

CITY OF CIBOLO, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2015

OFFICIALS ISSUING REPORT

Robert T. Herrera
City Manager

Anna Miranda
Director of Finance



CITY OF CIBOLO, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

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INTRODUCTORY SECTION



City of Cibolo 200 South Main / PO BOX 826 Cibolo, Texas 78108 (210) 658-9900 www.cibolotx.gov

March 15, 2016

To the Honorable Mayor, City Council, and the Citizens of City of Cibolo:

State law requires that local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with generally accepted auditing standards in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Cibolo for the fiscal year ended September 30, 2015.

This report consists of management's representations concerning the finances of the City of Cibolo. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Cibolo has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse; and to compile sufficient, reliable information for the preparation of the City of Cibolo's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Cibolo comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Cibolo's financial statements have been audited by Armstrong, Vaughan & Associates P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Cibolo, for the fiscal year ended September 30, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Cibolo's financial statements for the fiscal year ended September 30, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Cibolo's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Cibolo, incorporated in 1965, is located in the central part of Texas, which is considered to be a top growth area in the state, and one of the top growth areas in the country. The City of Cibolo currently occupies a land area of 15.9 square miles and serves an estimated population of 27,059. The City of Cibolo is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing body.

The City of Cibolo has operated under the council-manager form of government since September 2004. Policymaking and legislative authority are vested in a City Council consisting of the mayor and 7 members. The City Council is responsible for establishing public policy on City matters by the passage of appropriate ordinances and resolutions. The City Manager is responsible for overseeing the day-to-day operations of the government, implementing policy established by City Council, and for appointing the heads of the various departments. Since November 2013, the council is elected by district on a non-partisan basis. Council members serve two-year staggered terms. The mayor is elected at large, to serve a two-year term.

The City of Cibolo provides a full range of services, including police and fire protection, the construction and maintenance of streets and drainage ways, parks maintenance, water and sewer services and animal services.

The annual budget serves as the foundation for the City of Cibolo's financial planning and control. All departments of the City of Cibolo are required to submit requests for appropriation to the City Manager by June of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the council for review prior to August 15th. The council then holds public hearings and community meetings on the proposed budget and to adopt a final budget by no later than September 30th, the close of the City of Cibolo's fiscal year. The appropriated budget is prepared by each department (e.g. police). The City Council may authorize budget amendments as necessary during the year when unforeseen events occur. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 56-58 as part of the required supplementary information.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Cibolo operates.

Local economy. The City of Cibolo is one of the fastest growing cities in the State. The strong military presence in the area contributes to our growth and job stability. With the high population growth, the Cibolo economy has become attractive for commercial development and 2015 has seen tremendous business interest and commercial activity.

Cibolo's first major retail development project, Wal-Mart Super Center began construction in late July 2014 and opened in January of 2016. This construction spurred a lot of activity in the same general area. Across the street, Wells Fargo opened a full-service bank in October of 2015. And, in the same general area, CVS Pharmacy opened for business in November 2015. Cibolo Marketplace, a strip center is now fully leased and construction has begun on The Shops and Cibolo Bend. Along FM 1103, further development is occurring. AutoZone opened a retail store in December 2015. Additionally, near Green Valley Road, a retail center is under design. Sonic Drive-In has announced its second location in Cibolo for that area as well.

Along with growth in new retail sectors, Cibolo's downtown area is also experiencing revitalization. Old Main Street Ice House opened for business in the fall of 2015. Noble Business Group is expanding their office space downtown. And The Shops at the Mill, in the old downtown lumber mill, will house an art studio, an ice cream parlor and a boutique. Total retail/office space in Cibolo has grown from just over 87,000 square feet in 2010 to over 431,000 square feet projected for 2016.

While our industrial markets are experiencing some downturn in the oil and gas economy, we continue to see growth in our industrial park. We recently recruited Well Control Concepts and they have purchased and moved into our industrial park as of February 2016. Five Stone Brewery is expanding and relocating within the City. There is also interest in development of a second industrial park in the southern part of the City.

Long-term financial planning and relevant financial policies. The City of Cibolo fund balance policy, amended in fiscal year 2015, sets the City's guidelines for maintaining fund balance levels that contribute to our financial stability and our strong bond rating. It is the City's goal to maintain fund balance between 25% to 35% of expenditures. Historically, the City has been very dependent on property tax revenue and building permits and fees, which comprise 47% and 23% of our revenues respectively. In comparison, sales tax comprises approximately 10% of our general fund revenues. In the near future, with the development of retail business, our revenues are expected to be slightly more diversified with the anticipated growth in sales tax. This should help to maintain our property tax rates as one of the lowest rates in the surrounding area.

Major Initiatives. The City's fiscal year 2016 budget includes funding to address compensation levels for personnel city-wide, add personnel, replace technology and address facility needs. Over the next three years, the City will require additional personnel to fulfill and meet prior quality-of-life bond obligations, i.e. a recreation/community center and a ball field complex. Additionally, as the community continues to grow in population and in our commercial areas, we will see a need for additional public safety personnel. We strive to find the right balance in our budget to meet these service needs and remain fiscally accountable to the taxpayers.

To address infrastructure challenges related to the substantial growth in our population, the City has gone to the voters to seek approval of our bond program, which is discussed in greater detail in the MD&A. Most recently, in November 2015, the community approved a \$3.5 million bond proposition for roadway improvements along Borgfeld Road. This roadway improvement project is along a major thoroughfare that connects Cibolo and Schertz and will improve traffic flow and pedestrian safety around the junior high school as well as improving traffic mobility along our new retail development area.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cibolo for its comprehensive annual financial report for the fiscal year ended September 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. In February of 2015, an internet based consumer group, ValuePenguin, released a study identifying the safest cities in Texas based upon information contained in the FBI Uniform Crime Report for 2013. The City of Cibolo ranked #7 in the state among mid-sized cities with populations between 20,000 and 50,000 and #15 overall out of 210 cities ranked. Cibolo was the only city in the San Antonio Metropolitan Area to rank in the top 50 safest cities.

Likewise, in February of 2016, a financial education website, CreditDonkey, released a study identifying the safest cities in Texas based upon information contained in the FBI Uniform Crime Report for 2014. Cibolo was ranked #23 in the state among cities with populations greater than 10,000.

In January 2015, the City of Cibolo was awarded a Platinum Leadership Circle Award for our efforts at financial transparency. This was the fourth consecutive year that the City was recognized by this program. In March 2016, the State launched a new program called Transparency Stars to which the City will apply.

For 2015, the City of Cibolo was recognized at Gold level by the American Heart Association as a Fit-Friendly Worksite. To be recognized with a Gold Achievement, the City must offer employees physical activity support, increase healthy eating options at work and promote a wellness culture.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report.

In addition, without the assistance of each and every department head on staff, we would not have the successes we've enjoyed. Credit also must be given to the Mayor and the City Council for their unfailing support of the City Manager and staff.

Respectfully submitted,



Robert T. Herrera
City Manager



Anna Miranda
Finance Director

CITY OF CIBOLO, TEXAS

CITY OFFICIALS

MAYOR

LISA M. JACKSON

CITY COUNCIL

JENNIFER SCHULTES

VERLIN (DOUG) GARRETT

MARCHELL CAMP-GEBHARDT

JAMES DOTY JR.

JIM RUSSELL

JAY HOGUE

GLENN R. WEBER

CITY MANAGER

ROBERT T. HERRERA

DIRECTOR OF FINANCE

ANNA MIRANDA

CITY ATTORNEY

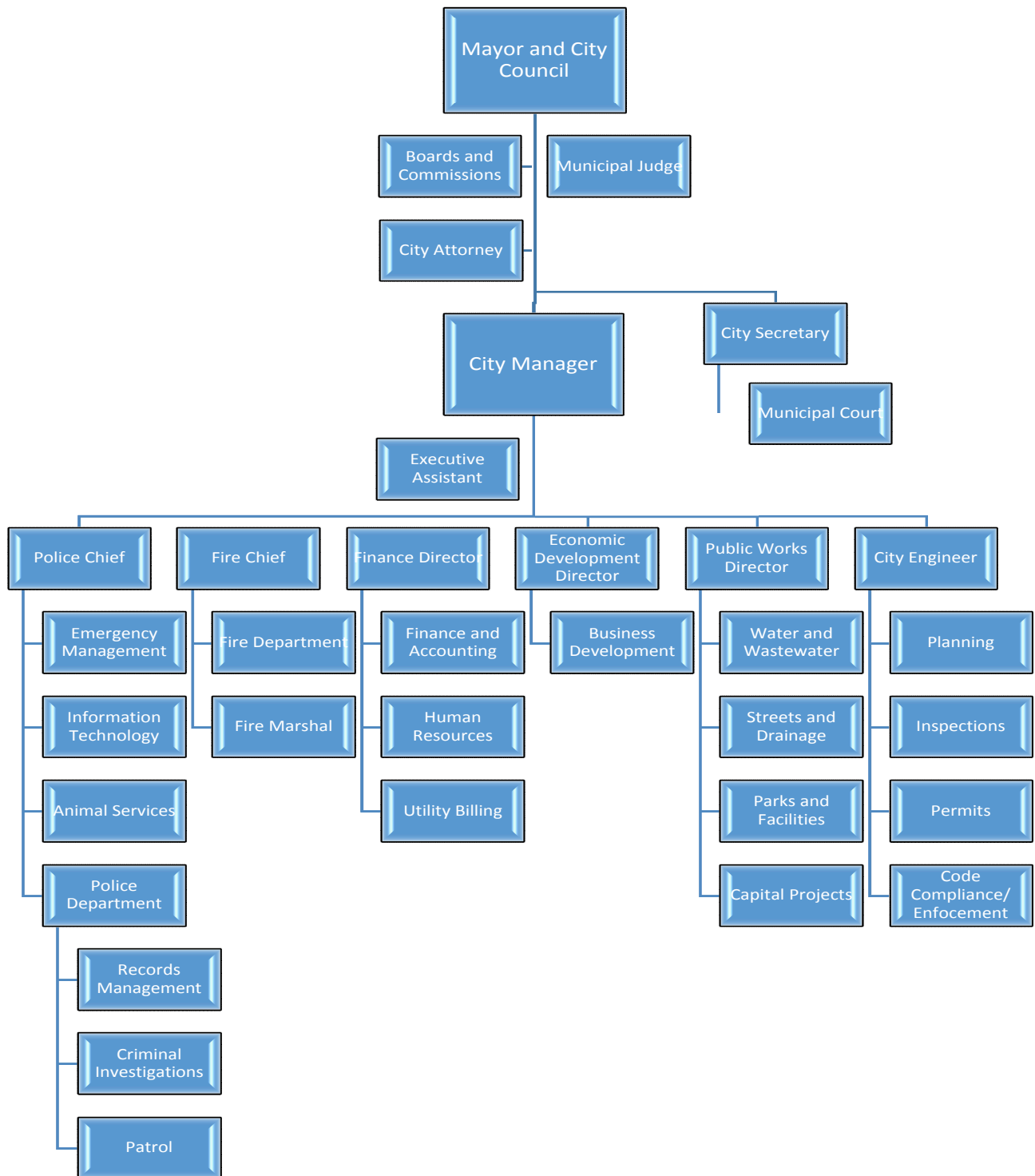
CHARLES E. ZECH,
DENTON, NAVARRO, ROCHA, BERNAL, HYDE & ZECH, P.C.

CITY AUDITOR

ARMSTRONG, VAUGHAN & ASSOCIATES, P.C.

CITY OF CIBOLO, TEXAS
SEPTEMBER 30, 2015

ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Cibolo
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is fluid and cursive.

Executive Director/CEO

FINANCIAL SECTION

SHAREHOLDERS:

Nancy L. Vaughan, CPA
Deborah F. Fraser, CPA
Phil S. Vaughan, CPA



Armstrong, Vaughan & Associates, P.C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Cibolo, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Cibolo, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise City of Cibolo's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

City of Cibolo's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Cibolo, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1R to the financial statements, in October 2014, the City adopted new accounting guidance from Governmental Accounting Standards Board Statement No. 68 related to accounting for pensions. This resulted in a restatement of prior year balances. Our opinion is not modified with respect to the matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison information, the schedule of changes – net pension liability and related ratios, and the schedule of City contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on management's discussion and analysis, the schedule of changes – net pension liability and related ratios, and the schedule of City contributions because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

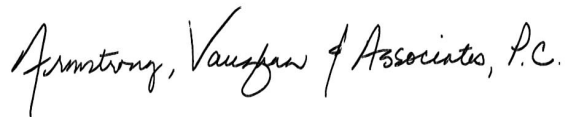
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise City of Cibolo's basic financial statements. The comparative statements, combining and individual nonmajor fund financial statements, introductory section, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The comparative statements, combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the comparative statements, combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2016 on our consideration of City of Cibolo's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Cibolo's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Armstrong, Vaughan & Associates, P.C.".

Armstrong, Vaughan & Associates, P.C.

March 15, 2016

CITY OF CIBOLO, TEXAS
SEPTEMBER 30, 2015

MANAGEMENTS DISCUSSION AND ANALYSIS

This section of the City of Cibolo's comprehensive annual financial report presents an overview, through management's discussion and analysis (MD&A), of the City's financial activities and performance during the fiscal year ended September 30, 2015. The MD&A should be read in conjunction with the transmittal letter found in the introductory section of this report and the accompanying financial statements and disclosure following this section.

Financial Highlights

Government-Wide statements

- The net position (the amount by which assets exceed liabilities) of the City, excluding component units, was \$47.6 million at September 30, 2015. Of this amount, \$8.9 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position increased by approximately \$4 million in this fiscal year. This is an increase over the prior year increase of approximately 33%.
- Total net expenses over program revenue of \$5.9 million is consistent with the prior year.
- Total general revenues and transfers of \$10.1 million was \$1.1 million more than in the prior year, of which \$0.75 million is attributable to an increase in taxes and \$0.4 million attributable to gains on the sale of assets.
- A prior period adjustment reduced the City's overall net position by approximately \$0.7 million due to implementation of GASB 68 which required the restatement of beginning net position for the net pension liability. Please see Note 1R.

Fund statements

- At the end of the fiscal year, the combined total of the General Fund fund balances was \$5.9 million, of which \$5.6 million is unassigned. This represents 66% of the general fund expenditures not including capital outlay and lease payments. The fund balance policy is to maintain between 25% and 35% balance in reserves. It should be noted that the fiscal year 2016 budget draws down excess fund balance by over \$1 million for one-time capital expenses.
- General fund revenues increased by a modest 2.4% to \$9.2 million over the prior fiscal year as a result of a 6.4% increase in property taxes which was offset by an 8.2% decrease in permit revenue from the prior fiscal year.
- Expenditures in the general fund increased by almost 10% to \$9.5 million over the prior fiscal year. This increase is attributable to addition of personnel in mid-2014 in public safety, public works, and information technology and the replacement of equipment that exceeded its useful life.
- During the fiscal year, the City issued \$9.115 million in general obligation and refunding bonds, of which \$5.345 million issued to partially refund the City's outstanding General Obligation Public Improvement and Refunding Bonds, Series 2007 for debt service savings and \$3.77 million in new money issued for roadway improvements and a new fire station.
- Water and Sewer Fund operating revenues increased by 10% to \$8.9 million largely due to an upswing in commercial activity, but also due to a 10% wastewater rate increase passed on from our provider.
- Water and Sewer Fund operating expenses increased by 7% to \$8.5 million largely due to increases in water and wastewater cost of service contracts and the costs of development of additional water resources.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Cibolo is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Cibolo that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Cibolo include general government, public safety, streets maintenance, parks and recreation, and community development. The business-type activities of the City of Cibolo include a water and sewer department and drainage utility district.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Cibolo, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City of Cibolo can be divided into two categories: governmental and proprietary.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Cibolo maintains fifteen (15) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Projects Fund, and the Debt Service Fund, all of which are considered to be major funds. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. The City of Cibolo maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Cibolo uses enterprise funds to account for its water and sewer utility and other non-major proprietary funds of the City.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility which is considered to be a major fund of the City of Cibolo. Individual fund data for each of the non-major proprietary funds is provided in the form of combining statements elsewhere in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's General Fund budgetary schedule. The City of Cibolo adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget. The Economic Development Corporation also adopts an annual budget, and a comparison schedule for it also is provided in the required supplementary information.

The combining statements referred to earlier in connection with non-major governmental funds and non-major proprietary funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Cibolo, assets exceeded liabilities by \$47.6 million at the close of the most recent fiscal year.

The largest portion of the City's total net position (66.4% or \$31.6 million) reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding, plus bond proceeds that have not yet been signed. The City of Cibolo uses these capital assets to provide services to citizens; consequently, these assets are not available for operational type of future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's total net position (14.9% or \$7.1 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$8.9 million, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Cibolo is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The following table reflects the Net Position of the governmental and business-type activities:

	Governmental Activities		Business-Type Activities		Total	
	2015	2014*	2015	2014*	2015	2014*
Assets:						
Current and Other Assets	\$ 31,404,205	\$ 27,576,746	\$ 17,075,802	\$ 16,279,062	\$ 48,480,007	\$ 43,855,808
Capital Assets	32,866,099	31,584,100	21,494,578	20,585,376	54,360,677	52,169,476
Total Assets	64,270,304	59,160,846	38,570,380	36,864,438	102,840,684	96,025,284
Deferred Outflows	722,980	66,711	143,053	-	866,033	66,711
Liabilities:						
Current Liabilities	3,541,723	2,826,278	2,022,447	1,791,081	5,564,170	4,617,359
Long-Term Liabilities	39,760,497	36,658,906	10,728,017	11,362,059	50,488,514	48,020,965
Total Liabilities	43,302,220	39,485,184	12,750,464	13,153,140	56,052,684	52,638,324
Deferred Inflows	17,043	-	2,844	-	19,887	-
Net Position:						
Net Investment in Capital Assets	13,412,650	12,647,240	18,189,574	16,695,634	31,602,224	29,342,874
Restricted	2,357,819	2,279,034	4,751,655	4,375,183	7,109,474	6,654,217
Unrestricted	5,903,552	4,816,099	3,018,896	2,640,481	8,922,448	7,456,580
Total Net Position	\$ 21,674,021	\$ 19,742,373	\$ 25,960,125	\$ 23,711,298	\$ 47,634,146	\$ 43,453,671

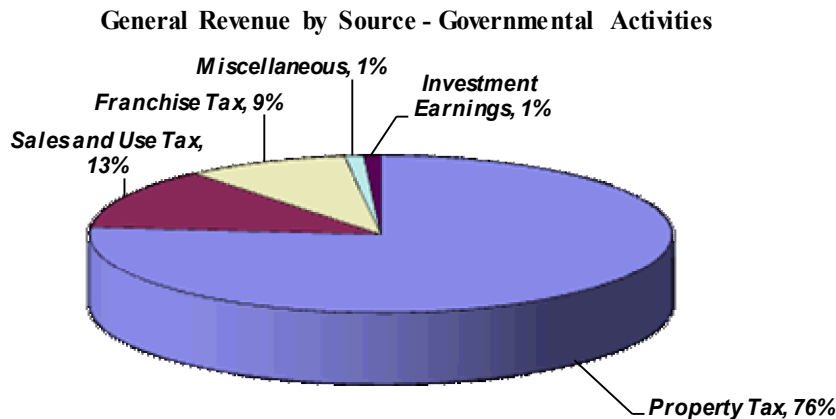
* 2014 has been restated to reflect the adoption of GASB Statement No. 68 (Note 1R).

The government's net position increased by \$4 million during the current fiscal year. 38.9% of this increase represents capital contributions from developers. The following table indicates changes in net position for governmental and business-type activities:

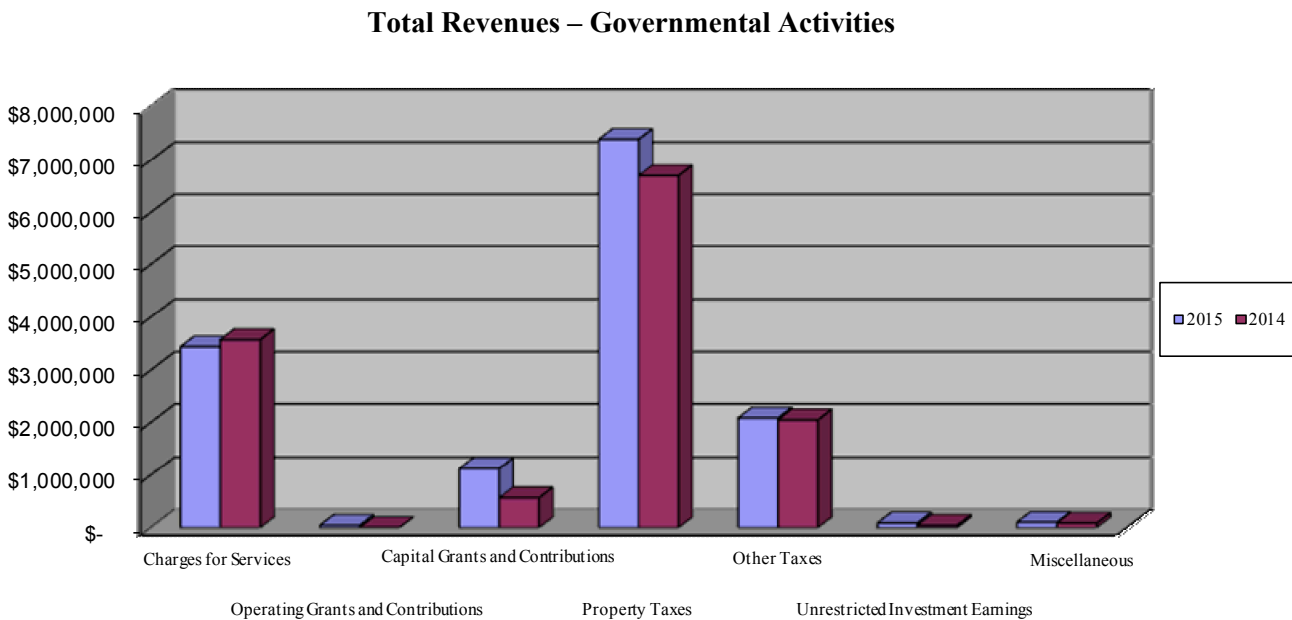
	Governmental Activities		Business-Type Activities		Total	
	2015	2014*	2015	2014*	2015	2014*
Revenues:						
Program Revenues:						
Charges for Services	\$ 3,437,640	\$ 3,571,389	\$ 10,360,042	\$ 9,409,282	\$ 13,797,682	\$ 12,980,671
Operating Contributions	45,261	2,608	-	-	45,261	2,608
Capital Contributions	1,126,540	569,036	497,866	849,431	1,624,406	1,418,467
General Revenues						
Property Taxes	7,396,959	6,701,205	-	-	7,396,959	6,701,205
Other Taxes	2,083,721	2,046,971	-	-	2,083,721	2,046,971
Investment Earnings	91,047	44,618	56,646	36,250	147,693	80,868
Miscellaneous	103,297	84,657	348,797	2,509	452,094	87,166
Total Revenues	14,284,465	13,020,484	11,263,351	10,297,472	25,547,816	23,317,956
Expenses:						
General Government	1,005,608	1,032,591	-	-	1,005,608	1,032,591
Public Safety	3,382,526	3,113,876	-	-	3,382,526	3,113,876
Community Development	957,564	948,076	-	-	957,564	948,076
Public Works	2,107,534	2,043,744	-	-	2,107,534	2,043,744
Parks and Recreation	613,489	628,968	-	-	613,489	628,968
Animal Control	129,025	136,731	-	-	129,025	136,731
Fire	1,904,504	1,753,480	-	-	1,904,504	1,753,480
Finance	339,822	311,373	-	-	339,822	311,373
Information Technology	175,792	163,671	-	-	175,792	163,671
Water & Sewer	-	-	8,845,247	8,408,881	8,845,247	8,408,881
Drainage	-	-	455,503	400,866	455,503	400,866
Interest and Other Fees	1,450,727	1,345,248	-	-	1,450,727	1,345,248
Total Expenses	12,066,591	11,477,758	9,300,750	8,809,747	21,367,341	20,287,505
INCREASE IN NET POSITION BEFORE TRANSFERS	2,217,874	1,542,726	1,962,601	1,487,725	4,180,475	3,030,451
Transfers	(286,226)	(842,343)	286,226	842,343	-	-
CHANGE IN NET POSITION	<u>\$ 1,931,648</u>	<u>\$ 700,383</u>	<u>\$ 2,248,827</u>	<u>\$ 2,330,068</u>	<u>\$ 4,180,475</u>	<u>\$ 3,030,451</u>

* 2014 has not been restated for the effects of GASB Statement No. 68 (Note 1R).

Governmental Activities Governmental activities accounted for 46.2% of the growth in the net position of the City of Cibolo. As illustrated in the graphs below, property taxes is our largest source of revenue and increased by approximately 10.4% from the prior year. The growth in property taxes is a result of a 3.7% rate increase (over the City’s calculated effective tax rate) combined with an 8.9% increase in our taxable property values (after freeze adjustment). We expect that this growth in our values will continue at an increased level, with new growth in our commercial sector as well as continued growth in residential properties.

