



TO: HONORABLE COUNCIL MEMBERS

FROM: KIELY NOSE, ADMINISTRATIVE SERVICES DIRECTOR

DATE: FINANCE COMMITTEE MEETING DECEMBER 1, 2020

**SUBJECT: RECOMMENDATION TO THE CITY COUNCIL TO APPROVE THE FY 2020
COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) & FY2020 BUDGET
AMENDMENTS IN VARIOUS FUNDS**

In reviewing the staff report (CMR #11741), staff noticed an inadvertent error in the “Statement of Net Position” and ensuing write up for “Government Wide Statements – Statement of Net Position.” The revised table and language below corrects for this clerical error. It is important to note that the CAFR document itself is accurate, this is only a clerical error in the staff report.

CORRECTED SECTION

Financial Results

Government-wide Statements

Statement of Net Position

The Statement of Net Position presents information on all the City’s assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources, with the reported as net position.

The City’s net position was \$1,225.6 billion on June 30, 2020 compared to the balance of \$1,191.5 billion on June 30, 2019. Of the total increase of \$34.1 million, or 2.9 percent, \$43.5 million is from business-type activities partially offset by a decrease of \$9.4 million from governmental activities.

The largest portion of the City’s net position (\$1,118.7 billion or 91.2 percent) is its net investment in capital assets such as land, buildings, infrastructure and vehicles, less any related outstanding debt that was used to acquire these assets. The restricted portion of the City’s net position (\$77.4 million - or 6.3 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$29.5 million, across all funds, representing 2.4 percent of the City’s net position, is unrestricted and may be used to meet the City’s ongoing obligations to its citizens and creditors.

The unrestricted net position for the governmental activities portion is negative due to recognition of the net pension liabilities as required by GASB Statement No. 68 and net OPEB liabilities a required by GASB Statement No. 75. The deficit of \$130.1 million in FY 2020 for the governmental activities included the impact of \$291.9 million for the net pension liabilities and the related deferred inflows and outflows of resources and \$93.2 million for the Net OPEB liabilities and the related deferred inflows and outflows of resources.

STATEMENT OF NET POSITION

As of June 30, 2020

(in millions)

	Governmental Activities		Business-type Activities		Government-wide Totals	
	2020	2019	2020	2019	2020	2019
Cash and investments	\$ 342.8	\$ 354.0	\$ 277.4	\$ 253.4	\$ 620.2	\$ 607.4
Other assets	60.5	69.8	52.8	51.3	113.3	121.1
Capital assets	596.3	566.1	693.2	673.5	1,289.5	1,239.6
Deferred outflows	55.8	63.4	21.1	21.7	76.9	85.1
Total assets and deferred outflows	1,055.4	1,053.3	1,044.5	999.9	2,099.9	2,053.2
Net pension and OPEB liabilities	416.3	417.3	153.7	154.4	570.0	571.7
Long-term debt	112.5	115.1	74.5	74.2	187.0	189.3
Other liabilities	61.5	63.8	21.7	26.6	83.2	90.4
Deferred inflows	24.5	7.1	9.6	3.2	34.1	10.3
Total Liabilities and deferred inflows	614.8	603.4	259.5	258.4	874.3	861.8
Net Position						
Net investment in capital assets	497.4	493.7	621.3	602.1	1,118.7	1,095.8
Restricted	73.3	59.7	4.1	4.0	77.4	63.7
Unrestricted	(130.1)	(103.4)	159.6	135.4	29.5	32.0
Total Net Position	\$ 440.6	\$ 450.0	\$ 785.0	\$ 741.5	\$ 1,225.6	\$ 1,191.5

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Kiely S. Nose

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Kiely Nose
Director of Administrative Services

DocuSigned by:

Ed Shikada

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Ed Shikada
City Manager