easement	37,515	-	-	37,515
Right-to-use assets	<u>109,148</u>	<u>-</u>	<u>-</u>	<u>109,148</u>
Total other capital assets	<u>62,701,009</u>	<u>2,184,915</u>	<u>(15,240)</u>	<u>64,870,684</u>
Less accumulated depreciation for				
Building	(12,833,505)	(612,605)	-	(13,446,110)
Improvements other than building	(15,806,298)	(1,441,153)	-	(17,247,451)
Furniture and fixtures	(20,189)	-	-	(20,189)
Machinery and equipment	(1,538,648)	(426,603)	-	(1,965,251)
Fleet	(8,892,385)	(2,014,273)	15,240	(10,891,418)
Airspace easement	(27,625)	(938)	-	(28,563)
Right-to-use assets	<u>(57,005)</u>	<u>(21,968)</u>	<u>-</u>	<u>(78,973)</u>
Total accumulated depreciation	<u>(39,175,655)</u>	<u>(4,517,540)</u>	<u>15,240</u>	<u>(43,677,955)</u>
Other capital assets, net	<u>23,525,354</u>	<u>(2,332,625)</u>	<u>-</u>	<u>21,192,729</u>
Business-type activities capital assets, net	<u>\$ 26,124,633</u>	<u>\$ (1,906,533)</u>	<u>\$ (58,318)</u>	<u>24,159,782</u>
		Less associated debt		<u>(27,479)</u>
		Net investment in capital assets		<u>\$ 24,132,303</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation was charged to business-type functions as follows:

Airport	\$ 1,353,276
Solid waste	2,017,185
Golf course	746,357
Civic center	<u>400,722</u>
Total business-type activities depreciation expense	<u>\$ 4,517,540</u>

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>(Decreases)/ Reclassifications</u>	<u>Ending Balance</u>
Component Unit:				
Capital assets not being depreciated				
Land and improvements	\$ 43,701,520	\$ 13,387,981	\$ (213,486)	\$ 56,876,015
Construction in progress	<u>77,618,949</u>	<u>191,528,062</u>	<u>(112,525,297)</u>	<u>156,621,714</u>
Total capital assets not being depreciated	<u>121,320,469</u>	<u>204,916,043</u>	<u>(112,738,783)</u>	<u>213,497,729</u>
Other capital assets				
Buildings	141,780,548	4,253,081	(1,276,106)	144,757,523
Infrastructure	847,280,511	85,119,663	(3,535,274)	928,864,900
Equipment	138,149,467	9,764,572	(1,842,912)	146,071,127
Wells and springs	<u>3,954,872</u>	<u>-</u>	<u>-</u>	<u>3,954,872</u>
Total other capital assets	<u>1,131,165,398</u>	<u>99,137,316</u>	<u>(6,654,292)</u>	<u>1,223,648,422</u>
Less accumulated depreciation for				
Buildings	(40,176,450)	(3,776,946)	791,439	(43,161,957)
Infrastructure	(238,825,892)	(27,418,360)	1,999,680	(264,244,572)
Equipment	(61,926,293)	(7,537,424)	1,702,525	(67,761,192)
Wells and springs	<u>(687,911)</u>	<u>(89,564)</u>	<u>-</u>	<u>(777,475)</u>
Total accumulated depreciation	<u>(341,616,546)</u>	<u>(38,822,294)</u>	<u>4,493,644</u>	<u>(375,945,196)</u>
Other capital assets, net	<u>789,548,852</u>	<u>60,315,022</u>	<u>(2,160,648)</u>	<u>847,703,226</u>
Component Unit capital assets, net	<u>\$ 910,869,321</u>	<u>\$ 265,231,065</u>	<u>\$ (114,899,431)</u>	<u>\$1,061,200,955</u>

Depreciation was charged to the NBU as follows:

Electric	\$ 13,502,092
Water	11,309,069
Wastewater	<u>14,011,133</u>
Total component units depreciation expense	<u>\$ 38,822,294</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

	Beginning Balances	Additions	(Reductions)	Ending Balances	Amounts Due Within One Year
<u>Governmental activities</u>					
Bonds, notes, and other payables					
General obligation bonds/notes	\$ 214,425,000	\$ 42,990,000	\$ (22,030,000)	\$ 235,385,000	\$ 20,130,000
Certificates of obligation	32,905,000	17,535,000	(3,445,000)	46,995,000	2,840,000
Contract revenue obligations	16,025,000	-	(1,550,000)	14,475,000	1,605,000
Bond premium	25,233,780	3,188,445	(2,132,990)	26,289,235	-
	<u>288,588,780</u>	<u>63,713,445</u>	<u>(29,157,990)</u>	<u>323,144,235</u>	<u>* 24,575,000</u>
Other liabilities					
Notes payable	3,677,625	4,549,999	(866,139)	7,361,485	* 797,498
Leases payable	-	438,077	(210,465)	227,612	* 119,544
Net pension liability	51,744,286	-	(4,782,531)	46,961,755	-
Total OPEB liability - TMRS	1,486,339	156,761	-	1,643,100	-
Total OPEB liability - retiree benefits	5,862,178	919,013	-	6,781,191	-
Compensated absences	14,218,696	4,211,537	(7,690,046)	10,740,187	9,666,168
Total governmental activities	<u>\$ 365,577,904</u>	<u>\$ 73,988,832</u>	<u>\$ (42,707,171)</u>	<u>\$ 396,859,565</u>	<u>\$ 35,158,210</u>
Long-term debt due in more than one year				<u>\$ 361,701,355</u>	
*Debt associated with governmental capital assets				<u>\$ 330,733,332</u>	

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Business-type activities</u>					
Leases payable	\$ 54,828	\$ -	\$ (27,349)	\$ 27,479	\$ 27,479
Net pension liability	5,245,025	-	(418,703)	4,826,322	-
Total OPEB liability - TMRS	148,495	13,725	-	162,220	-
Total OPEB liability - retiree benefits	601,752	80,471	-	682,223	-
Compensated absences	420,347	7,626,266	(7,690,046)	356,567	320,910
Total business-type activities	<u>\$ 6,470,447</u>	<u>\$ 7,720,462</u>	<u>\$ (8,136,098)</u>	<u>\$ 6,054,811</u>	<u>\$ 320,910</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
<u>Component Unit:</u>					
Bonds payable	\$ 380,224,016	\$ 118,844,046	\$ (24,140,001)	\$ 474,928,061	\$ 8,700,000
Bond premium	25,296,613	725,842	-	26,022,455	-
Net pension liability	29,067,501	-	(2,351,090)	26,716,411	-
Compensated absences	3,154,914	1,806,097	(1,542,723)	3,418,288	2,296,800
Total component units	<u>\$ 437,743,044</u>	<u>\$ 121,375,985</u>	<u>\$ (28,033,814)</u>	<u>\$ 531,085,215</u>	<u>\$ 10,996,800</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

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

Governmental Activities:

Series	Final Maturity	Original Issue	Interest Rate	Balance
General Obligation Bond/Notes				
2014 General Obligation Bonds	2034	\$ 13,970,000	2.00-5.00%	\$ 4,530,000
2015 General Obligation and Refunding Bonds	2035	29,260,000	2.00-5.00%	16,535,000
2016 General Obligation Refunding Bonds	2036	37,360,000	2.00-5.00%	19,745,000
2017 General Obligation Refunding Bonds	2029	5,255,000	1.91%	2,695,000
2018 General Obligation Bonds	2038	21,620,000	3.00-5.00%	19,140,000
2018 Tax Note	2025	3,000,000	2.78%	460,000
2018A Tax Note	2026	2,300,000	2.35-2.87%	710,000
2019 General Obligation Bonds	2039	19,985,000	2.00-5.00%	16,080,000
2020 General Obligation Bonds	2040	47,770,000	3.00-5.00%	43,415,000
2020 Tax Note	2027	1,675,000	2.00-4.00%	755,000
2020 General Obligation Refunding Bonds	2031	10,100,000	3.00-4.00%	7,630,000
2021 Tax Note	2028	2,835,000	2.00-3.00%	1,685,000
2021 General Obligation Bonds	2031	27,140,000	2.00-5.00%	23,185,000
2021 General Obligation Refunding Bonds	2033	21,785,000	2.00-5.00%	16,855,000
2022 Tax Note	2029	9,415,000	4.00-5.00%	7,000,000
2022 General Obligation Bonds	2042	15,695,000	3.50-5.00%	14,680,000
2023 Tax Increment Contract Revenue Notes	2030	1,960,000	5.00%	1,710,000
2024 Tax Increment Contract Revenue Notes	2031	3,015,000	5.00-6.00%	3,015,000
2023 General Obligation Bonds	2043	38,015,000	4.00-5.00%	35,560,000
Total General Obligation Bank/Notes				<u>\$235,385,000</u>
Certificates of Obligation				
2014A Certificates of Obligation	2034	\$6,845,000	2.00-5.00%	\$ 3,065,000
2014B Certificates of Obligation	2034	3,280,000	2.00-5.00%	2,090,000
2015 Certificates of Obligation	2035	5,395,000	2.00-5.00%	3,445,000
2018 Certificates of Obligation	2038	8,120,000	2.00-5.00%	6,335,000
2019 Certificates of Obligation	2039	4,755,000	2.00-5.00%	3,825,000
2020 Certificates of Obligation	2040	14,470,000	3.00-5.00%	11,060,000
2023 Certificates of Obligation	2043	9,660,000	4.00-5.00%	9,300,000
2024 Certificates of Obligation	2044	7,875,000	4.00-5.00%	7,875,000
Total Certificates of Obligation				<u>\$ 46,995,000</u>
Tax Increment Contract Revenue Obligations				
2012 Tax Increment Contract Revenue Improvement and Refunding Obligations	2032	\$ 11,670,000	2.93%	\$ 5,580,000
2014 Tax Increment Contract Revenue Notes	2032	17,000,000	3.68%	8,895,000
Total Tax Increment Contract Revenue Obligations				<u>\$ 14,475,000</u>
Total Governmental Activities Long-Term Debt				<u>\$296,855,000</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Component Unit – NBU:

Component Unit - NBU:

Series	Original Issue	Interest Rate	Balance
Revenue Bonds			
2004 Utility System Revenue - Capital Appreciation	\$ 2,572,596	3.10-5.16%	\$ 530,029
2015 Utility System Revenue	26,870,000	2.00-4.00%	8,650,000
2016 Utility System Revenue and Refunding	62,235,000	2.00-5.00%	55,585,000
2018 Utility System Revenue	45,200,000	2.00-5.00%	35,815,000
2020 Utility System Revenue Refunding	88,100,000	3.00-5.00%	79,415,000
2021 Utility System Revenue Refunding	68,250,000	3.00-5.00%	65,115,000
2022 Utility System Revenue Refunding	73,855,000	5.00%	71,670,000
2022A Utility System Revenue Bonds	40,000,000	0.6%-2.9%	39,250,000
2024 Utility System Revenue and Refunding	118,745,000	5.00%	117,930,000
Total Revenue Bonds			<u>473,960,029</u>
Total Accreted Interest on Capital Appreciation Bonds			968,032
Total Component Unit - NBU			<u>\$474,928,061</u>

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

Fiscal	Governmental Activities				Tax Increment Contract		
Year Ended	General Obligation Bonds		Certificates of Obligation		Review Obligations		
September 30,	Principal	Interest	Principal	Interest	Principal	Interest	Total
2025	\$ 20,130,000	\$ 8,928,058	\$ 2,840,000	\$ 1,896,314	\$ 1,605,000	\$ 490,830	\$ 35,890,202
2026	17,395,000	8,068,085	2,915,000	1,768,683	1,660,000	436,491	32,243,258
2027	17,115,000	7,296,533	3,050,000	1,635,744	1,715,000	380,241	31,192,517
2028	17,155,000	6,542,442	3,190,000	1,496,575	1,775,000	322,116	30,481,133
2029	16,450,000	5,793,816	3,340,000	1,349,288	1,835,000	261,934	29,030,037
2030-2034	72,225,000	19,827,741	15,745,000	4,628,150	5,885,000	404,054	118,714,945
2035-2039	55,460,000	7,986,679	10,270,000	2,122,488	-	-	75,839,166
2040-2044	19,455,000	1,124,918	5,645,000	511,850	-	-	26,736,768
2045-2049	-	-	-	-	-	-	-
	\$ 235,385,000	\$ 65,568,272	\$ 46,995,000	\$ 15,409,090	\$ 14,475,000	\$ 2,295,665	\$ 380,128,027

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

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

The City entered into a ten-year note payable (the "Note") of \$1,394,231 with an interest rate of 2.09% with a national bank on May 30, 2014. The proceeds of the Note were used to acquire capital assets by which the Note is secured. The City has also entered into various notes payable financing arrangements with interest rates that range from 0.00% to 2.25%. The annual requirements to amortize the note payables outstanding at year end were as follows:

Fiscal Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2025	\$ 797,498	\$ 11,204	\$ 808,702
2026	799,204	9,498	808,702
2027	550,972	7,730	558,702
2028	552,803	5,898	558,701
2029	3,104,700	4,001	3,108,701
2030-2034	1,556,308	2,036	1,558,344
	<u>\$ 7,361,485</u>	<u>\$ 40,367</u>	<u>\$ 7,401,852</u>

The City's golf course fund recognizes a lease related to equipment used in operation of the golf course. An initial lease liability was recorded in the amount of \$109,148. As of September 30, 2024, the value of the lease liability was \$27,479. The City is required to make annual principal and interest payments of \$27,610. The lease has an interest rate of 2%. The equipment has a 4-year estimated useful life. The value of the right-to-use lease assets at the end of the current fiscal year was \$109,148 and had accumulated amortization of \$57,005.

The future principal and interest payments as of September 30, 2024 are as follows:

Fiscal Year	Business-Type Activities		
	Principal	Interest	Total
2025	\$ 27,479	\$ 131	\$ 27,610
	<u>\$ 27,479</u>	<u>\$ 131</u>	<u>\$ 27,610</u>

New Debt:

On October 4, 2023, the City issued \$9,660,000 of combination tax and revenue certificates of obligation, Series 2023 (the "Certificates"). The proceeds from the issuance will be used for the construction, improvement, design, and acquisition, including land for park and recreational facilities to include the Sports Field Complex, and the payment of professional services for this construction. The Certificates will mature in 2033 and carry an interest rate ranging from 3.32% to 3.55%.

On October 4, 2023, the City issued \$38,015,000 of general obligation and refunding bonds, Series 2023 (the "Bonds"). Proceeds from the sale of the Bonds will be used for the purpose of (i) providing street improvements; (ii) constructing, acquiring, improving, renovating, developing, and equipping land and buildings for park and recreational purposes, parkland, and other costs to include Mission Hill Park; (iii) constructing, renovating, improving, and equipping existing and/or additional City library facilities including acquisition of any necessary sites and related water, wastewater, drainage, streets, sidewalks, parking infrastructure, and other related costs to include a Southeast Library Branch; (iv) refunding certain maturities of the City's currently outstanding obligations relating to the Series 2014 general obligation bonds, as well as the Series 2014A combination tax and limited pledge revenue certificates of obligation.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

The Bonds will mature in 2043 and carry an interest rate ranging from 3.48% to 5.00%. The carrying value of the old debt defeased by this issuance exceeded the payment made to escrow by \$149,082.

On October 4, 2023, the City issued \$1,960,000 of tax notes, Series 2023 (the "Notes"). Proceeds from the sale of the Notes will be used for the purpose of paying contractual obligations of the City to be incurred for (i) acquisition and installation of vehicles and equipment for (1) the City's Public Works, Planning and Development Services and Parks and Recreation departments and (2) public safety, including the police and fire departments, and (ii) paying the professional services associated with the issuance of the Notes. The Notes will mature in 2030 and carry an interest rate of 5.00%.

On September 27, 2024, the City issued \$9,660,000 of combination tax and revenue certificates of obligation, Series 2024 (the "Notes"). i) park and recreational facilities to include the Sport Field Complex and (ii) the payment of professional services in connection therewith including legal, fiscal and engineering, and the costs of issuing the Certificate. The Certificates will mature in 2033 and carry an interest rate ranging from 4.00% to 5.00%.

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

Year Ended September 30,	Bonds Payable		
	Principal	Interest	Total
2025	\$ 8,700,000	\$ 19,408,414	\$ 28,108,414
2026	9,104,975	19,036,664	28,141,639
2027	9,423,086	18,647,454	28,070,540
2028	9,915,000	18,240,004	28,155,004
2029	10,315,000	17,787,629	28,102,629
2030-2034	58,065,000	82,135,190	140,200,190
2035-2039	69,480,000	69,822,394	139,302,394
2040-2044	86,820,000	54,475,036	141,295,036
2045-2049	95,480,000	37,040,234	132,520,234
2050-2054	117,625,000	17,036,960	134,661,960
	<u>\$ 474,928,061</u>	<u>\$ 353,629,979</u>	<u>\$ 828,558,040</u>

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Receivables and Payables: Interfund balances at September 30, 2024 consisted of the following:

Receivable Fund	Payable Fund	Total
General	Grants	\$ 891,000
General	Internal service	31,250
	Total	\$ 922,250

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Explanation</u>
	\$ 141,713	\$ 141,713	Airport Fund - Admin Svcs
	78,244	78,244	Civic/Convention Center - Admin Svcs
General	815,269	815,269	Solid Waste - Admin Svcs & Street Impact
	119,214	119,214	Golf Course - Admin Svcs
	70,000	70,000	Fire Apparatus Fund - Pumper Replacement Reimbursement
	64,236	64,236	Special Revenue Fund - Project Close Out
Total General Fund	<u>1,288,676</u>	<u>1,288,676</u>	
	264,144	264,144	Airport - Debt Service
	100,000	100,000	Golf Course - Debt Service
Debt Service	379,296	379,296	Solid Waste - Debt Service
	590,000	590,000	Hotel/Motel Tax Fund - Civic/Convention Center Fund
	45,600	45,600	Fire Apparatus Replacement Fund
Total Debt Service Fund	<u>1,379,040</u>	<u>1,379,040</u>	
	1,500,000	1,500,000	General Fund - Sports Complex Transfer
	500,000	500,000	Park Development Fees-Sports Complex
2019 Bond Program	349,444	349,444	Reallocation of Capital Funds-Sports Complex
	1,500,000	1,500,000	Facility Maintenance Fund - Sports Complex
	685,367	685,367	2013 Bond Fund/2013 CO Close Out
Total 2019 Bond Program Fund	<u>4,534,811</u>	<u>4,534,811</u>	
	110,000	110,000	General Fund - Drainage Area Master Plan
Grant	55,830	55,830	Special Revenue Donation
	50,000	50,000	General Fund - Cash Match for Grants
Total Grant Fund	<u>215,830</u>	<u>215,830</u>	
Special Revenue	<u>23,948</u>	<u>23,948</u>	Equipment Replacement Fund - Project Close Out
Total Special Revenue Fund	<u>23,948</u>	<u>23,948</u>	
NB Development Authority	<u>3,992,699</u>	<u>3,992,699</u>	TIRZ #1 - Transfer to NBDA
Total NB Development Authority Fund	<u>3,992,699</u>	<u>3,992,699</u>	
River Activities	<u>150,000</u>	<u>150,000</u>	Solid Waste Fund - River Litter Pick-up
Total River Activities Fund	<u>150,000</u>	<u>150,000</u>	
Edwards Aquifer HCP	<u>92,201</u>	<u>92,201</u>	General Fund - Admin Support for EAHCP program
Total Edwards Aquifer HCP Fund	<u>92,201</u>	<u>92,201</u>	
Airport	99,910	99,910	Facility Maintenance Fund - Airport Ground Lease
	833,726	833,726	Close Out of Enterprise Equipment Replacement Fund
Total Airport Fund	<u>933,636</u>	<u>933,636</u>	
Solid Waste	<u>2,359,811</u>	<u>2,359,811</u>	Close Out of Enterprise Equipment Replacement Fund
Total Solid Waste Fund	<u>2,359,811</u>	<u>2,359,811</u>	
Golf Course	<u>124,578</u>	<u>124,578</u>	Close Out of Enterprise Equipment Replacement Fund
Total Golf Course Fund	<u>124,578</u>	<u>124,578</u>	
	1,249,247	1,249,247	Hotel/Motel Tax Fund
Civic/Convention Center	266,067	266,067	Close Out of Enterprise Equipment Replacement Fund
Total Civic/Convention Center Fund	<u>1,515,314</u>	<u>1,515,314</u>	
Total	<u>16,610,544</u>	<u>16,610,544</u>	

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION

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

The City's health insurance program is a self-insured minimum premium cash flow plan (the "Plan"). The City makes pre-determined monthly contributions to the Plan to fully cover the cost of employee-only coverage. The City and each covered employee make a pre-determined monthly contribution to the Plan if they cover one or more dependents. All claims are reviewed and processed by an independent insurance company. The insurance company pays claims based on the Plan, and the City reimburses the insurance company for the amount of each claim paid. The insurance company charges the City a fee for each claim processed. Funding covers both the cost of claims and administrative expenses. The City paid \$6,821,858 in health claims and paid \$912,436 for administrative costs for the year ended September 30, 2024. The City contributed \$6,431,782 and City employees contributed \$1,552,673 to the Plan for the year ended September 30, 2024.

