

City of Coral Gables City Commission Meeting
Agenda Item H-1
March 15, 2016
City Commission Chambers
405 Biltmore Way, Coral Gables, FL

City Commission

Mayor Jim Cason
Commissioner Pat Keon
Commissioner Vince Lago
Vice Mayor Frank Quesada
Commissioner Jeannett Slesnick

City Staff

City Manager, Cathy Swanson-Rivenbark
City Attorney, Craig E. Leen
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Finance Director, Diana Gomez
Management & Budget Director, Keith Kleiman

Public Speaker(s)

Donovan McGinley
Neil Harris
Bob Feldman

Agenda Item H-1 [0:00:00 a.m.]

A Resolution accepting the Comprehensive Annual Financial Report, Compliance Reports, and Management Letter, for the Fiscal Year ended September 30, 2015, by RSM US LLP, Certified Public Accountants.

Mayor Cason: Time certain at 11:30. I think we have 15 minutes. Let's try...

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Agenda Item H-1 – Resolution accepting the Comprehensive Annual Financial Report, Compliance Reports, and Management Letter, for the Fiscal Year ended September 30, 2015, by RSM US LLP, Certified Public Accountants

City Manager Swanson-Rivenbark: We also have an 11:15.

Mayor Cason: We have an 11:15.

City Manager Swanson-Rivenbark: We loaded you with several, and this is the Item H-1, which is the resolution accepting the Comprehensive Annual Financial Report. We also have our auditors present.

Mayor Cason: Let's do H-1.

City Manager Swanson-Rivenbark: I'm going to ask Diana Gomez to come up, introduce the item, introduce our auditors and make the presentation.

Finance Director Gomez: Good morning. Diana Gomez, Finance Director. This item is a resolution accepting the Comprehensive Annual Financial Report. The auditing firm of RSM is with us today. We have the engagement partner, Donovan McGinley, the client service partner, Bob Feldman, and the senior manager, Neil Harris. They're going to make a presentation. What is being passed out to you right now is a hard copy of the financial statements that was included in your agenda packet but I just didn't provide the bound copies, so I'm providing you the bound copies now. I'm going to ask Donovan McGinley to come up and start the presentation.

Donovan McGinley: Good morning.

Mayor Cason: Good morning.

Commissioner Lago: Good morning, sir.

Mr. McGinley: Good morning, Commissioners. My name is, for the record, Donovan McGinley, as Diana said. I'm here with our government practice leader, Bob Feldman, and the

senior manager on the engagement Neil Harris. If you'll indulge us in a few minutes, we'll go through a little bit of the financial statements, how it's laid out, some of the purposes of some of the reports that you see and entertain some questions at the end of our presentation. First and foremost, our engagement requires us to render an opinion on the financial statements of the City for the year ended September 30, 2015. I'm happy to say that as part of that work that we did, we're able to opine on the financial statements with what we call an unmodified opinion. It's a clean opinion. It's the highest level of assurance that any auditor can provide, and we're -- I guess of all the things that are in that big document, that's the one thing that we own, is our auditor's report and it's a clean opinion. Just a few highlights in terms of talking about the financial statements. It's a huge book. It's a big book, which is the -- that -- correct. And it's organized in different sections. The first section, the financial section, is called the MDNA, and this piece of the document represents management's, as it says, discussion analysis. It provides a synopsis of the report as a whole and give you some explanation as to issues that occurred during the year and explained certain variances and it's required under our audit accounting standards to be included in the report. Next section in the financial is what's called the government-wide statements, and that starts on page 18. The government-wide statements represents what we call (INAUDIBLE), as what's similar in the private sector business and it has most liabilities, all the assets of the City that are included, and the residual is what we call net position for the City. And just as a quick overall, you can see here -- let me go back here. The total net position, which is what we talked about before, decreased by 164 million a year. That decrease is mainly attributed to the adoption of GASB-68 to 71 and that represents the pension -- I mean, I'm sure you have all been informed about this, but this is the pension liability that is now being recorded on the City's books in the amount of about \$202 million. And just to recap, that represents, as of September 30, what the future payouts actuarially determined will be for all employees, both employed and retired for the City. Some other aspects in the net position, there's a deficit -- what we call net deficit. It's about \$62 million of unrestricted deficit, but keep in mind again that's the full accrual statements. The statement of activities, again, that's akin to the P&L full accrual. For the year, revenues totaled approximately 71 million for program revenues. General revenues, which include property taxes, which is the main source of revenue, was about 100

