



# ***Comprehensive Annual Financial Review (CAFR) Year Ended August 31, 2016***

***Presented by  
David Thompson  
Chief Financial Officer***



# ***Overview***

- **Purpose**
- **Highlights**
- **Report of Independent Auditor**



# ***Purpose***

- **Present fairly financial results of operations**
- **Generally Accepted Accounting Principles (GAAP)**
- **Governmental Accounting Standards Board (GASB)**



# ***Report Highlights***

- **CAFR is a historical document, presenting the results from FY end 8/31/2016.**
  - **Accrual (GAAP) basis**
- **Annual Operating Plan (Budget) is a prospective document, representing a FY end 8/31/2016 planned results.**
  - **Primarily cash basis**



# ***Report Highlights***

## **Three Sections**

- **Introductory**
- **Financial**
  - **Supplemental Information**
- **Statistical (Unaudited)**



# ***Budget To Actual Reconciliation***

## ***FY 2016***

*All lines of business (in thousands)*

	<b>FY2016 Budget</b>	<b>FY2016 Budgeted Actual</b>	<b>FY2016 CAFR Actual</b>
Revenues	\$ 55,466	\$ 56,022	\$ 54,617
Expenses	54,812	(45,688)	(39,988)
Surplus/(Deficit)	654	10,334	14,629
<b><u>Reconciling Items:</u></b>			
Depreciation vs. debt service (principal)		(4,757)	-
Recognition of deferred revenue		(840)	
Gain on sale of capital assets		10,272	-
Net effect of GASB 68 annual adjustment		(1,539)	
Capitalized expenditures		744	-
Other		415	
		<b>\$ 14,629</b>	<b>\$ 14,629</b>



# ***CAFR Financial Highlights***

*All lines of business (in millions)*

	<u>FY2015</u>	<u>FY2016</u>
Operating Revenues	\$ 54.9	\$ 54.6
Operating Expenses	<u>(45.0)</u>	<u>(46.8)</u>
Operating Income	9.9	7.8
Interest Expense	(4.4)	(4.2)
Investment Income	0.5	0.6
Gain of Sale of Capital Assets	0.8	10.3
Other Non-Operating Items	<u>0.6</u>	<u>0.1</u>
Net Income/(Loss)	<u>7.4</u>	<u>14.6</u>
Working Capital	54.5	68.0
Total Net Assets	\$ 247.0	\$ 262.0



# ***Report of Independent Auditor***

## **Padgett Stratemann & Co.**

***Mike O'Brien***  
***Partner in Charge***





# Brazos River Authority