The transactions of the Plan are reported in the City's internal service fund. The City pays a specified monthly amount for each employee and a portion of an employee's dependent coverage which averages to approximately \$793. The largest portion of this amount is dedicated to the direct payment of claims. The remaining part of the monthly amount is dedicated to the payments of administrative fees and commercial insurance for excess claims. The commercial insurance coverage becomes effective when the claims exceed the maximum amount per employee. The City changed insurance carriers from United Healthcare to Blue Cross Blue Shield beginning on October 1, 2023.

Estimated health claims that have been incurred but not reported are accrued at year end. The estimated liability for health claims is \$1,309,724 at September 30, 2024. The estimated liability for health claims is based upon historical claims experience.

The changes in the claim liability for the years ended September 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Claims payable, beginning of year	\$ 630,644	\$ 691,641
Plus: incurred claims	7,500,938	6,585,258
Less: claims paid	<u>(6,821,858)</u>	<u>(6,646,255)</u>
Claims payable, end of year	<u>\$ 1,309,724</u>	<u>\$ 630,644</u>

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

At September 30, 2024, the City is involved in various lawsuits. These lawsuits generally involve claims relating to general liability, automobile liability, civil rights actions, and various contractual matters. In the opinion of management, any liability resulting from such litigation would not have a material adverse effect on the City's financial statements.

(Continued)

NOTE 4 - OTHER INFORMATION

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

Pension Plan:

Texas Municipal Retirement System

Plan Description: TMRS is a statewide public retirement plan created by the State and administered in accordance with the Texas Government Code, Title 8, Subtitle G (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 (the "Board"); however, TMRS is not fiscally dependent on the State. TMRS issues a publicly available annual comprehensive financial report that can be obtained at tmrs.com.

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

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

At retirement, the member's benefit is calculated based on the sum of the member's contributions, with interest, and the City-financed monetary credits, with interest, and their age at retirement and other actuarial factors. The retiring member may select one of seven monthly payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total member contributions and interest.

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

	2024	2023
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms: At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	346
Inactive employees entitled to, but not yet receiving, benefits	483
Active employees	744
Total	1,573

(Continued)

NOTE 4 - OTHER INFORMATION

Contributions: Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, 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 actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

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 17.17% and 17.72% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2024 were \$10,940,689, which were equal to the required contributions.

Net Pension Liability: The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The TPL in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payment growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75% net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-Distinct 2019 Municipal Retirees of Texas mortality tables. The rates for active members, 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 are 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, 2018 to December 31, 2022. They were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The postretirement mortality assumption for the annuity purchase rates is based on the mortality experience investigation study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation, as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS. The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global public equity	35%	7.7%
Core fixed income	6%	4.9%
Non-core fixed income	20%	8.7%
Other public and private markets	12%	8.1%
Real estate	12%	5.8%
Hedge funds	5%	6.9%
Private equity	<u>10%</u>	11.8%
Total	<u>100%</u>	

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

Changes in the NPL

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
Changes for the year:			
Service cost	\$ 10,284,246	\$ -	\$ 10,284,246
Interest	16,350,722	-	16,350,722
Changes in current period benefits	-	-	-
Difference between expected and actual experience	3,791,121	-	3,791,121
Changes in assumption	(713,613)	-	(713,613)
Contributions - employer	-	9,745,456	(9,745,456)
Contributions - employee	-	3,973,033	(3,973,033)
Net investment income	-	21,331,522	(21,331,522)
Benefit payments, including refunds of employee contributions	(7,459,564)	(7,459,564)	-
Administrative expense	-	(135,355)	135,355
Other changes	-	(967)	967
Net Changes	22,252,912	27,454,125	(5,201,213)
Balance at December 31, 2022	240,820,576	183,831,286	56,989,290
Balance at December 31, 2023	<u>\$ 263,073,488</u>	<u>\$ 211,285,411</u>	<u>\$ 51,788,077</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

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

	1% Decrease in Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's Net Pension Liability	\$ 92,408,023	\$ 51,788,077	\$ 18,664,312

Pension Plan Fiduciary Net Position: Detailed information about the TMRS fiduciary net position is available in the schedule of changes in fiduciary net position, by participating City. That report may be obtained at www.tmrs.com.

Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pensions: For the fiscal year ended September 30, 2024, the City recognized pension expense of \$12,197,322.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ 7,041,579	\$ -
Changes in actuarial assumptions	44,546	563,379
Difference between projected and actual investment earnings	4,692,930	-
Contributions subsequent to the measurement date	8,059,777	-
Total	\$ 19,838,832	\$ 563,379

\$8,059,777 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year ended September 30,</u>	<u>Pension Expense</u>
2025	\$ 3,777,345
2026	3,631,659
2027	5,105,328
2028	(1,298,655)
Total	\$ 11,215,677

(Continued)

NOTE 4 - OTHER INFORMATION (Continued)

Other Postemployment Benefits:

TMRS Supplemental Death Benefit

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

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

The contributions to the SDBF are pooled for investment purposes with those of the Pension Trust Fund (PTF). The SDBF's funding policy assures that adequate resources are available to meet all death benefit payments for the upcoming year. The SDBF is a pay-as-you-go fund, and any excess contributions are available for future SDBF benefits.

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

Participation in the SDBF as of December 31, 2023 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	279
Inactive employees entitled to, but not yet receiving benefits	114
Active employees	744
Total	<u>1,137</u>

Total OPEB Liability: The City's total OPEB liability of \$1,805,320 was measured as of December 31, 2023 and was determined by an actuarial valuation as of that date.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Actuarial Assumptions and Other Inputs: The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Discount rate*	3.77%
Retirees' share of benefit-related costs	Zero
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements of GASB Statement No. 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor

* The discount rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018. Due to the higher mortality rates associated with the global pandemic, the TMRS Board adopted changes to the assumptions and methodology used for calculating 2024 and 2025 rates as determined in the December 31, 2022 and December 31, 2023 actuarial valuations, respectively.

Changes in the Total OPEB Liability

	Total OPEB Liability
Changes for the year:	
Service cost	\$ 79,459
Interest	66,785
Difference between expected and actual experience	(15,920)
Changes of assumptions	91,243
Benefit payments *	(51,081)
Net changes	170,486
Beginning balance	1,634,834
Ending balance	<u>\$ 1,805,320</u>

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

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

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

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

	1% Decrease in Discount Rate (2.77%)	Discount Rate (3.77%)	1% Increase in Discount Rate (4.77%)
City's total OPEB liability	\$ 2,173,218	\$ 1,805,320	\$ 1,519,074

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB: For the fiscal year ended September 30, 2024, the City recognized TMRS OPEB expense of \$99,120.

At September 30, 2024, 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	\$ 323,554	\$ 618,550
Changes in assumptions	-	79,097
Contributions subsequent to the measurement date	36,740	-
Total	\$ 360,294	\$ 697,647

\$36,740 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the fiscal year ending September 30, 2025.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

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

<u>Fiscal Year ended September 30,</u>	<u>OPEB Expense Amount</u>
2025	\$ (60,190)
2026	(48,412)
2027	(92,387)
2028	(122,385)
2029	(55,095)
Thereafter	<u>4,376</u>
Total	<u>\$ (374,093)</u>

Retiree Health Plan:

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

Benefits - The City maintains self-funded medical and prescription drug coverage administered by Blue Cross Blue Shield for eligible employees and retired employees and their dependents. Employees and retirees are also eligible for the City's fully-insured dental and vision plan options. The dental and vision plans are 100% funded through retiree contributions. Since the retiree has to pay the full premium and there is not a material implicit subsidy for these benefits, there is no liability for the City. Therefore, the dental and vision plans were excluded from this valuation.

Inactive employees or beneficiaries currently receiving benefits	5
Inactive employees entitled to, but not yet receiving, benefits	-
Active employees	<u>619</u>
Total	<u>624</u>

Total OPEB Liability - The City's total OPEB liability of \$7,463,414 was measured as of September 30, 2024 and was determined by an actuarial valuation as of that date.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Actuarial Assumptions and Other Inputs - The total OPEB liability in the September 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	5.00%
Discount rate	3.97%
Prior year discount rate	4.75%

The discount rate was based on an average of the September 30, 2024 S&P Municipal Bond 20-Year High Grade Rate Index and the Fidelity General Obligation AA 20-Year Yield.

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

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

The actuarial assumptions used in the September 30, 2024 valuation were derived from a combination of plan experience and actuarial judgement.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Changes for the year:	
Service cost	\$ 254,168
Interest	319,321
Changes of assumptions	232,888
Differences between expected and actual experience	184,208
Benefit payments	<u>8,899</u>
Net changes	999,484
Beginning balance	<u>6,463,930</u>
Ending balance	<u><u>\$ 7,463,414</u></u>

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

	<u>1% Decrease in Discount Rate (2.97%)</u>	<u>Discount Rate (3.97%)</u>	<u>1% Increase in Discount Rate (4.97%)</u>
City's total OPEB liability	<u>\$ 8,516,185</u>	<u>\$ 7,463,414</u>	<u>\$ 6,555,943</u>
	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1% Increase</u>
City's total OPEB liability	<u>\$ 6,469,605</u>	<u>\$ 7,463,414</u>	<u>\$ 8,638,883</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB - For the fiscal year ended September 30, 2024, the City recognized retiree OPEB expense of \$1,221,017.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 356,590	\$ 14,910
Changes in actuarial assumptions	258,517	2,072,179
Total	<u>\$ 615,107</u>	<u>\$ 2,087,089</u>

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

<u>Year ended September 30</u>	<u>OPEB Expense</u>
2025	\$ (1,680,530)
2026	104,274
2027	104,274
2028	-
2029	-
Thereafter	-
Total	<u>\$ (1,471,982)</u>

Aggregate OPEB Expense and Liability - The total OPEB expense for both the TMRS SBDF and Retiree Health plans for fiscal year 2024 was \$1,320,137 and the total OPEB liability for the two plans was a combined \$9,268,734.

New Braunfels Utilities Defined Benefit Pension Plan:

Plan Description - NBU participates as one of 913 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code ("TMRS Act") as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available ACFR that can be obtained online at www.tmrs.com. All eligible employees of NBU are required to participate in TMRS.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

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

Employees Covered by Benefit Terms - At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	156
Inactive employees entitled to, but not yet receiving, benefits	122
Active employees	<u>388</u>
Total	<u><u>666</u></u>

Contributions - Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, and the NBU-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 actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the NBU were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the NBU were 18.4% and 17.05% in calendar years 2024 and 2023, respectively. The NBU's contributions to TMRS for the fiscal year ended September 30, 2024 were \$6,612,073, which were equal to the required contributions.

Net Pension Liability - The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The TPL in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment rate of return	6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with both male and female rates multiplied by 107.5%. The rates are projected on a fully generational basis by scale BB to account for future Mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables are used with slight adjustments.

(Continued)

NOTE 4 - OTHER INFORMATION (Continued)

Actuarial assumptions used in the December 31, 2023 and 2022 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2018 through December 31, 2022. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global public equity	35%	6.7%
Core fixed income	6%	4.7%
Non-core fixed income	20%	8.0%
Other public and private markets	12%	8.0%
Real estate	12%	7.6%
Hedge funds	5%	6.4%
Private Equity	<u>10%</u>	11.6%
Total	<u>100.00%</u>	

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Changes in the NPL

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Changes for the year:			
Service cost	\$ 5,663,924	\$ -	\$ 5,663,924
Interest	8,757,241	-	8,757,241
Changes in current period benefits	-	-	-
Difference between expected and actual experience	3,364,943	-	3,364,943
Changes in assumption	(563,012)	-	(563,012)
Contributions - employer	-	5,769,106	(5,769,106)
Contributions - employee	-	2,231,146	(2,231,146)
Net investment income	-	11,648,442	(11,648,442)
Benefit payments, including refunds of employee contributions	(5,305,139)	(5,305,139)	-
Administrative expense	-	-	-
Other changes	-	(74,508)	74,508
Net Changes	11,917,957	14,269,047	(2,351,090)
Balance at December 31, 2022	129,557,513	100,490,012	29,067,501
Balance at December 31, 2023	<u>\$ 141,475,470</u>	<u>\$ 114,759,059</u>	<u>\$ 26,716,411</u>

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

	1% Decrease in Discount Rate (5.75%)	Current Discount Rate Rate (6.75%)	1% Increase in Discount Rate (7.5%)
NBU's net pension liability	<u>\$ 47,424,945</u>	<u>\$ 26,716,411</u>	<u>\$ 9,756,026</u>

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pensions - For the fiscal year ended July 31, 2023, NBU recognized pension expense of \$7,204,960.

At July 31, 2024, NBU 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	\$ 7,632,119	\$ -
Changes in actuarial assumptions	-	437,161
Difference between projected and actual investment earnings	2,544,602	-
Contributions subsequent to the measurement date	<u>3,981,199</u>	<u>-</u>
Total	<u>\$ 14,157,920</u>	<u>\$ 437,161</u>

NBU contributions of \$3,981,199 made subsequent to the measurement date of December 31, 2023, as shown in the table above, are included as part of pension deferred outflows in the Statement of Net Position. These contributions will be recognized as a reduction of the net pension liability for the year ending July 31, 2025. The remaining amount of \$10,176,721 is comprised the deferred outflows of resources of \$7,632,119 consisting of the difference between expected and actual economic experience and the difference between projected and actual investment earnings, and the deferred inflows of \$437,161 resulting from changes in actuarial assumptions. This amount will be recognized in pension expense as follows:

<u>Fiscal Year ended July 31,</u>	<u>Pension Expense</u>
2024	\$ 2,839,140
2025	2,758,334
2026	3,659,536
2027	25,546
2028	457,004
Thereafter	<u>-</u>
Total	<u>\$ 9,739,560</u>

New Braunfels Utilities Supplemental Death Benefit Fund: NBU also participates in the cost sharing multi-employer defined benefit group-term life insurance plan operated by the TMRS known as the Supplemental Death Benefits Fund (SDBF). NBU elected, by ordinance, to provide group life insurance coverage to both current and retired employees. NBU may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

Benefits - The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other post-employment benefit," or OPEB.

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

NBU's contributions for 2024, 2023, and 2022 were \$87,731, 63,962, and \$42,737, respectively, and equaled the required contributions for those years. GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions was deemed not material and has no impact on NBU's financial reporting.

Tax Abatements:

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

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

	Sales Tax Reconciliation		
	General	Economic Dev. Corporation	Total
Payments from comptroller	\$ 25,669,172	\$ 8,556,391	\$ 34,225,563
TIRZ - abatement payments	<u>(15,749)</u>	<u>(1,611,773)</u>	<u>(1,627,522)</u>
Net sales tax collected	<u>\$ 25,653,423</u>	<u>\$ 6,944,618</u>	<u>\$ 32,598,041</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - OTHER INFORMATION (Continued)

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

Property Taxes - The City has entered into property a tax abatement agreement (the "Agreement") with several developers (the "Developers") as authorized by Chapter 380 of the Texas Local Government Code.

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

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

- The Developer agrees to construct a manufacturing facility of approximately 240,000 square-feet for the purpose of promoting economic development in the City and stimulating business and commercial activity. The City has granted the Developer a tax limitation for a period of 15 years. In order to be eligible to receive the limitation, the Developer agrees to make an investment of \$80 million that increases total taxable assessed value of at least \$35 million by January 2017 and \$50 million by January 2018. In addition, the Developer must meet certain employment conditions. The City will make annual payments to the Developer from property tax revenues at an amount equal to 80 percent, 60 percent, and 50 percent of total taxable assessed value for years one through five, six through eight, and nine through fifteen, respectively. For the years ending September 30, 2024 and 2023, the total amount of taxes abated were \$164,616 and \$212,620, respectively.

A reconciliation of gross property tax collections for this abatement agreement and the Creekside Town Center and River Mill TIRZ is disclosed below:

	Property Tax Reconciliation		
	Maintenance and Operations	Interest and Sinking	Total
<u>Property taxes collected*</u>			
Current	\$ 27,071,060	\$ 28,277,662	\$ 55,348,722
Delinquent/Penalties	172,656	180,351	353,007
Protest adjustments	(53,330)	(55,707)	(109,037)
Property taxes collected	27,190,386	28,402,306	55,592,692
Less: adjustments**	(1,224,997)	(1,279,521)	(2,504,518)
Net property taxes collected	<u>\$ 25,965,389</u>	<u>\$ 27,122,785</u>	<u>\$ 53,088,174</u>

*Per Comal County tax office records

**Includes adjustments to TIRZ & 380 payments

(Continued)

NOTE 4 - OTHER INFORMATION (Continued)

Intergovernmental Revenue: NBU is a semiautonomous entity with a Board of Trustees (the “Board”) that is responsible for its operations. The Board is appointed by the City Council.

