



City of Boerne, Texas
Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2018





What's in the CAFR

- Introduction
 - Transmittal Letter from the City Manager
 - GFOA Certificate of Achievement Award for Excellence in Financial Reporting for the Fiscal Year Ended September 30, 2017
- Independent Auditor's Report
- Management Discussion and Analysis
- Government-Wide and Fund Financial Statements
- Notes to the Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Statistical Tables
- Compliance Section



Independent Auditor's Report (CAFR page 19-21)

- Audit standards to follow
 - Generally Accepted Auditing Standards
 - *Government Auditing Standards*
 - Uniform Guidance
- Purpose
 - To form an independent opinion on whether the financial statements are presented in accordance with Generally Accepted Accounting Principles (GAAP).
- Independent opinion on the financial statements
 - Audit Opinion is “unmodified”
 - This is the best opinion that can be given for an independent audit.
 - Emphasis of Matter
 - Adoption of GASB Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*”

An overhead, black and white photograph of a business meeting. Five people are seated around a large, light-colored rectangular table. The participants include three men and two women, all dressed in professional business attire. They are engaged in discussion, with some looking at documents or laptops. On the table, there are several items: a laptop on the left, a calculator, a smartphone, a small potted plant in the center, and various papers and pens. The background is a plain, light-colored wall.

Management Discussion and Analysis (CAFR page 22-35)

- Financial Highlights
- Overview of the Financial Statements
- Government-Wide Financial Analysis
- Financial Analysis of the City's Funds
- Budgetary Highlights
- Capital Assets and Debt
- Requests for Information



Financial Highlights

- Government-Wide Financial Statements

- Assets of the City exceeded its liabilities (Net Position) by 117.6 million at September 30, 2018. (CAFR page 39)
 - Governmental Activities - \$39.2 million
 - Business-type Activities - \$78.4 million
- Net Position increased by \$17.3 million from 2017. (CAFR pages 40-41)
 - Governmental Activities - \$8.5 million
 - Increase primarily due to developer contributions
 - Business-type Activities - \$8.8 million
 - Increase primarily due to developer contributions



Financial Highlights (Continued)

- Governmental Funds: (CAFR page 43)
 - Total Fund Balances - \$36.2 million
 - Unassigned Fund Balance - \$11 million
 - General Fund - 8 ½ months operating reserves
 - Assigned Fund Balance - \$4.3 million
 - Park Fund and Capital Projects Fund - \$3.1 million
 - Restricted Fund Balance - \$20.1 million
 - 2017 Tax Notes Capital Project Fund - \$18.3 million



Financial Highlights (Continued)

- Fund Financial Statements (Continued)

General Fund Highlights: (CAFR pages 44-45)

- Revenues were \$16.3 million – \$950 thousand increase
 - Ad valorem increased by \$348 thousand or 16%
 - Sales taxes increased by \$392 thousand or 6%
 - Franchise fees increased by \$224 thousand or 9%



Financial Highlights (Continued)

- Fund Financial Statements (Continued)

General Fund Highlights: (CAFR pages 44-45)

- Expenditures were \$14.8 million – \$232 thousand increase
 - Public Safety increased by \$369 thousand or 5%
 - Administration increased by \$222 thousand or 11%
 - Capital Outlay decreased by \$464 thousand or 37%



Financial Highlights (Continued)

- Fund Financial Statements (Continued)

Proprietary Funds: (CAFR pages 47-48)

- Electric Fund - \$18.5 million - increased by \$1.8 million
- Water Fund - \$32 million - increased by \$2.9 million
- Wastewater Fund - \$21.7 million - increased by \$2.5 million
- Gas Fund - \$5.8 million - increased by \$1.5 million
- Solid Waste Fund - \$443 thousand - increased by \$57 thousand



Statistical Tables

- Legal Debt Margin 2018: (CAFR page 137)
 - \$167.2 million debt limit
 - \$41.6 million total General Government debt
 - \$125 million debt margin
 - 25.35% used

An overhead, black and white photograph of a group of people in business attire sitting around a large conference table. They appear to be in a meeting, with some looking at documents and others looking towards the center of the table. A laptop, a calculator, and some papers are visible on the table.

Compliance Section (CAFR page 146 - 154)

Independent Auditor Reports:

- *Government Auditing Standards*
 - Unmodified opinion
- Uniform Guidance – Federal Single Audit
 - CFDA 20.205 - Highway Planning and Construction Grant
 - No findings or questioned costs
 - Unmodified opinion



Letter on Conduct of Audit

- Accounting Policies
 - Adoption of GASB Statement No. 75, *“Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”*
- Accounting Estimates and Disclosures
 - Note I (11) Prior Period Restatements
- Difficulties in Performing the Audit
- Misstatements
- Disagreements
- Management Representations
- Consultations with other Independent Accountants
- Compliance with the Public Funds Investment Act



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