



CITY OF BUDA RECEIVES CLEAN AUDIT

For Immediate Release

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BUDA, TX – March 29, 2021 - The City of Buda's Fiscal Year 2020 annual audit of the City's financial reports has been completed by the City's external audit firm Whitley Penn, LLP. We are pleased to announce that the City has received an unmodified, or "clean", opinion on the audit.

Having a "clean", or unmodified, opinion on the audit means the City's financial records have been determined by the audit firm to be free of any material misrepresentations, and it is the highest level of assurance that can be given on a set of financial statements.

Bond rating agencies view our annual financial statements and any healthy fund balances in the audited statements as a positive indicator of financial stability when determining the City's bond rating.

Whitley Penn presented the audit to the City Council on March 23, 2021, at which time it was approved.

Below are some highlights of the FY 2020 annual audit, which is contained in the Annual Comprehensive Financial Report:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent financial year by \$88.3 million. Of this amount, \$34.1 million may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Buda's net position decreased by \$772 thousand from FY 2019 to FY 2020 as a result of the government's total operations. This decrease was a result of expenses associated with COVID-19, along with a decrease in certain charges for services due to decreased activity caused by the pandemic. The net position decreased from \$89.1 million in FY 2019 to \$88.3 million in FY 2020.
- At the close of FY 2020, the City's General Fund had \$7.6 million in unassigned fund balance, compared to \$7.1 million for FY 2019, an increase of approximately \$500 thousand.
- The auditor's opinion in the Single Audit Annual Report reflects the City's compliance, in all material respects, with the type of requirements described in the U.S. Office of Management and Budget Compliance Supplement related to the City's major federal programs.

“After a very challenging year as a result of the pandemic, I’m pleased that the City of Buda was able to maintain the type of financial stewardship needed in order to receive this unmodified, or “clean”, opinion on our financial statements for our 2020 fiscal year, said Finance Director June Ellis. “This audit is a reflection of the hard work of all City staff and reflects the city operations and policies that have been put in place to ensure the financial stability of Buda.”

The external audit is required by the City’s charter and state law. It is an important tool to ensure transparency and maintain the public’s trust that city resources are being used effectively and efficiently. The Fiscal Year 2020 and prior years’ audited financial reports are available on the City’s website at www.ci.buda.tx.us/131/Budget.

Buda’s Finance team worked with Whitley Penn to prepare the audit reports. The City of Buda’s Finance Team consists of Finance Director June Ellis, Assistant Finance Director Debra French, Accounts Payable Specialist Kelly Strong, Purchasing Manager Rose Esparza, Payroll/Accounting Specialist Ida Simon, and Financial Analyst Brennan Morgan. We also want to recognize our Utility Billing and Municipal Court team which consists of Missy Heacker, Sondre Crabtree, Nicole Barrientos, Julie Bazan, and Lauren Mann.

Audit Committee Members: Councilmembers Evan Ture (Chair), Terry Cummings, and Monica Davidson.