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

NOTE 5 – CHANGES WITHIN THE FINANCIAL REPORTING ENTITY

In fiscal year 2024, the 2023 Capital Improvement Fund (previously the 2021 Tax Notes fund) quantitatively qualified to be presented as a major fund compared to its presentation as a nonmajor capital projects fund in the prior year. Beginning nonmajor governmental funds fund balance before the change was \$32,268,711. The 2023 Capital Improvement fund represented \$556,614 of this beginning fund balance and was removed from nonmajor governmental funds as a result of this change.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the year ended September 30, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes and fees	\$ 74,642,661	\$ 74,642,661	\$ 74,238,735	\$ (403,926)
Licenses and permits	4,903,000	4,903,000	6,974,152	2,071,152
Intergovernmental	50,000	1,260,918	1,175,032	(85,886)
Fines and forfeitures	947,200	947,200	1,362,124	414,924
Investment earnings	1,362,000	1,362,000	3,844,127	2,482,127
Parks and recreation	4,743,900	4,743,900	5,204,656	460,756
Miscellaneous	4,028,918	2,818,000	4,008,050	1,190,050
Charges for services	6,057,475	6,057,475	4,560,738	(1,496,737)
Total revenues	<u>96,735,154</u>	<u>96,735,154</u>	<u>101,367,614</u>	<u>4,632,460</u>
Expenditures				
General Government	14,878,333	14,679,318	14,193,701	485,617
Finance and tax	1,870,880	1,846,977	1,843,486	3,491
Planning and development services	5,066,746	5,424,012	4,695,944	728,068
Public Safety				
Police	29,313,418	29,957,150	29,702,163	254,987
Fire	27,735,091	28,518,257	28,517,528	729
Municipal Court	1,047,591	1,018,692	1,017,964	728
Public Works	11,649,459	11,232,060	11,232,021	39
Parks and Recreation	11,034,078	10,604,277	10,603,747	530
Library	3,118,857	2,990,957	2,954,281	36,676
Debt Service:				
Principal	-	428,000	434,095	(6,095)
Interest	-	14,103	7,206	6,897
Total expenditures	<u>105,714,453</u>	<u>106,713,803</u>	<u>105,202,136</u>	<u>1,511,667</u>
Excess of revenues over expenditures	<u>(8,979,299)</u>	<u>(9,978,649)</u>	<u>(3,834,522)</u>	<u>3,120,793</u>
Other financing sources (uses)				
Transfers in	2,774,440	2,774,440	1,288,676	(1,485,764)
Transfers (out)	(3,302,733)	(3,325,384)	(1,776,149)	1,549,235
Lease proceeds	-	-	438,077	438,077
Sale of capital assets	-	-	198,950	198,950
Total other financing (uses)	<u>(528,293)</u>	<u>(550,944)</u>	<u>149,554</u>	<u>700,498</u>
Net change in fund balance	<u>\$ (9,507,592)</u>	<u>\$ (10,529,593)</u>	<u>(3,684,968)</u>	<u>\$ 3,821,291</u>
Beginning fund balance			<u>41,401,714</u>	
Ending fund balance			<u>\$ 37,716,746</u>	

Notes to Required Supplementary Information:

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

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND
For the year ended September 30, 2024

	Hotel Tax Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Taxes and fees	\$ 5,256,976	\$ 5,256,976	\$ 4,864,003	\$ (392,973)
Investment earnings	15,000	15,000	61,900	46,900
Total revenues	<u>5,271,976</u>	<u>5,271,976</u>	<u>4,925,903</u>	<u>(346,073)</u>
Expenditures				
General Government	<u>4,247,130</u>	<u>4,247,130</u>	<u>3,687,855</u>	<u>559,275</u>
Total expenditures	<u>4,247,130</u>	<u>4,247,130</u>	<u>3,687,855</u>	<u>559,275</u>
Excess of revenues over expenditures	<u>1,024,846</u>	<u>1,024,846</u>	<u>1,238,048</u>	<u>(905,348)</u>
Other financing (uses)				
Transfers (out)	<u>(1,708,116)</u>	<u>(1,708,116)</u>	<u>(1,839,247)</u>	<u>(131,131)</u>
Total other financing (uses)	<u>(1,708,116)</u>	<u>(1,708,116)</u>	<u>(1,839,247)</u>	<u>(131,131)</u>
Net change in fund balance	<u>\$ (683,270)</u>	<u>\$ (683,270)</u>	<u>(601,199)</u>	<u>\$ (1,036,479)</u>
Beginning fund balance			<u>4,466,257</u>	
Ending fund balance			<u>\$ 3,865,058</u>	

Notes to Required Supplementary Information:

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

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the year ended September 30, 2024

	Debt Service Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Ad valorem taxes	\$ 27,413,156	\$ 27,413,156	\$ 27,087,185	\$ (325,971)
Investment earnings	50,000	50,000	325,897	275,897
Other contributions	<u>2,225,306</u>	<u>2,225,306</u>	<u>2,270,948</u>	<u>45,642</u>
Total revenues	<u>29,688,462</u>	<u>29,688,462</u>	<u>29,684,030</u>	<u>(4,432)</u>
Expenditures				
Debt service:				
Principal	20,105,000	20,050,000	20,105,000	(55,000)
Interest	10,712,500	10,700,006	10,554,178	145,828
Bond issuance costs and fees	<u>-</u>	<u>67,494</u>	<u>67,494</u>	<u>-</u>
Total expenditures	<u>30,817,500</u>	<u>30,817,500</u>	<u>30,726,672</u>	<u>90,828</u>
Excess of revenues over expenditures	<u>(1,129,038)</u>	<u>(1,129,038)</u>	<u>(1,042,642)</u>	<u>86,396</u>
Other financing sources (uses)				
Transfers in	1,379,038	1,339,919	1,379,040	39,121
Premium from issuance of debt	-	-	438,516	438,516
Proceeds from issuance of debt	-	-	4,300,000	4,300,000
Payment to escrow	<u>-</u>	<u>-</u>	<u>(4,684,467)</u>	<u>(4,684,467)</u>
Total other financing sources (uses)	<u>1,379,038</u>	<u>1,339,919</u>	<u>1,433,089</u>	<u>93,170</u>
Net change in fund balance	<u>\$ 250,000</u>	<u>\$ 210,881</u>	<u>390,447</u>	<u>\$ 179,566</u>
Beginning fund balance			<u>3,022,807</u>	
Ending fund balance			<u>\$ 3,413,254</u>	

Notes to Required Supplementary Information:

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

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GRANTS FUND
For the year ended September 30, 2024

	Grants Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Intergovernmental	\$ 20,940,606	\$ 20,940,606	\$ 4,132,359	\$ (16,808,247)
Investment earnings	150,000	150,000	507,407	357,407
Other contributions	-	-	258,695	258,695
Total revenues	<u>21,090,606</u>	<u>21,090,606</u>	<u>4,898,461</u>	<u>(16,192,145)</u>
Expenditures				
General Government	9,820,018	9,820,018	2,812,102	7,007,916
Planning and development services	705,043	705,043	604	704,439
Public safety	2,350,500	2,350,500	1,294,396	1,056,104
Library	45	45	44	1
Airport	<u>8,225,000</u>	<u>8,225,000</u>	<u>390,572</u>	<u>7,834,428</u>
Total expenditures	<u>21,100,606</u>	<u>21,100,606</u>	<u>4,497,718</u>	<u>16,602,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,000)</u>	<u>(10,000)</u>	<u>400,743</u>	<u>(32,795,033)</u>
Other financing sources				
Transfers in	<u>160,000</u>	<u>160,000</u>	<u>215,830</u>	<u>55,830</u>
Total other financing sources	<u>160,000</u>	<u>160,000</u>	<u>215,830</u>	<u>55,830</u>
Net change in fund balance	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>616,573</u>	<u>\$ (32,739,203)</u>
Beginning fund balance			<u>198,168</u>	
Ending fund balance			<u>\$ 814,741</u>	

Notes to Required Supplementary Information:

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

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the year ended September 30, 2024

	Measurement Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service cost	\$ 10,284,246	\$ 9,191,722	\$ 8,444,367	\$ 8,207,720	\$ 7,548,546	\$ 7,075,714	\$ 6,602,665	\$ 6,283,281	\$ 5,732,589	\$ 5,143,064
Interest (on the total pension liability)	16,350,722	14,948,539	13,696,706	12,604,862	11,540,144	10,661,364	9,783,894	8,990,600	8,602,512	8,027,752
Difference between expected and actual experience	3,791,121	3,623,841	3,350,245	1,661,149	1,420,919	227,139	1,216,121	887,337	420,652	(1,028,253)
Change of assumptions	(713,613)	-	-	-	615,649	-	-	-	(437,911)	-
Benefit payments, including refunds of employee contributions	(7,459,564)	(7,615,018)	(7,023,616)	(5,809,554)	(5,552,933)	(4,810,400)	(4,868,903)	(4,267,920)	(4,316,359)	(4,136,590)
Net change in total pension liability	<u>22,252,912</u>	<u>20,149,084</u>	<u>18,467,702</u>	<u>16,664,177</u>	<u>15,572,325</u>	<u>13,153,817</u>	<u>12,733,777</u>	<u>11,893,298</u>	<u>10,001,483</u>	<u>8,005,973</u>
Beginning total pension liability	<u>240,820,576</u>	<u>220,671,492</u>	<u>202,203,790</u>	<u>185,539,613</u>	<u>169,967,288</u>	<u>156,813,471</u>	<u>144,079,694</u>	<u>132,186,396</u>	<u>122,184,913</u>	<u>114,178,940</u>
Ending total pension liability	<u>\$ 263,073,488</u>	<u>\$ 240,820,576</u>	<u>\$ 220,671,492</u>	<u>\$ 202,203,790</u>	<u>\$ 185,539,613</u>	<u>\$ 169,967,288</u>	<u>\$ 156,813,471</u>	<u>\$ 144,079,694</u>	<u>\$ 132,186,396</u>	<u>\$ 122,184,913</u>
Plan fiduciary net position										
Contributions - employer	\$ 9,745,456	\$ 8,665,664	\$ 7,857,115	\$ 7,636,802	\$ 7,026,523	\$ 6,539,492	\$ 6,162,903	\$ 5,961,496	\$ 5,365,044	\$ 4,725,941
Contributions - employee	3,973,033	3,555,531	3,252,382	3,172,560	2,901,000	2,719,934	2,546,656	2,424,270	2,213,355	2,011,041
Net investment income	21,331,522	(14,140,250)	21,870,293	11,484,015	19,681,894	(3,794,347)	14,955,206	6,574,073	138,605	4,945,274
Benefit payments, including refunds of employee contributions	(7,459,564)	(7,615,018)	(7,023,616)	(5,809,554)	(5,552,933)	(4,810,400)	(4,868,903)	(4,267,920)	(4,316,359)	(4,136,590)
Administrative expense	(135,355)	(122,128)	(101,026)	(74,206)	(111,060)	(73,269)	(77,461)	(74,212)	(84,411)	(51,621)
Other	(946)	145,735	692	(2,895)	(3,337)	(3,829)	(3,926)	(3,998)	(4,169)	(4,244)
Net change in plan fiduciary net position	<u>27,454,146</u>	<u>(9,510,466)</u>	<u>25,855,840</u>	<u>16,406,722</u>	<u>23,942,087</u>	<u>577,581</u>	<u>18,714,475</u>	<u>10,613,709</u>	<u>3,312,065</u>	<u>7,489,801</u>
Beginning plan fiduciary net position	<u>183,831,286</u>	<u>193,341,752</u>	<u>167,485,912</u>	<u>151,079,190</u>	<u>127,137,103</u>	<u>126,559,522</u>	<u>107,845,047</u>	<u>97,231,338</u>	<u>93,919,273</u>	<u>86,429,472</u>
Ending Plan Fiduciary Net Position	<u>\$ 211,285,432</u>	<u>\$ 183,831,286</u>	<u>\$ 193,341,752</u>	<u>\$ 167,485,912</u>	<u>\$ 151,079,190</u>	<u>\$ 127,137,103</u>	<u>\$ 126,559,522</u>	<u>\$ 107,845,047</u>	<u>\$ 97,231,338</u>	<u>\$ 93,919,273</u>
Net Pension Liability	<u>\$ 51,788,056</u>	<u>\$ 56,989,290</u>	<u>\$ 27,329,740</u>	<u>\$ 34,717,878</u>	<u>\$ 34,460,423</u>	<u>\$ 42,830,185</u>	<u>\$ 30,253,949</u>	<u>\$ 36,234,647</u>	<u>\$ 34,955,058</u>	<u>\$ 28,265,640</u>
Plan fiduciary net position as a percentage of total pension liability	80.31%	76.34%	87.62%	82.83%	81.43%	74.80%	80.71%	74.85%	73.56%	76.87%
Covered Payroll	\$ 56,765,325	\$ 50,811,068	\$ 46,423,126	\$ 45,321,482	\$ 41,430,000	\$ 38,856,198	\$ 36,318,289	\$ 34,599,565	\$ 31,619,357	\$ 28,695,633
Net pension liability as a percentage of covered payroll	91.23%	112.16%	58.87%	76.60%	83.18%	110.23%	83.30%	104.73%	110.55%	98.50%

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
TEXAS MUNICIPAL RETIREMENT SYSTEM
NEW BRAUNFELS UTILITIES
For the year ended September 30, 2024

	Measurement Year*								
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability									
Service cost	\$ 5,663,924	\$ 4,870,192	\$ 4,465,895	\$ 4,031,193	\$ 3,421,657	\$ 3,034,811	\$ 2,328,445	\$ 2,063,217	\$ 1,852,821
Interest (on the total pension liability)	8,757,241	7,974,728	7,191,514	6,625,838	6,104,485	5,697,720	5,349,632	4,623,082	4,534,158
Changes in current period benefits	-	-	-	-	-	-	6,881,135	-	-
Difference between expected and actual experience	3,364,943	3,043,437	4,166,579	1,586,860	1,260,367	638,332	424,537	(33,315)	(452,450)
Change of assumptions	(563,012)	-	-	-	205,839	-	-	-	288,151
Benefit payments, including refunds of employee contributions	(5,305,139)	(4,079,746)	(4,766,188)	(3,395,517)	(3,751,212)	(3,325,058)	(3,272,818)	(2,533,258)	(2,689,654)
Net change in total pension liability	<u>11,917,957</u>	<u>11,808,611</u>	<u>11,057,800</u>	<u>8,848,374</u>	<u>7,241,136</u>	<u>6,045,805</u>	<u>11,710,931</u>	<u>4,119,726</u>	<u>3,533,026</u>
Beginning total pension liability	<u>129,557,513</u>	<u>117,748,902</u>	<u>106,691,102</u>	<u>97,842,728</u>	<u>90,601,592</u>	<u>84,555,787</u>	<u>72,844,856</u>	<u>68,725,130</u>	<u>65,192,104</u>
Ending total pension liability	<u>\$ 141,475,470</u>	<u>\$ 129,557,513</u>	<u>\$ 117,748,902</u>	<u>\$ 106,691,102</u>	<u>\$ 97,842,728</u>	<u>\$ 90,601,592</u>	<u>\$ 84,555,787</u>	<u>\$ 72,844,856</u>	<u>\$ 68,725,130</u>
Plan fiduciary net position									
Contributions - employer	\$ 5,769,106	\$ 4,886,836	\$ 4,578,667	\$ 3,946,380	\$ 3,502,065	\$ 3,194,908	\$ 2,046,699	\$ 1,811,489	\$ 1,827,177
Contributions - employee	2,231,146	1,942,527	1,794,562	1,604,227	1,407,263	1,259,258	1,151,967	1,018,513	944,629
Net investment income	11,648,442	(7,702,247)	11,986,679	6,336,072	11,028,572	(2,169,446)	8,830,361	4,017,620	87,534
Benefit payments, including refunds of employee contributions	(5,305,139)	(4,079,746)	(4,766,188)	(3,395,518)	(3,751,212)	(3,325,058)	(3,272,818)	(2,533,258)	(2,689,654)
Administrative expense	-	(66,597)	(55,428)	(40,984)	(62,302)	(41,917)	(45,751)	(45,360)	(53,311)
Other	(74,508)	79,470	380	(1,599)	(1,871)	(2,190)	(2,319)	(2,444)	(2,634)
Net change in plan fiduciary net position	<u>14,269,047</u>	<u>(4,939,757)</u>	<u>13,538,672</u>	<u>8,448,578</u>	<u>12,122,515</u>	<u>(1,084,445)</u>	<u>8,708,139</u>	<u>4,266,560</u>	<u>113,741</u>
Beginning plan fiduciary net position	<u>100,490,012</u>	<u>105,429,769</u>	<u>91,891,097</u>	<u>83,442,519</u>	<u>71,320,004</u>	<u>72,404,449</u>	<u>63,696,310</u>	<u>59,429,750</u>	<u>59,316,009</u>
Ending Plan Fiduciary Net Position	<u>\$ 114,759,059</u>	<u>\$ 100,490,012</u>	<u>\$ 105,429,769</u>	<u>\$ 91,891,097</u>	<u>\$ 83,442,519</u>	<u>\$ 71,320,004</u>	<u>\$ 72,404,449</u>	<u>\$ 63,696,310</u>	<u>\$ 59,429,750</u>
Net Pension Liability	<u>\$ 26,716,411</u>	<u>\$ 29,067,501</u>	<u>\$ 12,319,133</u>	<u>\$ 14,800,005</u>	<u>\$ 14,400,209</u>	<u>\$ 19,281,588</u>	<u>\$ 12,151,338</u>	<u>\$ 9,148,546</u>	<u>\$ 9,295,380</u>
Plan fiduciary net position as a percentage of total pension liability	81.12%	77.56%	89.54%	86.13%	85.28%	78.72%	85.63%	87.44%	86.47%
Covered Payroll	\$ 31,873,518	\$ 27,750,383	\$ 25,636,594	\$ 22,917,524	\$ 20,103,751	\$ 17,989,394	\$ 16,443,818	\$ 14,550,190	\$ 13,494,694
Net pension liability as a percentage of covered payroll	83.82%	104.75%	48.05%	64.58%	71.63%	107.18%	73.90%	62.88%	68.88%

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

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CONTRIBUTIONS –
TEXAS MUNICIPAL RETIREMENT SYSTEM
For the year ended September 30, 2024

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 10,940,689	\$ 8,665,644	\$ 8,326,013	\$ 7,753,182	\$ 7,429,745	\$ 6,937,744	\$ 6,439,837	\$ 6,102,303	\$ 6,066,843	\$ 5,365,044
Contributions in relation to the actuarially determined contribution	<u>10,940,689</u>	<u>8,665,644</u>	<u>8,326,013</u>	<u>7,753,182</u>	<u>7,429,745</u>	<u>6,937,744</u>	<u>6,439,837</u>	<u>6,102,303</u>	<u>6,066,843</u>	<u>5,400,580</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (35,536)</u>
Covered payroll	\$ 61,794,420	\$ 50,811,068	\$ 48,929,783	\$ 45,447,930	\$ 43,646,238	\$ 40,641,797	\$ 38,208,179	\$ 35,884,508	\$ 35,348,062	\$ 31,619,357
Contributions as a percentage of covered payroll	17.70%	17.05%	17.02%	17.06%	17.02%	17.07%	16.85%	17.01%	17.16%	17.08%

Notes to Required Supplementary Information:

1. Valuation date:

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

2. Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22 years (longest amortization ladder)
Asset valuation method	10 year smoothed market; 12% soft corridor
Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

3. Other information:

There were no benefit changes during the year.

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CONTRIBUTIONS –
TEXAS MUNICIPAL RETIREMENT SYSTEM
NEW BRAUNFELS UTILITIES
For the year ended September 30, 2024

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	
Actuarially determined contribution	\$ 6,524,342	\$ 5,360,354	\$ 4,731,381	\$ 4,333,080	\$ 3,776,143	\$ 3,343,248	\$ 2,700,430	\$ 1,941,283	\$ 1,842,516	
Contributions in relation to the actuarially determined contribution	<u>6,612,073</u>	<u>5,424,316</u>	<u>4,774,121</u>	<u>4,371,468</u>	<u>3,811,074</u>	<u>3,374,501</u>	<u>2,730,439</u>	<u>1,969,363</u>	<u>1,838,178</u>	
Contribution deficiency (excess)	<u>\$ (87,731)</u>	<u>\$ (63,962)</u>	<u>\$ (42,740)</u>	<u>\$ (38,388)</u>	<u>\$ (34,931)</u>	<u>\$ (31,253)</u>	<u>\$ (30,009)</u>	<u>\$ (28,080)</u>	<u>\$ 4,338</u>	
Covered payroll	\$ 35,092,788	\$ 29,942,959	\$ 26,710,661	\$ 24,621,104	\$ 21,832,301	\$ 19,038,042	\$ 17,387,972	\$ 15,539,867	\$ 14,029,305	
Contributions as a percentage of covered payroll	18.84%	18.12%	17.87%	17.75%	17.46%	17.73%	15.70%	12.67%	13.10%	

Notes to Required Supplementary Information:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available. Additionally, GASB Statement No. 68 requires that the information on this schedule correspond with the period covered as of July 31, the fiscal year end of the Utilities.

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS –
RETIREE BENEFITS PROGRAM
For the year ended September 30, 2024

	Measurement Year*						
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability							
Service cost	\$ 254,168	\$ 239,370	\$ 590,331	\$ 610,062	\$ 516,533	\$ 444,312	\$ 431,371
Interest (on the total OPEB liability)	319,321	274,816	298,003	295,949	365,899	312,824	363,757
Difference between expected and actual experience	184,208	(44,728)	873,734	12,307	446,312	61,055	237,182
Change of assumptions	232,888	251,551	(8,288,715)	(880,937)	69,594	846,197	-
Benefit payments	8,899	(9,965)	(61,412)	(133,148)	24,719	(149,364)	(392,489)
Net change in total OPEB liability	<u>999,484</u>	<u>711,044</u>	<u>(6,588,059)</u>	<u>(95,767)</u>	<u>1,423,057</u>	<u>1,515,024</u>	<u>639,821</u>
Beginning total OPEB liability	<u>6,463,930</u>	<u>5,752,886</u>	<u>12,340,945</u>	<u>12,436,712</u>	<u>11,013,655</u>	<u>9,498,631</u>	<u>8,858,810</u>
Ending total OPEB liability	<u>\$ 7,463,414</u>	<u>\$ 6,463,930</u>	<u>\$ 5,752,886</u>	<u>\$ 12,340,945</u>	<u>\$ 12,436,712</u>	<u>\$ 11,013,655</u>	<u>\$ 9,498,631</u>
Covered-employee payroll	\$ 45,838,356	\$ 42,578,634	\$ 40,551,080	\$ 34,251,577	\$ 33,253,958	\$ 31,691,195	\$ 30,768,150
Total OPEB liability as a percentage of covered-employee payroll	16.28%	15.18%	14.19%	36.03%	37.40%	34.75%	30.87%

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

Notes to Required Supplementary Information:

1. Changes in assumptions

The following actuarial assumptions were updated from the prior valuations: claim costs, future retiree plan elections, retiree contribution, turnover and retirement rates, expenses, stop loss premiums and discount rate.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2018	3.73%	2021	2.31%	2024	3.97%
2019	3.17%	2022	4.59%		
2020	2.28%	2023	4.75%		

2. Changes in benefit terms

None

3. Other information:

No assets are accumulated in a trust that meets the criteria of GASB Statement No. 75 to pay related benefits for the pension/OPEB plan.