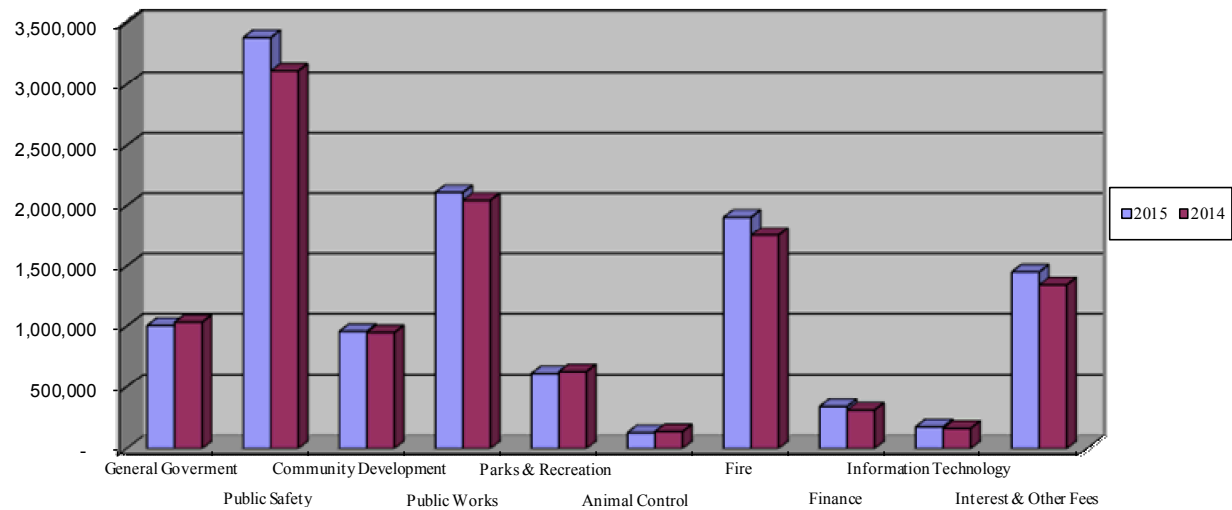


Our second largest revenue source as illustrated in the graph below is charges for services which are made up of impact fees, construction related permits and fees, intergovernmental revenue, municipal court fines and other fees. We expect other taxes, made up of sales taxes and franchise fees to grow considerably in the next several years to become the second largest source of revenue. Capital grants and contributions, although not as significant, experienced a 98% increase over the prior year and makes up 58.3% of the increase in net position.



Expenses in governmental activities increased by 5.1%. Public Safety, Public Works and Fire comprise our largest cost centers as illustrated in the graph below. Of the top three, both Public Safety and Fire grew by 8.6% as a result of an increase in personnel mid-year in fiscal year 2014 and capital replacement. Interest and other fees grew by 7.8% due to continued growth in our bond program.

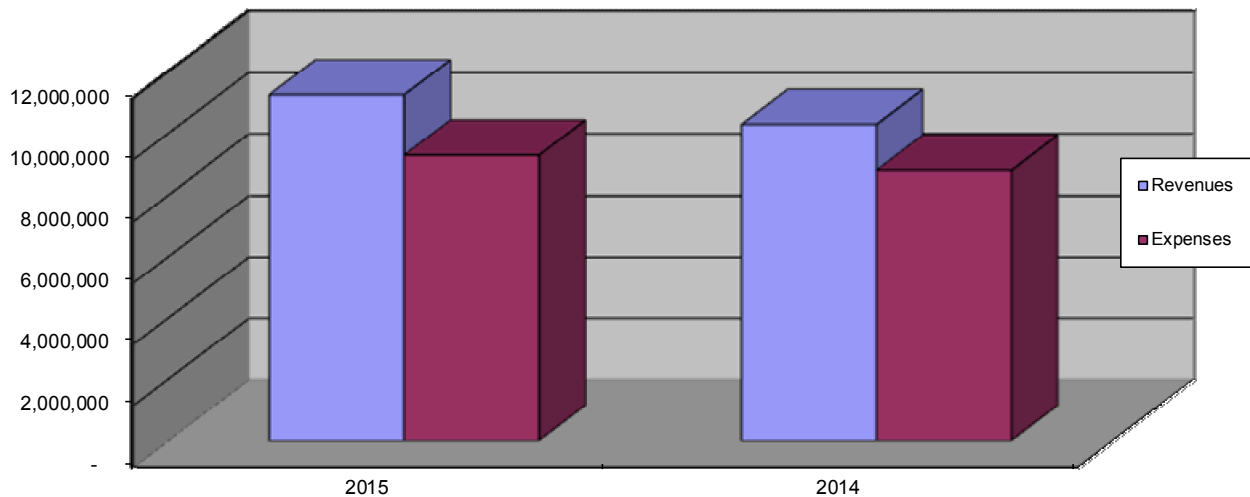
Total Expenses – Governmental Activities



Business-Type Activities

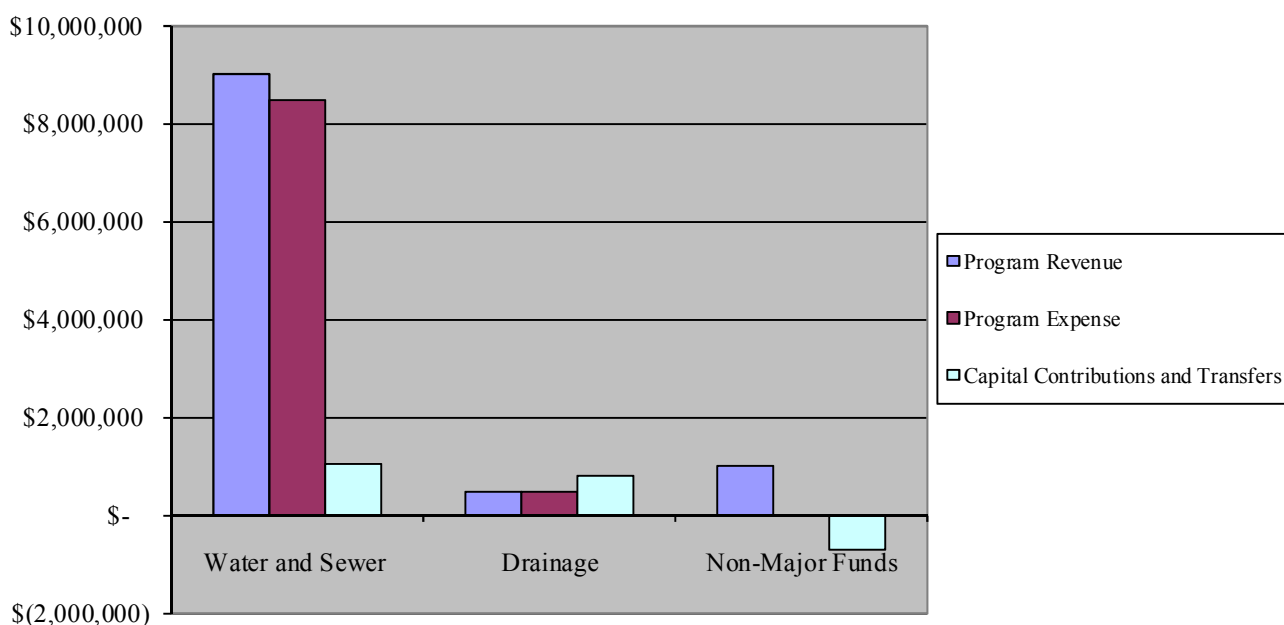
Business-type activities accounted for 53.8% of the growth in the net position of the City of Cibolo. Of this increase, 22.1% is the result of capital contributions from developers, 19.4% is transfers from governmental activities related to utility infrastructure funded by general obligation bonds and 15% is from gain on the sale of real estate. Charges for services increased by 10.2% from the prior year due to a wastewater rate increase and an increase in commercial activity in 2015 as well as impact fee rate increases. The 5.6% increase in business-type activities program expenses is related to increases in service contracts, and development of alternate water resources connected to the high growth continuing in our area.

Revenues and Expenses – Business-Type Activities



Of business-type activities, water and sewer utility is the City's largest activity comprising 87.1% of total program revenues as illustrated by the graph below.

Revenue and Expense – by Activity



Financial Analysis of the Government's Funds

As noted earlier, the City of Cibolo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the fiscal year, the City's governmental funds reported combined ending fund balances of \$30.1 million. Of this total amount, \$5.6 million constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is non-spendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been committed to pay debt service, for capital improvement projects, and other assigned purposes.

The General Fund is the chief operating fund of the City of Cibolo. At the end of the fiscal year, unassigned fund balance of the General Fund was \$5.6 million, while total fund balance was \$5.9 million, an increase of \$0.3 million from the prior year although, the City's fiscal year 2014-2015 amended budget called for a drawdown of fund balance of approximately \$0.5 million. Approximately 40% of the increase in fund balance was attributable to the sale of real estate. The remaining 60% was a combination of budget savings and an increase in construction activity at year end. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 65.6% of total General Fund expenditures, not including capital and capital related debt service. Unassigned fund balance in excess of our policy's 35% threshold may be used for one-time capital expenditures.

The Debt Service Fund has a total fund balance of approximately \$0.4 million, all of which is restricted for the payment of debt service. The net increase in fund balance during the fiscal year in the Debt Service Fund was \$11,917. The City is maintaining approximately 12.8% of annual principal and interest costs in the Debt Service Fund balance.

The Capital Projects Fund has a total fund balance of \$21.7 million, an increase of \$3.2 million. New general obligation debt of \$3.77 million was issued in fiscal year 2014 to fund roadway improvements and fire station improvements. These proceeds were offset by capital expenditures of prior voter approved bonds issued in prior years. We expect to see a significant drawdown of these funds in fiscal year 2016 as construction begins on several projects.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to \$2.8 million which is an increase of \$0.3 million over the prior year largely due to the sale of real estate in fiscal year 2015.

General Fund Budgetary Highlights

The General Fund expenditures were \$112,626 less than the \$9.6 million amended budget. This was the largely due to projects that were started but not completed by year end and salary savings throughout the City; but offset by capital purchased through lease financing. Revenues were \$249,592 (2.8%) more than amended budgeted largely due to an increase in building activity near fiscal year end. Other financing sources were \$424,039 more than amended budgeted due to lease proceeds for capital replacement and proceeds from the sale of real estate which were unbudgeted. Overall, the fund balance increased by \$768,257 more than budgeted to approximately \$5.9 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2015, amounts to \$54.4 million (net of accumulated depreciation). This is a net increase of approximately \$2.2 million over the prior year. Overall increases in capital, before depreciation, amounted to \$4.7 million, of which 34% or \$1.6 million was contributed by developers. The City has several projects in progress from voter approved bonds, which is covered in more detail in the "bond program" section of the MD&A. Additions from bond funds during the year amounted to \$0.9 million. The City also utilizes impact fees and park fees to fund capital. Additions from these special revenue funds during the year amounted to \$1.3 million. Capital additions from the general fund, component units and proprietary funds amounted to \$1.0 million. Additional information on the City's capital assets can be found in Note 6 to the basic financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 2,355,654	\$ 2,357,532	\$ 1,396,208	\$ 1,484,208	\$ 3,751,862	\$ 3,841,740
Water Rights	-	-	475,000	475,000	475,000	475,000
Buildings and Improvements	36,962,842	35,720,291	-	-	36,962,842	35,720,291
Utility Systems	-	-	21,064,183	20,178,809	21,064,183	20,178,809
Transportation and Equipment	3,806,782	3,231,414	1,387,541	1,260,393	5,194,323	4,491,807
Construction in Progress	1,466,259	200,857	1,491,694	967,993	2,957,953	1,168,850
Accumulated Depreciation	(11,725,438)	(9,925,994)	(4,320,048)	(3,781,027)	(16,045,486)	(13,707,021)
TOTALS	\$ 32,866,099	\$ 31,584,100	\$ 21,494,578	\$ 20,585,376	\$ 54,360,677	\$ 52,169,476

Long-Term Debt. At the end of the fiscal year, the City of Cibolo had total long-term debt outstanding of \$48.5 million. Of this amount, \$39 million comprises debt backed by the full faith and credit of the government. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds). During the fiscal year, the City issued \$2.875 million in general obligation bonds for roadway improvements and fire station improvements. The related principal and interest payment for the bonds are from an annual ad valorem tax levied against all taxable property within the City. Additional information on the City's long-term debt can be found in Note 8 to the basic financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Bonds	\$38,740,000	\$36,530,000	\$ 1,975,000	\$ 2,185,000	\$40,715,000	\$38,715,000
Certificates of Obligation	200,000	300,000	-	-	200,000	300,000
Revenue Bonds	-	-	8,560,000	9,030,000	8,560,000	9,030,000
Capital Leases	288,810	72,309	269,400	366,788	558,210	439,097
TOTALS	\$39,228,810	\$36,902,309	\$10,804,400	\$11,581,788	\$50,033,210	\$48,484,097

Bond Program. In November 2008, Cibolo voters approved five (5) bond propositions and authorized the issuance of approximately \$27.9 million in bonds to fund roadway improvements, drainage improvements, construction of public safety facilities, and construction of recreation and community facilities. The timing of projects called for issuance of general obligation bonds in 2009, 2011 and 2013. The first phase of projects, which included roadway improvements and the construction of public safety facilities, was funded in 2009 and completed in 2011. The second phase of projects, funded in 2011, includes drainage improvements to the Town Creek watershed and park land acquisition for the construction of ball fields. Land has been acquired for these projects; engineers are currently in the design phase; and construction is expected to commence in mid-2016 for the ball fields and late 2016 for the drainage projects. The final phase of projects, funded in 2013, includes additional funding for the drainage improvements within Town Creek and construction of a community center. The community center project is expected to become a public private partnership and is currently in the design phase with construction expected to begin in 2017.

In April 2014, the City issued \$2.875 million in general obligation bonds that were authorized by the voters in November 2013 for sidewalk improvements along Borgfeld Road and intersection improvements at Main and F.M. 1103 to aid in traffic flow and pedestrian safety and for Fire Station #1 improvements. Both projects have been designed and construction is expected to begin in summer of 2016 for both projects.

In November 2014, the voters approved three (3) bond propositions and authorized the issuance of \$13.5 million in general obligation bonds to be issued bi-annually over the next five years. The first tranche of bonds were issued in July 2015 for \$4 million in construction funds to fund 1) the first phase of the F.M. 1103 roadway improvement project which is acquisition of right-of-way by the Texas Department of Transportation (TxDOT), 2) Haeckerville Road improvement project, and 3) the first phase of Fire Station #3 which includes land preparation and design work. The Haeckerville Road project is in the early stages of design.

In November 2015, the voters authorized issuance of an additional \$3.5 million for a \$4.5 roadway improvement project. SCUCISD and City impact fee funds will offset the cost of the improvements. The project consists of widening Borgfeld Road from 2 lanes to 5 lanes (designated turning lane) from Crimson Tree to Dietz Road, adding a traffic signal at the intersection of Dietz and Borgfeld, and enhanced drainage structures and curbs. These bonds are expected to be issued in the Spring of 2016. This project is in the early stages of design.

Economic Factors and Next Year's Budgets and Rates

Bond Rating. In 2014, Standard & Poor's (S&P) Ratings Services raised its long-term rating and underlying rating (SPUR) one notch to 'AA' from 'AA-' on our outstanding general obligation (GO) debt based on new local GO criteria released September 12, 2013 and assigned its 'AA' rating to the City's series 2014 GO bonds with a stable outlook. This is the second year in a row that Cibolo was granted a ratings upgrade. The new rating is a testament that the City is on sound economic footing and has implemented plans and policies that will help prepare the City for the future. The “AA” Bond Rating allows the City to sell bonds at lower interest rates than it would if the City did not get the bond upgrade. Standard & Poor’s included the following rationale for the bond rating:

- Strong economy with access to San Antonio-New Braunfels metropolitan statistical area;
- Very strong budgetary flexibility;
- Strong budgetary performance;
- Very strong liquidity providing very strong cash levels; and
- Strong management with good financial policies.

Local Economy. The City of Cibolo is one of the fastest growing cities in the State. The strong military presence in the area contributes to our growth and job stability. With the high population growth, the Cibolo economy has become attractive for commercial development and 2015 has seen tremendous business interest and commercial activity.

Cibolo’s first major retail development project, Wal-Mart Super Center began construction in late July 2014 and opened in January of 2016. This construction spurred a lot of activity in the same general area. Across the street, Wells Fargo opened a full-service bank in October of 2015. And, in the same general area, CVS Pharmacy opened for business in November 2015. Cibolo Marketplace, a new 20,000 square foot facility which broke ground in the summer of 2014 is now fully leased and hosts stores such as Dutch Boy Cleaners, Little Caesar’s Pizza, Subway, K Nails and Spa, Supercuts, Triangle Pharmacy Solutions, Insight Eye Care, Marbella Dentistry, Embrace Orthodontics, AT&T and Fast Tex Urgent Care. Additionally, the Shops at Cibolo Bend broke ground on a 50,000 square foot retail center project in the Spring of 2015 and will host stores such as Petco, Goodwill and Orange Leaf. HEB, a major Texas grocery store has also announced that they will be introducing a new 70,000 square foot grocery store which is currently under design. Along FM 1103, further development is occurring. Autozone opened a retail store in December 2015. Additionally, near Green Valley Road, a retail center is under design. Sonic Drive-In has announced a second location in that area as well. McGarrell Orthodontics and Brighter Futures Learning Center are also planning to open locations along FM 1103. Numerous real estate developers have various sites under contract at the intersection of FM 1103 and Green Valley Road.

Along with growth in new retail sectors, Cibolo’s downtown area is also experiencing revitalization. Old Main Street Ice House opened for business in the fall of 2015. Noble Business Group is expanding their office space downtown. And The Shops at the Mill, in the old downtown lumber mill, will house an art studio, an ice cream parlor and a boutique.

While our industrial markets are experiencing some downturn in the oil and gas economy, we continue to see growth in our industrial park. We recently recruited Well Control Concepts and they have purchased and moved into our industrial park as of February 2016. Five Stone Brewery is expanding and relocating within the City. There is also interest in development of a second industrial park in the southern part of the City.

Taxable Values. The City’s net taxable assessed valuation for fiscal year 2016 was approximately 6.8% higher than the prior year at \$1.8 billion. Residential construction has driven this increase over the last 10 years and continues to remain steady. With the expansion of commercial developments in the City we will realize additional property tax growth in the coming years.

Tax Rate. The tax rate adopted by the City Council for fiscal year 2016 was unchanged at \$0.4454 per \$100 of assessed valuation. This rate was 1.64% over the effective rate of \$0.4382 per \$100 of assessed valuation. Historical values and tax rates are presented in the statistical section of this report.

General Fund. During the current fiscal year, unassigned fund balance in the General Fund increased to \$5.6 million. This represents 66% of the General Fund expenditures not including capital outlay. The fund balance policy is to maintain between 25% and 35% balance in reserves. It should be noted that the fiscal year 2016 budget draws down excess fund balance by over \$1 million to be used for one-time capital expenses as authorized by the City's fund balance policy.

Water and Sewer Fund. Unrestricted net position in the Water and Sewer Fund increased from the prior year to \$2.8 million, which represents a 13% increase. Working capital also increased by 21% to \$2.5 million which represents approximately 29.5% of operating expenses of the Water and Sewer Fund. As residential growth continues in our City, the need for the development of additional water resources increases. The additional costs associated with growth has prompted the City to further analyze our rate structure to make necessary adjustments in fiscal year 2016 and beyond.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of Cibolo, 200 S. Main St. Cibolo, TX 78108.



BASIC FINANCIAL STATEMENTS

CITY OF CIBOLO, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

	Primary Government			Component Unit
	Governmental	Business-Type	Total	Cibolo Economic
	Activities	Activities		Development
				Corporation
ASSETS				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 8,219,812	\$ 3,122,115	\$ 11,341,927	\$ 303,725
Investments	459,304	-	459,304	-
Receivables (net of allowances)				
Taxes	411,770	-	411,770	42,809
Accounts and Other	3,368	1,474,057	1,477,425	-
Due from Component Unit	20,641	-	20,641	-
Prepaid Expenses	4,501	6,059	10,560	-
Inventories	15,798	51,700	67,498	-
Internal Balances	16,419	(16,419)	-	-
<i>Total Current Assets</i>	<u>9,151,613</u>	<u>4,637,512</u>	<u>13,789,125</u>	<u>346,534</u>
<i>Noncurrent Assets:</i>				
Restricted Assets:				
Cash and Cash Equivalents	19,624,103	10,967,909	30,592,012	-
Investments	2,628,489	1,467,190	4,095,679	-
Accounts Receivable	-	3,191	3,191	-
Capital Assets:				
Land	2,355,654	1,396,208	3,751,862	-
Water Rights	-	475,000	475,000	-
Buildings	8,627,591	-	8,627,591	-
Improvements Other Than Buildings	28,335,251	-	28,335,251	-
Utility Systems	-	21,064,183	21,064,183	-
Equipment and Vehicles	3,806,782	1,387,541	5,194,323	-
Construction in Progress	1,466,259	1,491,694	2,957,953	-
Accumulated Depreciation	(11,725,438)	(4,320,048)	(16,045,486)	-
<i>Total Noncurrent Assets</i>	<u>55,118,691</u>	<u>33,932,868</u>	<u>89,051,559</u>	<u>-</u>
TOTAL ASSETS	<u>64,270,304</u>	<u>38,570,380</u>	<u>102,840,684</u>	<u>346,534</u>
DEFERRED OUTFLOWS OF RESOURCES				
Loss on Debt Refunding	257,520	65,384	322,904	-
Pension Related Deferred Outflows	465,460	77,669	543,129	11,650
TOTAL DEFERRED OUTFLOWS				
OF RESOURCES	<u>\$ 722,980</u>	<u>\$ 143,053</u>	<u>\$ 866,033</u>	<u>\$ 11,650</u>

See accompanying notes to basic financial statements.

CITY OF CIBOLO, TEXAS
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2015

	Primary Government			Component Unit
	Governmental	Business-Type	Total	Cibolo Economic
	Activities	Activities		Development
				Corporation
LIABILITIES				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 740,564	\$ 815,964	\$ 1,556,528	\$ 20,353
Accrued Liabilities	451,265	49,730	500,995	7,413
Due to Primary Government	-	-	-	20,641
Unearned Revenue	54,548	-	54,548	-
Accrued Interest Payable	245,558	64,261	309,819	-
Customer Deposits	-	301,799	301,799	-
Compensated Absences	85,655	5,223	90,878	2,142
Current Portion of Long-Term Debt	1,964,133	785,470	2,749,603	-
<i>Total Current Liabilities</i>	<u>3,541,723</u>	<u>2,022,447</u>	<u>5,564,170</u>	<u>50,549</u>
<i>Noncurrent Liabilities:</i>				
Compensated Absences	342,621	20,892	363,513	8,570
Long-Term Debt	38,411,718	10,539,232	48,950,950	-
Net Pension Liability	1,006,158	167,893	1,174,051	25,184
<i>Total Noncurrent Liabilities</i>	<u>39,760,497</u>	<u>10,728,017</u>	<u>50,488,514</u>	<u>33,754</u>
TOTAL LIABILITIES	<u>43,302,220</u>	<u>12,750,464</u>	<u>56,052,684</u>	<u>84,303</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows	17,043	2,844	19,887	427
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>17,043</u>	<u>2,844</u>	<u>19,887</u>	<u>427</u>
NET POSITION				
Net Investment In Capital Assets	13,412,650	18,189,574	31,602,224	-
Restricted For:				
Debt Service	179,130	504,969	684,099	-
Impact Fees	801,785	4,246,686	5,048,471	-
Capital Improvement	1,037,749	-	1,037,749	-
PEG Capital Fees	224,200	-	224,200	-
Police and Municipal Court	107,632	-	107,632	-
Economic Development	-	-	-	273,454
Other Purposes	7,323	-	7,323	-
Unrestricted	5,903,552	3,018,896	8,922,448	-
TOTAL NET POSITION	<u>\$ 21,674,021</u>	<u>\$ 25,960,125</u>	<u>\$ 47,634,146</u>	<u>\$ 273,454</u>

See accompanying notes to basic financial statements.