million for the year. Your expenses, by function again, is about 141 million full accrual. So that -- what that means in that number are non-cash payments also, so we record expenses even though all the cash has not been paid out. Now, the fund level. Now this is the historical accounting for governments from -- and this is really what the real operations of the government is on a fund level. This is how you budget and this is really how you assess how you're doing on a year to year basis. This is on a modified accrual basis. It doesn't have all the assets or the liabilities of the City, but more or less, I call it a checkbook theory. It's cash in, cash out and you see how you're doing from an operational standpoint, similar to how your budget is adopted. So, the general fund, which is the main focus of the City, your assets totaled about 79 million; liabilities totaled 9.2 million, which leaves you with a -- we talk about deferred inflows. You have a deferred inflow of 17.4 million, which leaves you with a fund balance -- if I'm doing my math right here -- it's about 50 -- \$93 million in fund balance. The important thing of that number is the unassigned. So this is the fund balance that's available for -- at your discretion how you want to spend it, which is about \$39.3 million.

Mayor Cason: This is our -- we passed an ordinance a while back to make 25 percent of our operating budget reserves. Is that...

Mr. McGinley: That's in here...

Mayor Cason: That's that?

Mr. McGinley: So yes. So you have a City ordinance that talks about maintaining 25 percent of operating expenditures and that exceeds -- your current fund balance exceeds that amount.

Commissioner Lago: Let me ask you a quick question.

Mr. McGinley: Yep.

Commissioner Lago: In reference to, you know, neighboring municipalities in the state and outside the state, what is your opinion in regards to where we stand with that 25%?

Mr. McGinley: Good question, and I'm going to get to that.

Commissioner Lago: Okay, thank you.

Mr. McGinley: I'm going to show you something.

Commissioner Lago: I'm getting ahead of myself. I apologize.

Mr. McGinley: Very good question. So, again, the takeaway here, very -- although we don't opine on your health of the City, but very good fund balance you have. The adoption of that resolution is a really good measure and you have exceed that, so that's good. Just from -- real quick, revenues -- your total revenues were approximately 137 million in terms of, again, money that actually physically for the most part came in. Your expenditures were 121 million. And you increased your fund balance, which in the private sector it would say that would be like net income, for about \$4 million, which is pretty good. The other funds -- we categorized all the funds in the financial statement, you call them major and non-major. So the general fund is the main fund, then we have other funds, you can call them major funds, are debt service and capital projects. And debt service is designated to provide for the accounting for what it says, your interest payments and principle payments on your debt; the capital accounts for all capital-related expenditures and activities. Then we have non-major, and these are defined by certain -- in terms of dollar amounts, so these are your non-major accounts. There's some capital roadway improvement, transportation, the general obligation fund and impact fee. Those we call non-major funds. Now, your proprietary funds are the funds -- your sanitary, parking and storm water. These are in full accrual, similar to, I guess, the private sector, and they did also have some impact in terms of recognizing some of the costs as it relates to GASB-68 for the pension. Internal service funds, other funds -- so you have internal service funds, which basically operate

for the benefit of the City. It provides services within the city. You have your motor pool, public facilities and your insurance, which you're self-insured up to a certain limit and these funds account for those activities and costs related to the City's activities. Your fiduciary funds, which we just finished talking about, mainly relates to your pension and the law enforcement fund and employee benefits. In the report at the end, there's what's called a statistical section. This is not required by accounting standards. It's a requirement for -- the City participates in what's called a certificate program called the GFOA, and this is required. The statistical section provides you a historic basis of trends, of key financial information. It's important for the City in terms of planning, in terms of assessing how you've done. To the Commissioner, you asked about certain things, how you've done outside the City, but this provides also a trend as to how you're doing internally on certain key financial information. To your question now, so here is what we -- some of the assessments or comparisons that we did as it relates to both internally in terms of how you have done -- the City's done on certain key aspects over the past five years against yourself and also benchmarked against other key cities. And I'm going to have Neil talk briefly about the four or five indicators that we noted and give some perspective of its importance.