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS –
TEXAS MUNICIPAL RETIREMENT SYSTEM –
SUPPLEMENTAL DEATH BENEFITS FUND
For the year ended September 30, 2024

	Measurement Year*						
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability							
Service cost	\$ 79,459	\$ 137,190	\$ 120,700	\$ 95,175	\$ 66,288	\$ 73,827	\$ 58,109
Interest (on the total pension liability)	66,785	44,998	45,051	50,500	55,022	50,176	48,695
Difference between expected and actual experience	(15,920)	(29,190)	(20,677)	(30,249)	(69,364)	(29,490)	-
Changes of assumptions	91,243	(874,271)	78,072	313,359	299,899	(111,517)	124,268
Benefit payments **	<u>(51,081)</u>	<u>(40,649)</u>	<u>(37,139)</u>	<u>(13,596)</u>	<u>(12,429)</u>	<u>(11,657)</u>	<u>(10,895)</u>
Net change in total OPEB liability	<u>170,486</u>	<u>(761,922)</u>	<u>186,007</u>	<u>415,189</u>	<u>339,416</u>	<u>(28,661)</u>	<u>220,177</u>
Beginning total OPEB liability	<u>1,634,834</u>	<u>2,396,756</u>	<u>2,210,749</u>	<u>1,795,560</u>	<u>1,456,144</u>	<u>1,484,805</u>	<u>1,264,628</u>
Ending total OPEB liability	<u>\$ 1,805,320</u>	<u>\$ 1,634,834</u>	<u>\$ 2,396,756</u>	<u>\$ 2,210,749</u>	<u>\$ 1,795,560</u>	<u>\$ 1,456,144</u>	<u>\$ 1,484,805</u>
Covered-employee payroll	\$ 56,756,325	\$ 50,811,068	\$ 46,423,126	\$ 45,321,482	\$ 41,430,000	\$ 38,856,198	\$ 36,318,289
Total OPEB liability as a percentage of covered-employee payroll	3.18%	3.22%	5.16%	4.88%	4.33%	3.75%	4.09%

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

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

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS –
TEXAS MUNICIPAL RETIREMENT SYSTEM –
SUPPLEMENTAL DEATH BENEFITS FUND
For the year ended September 30, 2024

Notes to Required Supplementary Information:

1. Valuation date:

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

2. Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Discount rate *	3.77%
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements of GASB Statement No. 61
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale MP-2021 to account for future mortality improvements subject to the floor.

3. Other information:

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

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial study for the period ending December 31, 2022.

COMBINING STATEMENTS AND SCHEDULES

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET –
GENERAL FUND - SUBFUNDS
For the Year Ended September 30, 2024

	<u>General</u>	<u>Equipment Replacement</u>	<u>Totals</u>
ASSETS			
Cash and cash equity in pooled cash and investments	\$ 30,441,258	\$ 3,742,470	\$ 34,183,728
Investments	4,906,876	-	4,906,876
Receivables, net			
Taxes and fees	854,905	-	854,905
Accounts receivable	7,226,083	-	7,226,083
Interest	7,975	-	7,975
Leases receivable	583,505	-	583,505
Due from other funds	922,250	-	922,250
Inventory	3,430	-	3,430
Total assets	<u>\$ 44,946,282</u>	<u>\$ 3,742,470</u>	<u>\$ 48,688,752</u>
LIABILITIES			
Accounts payable	\$ 6,361,063	\$ 21,288	\$ 6,382,351
Accrued wages payable	3,366,937	1,391	3,368,328
Total liabilities	<u>9,728,000</u>	<u>22,679</u>	<u>9,750,679</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - leases receivable	566,681	-	566,681
Unavailable revenue - property taxes	654,646	-	654,646
Total deferred - inflows of resources	<u>1,221,327</u>	<u>-</u>	<u>1,221,327</u>
FUND BALANCES			
Nonspendable	3,430	-	3,430
Assigned	-	3,719,791	3,719,791
Unassigned	33,993,525	-	33,993,525
Total fund balances	<u>33,996,955</u>	<u>3,719,791</u>	<u>37,716,746</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 44,946,282</u>	 <u>\$ 3,742,470</u>	 <u>\$ 48,688,752</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND - SUBFUNDS
For the Year Ended September 30, 2024

	<u>General</u>	<u>Equipment Replacement</u>	<u>Eliminations</u>	<u>Totals</u>
Revenues				
Taxes and fees	\$ 74,238,735	\$ -	\$ -	\$ 74,238,735
Licenses and permits	6,974,152	-	-	6,974,152
Intergovernmental	1,175,032	-	-	1,175,032
Fines and forfeitures	1,362,124	-	-	1,362,124
Investment earnings	3,742,207	101,920	-	3,844,127
Parks and recreation	5,204,656	-	-	5,204,656
Miscellaneous	3,692,624	315,426	-	4,008,050
Charges for services	4,560,738	-	-	4,560,738
Total revenues	<u>100,950,268</u>	<u>417,346</u>	<u>-</u>	<u>101,367,614</u>
Expenditures				
Current				
General government	12,134,858	2,058,843	-	14,193,701
Finance and tax	1,840,086	3,400	-	1,843,486
Planning and environmental development	4,693,744	2,200	-	4,695,944
Public safety	58,948,235	289,420	-	59,237,655
Public works	11,219,280	12,741	-	11,232,021
Parks and recreation	10,443,501	160,246	-	10,603,747
Library	2,954,281	-	-	2,954,281
Debt service				
Principal	434,095	-	-	434,095
Interest	7,206	-	-	7,206
Total expenditures	<u>102,675,286</u>	<u>2,526,850</u>	<u>-</u>	<u>105,202,136</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,725,018)</u>	<u>(2,109,504)</u>	<u>-</u>	<u>(3,834,522)</u>
Other financing sources (uses)				
Transfers in	1,288,676	1,550,000	(1,550,000)	1,288,676
Transfers (out)	(3,302,201)	(23,948)	1,550,000	(1,776,149)
Lease proceeds	438,077	-	-	438,077
Sale of capital assets	8,975	189,975	-	198,950
Total other financing sources (uses)	<u>(1,566,473)</u>	<u>1,716,027</u>	<u>-</u>	<u>149,554</u>
Net change in fund balance	(3,291,491)	(393,477)	-	(3,684,968)
Beginning fund balance	<u>37,288,446</u>	<u>4,113,268</u>	<u>-</u>	<u>41,401,714</u>
Ending fund balance	<u>\$ 33,996,955</u>	<u>\$ 3,719,791</u>	<u>\$ -</u>	<u>\$ 37,716,746</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Permanent Fund Cemetery Improvements</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Cash and cash equity in pooled cash and investments	\$ 14,805,064	\$ 11,178,739	\$ 241,609	\$ 26,225,412
Accounts receivable	2,387,421	-	1,000	2,388,421
Restricted cash	1,223,085	-	-	1,223,085
Total assets	<u>\$ 18,415,570</u>	<u>\$ 11,178,739</u>	<u>\$ 242,609</u>	<u>\$ 29,836,918</u>
LIABILITIES				
Accounts payable	\$ 2,245,666	\$ 807,301	\$ 199	\$ 3,053,166
Unearned revenue	2,412,125	-	-	2,412,125
Total liabilities	<u>4,657,791</u>	<u>807,301</u>	<u>199</u>	<u>5,465,291</u>
FUND BALANCES				
Restricted	13,757,779	10,371,438	242,410	24,371,627
Total fund balances	<u>13,757,779</u>	<u>10,371,438</u>	<u>242,410</u>	<u>24,371,627</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 18,415,570</u>	<u>\$ 11,178,739</u>	<u>\$ 242,609</u>	<u>\$ 29,836,918</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended September 30, 2024

	Special <u>Revenue</u>	Capital <u>Projects</u>	Permanent Fund <u>Cemetery Improvements</u>	Total Nonmajor Governmental <u>Funds</u>
Revenues				
Ad valorem taxes	\$ 4,070,484	\$ -	\$ -	\$ 4,070,484
Sales taxes	1,627,521	-	-	1,627,521
Franchise fees and local taxes	130,270	-	-	130,270
Licenses and permits	7,164	-	300	7,464
Fines and forfeitures	397,567	-	-	397,567
Investment earnings	301,274	589,944	-	891,218
Intergovernmental	1,628,323	-	-	1,628,323
Miscellaneous	1,915,651	-	-	1,915,651
Other contributions	-	-	3,307	3,307
Charges and fees	2,975,447	-	8,965	2,984,412
Total revenues	<u>13,053,701</u>	<u>589,944</u>	<u>12,572</u>	<u>13,656,217</u>
Expenditures				
Current				
General government	5,271,854	12,677,364	-	17,949,218
Planning and environmental development	5,000	-	-	5,000
Public safety	1,030,598	2,349,688	-	3,380,286
Public works	4,448,032	3,519,368	-	7,967,400
Parks and recreation	198,457	-	25,870	224,327
Library	96,015	-	-	96,015
Airport	-	-	-	-
Debt service				
Principal	2,338,680	-	-	2,338,680
Interest expense	896,745	-	-	896,745
Issuance cost and fiscal charges	-	324,980	-	324,980
Total expenditures	<u>14,285,381</u>	<u>18,871,400</u>	<u>25,870</u>	<u>33,182,651</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,231,680)</u>	<u>(18,281,456)</u>	<u>(13,298)</u>	<u>(19,526,434)</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended September 30, 2024

	Special <u>Revenue</u>	Capital <u>Projects</u>	<u>Permanent Fund</u> Cemetery <u>Improvements</u>	Total Nonmajor Governmental <u>Funds</u>
Other financing sources (uses)				
Bonds issued	-	12,850,000	-	12,850,000
Premiums on bonds issued	-	526,590	-	526,590
Notes issued	-	4,549,999	-	4,549,999
Transfers in	4,258,849	-	-	4,258,849
Transfers (out)	<u>(9,412,459)</u>	<u>(587,015)</u>	-	<u>(9,999,474)</u>
Total other financing sources (uses)	<u>(5,153,610)</u>	<u>17,339,574</u>	-	<u>12,185,964</u>
Net change in fund balance	(6,385,290)	(941,882)	(13,298)	(7,340,470)
Beginning fund balances	<u>20,143,069</u>	<u>11,869,934</u>	<u>255,708</u>	<u>32,268,711</u>
Change within financial reporting entity	-	(556,614)	-	(556,614)
Beginning fund balances, as adjusted	<u>20,143,069</u>	<u>11,313,320</u>	<u>255,708</u>	<u>31,712,097</u>
Ending fund balance	<u>\$ 13,757,779</u>	<u>\$ 10,371,438</u>	<u>\$ 242,410</u>	<u>\$ 24,371,627</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2024

	Community Development Block Grant	Special Revenue Donations	River	Court Security	River Mill TIRZ	Judicial Efficiency
ASSETS						
Cash and cash equity in pooled cash and investments	\$ 70,770	\$ 1,154,207	\$ 542,658	\$ 60,285	\$ 197,764	\$ 28,386
Accounts receivable	161,553	557,500	1,125	359	-	23
Restricted cash	-	-	-	-	-	-
Total assets	<u>\$ 232,323</u>	<u>\$ 1,711,707</u>	<u>\$ 543,783</u>	<u>\$ 60,644</u>	<u>\$ 197,764</u>	<u>\$ 28,409</u>
LIABILITIES						
Accounts payable	\$ 155,218	\$ 8,577	\$ 49,508	\$ 2,308	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>155,218</u>	<u>8,577</u>	<u>49,508</u>	<u>2,308</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted	77,105	1,703,130	494,275	58,336	197,764	28,409
Committed	-	-	-	-	-	-
Total fund balances	<u>77,105</u>	<u>1,703,130</u>	<u>494,275</u>	<u>58,336</u>	<u>197,764</u>	<u>28,409</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 232,323</u>	<u>\$ 1,711,707</u>	<u>\$ 543,783</u>	<u>\$ 60,644</u>	<u>\$ 197,764</u>	<u>\$ 28,409</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2024

	<u>Court Technology</u>	<u>Child Safety</u>	<u>Stormwater Development</u>	<u>Juvenile Case Management</u>	<u>Federal Court Awards</u>	<u>Non-Federal Court Awards</u>
ASSETS						
Cash and cash equity in pooled cash and investments	\$ 112,612	\$ 28,666	\$ 936,777	\$ 47,146	\$ 207,251	\$ 177,293
Accounts receivable	293	2,212	-	371	-	-
Restricted cash	-	-	-	-	-	-
Total assets	<u>\$ 112,905</u>	<u>\$ 30,878</u>	<u>\$ 936,777</u>	<u>\$ 47,517</u>	<u>\$ 207,251</u>	<u>\$ 177,293</u>
LIABILITIES						
Accounts payable	\$ -	\$ 2,542	\$ -	\$ 1,037	\$ -	\$ -
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>2,542</u>	<u>-</u>	<u>1,037</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted	112,905	28,336	936,777	46,480	207,251	177,293
Committed	-	-	-	-	-	-
Total fund balances	<u>112,905</u>	<u>28,336</u>	<u>936,777</u>	<u>46,480</u>	<u>207,251</u>	<u>177,293</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 112,905</u>	<u>\$ 30,878</u>	<u>\$ 936,777</u>	<u>\$ 47,517</u>	<u>\$ 207,251</u>	<u>\$ 177,293</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2024

	Edwards Aquifer HCP	Cable Franchise PEG	Tax Increment Reinvestment Zone No. 1	New Braunfels Development Authority	Recreation Center Improvements	Facilities Maintenance
ASSETS						
Cash and cash equity in pooled cash and investments	\$ 48,982	\$ 803,578	\$ 1	\$ 5,811,897	\$ 1,004,370	\$ 70,150
Accounts receivable	88,376	30,622	1,519,330	-	-	-
Restricted cash	-	-	-	1,223,085	-	-
Total assets	<u>\$ 137,358</u>	<u>\$ 834,200</u>	<u>\$ 1,519,331</u>	<u>\$ 7,034,982</u>	<u>\$ 1,004,370</u>	<u>\$ 70,150</u>
LIABILITIES						
Accounts payable	\$ 44,798	\$ -	\$ -	\$ 1,775,235	\$ 6,717	\$ 13,715
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>44,798</u>	<u>-</u>	<u>-</u>	<u>1,775,235</u>	<u>6,717</u>	<u>13,715</u>
FUND BALANCES						
Restricted	92,560	834,200	1,519,331	5,259,747	997,653	56,435
Committed	-	-	-	-	-	-
Total fund balances	<u>92,560</u>	<u>834,200</u>	<u>1,519,331</u>	<u>5,259,747</u>	<u>997,653</u>	<u>56,435</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 137,358</u>	<u>\$ 834,200</u>	<u>\$ 1,519,331</u>	<u>\$ 7,034,982</u>	<u>\$ 1,004,370</u>	<u>\$ 70,150</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2024

	Enterprise Maintenance and Equipment	Developmental Services	Downtown TIRZ	Transit District	Total Nonmajor Special Revenue Funds
ASSETS					
Cash and cash equity in pooled cash and investments	\$ 2,569	\$ 958,119	\$ 129,458	\$ 2,412,125	\$ 14,805,064
Accounts receivable	25,204	453	-	-	2,387,421
Restricted cash	-	-	-	-	1,223,085
Total assets	<u>\$ 27,773</u>	<u>\$ 958,572</u>	<u>\$ 129,458</u>	<u>\$ 2,412,125</u>	<u>\$ 18,415,570</u>
LIABILITIES					
Accounts payable	\$ -	\$ 186,011	\$ -	\$ -	\$ 2,245,666
Unearned revenue	-	-	-	2,412,125	2,412,125
Total liabilities	<u>-</u>	<u>186,011</u>	<u>-</u>	<u>2,412,125</u>	<u>4,657,791</u>
FUND BALANCES					
Restricted	27,773	772,561	129,458	-	13,757,779
Committed	-	-	-	-	-
Total fund balances	<u>27,773</u>	<u>772,561</u>	<u>129,458</u>	<u>-</u>	<u>13,757,779</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 27,773</u>	<u>\$ 958,572</u>	<u>\$ 129,458</u>	<u>\$ 2,412,125</u>	<u>\$ 18,415,570</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended September 30, 2024

	Community Development <u>Block Grant</u>	Special Revenue <u>Donations</u>	<u>River</u>	Court <u>Security</u>	River Mill <u>TIRZ</u>	Judicial <u>Efficiency</u>
Revenues						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ 50,678	\$ -
Sales taxes	-	-	-	-	30,522	-
Franchise fees and local taxes	-	-	-	-	-	-
Licenses and permits	-	-	7,164	-	-	-
Fines and forfeitures	-	-	216,515	58,252	-	10,639
Investment earnings	-	-	-	-	1,709	-
Intergovernmental	557,513	620,756	-	-	-	-
Miscellaneous	-	920,469	-	-	-	-
Charges and fees	-	-	994,630	-	-	-
Total revenues	<u>557,513</u>	<u>1,541,225</u>	<u>1,218,309</u>	<u>58,252</u>	<u>82,909</u>	<u>10,639</u>
Expenditures						
Current						
General government	557,513	233,467	-	-	-	-
Planning and environmental development	-	-	-	-	-	-
Public safety	-	113,718	549,747	42,959	-	-
Public works	-	16,535	890,227	-	-	-
Parks and recreation	-	112,332	-	-	-	-
Library	-	96,015	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>557,513</u>	<u>572,067</u>	<u>1,439,974</u>	<u>42,959</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>969,158</u>	<u>(221,665)</u>	<u>15,293</u>	<u>82,909</u>	<u>10,639</u>
Other financing sources (uses)						
Transfers in	-	23,949	150,000	-	-	-
Transfers (out)	-	(120,067)	-	-	-	-
Total other financing sources	<u>-</u>	<u>(96,118)</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	873,040	(71,665)	15,293	82,909	10,639
Beginning fund balance	<u>77,105</u>	<u>830,090</u>	<u>565,940</u>	<u>43,043</u>	<u>114,855</u>	<u>17,770</u>
Ending fund balance	<u>\$ 77,105</u>	<u>\$ 1,703,130</u>	<u>\$ 494,275</u>	<u>\$ 58,336</u>	<u>\$ 197,764</u>	<u>\$ 28,409</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended September 30, 2024

	<u>Court Technology</u>	<u>Child Safety</u>	<u>Stormwater Development</u>	<u>Juvenile Case Management</u>	<u>Federal Court Awards</u>	<u>Non-Federal Court Awards</u>
Revenues						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Franchise fees and local taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Fines and forfeitures	47,992	3,784	-	60,385	-	-
Investment earnings	-	-	12,755	-	-	-
Intergovernmental	-	149,946	-	-	3,768	-
Miscellaneous	-	-	-	-	127,759	40,350
Charges and fees	-	-	247,641	-	-	-
Total revenues	<u>47,992</u>	<u>153,730</u>	<u>260,396</u>	<u>60,385</u>	<u>131,527</u>	<u>40,350</u>
Expenditures						
Current						
General government	-	-	-	-	-	-
Planning and environmental development	-	-	-	-	-	-
Public safety	340	148,647	-	39,004	24,872	11,311
Public works	-	-	166,053	-	-	-
Parks and recreation	-	-	-	-	-	-
Library	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	<u>340</u>	<u>148,647</u>	<u>166,053</u>	<u>39,004</u>	<u>24,872</u>	<u>11,311</u>
Excess (deficiency) of revenues over (under) expenditures	<u>47,652</u>	<u>5,083</u>	<u>94,343</u>	<u>21,381</u>	<u>106,655</u>	<u>29,039</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	47,652	5,083	94,343	21,381	106,655	29,039
Beginning fund balance	<u>65,253</u>	<u>23,253</u>	<u>842,434</u>	<u>25,099</u>	<u>100,596</u>	<u>148,254</u>
Ending fund balance	<u>\$ 112,905</u>	<u>\$ 28,336</u>	<u>\$ 936,777</u>	<u>\$ 46,480</u>	<u>\$ 207,251</u>	<u>\$ 177,293</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended September 30, 2024