CITY OF CIBOLO, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Functions and Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
<i>Governmental Activities:</i>				
General Government	\$ 1,005,608	\$ -	\$ -	\$ -
Law Enforcement and Municipal Court	3,382,526	473,721	44,446	-
Community Development	957,564	2,261,883	-	-
Public Works	2,107,534	355,993	-	1,126,540
Parks and Recreation	613,489	298,193	815	-
Animal Control	129,025	18,619	-	-
Fire	1,904,504	29,231	-	-
Finance	339,822	-	-	-
Information Technology	175,792	-	-	-
Interest and Fees	1,450,727	-	-	-
<i>Total Governmental Activities</i>	<u>12,066,591</u>	<u>3,437,640</u>	<u>45,261</u>	<u>1,126,540</u>
<i>Business-Type Activities</i>				
Water & Sewer	8,845,247	9,577,086	-	208,324
Drainage	455,503	782,956	-	289,542
<i>Total Business-Type Activities</i>	<u>9,300,750</u>	<u>10,360,042</u>	<u>-</u>	<u>497,866</u>
Total Primary Government	<u>\$ 21,367,341</u>	<u>\$ 13,797,682</u>	<u>\$ 45,261</u>	<u>\$ 1,624,406</u>
Component Unit:				
Cibolo Economic Development Corporation	<u>\$ 346,013</u>	<u>\$ -</u>	<u>\$ 54,387</u>	<u>\$ -</u>
General Revenues:				
Taxes:				
Ad Valorem				
Sales				
Franchise Fees				
Investment Earnings				
Gain on Sale of Assets				
Miscellaneous				
Total General Revenues				
Transfers				
Change in Net Position				
Net Position at Beginning of Year				
Prior Period Adjustment (Note 1R)				
Net Position at End of Year				

See accompanying notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Cibola Economic Development Corporation
\$ (1,005,608)		\$ (1,005,608)	\$ -
(2,864,359)		(2,864,359)	-
1,304,319		1,304,319	-
(625,001)		(625,001)	-
(314,481)		(314,481)	-
(110,406)		(110,406)	-
(1,875,273)		(1,875,273)	-
(339,822)		(339,822)	-
(175,792)		(175,792)	-
(1,450,727)		(1,450,727)	-
(7,457,150)		(7,457,150)	-
	\$ 940,163	940,163	-
	616,995	616,995	-
	1,557,158	1,557,158	-
(7,457,150)	1,557,158	(5,899,992)	-
-	-	-	(291,626)
7,396,959	-	7,396,959	-
1,212,798	-	1,212,798	241,491
870,923	-	870,923	-
91,047	56,646	147,693	153
83,616	338,233	421,849	-
19,681	10,564	30,245	-
9,675,024	405,443	10,080,467	241,644
(286,226)	286,226	-	-
1,931,648	2,248,827	4,180,475	(49,982)
20,359,067	23,814,203	44,173,270	338,872
(616,694)	(102,905)	(719,599)	(15,436)
\$ 21,674,021	\$ 25,960,125	\$ 47,634,146	\$ 273,454

CITY OF CIBOLO, TEXAS
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	General Fund	Capital Projects Fund	Debt Service
ASSETS			
Cash and Cash Equivalents	\$ 6,044,995	\$ -	\$ -
Investments	459,304	-	-
Receivables (net of allowances)			
Taxes	340,242	-	28,719
Accounts and Other	3,368	-	-
Due from Other Funds	31,543	4	-
Due from Component Unit	528	-	20,113
Inventory	15,798	-	-
Prepaid Items	1,661	-	-
Restricted Assets:			
Cash and Cash Equivalents	-	19,282,993	341,110
Investments	-	2,577,379	51,110
TOTAL ASSETS	<u>\$ 6,897,439</u>	<u>\$ 21,860,376</u>	<u>\$ 441,052</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ 462,107	\$ 115,003	\$ -
Accrued Interest Payable	-	-	16,364
Accrued Salaries and Benefits	451,265	-	-
Due to Other Funds	19,098	-	-
Unearned Revenues	37,228	-	-
<i>Total Liabilities</i>	<u>969,698</u>	<u>115,003</u>	<u>16,364</u>
<i>Deferred Inflows of Resources:</i>			
Unavailable Revenues	41,813	-	24,971
<i>Fund Balances:</i>			
Nonspendable:			
Inventory	15,798	-	-
Prepaid Items	1,661	-	-
Restricted for:			
Impact Fees	-	-	-
Capital Improvement	-	-	-
PEG Capital Fees	224,200	-	-
Capital Projects	-	21,745,373	-
Debt Service	-	-	399,717
Special Events	-	-	-
Street Maintenance	-	-	-
Tree Project	1,400	-	-
Police Special	-	-	-
Court Special	-	-	-
Committed for Capital Replacement	-	-	-
Unassigned	5,642,869	-	-
<i>Total Fund Balances</i>	<u>5,885,928</u>	<u>21,745,373</u>	<u>399,717</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 6,897,439</u>	<u>\$ 21,860,376</u>	<u>\$ 441,052</u>

See accompanying notes to basic financial statements.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,174,817	\$ 8,219,812
-	459,304
42,809	411,770
-	3,368
6,609	38,156
-	20,641
-	15,798
2,840	4,501
-	19,624,103
-	2,628,489
<u>\$ 2,227,075</u>	<u>\$ 31,425,942</u>

\$ 163,454	\$ 740,564
-	16,364
-	451,265
2,639	21,737
17,320	54,548
<u>183,413</u>	<u>1,284,478</u>

-	66,784
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-	15,798
2,840	4,501
801,785	801,785
567,348	567,348
-	224,200
-	21,745,373
-	399,717
5,923	5,923
470,401	470,401
-	1,400
71,341	71,341
36,291	36,291
87,733	87,733
-	5,642,869
<u>2,043,662</u>	<u>30,074,680</u>

<u>\$ 2,227,075</u>	<u>\$ 31,425,942</u>
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CITY OF CIBOLO, TEXAS
RECONCILIATION OF BALANCE SHEET
SEPTEMBER 30, 2015

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS	\$ 30,074,680
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	32,866,099
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Net pension liabilities (and related deferred outflows and inflows of resources) do not consume current financial resources and are not reported in the funds:

Net Pension Liability	(1,006,158)	
Pension Related Deferred Outflows	465,460	
Pension Related Deferred Inflows	<u>(17,043)</u>	(557,741)

Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recognized as revenue in the funds.	66,784
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Long-term liabilities, including bonds payable and capital leases, are not due and payable in the current period and therefore, not reported in the funds:

Bonds Payable	(38,940,000)	
Unamortized Premiums, Discounts, Losses on Refundings	(889,521)	
Capital Lease Payable	(288,810)	
Accrued Interest Payable	(229,194)	
Compensated Absences	<u>(428,276)</u>	<u>(40,775,801)</u>

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	<u><u>\$ 21,674,021</u></u>
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CITY OF CIBOLO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General Fund	Capital Projects Fund	Debt Service Fund
REVENUES			
Taxes	\$ 6,395,413	\$ -	\$ 2,834,053
Permits and Fees	2,221,878	-	-
Service Fees	229,550	-	-
Fines and Fees	264,020	-	-
Park Revenue	34,678	-	-
Grant Revenue	15,733	-	-
Impact Fees	-	-	-
Investment Earnings	15,635	73,674	481
Miscellaneous	46,524	-	65,613
TOTAL REVENUES	<u>9,223,431</u>	<u>73,674</u>	<u>2,900,147</u>
EXPENDITURES			
<i>Current:</i>			
General Government	1,039,294	-	-
Law Enforcement and Municipal Court	3,111,173	-	-
Community Development Services	815,013	-	-
Public Works	779,699	-	-
Parks and Recreation	465,327	-	-
Animal Control	124,100	-	-
Fire	1,749,342	-	-
Finance	339,958	-	-
Information Technology	181,452	-	-
<i>Capital Outlay</i>	804,781	419,881	-
<i>Debt Service:</i>			
Principal	83,326	-	5,655,000
Interest and Fiscal Charges	1,101	-	1,590,035
Bond Issue Costs	-	92,422	53,197
TOTAL EXPENDITURES	<u>9,494,566</u>	<u>512,303</u>	<u>7,298,232</u>
Deficiency of Revenues			
Under Expenditures	<u>(271,135)</u>	<u>(438,629)</u>	<u>(4,398,085)</u>
OTHER FINANCING SOURCES (USES)			
Sale of Assets	124,345	-	-
Issuance of Debt	299,827	3,770,000	3,995,000
Premium on Issuance of Debt	-	322,423	415,002
Transfers In	164,882	-	-
Transfers Out	-	(436,252)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>589,054</u>	<u>3,656,171</u>	<u>4,410,002</u>
Net Change in Fund Balance	317,919	3,217,542	11,917
Fund Balances at Beginning of Year	<u>5,568,009</u>	<u>18,527,831</u>	<u>387,800</u>
Fund Balances at End of Year	<u>\$ 5,885,928</u>	<u>\$ 21,745,373</u>	<u>\$ 399,717</u>

See accompanying notes to basic financial statements.

Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 241,491	\$ 9,470,957
248,400	2,470,278
-	229,550
12,858	276,878
-	34,678
-	15,733
355,993	355,993
1,255	91,045
44,643	156,780
<u>904,640</u>	<u>13,101,892</u>
-	1,039,294
14,159	3,125,332
-	815,013
28,817	808,516
21,049	486,376
-	124,100
-	1,749,342
-	339,958
-	181,452
883,193	2,107,855
-	5,738,326
-	1,591,136
-	145,619
<u>947,218</u>	<u>18,252,319</u>
<u>(42,578)</u>	<u>(5,150,427)</u>
-	124,345
-	8,064,827
-	737,425
-	164,882
<u>(14,856)</u>	<u>(451,108)</u>
<u>(14,856)</u>	<u>8,640,371</u>
(57,434)	3,489,944
<u>2,101,096</u>	<u>26,584,736</u>
<u>\$ 2,043,662</u>	<u>\$ 30,074,680</u>



CITY OF CIBOLO, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 3,489,944

Amounts reported for governmental activities in the Statement of Activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In addition, capital assets contributed to governmental activities are not recorded on the fund statements.

Capital Outlay	2,124,310	
Capital Contributions	1,126,540	
Depreciation Expense	<u>(1,939,971)</u>	1,310,879

Proceeds from the sale of capital assets are reported as revenues on the governmental fund statements. However, in the statement of activities, these proceeds are reduced by the net book value of the capital asset (original cost less accumulated depreciation through the sale date). This amount represents the net book value of capital assets disposed in the current period.

(28,880)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

9,724

Governmental funds report required contributions to employee pensions as expenditures. However in the Statement of Activities the cost of the pension is recorded based on the actuarially determined cost of the plan. This is the amount that contributions exceeded the actuarially determined pension expense.

58,953

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Proceeds from the Issuance of Debt	(8,802,252)	
Principal Repayments	5,738,326	
Amortization of Premiums, Discounts, Losses	<u>293,225</u>	(2,770,701)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated Absences	(131,076)	
Accrued Interest	<u>(7,195)</u>	<u>(138,271)</u>

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 1,931,648

See accompanying notes to basic financial statements.

CITY OF CIBOLO, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2015

	Water and Sewer Fund	Drainage Fund	Non-Major Funds	Total
ASSETS				
<i>Current Assets:</i>				
Cash and Cash Equivalents	\$ 2,888,842	\$ 233,273	\$ -	\$ 3,122,115
Accounts Receivable, Net of Allowance:				
Customer Accounts	1,425,758	48,299	-	1,474,057
Prepaid Expenses	6,059	-	-	6,059
Inventory	51,700	-	-	51,700
<i>Total Current Assets</i>	<u>4,372,359</u>	<u>281,572</u>	<u>-</u>	<u>4,653,931</u>
<i>Noncurrent Assets:</i>				
Restricted Assets:				
Cash and Cash Equivalents	6,814,591	-	4,153,318	10,967,909
Investments	1,265,508	-	201,682	1,467,190
Accounts Receivable	-	-	3,191	3,191
Due from Other Funds	9,487	-	23,026	32,513
Capital Assets:				
Land	503,121	893,087	-	1,396,208
Water Rights	475,000	-	-	475,000
Utility Systems	18,870,888	2,193,295	-	21,064,183
Equipment and Vehicles	907,265	480,276	-	1,387,541
Construction in Progress	502,100	989,594	-	1,491,694
Less: Accumulated Depreciation	(3,979,710)	(340,338)	-	(4,320,048)
<i>Total Noncurrent Assets</i>	<u>25,368,250</u>	<u>4,215,914</u>	<u>4,381,217</u>	<u>33,965,381</u>
TOTAL ASSETS	<u>29,740,609</u>	<u>4,497,486</u>	<u>4,381,217</u>	<u>38,619,312</u>
DEFERRED OUTFLOWS OF RESOURCES				
Loss on Debt Refunding	65,384	-	-	65,384
Pension Related Deferred Outflows	58,252	19,417	-	77,669
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 123,636</u>	<u>\$ 19,417</u>	<u>\$ -</u>	<u>\$ 143,053</u>

See accompanying notes to basic financial statements.

CITY OF CIBOLO, TEXAS
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2015

	Water and Sewer Fund	Drainage Fund	Non-Major Funds	Total
LIABILITIES				
<i>Current Liabilities:</i>				
Accounts Payable	\$ 679,132	\$ 11,788	\$ 125,044	\$ 815,964
Accrued Liabilities	36,649	13,081	-	49,730
Customer Deposits	301,799	-	-	301,799
Accrued Interest Payable	64,261	-	-	64,261
Due to Other Funds	37,864	1,581	9,487	48,932
Current Portion of Compensated Absences	4,216	1,007	-	5,223
Current Portion of Long-Term Debt	747,245	38,225	-	785,470
<i>Total Current Liabilities</i>	<u>1,871,166</u>	<u>65,682</u>	<u>134,531</u>	<u>2,071,379</u>
<i>Noncurrent Liabilities:</i>				
Compensated Absences	16,864	4,028	-	20,892
Long-Term Debt (Net of Current Portion)	10,470,956	68,276	-	10,539,232
Net Pension Liability	125,920	41,973	-	167,893
<i>Total Noncurrent Liabilities</i>	<u>10,613,740</u>	<u>114,277</u>	<u>-</u>	<u>10,728,017</u>
TOTAL LIABILITIES	<u>12,484,906</u>	<u>179,959</u>	<u>134,531</u>	<u>12,799,396</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows	2,133	711	-	2,844
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,133</u>	<u>711</u>	<u>-</u>	<u>2,844</u>
NET POSITION				
Net Investment in Capital Assets	14,080,161	4,109,413	-	18,189,574
Restricted For:				
Debt Service	504,969	-	-	504,969
Impact Fees	-	-	4,246,686	4,246,686
Unrestricted	2,792,076	226,820	-	3,018,896
TOTAL NET POSITION	<u>\$ 17,377,206</u>	<u>\$ 4,336,233</u>	<u>\$ 4,246,686</u>	<u>\$ 25,960,125</u>

See accompanying notes to basic financial statements.

CITY OF CIBOLO, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Water and Sewer Fund	Drainage Fund	Non-Major Funds	Total
OPERATING REVENUES				
Fees Charged to Users	\$ 8,869,783	\$ 454,048	\$ -	\$ 9,323,831
Other Charges	61,969	-	-	61,969
TOTAL OPERATING REVENUES	<u>8,931,752</u>	<u>454,048</u>	<u>-</u>	<u>9,385,800</u>
OPERATING EXPENSES				
Water Purchase	3,122,057	-	-	3,122,057
Garbage Service	1,940,656	-	-	1,940,656
Sewage Treatment	1,548,015	-	-	1,548,015
Personnel Services	719,801	284,943	-	1,004,744
Contractual Services	175,092	17,479	-	192,571
Supplies and Maintenance	234,525	50,712	-	285,237
General and Administrative	297,488	9,729	-	307,217
Depreciation	448,590	90,431	-	539,021
TOTAL OPERATING EXPENSES	<u>8,486,224</u>	<u>453,294</u>	<u>-</u>	<u>8,939,518</u>
OPERATING INCOME	<u>445,528</u>	<u>754</u>	<u>-</u>	<u>446,282</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	48,417	112	8,117	56,646
Gain on Sale of Asset	338,233	-	-	338,233
Impact Fees	-	-	984,806	984,806
Interest Expense	(387,352)	(2,209)	-	(389,561)
Amortization of Premium	33,778	-	-	33,778
Other Non Operating Expenses	(5,449)	-	-	(5,449)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>27,627</u>	<u>(2,097)</u>	<u>992,923</u>	<u>1,018,453</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	473,155	(1,343)	992,923	1,464,735
Transfers In (Out)	501,752	502,157	(717,683)	286,226
Capital Contributions	<u>208,324</u>	<u>289,542</u>	<u>-</u>	<u>497,866</u>
CHANGE IN NET POSITION	1,183,231	790,356	275,240	2,248,827
NET POSITION AT BEGINNING OF YEAR	16,271,154	3,571,603	3,971,446	23,814,203
Prior Period Adjustment	<u>(77,179)</u>	<u>(25,726)</u>	<u>-</u>	<u>(102,905)</u>
NET POSITION AT END OF YEAR	<u>\$ 17,377,206</u>	<u>\$ 4,336,233</u>	<u>\$ 4,246,686</u>	<u>\$ 25,960,125</u>

See accompanying notes to basic financial statements.

CITY OF CIBOLO, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Water and Sewer System	Drainage Fund	Non-Major Funds	Total
Cash Flows From Operating Activities:				
Cash Received From Customers and Users	\$ 8,713,883	\$ 449,880	\$ -	\$ 9,163,763
Cash Paid to Employees for Services	(715,104)	(283,270)	-	(998,374)
Cash Paid to Supplier for Goods & Services	(7,267,681)	(68,554)	88,268	(7,247,967)
Net Cash Provided by Operating Activities	<u>731,098</u>	<u>98,056</u>	<u>88,268</u>	<u>917,422</u>
Cash Flows From Noncapital Financing Activities:				
Cash Transfers and Advances From/(To) Other Funds	484,408	488,472	(818,559)	154,321
Net Cash Provided (Used) by Noncapital Financing Activities	<u>484,408</u>	<u>488,472</u>	<u>(818,559)</u>	<u>154,321</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(376,497)	(573,860)	-	(950,357)
Proceeds from Sale of Assets	338,233	-	-	338,233
Impact Fees	-	-	984,806	984,806
Proceeds from Bond Issuance	1,419,405	-	-	1,419,405
Interest Paid on Long-Term Debt	(390,353)	(2,209)	-	(392,562)
Principal Paid on Long-Term Debt	(2,088,888)	(38,500)	-	(2,127,388)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,098,100)</u>	<u>(614,569)</u>	<u>984,806</u>	<u>(727,863)</u>
Cash Flows From Investing Activities:				
Proceeds from the Sale of Investments	472,509	-	-	472,509
Purchase of Investments	-	-	(201,637)	(201,637)
Interest and Investment Earnings	48,417	112	8,117	56,646
Net Cash Provided (Used) by Investing Activities	<u>520,926</u>	<u>112</u>	<u>(193,520)</u>	<u>327,518</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>638,332</u>	<u>(27,929)</u>	<u>60,995</u>	<u>671,398</u>
Cash and Cash Equivalents at Beginning of Year:				
Cash and Cash Equivalents	2,590,955	261,202	-	2,852,157
Restricted Cash and Cash Equivalents	6,474,146	-	4,092,323	10,566,469
	<u>9,065,101</u>	<u>261,202</u>	<u>4,092,323</u>	<u>13,418,626</u>
Cash and Cash Equivalents at End of Year:				
Cash and Cash Equivalents	2,888,842	233,273	-	3,122,115
Restricted Cash and Cash Equivalents	6,814,591	-	4,153,318	10,967,909
	<u>\$ 9,703,433</u>	<u>\$ 233,273</u>	<u>\$ 4,153,318</u>	<u>\$ 14,090,024</u>
Noncash Capital and Related Financing Transactions:				
Developer Contributions of Capital Assets	\$ 208,324	\$ 289,542	\$ -	\$ 497,866

See accompanying notes to basic financial statements.

CITY OF CIBOLO, TEXAS
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Water and Sewer System	Drainage Fund	Non-Major Funds	Total
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating Income	\$ 445,528	\$ 754	\$ -	\$ 446,282
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	448,590	90,431	-	539,021
Decrease (Increase) in Assets:				
Accounts Receivable (net)	(264,092)	(4,168)	-	(268,260)
Inventory	3,951	-	-	3,951
Increase (Decrease) in Liabilities:				
Accounts Payable	46,201	9,366	88,268	143,835
Accrued Liabilities	4,969	2,503	-	7,472
Customer Deposits	46,223	-	-	46,223
Compensated Absences	7,106	1,629	-	8,735
Net Pension Liability	(7,378)	(2,459)	-	(9,837)
NET CASH PROVIDED BY FOR OPERATING ACTIVITIES	<u><u>\$ 731,098</u></u>	<u><u>\$ 98,056</u></u>	<u><u>\$ 88,268</u></u>	<u><u>\$ 917,422</u></u>

See accompanying notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cibolo is a municipal corporation governed by an elected mayor and seven-member council. The financial statements of the City and its discretely presented component unit have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the City. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

A. Reporting Entity

Component Unit – As required by generally accepted accounting principles, these financial statements present the government and its component units for which the government is considered to be financially accountable. Blended components units, although legally separate entities are in substance, part of the government's operations, thus data from these units would be combined with data of the primary government. Each discretely presented component unit is presented as a separate column in the government-wide financial statements to emphasize it as legally separate from the government. Following is a summary of the component unit:

1. Cibolo Economic Development Corporation – A nonprofit Corporation organized under the development corporation act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6, Section 4A for the purpose of promoting economic development in order to eliminate unemployment and underemployment and to promote and encourage employment and public welfare of, for, and on behalf of the City. It receives all proceeds from .25 sales tax adopted for economic development in the City of Cibolo. Complete financial statements for the Cibolo Economic Development Corporation may be obtained from City Hall and are presented in the Other Supplementary Information of this report.

Joint Ventures - A joint venture is a legally separate entity that results from a contractual arrangement and that is owned, operated, or governed by two or more participating governments. The following entities meet the criteria as joint ventures. Separate financial statements for these entities may be obtained at City Hall.

1. Canyon Regional Water Authority – was created by the Texas Legislature on August 28, 1989 under Article XVI, Section 59 of the Texas Constitution. The Authority operates under Chapter 65 of the Texas Water Code. The Authority was created to purchase, own, hold, lease and otherwise acquire sources of potable water; build, operate and maintain facilities for the treatment and transportation of water; sell potable water to local governments, water supply corporations and other persons in this state; and to protect, preserve and restore the purity and sanitary condition of water in the area. The Authority may not levy or collect ad valorem taxes, but does have the power of eminent domain and may issue bonds. The Authority is comprised of ten member entities, and the governing board consists of two voting members from each entity. The member entities consist of Crystal Clear Special Utility District, East Central Special Utility District, Springs Hill Water Supply Corporation, Green Valley Special Utility District, County Line Special Utility District, Maxwell Water Supply Corporation, Martindale Water Supply Corporation and the cities of Marion, Cibolo, and La Vernia.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity (Continued)

2. Cibolo Valley Local Government Corporation – is a public, nonprofit corporation organized July 28, 2011 to aid, assist, and act on behalf of the cities of Cibolo and Schertz in acquiring, constructing, maintaining, and operating a water utility system. The participating governments have an ongoing financial responsibility to fund the operation of the corporation through either purchase of services or by subsidizing the operations.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges of customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Nonexchange revenues that are measurable but not available are recorded as unavailable revenue (a deferred inflow of resources). These revenues are generally property taxes and warrants outstanding. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Exchange revenues (payments for services) received in advance of the service being provided are recorded as unearned revenue.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund which accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The Capital Projects Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities and is principally financed by the sale of bonds or certificates of obligation and grants.

The government reports the following major proprietary funds:

The Water and Sewer System Fund accounts for the water and sewer services provided to the citizens through user charges.

The Drainage Fund accounts for the maintenance of drainage infrastructure of the City through user charges.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this are charges between the City's general government function and various other functions of the City. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applications for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes and investment earnings.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand and demand deposits. Cash is reported as restricted when it has restrictions on its use narrower than the purpose of the fund in which it is reported. This can result in differences in presentation between fund statements and government-wide statements.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investments

The City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas of the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated of not less than "AA" or its equivalent; (5) certificates of deposit issued by state and national banks domiciled in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, or secured by obligations mentioned above; and (6) fully collateralized direct repurchase agreements having a defined termination date. In addition, the City is authorized to invest in local government investment pools. The investment pools operate in accordance with appropriate state laws and regulations and have regulatory oversight from the Texas Public Funds Investment Act Sec. 2256.0016. The fair value of the City's position in each pool is the same as the fair value of the pool shares.

F. Receivables and Payables

Activities between the funds that are representative of interfund loans outstanding at the end of the fiscal year are referred to as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Accounts receivable are reported net of allowances for uncollectible accounts. The allowance account represents management's estimate of uncollectible accounts based upon experience and historical trends.

Property taxes for the City are levied each October 1 on the taxable value as of the preceding January 1, the date a lien attaches, for all taxable real and personal property located in the City. Taxes are due by January 31 following the October 1 assessment date and become delinquent on February 1, at which time they begin accruing penalty and interest. The enforceable legal claim date for property taxes is the assessment date; therefore, the City did not record a receivable for accrual of future taxes at year end. Accordingly, no current taxes receivable are reported. Delinquent taxes have been reported in the financial statements net of the allowance for uncollectible taxes. Tax revenues are recognized as they become available. Accordingly, an amount equal to taxes not yet available has been reported as unavailable revenue (a deferred inflow of resources) at the government fund level.

G. Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

H. Restricted Assets

Certain proceeds from bonds, resources set aside for their repayment, and other restrictive agreements are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants and/or contractual arrangements.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Capital Assets

Capital assets, which include land, buildings and improvements, utility systems, equipment, vehicles, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. When capital assets are purchased, they are capitalized and depreciated in the government-wide financial statements and the proprietary fund statements. Capital assets are recorded as expenditures of the current period in the governmental fund financial statements.

Capital assets are valued at cost where historical records are available and at an estimated cost where no records exist. Donated capital assets are valued at their estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements to capital assets that materially extend the life of the asset or add to the value are capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction will not be capitalized in the governmental activities on the government-wide financial statements; however capitalization of interest is required for business-type activities. There was no capitalized interest during the current fiscal year.

Capital assets are depreciated over their useful lives on a straight-line basis as follows:

Assets	Useful Lives (Years)
Buildings and Improvements	10 - 40
Utility Systems	50
Equipment and Vehicles	3 - 10

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and compensatory time benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation and compensatory time pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Deferred Inflows/Outflows of Resources

A deferred outflow of resources is a consumption of net position by the government that is applicable to a future reporting period while a deferred inflow of resources is an acquisition of net position. These items are presented in separate sections following assets (deferred outflows) or liabilities (deferred inflows) on the statement of net position.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, losses on defeasance, are amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and losses on defeasance. Bond issuance costs are recognized as expenditures or expenses in the financial statements in the period in which the bonds are issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Pensions

The net pension liability, deferred inflows and outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas Municipal Retirement System (TMRS), and additions to and deductions from TMRS's fiduciary net position have been determined on the same basis as they are reported by TMRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Fund Equity

Fund balances in governmental funds are classified as follows:

Nonspendable – Represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact.

Restricted – Represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed – Represents amounts that can only be used for a specific purpose because of a formal action by the government's highest level of decision making authority: an ordinance adopted by City Council prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned – Represents amounts which the City intends to use for a specific purpose but do not meet the criteria of restricted or committed. The City Council may make assignments through formal documentation in the minutes. The City Council authorized (by way of policy) the City Manager to also make assignments. The City Manager's assignments do not require formal action; however, the City Manager has not assigned any funds at this time.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Equity (Continued)

Unassigned – Represents the residual balance that may be spent on any other purpose of the City. The City's policy is to maintain an unassigned fund balance in the general fund of 25-35% of operating expenditures.

The general fund is the only fund that reports a positive unassigned fund balance. In other governmental funds it is not appropriate to report a positive unassigned fund balance; however, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund. When an expenditure is incurred for a purpose in which multiple classifications are available, the City considers restricted balances spent first, committed second, and assigned third.

O. Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent bond proceeds. Net assets are reported as restricted when there are limitations imposed by creditors, grantors, or laws or regulations of other governments.

P. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

Q. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the special revenue funds and the capital projects fund, which adopts project-length budgets, however the budgets are then estimated by fiscal year.