Neil Harris: Thank you, Donovan. Thank you. Within your package, there is a package of indicators. There's 18 indicators that the State of Florida has provided to municipalities to help you assess, as you were saying, your financial condition both to yourselves seeing the trend -- a five-year trend, but also comparing yourselves to other neighboring cities or cities in similar population size, similar tax base as yours. So, for presentation purposes, we've taken four of the key indicators that we think will help you see that as a broad overview. The first one is comparing your unassigned and assigned fund balance over total expenditures. So, on the left, you'll see the chart that shows the five-year trend, so you can see obviously that ratio is growing, which basically tells you that over time your unrestricted fund balance, which is comprised of your unassigned and assigned, it's growing over time and allows you to meet your current expenditures and you have enough resources to continue operations. You can see that from year one to five it's grown 194% when you consider the ratio. And to the left -- the table to the right

shows the benchmark. So, compared to other neighboring cities, over -- for year five, which is this year. You're at 40 percent, where other similar cities are at 35 percent. So, a positive trend, an upward trend gives positive results in terms of the City's performance. The next one is a similar ratio, but this includes all your governmental funds, whereas the other one included only the general fund. The same trend. You can see that the ratio is increasing over time. When you take all the governmental funds together compared to the benchmark, it's a larger difference. You're at 62 percent, whereas the benchmark cities are at 42 percent. So, you're seeing that healthy growth over the five-year period. The next ratio -- a key ratio to look at is your long-term debt over the population, which is basically your average debt per resident or per person living within the city limits, and you're seeing a downward trend, which is positive in this case because it means that while your long-term debt is decreasing over time, you're also providing the same services over that same period of time. Compared to the benchmark, the City's a little higher than the other benchmark cities but it all varies, you know, depending on the tax base and the other cities that are in comparison.

Mayor Cason: Did you look at the average interest rate we're paying, whether it's fixed and variable as well? How do we stack up on that?

Mr. McGinley: I'm not sure if we assessed that, per se, in terms of how you...

Mayor Cason: Okay, my impression, City Manager and the Finance director, is that we've gone from basically, five years ago, about 92 percent variable over 5 percent down to something similar with -- in a couple -- 2 percent range. Is that about right? In other words, we're going to more certainty in terms of the fixed period, lower interest rates.

Finance Director Gomez: Right. We do have a very small amount of variable debt. It has essentially swapped. We have in the 90 percent -- 90ish, 95 percent fixed and then the balance is a small loan that is still variable.

Mayor Cason: And our interest rates are much lower now if I recall.

Finance Director Gomez: Oh, yes. We (INAUDIBLE) refinanced a lot of our outstanding debt over the past few years and gotten rates that are very low and we're very happy with them to the point that we don't see it necessary to refinance anything else.

Mayor Cason: Great. Thank you.

Vice Mayor Quesada: Thank you.

Mr. Harris: And the final indicator we look at is the millage rate. In your case, your millage rate is decreasing over time, which is probably one of the better indicators that your rate's decreasing, you're increasing your fund balance, as we've seen in the first couple of slides. And then compared to the benchmark, you're in the medium range, at a rate of 5.58 mills, which is in the medium range compared to the other cities in your area.

Mayor Cason: The other cities are cities with full service, with fire -- own fire, garbage and police? So the comps are those?

Mr. Harris: Yeah, the cities -- the other cities -- just to give you an idea of the other cities that you're being compared against -- would be -- and these are, you know -- the state determines what the benchmarks are based on looking at all the cities in comparison. So, you're being compared to the City of Aventura, City of Key West, Marco Island, City of Naples, and the City of Sunny Isles Beach.

Mayor Cason: Okay.