	Edwards Aquifer HCP	Cable Franchise PEG	Tax Increment Reinvestment Zone No. 1	New Braunfels Development Authority	Recreation Center Improvements	Facilities Maintenance
Revenues						
Ad valorem taxes	\$ -	\$ -	\$ 3,942,747	\$ -	\$ -	\$ -
Sales taxes	-	-	1,596,999	-	-	-
Franchise fees and local taxes	-	130,270	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Investment earnings	-	-	2,284	101,757	-	1,724
Intergovernmental	208,465	-	-	-	-	-
Miscellaneous	472,639	-	-	-	1,030	149,476
Charges and fees	-	-	-	-	-	-
Total revenues	<u>681,104</u>	<u>130,270</u>	<u>5,542,030</u>	<u>101,757</u>	<u>1,030</u>	<u>151,200</u>
Expenditures						
Current						
General government	-	-	30,000	4,450,874	-	-
Planning and environmental development	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	750,126	-	-	-	-	-
Parks and recreation	-	-	-	-	50,979	35,146
Library	-	-	-	-	-	-
Debt service						
Principal	-	-	-	2,280,000	-	-
Interest and fiscal charges	-	-	-	896,745	-	-
Total expenditures	<u>750,126</u>	<u>-</u>	<u>30,000</u>	<u>7,627,619</u>	<u>50,979</u>	<u>35,146</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(69,022)</u>	<u>130,270</u>	<u>5,512,030</u>	<u>(7,525,862)</u>	<u>(49,949)</u>	<u>116,054</u>
Other financing sources (uses)						
Transfers in	92,201	-	-	3,992,699	-	-
Transfers (out)	-	-	(3,992,699)	-	-	(1,599,910)
Total other financing sources (uses)	<u>92,201</u>	<u>-</u>	<u>(3,992,699)</u>	<u>3,992,699</u>	<u>-</u>	<u>(1,599,910)</u>
Net change in fund balance	23,179	130,270	1,519,331	(3,533,163)	(49,949)	(1,483,856)
Beginning fund balance	<u>69,381</u>	<u>703,930</u>	<u>-</u>	<u>8,792,910</u>	<u>1,047,602</u>	<u>1,540,291</u>
Ending fund balance	<u>\$ 92,560</u>	<u>\$ 834,200</u>	<u>\$ 1,519,331</u>	<u>\$ 5,259,747</u>	<u>\$ 997,653</u>	<u>\$ 56,435</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended September 30, 2024

	Enterprise Maintenance and Equipment	Developmental Services	Downtown TIRZ	Transit District	Total Nonmajor Special Revenue Funds
Revenues					
Ad valorem taxes	\$ -	\$ -	\$ 77,059	\$ -	\$ 4,070,484
Sales taxes	-	-	-	-	1,627,521
Franchise fees and local taxes	-	-	-	-	130,270
Licenses and permits	-	-	-	-	7,164
Fines and forfeitures	-	-	-	-	397,567
Investment earnings	167,755	12,515	775	-	301,274
Intergovernmental	-	-	-	87,875	1,628,323
Miscellaneous	203,928	-	-	-	1,915,651
Charges and fees	-	1,733,176	-	-	2,975,447
Total revenues	<u>371,683</u>	<u>1,745,691</u>	<u>77,834</u>	<u>87,875</u>	<u>13,053,701</u>
Expenditures					
Current					
General government	-	-	-	-	5,271,854
Planning and environmental development	-	-	5,000	-	5,000
Public safety	100,000	-	-	-	1,030,598
Public works	961,914	1,575,302	-	87,875	4,448,032
Parks and recreation	-	-	-	-	198,457
Library	-	-	-	-	96,015
Debt service					
Principal	58,680	-	-	-	2,338,680
Interest and fiscal charges	-	-	-	-	896,745
Total expenditures	<u>1,120,594</u>	<u>1,575,302</u>	<u>5,000</u>	<u>87,875</u>	<u>14,285,381</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(748,911)</u>	<u>170,389</u>	<u>72,834</u>	<u>-</u>	<u>(1,231,680)</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	4,258,849
Transfers (out)	<u>(3,699,783)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,412,459)</u>
Total other financing sources (uses)	<u>(3,699,783)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,153,610)</u>
Net change in fund balance	(4,448,694)	170,389	72,834	-	(6,385,290)
Beginning fund balance	<u>4,476,467</u>	<u>602,172</u>	<u>56,624</u>	<u>-</u>	<u>20,143,069</u>
Ending fund balance	<u>\$ 27,773</u>	<u>\$ 772,561</u>	<u>\$ 129,458</u>	<u>\$ -</u>	<u>\$ 13,757,779</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2024

	2020 Capital Improvements	Certificates of Obligation 2004	Certificates of Obligation 2008	Certificates of Obligation 2011	Certificates of Obligation 2013	Certificates of Obligation 2014
ASSETS						
Cash and cash equity in pooled cash	\$ 2,356,703	\$ 62,051	\$ 391,062	\$ 737,267	\$ 4,337	\$ 56,732
Total assets	<u>\$ 2,356,703</u>	<u>\$ 62,051</u>	<u>\$ 391,062</u>	<u>\$ 737,267</u>	<u>\$ 4,337</u>	<u>\$ 56,732</u>
LIABILITIES						
Accounts payable	\$ 507,184	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>507,184</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted	<u>1,849,519</u>	<u>62,051</u>	<u>391,062</u>	<u>737,267</u>	<u>4,337</u>	<u>56,732</u>
Total fund balances	<u>1,849,519</u>	<u>62,051</u>	<u>391,062</u>	<u>737,267</u>	<u>4,337</u>	<u>56,732</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,356,703</u>	<u>\$ 62,051</u>	<u>\$ 391,062</u>	<u>\$ 737,267</u>	<u>\$ 4,337</u>	<u>\$ 56,732</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2024

	Tax <u>Note 2018A</u>	Tax <u>Note 2022</u>	Tax <u>Note 2023</u>	Tax <u>Note 2024</u>	EDC <u>Capital</u>	Total Nonmajor Governmental <u>Funds</u>
ASSETS						
Cash and cash equity in pooled cash	\$ 2,646	\$ 2,674,661	\$ 1,496,376	\$ 3,050,000	\$ 346,904	\$ 11,178,739
Total assets	<u>\$ 2,646</u>	<u>\$ 2,674,661</u>	<u>\$ 1,496,376</u>	<u>\$ 3,050,000</u>	<u>\$ 346,904</u>	<u>\$ 11,178,739</u>
LIABILITIES						
Accounts payable	\$ -	\$ 34	\$ 300,083	\$ -	\$ -	\$ 807,301
Total liabilities	<u>-</u>	<u>34</u>	<u>300,083</u>	<u>-</u>	<u>-</u>	<u>807,301</u>
FUND BALANCES						
Restricted	<u>2,646</u>	<u>2,674,627</u>	<u>1,196,293</u>	<u>3,050,000</u>	<u>346,904</u>	<u>10,371,438</u>
Total fund balances	<u>2,646</u>	<u>2,674,627</u>	<u>1,196,293</u>	<u>3,050,000</u>	<u>346,904</u>	<u>10,371,438</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,646</u>	<u>\$ 2,674,661</u>	<u>\$ 1,496,376</u>	<u>\$ 3,050,000</u>	<u>\$ 346,904</u>	<u>\$ 11,178,739</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR CAPITAL PROJECTS FUNDS
For the year ended September 30, 2024

	2020 Capital Improvements	Certificates of Obligation 2004	Certificates of Obligation 2008	Certificates of Obligation 2011	Certificates of Obligation 2013	Certificates of Obligation 2014
Revenues						
Investment earnings	\$ 162,047	\$ 847	\$ 20,258	\$ 10,066	\$ 2,140	\$ 796
Total revenues	<u>162,047</u>	<u>847</u>	<u>20,258</u>	<u>10,066</u>	<u>2,140</u>	<u>796</u>
Expenditures						
Current						
General government	474,269	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	3,247,150	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Debt service						
Fiscal agent fees	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,721,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,559,372)</u>	<u>847</u>	<u>20,258</u>	<u>10,066</u>	<u>2,140</u>	<u>796</u>
Other Financing Sources (Uses)						
Bonds issued	-	-	-	-	-	-
Premiums on bonds issued	-	-	-	-	-	-
Loan proceeds	-	-	-	-	-	-
Transfers (out)	<u>(349,444)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(237,571)</u>	<u>-</u>
Total other financing sources	<u>(349,444)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(237,571)</u>	<u>-</u>
Net change in fund balance	(3,908,816)	847	20,258	10,066	(235,431)	796
Beginning fund balances	<u>5,758,335</u>	<u>61,204</u>	<u>370,804</u>	<u>727,201</u>	<u>239,768</u>	<u>55,936</u>
Change within financial reporting entity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Beginning fund balances, as adjusted	<u>5,758,335</u>	<u>61,204</u>	<u>370,804</u>	<u>727,201</u>	<u>239,768</u>	<u>55,936</u>
Ending fund balance	<u>\$ 1,849,519</u>	<u>\$ 62,051</u>	<u>\$ 391,062</u>	<u>\$ 737,267</u>	<u>\$ 4,337</u>	<u>\$ 56,732</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
NONMAJOR CAPITAL PROJECTS FUNDS
For the year ended September 30, 2024

	Tax <u>Note 2018A</u>	Tax <u>Note 2022</u>	Tax <u>Note 2023</u>	Tax <u>Note 2024</u>	EDC <u>Capital</u>	2023 Capital <u>Improvement</u>	Total Nonmajor Governmental <u>Funds</u>
Revenues							
Investment earnings	\$ 34	\$ 297,420	\$ 96,336	\$ -	\$ -		\$ 589,944
Total revenues	34	297,420	96,336	-	-		589,944
Expenditures							
Current							
General government	-	-	-	-	12,203,095		12,677,364
Public safety	-	1,720,253	629,435	-	-		2,349,688
Public works	-	-	272,218	-	-		3,519,368
Parks and recreation	-	-	-	-	-		-
Debt service							
Fiscal agent fees	-	-	60,240	71,738	193,002		324,980
Total expenditures	-	1,720,253	961,893	71,738	12,396,097		18,871,400
Excess (Deficiency) of Revenues Over (Under) Expenditures	34	(1,422,833)	(865,557)	(71,738)	(12,396,097)		(18,281,456)
Other Financing Sources (Uses)							
Bonds issued	-	-	1,960,000	3,015,000	7,875,000		12,850,000
Premiums on bonds issued	-	-	101,850	106,738	318,002		526,590
Loan proceeds	-	-	-	-	4,549,999		4,549,999
Transfers (out)	-	-	-	-	-		(587,015)
Total other financing sources (uses)	-	-	2,061,850	3,121,738	12,743,001		17,339,574
Net change in fund balance	34	(1,422,833)	1,196,293	3,050,000	346,904		(941,882)
Beginning fund balances	2,612	4,097,460	-	-	-	556,614	11,869,934
Change within financial reporting entity	-	-	-	-	-	(556,614)	(556,614)
Beginning fund balances, as adjusted	2,612	4,097,460	-	-	-	-	11,313,320
Ending fund balance	\$ 2,646	\$ 2,674,627	\$ 1,196,293	\$ 3,050,000	\$ 346,904	\$ -	\$ 10,371,438

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
For the year ended September 30, 2024

	Community Development Block Grant			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 568,780	\$ 568,780	\$ 557,513	\$ (11,267)
Total revenues	<u>568,780</u>	<u>568,780</u>	<u>557,513</u>	<u>(11,267)</u>
Expenditures				
Current				
development	<u>568,780</u>	<u>694,780</u>	<u>557,513</u>	<u>137,267</u>
Total expenditures	<u>568,780</u>	<u>694,780</u>	<u>557,513</u>	<u>137,267</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (126,000)</u>	-	<u>\$ 126,000</u>
Beginning fund balance			<u>77,105</u>	
Ending fund balance			<u>\$ 77,105</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SPECIAL REVENUE DONATIONS FUND
For the year ended September 30, 2024

	Special Revenue Donations Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 620,756	\$ 620,756
Miscellaneous	<u>200,000</u>	<u>200,000</u>	<u>920,469</u>	<u>720,469</u>
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>1,541,225</u>	<u>1,341,225</u>
Expenditures				
Current				
General government	250,000	250,000	233,467	16,533
Public safety	200,000	200,000	113,718	86,282
Public works	75,000	75,000	16,535	58,465
Parks and recreation	175,000	175,000	112,332	62,668
Library	<u>100,000</u>	<u>100,000</u>	<u>96,015</u>	<u>3,985</u>
Total expenditures	<u>800,000</u>	<u>800,000</u>	<u>572,067</u>	<u>227,933</u>
Excess of revenues over expenditures	<u>(600,000)</u>	<u>(600,000)</u>	<u>969,158</u>	<u>1,113,292</u>
Other financing sources (uses)				
Transfers in	-	-	23,949	23,949
Transfers (out)	<u>-</u>	<u>-</u>	<u>(120,067)</u>	<u>(120,067)</u>
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>(96,118)</u>	<u>(96,118)</u>
Net change in fund balance	<u>\$ (600,000)</u>	<u>\$ (600,000)</u>	873,040	<u>\$ 1,473,040</u>
Beginning fund balance			<u>830,090</u>	
Ending fund balance			<u>\$ 1,703,130</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
RIVER FUND
For the year ended September 30, 2024

	River Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Licenses and permits	\$ 6,800	\$ 6,800	\$ 7,164	\$ 364
Fines and forfeitures	125,000	125,000	216,515	91,515
Charges and fees	<u>1,025,000</u>	<u>1,025,000</u>	<u>994,630</u>	<u>(30,370)</u>
Total revenues	<u>1,156,800</u>	<u>1,156,800</u>	<u>1,218,309</u>	<u>61,509</u>
Expenditures				
Current				
Public safety	645,548	608,548	549,747	58,801
Public works	<u>707,743</u>	<u>916,743</u>	<u>890,227</u>	<u>26,516</u>
Total expenditures	<u>1,353,291</u>	<u>1,525,291</u>	<u>1,439,974</u>	<u>85,317</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(196,491)</u>	<u>(368,491)</u>	<u>(221,665)</u>	<u>146,826</u>
Other financing sources				
Transfers in	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total other financing	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (46,491)</u>	<u>\$ (218,491)</u>	<u>(71,665)</u>	<u>\$ 146,826</u>
Beginning fund balance			<u>565,940</u>	
Ending fund balance			<u>\$ 494,275</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
COURT SECURITY FUND
For the year ended September 30, 2024

	Court Security Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 40,000	\$ 40,000	\$ 58,252	\$ 18,252
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>58,252</u>	<u>18,252</u>
Expenditures				
Current				
Public safety	<u>63,000</u>	<u>63,000</u>	<u>42,959</u>	<u>(20,041)</u>
Total expenditures	<u>63,000</u>	<u>63,000</u>	<u>42,959</u>	<u>(20,041)</u>
Net change in fund balance	<u>\$ (23,000)</u>	<u>\$ (23,000)</u>	15,293	<u>\$ 38,293</u>
Beginning fund balance			<u>43,043</u>	
Ending fund balance			<u>\$ 58,336</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
JUDICIAL EFFICIENCY FUND
For the year ended September 30, 2024

	Judicial Efficiency Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Fines and forfeitures	\$ 7,000	\$ 7,000	\$ 10,639	\$ 3,639
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>10,639</u>	<u>3,639</u>
Expenditures				
Current				
Public safety	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>(20,000)</u>
Net change in fund balance	<u>\$ (13,000)</u>	<u>\$ (13,000)</u>	10,639	<u>\$ 23,639</u>
Beginning fund balance			<u>17,770</u>	
Ending fund balance			<u>\$ 28,409</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
COURT TECHNOLOGY FUND
For the year ended September 30, 2024

	Court Technology Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 38,000	\$ 38,000	\$ 47,992	\$ 9,992
Total revenues	<u>38,000</u>	<u>38,000</u>	<u>47,992</u>	<u>9,992</u>
Expenditures				
Current				
Public safety	<u>75,000</u>	<u>75,000</u>	<u>340</u>	<u>74,660</u>
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>340</u>	<u>74,660</u>
Net change in fund balance	<u>\$ (37,000)</u>	<u>\$ (37,000)</u>	47,652	<u>\$ 84,652</u>
Beginning fund balance			<u>65,253</u>	
Ending fund balance			<u>\$ 112,905</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CHILD SAFETY FUND
For the year ended September 30, 2024

	Child Safety Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 1,000	\$ -	\$ 3,784	\$ 3,784
Intergovernmental	<u>132,500</u>	<u>132,500</u>	<u>149,946</u>	<u>17,446</u>
Total revenues	<u>133,500</u>	<u>132,500</u>	<u>153,730</u>	<u>21,230</u>
Expenditures				
Current				
Public safety	<u>135,000</u>	<u>165,000</u>	<u>148,647</u>	<u>16,353</u>
Total expenditures	<u>135,000</u>	<u>165,000</u>	<u>148,647</u>	<u>16,353</u>
Net change in fund balance	<u>\$ (1,500)</u>	<u>\$ (32,500)</u>	5,083	<u>\$ 37,583</u>
Beginning fund balance			<u>23,253</u>	
Ending fund balance			<u>\$ 28,336</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
STORMWATER DEVELOPMENT FUND
For the year ended September 30, 2024

	Stormwater Development Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Charges and fees	80,000	80,000	247,641	167,641
Interest	-	-	12,755	12,755
Total revenues	<u>80,000</u>	<u>80,000</u>	<u>260,396</u>	<u>180,396</u>
Expenditures				
Current				
Public works	<u>860,000</u>	<u>860,000</u>	<u>166,053</u>	<u>693,947</u>
Total expenditures	<u>860,000</u>	<u>860,000</u>	<u>166,053</u>	<u>693,947</u>
Net change in fund balance	<u>\$ (780,000)</u>	<u>\$ (780,000)</u>	94,343	<u>\$ 874,343</u>
Beginning fund balance			<u>842,434</u>	
Ending fund balance			<u>\$ 936,777</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
JUVENILE CASE MANAGEMENT FUND
For the year ended September 30, 2024

	Juvenile Case Management Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 40,000	\$ 40,000	\$ 60,385	\$ 20,385
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>60,385</u>	<u>20,385</u>
Expenditures				
Current				
Public safety	<u>48,500</u>	<u>48,500</u>	<u>39,004</u>	<u>9,496</u>
Total expenditures	<u>48,500</u>	<u>48,500</u>	<u>39,004</u>	<u>9,496</u>
Net change in fund balance	<u>\$ (8,500)</u>	<u>\$ (8,500)</u>	21,381	<u>\$ 29,881</u>
Beginning fund balance			<u>25,099</u>	
Ending fund balance			<u>\$ 46,480</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
FEDERAL COURT AWARDS FUND
For the year ended September 30, 2024

	Federal Court Awards Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 3,768	\$ 3,768
Miscellaneous	-	-	127,759	127,759
Total revenues	-	-	131,527	131,527
Expenditures				
Current				
Public safety	55,000	55,000	24,872	30,128
Total expenditures	55,000	55,000	24,872	30,128
Net change in fund balance	<u>\$ (55,000)</u>	<u>\$ (55,000)</u>	106,655	<u>\$ 161,655</u>
Beginning fund balance			100,596	
Ending fund balance			<u>\$ 207,251</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
NON-FEDERAL COURT AWARDS FUND
For the year ended September 30, 2024

	Non-Federal Court Awards Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$ -	\$ -	\$ 40,350	\$ 40,350
Total revenues	-	-	40,350	40,350
Expenditures				
Current				
Public safety	100,000	100,000	11,311	88,689
Total expenditures	100,000	100,000	11,311	88,689
Net change in fund balance	\$ (100,000)	\$ (100,000)	29,039	\$ 129,039
Beginning fund balance			148,254	
Ending fund balance			\$ 177,293	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
EDWARDS AQUIFER HCP FUND
For the year ended September 30, 2024