R. Adoption of Governmental Accounting Standards Board Statement No. 68

For the year ending September 30, 2015, the City implemented GASB Statement No. 68 related to accounting for pensions. This new standard requires the City plan's net pension liability and related deferred inflows and outflows of resources to be recognized on the City's government-wide and proprietary fund statements. This change required a prior period adjustment to restate prior years in accordance with the change in accounting principle. The prior period adjustment recorded represents the net pension liability at September 30, 2014.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Reclassifications

Certain reclassifications have been made in the presentation of the September 30, 2015 financial statements. All comparative information for prior periods has been reclassified to match the new presentation. The changes in presentation had no impact on the changes in net position or fund balance.

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

The operating deposits of the City and the component unit, Cibolo Economic Development Corporation, are held at one institution. The institution provides a combination of pledged collateral and FDIC insurance to completely collateralize the City's deposits. As of September 30, 2015, the City had the following investment funds:

Investment Type	Cost	Fair Value	Weighted Average Maturity in Days
TexPool	\$ 21,011,720	\$ 21,011,720	35
TexSTAR	746,975	746,975	38
Wells Fargo - Brokered Certificate of Deposits	3,451,000	3,452,334	223
Municipal Bonds and Government Agencies	4,495,322	4,498,435	240
Schertz Bank & Trust - Certificate of Deposit	11,517,905	11,517,905	232
Total	<u>\$ 41,222,922</u>	<u>\$ 41,227,369</u>	<u>128</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to highly liquid investments to meet unanticipated cash requirements, and/or to redeploy cash into other investments expected to outperform current holdings.

Credit Risk. State law limits investments in certificates of deposit to guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor or the National Credit Union Share Insurance Fund, or its successor and investment pools continuously rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service. The City's investment policy does not further limit its investment choices. As of September 30, 2015, the City's investments were in TexPool, TexSTAR, certificates of deposits, and Municipal Bonds and government agencies, and all securities held maintained a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned. As of September 30, 2015, the City's cash and cash equivalents (including certificates of deposit, and component unit holdings) were fully collateralized by the City's depository by a combination of pledged collateral and FDIC insurance. All collateral is held in the City's name.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the government securities owned by the City are held by its agent in the City's name.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 3 - PROPERTY TAX

Total taxable values are as of January 1 and levied on October 1. The City has contracted with the Guadalupe County Tax Assessor-Collector to collect taxes on its behalf. Current taxes become delinquent February 1. Current year delinquent taxes not paid by July 1 are turned over to attorneys for collection action. The total taxable value as of October 1, 2014, upon which the fiscal 2015 levy was based, was \$1,553,892,482 (i.e., market value less exemptions). The estimated market value was \$1,859,030,031, making the taxable value 83.6% of the estimated market value.

The City is permitted by the Constitution of the State of Texas to levy taxes up to \$2.50 per \$100 of taxable assessed valuation for all governmental purposes. Pursuant to a decision of the Attorney General of the State of Texas, up to \$1.50 per \$100 of assessed valuation may be used for the payment of long-term debt. The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt for the year ended September 30, 2015, was \$0.4454 per \$100 of assessed value, which means that the City has a tax margin of \$2.0546 for each \$100 value and could increase its annual tax levy by approximately \$31,926,275 based upon the present assessed valuation before the limit is reached.

However, the City may not adopt a tax rate that exceeds the tax rate calculated in accordance with the Texas Property Tax Code without holding a public hearing. The Property Tax Code subjects an increase in the effective tax rate to a referendum election, if petitioned by registered voters, when the effective tax rate increase is more than eight percent (8%) of the previous year's effective tax rate.

Property taxes are recorded as receivables and unearned revenues at the time the taxes are assessed. In governmental funds, revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in the time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with generally accepted accounting principles have been recognized as revenue. In the government-wide financial statements, the entire levy is recognized as revenue, net of estimated uncollectible amounts (if any), at the levy date.

NOTE 4 - RECEIVABLES

Receivables as of year-end for the government's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds			Proprietary Funds		
	General	Debt Service	Nonmajor Funds	Water and Sewer Fund	Drainage Fund	Non-Major Funds
<i>Receivables:</i>						
Property Taxes	\$ 50,761	\$ 30,231	\$ -	\$ -	\$ -	\$ -
Sales Taxes	172,533	-	42,809	-	-	-
Franchise Taxes	119,486	-	-	-	-	-
Customers	-	-	-	1,736,957	64,275	-
Other	3,368	-	-	-	-	3,191
Gross Receivables	346,148	30,231	42,809	1,736,957	64,275	3,191
Less: Allowance for						
Uncollectibles	2,538	1,512	-	311,199	15,976	-
Net Total Receivables	<u>\$ 343,610</u>	<u>\$ 28,719</u>	<u>\$ 42,809</u>	<u>\$ 1,425,758</u>	<u>\$ 48,299</u>	<u>\$ 3,191</u>

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 4 – RECEIVABLES (CONTINUED)

Governmental funds report *unavailable revenue* in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unearned/unavailable revenue* and *unavailable revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned
<i>General Fund</i>		
Delinquent Property Taxes Receivable	\$ 41,813	\$ -
SCUCISD Program	-	14,167
Permits	-	23,061
<i>Total General Fund</i>	<u>41,813</u>	<u>37,228</u>
<i>Debt Service Fund</i>		
Delinquent Property Taxes Receivable	24,971	-
<i>Total Debt Service Fund</i>	<u>24,971</u>	<u>-</u>
<i>Non-Major Funds</i>		
Cibolo Fest	-	17,320
<i>Total Non-Major Fund</i>	<u>-</u>	<u>17,320</u>
<i>Total Governmental Funds</i>	<u>\$ 66,784</u>	<u>\$ 54,548</u>

NOTE 5 - INTERFUND BALANCES AND TRANSFERS

The following schedule briefly summarizes the City's transfer activity:

Transfer From	Transfer To	Amount	Purpose
Nonmajor Governmental	General	\$ 14,856	Crossing guard fees
Drainage	General	9,083	Drainage utility administration fees
Nonmajor Proprietary	Water & Sewer	433,122	Water impact in support of utility debt
Nonmajor Proprietary	Water & Sewer	209,574	Sewer impact in support of utility debt
Capital Projects	Drainage	436,252	Transfer of land and drainage project
Water & Sewer	General	140,943	Administration fees

The composition of interfund balances as of September 30, 2015 is as follows:

Due From	Due To	Amount	Purpose
Water & Sewer	General	\$ 27,323	Short-term cash flow borrowing
General	Nonmajor Proprietary	2,277	Water Impact revenue deposited in General
General	Nonmajor Proprietary	5,978	Sewer Impact revenue deposited in General
General	Nonmajor Governmental	1,464	Traffic Impact revenue deposited in General
Nonmajor Proprietary	Water & Sewer	9,487	Short-term cash flow borrowing
General	Nonmajor Proprietary	4,230	Drainage Impact revenue deposited in General
General	Nonmajor Governmental	4,800	Park Fee revenue deposited in General
General	Nonmajor Governmental	345	Court Tech revenue deposited in General
Nonmajor Governmental	General	169	Court Security short-term cash flow borrowing
Water & Sewer	Nonmajor Proprietary	10,541	Short-term cash flow borrowing
Nonmajor Governmental	General	2,311	Crossing guard reimbursement
Drainage	General	1,581	Drainage short-term cash flow borrowing
Nonmajor Governmental	General	159	Short-term cash flow borrowing
General	Capital Projects	4	Portion of interest

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2015 was as follows:

	Beginning Balance	Increases	Deletions/ Transfers & Adjustments	Ending Balance
Governmental Activities:				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 2,357,532	\$ 10,393	\$ (12,271)	\$ 2,355,654
Construction in Progress	200,857	1,277,251	(11,849)	1,466,259
<i>Total Capital Assets Not Being Depreciated</i>	<u>2,558,389</u>	<u>1,287,644</u>	<u>(24,120)</u>	<u>3,821,913</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings and Improvements	8,691,115	2,849	(66,373)	8,627,591
Improvements Other Than Buildings	27,029,176	1,294,226	11,849	28,335,251
Equipment and Vehicles	3,231,414	677,980	(102,612)	3,806,782
<i>Total Capital Assets Being Depreciated</i>	<u>38,951,705</u>	<u>1,975,055</u>	<u>(157,136)</u>	<u>40,769,624</u>
<i>Accumulated Depreciation:</i>				
Buildings and Improvements	(1,231,530)	(216,860)	57,227	(1,391,163)
Improvements Other Than Buildings	(6,885,668)	(1,343,091)	-	(8,228,759)
Equipment and Vehicles	(1,808,796)	(380,020)	83,300	(2,105,516)
<i>Total Accumulated Depreciation</i>	<u>(9,925,994)</u>	<u>(1,939,971)</u>	<u>140,527</u>	<u>(11,725,438)</u>
Total Capital Assets Being Depreciated, Net	<u>29,025,711</u>	<u>35,084</u>	<u>(16,609)</u>	<u>29,044,186</u>
Governmental Activities Capital Assets, Net	<u>\$ 31,584,100</u>	<u>\$ 1,322,728</u>	<u>\$ (40,729)</u>	<u>\$ 32,866,099</u>
	Beginning Balance	Increases	Deletions	Ending Balance
Business-Type Activities:				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 1,484,208	\$ 1,393	\$ (89,393)	\$ 1,396,208
Water Rights	475,000	-	-	475,000
Construction in Progress	967,993	935,276	(411,575)	1,491,694
<i>Total Assets Not Being Depreciated</i>	<u>2,927,201</u>	<u>936,669</u>	<u>(500,968)</u>	<u>3,362,902</u>
<i>Capital Assets, Being Depreciated:</i>				
Utility Systems	20,178,809	995,990	(110,616)	21,064,183
Equipment and Vehicles	1,260,393	127,148	-	1,387,541
<i>Total Capital Assets Being Depreciated</i>	<u>21,439,202</u>	<u>1,123,138</u>	<u>(110,616)</u>	<u>22,451,724</u>
<i>Accumulated Depreciation:</i>				
Utility Systems	(3,314,939)	(415,153)	8,313	(3,721,779)
Equipment and Vehicles	(466,088)	(132,181)	-	(598,269)
<i>Total Accumulated Depreciation</i>	<u>(3,781,027)</u>	<u>(547,334)</u>	<u>8,313</u>	<u>(4,320,048)</u>
Total Capital Assets Being Depreciated, Net	<u>17,658,175</u>	<u>575,804</u>	<u>(102,303)</u>	<u>18,131,676</u>
Business-Type Activities Capital Assets, Net	<u>\$ 20,585,376</u>	<u>\$ 1,512,473</u>	<u>\$ (603,271)</u>	<u>\$ 21,494,578</u>

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 6 - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

General Government	\$ 66,061
Law Enforcement and Municipal Court	218,287
Community Development Services	17,692
Public Works	1,298,012
Parks and Recreation	193,905
Animal Control	5,964
Fire	140,050
<i>Total Depreciation Expense - Governmental Activities</i>	<u><u>\$ 1,939,971</u></u>

Business-Type Activities:

Water, Sewer, and Drainage Systems	<u>\$ 547,334</u>
<i>Total Depreciation Expense - Business Type Activities</i>	<u><u>\$ 547,334</u></u>

NOTE 7 - CAPITAL LEASE

The City has entered into lease agreements to finance equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments at the inception date. The assets acquired through capital leases are as follows:

<i>Assets:</i>	Governmental Activities	Business-type Activities
Equipment	\$ 405,134	\$ 486,798
Less Accumulated Depreciation	(45,329)	(73,020)
Total	<u><u>\$ 359,805</u></u>	<u><u>\$ 413,778</u></u>

Future minimum obligations and the net present value of these minimum lease payments as of September 30, 2015 are as follows:

Year Ending September 30,	Governmental Activities	Business-type Activities
2016	\$ 82,687	\$ 102,974
2017	82,580	102,974
2018	77,162	75,493
2019	62,280	-
Total Payments	<u>304,709</u>	<u>281,441</u>
Less: Amount Representing Interest	(15,899)	(12,041)
Present Value of Minimum Lease Payments	<u><u>\$ 288,810</u></u>	<u><u>\$ 269,400</u></u>

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 8 - LONG TERM DEBT

The City issues a variety of long-term debt instruments in order to acquire and/or construct major capital facilities and equipment for governmental activities. These instruments include general obligation bonds, certificates of obligation, and capital leases. These debt obligations are secured by either future property tax revenue or liens on property and equipment.

In July 2015, the City issued General Obligation and Refunding Bonds Series 2015 in the amount of \$9,115,000 for public improvements and to partially refund the City's outstanding General Obligation Public improvement and Refunding Bonds Series 2007 for debt service savings. The refunding saved the City a total of \$5,510,000 with a net present value of \$507,948. The bonds mature serially through 2035. The payment of the related principal and interest is to be made from an annual ad valorem tax levied against all taxable property within the City.

Bonded debt of the City consists of various series of general obligation bonds, revenue bonds, and certificates of obligation. General obligation bonds and certificates of obligation are direct obligations of the City for which its full faith and credit are pledged, and are payable from taxes levied on all taxable property located within the City. Revenue bonds are generally payable from pledged revenues generated by the water and sewer fund. The debenture agreement for water and sewer bonds requires that funds be available for 1/12th of the principal and 1/6th of the interest requirements of the next fiscal year.

The City is required to accumulate a reserve fund in an amount equal to the average principal and interest on the revenue bonds.

A summary of the terms of general obligation bonds and combination of tax and revenue certificates of obligation outstanding at September 30, 2015, follows:

	Issue Amount	Maturity	Rate	Balance
<u>Primary Government</u>				
General Obligation Bonds				
2007 Series	\$ 5,325,000	2027	4.5%	\$ 1,190,000
2007 Series, Refunding	2,650,000	2027	4.5%	555,000
2009 Series	10,750,000	2029	4.0% - 4.6%	9,490,000
2010 Series, Refunding	920,000	2021	1.13% - 3.73%	560,000
2011 Series	8,650,000	2031	2.0% - 4.0%	7,050,000
2012 Series, Refunding	1,465,000	2030	1.5% - 3.0%	1,440,000
2013 Series	8,500,000	2033	2.0% - 4.0%	7,910,000
2014 Series	2,875,000	2034	2.0% - 3.5%	2,780,000
2015 Series	3,770,000	2035	3.0% - 4.0%	3,770,000
2015 Series, Refunding	3,995,000	2027	3.0% - 4.0%	3,995,000
Certificates of Obligation				
2003 Series	1,135,000	2017	4.0% - 3.5%	200,000
Total Governmental Long-Term Obligations				\$ 38,940,000
Revenue Bonds				
2006 Series	\$ 3,000,000	2026	4.07%	\$ 1,900,000
2012 Series	7,640,000	2032	1.5% - 3.5%	6,660,000
General Obligation Bonds				
2007 Series	3,025,000	2027	4.5%	625,000
2015 Series, Refunding	1,350,000	2027	3.0% - 4.0%	1,350,000
Total Business-Type Long-Term Obligations				\$ 10,535,000

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 8 - LONG-TERM DEBT (Continued)

Changes in long-term debt for the year ending September 30, 2015 are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental Activities:</i>					
General Obligation Bonds	\$ 32,440,000	\$ 3,770,000	\$ (4,020,000)	\$ 32,190,000	\$ 1,450,000
Unamortized Premium	418,360	322,423	(64,638)	676,145	64,638
General Obligation Refunding Bonds	4,090,000	3,995,000	(1,535,000)	6,550,000	235,000
Unamortized Premium	93,672	415,001	(37,777)	470,896	37,777
Certificates of Obligation	300,000	-	(100,000)	200,000	100,000
Capital Lease	72,309	299,827	(83,326)	288,810	76,718
Compensated Absences	297,200	428,276	(297,200)	428,276	85,655
<i>Total Governmental Activities</i>	<u>\$ 37,711,541</u>	<u>\$ 9,230,527</u>	<u>\$ (6,137,941)</u>	<u>\$ 40,804,127</u>	<u>\$ 2,049,788</u>
<i>Business-Type Activities:</i>					
Revenue Bonds	\$ 9,030,000	\$ -	\$ (470,000)	\$ 8,560,000	\$ 485,000
Unamortized Premium	413,841	-	(22,991)	390,850	22,991
General Obligation Bonds	2,185,000	-	(1,560,000)	625,000	170,000
General Obligation Refunding Bonds	-	1,350,000	-	1,350,000	-
Unamortized Premium	-	140,238	(10,787)	129,451	10,787
Capital Lease	366,788	-	(97,388)	269,400	96,692
Compensated Absences Payable	17,380	26,116	(17,380)	26,116	5,223
<i>Total Business-Type Activities</i>	<u>\$ 12,013,009</u>	<u>\$ 1,516,354</u>	<u>\$ (2,178,546)</u>	<u>\$ 11,350,817</u>	<u>\$ 790,693</u>
<i>Economic Development Corporation:</i>					
Compensated Absences Payable	<u>\$ 8,201</u>	<u>\$ 10,712</u>	<u>\$ (8,201)</u>	<u>\$ 10,712</u>	<u>\$ 2,142</u>

Annual debt service requirements of bonded debt as of September 30, 2015, are as follows:

September 30,	Governmental Activities		
	Principal	Interest	Total
2016	\$ 1,785,000	\$ 1,390,705	\$ 3,175,705
2017	1,975,000	1,313,223	3,288,223
2018	2,090,000	1,251,415	3,341,415
2019	2,255,000	1,181,724	3,436,724
2020	2,325,000	1,109,165	3,434,165
2021-2025	12,375,000	4,349,414	16,724,414
2026-2030	11,955,000	1,906,961	13,861,961
2031-2035	4,180,000	291,175	4,471,175
Total	<u>\$ 38,940,000</u>	<u>\$ 12,793,782</u>	<u>\$ 51,733,782</u>

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 8 - LONG-TERM DEBT (Continued)

September 30,	Business-Type Activities		
	Principal	Interest	Total
2016	\$ 655,000	\$ 337,897	\$ 992,897
2017	610,000	315,967	925,967
2018	630,000	298,752	928,752
2019	645,000	279,282	924,282
2020	660,000	260,120	920,120
2021-2025	3,625,000	985,880	4,610,880
2026-2030	2,740,000	412,972	3,152,972
2031-2032	970,000	51,275	1,021,275
Total	<u>\$ 10,535,000</u>	<u>\$ 2,942,145</u>	<u>\$ 13,477,145</u>

NOTE 9 - RETIREMENT PLAN

A. Plan Description

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the state of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the system with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.com.

All eligible employees of the City are required to participate in TMRS retirement system

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

At the December 31, 2014 valuation and measurement date, the following employees were covered by the benefit terms:

	2013	2014
Inactive employees or beneficiaries currently receiving benefits	17	19
Inactive employees entitled to but not yet receiving benefits	48	60
Active employees	103	108
	<u>168</u>	<u>187</u>

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 9 - RETIREMENT PLAN (Continued)

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

For the year ending September 30, 2015, employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 9.75% and 12.89% in calendar years 2014 and 2015, respectively. The City's contributions to TMRS for the year ended September 30, 2015 were \$632,009, and were equal to the required contributions.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2014, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

E. Actuarial Assumptions

The Total Pension Liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions:

Inflation	3.00% per year
Salary Increases	3.50% to 12.00%, including inflation
Investment Rate of Return*	7.00%

* Presented net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Health Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used with slight adjustments.

Actuarial assumptions used in the December 31, 2014 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2006 through December 31, 2009, first used in the December 31, 2010 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2014 valuation.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 9 - RETIREMENT PLAN (Continued)

E. Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments is 7.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding the expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.50%	4.80%
International Equity	17.50%	6.05%
Core Fixed Income	30.00%	1.50%
Non-Core Fixed Income	10.00%	3.50%
Real Return	5.00%	1.75%
Real Estate	10.00%	5.25%
Absolute Return	5.00%	4.25%
Private Equity	5.00%	8.50%
	<u>100.00%</u>	

F. Discount Rate

The discount rate used to measure the Total Pension Liability was 7%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 9 - RETIREMENT PLAN (Continued)

G. Changes in the Net Pension Liability

The below schedule presents the changes in the Net Pension Liability as of December 31, 2014:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2013	\$ 6,706,899	\$ 5,626,085	\$ 1,080,814
Changes for the year:			
Service Cost	801,058	-	801,058
Interest	490,946	-	490,946
Change of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	(25,502)	-	(25,502)
Changes of Assumptions	-	-	-
Contributions - Employer	-	480,458	(480,458)
Contributions - Employee	-	349,243	(349,243)
Net Investment Income	-	322,016	(322,016)
Benefit Payments, Including Refunds of Employee Contributions	(187,829)	(187,829)	-
Administrative Expense	-	(3,360)	3,360
Other Changes	-	(276)	276
Net Changes	1,078,673	960,252	118,421
Balance at December 31, 2014	\$ 7,785,572	\$ 6,586,337	\$ 1,199,235

Sensitivity of the net pension liability to changes in the discount rate.

The following presents the net pension liability of the City, calculated using the discount rate of 7.0%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	Discount Rate 6%	Discount Rate 7%	Discount Rate 8%
Net Pension Liability	\$ 2,603,360	\$ 1,199,235	\$ 83,934

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 9 - RETIREMENT PLAN (Continued)

I. Pension Expense and Deferred Outflow/Inflows of Resources Related to Pensions

For the year ended September 30, 2015, the City recognized pension expense of \$134,678. Also as of September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ -	\$ 20,313
Changes in Actuarial Assumptions	-	-
Differences Between Projected and Actual Investment Earnings	57,448	-
Contributions Subsequent to the Measurement Date	497,331	-
	<u>\$ 554,779</u>	<u>\$ 20,313</u>

Deferred outflows of resources in the amount of \$497,331 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the year ending September 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year ended December 31,	
2015	\$ 9,173
2016	9,173
2017	9,173
2018	9,616
	<u>\$ 37,135</u>

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by TMRS known as Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree life insurance during the employees' entire careers.

The City's contributions to the TMRS SDBF for the years ended 2015, 2014, and 2013 were \$6,745, \$5,754, and \$5,116, respectively, which equaled the required contributions each year.

NOTE 11 - JOINT VENTURES

Cibolo Valley Local Government Corporation

The Cibolo Valley Local Government Corporation (CVLGC) is a public nonprofit corporation incorporated in March 2012 to assist and act on behalf of the cities of Cibolo and Schertz to obtain additional water sources. The participating governments have an ongoing financial responsibility to fund the operation of the corporation through either purchase of services or by subsidizing the operations. Contributions to the corporation are reflected as "operating expenses" in the water and sewer fund. Separate financial statements for the CVLGC may be obtained from CVLGC, 108 West Mountain Street, Seguin, TX 78156.

The City of Cibolo is jointly liable, together with the City of Schertz, for operating deficits and long-term debt of CVLGC. Following is a summary of financial data as reported in the Corporation's audited financial statements dated September 30, 2014:

ASSETS:	
Current Assets	\$ 596,709
TOTAL ASSETS	<u>596,709</u>
LIABILITIES:	
Current Liabilities	<u>64,872</u>
TOTAL LIABILITIES	<u>64,872</u>
NET POSITION:	
Unrestricted	<u>531,837</u>
TOTAL NET POSITION	<u><u>\$ 531,837</u></u>

Canyon Regional Water Authority

Canyon Regional Water Authority (the "Authority") operates under Chapter 65 of the Texas Water Code. The Authority is comprised of the ten member entities listed in Note 1 section A. The Authority was created to purchase, own, hold, lease and otherwise acquire sources of potable water; build, operate and maintain facilities for the treatment and transportation of water; sell potable water to local governments, water supply corporations and other persons in this state; and to protect, preserve and restore the purity and sanitary condition of water in the area.

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 11 - JOINT VENTURES (CONTINUED)

Canyon Regional Water Authority (Continued)

Separate financial statements may be obtained from the Authority. Following is a summary of financial data as reported in the Authority's audited financial statements dated September 30, 2015:

ASSETS:	
Cash and Investments	\$ 3,397,755
Other Current Assets	1,961,540
Other Assets	8,116,489
Capital Assets (Net)	113,459,587
TOTAL ASSETS	<u>126,935,371</u>
LIABILITIES:	
Accounts Payable and Accruals	6,194,117
Long Term Debt	99,018,099
TOTAL LIABILITIES	<u>105,212,216</u>
NET POSITION:	
Net Investment in Capital Assets	9,796,862
Restricted	4,152,821
Unrestricted	7,773,472
TOTAL NET POSITION	<u>\$ 21,723,155</u>

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Construction Commitments

The City of Cibolo has entered into various contracts for construction projects. As of September 30, 2015, the City had the following estimated commitments related to these contracts:

	Estimated Project Cost to City	Expended to Date	Estimated Future Commitment
Green Valley Road Improvements	\$ 613,412	\$ 567,461	\$ 45,951
Dietz Creek Lift Station	69,144	-	69,144
Schlather Park & Town Creek Road Parking Lot and Road Improvements	354,626	274,379	80,247
City's Comprehensive Master Plan	120,000	4,140	115,860
FM 78 Corridor Study	73,000	4,382	68,618
Sidewalk Improvements Construction	192,165	41,647	150,518
City Community Center	325,500	40,163	285,337
Fire Station #1 Improvements	102,412	35,844	66,568
Gravity Sewer Main along FM 78	205,576	121,486	84,090
Cibolo Sports Complex	389,000	200,841	188,159
Town Creek Flood Control	575,030	489,493	85,537
Hackerville Road	197,660	87,035	110,625
Total Estimated Future Commitments	<u>\$ 3,217,525</u>	<u>\$ 1,866,871</u>	<u>\$ 1,350,654</u>

CITY OF CIBOLO, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2015

NOTE 12 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

The City is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the City's liability in these cases, if decided adversely to the City, will not have a material effect on the City's financial position.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City contracts with the Texas Municipal League Intergovernmental Risk Pool, a public entity risk pool currently operating as a common risk management and insurance program providing insurance coverage in the following areas: general liability, automobile liability and physical damage, law enforcement liability, worker's compensation, real and personal property, mobile equipment, and errors and omissions liability. TML is a multi-employer group that provides for a combination of risk sharing among pool participants and stop loss coverage. Contributions are set annually by the provider. Liability by the City is generally limited to the contributed amounts. Annual contributions for the year ended September 30, 2015 were \$205,559 for property and casualty and workers compensation coverage.