Mr. Harris: So, to the right, the five-year benchmark is an average of all those cities' numbers put together compared to yourself. And also included in your package -- we only went over four

of the indicators, but there's eighteen. And towards the back of the package, it actually gives you by indicator how to assess it and what to consider in your role as -- over governance of the city and what to consider and what you can see as a trend moving forward. And with that, I'll turn it over to Donovan to provide the results of the single audit reports.

Mr. McGinley: Thank you, Neil. I think the takeaway here is that these are really good. We don't opine on them, but I mean, as an editorial, these are good trends. And I wouldn't look at any one in an isolation. You look at it in its totality. Look at the last one that Neil talked about, the millage rate going down and your debt going down. Those are two good directional trends that the City should be proud of. In your packet also as a part of our audit, we -- the City partakes in federal and state funding and we obviously audit as mandated by the standard to do an audit of the single -- what we call the single audit. If I'm not mistaken, the City participates about \$1.6 million in both federal and state. We had no findings as it relates to compliance with that. Here are the statistics. So, total federal expenditures is 1.3. State expenditures is about 375,000. Again, we had no findings in our opinion on those two schedules and compliance was a clean opinion. The management letter is also included in your packet. There are certain prescriptions that we're required to speak to as required by the Auditor General of the State of Florida. Again, we found nothing negative as relates to what we already talked about. Some of those things include financial condition assessment -- is the City in a financial emergency. Obviously, not, so those are good. However, during our audit, we did note one finding or one observation -- let's use that word -- as it relates to access controls with IT in terms of documenting -- properly documenting access controls and change management when you have people moving from departments or to different functions. That should be properly documented in terms of their access rights in order to avoid any problems with people violating -- having unauthorized access to certain modules or certain applications of the City's system. All prior year observations and comments have been addressed and cleared, and we're -- obviously, that's kudos to the City staff as a whole. At this point, we -- as part of our audit, we're required to communicate, in addition to this, certain requirement -- certain aspects to you from our professional standards. And with that, I'll turn it over to Bob to summarize some of these things.

Bob Feldman: Thank you, Donovan, and good morning, all. You know, we are required to go over so that you can discharge your oversight responsibility for the financial reporting process certain required communications, so I just want to briefly cover those with you. One of them talks about the adoption of any accounting policies or practices that you did during the current fiscal year. You -- Donovan talked about it earlier. You adopted the pension standards. And Donovan, I think, talked about the impacts of that. One of the other things we're required to do as auditors is to evaluate your accounting estimates and the judgment you used in coming up with those accounting estimates. We reviewed your methodology for that and felt very comfortable, felt that those were very reasonable as well. In terms of audit adjustments, typically when we do a government audit, they're typically audit adjustments that we come up with. I'm very happy to report there were absolutely no audit adjustments as it relates to the City's audit. In terms of disagreements with management, you know, we've been, you know, working with you for many years. We've never had any disagreements with management. This year is no different. Significant issues. You know, we talked about the pension, you know, the pension standard and the adoption of that. With the exception of that, no significant issues that we came across at all, no difficulties in terms of performing our work, disagreements with management. The final thing is communication in terms of if we identify any, what we call material weaknesses or significant deficiencies in your internal control structure. Again, I'm happy to report no findings whatsoever in terms of significant deficiencies or material weaknesses. So with that, I mean, I think I'd be remiss. The final thing I just wanted to do is to thank the Finance director and her staff. You know, we get a chance to work with a number of governments throughout Florida. You have an outstanding staff here and I just wanted to commend them. They really make the audit process very, very nice.

Mayor Cason: Thank you very much. I know that we all feel that we have a terrific Finance director, Budget director, City Manager. I mean, looking back over the number of years, the changes have been incredible. We -- as you had mentioned, we've lowered the millage rate every year the last five or six years. We've refinanced our debt to a very low rate. We have no

general obligation bonds. We're putting probably over a hundred million in our capital budget, so lots of that's being done and it's already been -- a lot of it's already been financed. Triple A bond rating. We hope to get the other bond rating agencies to come through shortly based on this. So, I think we're in great shape. We're able to address infrastructure deficits that -- because of the recession and other things we've had a delay. And no findings, basically nothing wrong. We knew that, but it's great to hear from you that -- how well we're doing. Thank you very much.