	Edwards Aquifer HCP Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Intergovernmental	\$ 873,734	\$ 1,339,119	\$ 208,465	\$ (1,130,654)
Miscellaneous	<u>-</u>	<u>-</u>	<u>472,639</u>	<u>472,639</u>
Total revenues	<u>873,734</u>	<u>1,339,119</u>	<u>681,104</u>	<u>(658,015)</u>
Expenditures				
Current				
Public works - River Authority	<u>966,467</u>	<u>1,431,852</u>	<u>750,126</u>	<u>681,726</u>
Total expenditures	<u>966,467</u>	<u>1,431,852</u>	<u>750,126</u>	<u>681,726</u>
Excess of revenues over expenditures	<u>(92,733)</u>	<u>(92,733)</u>	<u>(69,022)</u>	<u>23,711</u>
Other financing sources (uses)				
Transfers (in)	<u>92,733</u>	<u>92,733</u>	<u>92,201</u>	<u>(532)</u>
Total other financing (uses)	<u>92,733</u>	<u>92,733</u>	<u>92,201</u>	<u>(532)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	23,179	<u>\$ 23,179</u>
Beginning fund balance			<u>69,381</u>	
Ending fund balance			<u>\$ 92,560</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CABLE FRANCHISE PEG FUND
For the year ended September 30, 2024

	Cable Franchise PEG Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Franchise fees and local taxes	\$ 160,000	\$ 160,000	\$ 130,270	\$ (29,730)
Total revenues	<u>160,000</u>	<u>160,000</u>	<u>130,270</u>	<u>(29,730)</u>
Expenditures				
Current				
General government	<u>500,000</u>	<u>500,000</u>	-	(500,000)
Total expenditures	<u>500,000</u>	<u>500,000</u>	-	<u>(500,000)</u>
Net change in fund balance	<u>\$ (340,000)</u>	<u>\$ (340,000)</u>	130,270	<u>\$ 470,270</u>
Beginning fund balance			<u>703,930</u>	
Ending fund balance			<u>\$ 834,200</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
TAX INCREMENT REINVESTMENT ZONE NO. 1 FUND AND
NEW BRAUNFELS DEVELOPMENT AUTHORITY COMBINED
For the year ended September 30, 2024

Tax Increment Reinvestment Zone No.1 Fund And New Braunfels Development Authority Combined				
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	\$ 3,676,929	\$ 3,676,929	\$ 3,942,747	\$ 265,818
Sales taxes	1,395,743	1,395,743	1,596,999	201,256
Investment earnings	15,000	15,000	104,041	89,041
Total revenues	<u>5,087,672</u>	<u>5,087,672</u>	<u>5,643,787</u>	<u>556,115</u>
Expenditures				
Current				
General government	4,030,000	4,030,000	4,480,874	(450,874)
Debt Service				
Principal	2,280,000	2,280,000	2,280,000	-
Interest and fiscal charges	900,000	900,000	896,745	3,255
Total expenditures	<u>7,210,000</u>	<u>7,210,000</u>	<u>7,657,619</u>	<u>(447,619)</u>
Excess of revenues over expenditures	<u>(2,122,328)</u>	<u>(2,122,328)</u>	<u>(2,013,832)</u>	<u>108,496</u>
Other financing sources (uses)				
Transfers (in)	3,855,451	3,855,451	3,992,699	137,248
Transfers (out)	<u>(3,855,451)</u>	<u>(3,855,451)</u>	<u>(3,992,699)</u>	<u>(137,248)</u>
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (2,122,328)</u>	<u>\$ (2,122,328)</u>	<u>(2,013,832)</u>	<u>\$ 108,496</u>
Beginning fund balance			<u>8,792,910</u>	
Ending fund balance			<u>\$ 6,779,078</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
ENTERPRISE MAINTENANCE AND EQUIPMENT FUND
For the year ended September 30, 2024

	Enterprise Maintenance and Equipment Fund			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Investment earnings	\$ 100,000	\$ 100,000	\$ 167,755	\$ 67,755
Miscellaneous	<u>180,000</u>	<u>180,000</u>	<u>203,928</u>	<u>23,928</u>
Total revenues	<u>280,000</u>	<u>280,000</u>	<u>371,683</u>	<u>91,683</u>
Expenditures				
Current				
Public safety	100,000	100,000	100,000	-
Public works	1,149,370	1,142,437	961,914	180,523
Debt Service				
Principal	<u>58,702</u>	<u>58,702</u>	<u>58,680</u>	<u>22</u>
Total expenditures	<u>1,308,072</u>	<u>1,301,139</u>	<u>1,120,594</u>	<u>180,545</u>
Excess of revenues over expenditures	<u>(1,208,072)</u>	<u>(1,201,139)</u>	<u>(748,911)</u>	<u>272,228</u>
Other financing (uses)				
Transfers(out)	<u>(115,600)</u>	<u>(3,715,600)</u>	<u>(3,699,783)</u>	<u>15,817</u>
Total other financing (uses)	<u>(115,600)</u>	<u>(3,715,600)</u>	<u>(3,699,783)</u>	<u>15,817</u>
Net change in fund balance	<u>\$ (1,143,672)</u>	<u>\$ (4,736,739)</u>	<u>(4,448,694)</u>	<u>\$ 288,045</u>
Beginning fund balance			<u>4,476,467</u>	
Ending fund balance			<u>\$ 27,773</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CEMETARY IMPROVEMENT FUND
For the year ended September 30, 2024

	Cemetery Improvement Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Licenses and permits	\$ 3,250	\$ 3,250	\$ 300	\$ (2,950)
Charges and fees	-	-	12,272	12,272
Total revenues	<u>3,250</u>	<u>3,250</u>	<u>12,572</u>	<u>9,322</u>
Expenditures				
Current				
Parks and recreation	<u>218,000</u>	<u>218,000</u>	<u>25,870</u>	<u>192,130</u>
Total expenditures	<u>218,000</u>	<u>218,000</u>	<u>25,870</u>	<u>192,130</u>
Net change in fund balance	<u>\$ (214,750)</u>	<u>\$ (214,750)</u>	<u>(13,298)</u>	<u>\$ 201,452</u>
Beginning fund balance			<u>255,708</u>	
Ending fund balance			<u>\$ 242,410</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
RECREATION CENTER IMPROVEMENT FUND
For the year ended September 30, 2024

	Recreation Center Improvements Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$ -	\$ -	\$ 1,030	\$ 1,030
Total revenues	-	-	1,030	1,030
Expenditures				
Current				
Parks and recreation	100,000	100,000	50,979	49,021
Total expenditures	100,000	100,000	50,979	49,021
Net change in fund balance	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>	<u>\$ (49,949)</u>	<u>\$ 50,051</u>
Beginning fund balance			1,047,602	
Ending fund balance			<u>\$ 997,653</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
DEVELOPMENTAL SERVICES FUND
For the year ended September 30, 2024

	Developmental Services Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Interest	\$ -	\$ -	\$ 12,515	\$ 12,515
Charges and fees	<u>1,205,000</u>	<u>1,205,000</u>	<u>1,733,176</u>	<u>528,176</u>
Total revenues	<u>1,205,000</u>	<u>1,205,000</u>	<u>1,745,691</u>	<u>540,691</u>
Expenditures				
Current				
Public works	<u>1,779,456</u>	<u>1,779,456</u>	<u>1,575,302</u>	<u>204,154</u>
Total expenditures	<u>1,779,456</u>	<u>1,779,456</u>	<u>1,575,302</u>	<u>204,154</u>
Net change in fund balance	<u>\$ (574,456)</u>	<u>\$ (574,456)</u>	<u>170,389</u>	<u>\$ 744,845</u>
Beginning fund balance			<u>602,172</u>	
Ending fund balance			<u>\$ 772,561</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
RIVER MILL TIRZ FUND
For the year ended September 30, 2024

	River Mill TIRZ Fund			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	\$ 54,385	\$ 54,385	\$ 50,678	\$ (3,707)
Sales tax	20,000	20,000	30,522	10,522
Investment earnings	-	-	1,709	1,709
Total revenues	<u>74,385</u>	<u>74,385</u>	<u>82,909</u>	<u>8,524</u>
Net change in fund balance	<u>\$ 74,385</u>	<u>\$ 74,385</u>	<u>82,909</u>	<u>\$ 8,524</u>
Beginning fund balance			<u>114,855</u>	
Ending fund balance			<u>\$ 197,764</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
FACILITIES MAINTENANCE FUND
For the year ended September 30, 2024

	Facilities Maintenance Fund			Variance with Final Budget Positive (Negative)
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	
Revenues				
Investment earnings	\$ -	\$ -	\$ 1,724	\$ 1,724
Miscellaneous	<u>149,816</u>	<u>149,816</u>	<u>149,476</u>	<u>(340)</u>
Total revenues	<u>149,816</u>	<u>149,816</u>	<u>151,200</u>	<u>1,384</u>
Expenditures				
Current				
Parks and recreation	<u>-</u>	<u>37,000</u>	<u>35,146</u>	<u>1,854</u>
Total expenditures	<u>-</u>	<u>37,000</u>	<u>35,146</u>	<u>1,854</u>
Excess of revenues over expenditures	<u>149,816</u>	<u>112,816</u>	<u>116,054</u>	<u>3,238</u>
Other financing (uses)				
Transfers (out)	<u>(1,599,910)</u>	<u>(1,599,910)</u>	<u>(1,599,910)</u>	<u>-</u>
Total other financing (uses)	<u>(1,599,910)</u>	<u>(1,599,910)</u>	<u>(1,599,910)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,450,094)</u>	<u>\$ (1,487,094)</u>	<u>(1,483,856)</u>	<u>\$ 3,238</u>
Beginning fund balance			<u>1,540,291</u>	
Ending fund balance			<u>\$ 56,435</u>	

CITY OF NEW BRAUNFELS, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
DOWNTOWN TIRZ FUND
For the year ended September 30, 2024

	Downtown TIRZ			Variance with
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Final Budget Positive (Negative)
Revenues				
Ad valorem taxes	\$ 409,271	\$ 409,271	\$ 77,059	\$ (332,212)
Investment earnings	-	-	775	775
Total revenues	<u>409,271</u>	<u>409,271</u>	<u>77,834</u>	<u>(331,437)</u>
Expenditures				
Current				
Planning and development	-	5,000	5,000	-
Total expenditures	<u>-</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balance	<u>\$ 409,271</u>	<u>\$ 404,271</u>	<u>\$ 72,834</u>	<u>\$ (331,437)</u>
Beginning fund balance			<u>56,624</u>	
Ending fund balance			<u>\$ 129,458</u>	

CITY OF NEW BRAUNFELS, TEXAS
INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City and to other government units on a cost reimbursement basis.

Self Insurance - This fund is used to account for the costs of providing insurance to the City's employees.

Fleet Service - This fund is used to account for the charges and expenses related to the City's fleet service, maintenance and repair department.

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2024

	<u>Self Insurance</u>	<u>Fleet Services</u>	<u>Total Funds</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 5,395,384	\$ -	\$ 5,395,384
Receivables, net	119	-	119
Inventory	<u>-</u>	<u>112,920</u>	<u>112,920</u>
Total assets	<u>5,395,503</u>	<u>112,920</u>	<u>5,508,423</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	1,309,724	81,670	1,391,394
Due to other funds	<u>-</u>	<u>31,250</u>	<u>31,250</u>
Total liabilities	<u>1,309,724</u>	<u>112,920</u>	<u>1,422,644</u>
NET POSITION			
Unrestricted	<u>4,085,779</u>	<u>-</u>	<u>4,085,779</u>
Total net position	<u>\$ 4,085,779</u>	<u>\$ -</u>	<u>\$ 4,085,779</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the year ended September 30, 2024

	<u>Self Insurance</u>	<u>Fleet Services</u>	<u>Total Funds</u>
Operating revenues			
Charges for services	\$ 7,984,455	\$ 1,171,989	\$ 9,156,444
Other income	<u>211,612</u>	<u>-</u>	<u>211,612</u>
Total operating revenues	<u>8,196,067</u>	<u>1,171,989</u>	<u>9,368,056</u>
Operating expenses			
Personnel	6,554,003	946,935	7,500,938
Services	<u>912,436</u>	<u>225,077</u>	<u>1,137,513</u>
Total operating expenses	<u>7,466,439</u>	<u>1,172,012</u>	<u>8,638,451</u>
Operating income (loss)	<u>729,628</u>	<u>(23)</u>	<u>729,605</u>
Nonoperating revenues			
Investment earnings	<u>155,791</u>	<u>23</u>	<u>155,814</u>
Total nonoperating revenues	<u>155,791</u>	<u>23</u>	<u>155,814</u>
Income Before Transfers	885,419	-	885,419
Transfers			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	885,419	-	885,419
Beginning net position	<u>3,200,360</u>	<u>-</u>	<u>3,200,360</u>
Ending net position	<u>\$ 4,085,779</u>	<u>\$ -</u>	<u>\$ 4,085,779</u>

CITY OF NEW BRAUNFELS, TEXAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the year ended September 30, 2024

	<u>Self Insurance</u>	<u>Fleet Services</u>	<u>Total Funds</u>
Cash flows from operating activities			
Receipts from interfund charges for insurance	\$ 8,196,067	\$ -	\$ 8,196,067
Receipts from interfund charges for fleet services	-	1,171,989	1,171,989
Payments to suppliers	(6,787,478)	(222,616)	(7,010,094)
Payments for personnel services	-	(949,396)	(949,396)
Net cash provided by operating activities	<u>1,408,589</u>	<u>(23)</u>	<u>1,408,566</u>
Cash flows from noncapital financing activities			
Transfers from other funds	-	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Earnings on investments	<u>155,791</u>	<u>23</u>	<u>155,814</u>
Net cash provided by investing activities	<u>155,791</u>	<u>23</u>	<u>155,814</u>
Net Increase in cash and cash equivalents	1,564,380	-	1,564,380
Beginning cash and cash equivalents	<u>3,831,004</u>	<u>-</u>	<u>3,831,004</u>
Ending cash and cash equivalents	<u>\$ 5,395,384</u>	<u>\$ -</u>	<u>\$ 5,395,384</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 729,628	\$ (23)	\$ 729,605
Changes in operating assets and liabilities			
(Increase) decrease in assets			
Receivables	(119)	-	(119)
Inventory	-	(10,141)	(10,141)
Increase (decrease) in liabilities			
Accounts payable	679,080	12,602	691,682
Due to other funds	-	(2,461)	(2,461)
Net cash provided (used) by operating activities	<u>\$ 1,408,589</u>	<u>\$ (23)</u>	<u>\$ 1,408,566</u>

STATISTICAL SECTION

CITY OF NEW BRAUNFELS, TEXAS
STATISTICAL SECTION

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

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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.....	150
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These schedules contain information to help the reader assess the City's most significant local revenue sources, sales and property tax.

DEBT CAPACITY.....	155
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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.....	160
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

OPERATING INFORMATION.....	162
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These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports from the relevant year.

CITY OF NEW BRAUNFELS, TEXAS
NET POSITION BY COMPONENT
Last Ten Years
(Accrual Basis of Accounting)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental activities										
Net investment in capital assets	\$ 57,283	\$ 38,706	\$ 10,636	\$ 10,250	\$ 10,678	\$ 7,297	\$ (3,398)	\$ 5,470	\$ 2,127	\$ 5,121
Restricted	113,580	54,789	52,935	32,698	25,877	18,232	24,333	21,269	16,400	10,919
Unrestricted	<u>(63,117)</u>	<u>902</u>	<u>9,138</u>	<u>920</u>	<u>(10,423)</u>	<u>635</u>	<u>(18,031)</u>	<u>(15,905)</u>	<u>(16,030)</u>	<u>(10,896)</u>
Total governmental activities net position	<u>\$ 107,745</u>	<u>\$ 94,397</u>	<u>\$ 72,709</u>	<u>\$ 43,868</u>	<u>\$ 26,132</u>	<u>\$ 26,164</u>	<u>\$ 2,904</u>	<u>\$ 10,834</u>	<u>\$ 2,497</u>	<u>\$ 5,144</u>
Business-type activities										
Net investment in capital assets	\$ 24,132	\$ 26,070	\$ 25,339	\$ 26,436	\$ 27,813	\$ 28,869	\$ 29,515	\$ 31,025	\$ 33,493	\$ 34,775
Unrestricted	<u>8,024</u>	<u>3,293</u>	<u>4,261</u>	<u>2,513</u>	<u>2,028</u>	<u>(1,517)</u>	<u>525</u>	<u>(748)</u>	<u>(236)</u>	<u>298</u>
Total business-type activities net position	<u>\$ 32,156</u>	<u>\$ 29,363</u>	<u>\$ 29,600</u>	<u>\$ 28,949</u>	<u>\$ 29,841</u>	<u>\$ 27,352</u>	<u>\$ 30,040</u>	<u>\$ 30,277</u>	<u>\$ 33,257</u>	<u>\$ 35,073</u>
Primary government										
Net investment in capital assets	\$ 81,415	\$ 64,776	\$ 35,975	\$ 36,686	\$ 38,491	\$ 36,166	\$ 26,117	\$ 36,495	\$ 35,620	\$ 39,896
Restricted	113,580	54,789	52,935	32,698	25,877	18,232	24,333	21,269	16,400	10,919
Unrestricted	<u>(55,093)</u>	<u>4,195</u>	<u>13,400</u>	<u>3,433</u>	<u>(8,395)</u>	<u>(882)</u>	<u>(17,506)</u>	<u>(16,653)</u>	<u>(16,266)</u>	<u>(10,598)</u>
Total primary government net position	<u>\$ 139,901</u>	<u>\$ 123,760</u>	<u>\$ 102,310</u>	<u>\$ 72,817</u>	<u>\$ 55,973</u>	<u>\$ 53,516</u>	<u>\$ 32,944</u>	<u>\$ 41,111</u>	<u>\$ 35,754</u>	<u>\$ 40,217</u>

Source: City financial statements

CITY OF NEW BRAUNFELS, TEXAS
CHANGES IN NET FELSION
Last Ten Years
(Accrual Basis of Accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental activities										
General government	\$ 22,223	\$ 18,361	\$ 10,769	\$ 9,829	\$ 12,716	\$ 11,177	\$ 13,085	\$ 11,764	\$ 22,722	\$ 17,936
Finance and tax	2,237	1,733	1,326	1,194	1,054	1,210	1,574	1,269	690	719
Planning and environmental development	6,091	5,668	3,901	3,923	3,300	3,759	4,874	4,527	2,772	2,622
Public safety	69,162	62,482	44,116	41,196	34,334	41,360	57,457	43,328	29,273	33,327
Public works	25,917	31,166	36,629	39,944	39,376	26,422	11,912	11,858	15,314	9,377
Parks and recreation	10,963	10,346	11,410	7,613	8,453	8,322	8,018	6,357	4,597	8,551
Library	3,502	2,793	2,796	1,897	2,026	2,460	3,091	2,664	1,660	1,969
Civic/convention center	-	-	-	-	-	-	-	-	49	191
Airport	391	72	24	-	-	-	9	15	1,493	48
Interest on long-term debt	10,268	14,842	8,625	9,021	9,388	6,828	6,553	5,752	6,757	5,369
Total governmental activities expenses	150,754	147,463	119,596	114,617	110,647	101,538	106,573	87,534	85,327	80,109
Business-type activities										
Airport	5,403	5,153	5,379	3,567	3,298	3,645	3,499	3,221	2,968	2,778
Solid waste	11,560	11,040	9,281	8,985	8,718	8,779	7,897	7,721	7,271	6,670
Golf course	2,548	2,420	2,191	1,910	1,824	2,019	1,898	1,838	1,938	1,775
Civic/convention center	1,309	1,246	1,120	1,044	1,166	1,071	963	979	886	894
Total business-type activities expenses	20,821	19,859	17,971	15,506	15,006	15,514	14,257	13,759	13,063	12,117
Total expenses	\$ 171,575	\$ 167,322	\$ 137,567	\$ 130,123	\$ 125,653	\$ 117,052	\$ 120,830	\$ 101,293	\$ 98,390	\$ 92,226
Program revenues										
Governmental activities										
Charges for services										
General government	\$ 742	\$ 733	\$ 730	\$ 112	\$ 125	\$ 152	\$ 150	\$ 164	\$ 1,505	\$ 1,265
Planning and environmental development	-	-	-	-	-	-	-	-	3,489	3,912
Public safety	8,341	8,244	8,065	5,479	5,748	5,918	6,528	6,503	4,384	3,841
Public works	8,613	8,512	9,260	8,853	7,019	6,465	4,507	4,163	1,231	1,076
Parks and recreation	15,130	14,953	11,284	6,660	3,283	5,501	2,288	2,226	2,745	1,642
Library	13	13	14	11	27	61	89	96	101	102
Civic/convention center	-	-	-	-	-	-	-	-	14	8
Operating grants and contributions	4,498	3,044	686	5,853	2,394	1,402	3,819	1,759	2,377	1,963
Capital grants and contributions	-	-	-	-	-	1,768	1,831	3,460	-	-
Total governmental activities program revenues	37,337	35,499	30,039	26,968	18,596	21,267	19,212	18,371	15,846	13,809