NOTE 13 - SUBSEQUENT EVENTS

The City awarded a bid to Qro-Mex Construction in the amount of \$1,874,518 to construct the F.M. 78 sanitary sewer main project.

The City approved a contract with Klein & Cope Engineering, Inc. for the engineering services of the Borgfeld Road improvements in the amount of \$394,400.

The City awarded a bid to D&D Contractors in the amount of \$11,275 to extend the drainage ways at the intersection of Bisson Ln. & Fritz Way.

The City approved a contract with Angelou Economic Advisors, Inc. for the strategic planning services for the Cibolo Economic Development Corporation in the amount of \$55,000.

The City approved a resolution to execute an amendment to the Agreement made pursuant to Texas Local Government code Chapter 380 with Wal-Mart Real Estate Business Trust. The amendment authorizes Wal-Mart Real Estate Business Trust to add home shopping pickup stalls to the retail development portion of the project. The addition of these home shopping pickup stalls will provide shopping convenience to customers of Wal-Mart.

The City awarded a bid to CFC Industries, LLC in the amount of \$170,000 for the reconditioning and repairing of the 1.0 million gallon ground water storage tank located on Cibolo Valley Drive.

In the November 2015 election, voters approved a \$3.5 million bond proposition for roadway improvements along Borgfeld Road. This roadway improvement project is along a major thoroughfare that connects Cibolo and Schertz and will improve traffic flow and pedestrian safety around the junior high school as well as improving traffic mobility along our new retail development area.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CIBOLO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		2015 Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,181,450	\$ 6,377,419	\$ 6,395,413	\$ 17,994
Permits and Fees	2,297,300	2,020,112	2,221,878	201,766
Service Fees	230,500	226,351	229,550	3,199
Fines and Fees	259,900	244,182	264,020	19,838
Park	32,600	33,764	34,678	914
Grant Revenue	4,000	18,740	15,733	(3,007)
Investment Earnings	12,500	14,158	15,635	1,477
Miscellaneous	41,800	39,113	46,524	7,411
TOTAL REVENUES	9,060,050	8,973,839	9,223,431	249,592
EXPENDITURES				
<i>General Government:</i>				
Mayor and Council Meeting Expense and Awards	3,500	4,190	3,555	635
City Council Contingency	6,500	4,305	3,666	639
Salaries and Fringe Benefits	389,299	502,664	495,025	7,639
Supplies	71,858	95,171	96,553	(1,382)
Maintenance	15,250	8,617	5,387	3,230
Contractual Services	525,205	438,400	367,241	71,159
Utilities	62,600	69,203	67,867	1,336
Capital Outlay	250,000	-	-	-
<i>Total General Government</i>	1,324,212	1,122,550	1,039,294	83,256
<i>Law Enforcement and Municipal Court:</i>				
Salaries and Fringe Benefits	2,542,258	2,481,353	2,400,940	80,413
Supplies	154,750	166,923	172,603	(5,680)
Maintenance	129,000	126,191	128,850	(2,659)
Contractual Services	386,018	355,398	362,452	(7,054)
Utilities	54,305	44,650	46,329	(1,679)
Capital Outlay	159,000	156,707	388,621	(231,914)
Principal and Interest	20,300	20,300	84,427	(64,127)
<i>Total Law Enforcement and Municipal Court</i>	3,445,631	3,351,522	3,584,222	(232,700)
<i>Community Development Services:</i>				
Salaries and Fringe Benefits	699,344	643,946	613,018	30,928
Supplies	24,750	23,113	16,021	7,092
Maintenance	14,350	10,483	8,064	2,419
Contractual Services	212,830	234,391	174,451	59,940
Utilities	4,000	3,516	3,460	56
Capital Outlay	24,000	24,000	26,440	(2,440)
<i>Total Community Development Services</i>	\$ 979,274	\$ 939,449	\$ 841,454	\$ 97,995

CITY OF CIBOLO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		2015	Variance With
	Original	Final	Actual	Final Budget -
			Amounts	Positive
				(Negative)
EXPENDITURES (Continued)				
<i>Public Works:</i>				
Salaries and Fringe Benefits	\$ 644,388	\$ 592,861	\$ 567,114	\$ 25,747
Supplies	149,125	120,944	125,209	(4,265)
Maintenance	73,500	67,617	69,517	(1,900)
Contractual Services	24,830	18,600	8,109	10,491
Utilities	5,000	7,719	9,750	(2,031)
Capital Outlay	50,000	50,000	15,787	34,213
<i>Total Public Works</i>	<u>946,843</u>	<u>857,741</u>	<u>795,486</u>	<u>62,255</u>
<i>Parks and Recreation:</i>				
Salaries and Fringe Benefits	375,292	320,548	305,144	15,404
Supplies	68,400	56,897	48,280	8,617
Maintenance	31,100	22,329	24,710	(2,381)
Contractual Services	6,270	6,616	6,107	509
Utilities	88,000	69,582	81,086	(11,504)
Capital Outlay	100,000	99,992	93,216	6,776
<i>Total Parks and Recreation</i>	<u>669,062</u>	<u>575,964</u>	<u>558,543</u>	<u>17,421</u>
<i>Animal Control:</i>				
Salaries and Fringe Benefits	102,425	88,775	87,098	1,677
Supplies	16,750	13,776	10,698	3,078
Maintenance	8,200	7,228	6,713	515
Contractual Services	10,480	11,913	10,988	925
Utilities	3,925	8,529	8,603	(74)
<i>Total Animal Control</i>	<u>141,780</u>	<u>130,221</u>	<u>124,100</u>	<u>6,121</u>
<i>Fire:</i>				
Salaries and Fringe Benefits	1,065,011	1,128,021	1,127,198	823
Supplies	61,700	59,899	54,587	5,312
Maintenance	23,500	21,771	22,336	(565)
Contractual Services	517,970	515,854	515,049	805
Utilities	24,350	25,785	30,172	(4,387)
Capital Outlay	376,025	222,642	223,053	(411)
<i>Total Fire</i>	<u>\$ 2,068,556</u>	<u>\$ 1,973,972</u>	<u>\$ 1,972,395</u>	<u>\$ 1,577</u>

CITY OF CIBOLO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		2015 Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES (Continued)				
<i>Finance:</i>				
Salaries and Fringe Benefits	\$ 201,537	\$ 213,870	\$ 206,495	\$ 7,375
Supplies	4,250	4,474	4,217	257
Contractual Services	135,500	132,519	129,246	3,273
<i>Total Finance</i>	<u>341,287</u>	<u>350,863</u>	<u>339,958</u>	<u>10,905</u>
<i>Information Technology:</i>				
Salaries and Fringe Benefits	182,367	128,196	128,840	(644)
Supplies	42,500	17,953	17,526	427
Maintenance	1,500	-	-	-
Contractual Services	26,750	34,745	34,133	612
Utilities	900	896	954	(58)
Capital Outlay	75,000	135,000	57,661	77,339
<i>Total Information Technology</i>	<u>329,017</u>	<u>316,790</u>	<u>239,114</u>	<u>77,676</u>
TOTAL EXPENDITURES	<u>10,245,662</u>	<u>9,619,072</u>	<u>9,494,566</u>	<u>124,506</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	 <u>(1,185,612)</u>	 <u>(645,233)</u>	 <u>(271,135)</u>	 <u>374,098</u>
 OTHER FINANCING SOURCES				
Sale of Assets	7,500	3,388	124,345	120,957
Issuance of Debt	-	-	299,827	299,827
Transfers In	169,550	161,627	164,882	3,255
TOTAL OTHER FINANCING SOURCES	<u>177,050</u>	<u>165,015</u>	<u>589,054</u>	<u>424,039</u>
 NET CHANGE IN FUND BALANCE	 (1,008,562)	 (480,218)	 317,919	 798,137
 FUND BALANCE - BEGINNING	 <u>5,568,009</u>	 <u>5,568,009</u>	 <u>5,568,009</u>	 <u>-</u>
 FUND BALANCE - ENDING	 <u>\$ 4,559,447</u>	 <u>\$ 5,087,791</u>	 <u>\$ 5,885,928</u>	 <u>\$ 798,137</u>

CITY OF CIBOLO, TEXAS
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
SEPTEMBER 30, 2015

Budgetary Information – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provision embodied in the annual appropriated budget approved by the City Council and as such is a good management control device. Annual budgets are adopted for the general fund; debt service fund; special revenue funds; capital replacement, Cibolo Fest, traffic impact, street impact, street maintenance, park fee, court technology, court security, police seizure, police special, police education, and child safety funds. Project-length financial plans are adopted for capital projects funds. Of these budgets, only the General Fund and Debt are legally adopted.

Budgetary preparation and control is exercised at the department level. Actual expenditures may not legally exceed appropriations at the fund level.

The City did not exceed the budgeted expenditures in any funds with legally adopted budgets during 2015. However, the budgets for the following special revenue funds were exceeded; capital replacement, Cibolofest, traffic impact, park fee, and police special.

The City does not use encumbrances.

CITY OF CIBOLO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES – NET PENSION LIABILITY AND RELATED RATIOS
LAST YEAR

Total Pension Liability	
	2014
Service Cost	\$ 801,058
Interest (on the Total Pension Liability)	490,946
Changes of Benefit Terms	-
Difference between Expected and Actual Experience	(25,502)
Change of Assumptions	-
Benefit Payments, Including Refunds of Employee Contributions	(187,829)
Net Change in Total Pension Liability	1,078,673
Total Pension Liability - Beginning	6,706,899
Total Pension Liability - Ending	<u>\$ 7,785,572</u>
Plan Fiduciary Net Position	
	2014
Contributions - Employer	\$ 480,458
Contributions - Employee	349,243
Net Investment Income	322,016
Benefit Payments, Including Refunds of Employee Contributions	(187,829)
Administrative Expense	(3,360)
Other	(276)
Net Change in Plan Fiduciary Net Position	960,252
Plan Fiduciary Net Position - Beginning	5,626,085
Plan Fiduciary Net Position - Ending	<u>\$ 6,586,337</u>
Net Pension Liability (Asset) - Ending	\$ 1,199,235
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.60%
Covered Employee Payroll	\$ 4,989,184
Net Pension Liability as a Percentage of Covered Employee Payroll	24.04%

CITY OF CIBOLO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
LAST FISCAL YEAR

Schedule of Contributions:

	2014
Actuarially Determined Contribution	\$ 632,009
Contributions in Relation to the Actuarially Determined Contribution	632,009
Contribution Deficiency (Excess)	\$ -
Covered Employee Payroll	\$ 5,296,108
Contributions as a Percentage of Covered Employee Payroll	11.93%

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen (13) months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	29 Years
Asset Valuation Method	10 Year Smoothed Market; 15% Soft Corridor
Inflation	3.00%
Salary Increases	3.50% to 12.00% including Inflation
Investment Rate of Return	7.00%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2010 valuation pursuant to an experience study of the period 2005 - 2009.
Mortality	RP2000 Combined Mortality Table with blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.



SUPPLEMENTARY INFORMATION

- Comparative Statements
 - General Fund
 - Debt Service Fund
 - Capital Projects Fund
- Combining and Comparative Individual Fund Statements - Nonmajor Governmental Funds
 - Capital Replacement Fund
 - Cibolo Fest Fund
 - Traffic Impact Fund
 - Street Impact Fund
 - Street Maintenance Fund
 - Park Fee Fund
 - Court Technology Fund
 - Court Security Fund
 - Police Seizure Fund
 - Police Special Fund
 - Police Education Fund
 - Child Safety Fund
- Combining Fund Statements – Nonmajor Proprietary Funds
 - Water Impact Fund
 - Sewer Impact Fund
 - Drainage Impact Fund
- Comparative Statements – Discretely Presented Component Units
 - Economic Development Corporation

CITY OF CIBOLO, TEXAS
COMPARATIVE BALANCE SHEETS
GENERAL FUND
SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and Cash Equivalents	\$ 6,044,995	\$ 5,603,515
Investments	459,304	440,088
Receivables (net of allowances):		
Taxes	340,242	329,195
Accounts and Other	3,368	325
Due from Other Funds	31,543	62,803
Due from Component Unit	528	2,421
Inventory	15,798	14,317
Prepays	1,661	1,288
	<u>1,661</u>	<u>1,288</u>
TOTAL ASSETS	<u><u>\$ 6,897,439</u></u>	<u><u>\$ 6,453,952</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 462,107	\$ 404,053
Accrued Liabilities	451,265	389,811
Due to Other Funds	19,098	25,209
Unearned Revenue	37,228	31,304
<i>Total Liabilities</i>	<u>969,698</u>	<u>850,377</u>
<i>Deferred Inflows of Resources:</i>		
Unavailable Revenue	<u>41,813</u>	<u>35,566</u>
<i>Fund Balance:</i>		
Nonspendable:		
Inventory	15,798	14,317
Prepaid Items	1,661	1,288
Restricted for:		
Public Education Grant Fees	224,200	161,181
Tree Project	1,400	1,400
Unassigned	5,642,869	5,389,823
<i>Total Fund Balance</i>	<u>5,885,928</u>	<u>5,568,009</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 6,897,439</u></u>	<u><u>\$ 6,453,952</u></u>

CITY OF CIBOLO, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
REVENUES		
Taxes	\$ 6,395,413	\$ 6,010,025
Permits and Fees	2,221,878	2,421,637
Service Fees	229,550	215,264
Fines and Fees	264,020	227,376
Parks Revenue	34,678	37,725
Grant Revenue	15,733	-
Investment Earnings	15,635	12,366
Miscellaneous	46,524	80,400
TOTAL REVENUES	<u>9,223,431</u>	<u>9,004,793</u>
EXPENDITURES		
Current:		
General Government	1,039,294	1,065,821
Law Enforcement and Municipal Court	3,111,173	2,883,848
Community Development Services	815,013	856,039
Public Works	779,699	738,612
Parks and Recreation	465,327	431,181
Animal Control	124,100	133,115
Fire	1,749,342	1,619,360
Finance	339,958	301,603
Information Technology	181,452	161,425
Capital Outlay	804,781	451,419
Debt Service:		
Principal	83,326	-
Interest and Fiscal Charges	1,101	-
TOTAL EXPENDITURES	<u>9,494,566</u>	<u>8,642,423</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(271,135)</u>	<u>362,370</u>
OTHER FINANCING SOURCES (USES)		
Sale of Assets	124,345	875
Issuances of Debt	299,827	72,309
Transfers In	164,882	149,209
TOTAL OTHER FINANCING SOURCES (USES)	<u>589,054</u>	<u>222,393</u>
Net Change in Fund Balance	<u>317,919</u>	<u>584,763</u>
Fund Balance at Beginning of Year	<u>5,568,009</u>	<u>4,983,246</u>
Fund Balance at End of Year	<u>\$ 5,885,928</u>	<u>\$ 5,568,009</u>

CITY OF CIBOLO, TEXAS
COMPARATIVE BALANCE SHEETS
DEBT SERVICE FUND
SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and Cash Equivalents	\$ 341,110	\$ 391,048
Investments	51,110	-
Receivables (net of allowances):		
Taxes	28,719	30,564
Due from Component Unit	<u>20,113</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 441,052</u></u>	<u><u>\$ 421,612</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
<i>Liabilities:</i>		
Accrued Interest Payable	<u>\$ 16,364</u>	<u>\$ 12,318</u>
<i>Deferred Inflows of Resources:</i>		
Unavailable Revenue	<u>24,971</u>	<u>21,494</u>
<i>Fund Balance:</i>		
Restricted for:		
Debt Service	<u>399,717</u>	<u>387,800</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 441,052</u></u>	<u><u>\$ 421,612</u></u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Property Taxes	\$ 2,830,000	\$ 2,841,580	\$ 2,834,053	\$ (7,527)	\$ 2,561,260
Investment Earnings	750	469	481	12	574
Miscellaneous Income	65,413	65,413	65,613	200	40,600
TOTAL REVENUES	<u>2,896,163</u>	<u>2,907,462</u>	<u>2,900,147</u>	<u>(7,315)</u>	<u>2,602,434</u>
EXPENDITURES					
Debt Service:					
Principal	1,545,000	1,545,000	5,655,000	(4,110,000)	1,310,000
Interest and Fiscal Charges	1,339,013	1,351,330	1,590,035	(238,705)	1,298,852
Bond Issue Costs	-	-	53,197	(53,197)	-
TOTAL EXPENDITURES	<u>2,884,013</u>	<u>2,896,330</u>	<u>7,298,232</u>	<u>(4,401,902)</u>	<u>2,608,852</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>12,150</u>	<u>11,132</u>	<u>(4,398,085)</u>	<u>(4,409,217)</u>	<u>(6,418)</u>
OTHER FINANCING SOURCES					
Issuance of Debt	-	1,311	3,995,000	3,993,689	-
Premium on Bonds	-	-	415,002	415,002	3,478
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>1,311</u>	<u>4,410,002</u>	<u>4,408,691</u>	<u>3,478</u>
Net Change in Fund Balance	12,150	12,443	11,917	(526)	(2,940)
FUND BALANCE, BEGINNING	<u>387,800</u>	<u>387,800</u>	<u>387,800</u>	<u>-</u>	<u>390,740</u>
FUND BALANCE, ENDING	<u>\$ 399,950</u>	<u>\$ 400,243</u>	<u>\$ 399,717</u>	<u>\$ (526)</u>	<u>\$ 387,800</u>

CITY OF CIBOLO, TEXAS
COMPARATIVE BALANCE SHEETS
CAPITAL PROJECTS FUND
SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and Cash Equivalents	\$ 19,282,993	\$ 15,042,832
Investments	2,577,379	3,549,110
Due From Other Funds	<u>4</u>	<u>802</u>
TOTAL ASSETS	<u><u>\$ 21,860,376</u></u>	<u><u>\$ 18,592,744</u></u>
LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 115,003	\$ 64,913
<i>Total Liabilities</i>	<u>115,003</u>	<u>64,913</u>
<i>Fund Balance:</i>		
Restricted for:		
Capital Improvement	<u>21,745,373</u>	<u>18,527,831</u>
<i>Total Fund Balance</i>	<u><u>21,745,373</u></u>	<u><u>18,527,831</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 21,860,376</u></u>	<u><u>\$ 18,592,744</u></u>

CITY OF CIBOLO, TEXAS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
CAPITAL PROJECTS FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
REVENUES		
Investment Earnings	\$ 73,674	\$ 30,753
TOTAL REVENUES	<u>73,674</u>	<u>30,753</u>
 EXPENDITURES		
Current:		
General Government	-	22,743
Capital Outlay	419,881	684,687
Debt Service:		
Bond Issue Costs	92,422	57,100
TOTAL EXPENDITURES	<u>512,303</u>	<u>764,530</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>(438,629)</u>	 <u>(733,777)</u>
 OTHER FINANCING SOURCES (USES)		
Issuances of Debt	3,770,000	2,875,000
Premium on Debt Issued	322,423	57,100
Transfers Out	(436,252)	(981,246)
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,656,171</u>	<u>1,950,854</u>
 Net Change in Fund Balance	 3,217,542	 1,217,077
 Fund Balance at Beginning of Year	 <u>18,527,831</u>	 <u>17,310,754</u>
 Fund Balance at End of Year	 <u><u>\$ 21,745,373</u></u>	 <u><u>\$ 18,527,831</u></u>

CITY OF CIBOLO, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	Special Revenue Funds				
	Capital Replacement Fund	Cibolo Fest Fund	Traffic Impact Fund	Street Impact Fund	Street Maintenance Fund
ASSETS					
Cash and Cash Equivalents	\$ 87,733	\$ 24,477	\$ 544,047	\$ 365,053	\$ 427,592
Accounts Receivable, Net of Allowance					
Taxes	-	-	-	-	42,809
Due from Other Funds	-	-	1,464	-	-
Prepaid Expenses	-	2,840	-	-	-
TOTAL ASSETS	<u>\$ 87,733</u>	<u>\$ 27,317</u>	<u>\$ 545,511</u>	<u>\$ 365,053</u>	<u>\$ 470,401</u>
LIABILITIES AND FUND BALANCE					
<i>Liabilities</i>					
Accounts Payable	\$ -	\$ 1,234	\$ 92,055	\$ 16,724	\$ -
Unearned Revenue	-	17,320	-	-	-
Due to Other Funds	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>18,554</u>	<u>92,055</u>	<u>16,724</u>	<u>-</u>
<i>Fund Balance</i>					
Nonspendable for:					
Prepays	-	2,840	-	-	-
Restricted for:					
Impact Fees	-	-	453,456	348,329	-
Capital Improvements	-	-	-	-	-
Special Events	-	5,923	-	-	-
Street Maintenance	-	-	-	-	470,401
Police Special	-	-	-	-	-
Court Special	-	-	-	-	-
Committed for:					
Capital Replacement	87,733	-	-	-	-
<i>Total Fund Balances</i>	<u>87,733</u>	<u>8,763</u>	<u>453,456</u>	<u>348,329</u>	<u>470,401</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 87,733</u>	<u>\$ 27,317</u>	<u>\$ 545,511</u>	<u>\$ 365,053</u>	<u>\$ 470,401</u>

Special Revenue Funds							
Park Fee Fund	Court Technology Fund	Court Security Fund	Police Seizure Fund	Police Special Fund	Police Education Fund	Child Safety Fund	Totals
\$ 615,989	\$ 11,053	\$ 25,062	\$ 2,794	\$ 1,690	\$ 5,601	\$ 63,726	\$ 2,174,817
-	-	-	-	-	-	-	42,809
4,800	345	-	-	-	-	-	6,609
-	-	-	-	-	-	-	2,840
<u>\$ 620,789</u>	<u>\$ 11,398</u>	<u>\$ 25,062</u>	<u>\$ 2,794</u>	<u>\$ 1,690</u>	<u>\$ 5,601</u>	<u>\$ 63,726</u>	<u>\$ 2,227,075</u>
\$ 53,441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 163,454
-	-	-	-	-	-	-	17,320
-	-	169	159	-	-	2,311	2,639
<u>53,441</u>	<u>-</u>	<u>169</u>	<u>159</u>	<u>-</u>	<u>-</u>	<u>2,311</u>	<u>183,413</u>
-	-	-	-	-	-	-	2,840
-	-	-	-	-	-	-	801,785
567,348	-	-	-	-	-	-	567,348
-	-	-	-	-	-	-	5,923
-	-	-	-	-	-	-	470,401
-	-	-	2,635	1,690	5,601	61,415	71,341
-	11,398	24,893	-	-	-	-	36,291
-	-	-	-	-	-	-	87,733
<u>567,348</u>	<u>11,398</u>	<u>24,893</u>	<u>2,635</u>	<u>1,690</u>	<u>5,601</u>	<u>61,415</u>	<u>2,043,662</u>
<u>\$ 620,789</u>	<u>\$ 11,398</u>	<u>\$ 25,062</u>	<u>\$ 2,794</u>	<u>\$ 1,690</u>	<u>\$ 5,601</u>	<u>\$ 63,726</u>	<u>\$ 2,227,075</u>

CITY OF CIBOLO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Revenue Funds				
	Capital Replacement Fund	Cibolo Fest Fund	Traffic Impact Fund	Street Impact Fund	Street Maintenance Fund
REVENUES					
Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ 241,491
Permits and Fees	-	-	-	-	-
Fines and Fees	-	-	-	-	-
Impact Fees	-	-	355,993	-	-
Investment Earnings	47	10	416	224	171
Miscellaneous	-	15,931	-	-	-
TOTAL REVENUES	<u>47</u>	<u>15,941</u>	<u>356,409</u>	<u>224</u>	<u>241,662</u>
EXPENDITURES					
Current:					
Law Enforcement and Municipal Court	2,029	-	-	-	-
Public Works	-	-	-	-	28,817
Parks and Recreation	-	21,049	-	-	-
Capital Outlay	-	-	538,025	104,861	-
TOTAL EXPENDITURES	<u>2,029</u>	<u>21,049</u>	<u>538,025</u>	<u>104,861</u>	<u>28,817</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,982)</u>	<u>(5,108)</u>	<u>(181,616)</u>	<u>(104,637)</u>	<u>212,845</u>
OTHER FINANCING SOURCES (USES)					
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1,982)	(5,108)	(181,616)	(104,637)	212,845
Fund Balances, Beginning	<u>89,715</u>	<u>13,871</u>	<u>635,072</u>	<u>452,966</u>	<u>257,556</u>
Fund Balances, Ending	<u>\$ 87,733</u>	<u>\$ 8,763</u>	<u>\$ 453,456</u>	<u>\$ 348,329</u>	<u>\$ 470,401</u>