Commissioner Lago: I agree with you.

Vice Mayor Quesada: I just have a few quick thoughts. This wasn't in the electronic packet.

City Manager Swanson-Rivenbark: No. The CAFR was and the other backgrounds, but we'll add that to...

Vice Mayor Quesada: But no, this is great because I was looking at it now for the first time. Can we go to it real quick?

Mr. McGinley: Sure.

Vice Mayor Quesada: And I have a few questions. So I'm looking at -- basically, I have a quick question for each one of you guys on any time it says unfavorable. So, I'm looking at page 2, the bottom three. So it's talking about the cash and investments currently liabilities and it's giving us unfavorable trends in those. I know you have an appendix in the back explaining it, but again, I'm seeing this now for the first time. I didn't have a chance to review it. So, can you guys tell me -- and maybe this is a question for Diana as well. I mean, is this something we should be concerned about. Well, actually, the first question is, what is it referring to exactly. I see cash and investments over current liabilities. I think it's pretty straightforward. And is this something we should be concerned of?

Mr. McGinley: Well, okay, let me take a stab at it first and then I'll turn it over to Diana to add some more editorials to it. But first you look at the trend as it relates to the left in that box, that chart. There's a favorable trend as it relates to the City. To the benchmark, it's trending unfavorable. And one of the reasons we didn't highlight this too much, it's something to monitor, but it varies year in, year out. So it all depends on how you liquidate your current liabilities, your cash and investments on hand, so there are different variants that monitor that.

Vice Mayor Quesada: So, let me understand the table. On the left hand column, trend favorable; benchmark comparison, unfavorable.

Mr. McGinley: Yeah.

Vice Mayor Quesada: What does that tell me? Does that mean we're going a favorable way or we're going an unfavorable way?

Mr. McGinley: Well, from a comparison standpoint, the fact -- so there's only two ways you can go and the fact that it's -- if you even look at the percentage, it's so marginal...

Vice Mayor Quesada: Let me ask you a question.

Mr. McGinley: Yeah.

Vice Mayor Quesada: Let me simplify this even more.

Mr. McGinley: Yep.

Vice Mayor Quesada: Item number 2, cash investments over current liabilities, the second one from the top on page 2...

Mr. McGinley: Yep.

Vice Mayor Quesada: Is Coral Gables on the right path or the wrong path? Answer that question. Simple, to the point, then I will understand.

Mr. McGinley: The cash is greater than liability, so that's going a favorable way.

Vice Mayor Quesada: So that's...

Mr. McGinley: That's going a favorable way, yes.

Vice Mayor Quesada: For us?

Mr. McGinley: Yes.

Vice Mayor Quesada: For the City? Got it.

Mr. McGinley: You're improving from where you were from year in, year out.

Vice Mayor Quesada: Got it.

Mr. McGinley: Yes.

Vice Mayor Quesada: Okay, so then I can -- that speeds me up. So, on page 3, at the bottom, second from the last...

Mr. McGinley: Yep.

Vice Mayor Quesada: Current liabilities over total revenues...

Mr. McGinley: Yep.

Vice Mayor Quesada: The trend is unfavorable. So our liabilities are increasing, so we should be cognizant of that.

Mr. McGinley: Yes, sir.

Vice Mayor Quesada: We should take a close look at our...

Mr. McGinley: Yeah, and again, these things, like I mentioned before, you can't take them in isolation because there may be different decisions...

Vice Mayor Quesada: I understand that. I just want to understand...

Mr. McGinley: Certainly.

Vice Mayor Quesada: These better so that...

Mr. McGinley: Yes.

Vice Mayor Quesada: When we have future conversations when you guys are not here...

Mr. McGinley: Yeah.

Vice Mayor Quesada: We can dial in a little bit with Diana.

Mayor Cason: Does that reflect to that GASB, that particular chart?