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
CHANGES IN NET POSITION
Last Ten Years
(Accrual Basis of Accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Business-type activities										
Charges for services										
Airport	\$ 4,347	\$ 4,494	\$ 4,569	\$ 2,757	\$ 2,296	\$ 2,894	\$ 2,599	\$ 2,399	\$ 2,077	\$ 2,317
Solid waste	11,478	11,005	11,016	10,378	10,176	9,865	10,168	8,664	8,280	7,985
Golf course	2,324	2,275	2,268	2,079	1,634	1,714	1,578	1,436	1,486	1,378
Civic/convention center	594	577	548	397	274	496	420	450	436	418
Operating grants and contributions	374	-	-	1,010	5,010	51	-	397	50	50
Capital grants and contributions	1,010	3,081	1,706	-	-	-	-	-	2,263	290
Total business-type activities revenues	<u>20,127</u>	<u>21,432</u>	<u>20,107</u>	<u>16,621</u>	<u>19,390</u>	<u>15,020</u>	<u>14,765</u>	<u>13,346</u>	<u>14,592</u>	<u>12,438</u>
Total program revenues	<u>\$ 57,464</u>	<u>\$ 56,931</u>	<u>\$ 50,146</u>	<u>\$ 43,589</u>	<u>\$ 37,986</u>	<u>\$ 36,287</u>	<u>\$ 33,977</u>	<u>\$ 31,717</u>	<u>\$ 30,438</u>	<u>\$ 26,247</u>
Net (expense)/revenue										
Governmental activities	\$ (113,418)	\$ (111,964)	\$ (89,557)	\$ 26,967	\$ (96,019)	\$ (89,380)	\$ (82,326)	\$ (88,202)	\$ (71,688)	\$ (71,518)
Business-type activities	(694)	1,573	2,136	16,621	3,885	14	(749)	(911)	833	(625)
Total net revenue (expense)	<u>\$ (114,111)</u>	<u>\$ (110,391)</u>	<u>\$ (87,421)</u>	<u>\$ 43,588</u>	<u>\$ (92,134)</u>	<u>\$ (89,366)</u>	<u>\$ (83,075)</u>	<u>\$ (89,113)</u>	<u>\$ (70,855)</u>	<u>\$ (72,143)</u>
General revenues and other changes in net position										
Governmental activities										
Property taxes, levied for general purposes	\$ 30,447	\$ 23,908	\$ 23,452	\$ 21,958	\$ 23,138	\$ 23,135	\$ 18,188	\$ 18,065	\$ 14,409	\$ 13,956
Property taxes, levied for debt services	27,087	28,194	24,323	22,428	17,398	14,667	12,471	12,434	11,414	10,159
Sales tax	35,837	34,517	34,519	31,329	25,606	23,675	21,997	21,008	19,077	18,608
Hotel/motel occupancy taxes	4,864	4,894	5,230	4,412	2,872	4,001	4,070	3,994	3,767	3,813
Franchise fees	13,198	12,715	11,729	10,504	9,908	10,070	9,749	9,590	8,904	8,435
Mixed beverage tax	960	938	839	683	508	649	584	515	472	439
Investment income	12,189	8,706	1,122	205	1,003	2,300	966	471	242	47
Other contributions	2,631	8,025	5,588	6,128	4,687	4,215	3,683	4,570	2,892	2,336
Miscellaneous	2,438	6,661	4,876	5,449	4,585	3,915	6,423	3,948	4,989	3,643
Gain on sale of asset	-	2,832	192	-	-	-	-	-	-	-
Transfers in (out)	(2,885)	2,278	2,030	2,288	2,311	2,398	2,152	2,905	3,436	284
Total governmental activities	<u>126,765</u>	<u>133,668</u>	<u>113,900</u>	<u>105,384</u>	<u>92,016</u>	<u>89,025</u>	<u>80,283</u>	<u>77,500</u>	<u>69,602</u>	<u>61,720</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
CHANGES IN NET POSITION
Last Ten Years
(Accrual Basis of Accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Business-type activities										
Investment earnings	247	182	38	1	27	63	39	17	8	2
Miscellaneous income	355	271	505	280	388	141	1,239	320	83	86
Transfers in (out)	<u>2,885</u>	<u>(2,278)</u>	<u>(2,030)</u>	<u>(2,288)</u>	<u>(2,311)</u>	<u>(2,398)</u>	<u>(2,152)</u>	<u>(2,905)</u>	<u>(3,436)</u>	<u>(284)</u>
Total business-type activities	<u>3,487</u>	<u>(1,825)</u>	<u>(1,487)</u>	<u>(2,007)</u>	<u>(1,896)</u>	<u>(2,194)</u>	<u>(874)</u>	<u>(2,568)</u>	<u>(3,345)</u>	<u>(196)</u>
Total primary government	<u>\$ 130,252</u>	<u>\$ 131,843</u>	<u>\$ 112,413</u>	<u>\$ 103,377</u>	<u>\$ 90,120</u>	<u>\$ 86,831</u>	<u>\$ 79,409</u>	<u>\$ 74,932</u>	<u>\$ 66,257</u>	<u>\$ 61,524</u>
Changes in net position										
Governmental activities	\$ 13,348	\$ 21,704	\$ 24,343	\$ 105,384	\$ 118,984	\$ (6,994)	\$ (9,097)	\$ (4,826)	\$ (18,600)	\$ (9,968)
Business-type activities	<u>2,793</u>	<u>(252)</u>	<u>649</u>	<u>(2,006)</u>	<u>14,725</u>	<u>1,691</u>	<u>(860)</u>	<u>(3,317)</u>	<u>(4,256)</u>	<u>637</u>
Total change in net position	<u>\$ 16,141</u>	<u>\$ 21,452</u>	<u>\$ 24,992</u>	<u>\$ 103,378</u>	<u>\$ 133,709</u>	<u>\$ (5,303)</u>	<u>\$ (9,957)</u>	<u>\$ (8,143)</u>	<u>\$ (22,856)</u>	<u>\$ (9,331)</u>

Source: Statements of Activities from City ACFR

CITY OF NEW BRAUNFELS, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years
(Modified Accrual Basis of Accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General fund										
Nonspendable	\$ 3	\$ 1	\$ 1	\$ 1	\$ 3	\$ 1	\$ 1	\$ 1	\$ -	\$ -
Assigned	3,720	4,113	3,089	893	798	1,124	551	1,368	2,516	4,319
Unassigned	<u>33,994</u>	<u>37,288</u>	<u>41,884</u>	<u>40,164</u>	<u>26,585</u>	<u>24,951</u>	<u>20,377</u>	<u>17,699</u>	<u>16,096</u>	<u>16,677</u>
Total general fund	<u>\$ 37,717</u>	<u>\$ 41,402</u>	<u>\$ 44,974</u>	<u>\$ 41,058</u>	<u>\$ 27,386</u>	<u>\$ 26,076</u>	<u>\$ 20,929</u>	<u>\$ 19,068</u>	<u>\$ 18,612</u>	<u>\$ 20,996</u>
All other governmental funds										
Nonspendable	\$ 242	\$ 256	\$ 243	\$ 231	\$ 223	\$ 223	\$ 169	\$ 29	\$ 19	\$ 94
Restricted	152,645	128,861	132,839	129,876	130,313	82,729	56,071	50,200	65,988	51,895
Committed	84	6,017	7,515	6,818	6,519	9,729	7,413	5,652	4,295	3,188
Unassigned, reported in:										
Special revenue funds	-	-	(9)	-	910	-	-	-	(591)	(211)
Total all other governmental funds	<u>\$ 152,971</u>	<u>\$ 135,134</u>	<u>\$ 140,588</u>	<u>\$ 136,925</u>	<u>\$ 137,965</u>	<u>\$ 92,681</u>	<u>\$ 63,653</u>	<u>\$ 55,881</u>	<u>\$ 69,711</u>	<u>\$ 54,966</u>

CITY OF NEW BRAUNFELS, TEXAS
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
Last Ten Years
(Modified Accrual Basis of Accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues										
Taxes	\$ 112,018	\$ 104,973	\$ 100,091	\$ 91,315	\$ 79,279	\$ 76,136	\$ 68,595	\$ 65,735	\$ 57,652	\$ 55,205
Licenses and permits	6,982	6,680	7,318	7,158	5,653	5,265	4,178	3,943	3,606	3,052
Intergovernmental	6,936	3,044	686	5,853	2,394	1,403	3,819	1,759	228	242
Charges for services	7,545	8,304	7,970	5,890	6,014	5,582	5,306	5,068	4,439	3,573
Fines and forfeitures	2,363	2,527	2,794	1,410	1,256	1,755	1,800	1,925	1,642	1,743
Parks and recreation	7,755	14,943	11,272	6,656	3,280	5,496	2,278	2,216	2,656	2,307
Interest	12,033	8,600	1,109	204	999	2,299	966	468	241	46
Federal grants*	-	-	-	-	-	-	-	-	2,117	758
State and local grants*	-	-	-	-	-	-	-	-	194	368
Other contributions	2,631	8,025	5,588	6,128	4,687	4,215	3,683	4,570	4,804	3,374
Miscellaneous	8,195	6,661	4,876	5,232	4,567	3,716	4,837	3,791	2,751	3,466
Total revenues	<u>166,456</u>	<u>163,757</u>	<u>141,704</u>	<u>129,846</u>	<u>108,129</u>	<u>105,867</u>	<u>95,462</u>	<u>89,475</u>	<u>80,330</u>	<u>74,134</u>
Expenditures										
General government	38,643	20,376	14,056	12,851	14,088	12,446	11,302	11,594	16,791	11,695
Finance and tax	1,843	1,619	1,442	1,280	1,288	1,159	1,037	1,011	900	855
Planning and environmental development	6,025	5,423	4,434	4,391	3,881	3,626	3,435	3,796	3,331	2,983
Public safety	63,912	56,122	48,764	44,089	40,963	38,016	37,840	35,078	34,926	31,134
Public works	53,472	40,285	49,339	53,755	40,391	26,191	34,243	28,965	21,618	15,231
Parks and recreation	10,977	12,344	13,218	9,865	9,180	8,165	6,482	5,474	5,431	11,645
Library	3,050	3,091	3,108	2,205	2,395	2,378	2,224	2,136	2,006	2,187
Civic/convention center	-	-	-	-	-	-	-	-	89	296
Airport	391	72	24	-	-	-	-	1	1,534	407
Debt service										
Principal	22,878	20,305	18,165	16,535	13,990	10,365	10,601	10,550	8,319	7,805
Interest	11,458	10,504	9,926	9,531	10,375	9,108	6,881	7,274	5,977	5,056
Other	984	6,234	597	540	199	41	5	97	462	551
Total expenditures	<u>213,634</u>	<u>176,375</u>	<u>163,073</u>	<u>155,042</u>	<u>136,750</u>	<u>111,495</u>	<u>114,050</u>	<u>105,976</u>	<u>101,384</u>	<u>89,845</u>
(Deficiency) of revenues										
(Under) expenditures	<u>(47,178)</u>	<u>(12,618)</u>	<u>(21,369)</u>	<u>(25,196)</u>	<u>(28,621)</u>	<u>(5,628)</u>	<u>(18,588)</u>	<u>(16,501)</u>	<u>(21,054)</u>	<u>(15,711)</u>

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
Last Ten Years
(Modified Accrual Basis of Accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Other financing sources (uses)										
Transfer in	11,677	12,176	9,294	8,729	9,475	19,664	9,441	7,835	4,757	4,923
Transfer out	(14,563)	(9,898)	(7,264)	(6,441)	(7,164)	(17,266)	(7,181)	(5,330)	(2,847)	(2,017)
Issuance of debt	60,963	-	46,895	41,750	62,240	35,160	24,620	5,255	37,360	35,940
Premium on debt issuance	3,188	-	4,456	4,807	10,644	2,045	1,594	-	5,953	3,309
Payment to bond escrow agent	(4,684)	-	(24,699)	(11,233)	-	-	-	(5,165)	(14,799)	(17,101)
Sale of assets	199	564	267	217	19	199	6	157	39	301
Capital lease	-	750	-	-	-	-	-	375	757	-
Loan payable	4,550	-	-	-	-	-	(258)	-	-	-
Total other financing sources	<u>61,331</u>	<u>3,592</u>	<u>28,949</u>	<u>37,829</u>	<u>75,214</u>	<u>39,802</u>	<u>28,222</u>	<u>3,127</u>	<u>31,220</u>	<u>25,355</u>
Net change in fund balances	<u>\$ 14,153</u>	<u>\$ (9,026)</u>	<u>\$ 7,580</u>	<u>\$ 37,829</u>	<u>\$ 50,017</u>	<u>\$ 11,183</u>	<u>\$ 22,594</u>	<u>\$ (15,461)</u>	<u>\$ 14,719</u>	<u>\$ 4,301</u>
Debt service as a percentage of noncapital expenditures	14.45%	22.20%	22.20%	23.80%	22.20%	20.00%	18.80%	20.90%	18.70%	17.00%

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

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

CITY OF NEW BRAUNFELS, TEXAS
GENERAL GOVERNMENTAL TAX REVENUE BY SOURCE
Last Ten Years
(Modified Accrual Basis of Accounting)
(Amounts expressed in thousands)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenue										
Property tax	\$ 57,534	\$ 52,102	\$ 47,775	\$ 44,386	\$ 40,537	\$ 37,802	\$ 30,659	\$ 30,628	\$ 25,823	\$ 24,115
Sales tax	35,837	34,517	34,519	31,329	25,606	23,675	21,997	21,008	19,077	23,978
Franchise fees	1,800	1,921	1,821	1,670	1,552	1,770	1,840	1,784	1,934	1,961
Utilities franchise fees	11,398	10,794	9,907	8,833	8,204	8,121	7,909	7,805	6,970	6,474
Hotel occupancy tax	4,864	4,894	5,230	4,412	2,872	4,001	4,070	3,994	3,767	3,813
Mixed beverage tax	960	938	839	683	508	649	583	516	472	439
Total Revenue	<u>\$ 112,393</u>	<u>\$ 105,166</u>	<u>\$ 100,091</u>	<u>\$ 91,314</u>	<u>\$ 79,279</u>	<u>\$ 76,018</u>	<u>\$ 67,058</u>	<u>\$ 65,735</u>	<u>\$ 58,043</u>	<u>\$ 60,780</u>

Data Source: City ACFRs and detailed financial records

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

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Real property	\$ 15,312,916	\$ 12,559,483	\$ 10,402,273	\$ 10,497,424	\$ 9,297,167	\$ 8,406,848	\$ 7,584,703	\$ 6,716,299	\$ 6,138,209	\$ 5,528,399
Personal	1,092,166	842,285	678,446	681,287	639,947	625,957	564,298	512,991	540,437	426,910
Less: tax exempt property	<u>3,484,379</u>	<u>2,741,601</u>	<u>2,069,096</u>	<u>1,835,996</u>	<u>1,634,543</u>	<u>1,455,217</u>	<u>1,352,207</u>	<u>1,150,855</u>	<u>1,050,021</u>	<u>1,047,373</u>
Total taxable assessed value (1)	<u>\$ 12,920,703</u>	<u>\$ 10,660,167</u>	<u>\$ 9,011,623</u>	<u>\$ 9,342,715</u>	<u>\$ 8,302,571</u>	<u>\$ 7,577,588</u>	<u>\$ 6,796,794</u>	<u>\$ 6,078,435</u>	<u>\$ 5,628,625</u>	<u>\$ 4,907,936</u>
Total direct tax rate	\$ 0.40894	\$ 0.41394	\$ 0.47538	\$ 0.48319	\$ 0.48822	\$ 0.48822	\$ 0.48822	\$ 0.48822	\$ 0.49823	\$ 0.49823
Estimated actual taxable value	\$ 12,920,703	\$ 10,660,167	\$ 9,011,623	\$ 9,342,715	\$ 8,302,571	\$ 7,577,588	\$ 6,796,794	\$ 6,078,435	\$ 5,628,625	\$ 4,907,936
Assessed value as a percentage of actual value	78.76%	79.54%	81.33%	83.58%	83.55%	83.89%	83.41%	84.08%	84.28%	82.41%

Source: Comal County Appraisal District

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

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

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City of New Braunfels Tax Rates										
General government	\$ 0.200000	\$ 0.205000	\$ 0.247393	\$ 0.255238	\$ 0.273720	\$ 0.278370	\$ 0.288370	\$ 0.278080	\$ 0.278080	\$ 0.278080
Debt service	<u>0.208936</u>	<u>0.208936</u>	<u>0.227983</u>	<u>0.227956</u>	<u>0.214498</u>	<u>0.209850</u>	<u>0.199850</u>	<u>0.220150</u>	<u>0.220150</u>	<u>0.220150</u>
Total direct rates	<u>\$ 0.408936</u>	<u>\$ 0.413936</u>	<u>\$ 0.475376</u>	<u>\$ 0.483194</u>	<u>\$ 0.488218</u>	<u>\$ 0.488220</u>	<u>\$ 0.488220</u>	<u>\$ 0.498230</u>	<u>\$ 0.498230</u>	<u>\$ 0.498230</u>
Overlapping Tax Rates (2)										
Comal County	\$ 0.226715	\$ 0.226200	\$ 0.248900	\$ 0.314000	\$ 0.358515	\$ 0.322415	\$ 0.295191	\$ 0.307821	\$ 0.292821	\$ 0.292921
Guadalupe County	0.316700	0.273100	0.293900	0.329900	0.335400	0.331900	0.330900	0.326900	0.331100	0.331100
Navarro ISD	1.182700	1.140100	1.343500	1.185200	1.262300	1.275930	1.350000	1.350000	1.390000	1.390000
New Braunfels ISD	1.037700	1.041900	1.195400	1.197800	1.223300	1.295800	1.365800	1.339100	1.339100	1.339100
Comal ISD	<u>1.086900</u>	<u>1.089200</u>	<u>1.274600</u>	<u>1.292000</u>	<u>1.275700</u>	<u>1.320000</u>	<u>1.390000</u>	<u>1.390000</u>	<u>1.390000</u>	<u>1.390000</u>
Total direct and overlapping rates (1)(2)	<u>\$ 4.259651</u>	<u>\$ 4.184436</u>	<u>\$ 4.831676</u>	<u>\$ 4.802094</u>	<u>\$ 4.943433</u>	<u>\$ 5.034265</u>	<u>\$ 5.220111</u>	<u>\$ 5.212051</u>	<u>\$ 5.241251</u>	<u>\$ 5.241351</u>

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

- (1) Tax rate is per \$100 of taxable assessed value.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the City. Overlapping rates are shown for each of the three school districts servicing the City. The total tax rate for a parcel in 2021 would be between \$2.05 and \$2.17 depending on the overlapping jurisdiction the parcel was located.