Special Revenue Funds							
Park Fee Fund	Court Technology Fund	Court Security Fund	Police Seizure Fund	Police Special Fund	Police Education Fund	Child Safety Fund	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,491
248,400	-	-	-	-	-	-	248,400
-	7,270	5,588	-	-	-	-	12,858
-	-	-	-	-	-	-	355,993
339	3	12	-	1	3	29	1,255
-	-	-	-	825	2,553	25,334	44,643
<u>248,739</u>	<u>7,273</u>	<u>5,600</u>	<u>-</u>	<u>826</u>	<u>2,556</u>	<u>25,363</u>	<u>904,640</u>
-	6,000	3,001	-	1,048	2,081	-	14,159
-	-	-	-	-	-	-	28,817
-	-	-	-	-	-	-	21,049
<u>240,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>883,193</u>
<u>240,307</u>	<u>6,000</u>	<u>3,001</u>	<u>-</u>	<u>1,048</u>	<u>2,081</u>	<u>-</u>	<u>947,218</u>
<u>8,432</u>	<u>1,273</u>	<u>2,599</u>	<u>-</u>	<u>(222)</u>	<u>475</u>	<u>25,363</u>	<u>(42,578)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,856)</u>	<u>(14,856)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,856)</u>	<u>(14,856)</u>
8,432	1,273	2,599	-	(222)	475	10,507	(57,434)
<u>558,916</u>	<u>10,125</u>	<u>22,294</u>	<u>2,635</u>	<u>1,912</u>	<u>5,126</u>	<u>50,908</u>	<u>2,101,096</u>
<u>\$ 567,348</u>	<u>\$ 11,398</u>	<u>\$ 24,893</u>	<u>\$ 2,635</u>	<u>\$ 1,690</u>	<u>\$ 5,601</u>	<u>\$ 61,415</u>	<u>\$ 2,043,662</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAPITAL REPLACEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Investment Earnings	\$ 30	\$ 39	\$ 47	\$ 8	\$ 30
TOTAL REVENUES	<u>30</u>	<u>39</u>	<u>47</u>	<u>8</u>	<u>30</u>
EXPENDITURES					
Current:					
Law Enforcement	-	-	2,029	(2,029)	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>2,029</u>	<u>(2,029)</u>	<u>-</u>
Net Change in Fund Balance	30	39	(1,982)	(2,021)	30
FUND BALANCE, BEGINNING	<u>89,715</u>	<u>89,715</u>	<u>89,715</u>	<u>-</u>	<u>89,685</u>
FUND BALANCE, ENDING	<u>\$ 89,745</u>	<u>\$ 89,754</u>	<u>\$ 87,733</u>	<u>\$ (2,021)</u>	<u>\$ 89,715</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CIBOLO FEST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Investment Earnings	\$ 10	\$ 9	\$ 10	\$ 1	\$ 11
Miscellaneous	24,000	15,190	15,931	741	26,458
TOTAL REVENUES	<u>24,010</u>	<u>15,199</u>	<u>15,941</u>	<u>742</u>	<u>26,469</u>
EXPENDITURES					
Current:					
Parks and Recreation	22,000	19,624	21,049	(1,425)	23,372
TOTAL EXPENDITURES	<u>22,000</u>	<u>19,624</u>	<u>21,049</u>	<u>(1,425)</u>	<u>23,372</u>
Net Change in Fund Balance	2,010	(4,425)	(5,108)	(683)	3,097
FUND BALANCE, BEGINNING	<u>13,871</u>	<u>13,871</u>	<u>13,871</u>	<u>-</u>	<u>10,774</u>
FUND BALANCE, ENDING	<u>\$ 15,881</u>	<u>\$ 9,446</u>	<u>\$ 8,763</u>	<u>\$ (683)</u>	<u>\$ 13,871</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRAFFIC IMPACT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Impact Fees	\$ 300,000	\$ 345,224	\$ 355,993	\$ 10,769	\$ 318,224
Investment Earnings	250	379	416	37	242
TOTAL REVENUES	<u>300,250</u>	<u>345,603</u>	<u>356,409</u>	<u>10,806</u>	<u>318,466</u>
EXPENDITURES					
Capital Outlay	545,000	518,563	538,025	(19,462)	94,855
TOTAL EXPENDITURES	<u>545,000</u>	<u>518,563</u>	<u>538,025</u>	<u>(19,462)</u>	<u>94,855</u>
Net Change in Fund Balance	(244,750)	(172,960)	(181,616)	(8,656)	223,611
FUND BALANCE, BEGINNING	<u>635,072</u>	<u>635,072</u>	<u>635,072</u>	<u>-</u>	<u>411,461</u>
FUND BALANCE, ENDING	<u>\$ 390,322</u>	<u>\$ 462,112</u>	<u>\$ 453,456</u>	<u>\$ (8,656)</u>	<u>\$ 635,072</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
STREET IMPACT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015	Variance with	2014
	Original	Final	Actual	Final Budget- Positive (Negative)	Actual
REVENUES			Amounts		Amounts
Investment Earnings	\$ 175	\$ 195	\$ 224	\$ 29	\$ 221
TOTAL REVENUES	<u>175</u>	<u>195</u>	<u>224</u>	<u>29</u>	<u>221</u>
EXPENDITURES					
Capital Outlay	140,000	165,000	104,861	60,139	15,600
TOTAL EXPENDITURES	<u>140,000</u>	<u>165,000</u>	<u>104,861</u>	<u>60,139</u>	<u>15,600</u>
Net Change in Fund Balance	(139,825)	(164,805)	(104,637)	60,168	(15,379)
FUND BALANCE, BEGINNING	<u>452,966</u>	<u>452,966</u>	<u>452,966</u>	-	468,345
FUND BALANCE, ENDING	<u>\$ 313,141</u>	<u>\$ 288,161</u>	<u>\$ 348,329</u>	<u>\$ 60,168</u>	<u>\$ 452,966</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
STREET MAINTENANCE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Sales Tax	\$ 215,800	\$ 240,000	\$ 241,491	\$ 1,491	\$ 213,308
Investment Earnings	50	142	171	29	65
TOTAL REVENUES	<u>215,850</u>	<u>240,142</u>	<u>241,662</u>	<u>1,520</u>	<u>213,373</u>
EXPENDITURES					
Current:					
Public Safety	200,000	134,313	28,817	105,496	94,907
TOTAL EXPENDITURES	<u>200,000</u>	<u>134,313</u>	<u>28,817</u>	<u>105,496</u>	<u>94,907</u>
Net Change in Fund Balance	15,850	105,829	212,845	107,016	118,466
FUND BALANCE, BEGINNING	<u>257,556</u>	<u>257,556</u>	<u>257,556</u>	<u>-</u>	<u>139,090</u>
FUND BALANCE, ENDING	<u>\$ 273,406</u>	<u>\$ 363,385</u>	<u>\$ 470,401</u>	<u>\$ 107,016</u>	<u>\$ 257,556</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
PARK FEE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Permits and Fees	\$ 270,000	\$ 275,400	\$ 248,400	\$ (27,000)	\$ 289,200
Investment Earnings	400	311	339	28	308
TOTAL REVENUES	<u>270,400</u>	<u>275,711</u>	<u>248,739</u>	<u>(26,972)</u>	<u>289,508</u>
EXPENDITURES					
Capital Outlay	577,000	240,000	240,307	(307)	198,741
TOTAL EXPENDITURES	<u>577,000</u>	<u>240,000</u>	<u>240,307</u>	<u>(307)</u>	<u>198,741</u>
Net Change in Fund Balance	(306,600)	35,711	8,432	(27,279)	90,767
FUND BALANCE, BEGINNING	<u>558,916</u>	<u>558,916</u>	<u>558,916</u>	<u>-</u>	<u>468,149</u>
FUND BALANCE, ENDING	<u>\$ 252,316</u>	<u>\$ 594,627</u>	<u>\$ 567,348</u>	<u>\$ (27,279)</u>	<u>\$ 558,916</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
COURT TECHNOLOGY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Fines and Fees	\$ 6,500	\$ 7,594	\$ 7,270	\$ (324)	\$ 6,429
Investment Earnings	-	3	3	-	3
TOTAL REVENUES	<u>6,500</u>	<u>7,597</u>	<u>7,273</u>	<u>(324)</u>	<u>6,432</u>
EXPENDITURES					
Current:					
Law Enforcement and Municipal Court	6,000	6,000	6,000	-	6,000
TOTAL EXPENDITURES	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Net Change in Fund Balance	500	1,597	1,273	(324)	432
FUND BALANCE, BEGINNING	<u>10,125</u>	<u>10,125</u>	<u>10,125</u>	<u>-</u>	<u>9,693</u>
FUND BALANCE, ENDING	<u>\$ 10,625</u>	<u>\$ 11,722</u>	<u>\$ 11,398</u>	<u>\$ (324)</u>	<u>\$ 10,125</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
COURT SECURITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Fines and Fees	\$ 5,000	\$ 6,016	\$ 5,588	\$ (428)	\$ 4,833
Investment Earnings	10	12	12	-	12
TOTAL REVENUES	<u>5,010</u>	<u>6,028</u>	<u>5,600</u>	<u>(428)</u>	<u>4,845</u>
EXPENDITURES					
Current:					
Law Enforcement and Municipal Court	5,840	3,341	3,001	340	5,956
TOTAL EXPENDITURES	<u>5,840</u>	<u>3,341</u>	<u>3,001</u>	<u>340</u>	<u>5,956</u>
Net Change in Fund Balance	(830)	2,687	2,599	(88)	(1,111)
FUND BALANCE, BEGINNING	<u>22,294</u>	<u>22,294</u>	<u>22,294</u>	<u>-</u>	<u>23,405</u>
FUND BALANCE, ENDING	<u>\$ 21,464</u>	<u>\$ 24,981</u>	<u>\$ 24,893</u>	<u>\$ (88)</u>	<u>\$ 22,294</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
POLICE SEIZURE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015	Variance with	2014
	Original	Final	Actual	Final Budget- Positive (Negative)	Actual
REVENUES			Amounts		Amounts
Fines and Fees	\$ -	\$ 159	\$ -	\$ (159)	\$ 2,608
Investment Earnings	-	1	-	(1)	1
TOTAL REVENUES	-	160	-	(160)	2,609
EXPENDITURES					
Current:					
Law Enforcement and Municipal Court	-	-	-	-	3,750
TOTAL EXPENDITURES	-	-	-	-	3,750
Net Change in Fund Balance	-	160	-	(160)	(1,141)
FUND BALANCE, BEGINNING	2,635	2,635	2,635	-	3,776
FUND BALANCE, ENDING	\$ 2,635	\$ 2,795	\$ 2,635	\$ (160)	\$ 2,635

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
POLICE SPECIAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015	Variance with	2014
	Original	Final	Actual	Final Budget- Positive (Negative)	Actual
REVENUES			Amounts		Amounts
Investment Earnings	\$ -	\$ 1	\$ 1	\$ -	\$ 2
Miscellaneous	-	325	825	500	-
TOTAL REVENUES	<u>-</u>	<u>326</u>	<u>826</u>	<u>500</u>	<u>2</u>
EXPENDITURES					
Current					
Law Enforcement and					
Municipal Court	1,000	1,000	1,048	(48)	3,750
TOTAL EXPENDITURES	<u>1,000</u>	<u>1,000</u>	<u>1,048</u>	<u>(48)</u>	<u>3,750</u>
Net Change in Fund Balance	(1,000)	(674)	(222)	452	(3,748)
FUND BALANCE, BEGINNING	<u>1,912</u>	<u>1,912</u>	<u>1,912</u>	<u>-</u>	<u>5,660</u>
FUND BALANCE, ENDING	<u>\$ 912</u>	<u>\$ 1,238</u>	<u>\$ 1,690</u>	<u>\$ 452</u>	<u>\$ 1,912</u>

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
POLICE EDUCATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015	Variance with	2014
	Original	Final	Actual	Final Budget- Positive (Negative)	Actual
REVENUES			Amounts		Amounts
Investment Earnings	\$ 5	\$ 3	\$ 3	\$ -	\$ 7
Miscellaneous	2,400	2,553	2,553	-	2,388
TOTAL REVENUES	2,405	2,556	2,556	-	2,395
EXPENDITURES					
Current					
Law Enforcement and					
Municipal Court	5,000	5,000	2,081	2,919	11,565
TOTAL EXPENDITURES	5,000	5,000	2,081	2,919	11,565
Net Change in Fund Balance	(2,595)	(2,444)	475	2,919	(9,170)
FUND BALANCE, BEGINNING	5,126	5,126	5,126	-	14,296
FUND BALANCE, ENDING	\$ 2,531	\$ 2,682	\$ 5,601	\$ 2,919	\$ 5,126

CITY OF CIBOLO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CHILD SAFETY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015
(WITH COMPARATIVE ACTUAL TOTALS FOR 2014)

	Budgeted Amounts		2015 Actual Amounts	Variance with Final Budget- Positive (Negative)	2014 Actual Amounts
	Original	Final			
REVENUES					
Investment Earnings	\$ 20	\$ 27	\$ 29	\$ 2	\$ 24
Miscellaneous	24,000	24,448	25,334	886	25,237
TOTAL REVENUES	<u>24,020</u>	<u>24,475</u>	<u>25,363</u>	<u>888</u>	<u>25,261</u>
EXPENDITURES					
Current					
Law Enforcement and Municipal Court	30,000	-	-	-	4,743
TOTAL EXPENDITURES	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,743</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,980)</u>	<u>24,475</u>	<u>25,363</u>	<u>888</u>	<u>20,518</u>
OTHER FINANCING SOURCES (USES)					
Transfers Out	(20,750)	(15,045)	(14,856)	189	(10,306)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(20,750)</u>	<u>(15,045)</u>	<u>(14,856)</u>	<u>189</u>	<u>(10,306)</u>
Net Change in Fund Balance	(26,730)	9,430	10,507	1,077	10,212
FUND BALANCE, BEGINNING	<u>50,908</u>	<u>50,908</u>	<u>50,908</u>	<u>-</u>	<u>40,696</u>
FUND BALANCE, ENDING	<u>\$ 24,178</u>	<u>\$ 60,338</u>	<u>\$ 61,415</u>	<u>\$ 1,077</u>	<u>\$ 50,908</u>

CITY OF CIBOLO, TEXAS
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR PROPRIETARY FUNDS
 SEPTEMBER 30, 2015

	Proprietary Funds			
	Water Impact Fund	Sewer Impact Fund	Drainage Impact Fund	Totals
ASSETS				
Restricted Assets:				
Cash and Cash Equivalents	\$ 860,877	\$ 1,971,420	\$ 1,321,021	\$ 4,153,318
Investments	-	201,682	-	201,682
Accounts Receivable - Other	-	3,191	-	3,191
Due from Other Funds	12,818	5,978	4,230	23,026
TOTAL ASSETS	<u>873,695</u>	<u>2,182,271</u>	<u>1,325,251</u>	<u>4,381,217</u>
LIABILITIES				
Accounts Payable	3,039	47,398	74,607	125,044
Due to Other Funds	-	9,487	-	9,487
TOTAL LIABILITIES	<u>3,039</u>	<u>56,885</u>	<u>74,607</u>	<u>134,531</u>
NET POSITION				
Restricted For:				
Impact Fees	870,656	2,125,386	1,250,644	4,246,686
TOTAL NET POSITION	<u>\$ 870,656</u>	<u>\$ 2,125,386</u>	<u>\$ 1,250,644</u>	<u>\$ 4,246,686</u>

CITY OF CIBOLO, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN NET POSITION – NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Proprietary Funds			
	Water Impact Fund	Sewer Impact Fund	Drainage Impact Fund	Totals
NONOPERATING REVENUES				
Investment Earnings	\$ 2,390	\$ 3,778	\$ 1,949	\$ 8,117
Impact Fees	198,330	457,568	328,908	984,806
TOTAL NONOPERATING REVENUES	<u>200,720</u>	<u>461,346</u>	<u>330,857</u>	<u>992,923</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	200,720	461,346	330,857	992,923
Transfers In (Out)	<u>(433,122)</u>	<u>(209,573)</u>	<u>(74,988)</u>	<u>(717,683)</u>
CHANGE IN NET POSITION	(232,402)	251,773	255,869	275,240
NET POSITION AT BEGINNING OF YEAR	<u>1,103,058</u>	<u>1,873,613</u>	<u>994,775</u>	<u>3,971,446</u>
NET POSITION AT END OF YEAR	<u><u>\$ 870,656</u></u>	<u><u>\$ 2,125,386</u></u>	<u><u>\$ 1,250,644</u></u>	<u><u>\$ 4,246,686</u></u>

CITY OF CIBOLO, TEXAS
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Proprietary Funds			
	Water Impact Fund	Sewer Impact Fund	Drainage Impact Fund	Totals
Cash Flows From Operating Activities:				
Cash Owed (Paid) to Supplier for Goods & Services	\$ (1,533)	\$ 16,481	\$ 73,320	\$ 88,268
Net Cash Provided (Used) by Operating Activities	<u>(1,533)</u>	<u>16,481</u>	<u>73,320</u>	<u>88,268</u>
Cash Flows From Noncapital Financing Activities:				
Cash Advances From/(To) Other Funds	<u>(345,319)</u>	<u>(348,443)</u>	<u>(124,797)</u>	<u>(818,559)</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(345,319)</u>	<u>(348,443)</u>	<u>(124,797)</u>	<u>(818,559)</u>
Cash Flows From Capital and Related Financing Activities:				
Impact Fees	<u>198,330</u>	<u>457,568</u>	<u>328,908</u>	<u>984,806</u>
Net Cash Provided by Capital and Related Financing Activities	<u>198,330</u>	<u>457,568</u>	<u>328,908</u>	<u>984,806</u>
Cash Flows From Investing Activities:				
Proceeds (Purchases) from the Sale of Investments	16	(201,664)	11	(201,637)
Interest and Investment Earnings	<u>2,390</u>	<u>3,778</u>	<u>1,949</u>	<u>8,117</u>
Net Cash Provided (Used) by Investing Activities	<u>2,406</u>	<u>(197,886)</u>	<u>1,960</u>	<u>(193,520)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(146,116)</u>	<u>(72,280)</u>	<u>279,391</u>	<u>60,995</u>
Cash and Cash Equivalents at Beginning of Year:				
Restricted Cash and Cash Equivalents	<u>1,006,993</u>	<u>2,043,700</u>	<u>1,041,630</u>	<u>4,092,323</u>
	<u>1,006,993</u>	<u>2,043,700</u>	<u>1,041,630</u>	<u>4,092,323</u>
Cash and Cash Equivalents at End of Year:				
Restricted Cash and Cash Equivalents	<u>860,877</u>	<u>1,971,420</u>	<u>1,321,021</u>	<u>4,153,318</u>
	<u>\$ 860,877</u>	<u>\$ 1,971,420</u>	<u>\$ 1,321,021</u>	<u>\$ 4,153,318</u>

CITY OF CIBOLO, TEXAS
COMPARATIVE STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNIT
CIBOLO ECONOMIC DEVELOPMENT CORPORATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014*</u>
ASSETS		
Cash and Cash Equivalents	\$ 303,725	\$ 322,459
Sales Tax Receivables (net of allowances)	<u>42,809</u>	<u>43,694</u>
TOTAL ASSETS	<u>346,534</u>	<u>366,153</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Deferred Outflows	<u>11,650</u>	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>11,650</u>	<u>-</u>
LIABILITIES		
<i>Current Liabilities:</i>		
Accounts Payable	20,353	9,270
Accrued Liabilities	7,413	7,389
Due to Primary Government	20,641	2,421
Compensated Absences	<u>2,142</u>	<u>1,640</u>
<i>Total Current Liabilities</i>	<u>50,549</u>	<u>20,720</u>
<i>Noncurrent Liabilities:</i>		
Compensated Absences	8,570	6,561
Net Pension Liability	<u>25,184</u>	-
<i>Total Noncurrent Liabilities</i>	<u>33,754</u>	<u>6,561</u>
TOTAL LIABILITIES	<u>84,303</u>	<u>27,281</u>
DEFERRED INFLOWS OF RESOURCES		
Pension Related Deferred Inflows	<u>427</u>	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>427</u>	<u>-</u>
NET POSITION		
Restricted For:		
Economic Development	<u>273,454</u>	<u>338,872</u>
TOTAL NET POSITION	<u>\$ 273,454</u>	<u>\$ 338,872</u>

* 2014 has not been restated to reflect the adoption of GASB Statement No. 68 (note 1R).

CITY OF CIBOLO, TEXAS
 COMPARATIVE STATEMENT OF ACTIVITIES
 DISCRETELY PRESENTED COMPONENT UNIT
 CIBOLO ECONOMIC DEVELOPMENT CORPORATION
 FOR THE YEAR ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014*</u>
REVENUES		
Sales Taxes	\$ 241,491	\$ 213,308
Interest Revenues	153	107
Revenue from Primary Government	54,387	79,400
TOTAL REVENUES	<u>296,031</u>	<u>292,815</u>
EXPENSES		
Economic Development	<u>346,013</u>	<u>270,897</u>
TOTAL EXPENSES	<u>346,013</u>	<u>270,897</u>
<i>Change in Net Position</i>	(49,982)	21,918
<i>Beginning Net Position</i>	338,872	316,954
Prior Period Adjustment	<u>(15,436)</u>	<u>-</u>
<i>Ending Net Position</i>	<u><u>\$ 273,454</u></u>	<u><u>\$ 338,872</u></u>

* 2014 has not been restated for the effects of GASB Statement No. 68 (note 1R).

CITY OF CIBOLO, TEXAS
COMPARATIVE BALANCE SHEET
DISCRETELY PRESENTED COMPONENT UNIT
CIBOLO ECONOMIC DEVELOPMENT CORPORATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash and Cash Equivalents	\$ 303,725	\$ 322,459
Receivables		
Sales Taxes	42,809	41,925
Accounts and Other	<u>-</u>	<u>1,769</u>
TOTAL ASSETS	<u><u>\$ 346,534</u></u>	<u><u>\$ 366,153</u></u>
LIABILITIES AND FUND BALANCE		
<i>Liabilities:</i>		
Accounts Payable	\$ 20,353	\$ 9,270
Accrued Salaries and Benefits	7,413	7,389
Due to Primary Government	<u>20,641</u>	<u>2,421</u>
<i>Total Liabilities</i>	<u><u>48,407</u></u>	<u><u>19,080</u></u>
<i>Fund Balance:</i>		
Restricted for:		
Economic Development	<u>298,127</u>	<u>347,073</u>
<i>Total Fund Balance</i>	<u><u>298,127</u></u>	<u><u>347,073</u></u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 346,534</u></u>	<u><u>\$ 366,153</u></u>
TOTAL FUND BALANCE	\$ 298,127	\$ 347,073
Amounts reported in the statement of net assets are different because for the statement of net assets:		
Employee compensated absences are not payable in the current period and, therefore, are deferred in the funds	(10,712)	(8,201)
Net pension liabilities (and related deferred outflows and inflows of resources) do not consume current financial resources and are not reported in the funds:		
Net Pension Liability	(25,184)	-
Pension Related Deferred Outflows	11,650	-
Pension Related Deferred Inflows	<u>(427)</u>	<u>-</u>
TOTAL NET ASSETS	<u><u>\$ 273,454</u></u>	<u><u>\$ 338,872</u></u>

CITY OF CIBOLO, TEXAS
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - DISCRETELY PRESENTED COMPONENT UNIT
CIBOLO ECONOMIC DEVELOPMENT CORPORATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
REVENUES		
Sales Taxes	\$ 241,491	\$ 213,308
Investment Earnings	153	107
Revenue from Primary Government	<u>54,387</u>	<u>79,400</u>
TOTAL REVENUES	<u>296,031</u>	<u>292,815</u>
EXPENDITURES		
Economic Development	<u>344,977</u>	<u>262,696</u>
TOTAL EXPENDITURES	<u>344,977</u>	<u>262,696</u>
Net Change in Fund Balance	(48,946)	30,119
FUND BALANCE, BEGINNING	<u>347,073</u>	<u>316,954</u>
FUND BALANCE, ENDING	<u>\$ 298,127</u>	<u>\$ 347,073</u>
NET CHANGE IN FUND BALANCE	\$ (48,946)	\$ 30,119
Amounts reported in the statement of activities are different because:		
Governmental funds report required contributions to employee pensions as expenditures. However in the Statement of Activities the cost of the pension is recorded based on the actuarially determined cost of the plan. This is the amount that contributions exceeded the actuarially determined pension expense.		
	1,475	-
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Compensated Absences	<u>(2,511)</u>	<u>(8,201)</u>
CHANGE IN NET POSITION	<u>\$ (49,982)</u>	<u>\$ 21,918</u>

STATISTICAL SECTION

This part of the City of Cibolo's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends (Tables 1 through 4)

Net Position by Component
Change in Net Position
Fund Balances, Governmental Funds
Changes in Fund Balances, Governmental Funds

These schedules contain trend information to help reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity (Tables 5 through 12)

Tax Revenues by Source, Governmental Funds
Total Water and Sewer Consumption and Rates
Principal Water and Sewer Consumers
Assessed Value and Estimated Actual Value of Taxable Property
Direct and Overlapping Property Tax Rates
Principal Property Taxpayers
Property Tax Levies and Collections
Taxable Assessed Value

These schedules contain information to help readers assess the factors affecting the City's ability to generate its property and sales tax.

Debt Capacity (Tables 13 through 17)

Ratios of Outstanding Debt by Type
Ratios of General Bonded Debt Outstanding
Direct and Overlapping Governmental Activities Debt
Debt Margin Information
Pledged Revenue Coverage

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information (Tables 18 through 19)

Demographic and Economic Statistics
Principal Employers

These schedules offer demographic and economic indicators to help the reader understand how the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information (Tables 20 through 22)

Full-time Equivalent City Government Employees by Function
Operating Indicators by Function/Program
Capital Asset Statistics by Function/Program

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

CITY OF CIBOLO, TEXAS
NET POSITION, BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year			
	2006*	2007*	2008*	2009*
<i>Governmental Activities</i>				
Net Investment in Capital Assets	\$ 1,106,927	\$ 4,494,034	\$ 8,164,016	\$ 7,732,616
Restricted	4,007,735	2,234,750	1,863,848	2,029,772
Unrestricted	1,827,848	3,002,817	3,366,702	4,104,538
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ 6,942,510</u>	<u>\$ 9,731,601</u>	<u>\$ 13,394,566</u>	<u>\$ 13,866,926</u>
<i>Business-Type Activities</i>				
Net Investment in Capital Assets	\$ 2,494,073	\$ 3,883,385	\$ 7,339,992	\$ 6,862,064
Restricted	1,715,262	1,388,815	1,232,456	1,241,466
Unrestricted	828,506	919,609	1,540,011	3,085,787
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>\$ 5,037,841</u>	<u>\$ 6,191,809</u>	<u>\$ 10,112,459</u>	<u>\$ 11,189,317</u>
<i>Primary Government</i>				
Net Investment in Capital Assets	\$ 3,601,000	\$ 8,377,419	\$ 15,504,008	\$ 14,594,680
Restricted	5,722,997	3,623,565	3,096,304	3,271,238
Unrestricted	2,656,354	3,922,426	4,906,713	7,190,325
<i>Total Primary Government Net Position</i>	<u>\$ 11,980,351</u>	<u>\$ 15,923,410</u>	<u>\$ 23,507,025</u>	<u>\$ 25,056,243</u>

*Prior periods have not been restated for the adoption of GASB Statement No. 68 (note 1R).