Mr. McGinley: No, this chart does not really -- this was created by the Auditor General of the State of Florida many years ago in terms of trying to assess how cities are doing financially, and we decided to take it one step forward. Usually this is not presented to you, but we think this is important to present to the Commission. But it's not the GASB that mandates this; it's the auditor general of Florida that requires this.

Vice Mayor Quesada: Alright. I'm going to keep belaboring this. Page 4...

Mr. McGinley: Sure.

Vice Mayor Quesada: Second from the top, excess revenue over expenses over total revenues. It says unfavorable trend.

Mr. McGinley: Yeah. That's...

Vice Mayor Quesada: I guess I'm looking for a little bit more. You guys are just, I guess...

(COMMENT MADE OFF THE RECORD)

Vice Mayor Quesada: But the unfavorable that matter are the ones on the left hand side, so...

Mr. McGinley: That's unfavorable.

Vice Mayor Quesada: That's -- yeah, I saw that. Explain that to me. Can one of you guys explain to me what that means? What have we done in the last year to make that unfavorable? So that means our expenses have gone up and that's why our -- that unfavorable appears. Is that correct? I'm trying to learn from this. I'm trying to use this information so we can learn -- so

that we can be better moving forward. I understand the vast majority says we're doing everything great and I know I'm nitpicking the ones that say that we're not doing well...

Mr. McGinley: Right.

Vice Mayor Quesada: Which are few and far between, but still, even though everything is up and up...

Mr. McGinley: Yes.

Vice Mayor Quesada: The few items that we're not perfect on...

Mr. McGinley: Yeah, so this...

Vice Mayor Quesada: I want to know why we're not perfect on them so that we can make corrections.

Mr. McGinley: Perfect. So this is showing that your net income year in, year out is decreasing. So, not that you're not making that income, but your expenses are increasing at a larger pace than revenue.

Vice Mayor Quesada: I understand that.

Mr. McGinley: Right.

Vice Mayor Quesada: I can read that from this.

Mr. McGinley: Okay.

Vice Mayor Quesada: I guess the question maybe isn't for you guys. The question is for Diana. So, actually, I think it would work better this way. No, don't get up. Don't get up. You don't have to. At a future meeting, I would like to know the specific reason, what happened in last year to get to this point. What were the excess expenses that we had that were different from 2014 so as to bring us into this potentially unfavorable situation? See what I mean? I'm trying to specifically hone in on it so that we could all learn as a group where we can improve.

Commissioner Keon: Can I ask one question? You can keep going. I only want to know is revenue. When we refinance debt and the revenue that comes to us from the refinancing of debt -- and I think that's what made up a lot of the neighborhood renaissance dollars. Is that considered income? Is that marked as income or no? When we refinance debt, which lowers our debt which then, you know, if we had intended to pay at a higher rate and now we're paying at a lower rate, is that income?

Mr. McGinley: So yes and no.

Commissioner Keon: What is that?

Mr. McGinley: So the revenue that comes in is somewhat treated as income, but when you -- the refinancing in terms of paying out the old debt is considered an expenditure, so it's somewhat of a wash in terms of -- the long-term savings as it relates to the lower rates, you'll reap that over time. But the in and out -- so, when you refinance, you get new money that's revenue, you pay out for the old debt, that's an expenditure. So it somewhat...

Finance Director Gomez: So, it also does lower the expenditures that we have in the year so we have more revenue available for other things or other debt or any other expenditure because now our expense is less. We pay less in interest because we refinanced. So, it's not new revenue per -- it's...

Commissioner Keon: Okay.

Finance Director Gomez: It's more available revenue, right?

Commissioner Keon: Okay, okay.

Commissioner Lago: In reference to what the Vice Mayor stated, I know you're going to give us a synopsis in the near future, but this looks to me like the answer's going to be kind of like what we're given in reference to the budget where these are one-time -- that will not be reoccurring on a yearly basis. Is that correct?

Finance Director Gomez: It probably won't.

Commissioner Lago: I know you're going to give us more detail...

Finance Director Gomez: I don't have it analyzed right at this minute, but you probably will see a lot of one-time hits or things that cause the shift in a year from year.

Vice Mayor Quesada: And that's great. And you know something, it gives us a better picture.

