



Legislation Text

File #: 18-1097, **Version:** 1

Subject:

Presentation of 2018 Comprehensive Annual Financial Report (CAFR)

EXPLANATION AND SUMMARY :

The Town Code of the Town of Vienna, Section 2.6, requires the Town Treasurer to arrange for an annual audit of the books and records. Robinson, Farmer, Cox Associates has completed the audit for the year ended 6/30/18. The Town continues to be fiscally sound.

The auditors will present the Comprehensive Annual Financial Report (CAFR) for the Town of Vienna at the December 10, 2018 Council Meeting to meet the State 12/31/18 deadline. The Town of Vienna's Comprehensive Annual Financial Report for the fiscal year ending 6/30/18 is "presented fairly, in all material respects, ...and in conformity with accounting principles generally accepted in the United States," according to Robinson, Farmer, Cox Associates.

The Town ended the year in financially stable condition. The unassigned General Fund balance increased by \$109,720 or 2.5 percent primarily due to increased real estate assessments, revenues from use of money and property, and savings from positions vacant during the year, partially offset by health insurance increases and planned salary increases.

The Water and Sewer net position increased by \$2,273,335 or 20 percent. Key contributors to this increase were increases in water and sewer consumption revenue and availability fee revenue, decreased personnel costs due to open positions and a favorable accounting change for pension costs, partially offset by higher sewer treatment fees.

Pension funds showed a slight increase over 2017 due to an increase in investment income and contributions in excess of fund disbursements. The Debt Service fund balance showed a \$747,531 increase from 2017 due to a 4.5 percent increase in meals taxes. Debt service decreased slightly due to declining balances as debt issues mature.

Total compensated absence obligations decreased by \$138,424 and post-employment benefits increased by \$2,696,442 due to the implementation of GASB 74, which changed the accounting for post-employment benefits. Pension liabilities due to implementation of GASB 75 for local pensions and VRS totaled \$12,895,617, 90 percent attributed to Governmental funds and 10 percent attributed to the Water and Sewer fund. This does not affect the cash position of the Town, but is required to be shown on the balance sheet.