TABLE 1

Fiscal Year					
2010*	2011*	2012*	2013*	2014*	2015
\$ 9,995,081	\$ 11,394,731	\$ 12,505,601	\$ 12,943,557	\$ 12,647,240	\$ 13,412,650
2,318,816	2,646,191	1,659,707	2,090,014	2,293,663	2,357,819
3,934,163	3,479,110	4,026,760	4,625,113	5,432,793	5,903,552
<u>\$ 16,248,060</u>	<u>\$ 17,520,032</u>	<u>\$ 18,192,068</u>	<u>\$ 19,658,684</u>	<u>\$ 20,373,696</u>	<u>\$ 21,674,021</u>
\$ 8,158,635	\$ 9,303,769	\$ 12,527,731	\$ 14,350,403	\$ 16,695,634	\$ 18,189,574
1,716,248	2,339,100	2,826,828	3,845,778	4,375,183	4,751,655
3,187,936	5,622,842	4,618,154	3,287,954	2,743,386	3,018,896
<u>\$ 13,062,819</u>	<u>\$ 17,265,711</u>	<u>\$ 19,972,713</u>	<u>\$ 21,484,135</u>	<u>\$ 23,814,203</u>	<u>\$ 25,960,125</u>
\$ 18,153,716	\$ 20,698,500	\$ 25,033,332	\$ 27,293,960	\$ 29,342,874	\$ 31,602,224
4,035,064	4,985,291	4,486,535	5,935,792	6,668,846	7,109,474
7,122,099	9,101,952	8,644,914	7,913,067	8,176,179	8,922,448
<u>\$ 29,310,879</u>	<u>\$ 34,785,743</u>	<u>\$ 38,164,781</u>	<u>\$ 41,142,819</u>	<u>\$ 44,187,899</u>	<u>\$ 47,634,146</u>

CITY OF CIBOLO, TEXAS
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2006*	2007*	2008*	2009*
Expenses				
<i>Governmental Activities</i>				
General Government	\$ 543,936	\$ 639,736	\$ 1,029,356	\$ 897,634
Law Enforcement and Municipal Court	1,525,518	1,708,004	1,789,584	1,787,604
Community Development	523,760	615,390	493,852	340,638
Public Works	577,651	694,566	1,394,360	1,539,794
Parks and Recreation	132,608	245,021	356,268	452,996
Animal Control	36,698	57,585	71,226	67,054
Economic Development	-	379,805	428,246	195,060
Fire	-	-	491,880	646,546
Finance	-	-	-	-
Information Technology	-	-	-	-
Capital Outlay	446,608	141,494	-	-
Interest on Long-Term Debt	164,417	304,491	455,324	836,572
<i>Total Governmental Activities</i>	<u>3,951,196</u>	<u>4,786,092</u>	<u>6,510,096</u>	<u>6,763,898</u>
<i>Business-Type Activities</i>				
Water, Sewer, and Drainage	4,129,780	3,711,259	4,246,673	5,219,757
Interest on Long-Term Debt	119,050	172,053	264,140	224,305
<i>Total Business-Type Activities</i>	<u>4,248,830</u>	<u>3,883,312</u>	<u>4,510,813</u>	<u>5,444,062</u>
Total Primary Government Expenses	<u><u>\$ 8,200,026</u></u>	<u><u>\$ 8,669,404</u></u>	<u><u>\$ 11,020,909</u></u>	<u><u>\$ 12,207,960</u></u>
Program Revenues				
<i>Governmental Activities</i>				
Charges for Service:				
General Government	\$ 133,130	\$ 157,971	\$ 169,282	\$ 37,530
Law Enforcement and Municipal Court	376,060	443,489	523,647	334,962
Community Development	1,786,710	3,498,323	2,560,933	2,099,796
Public Works	601,232	650,736	107,475	105,127
Parks and Recreation	174,977	5,962	8,457	170,340
Animal Control	6,590	8,773	8,679	-
Fire	-	-	-	-
Operating Grants and Contributions	54,178	75,368	26,911	39,122
Capital Grants and Contributions	487,378	-	2,777,059	-
<i>Total Governmental Activities</i>	<u>3,620,255</u>	<u>4,840,622</u>	<u>6,182,443</u>	<u>2,786,877</u>
<i>Program Revenues</i>				
<i>Business-Type Activities</i>				
Charges for Service:				
Water and Sewer	4,141,780	4,255,401	5,076,232	6,291,181
Capital Grants and Contributions	-	-	2,977,794	-
<i>Total Business-Type Activities</i>	<u>4,141,780</u>	<u>4,255,401</u>	<u>8,054,026</u>	<u>6,291,181</u>
<i>Program Revenues</i>				
Total Primary Government	<u><u>\$ 7,762,035</u></u>	<u><u>\$ 9,096,023</u></u>	<u><u>\$ 14,236,469</u></u>	<u><u>\$ 9,078,058</u></u>

*Prior periods not been restated for the adoption of GASB Statement No. 68 (note 1R).

TABLE 2

Fiscal Year					
2010*	2011*	2012*	2013*	2014*	2015
\$ 1,147,106	\$ 1,194,232	\$ 940,716	\$ 1,035,640	\$ 1,032,591	\$ 1,005,608
1,882,397	2,164,651	2,453,387	2,768,504	3,113,876	3,382,526
632,734	643,292	670,872	736,643	948,076	957,564
1,365,227	1,917,432	1,865,501	2,113,172	2,043,744	2,107,534
544,494	583,388	535,928	651,418	628,968	613,489
61,324	92,271	102,581	103,804	136,731	129,025
92,968	101,299	103,013	-	-	-
813,127	1,126,990	1,273,984	1,539,629	1,753,480	1,904,504
-	283,494	279,883	298,842	311,373	339,822
-	-	-	87,256	163,671	175,792
-	-	-	-	-	-
1,236,235	995,216	1,108,522	1,164,936	1,345,248	1,450,727
7,775,612	9,102,265	9,334,387	10,499,844	11,477,758	12,066,591
5,871,009	6,743,329	6,837,749	7,381,583	8,451,400	8,944,967
253,505	223,115	211,809	504,590	358,347	355,783
6,124,514	6,966,444	7,049,558	7,886,173	8,809,747	9,300,750
\$ 13,900,126	\$ 16,068,709	\$ 16,383,945	\$ 18,386,017	\$ 20,287,505	\$ 21,367,341
\$ 24,886	\$ 184,274	\$ -	\$ -	\$ -	\$ -
207,146	199,257	271,612	461,980	421,942	473,721
2,030,116	1,624,562	1,779,731	2,230,483	2,726,258	2,261,883
27,305	139,504	431,989	575,389	318,224	355,993
196,619	145,910	32,937	34,158	64,203	298,193
-	-	16,226	13,207	11,531	18,619
-	-	-	-	29,231	29,231
36,949	85,679	622,933	294,482	2,608	45,261
1,580,261	2,008,349	441,762	361,775	569,036	1,126,540
4,103,282	4,387,535	3,597,190	3,971,474	4,143,033	4,609,441
7,176,412	8,472,130	8,618,161	9,220,439	9,409,282	10,360,042
808,810	2,131,310	362,758	238,764	849,431	497,866
7,985,222	10,603,440	8,980,919	9,459,203	10,258,713	10,857,908
\$ 12,088,504	\$ 14,990,975	\$ 12,578,109	\$ 13,430,677	\$ 14,401,746	\$ 15,467,349

CITY OF CIBOLO, TEXAS
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS

	Fiscal Year			
	2006*	2007*	2008*	2009*
Net (Expenses) Revenue				
Governmental Activities	\$ (330,941)	\$ 54,530	\$ (327,653)	\$ (3,977,021)
Business-Type Activities	(107,050)	372,089	3,543,213	847,119
Total Primary Government Net Expenses	<u>\$ (437,991)</u>	<u>\$ 426,619</u>	<u>\$ 3,215,560</u>	<u>\$ (3,129,902)</u>
Governmental Revenues and Other Changes in Net Position				
<i>Governmental Activities</i>				
Taxes:				
Ad Valorem	\$ 1,443,842	\$ 1,977,613	\$ 2,679,743	\$ 3,204,868
Sales	330,234	425,339	594,414	588,271
Franchise Fees	220,161	301,298	417,035	547,790
Interest and Investment Earnings	230,008	453,725	395,770	97,271
Gain (Loss) on Sale of Capital Assets	(4,900)	-	1,781	6,375
Legal Judgement	-	-	-	-
Miscellaneous	60,817	50,013	100,487	207,806
Transfers	(193,733)	(473,427)	(198,612)	(203,000)
<i>Total Governmental Activities</i>	<u>2,086,429</u>	<u>2,734,561</u>	<u>3,990,618</u>	<u>4,449,381</u>
<i>Business-Type Activities</i>				
Interest and Investment Earnings	200,932	308,452	178,825	26,739
Gain on Sale of Capital Assets	-	-	-	-
Miscellaneous	-	-	-	-
Transfers	193,733	473,427	198,612	203,000
<i>Total Business-Type Activities</i>	<u>394,665</u>	<u>781,879</u>	<u>377,437</u>	<u>229,739</u>
Total Primary Government	<u>\$ 2,481,094</u>	<u>\$ 3,516,440</u>	<u>\$ 4,368,055</u>	<u>\$ 4,679,120</u>
Changes In Net Position				
Government Activities	\$ 1,755,488	\$ 2,789,091	\$ 3,662,965	\$ 472,360
Business-Type Activities	287,615	1,153,968	3,920,650	1,076,858
Total Primary Government	<u>\$ 2,043,103</u>	<u>\$ 3,943,059</u>	<u>\$ 7,583,615</u>	<u>\$ 1,549,218</u>

*Prior periods not been restated for the adoption of GASB Statement No. 68 (note 1R).

TABLE 2 (Continued)

Fiscal Year					
2010*	2011*	2012*	2013*	2014*	2015
\$ (3,672,330)	\$ (4,714,730)	\$ (5,737,197)	\$ (6,528,370)	\$ (7,334,725)	\$ (7,457,150)
1,860,708	3,636,996	1,931,361	1,573,030	1,448,966	1,557,158
<u>\$ (1,811,622)</u>	<u>\$ (1,077,734)</u>	<u>\$ (3,805,836)</u>	<u>\$ (4,955,340)</u>	<u>\$ (5,885,759)</u>	<u>\$ (5,899,992)</u>
\$ 4,477,319	\$ 4,978,614	\$ 5,410,039	\$ 6,059,839	\$ 6,701,205	\$ 7,396,959
690,045	679,651	794,950	1,010,623	1,072,230	1,212,798
660,435	662,030	692,803	691,404	974,741	870,923
38,845	29,135	22,874	41,774	44,618	91,047
5,461	6,319	18,125	966	875	83,616
-	-	112,500	-	-	-
181,359	190,324	125,827	91,601	83,782	19,681
-	(559,371)	(767,885)	98,779	(842,343)	(286,226)
<u>6,053,464</u>	<u>5,986,702</u>	<u>6,409,233</u>	<u>7,994,986</u>	<u>8,035,108</u>	<u>9,388,798</u>
12,794	6,525	6,041	28,591	36,250	56,646
-	-	-	1,737	2,509	338,233
-	-	1,715	6,843	-	10,564
-	559,371	767,885	(98,779)	842,343	286,226
<u>12,794</u>	<u>565,896</u>	<u>775,641</u>	<u>(61,608)</u>	<u>881,102</u>	<u>691,669</u>
<u>\$ 6,066,258</u>	<u>\$ 6,552,598</u>	<u>\$ 7,184,874</u>	<u>\$ 7,933,378</u>	<u>\$ 8,916,210</u>	<u>\$ 10,080,467</u>
\$ 2,381,134	\$ 1,271,972	\$ 672,036	\$ 1,466,616	\$ 700,383	\$ 1,931,648
1,873,502	4,202,892	2,707,002	1,511,422	2,330,068	2,248,827
<u>\$ 4,254,636</u>	<u>\$ 5,474,864</u>	<u>\$ 3,379,038</u>	<u>\$ 2,978,038</u>	<u>\$ 3,030,451</u>	<u>\$ 4,180,475</u>

CITY OF CIBOLO, TEXAS
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Nonspendable Fund Balance:				
Inventory & Prepaid Items	\$ 12,001	\$ 24,100	\$ 18,090	\$ 19,138
Total Nonspendable Fund Balance	<u>12,001</u>	<u>24,100</u>	<u>18,090</u>	<u>19,138</u>
Restricted Fund Balance:				
Impact Fees	960,368	1,796,227	1,548,822	1,748,762
Capital Improvement	676,040	-	48,090	-
PEG Capital Fees	-	-	-	-
Capital Projects	2,920,682	6,665,887	4,665,030	10,927,503
Debt Service	(17,888)	9,328	41,898	32,016
Special Events	-	-	-	-
Street Maintenance	-	48,421	183,362	142,937
Tree Project	-	-	-	-
Police Special	83,421	115,475	82,223	106,057
Court Special	-	-	-	-
Total Restricted Fund Balance	<u>4,622,623</u>	<u>8,635,338</u>	<u>6,569,425</u>	<u>12,957,275</u>
Committed Fund Balance:				
Capital Replacement	-	258,351	141,765	110,716
Total Committed Fund Balance	<u>-</u>	<u>258,351</u>	<u>141,765</u>	<u>110,716</u>
Unassigned Fund Balance	<u>1,304,188</u>	<u>3,078,213</u>	<u>3,289,211</u>	<u>4,232,393</u>
<i>Total Governmental Funds</i>	<u><u>\$ 5,938,812</u></u>	<u><u>\$ 11,996,002</u></u>	<u><u>\$ 10,018,491</u></u>	<u><u>\$ 17,319,522</u></u>

TABLE 3

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 14,868	\$ 11,718	\$ 34,703	\$ 39,599	\$ 19,973	\$ 20,299
14,868	11,718	34,703	39,599	19,973	20,299
1,950,713	2,136,399	803,937	879,806	1,088,038	801,785
-	233,039	273,097	468,149	558,916	567,348
-	-	49,991	104,363	161,181	224,200
4,343,790	9,280,218	9,059,500	17,310,754	18,527,831	21,745,373
86,224	200,495	198,747	390,740	387,800	399,717
-	-	7,990	8,940	14,629	5,923
213,958	76,258	231,389	139,090	257,556	470,401
-	-	-	1,400	1,400	1,400
67,921	-	57,684	64,428	55,455	71,341
-	-	36,872	33,098	32,419	36,291
6,662,606	11,926,409	10,719,207	19,400,768	21,085,225	24,323,779
114,987	157,471	94,454	89,685	89,715	87,733
114,987	157,471	94,454	89,685	89,715	87,733
4,050,956	3,519,621	4,323,998	4,839,719	5,389,823	5,642,869
\$ 10,843,417	\$ 15,615,219	\$ 15,172,362	\$ 24,369,771	\$ 26,584,736	\$ 30,074,680

CITY OF CIBOLO, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
REVENUES				
Taxes	\$ 1,998,334	\$ 2,703,074	\$ 3,689,405	\$ 4,332,284
Permits and Fees	1,786,710	4,149,059	2,668,408	2,095,246
Service Fees	6,590	8,773	8,679	34,746
Fines and Fees	517,035	449,451	532,104	448,396
Grants	75,334	75,368	26,911	39,122
Other Revenue	1,038,033	661,706	665,543	474,027
TOTAL REVENUES	<u>5,422,036</u>	<u>8,047,431</u>	<u>7,591,050</u>	<u>7,423,821</u>
EXPENDITURES				
Current:				
General Government	487,430	655,283	834,105	868,521
Law Enforcement and Municipal Court	1,463,978	1,634,651	1,682,308	1,698,498
Community Development Services	513,207	586,752	450,312	336,315
Public Works	854,803	476,904	1,255,770	935,159
Parks and Recreation	99,787	205,232	255,672	318,041
Animal Control	36,447	51,836	62,094	62,117
Economic Development	-	374,040	425,290	200,419
Fire	-	-	463,656	646,088
Finance	-	-	-	-
Information Technology	-	-	-	-
<i>Capital Outlay</i>	844,101	2,160,749	3,299,516	6,433,718
<i>Debt Service:</i>				
Principal	192,695	3,136,224	405,767	255,000
Interest and Fiscal Charges	93,915	203,410	457,033	492,068
Bond Issue Costs	56,000	85,071	-	242,462
TOTAL EXPENDITURES	<u>4,642,363</u>	<u>9,570,152</u>	<u>9,591,523</u>	<u>12,488,406</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>779,673</u>	<u>(1,522,721)</u>	<u>(2,000,473)</u>	<u>(5,064,585)</u>
OTHER FINANCING				
SOURCES (USES)				
Sale of Assets	-	-	39,450	6,375
Issuance of Debt	3,047,562	7,975,000	182,124	12,562,241
Payment to Escrow Agent	-	-	-	-
Premium on Issuance of Debt	-	-	-	-
Gain on judgement	-	-	-	-
Transfers In (Out)	(193,733)	(395,089)	(198,612)	(203,000)
TOTAL OTHER FINANCING	<u></u>	<u></u>	<u></u>	<u></u>
SOURCES (USES)	<u>2,853,829</u>	<u>7,579,911</u>	<u>22,962</u>	<u>12,365,616</u>
NET CHANGE IN FUND BALANCE	<u>\$ 3,633,502</u>	<u>\$ 6,057,190</u>	<u>\$ (1,977,511)</u>	<u>\$ 7,301,031</u>
Debt Service as a percentage of				
Noncapital Expenditures	9.0%	46.2%	13.7%	16.3%

TABLE 4

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 5,814,007	\$ 6,287,774	\$ 6,921,688	\$ 7,731,520	\$ 8,784,593	\$ 9,470,957
2,010,543	1,554,475	1,779,731	2,287,228	2,710,837	2,470,278
22,815	25,886	377,058	407,709	215,244	229,550
261,357	515,904	773,629	620,280	597,215	667,549
36,949	85,679	77,138	194,558	-	15,733
410,777	438,147	409,073	233,300	219,702	247,825
<u>8,556,448</u>	<u>8,907,865</u>	<u>10,338,317</u>	<u>11,474,595</u>	<u>12,527,591</u>	<u>13,101,892</u>
1,098,022	1,143,342	883,644	943,064	1,088,564	1,039,294
1,813,141	2,022,833	2,279,601	2,597,412	2,919,612	3,125,332
626,622	629,500	672,802	722,156	856,039	815,013
704,592	727,916	729,458	934,730	833,519	808,516
320,421	434,186	389,464	450,716	454,553	486,376
57,055	87,557	101,984	103,607	133,115	124,100
88,534	98,667	101,424	-	-	-
808,021	1,045,521	1,150,082	1,405,512	1,619,360	1,749,342
-	288,742	276,702	297,877	301,603	339,958
-	-	-	83,689	161,425	181,452
7,782,866	3,880,415	1,336,969	1,221,393	1,445,302	2,107,855
475,000	1,000,000	1,145,000	1,160,000	1,310,000	5,738,326
1,263,740	872,071	1,104,522	1,173,141	1,298,852	1,591,136
-	185,101	-	-	57,100	145,619
<u>15,038,014</u>	<u>12,415,851</u>	<u>10,171,652</u>	<u>11,093,297</u>	<u>12,479,044</u>	<u>18,252,319</u>
<u>(6,481,566)</u>	<u>(3,507,986)</u>	<u>166,665</u>	<u>381,298</u>	<u>48,547</u>	<u>(5,150,427)</u>
5,461	6,319	36,363	966	875	124,345
-	9,570,000	-	9,965,000	2,947,309	8,064,827
-	(891,669)	-	(1,505,299)	-	-
-	154,509	-	256,665	60,578	737,425
-	-	122,000	-	-	-
-	(559,371)	(138,142)	98,779	(842,343)	(286,226)
<u>5,461</u>	<u>8,279,788</u>	<u>20,221</u>	<u>8,816,111</u>	<u>2,166,419</u>	<u>8,640,371</u>
<u>\$ (6,476,105)</u>	<u>\$ 4,771,802</u>	<u>\$ 186,886</u>	<u>\$ 9,197,409</u>	<u>\$ 2,214,966</u>	<u>\$ 3,489,944</u>
24.0%	24.1%	25.5%	23.6%	23.5%	46.3%

CITY OF CIBOLO, TEXAS
TAX REVENUE BY SOURCE – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

TABLE 5

Fiscal Year	Property	Sales & Use	Franchise	Total Revenue
2015	\$ 7,387,236	\$ 1,212,798	\$ 870,923	\$ 9,470,957
2014	6,737,621	1,072,231	974,741	8,784,593
2013	6,029,493	1,010,623	691,404	7,731,520
2012	5,433,935	794,950	692,803	6,921,688
2011	4,942,539	683,205	662,030	6,287,774
2010	4,462,743	690,829	660,435	5,814,007
2009	3,195,807	588,687	547,790	4,332,284
2008	2,677,956	594,414	417,035	3,689,405
2007	1,976,437	425,339	301,298	2,703,074
2006	1,447,940	330,234	220,160	1,998,334

CITY OF CIBOLO, TEXAS
TOTAL WATER AND SEWER CONSUMPTION AND RATES
LAST TEN FISCAL YEARS

TABLE 6

<u>Fiscal Year Ended September 30,</u>	<u>Total Water Consumption (In Gallons)</u>	<u>Water & Sewer Base Rate - Residential</u>	<u>Water & Sewer Initial Rate Per Tgal - Residential</u>	<u>Water & Sewer Base Rate - Commercial</u>	<u>Water & Sewer Initial Rate Per Tgal - Commercial</u>
2015	\$ 450,615,000	\$ 40.50	\$ 9.60	\$ 48.75	\$ 10.30
2014	470,864,998	36.00	8.74	46.00	9.92
2013	483,373,702	36.00	8.74	46.00	9.92
2012	515,859,100	36.00	8.74	46.00	9.92
2011	547,422,700	34.00	8.13	44.00	9.20
2010	413,794,000	32.00	6.26	41.00	6.26
2009	504,494,600	32.00	6.26	41.00	6.26
2008	445,075,900	32.00	6.26	41.00	6.26
2007	320,412,300	27.00	4.65	36.60	4.65
2006	382,709,300	27.00	4.65	36.60	4.65

CITY OF CIBOLO, TEXAS
PRINCIPAL WATER AND SEWER CONSUMERS
CURRENT YEAR AND TEN YEARS AGO

TABLE 7

Consumers	2015			2006		
	Total Water Consumption (in Gallons)	Rank	Percentage of Total City Water Consumption	Total Water Consumption (in Gallons)	Rank	Percentage of Total City Water Consumption
SCUCISD	12,243,900	1	2.72%	19,294,600	1	5.04%
MW Builders	2,964,300	2	0.66%			
McBain Properties	2,076,200	3	0.46%			
Lennar	2,026,700	4	0.45%			
Signature Plating	1,990,700	5	0.44%	2,039,200	9	0.53%
Buffalo Crossing Association	1,780,000	6	0.40%	3,055,800	2	0.80%
Cibolo Niemietz Park	1,642,400	7	0.36%			
Pic N Pac #15	1,642,300	8	0.36%			
WalMart	1,378,600	9	0.31%			
Buell's Inc.	1,327,600	10	0.29%	2,780,200	3	0.73%
Joe Bland Construction				2,748,700	4	0.72%
City of Cibolo				2,732,900	5	0.71%
Falcon HOA Spectrum				2,602,300	6	0.68%
Falcon Ridge HOA				2,555,900	7	0.67%
Brentwood Ranch HOA				2,281,400	8	0.60%
Brazos Valley Construction				1,911,400	10	0.50%
TOTAL	<u>29,072,700</u>		6.45%	<u>42,002,400</u>		10.98%
Total City Water Consumption	450,615,000			382,709,300		

CITY OF CIBOLO, TEXAS
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

TABLE 8

Fiscal Year Ended September 30,	Total Taxable Assessed Value	Total Direct Tax Rate
2015	\$ 1,687,064,551	0.4454
2014	1,529,261,589	0.4454
2013	1,428,355,068	0.4327
2012	1,288,030,747	0.4256
2011	1,212,866,771	0.4139
2010	1,101,660,872	0.4100
2009	1,005,717,426	0.3186
2008	835,588,346	0.3186
2007	615,184,027	0.3186
2006	450,822,920	0.3178

Source: Guadalupe County Appraisal District

NOTES: Property in the City of Cibolo is reassessed every year at estimated actual value. For this reason, assessed value is equal to estimated actual value. Tax rates are per \$100 of assessed value. Total taxable assessed value is before any applicable freeze adjustments.

CITY OF CIBOLO, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 9

Fiscal Year	Direct Rate City of Cibolo	Overlapping Rates	
		Schertz- Cibolo- Universal City ISD	Guadalupe County
2015	0.4454	1.4900	0.3941
2014	0.4454	1.4900	0.3999
2013	0.4327	1.4600	0.4036
2012	0.4256	1.4350	0.4036
2011	0.4139	1.4350	0.3999
2010	0.4100	1.4200	0.3895
2009	0.3186	1.3850	0.3895
2008	0.3186	1.3150	0.3895
2007	0.3186	1.6100	0.4031
2006	0.3178	1.7200	0.4031

Source: Guadalupe County Tax Office

NOTE: Overlapping rates are those of local and county governments that apply within the City of Cibolo.

