



City of Boerne, Texas
Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2019





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, 2018
- 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*
- 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.

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 \$135.8 million at September 30, 2019. (CAFR page 39)
 - Governmental Activities - \$45.3 million
 - Business-type Activities - \$90.5 million
- Net Position increased by \$18.1 million from 2018. (CAFR pages 40-41)
 - Governmental Activities - \$6 million
 - Increase primarily due to developer contributions and taxes from economic growth
 - Business-type Activities - \$12.1 million
 - Increase primarily due to developer contributions



Financial Highlights (Continued)

- Governmental Funds: (CAFR page 43)
 - Total Fund Balances - \$25.2 million
 - Unassigned Fund Balance - \$12.2 million
 - General Fund - 8 months operating reserves
 - Assigned Fund Balance - \$5.2 million
 - Park Fund and Capital Projects Fund - \$3.6 million
 - Restricted Fund Balance - \$6.6 million
 - 2017 Tax Notes Capital Project Fund - \$5.8 million



Financial Highlights (Continued)

- Fund Financial Statements (Continued)

General Fund Highlights: (CAFR pages 44-45)

- Revenues were \$19.2 million – \$2.9 million increase
 - Ad valorem increased by \$1.2 million or 46%
 - Property appraisal increase
 - Budgeted increase in M&O tax rate allocation which corresponds to increase in charges from Internal Service Fund
 - Sales taxes increased by \$892 thousand or 13%
 - Investment earnings increased by \$212 thousand or 162%



Financial Highlights (Continued)

- Fund Financial Statements (Continued)

General Fund Highlights: (CAFR pages 44-45)

- Expenditures were \$17.5 million – \$2.7 million increase
 - Public Safety increased by \$767 thousand or 11%
 - Administration increased by \$982 thousand or 43%
 - Capital Outlay increased by \$293 thousand or 37%



Financial Highlights (Continued)

- Fund Financial Statements (Continued)

Proprietary Funds: (CAFR pages 47-48)

- Electric Fund Net Position – \$20.2 million - increased by \$1.8 million
 - Capital Contributions - \$540 thousand
- Water Fund Net Position - \$38.5 million - increased by \$6.6 million
 - Capital Contributions – \$6.4 million
- Wastewater Fund Net Position - \$24 million - increased by \$2.3 million
 - Capital Contributions - \$4.4 million
- Gas Fund - \$7.2 million Net Position - increased by \$1.4 million
 - Capital Contributions - \$809 thousand
- Solid Waste Fund Net Position - \$522 thousand - increased by \$79 thousand



Statistical Tables

- Legal Debt Margin 2019: (CAFR page 139)
 - \$181 million debt limit
 - \$40.1 million total General Government debt
 - \$141 million debt margin
 - 22.17% used

An overhead, black and white photograph of a group of people in business attire sitting around a large conference table. The table is equipped with laptops, papers, pens, and small decorative items. The scene is captured from a high angle, looking down at the participants.

Compliance Section (CAFR page 148 - 149)

Independent Auditor Reports:

- *Government Auditing Standards*
 - Unmodified opinion



Letter on Conduct of Audit

- Accounting Policies
- Accounting Estimates and Disclosures
- Difficulties in Performing the Audit
- Misstatements
- Disagreements
- Management Representations
- Consultations with other Independent Accountants
- Compliance with the Public Funds Investment Act



Janet Pitman, CPA
Audit Partner
jpitman@abipcpa.com

Jeremy Barbatto, CPA
Audit Senior Manager
jbarbatto@abipcpa.com

www.abipcpa.com

210-341-2581

abip
CPAs | ADVISORS