



Comprehensive Annual Financial Report FY 20

Board of Directors Meeting
December 16, 2020

GUADALUPE-BLANCO RIVER AUTHORITY

Financial Reporting

- Enterprise fund (business activities) in accordance with GAAP
- Financials prepared on a full accrual basis
 - Revenues recognized when earned, regardless of timing of cash flow
 - Expenses recorded when incurred, regardless of timing of cash flow

Financial Statements

Financial Statements	Elements of Financial Statements
Statement of Net Position (Balance Sheet)	Assets, Liabilities, Net Position (Equity) <i>As of a point in time – August 31</i>
Statement of Revenues, Expenses & Changes in Net Position (Income Statement)	Revenues, Expenses <i>Covers a period of time – Sept 1 – August 31</i>
Statement of Cash Flows	Cash Inflows, Outflows
Notes to the Financial Statements	Provide more details/background “The accompanying notes are an integral part of this statement”

Statement of Revenues, Expenses & Changes in Net Position

Revenues

	2020	2019
OPERATING REVENUE		
Power Sales.....	\$ 2,093,180	\$ 3,895,226
Water Sales, Capacity Charge, Pipeline Transmission and Reservoir Operations.....	43,603,806	38,605,852
Recreation and Land Use.....	765,152	801,601
Waste Water Treatment Services.....	8,570,641	7,309,955
Laboratory Services.....	575,781	534,888
Rental.....	175,909	168,307
Miscellaneous	3,214,247	1,415,632
Total Operating Revenue.....	<u>58,998,716</u>	<u>52,731,461</u>

- Water Sales – increase of \$5.0 M, 13%
 - Drier conditions led to increased water sales; increase in firm water rate; new revenue sources: Womack water rate, Carrizo customer charges, & 118 new retail water customers
- Wastewater Services – increase of \$1.2 M, 17%
 - Growth in budget-to-actual contracts; new revenue sources: Boerne ISD WWTP, 430 new retail wastewater customers

Statement of Revenues, Expenses & Changes in Net Position

Expenses

	2020	2019	2018
OPERATING EXPENSES			
Personnel Operating Costs.....	20,320,990	14,718,851	16,000,220
Operating Supplies and Services.....	20,518,760	14,733,284	13,939,447
Maintenance and Repairs	4,161,813	4,303,183	4,522,725
Depreciation and Amortization.....	5,612,010	5,348,349	5,310,923
Total Operating Expenses.....	50,613,573	39,103,667	39,773,315
Operating Income	8,385,143	13,627,794	10,388,030

- Personnel Costs – increase of \$5.6 M, 38%
 - Growth in positions (15.5 FTEs), pension expense
 - Comparison to FY 2018
- Operating Supplies & Services – increase of \$5.7 M, 39%
 - Legal costs, utilities & chemicals, Carrizo leaseholder payments

Statement of Revenues, Expenses & Changes in Net Position

Change in Net Position

	2020	2019
NONOPERATING REVENUES (EXPENSES)		
Grant Income.....	758,313	632,641
Investment Income.....	1,090,360	1,594,653
Gain (Loss) on the Disposal of Capital Assets.....	17,669	59,922
Debt Issuance Expense	(338,959)	(366,908)
Interest Expense	(4,082,109)	(4,118,584)
Total Nonoperating Revenues (Expenses).....	<u>(2,554,726)</u>	<u>(2,198,276)</u>
Income Before Recognition of Deferrals.....	5,830,417	11,429,518
Costs (Revenue) to be Recognized in Future Years	<u>(1,839,860)</u>	<u>(1,609,250)</u>
Change in Net Position.....	3,990,557	9,820,268

- Net Position - increase \$4 M
 - Positive operating results, growth in operations

Statement of Net Position

Unrestricted Current Assets

	2020	2019
CURRENT ASSETS		
Unrestricted Assets		
Cash and Cash Equivalents	\$ 24,887,353	\$ 27,644,542
Investments-Unrestricted	7,762,484	12,784,068
TOTALS	\$32.6 M	\$40.4 M
	Decrease: \$7.8 M	

- Cash & Investments

- Invested resources: RRWDS Dunlap pump station, funding of start-up projects (Stein Falls, Dietz, Mid-Basin – phase II)
- Reimbursement due: FM 110 pipeline relocation in Hays County

Statement of Net Position

Capital Assets, Total Assets

	2020	2019
Capital Assets		
Land, Water and Storage Rights.....	72,282,602	72,009,206
Dams, Plants and Equipment.....	216,983,974	209,293,815
Construction In Progress.....	30,112,607	19,689,384
Less Accumulated Depreciation.....	(99,594,563)	(94,139,564)
Total Capital Assets.....	219,784,620	206,852,841
Other Assets		
Long-Term Loans Receivable	4,550,966	4,684,319
Permits and Licenses (Net of Amortization).....	358,055	379,976
Project Development Costs.....	9,776,585	9,075,293
Total Other Assets.....	14,685,606	14,139,588
Total Long-Term Assets.....	297,691,326	252,213,878
DEFERRED OUTFLOWS OF RESOURCES.....	3,313,992	5,029,156
Total Assets and Deferred Outflows of Resources.....	\$ 344,622,780	\$ 306,015,170

- Capital Assets – growth of \$12.9 M, 6%
 - Carrizo, RRWDS Dunlap pump station, start up projects, Boerne ISD pipeline
- Total Assets – growth of \$38.6 M, 13%
 - Carrizo bond construction funds

Statement of Net Position

Liabilities

	<u>2020</u>	<u>2019</u>
Total Liabilities.....	<u>222,371,364</u>	<u>190,008,013</u>

- Liabilities – increase of \$32.4 M, 17%
 - Carrizo bond funding

Summary

Administratively

- Unusual year – hydro litigation, COVID-19 pandemic

Operationally/Developmentally/Financially

- Typical year
- Growth
 - Operational divisions
 - Retail connections - 548 new
- Many replacement/upgrade projects
- Many development projects
- Financing
 - Carrizo
 - Redemption & refunding bonds

Government Finance Officers Association

Certificate of
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46th Consecutive Year

Presented to

**Guadalupe-Blanco River Authority
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

August 31, 2019

Christopher P. Morrell

Executive Director/CEO

Thank You:

- Finance Team
- Sandra, Oscar, Cheryl
- Patty, Communications
- SUSAN