CITY OF CIBOLO, TEXAS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO

TABLE 10

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Sanjel Capital USA Inc.	\$ 84,074,212	1	4.98%			
Sanjel Canada USA Inc.	26,971,435	2	1.60%			
Kalmar RT Center LLC	23,450,442	3	1.39%			
Sanjel USA Inc.	12,044,167	4	0.71%			
Kalmar RT Center LLC	7,331,522	5	0.43%			
Guadalupe Valley Electric Co-Op	5,467,473	6	0.32%	\$ 1,343,990	8	0.30%
Babcock Road 165 LTD	4,447,841	7	0.26%			
MacBain Properties (Texas) Inc.	3,233,392	8	0.19%			
MacBain Properties (Texas) Inc.	2,723,789	9	0.16%			
New Haven Development of Cibolo LLC	2,637,602	10	0.16%			
RH of Texas LP				2,391,768	1	0.53%
Greenbrook - San Antonio LP				2,006,687	2	0.45%
Timber Tech Texas Inc.				1,855,321	3	0.41%
Centex Homes				1,849,341	4	0.41%
KB Home Lone Star				1,806,225	5	0.40%
North American Bullet Proof Inc.				1,719,520	6	0.38%
Jungle Laboratories Corp.				1,391,921	7	0.31%
PYKA Properties Inc.				1,055,128	9	0.23%
Sutton Steele & Steele Inc.				1,023,727	10	0.23%
TOTALS	<u>\$ 172,381,875</u>		<u>10.22%</u>	<u>\$ 16,443,628</u>		<u>3.65%</u>
TOTAL TAXABLE ASSESSED VALUE	<u>\$ 1,687,064,551</u>			<u>\$ 450,822,920</u>		

Source: Guadalupe County Appraisal District

CITY OF CIBOLO, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 11

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected Within Fiscal Year of Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	% of Levy		Amount	% of Levy
2015	\$ 7,386,249	\$ 7,354,232	99.57%	\$ -	\$ 7,354,232	99.57%
2014	6,648,113	6,606,247	99.37%	13,685	6,619,932	99.58%
2013	6,025,204	5,966,742	99.03%	33,509	6,000,251	99.59%
2012	5,392,662	5,367,232	99.53%	17,893	5,385,125	99.86%
2011	4,924,577	4,893,457	99.37%	24,928	4,918,385	99.87%
2010	4,441,276	4,405,805	99.20%	31,034	4,436,839	99.90%
2009	3,183,790	3,156,026	99.13%	25,810	3,181,836	99.94%
2008	2,648,876	2,642,775	99.77%	5,584	2,648,359	99.98%
2007	1,959,999	1,947,226	99.35%	11,892	1,959,118	99.96%
2006	1,496,387	1,419,142	94.84%	76,279	1,495,421	99.94%

Source: Guadalupe County Tax Office

CITY OF CIBOLO, TEXAS
TAXABLE ASSESSED VALUE
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 12

Fiscal Year Ended September 30,	Taxable Value January 1,	Residential Property	Commercial Property	Tax-Exempt Property	Other Property	Total Taxable Assessed Value*	Total Direct Tax Rate
2015	2014	\$ 1,496,870,962	\$ 224,557,770	\$ (151,738,294)	\$ 117,374,113	\$ 1,687,064,551	0.4454
2014	2013	1,373,819,236	205,346,897	(149,792,893)	99,888,349	1,529,261,589	0.4454
2013	2012	1,302,276,711	159,922,830	(134,453,134)	100,608,661	1,428,355,068	0.4327
2012	2011	1,230,104,615	82,409,561	(127,786,620)	103,303,191	1,288,030,747	0.4256
2011	2010	1,153,466,284	77,307,748	(113,161,939)	95,254,678	1,212,866,771	0.4139
2010	2009	1,047,891,417	61,419,916	(103,047,503)	95,397,042	1,101,660,872	0.4100
2009	2008	942,930,117	53,872,725	(63,041,986)	71,956,570	1,005,717,426	0.3186
2008	2007	779,054,718	47,316,189	(52,880,998)	62,098,437	835,588,346	0.3186
2007	2006	561,892,286	39,496,417	(29,186,962)	42,982,286	615,184,027	0.3186
2006	2005	411,897,401	32,683,601	(20,146,774)	26,388,692	450,822,920	0.3178

**Taxable Assessed Value is before any applicable freeze adjustments.*

Source: Guadalupe County Appraisal District.

CITY OF CIBOLO, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Notes Payable	Capital Lease
2015	\$ 38,740,000	\$ 200,000	\$ -	\$ -	\$ 288,810
2014	36,530,000	300,000	-	-	72,309
2013	35,286,689	400,000	-	-	-
2012	26,187,106	1,970,000	-	-	-
2011	26,980,000	2,105,000	-	-	-
2010	18,240,000	3,145,000	-	-	-
2009	18,555,000	3,305,000	-	-	-
2008	7,895,000	1,870,000	-	-	-
2007	7,975,000	2,000,000	-	13,643	-
2006	-	2,120,000	3,000,000	29,265	-

NOTES: a Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

b. See Table 18 for personal income and population data for the City. These ratios are calculated using personal income and population for the prior calendar year.

TABLE 13

Business-Type Activities						
Revenue Bonds	General Obligation Bonds	Tax Notes	Capital Lease	Total Primary Government	Percent of Gross Income	*Per Capita
\$ 8,560,000	\$ 1,975,000	\$ -	\$ 269,400	\$ 50,033,210	5.97%	1,849
9,030,000	2,185,000	-	366,788	48,484,097	6.17%	1,901
9,916,832	2,335,000	-	84,200	48,022,721	6.26%	1,929
2,325,000	2,505,000	-	166,131	33,153,237	4.53%	1,417
2,455,000	2,655,000	-	-	34,195,000	4.87%	1,591
2,580,000	2,795,000	-	-	26,760,000	4.33%	1,367
2,695,000	2,900,000	-	-	27,455,000	4.81%	1,484
2,805,000	2,975,000	200,000	-	15,745,000	N/A	977
2,905,000	3,025,000	390,000	-	16,308,643	N/A	1,121
3,000,000	-	575,000	-	8,724,265	N/A	765

CITY OF CIBOLO, TEXAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

TABLE 14

Fiscal Year	General Bonded Debt Outstanding				Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Total		
2015	\$ 40,715,000	\$ 200,000	\$ -	\$ 40,915,000	2.43%	1,512
2014	38,715,000	300,000	-	39,015,000	2.55%	1,530
2013	37,621,689	400,000	-	38,021,689	2.66%	1,527
2012	28,692,106	1,970,000	-	30,662,106	2.38%	1,310
2011	29,635,000	2,105,000	-	31,740,000	2.62%	1,477
2010	21,035,000	3,145,000	-	24,180,000	2.19%	1,235
2009	21,455,000	3,305,000	-	24,760,000	2.46%	1,338
2008	10,870,000	1,870,000	200,000	12,940,000	1.55%	803
2007	11,000,000	2,000,000	390,000	13,390,000	2.18%	921
2006	-	2,120,000	3,575,000	5,695,000	1.26%	500

NOTE: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. See Table 8 for the City's property tax value data. City population data can be found in Table 18.

CITY OF CIBOLO, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
CURRENT YEAR

TABLE 15

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
<i>Debt repaid with property taxes:</i>			
Guadalupe County	\$ 10,900,000	17.01%	\$ 1,854,090
Schertz-Cibolo-Universal ISD	320,076,474	41.90%	<u>134,112,043</u>
Subtotal, Overlapping Debt			135,966,133
City Direct Debt			<u>39,228,810</u>
TOTAL NET OVERLAPPING DEBT			<u><u>\$ 175,194,943</u></u>

NOTES: The overlapping debt was received from the Municipal Advisory Council of Texas. Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

CITY OF CIBOLO, TEXAS
DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

TABLE 16

Assessed Value, 2014 Tax Roll \$ 1,687,064,551

Debt Limit - Texas statutes do not provide a legal debt limit for cities; however, through accepted practice a practical "economic" debt limit is considered to be 10% of the assessed value. \$ 168,706,455

Amount of Applicable Debt:

General Bonded Debt	\$ 39,228,810	
Less Debt Service Fund Balance	<u>(399,717)</u>	<u>38,829,093</u>

DEBT MARGIN \$ 129,877,362

Total Net Debt as a Percentage of Debt Margin 29.90%

	Fiscal Year		
	2012	2013	2014
Assessed Value	\$ 1,288,030,750	\$ 1,428,355,068	\$ 1,529,261,589
Debt Limit	\$ 128,803,075	\$ 142,835,507	\$ 152,926,159
Total Net Debt Applicable to Limit	<u>30,463,359</u>	<u>37,630,949</u>	<u>38,627,200</u>
Total Debt Margin	<u><u>\$ 98,339,716</u></u>	<u><u>\$ 105,204,558</u></u>	<u><u>\$ 114,298,959</u></u>
	2009	2010	2011
Assessed Value	\$ 989,033,060	\$ 1,172,006,780	\$ 1,212,866,770
Debt Limit	\$ 98,903,306	\$ 117,200,678	\$ 121,286,677
Total Net Debt Applicable to Limit	<u>24,727,984</u>	<u>24,093,776</u>	<u>31,539,505</u>
Total Debt Margin	<u><u>\$ 74,175,322</u></u>	<u><u>\$ 93,106,902</u></u>	<u><u>\$ 89,747,172</u></u>
	2006	2007	2008
Assessed Value	\$ 470,858,060	\$ 615,191,280	\$ 831,411,170
Debt Limit	\$ 47,085,806	\$ 61,519,128	\$ 83,141,117
Total Net Debt Applicable to Limit	<u>5,712,888</u>	<u>13,380,672</u>	<u>12,898,102</u>
Total Debt Margin	<u><u>\$ 41,372,918</u></u>	<u><u>\$ 48,138,456</u></u>	<u><u>\$ 70,243,015</u></u>

CITY OF CIBOLO, TEXAS
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS

TABLE 17

Fiscal Year	Water Revenue Bonds						
	Utility	Less:	Add:	Net	Debt Service		
	Service	Operating	Impact Fee	Available	Principal	Interest	Coverage
Charges	Expenses	Revenues	Revenue				
2015	\$ 8,931,752	\$ 8,037,634	\$ 655,897	\$ 1,550,015	\$ 630,000	\$ 367,620	1.55
2014	8,117,147	7,514,121	633,078	1,236,104	600,000	386,697	1.25
2013	7,941,182	6,498,086	649,695	2,092,791	305,000	200,780	4.14
2012	7,386,435	6,135,866	701,807	1,952,376	280,000	213,373	3.96
2011	7,585,937	6,164,993	620,280	2,041,224	265,000	225,087	4.17
2010	6,250,437	5,566,481	925,975	1,609,931	220,000	235,484	3.53
2009	6,035,693	4,876,586	255,488	1,414,595	385,000	247,113	2.24
2008	4,899,034	4,054,555	177,198	1,021,677	325,750	262,779	1.74
2007	3,975,771	3,585,286	279,630	670,115	280,000	133,658	1.62
2006	3,753,568	4,019,011	388,212	122,769	175,000	18,733	0.63

*NOTE: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
 Operating expenses do not include depreciation, interest, amortization or joint venture expenses.*

CITY OF CIBOLO, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year	Population	Personal Income	Per Capita Income	Median Income	Median Age	Education Level In Years of Schooling	School Enrollment
2015	27,059	\$ 838,558,410	\$ 30,990	\$ 87,613	34.6	14.3	15,076
2014	25,508	785,850,464	30,808	87,993	33.9	14.1	15,022
2013	24,892	767,694,172	30,841	91,238	32.4	14.1	14,058
2012	23,400	732,537,000	31,305	89,785	34.0	14.3	13,542
2011	21,490	702,207,240	32,676	85,350	33.0	14.4	13,014
2010	19,580	618,238,500	31,575	76,500	36.0	14.3	12,431
2009	18,500	570,558,500	30,841	76,500	36.0	14.2	11,700
2008	16,122	N/A	N/A	76,149	36.0	N/A	11,434
2007	14,545	N/A	N/A	74,678	35.0	N/A	10,347
2006	11,400	N/A	N/A	72,263	35.0	N/A	8,398

Sources: Population, personal income, median age and education level information provided by City Economic Development Corporation. School enrollment provided by Cibolo-Cibolo - Universal City Independent School District. Unemployment data provided by the Texas Workforce Commission.

TABLE 18

Unemployment Rate	High School Degree Attainment Or Higher	Bachelor Degree Attainment Or Higher
3.6%	94.1%	36.8%
4.0%	95.5%	40.6%
5.3%	94.3%	38.1%
6.1%	96.0%	40.5%
6.3%	96.2%	42.4%
5.2%	94.9%	39.1%
3.7%	92.4%	39.5%
3.4%	N/A	N/A
3.8%	N/A	N/A
4.1%	N/A	N/A

CITY OF CIBOLO, TEXAS
TOP TEN PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

TABLE 19

Employer	2015			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment *
Schertz/Cibolo/UC ISD	676	1	5.95%	350	1	N/A
Sanjel, USA	302	2	2.66%			
City of Cibolo	130	3	1.15%	81	4	N/A
Kalmar	126	4	1.11%	60	7	N/A
Case Mechanical	125	5	1.10%			
Age Industries	75	6	0.66%	70	6	N/A
Total Safety	71	7	0.63%			
Empire Roofing	60	8	0.53%			
Robles 1 Demolition	40	9	0.35%	120	3	N/A
Builders First Source	40	10	0.35%			
Jungle Laboratories				200	2	N/A
Timber Tech				80	5	N/A
Eagle Construction				60	8	N/A
Fiber Art				40	9	N/A
Burditt Tile & Stone				30	10	N/A
	<u>1,645</u>		<u>14.49%</u>	<u>1,091</u>		<u>N/A</u>

* Percentage of total city employment is unavailable for 2007

Source: City Economic Development Corporation

Note: Principal employer information is not available prior to 2007.

CITY OF CIBOLO, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION
LAST SIX FISCAL YEARS

TABLE 20

Function	Full-Time Equivalent Employees as of September 30,					
	2010	2011	2012	2013	2014	2015
<u>General Fund</u>						
<u>City Manager</u>						
City Manager	0	0	0	0	1	1
Human Resources Manager	0	0	0	0	1	0
Executive Assistant	0	0	0	0	1	1
Subtotal:	0	0	0	0	3	2
<u>City Secretary</u>						
IT Administrator	0	1	0	0	0	0
City Manager	1	1	1	1	0	0
City Secretary	1	1	1	1	1	1
Assistant City Secretary	1	1	1	1	1	1
Administrative Assistant	2	1	1	1	0	0
Finance Director	1	0	0	0	0	0
Accounting Clerk	1	0	0	0	0	0
Purchasing/Accounts Payable	1	0	0	0	0	0
Subtotal:	8	5	4	4	2	2
<u>Police Department</u>						
Police Chief	1	1	1	1	1	1
Assistant Police Chief	1	0	0	0	0	0
Lieutenants	1	1	1	2	2	2
Sergeants	4	4	7	7	7	7
Corporals	2	1	1	1	1	1
Police Officers	12	15	12	15	18	18
Warrant Officer	0	1	1	0	0	0
School Resource Officer	0	0	2	2	2	2
Executive Assistant	0	0	0	0	1	1
Clerks	2	2	2	2	2	2
Crossing Guards (6)	1.2	1.2	1.2	1.2	1.2	1.2
Subtotal:	24.2	26.2	28.2	31.2	35.2	35.2
<u>Municipal Court</u>						
Court Clerk	1	1	1	1	1	1
Deputy Court Clerk	1	1	1	1	1	1
Subtotal:	2	2	2	2	2	2
<u>Planning and Engineering Services</u>						
Planning and Development Director	1	1	1	1	1	1
Senior Planner	1	1	1	1	1	1
Assistant Planner	1	1	1	1	1	1
Infrastructure Inspector	0	0.5	0.5	0.5	0.5	0.5
Senior Building Inspector	1	1	1	1	1	1
Building Inspector	2	2	2	2	2	2
Code Enforcement Officer	1	1	1	1	2	2
Administrative Assistant	1	1	1	1	1	1
Receptionist/Clerk	1	1	1	1	1	1
Subtotal:	9	9.5	9.5	9.5	10.5	10.5

Note: Full-time equivalent city governmental employees by function information are not available prior to 2010.

CITY OF CIBOLO, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENTAL
EMPLOYEES BY FUNCTION (CONTINUED)
LAST SIX FISCAL YEARS

TABLE 20 (CONT.)

Function	Full-Time Equivalent Employees as of September 30,					
	2010	2011	2012	2013	2014	2015
<u>Public Works</u>						
Public Works/Utilities Director	0	0	0.5	0.5	0.5	0.5
Fire Chief/Public Works/Utilities Superintendent	0.25	0.25	0	0	0	0
Infrastructure Inspector	1	1	1	1	1	0.7
Foreman	0.5	0	0	0	0	0
Crew Leader	0	0	1	0	0	0
Labor III – Mechanic	2	1	1	2	2	2
Labor I,II, III	1	1	1	1	0.5	0.5
Subtotal:	9	9	7	7	9	9
	13.75	12.25	11.5	11.5	13	12.7
<u>Animal Services</u>						
Animal Control Officer	1	1	1.5	2	2	2
Subtotal:	1	1	1.5	2	2	2
<u>Parks</u>						
Superintendent	0	0	0	0	1	1
Foreman	1	0	1	0	0	0
Crew Leader	0	1	0	1	1	1
Labor I and II	5	6	6	6	6	6
Seasonal Labor Position	0.375	0.375	0.375	0.375	0.375	0.375
Subtotal:	6.375	7.375	7.375	7.375	8.375	8.375
<u>Finance</u>						
Finance Director	0	1	1	1	1	1
Human Resources Manager	0	0	0	0	0	1
Finance Assistant	0	1	1	1	1	1
Accounts Payable/Purchasing Clerk	0	1	1	1	1	1
Subtotal:	0	3	3	3	3	4
<u>Information Technology</u>						
Information Technology Director	0	0	0	0	0	1
Technology Specialist	0	0	1	1	1	1
Subtotal:	0	0	1	1	1	2
<u>Fire Department</u>						
Fire Chief	0.5	0.5	1	1	1	1
Assistant Fire Chief	0	0	0	0.375	0.375	0.375
Fire Marshall	1	1	1	1	1	1
Fire Lieutenant	0	0	0	3	3	3
Fire Apparatus Operator	3	3	3	0	0	0
Firefighter	4	7	7	9	12	12
Subtotal:	8.5	11.5	12	14.375	17.375	17.375
Total General Fund	72.825	77.825	80.075	85.95	97.45	98.15
		5	2.250	5.875	11.500	0.7

Note: Full-time equivalent city governmental employees by function information are not available prior to 2010.

CITY OF CIBOLO, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENTAL
EMPLOYEES BY FUNCTION (CONTINUED)
LAST SIX FISCAL YEARS

TABLE 20 (CONT.)

Function	Full-Time Equivalent Employees as of September 30,					
	2010	2011	2012	2013	2014	2015
<u>Water - Sewer Fund</u>						
<u>Utility Administration</u>						
Utility Administrator	1	1	1	1	1	1
Senior Utility Billing Clerk	0	0	1	1	1	1
Utility billing clerk	1	1	1	1	1	1
Receptionist	1	1	0	0	0	0
Subtotal:	3	3	3	3	3	3
<u>Utility Operations</u>						
Public Works/Utilities Director	0	0	0.35	0.35	0.35	0.35
Fire Chief/PW/Utilities	0.25	0.25	0	0	0	0
Superintendent	1	1	0.67	1	1	1
Infrastructure Inspector	0.5	0.5	0.5	0.5	0.5	0.5
Foreman	1	1	1	1	1	1
Crew Leader	1	0	2	2	2	2
Labor III – mechanic	0	0	0	0	0.5	0.5
Labor I,II, III	5	6	5	5	5	5
Meter Technician	1	1	1	1	1	1
Administrative Assistant	1	1	0	0	0	0
Subtotal:	10.75	10.75	10.52	10.85	11.35	11.35
Total Water - Sewer Fund	13.75	13.75	13.52	13.85	14.35	14.35
		0	-0.23	0.33	0.5	0
<u>Drainage Utility District</u>						
<u>Drainage Operations</u>						
Public Works Director	0	0	0.15	0.15	0.15	0.15
Superintendent	0	0	0.33	0	0	0.3
Supervisor	0	0	0	1	1	1
Crew Leader	0	1	1	0	0	0
Labor II – Street Sweeper	0	0	1	1	1	1
Labor I & II	0	2	3	3	4	4
Total Drainage Utility District	0	3	5.48	5.15	6.15	6.45
		3	2.48	-0.33	1	0.3
<u>Economic Development Fund</u>						
Economic Development Director	1	1	1	1	1	1
Business Development Coordinator	0	0	0	0	1	1
Total Economic Development Fund	1	1	1	1	2	2
		0	0	0	1	0
Grand Total	87.575	95.575	100.075	105.95	119.95	120.95
		8	4.5	5.875	14	1

Note: Full-time equivalent city governmental employees by function information are not available prior to 2010.

CITY OF CIBOLO, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	Fiscal Year				
	2006	2007	2008	2009	2010
<u>General Government</u>					
Building permits issued	909	799	503	416	384
<u>Police #</u>					
Activities *	-	-	-	10,992	9,216
Custodial Arrests	-	-	-	-	-
Traffic Citations	-	-	-	-	-
Traffic Collisions	-	-	-	-	203
Index Crimes	-	-	-	198	215
Average response time	-	-	-	-	-
<u>Fire</u>					
Number of fire responses	87	50	94	89	44
Number of rescue/EMS responses	473	562	685	677	680
Number of other calls for service	93	85	69	61	71
Number of false alarms	38	67	69	96	115
Hazardous condition	11	13	9	17	21
Severe weather/natural disaster	-	5	-	-	3
Total calls for service	702	782	926	940	934
Average response time	15:33	6:16	6:15	6:11	7:28
Number of training hours	136	223	325	363	161
Hours of public education/relations	59	35	73	215	143
<u>Court</u>					
New cases filed (calendar year)	6,432	5,899	6,465	3,146	1,773
Dispositions (calendar year)	5,675	5,487	8,050	3,407	1,979
<u>Animal Services</u>					
Number of animals adopted	-	-	-	-	9
Number of animals handled	-	-	-	-	218
<u>Water</u>					
New Connections	624	399	292	295	271
Total consumption	382,709,300	320,412,300	445,075,900	504,494,600	413,794,000
Average daily consumption	-	-	-	-	1,445,570
Peak daily consumption	-	-	-	-	2,849,000
Total residential customers	2,899	3,456	3,941	4,298	4,569
Total commercial customers	480	428	197	146	146
Average use per connection	-	-	-	-	10,686
<u>Sewer</u>					
Total residential customers	3,856	4,682	5,441	5,899	6,320
Total commercial customers	82	87	84	83	89
New Connections	883	671	525	404	408

* includes calls for service and self initiated activities

Police statistics are for calendar year period

Source: Various City Departments. Prior year information for some functions is not available.

TABLE 21

Fiscal Year				
2011	2012	2013	2014	2015
278	335	420	383	367
12,936	16,874	18,431	17,445	19,516
197	270	262	242	268
2,202	2,196	1,737	1,672	1,326
194	210	227	238	251
225	265	249	298	294
7:26	6:11	5:28	5:09	4:44
91	80	88	148	73
858	907	913	859	909
83	111	149	137	158
87	87	88	89	92
21	22	21	15	24
1	-	1	4	3
1,141	1,185	1,238	1,233	1,259
11:00	7:29	7:45	7:50	6:48
128	392	614	1,313	1,572
68	80	342	246	162
2,404	2,496	1,979	1,849	1,980
2,204	2,500	2,016	1,933	2,142
57	67	25	17	97
353	349	279	190	351
168	185	138	135	134
547,422,700	515,859,100	483,373,702	470,864,998	450,615,000
1,432,482	1,475,603	1,637,712	1,186,736	1,367,676
2,513,000	2,983,000	2,939,000	2,749,000	3,019,000
4,739	4,894	5,023	5,146	5,215
154	162	155	166	183
14,086	10,219	10,224	10,236	83,478
6,587	6,806	7,184	7,541	7,841
93	96	93	95	111
263	314	353	373	300

CITY OF CIBOLO, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function	Fiscal Year				
	2006	2007	2008	2009	2010
<u><i>Building Inspection/Code compliance</i></u>					
Vehicles	5	7	6	6	6
<u><i>Police</i></u>					
Stations	1	1	1	1	1
Patrol units	15	18	22	22	20
<u><i>Fire</i></u>					
Stations	-	-	-	-	1
Fire Vehicles	1	1	2	2	2
<u><i>Public Works/Utilities</i></u>					
Vehicles	11	12	19	19	19
<u><i>Streets</i></u>					
Streets, paved and unpaved (miles)	30	59	59	59	59
<u><i>Parks and Recreation</i></u>					
Parks - developed	3	3	3	3	3
Playgrounds, city maintained	3	3	3	3	3
Baseball fields	2	2	2	2	2
Soccer Fields	-	-	-	1	1
<u><i>Water</i></u>					
Number of storage tanks	2	2	2	2	2
Number of pump stations	1	1	1	1	1
Water mains (miles) *	N/A	N/A	N/A	N/A	N/A
<u><i>Sewer</i></u>					
Sanitary sewers (miles) *	N/A	N/A	N/A	N/A	N/A
Number of pump stations	3	3	3	3	3

* The miles of water mains and sanitary sewers were not available for years prior to 2012

Source: Various City Departments

TABLE 22

Fiscal Year				
2011	2012	2013	2014	2015
6	7	7	8	7
1 22	1 22	1 23	1 24	1 27
1 3	1 4	1 4	2 4	2 5
22	20	22	29	23
117	128	135	140	143
3	4	4	4	4
3	4	4	4	4
2	2	2	2	2
1	1	1	1	1
3	3	3	3	3
1	1	1	1	1
N/A	N/A	62	63	63
N/A	N/A	74	75	75
3	3	3	4	4



COMPLIANCE SECTION

SHAREHOLDERS:

Nancy L. Vaughan, CPA
Deborah F. Fraser, CPA
Phil S. Vaughan, CPA



Armstrong, Vaughan & Associates, P.C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the City Council and management
City Of Cibolo

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Cibolo as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise City of Cibolo's basic financial statements, and have issued our report thereon dated March 15, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Cibolo's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Cibolo's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Cibolo's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

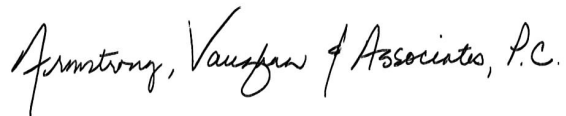
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Cibolo's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Armstrong, Vaughan & Associates, P.C.".

Armstrong, Vaughan & Associates, P.C.

March 15, 2016