CITY OF NEW BRAUNFELS, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Property Tax Payer	2024			2015		
	Taxable Assessed Valuation	Rank	% of Taxable Assessed Valuation	Taxable Assessed Valuation	Rank	% of Taxable Assessed Valuation
A L 95 Creekside Town Center LP	\$ 145,900,786	1	1.13%	\$ 87,709,550	3	1.79%
Central Texas Corridor Hospital LLC	143,616,270	2	1.11%	105,052,293	1	2.14%
Walmart Inc #6016	140,135,870	3	1.08%	-	-	0.00%
CNC-SWAGAT FOUR LP	83,730,750	4	0.65%	-	-	0.00%
Kahlig Enterprises INC	75,090,505	5	0.58%	29,889,032	5	0.61%
Rush Enterprises	67,779,119	6	0.52%	91,135,340	2	1.86%
HEB Grocery CO LP	64,925,354	7	0.50%	-	-	0.00%
Continental Autonomous Mobility	63,036,000	8	0.49%	-	-	0.00%
Grey Forest Development LLC	62,183,222	9	0.48%	-	-	0.00%
LHNH Riverhaus LLC	62,136,080	10	0.48%	-	-	0.00%
Western Rim Investors 2011 2 LP	-	0	0.00%	33,904,150	4	0.69%
Villas at Sundance I LLC ET AL	-	0	0.00%	26,977,530	6	0.55%
Augusta Gruene Apartments LP	-	0	0.00%	21,918,970	7	0.45%
Bucees LTD & Turner Family Prtnrshp LTD	-	0	0.00%	21,911,750	8	0.45%
Central Texas Corridor Hospital LLC	-	0	0.00%	21,855,970	9	0.45%
LPF Westpoint LLC	-	0	0.00%	19,681,339	10	0.40%
Subtotal	908,533,956		7.03%	460,035,924		9.37%
Other taxpayers	12,012,169,044		92.97%	4,447,900,076		90.63%
Total	\$ 12,920,703,000		100.00%	\$ 4,907,936,000		100.00%

Source: Comal County Tax Assessor-Collector's Office

CITY OF NEW BRAUNFELS, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Years
(Amounts expressed in thousands)

Fiscal Year	Tax Year	Tax Rate	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collected in Subsequent Years	Total Collections to Date	
				Amount Collected	Percentage of Levy	Amount Collected	Amount Collected	Percentage of Levy
2015	2014	\$ 0.498230	\$ 24,003	\$ 23,817	99.23%	\$ 178	\$ 23,995	99.97%
2016	2015	\$ 0.498230	27,061	26,830	99.15%	133	26,963	99.64%
2017	2016	\$ 0.498230	29,510	29,287	99.24%	136	29,423	99.71%
2018	2017	\$ 0.488220	32,194	32,002	99.40%	60	32,062	99.59%
2019	2018	\$ 0.488220	35,930	35,560	98.97%	201	35,761	99.53%
2020	2019	\$ 0.488220	39,994	39,507	98.78%	368	39,875	99.70%
2021	2020	\$ 0.483194	44,750	43,379	96.94%	153	43,532	97.28%
2022	2021	\$ 0.475376	47,204	44,753	94.81%	225	44,978	95.28%
2023	2022	\$ 0.413935	51,218	50,113	97.84%	-	50,113	97.84%
2024	2023	\$ 0.408936	54,666	53,346	97.59%	-	53,346	97.59%

Source: Comal County Tax Assessor or City ACFR

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

CITY OF NEW BRAUNFELS, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Years
(Amounts expressed in thousands, except per capita amount)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities										
General obligation bonds	\$ 258,026	\$ 239,659	\$ 258,399	\$ 222,588	\$ 187,874	\$ 139,704	\$ 111,150	\$ 100,656	\$ 99,243	\$ 52,730
Certificates of obligation	50,643	32,905	34,970	62,890	78,615	67,880	58,950	64,345	76,178	95,585
Contract revenue obligations	14,475	16,025	17,525	18,975	20,380	21,740	23,055	24,325	25,555	26,745
Loan payable	7,361	3,678	541	207	273	337	401	467	534	553
Lease payable	228	-	-	664	916	1,352	1,786	944	757	-
Subtotal	<u>330,733</u>	<u>292,267</u>	<u>311,435</u>	<u>305,324</u>	<u>288,058</u>	<u>231,013</u>	<u>195,342</u>	<u>190,737</u>	<u>202,267</u>	<u>175,613</u>
Business-type activities										
Leases	27	55	82	-	-	-	-	-	-	-
Loan payable	-	-	-	-	-	-	-	182	363	593
Subtotal	<u>27</u>	<u>55</u>	<u>82</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>182</u>	<u>363</u>	<u>593</u>
Primary Government										
General obligation bonds	258,026	239,659	258,399	222,588	187,874	139,704	111,150	100,656	99,243	52,730
Certificates of obligation	50,643	32,905	34,970	62,890	78,615	67,880	58,950	64,345	76,178	95,585
Contract revenue obligations	14,475	16,025	17,525	18,975	20,380	21,740	23,055	24,325	25,555	26,745
Leases	255	55	82	-	-	-	-	-	-	-
Loan payable	7,361	3,678	541	207	273	337	401	649	897	1,146
Capital lease payable	-	-	-	664	916	1,352	1,786	944	757	-
Total Government-Wide	<u>\$ 330,761</u>	<u>\$ 292,322</u>	<u>\$ 311,517</u>	<u>\$ 305,324</u>	<u>\$ 288,058</u>	<u>\$ 231,013</u>	<u>\$ 195,342</u>	<u>\$ 190,919</u>	<u>\$ 202,630</u>	<u>\$ 176,206</u>
Percentage of personal income (1)	4.68%	4.43%	5.33%	6.01%	6.16%	5.27%	4.69%	5.60%	5.97%	5.75%
Per capita (1)	<u>\$ 2,981</u>	<u>\$ 2,800</u>	<u>\$ 3,151</u>	<u>\$ 3,116</u>	<u>\$ 3,186</u>	<u>\$ 2,814</u>	<u>\$ 2,468</u>	<u>\$ 2,581</u>	<u>\$ 2,872</u>	<u>\$ 2,654</u>

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

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

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

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Estimated actual taxable value of property	\$ 12,920,703	\$ 10,660,167	\$ 9,011,623	\$ 9,342,715	\$ 8,302,571	\$ 7,577,588	\$ 6,796,794	\$ 6,078,435	\$ 5,628,625	\$ 4,907,936
General obligations bonds and certificates of obligation	\$ 308,669	\$ 272,564	\$ 293,369	\$ 285,478	\$ 266,489	\$ 207,584	\$ 170,100	\$ 165,001	\$ 88,385	\$ 52,730
Less: amounts available in debt service fund	<u>3,413</u>	<u>3,023</u>	<u>2,779</u>	<u>2,773</u>	<u>2,243</u>	<u>1,806</u>	<u>1,310</u>	<u>2,237</u>	<u>1,577</u>	<u>1,418</u>
Total	<u>\$ 305,256</u>	<u>\$ 269,541</u>	<u>\$ 290,590</u>	<u>\$ 282,705</u>	<u>\$ 264,246</u>	<u>\$ 205,778</u>	<u>\$ 168,790</u>	<u>\$ 162,764</u>	<u>\$ 86,808</u>	<u>\$ 51,312</u>
Percentage of actual taxable value of property	2.36%	2.53%	3.22%	3.03%	3.18%	2.72%	2.48%	2.68%	1.54%	1.05%
Per capita (1)	<u>\$ 2,751</u>	<u>\$ 2,582</u>	<u>\$ 2,939</u>	<u>\$ 3,127</u>	<u>\$ 3,219</u>	<u>\$ 2,600</u>	<u>\$ 2,282</u>	<u>\$ 2,307</u>	<u>\$ 1,307</u>	<u>\$ 815</u>

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

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

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

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable to Primary Government</u>
New Braunfels ISD	\$ 638,177,000	76.57%	\$ 488,652,129
Comal ISD	1,027,760,214	18.29%	187,977,343
Navarro ISD	169,366,494	1.72%	2,913,104
Guadalupe County	8,015,000	11.17%	895,276
Comal County	102,715,000	31.65%	32,509,298
Lake Dunlap WC&ID	37,160,000	45.79%	17,015,564
Marion ISD	<u>105,550,000</u>	0.01%	<u>10,555</u>
Subtotal, overlapping debt	<u>\$ 2,088,743,708</u>		729,973,268
City direct debt (1)	<u>\$ 330,760,811</u>	100.00%	<u>330,760,811</u>
Total direct and overlapping debt			<u>\$ 1,060,734,079</u>

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

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

CITY OF NEW BRAUNFELS, TEXAS
LEGAL DEBT MARGIN INFORMATION
Last Ten Years
(Amounts expressed in thousands)

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt limit	\$ 1,247,137	\$ 1,340,177	\$ 1,108,072	\$ 1,117,871	\$ 993,711	\$ 903,281	\$ 820,355	\$ 722,929	\$ 667,865	\$ 595,531
Total net debt applicable to limit	<u>258,026</u>	<u>239,659</u>	<u>258,399</u>	<u>222,588</u>	<u>187,874</u>	<u>139,704</u>	<u>171,015</u>	<u>165,001</u>	<u>88,385</u>	<u>52,730</u>
Legal debt margin	<u>\$ 989,111</u>	<u>\$ 1,100,518</u>	<u>\$ 849,673</u>	<u>\$ 895,283</u>	<u>\$ 805,837</u>	<u>\$ 763,577</u>	<u>\$ 649,340</u>	<u>\$ 557,928</u>	<u>\$ 579,480</u>	<u>\$ 542,801</u>
Total net debt applicable to the limit as a percentage of debt limit	20.69%	17.88%	23.32%	19.91%	18.91%	15.47%	20.85%	22.82%	13.23%	8.85%
Legal debt margin calculation for fiscal year 2024										
Assessed value	\$ 10,402,273									
Add back: Exempt real property	<u>2,069,096</u>									
Total assessed value	12,471,369									
Debt Limit (10% of total assessed value)	1,247,137									
Debt applicable to limit:										
General obligation bonds	<u>258,026</u>									
Legal debt margin	<u>\$ 989,111</u>									

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

CITY OF NEW BRAUNFELS, TEXAS
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	2024			2015		
	Employees	Percentage of Total Employment	Rank	Employees	Percentage of Total Employment	Rank
Comal ISD	3,699	26.42%	1	2,588	27.72%	1
Schlitterbahn Water Park	2,140	15.28%	2	1,689	18.09%	2
TaskUs	1,397	9.98%	3	-	-	-
New Braunfels ISD	1,351	9.65%	4	1,040	11.14%	4
Wal-Mart Distribution Center	1,050	7.50%	5	1,218	13.04%	3
City of New Braunfels	900	6.43%	6	550	5.89%	9
Comal County	838	5.98%	7	683	7.31%	7
Christus Santa Rosa Hospital	600	4.28%	8	460	4.93%	11
Rush Enterprises	600	4.28%	9	-	-	-
Resolute Baptist Hospital	513	3.66%	10	593	6.35%	8
Patrick S. Molak Corp.	489	3.49%	-	-	-	-
HD Supply	<u>426</u>	<u>3.05%</u>	-	<u>516</u>	<u>5.53%</u>	10
Total	<u>14,003</u>	<u>100.00%</u>		<u>9,337</u>	<u>100.00%</u>	

Source: Greater New Braunfels Chamber of Commerce

CITY OF NEW BRAUNFELS, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Fiscal Year Ended <u>Sept 30</u>	<u>Population⁽¹⁾</u>	Total Wages All Industries ⁽²⁾ (expressed in <u>thousands</u>)	Per Capita Personal Income ⁽²⁾ (expressed in <u>thousands</u>)	Average Annual Pay All Industries ⁽²⁾	Public School Enrollment ⁽³⁾	Unemployment Rate
2015	66,394	\$ 3,064,162	\$ 48.12	\$ 46,871	8,438	2.9%
2016	70,543	\$ 3,394,824	\$ 48.12	\$ 51,558	8,438	3.5%
2017	73,959	\$ 3,407,192	\$ 46.07	\$ 46,883	8,583	3.3%
2018	79,152	\$ 4,168,203	\$ 52.66	\$ 42,234	8,950	3.2%
2019	82,081	\$ 4,384,612	\$ 53.42	\$ 43,921	9,126	2.9%
2020	90,403	\$ 4,674,477	\$ 51.71	\$ 45,700	9,537	6.6%
2021	97,983	\$ 5,076,170	\$ 51.81	\$ 49,803	9,282	3.9%
2022	98,857	\$ 5,842,150	\$ 59.10	\$ 53,604	9,671	3.3%
2023	104,407	\$ 6,598,334	\$ 63.20	\$ 60,105	10,213	3.5%
2024	110,958	\$ 7,072,648	\$ 63.74	\$ 61,937	9,781	3.2%

Data Sources:

- (1) Total population from the census.gov website or City of New Braunfels Adopted Budget document.
 - (2) Total wages and average annual pay are for Comal and Guadalupe counties combined. Data provided by the Bureau of Labor Statistics.
 - (3) School enrollment includes only New Braunfels ISD.
- Total growth data pulled from 10 year enrollment forecast NBISD

CITY OF NEW BRAUNFELS, TEXAS
 AUTHORIZED CITY GOVERNMENT POSITIONS BY FUNCTION
 Last Ten Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>General Fund</u>										
City Secretary	5.00	4.00	4.00	3.00	3.75	3.50	3.50	3.50	3.00	3.00
City Attorney	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
City Manager's Office	4.00	4.00	4.00	4.00	7.00	7.00	6.00	6.00	5.00	5.00
Communications and Community Engagement	6.00	5.00	4.00	4.00	-	-	-	-	-	-
Economic and Community Development	3.00	2.75	2.75	2.75	-	-	-	-	-	-
Information Technology	18.75	18.00	16.00	14.00	14.00	14.00	12.00	11.00	11.00	-
Human Resources	8.75	10.75	10.00	9.00	9.00	8.00	8.00	8.00	7.00	7.00
Finance	16.50	15.50	13.75	13.00	13.00	12.00	11.00	11.00	11.00	17.00
Municipal Court	10.00	11.50	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00
Police	202.50	191.75	184.00	178.00	175.00	168.00	159.00	155.00	149.00	136.50
Fire	171.00	151.00	144.00	138.00	138.00	138.00	138.00	137.00	134.00	134.00
Planning and Community Development	-	42.75	40.75	39.00	39.00	36.00	36.00	35.00	32.00	30.00
Transportation and Capital Improvements	17.75	15.75	-	-	-	-	-	-	-	-
Planning and Comm. Development - Main Street	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00
Parks and Recreation	291.00	288.50	289.50	270.50	272.25	260.75	252.75	162.50	160.50	150.50
Public Works	56.00	56.00	70.00	67.00	62.00	65.00	57.00	53.00	51.00	43.50
Library	33.75	33.00	32.50	29.00	28.50	28.75	28.25	28.25	28.25	28.50
<u>Total General Fund</u>	<u>891.75</u>	<u>853.25</u>	<u>828.50</u>	<u>785.25</u>	<u>775.50</u>	<u>755.00</u>	<u>725.50</u>	<u>624.25</u>	<u>605.75</u>	<u>569.00</u>
Golf Course Fund	19.00	19.00	20.00	17.00	17.00	15.00	17.00	17.00	17.00	12.50
Airport Fund	12.00	12.00	10.00	9.00	9.00	9.00	7.00	7.00	7.00	7.00
Solid Waste Fund	55.00	55.00	66.00	61.00	59.00	57.00	54.00	54.00	52.50	49.50
Capital Projects Funds**	-	-	-	-	5.00	5.00	9.00	9.00	8.00	6.50
Civic/Convention Center Fund	10.25	9.25	9.00	9.00	9.00	8.50	8.50	8.50	8.50	8.50
River Activities Fund	73.00	73.75	73.75	74.00	74.00	74.00	73.50	74.00	55.50	54.50
Facilities Maint. Fund	-	-	-	-	-	-	-	-	1.00	1.00
CDBG Fund	-	-	-	-	-	-	-	-	-	-
EAHCP Fund	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Juvenile Case Manager	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Child Safety Fund	-	-	-	-	-	-	-	-	14.00	14.00
Development Services Fund	5.00	5.00	4.00	3.00	3.00	-	-	-	-	-
Court Security Fund	0.75	-	-	-	-	-	-	-	-	-
Local Youth Diversion Fund	1.00	-	-	-	-	-	-	-	-	-
Fleet Services	11.00	-	-	-	-	-	-	-	-	-
<u>Total Funds</u>	<u>1,080.75</u>	<u>1,029.25</u>	<u>1,013.25</u>	<u>960.25</u>	<u>953.50</u>	<u>925.50</u>	<u>896.50</u>	<u>795.75</u>	<u>771.25</u>	<u>724.50</u>

Source: Adopted City Budget

Source: City of New Braunfels Annual Budget

Full-time and seasonal positions = 1 position

Part-time position = .5 position

Part-time Regular position = .75 position

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

CITY OF NEW BRAUNFELS, TEXAS
OPERATING INDICATORS BY FUNCTION
Last Ten Years

Function	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police										
Response time for priority calls	8:08	7:50	7:20	7:20	7:25	7:28	7:27	6:42	6:30	6:50
Number of DWI Arrests	650	700	385	360	400	353	382	419	379	387
Fire										
Response times - structure fire	4:30	6:30	6:30	6:30	7:15	7:15	6:38	6:55	7:04	6:50
Response times - EMS	5:45	5:30	6:00	6:30	5:16	5:37	6:51	5:57	6:00	6:27
Smoke detectors issued/inspected/updated	720	711	800	722	578	518	450	450	425	440
Public Works										
Percentage of commercial and residential permit reviews completed within twenty business days	79%	54%	90%	88%	52%	46%	43%	43%	N/A	N/A
Permits reviewed and completed	306	310	432	351	585	577	791	680	514	497
Number of play reviews completed	N/A	N/A	N/A	184	85	154	157	234	N/A	N/A
Number of street service requests processed	585	450	566	545	517	556	531	532	N/A	N/A
Acres of right-of-way mowed*	1,095	188	200	188	220	220	188	188	188	188
Construction stormwater inspections completed	1,200	600	1,100	1,000	1,000	1,071	778	360	N/A	N/A
Solid Waste										
Waste diverted from landfill	24%	26%	26%	29%	28%	30%	30%	33%	30%	29%
Residential operating cost per ton collected	\$ 63.23	\$ 64.56	\$ 60.32	\$ 53.27	\$ 57.27	\$ 66.62	\$ 62.02	\$ 68.61	\$ 71.89	\$ 51.39
Parks and Recreation										
Recreation programs participants	7,056	7,000	9,500	4,616	8,757	10,806	8,363	7,318	6,478	6,499
Das Rec memberships	10,965	17,896	5,200	4,873	5,500	6,208	4,900	N/A	N/A	N/A
Athletic leagues teams participants (including Das Rec)	312	340	665	601	666	709	193	247	213	219
Golf course rounds played	59,441	59,049	48,000	50,000	36,924	43,213	39,673	38,250	39,175	34,396
Planning and Community Development										
Residential building permits issued	8,217	7,918	36,000	3,633	3,600	3,736	2,870	2,687	3,000	2,185
Commercial building permits issued	1,226	1,349	550	517	1,290	1,267	434	481	400	446
Calls for service - animal control	7,904	9,109	7,594	7,843	7,100	7,721	6,762	6,030	7,800	8,404
Historic landmark designations	-	3	2	2	2	2	2	2	3	4
Airport Operations										
Flight operations annually	78,575	71,151	66,386	62,982	68,888	67,861	52,000	53,407	48,000	42,475
Gallons of fuel sold	727,245	725,526	500,000	550,159	446,000	555,045	518,667	500,000	445,000	370,915

*Reporting and calculation change made in fiscal year 2024

(Continued)

CITY OF NEW BRAUNFELS, TEXAS
OPERATING INDICATORS BY FUNCTION
Last Ten Years

Function	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Library										
Visitors annually	275,000	200,000	300,000	100,000	175,000	277,680	293,146	284,437	290,000	282,335
Annual circulation of library materials	1,000,000	800,000	1,200,000	750,000	800,000	1,063,122	914,556	905,000	850,000	781,603
Database accesses	200,000	100,000	100,000	25,000	45,000	94,335	85,619	65,000	45,000	48,557
Municipal Court										
Percentage of cases closed in 30 days or less	29%	26%	N/A	N/A	30%	27%	22%	30%	N/A	N/A
Number of new cases filed	16,993	13,845	13,700	10,000	9,750	14,988	13,720	13,720	N/A	N/A
River										
Wristbands sold - private tubers	48,428	55,926	65,000	51,610	58,200	71,515	66,919	73,414	N/A	N/A
Wristbands sold - outfitter tubers	170,746	254,969	185,000	187,391	194,800	177,436	184,153	228,109	N/A	N/A
Bags of litter recovered	319	382	273	210	234	-	-	-	-	-

Source: Various City departments
CONB FY 2024 Budget Document

CITY OF NEW BRAUNFELS, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Years

Function	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Government										
City vehicles	494	488	496	475	455	453	412	380	360	320
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	7	6	6	6	6	6	6	6	6	6
Highways and Street										
Streets (miles)	396	370	360	353	345	342	368	354	323	323
Area in square miles	2	2	2	2	2	2	2	2	2	2
Culture and Recreation										
Park acreage	867	852	747	747	684	709	557	435	435	435
Swimming pools	5	5	5	5	5	5	4	2	2	2
Golf course	1	1	1	1	1	1	1	1	1	1
Recreation center	2	2	2	2	2	2	2	1	1	1

Source: Various City departments