Finance Director Gomez: I understand and so we can do something...

Commissioner Lago: Yeah, because, I mean, when we look -- by the way, this presentation is spectacular.

Vice Mayor Quesada: Yeah, this is...

Commissioner Lago: The residents and the business community here really doesn't do it justice because they can't see the documents, but it's really easy to read. It's a lot more than a

PowerPoint presentation. But what the Vice Mayor's saying is there's a few slides -- not a few slides, excuse me. There's a few points in the eight pages -- excuse me, there's a few graphs out of the close to, I don't know, probably say, what 40 graphs that you've given us that show unfavorable responses. Which, again, we're in a much better financial situation than we were five years ago, like the Mayor has mentioned. So, I just want to -- I agree with the Vice Mayor. I'd like to see...

Vice Mayor Quesada: Yeah.

Commissioner Lago: A little bit of response to that and see if those are just one-time costs associated with certain projects that we...

Vice Mayor Quesada: And Commissioner Lago brings a great point. Our unrestricted funds are higher than they've ever been. We're in a better financial position than...

Commissioner Lago: Triple A bond rating.

Vice Mayor Quesada: We've ever been. If you look at page 31 of the main report, you know, it shows that our expenses are down and our revenues are up, so we're getting leaner. We're -- it's great. It's all positive. And I'm not specifically going to drill into that, but that jumped out at me when I was reading through it.

Commissioner Lago: No, but I'm happy you brought that up because it's a very good point. It's a very good point that I want to find out the finer details of what encompasses some of these graphs that say that we're unfavorable. By the way, just so the residents know, unfavorable, I mean, we're talking about there's 40 graphs here; 37 of them are favorable...

Vice Mayor Quesada: Yeah.

Commissioner Lago: And three of them not. And the uptick -- the downtick is so insignificant, but we still want to find out what that information is.

Vice Mayor Quesada: So, with that, either Keith or Diana write this down. Ready?

Management & Budget Director Kleiman: Yeah.

Vice Mayor Quesada: Financial indicators for a future meeting to discuss if you can drill into 6G, 8, 9, 11P, 12, 14, 15G and 15P. Those are all those that say either inconclusive or unfavorable, and those are the non-obvious inconclusives because you have some that are just zero all the way across. That's it. So, a future meeting, if you guys could just drill into it and if they're one-time issues or they're recurring issues, just so we know so that we're aware and we can continue to be proactive.

Mayor Cason: Thank you very much.

Vice Mayor Quesada: Thank you, guys.

Mr. Harris: Appreciate it.

Commissioner Keon: Do you want that as a workshop or as an agenda item?

Mayor Cason: Agenda item.

Vice Mayor Quesada: Just an agenda item.

Mayor Cason: Just to discuss.

Vice Mayor Quesada: I don't think it's going to be terribly long, that conversation.

Finance Director Gomez: If I could for a second just -- I wanted to thank my assistant director, Sally Ola Ola, who really was the one that put together the financial statements, her and her team, her staff are awesome and I just -- I wouldn't be able to do it without them. So, I just want to say thank you to her and...

Commissioner Lago: Great work.

Finance Director Gomez: To the staff.

Mayor Cason: Thank you.

Commissioner Lago: Great work.

Mayor Cason: Thank you very much. Alright, we're going to take...

Finance Director Gomez: There's a resolution on this.

Mayor Cason: A break.

Finance Director Gomez: There's a resolution.

Mayor Cason: That's right.

Commissioner Lago: This has a resolution?

Mayor Cason: That's right.

Vice Mayor Quesada: So moved.

Mayor Cason: So the Vice Mayor makes the motion.

Commissioner Lago: I'll second (INAUDIBLE) Commissioner Slesnick.

Mayor Cason: And Commissioner Slesnick seconds. City Clerk.

Commissioner Keon: Yes.

Commissioner Lago: Yes.

Vice Mayor Quesada: Yes.

Commissioner Slesnick: Yes.

Mayor Cason: Yes.

(Vote: 5-0)

Vice Mayor Quesada: Thank you, guys.

Mayor Cason: Thank you.