

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of the Town of Boone, we offer readers of the Town of Boone's financial statements this narrative overview and analysis of the financial activities of the Town of Boone for the fiscal year ended June 30, 2019. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Town's financial statements, which follow this narrative.

Financial Highlights

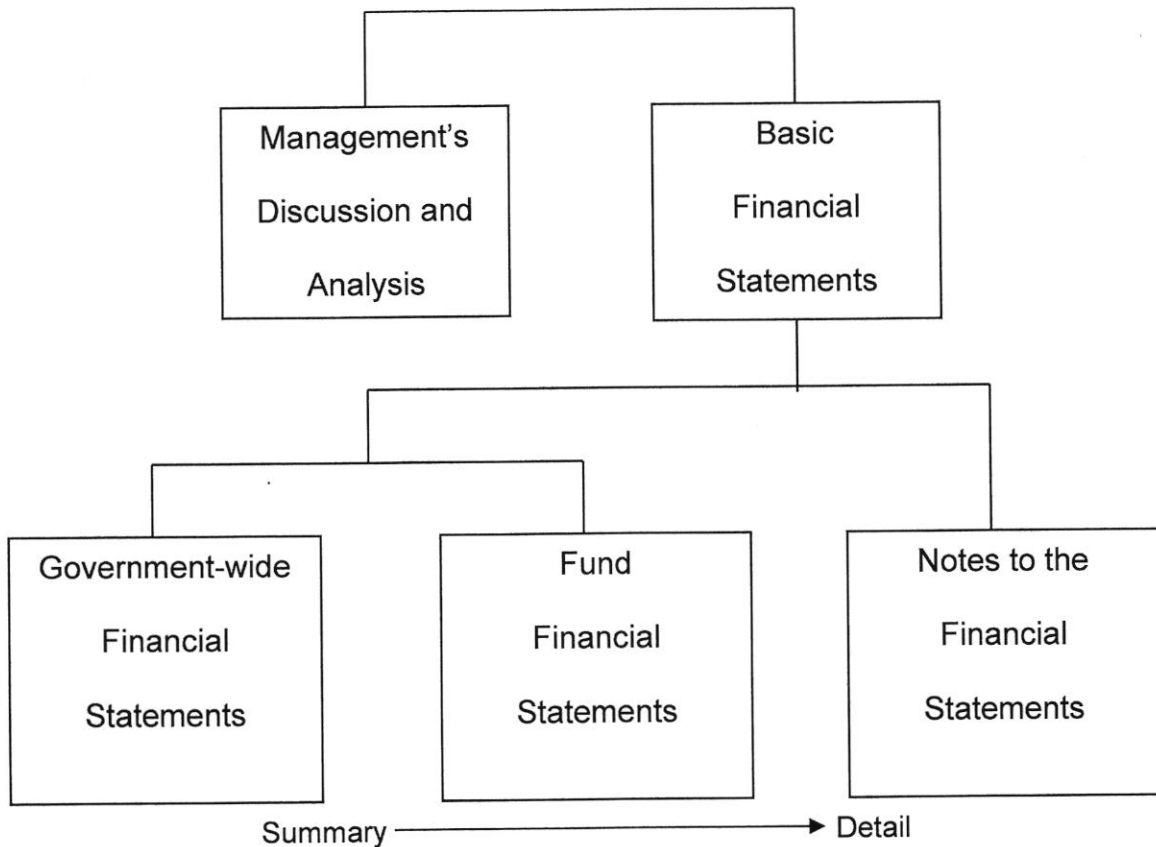
- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$71,568,088 (*net position*).
- The government's total net position increased by \$2,890,623 as a result of increases in the business type activities' net position.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$15,828,881 with a net increase of \$204,512 in fund balance. Approximately 32.51% of this total amount or \$5,145,701 is restricted, committed, or assigned.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$10,683,180, or 67.77% of total General Fund expenditures for the fiscal year.
- The Town's total long-term liabilities increased by \$526,600 (1.12%) during the current fiscal year. This was primarily due to the increase in pension and OPEB liabilities.
- The Town no longer has a current bond rating as the Town has no publicly held bonded debt. The last ratings held by the town were an "A" bond rating from Standard & Poor's and "A2" from Moody's Investor Services.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Town's basic financial statements. The Town's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the Town through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Town.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements (Exhibits A and B) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Town's financial status.

The next statements (Exhibits C through H) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the Town's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; and 3) the proprietary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Town's individual funds. Budgetary information required by the General Statutes also can be found in this part of the statements.