

Coral Gables

COMPREHENSIVE ANNUAL FINANCIAL REPORT SEPTEMBER 30, 2014

FINANCIAL STATEMENT PRESENTATION
MARCH 25, 2015

Comprehensive Annual Financial Report as of September 30, 2014

- Independent Auditors Report
 - City received an Unmodified Opinion
 - Issued on March 17, 2015
- Government Finance Officer's Association
 - Certificate of Achievement for Excellence in Financial Reporting
 - Received for 2013 CAFR – 30th consecutive year
 - 2014 CAFR will be submitted

Management's Discussion and Analysis (MD&A) (page 5)

- Provides a narrative explanation, through the eyes of management, of how the City has performed, its financial condition, and its future prospects
- Provides readers with complete, fair, and balanced information
- Provides a description of the year gone by and some of the key factors that influenced the City, as well as a fair and unbiased overview of the City's past, present, and future

Government-Wide Statements

- Designed to provide the reader with a broad overview of financial activities
- Similar to a private sector business
- Includes the Statement of Net Position and the Statement of Activities

Statement of Net Position (page 18)

- Full Accrual Basis of Accounting:
 - Activities from both governmental and business-type operations
 - Includes significant long term obligations, such as claims payable and compensated absences, as well as outstanding debt issued
- Total Net Assets increased by \$26.6 Million from prior year
 - \$154.5 Million is invested in capital assets net of related debt (not available for spending)
 - \$21.5 Million in restricted assets (not readily accessible)
 - \$105.2 Million in unrestricted assets (readily accessible)

Statement of Activities (page19)

Activities from both governmental and business-type operations

- Program Revenues:
 - Charges for Services \$66.3 Million
 - Grants & Contributions \$9.9 Million
- General Revenues:
 - Taxes \$86.9 Million
 - Intergovernmental \$4.7 Million
 - Transfers & Other \$8.1 Million
- Expenses by Function:
 - General Government \$23.0 Million
 - Public Safety \$71.8 Million
 - Physical Environment \$17.1 Million
 - Transportation \$4.6 Million
 - Culture & Recreation \$9.9 Million
 - Other \$2.4 Million

Fund Level Financials

- Focus on current years inflows and outflows of spendable resources
- No long term assets or liabilities
- Includes the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance

Balance Sheet (page 22)

General Fund Focus:

- Assets for the year totaled \$75 Million
 - Cash \$18.2 Million
 - Investments \$29.2 Million
 - Accounts Receivable \$19.3 Million
- Liabilities for the year totaled \$7.8 Million
 - Accounts Payables \$2.6 Million
 - Accrued Payroll \$1.6 Million
 - Refundable Deposits \$2.9 Million
- Deferred Inflows totaled \$18.4 Million

Balance Sheet (cont.)

General Fund Focus:

- Fund Balance
 - Nonspendable - \$36,678
 - Restricted - \$4,351,576
 - Assigned - \$7,006,883
 - Unassigned - \$37,438,411
- City's goal is to maintain 25% of operating expenditures as unassigned fund balance in the General Fund.
- Unassigned Fund Balance as of September 30, 2014 meets this goal (25%).

Statement of Revenues, Expenditures and Changes in Fund Balance (page 24)

General Fund Focus:

- Revenues totaled \$131.9 Million
- Expenditures totaled \$117.4 Million
- Other Financing Uses totaled \$1.0 Million
- Fund Balance increased by \$13.5 Million
 - Increase in fund balance is due primarily to:
 - Recognition of one-time revenues
 - Receipt of revenues not included in budget
 - Maintained stringent controls on expenditures
 - Employee turnover and vacancies
- Ending Total Fund Balance in General Fund = \$48.8 Million

Other Major Funds

- Capital Project General Improvement Fund
 - Total Fund Balance \$23.6 Million
 - Unassigned Fund Balance \$7.2 Million
- Capital Project Neighborhood Renaissance Program Fund
 - Total Fund Balance \$17.3 Million
 - Restricted to projects identified in program

Non- Major Funds

- Includes all other governmental funds of the City:
 - Debt Service Fund
 - Roadway Improvement Fund
 - Transportation Fund
 - General Obligation Fund
 - Impact Fee Fund

Proprietary Funds

- Includes the Business-Type Funds of the City:
 - Sanitary Sewer System Fund
 - Parking System Fund
 - Stormwater Utility Fund

Other Funds

- Internal Service Funds:
 - Motor Pool Fund
 - Public Facilities Fund
 - Insurance Fund
- Fiduciary Funds:
 - Retirement Fund
 - Police Officers' Pension Fund
 - Firefighters' Pension Fund
 - Employee Benefits Fund
 - Law Enforcement Fund

Statistical Section

- Presents ten years of detailed information as a context for understanding what the information in the financial statements says about the City's overall financial health:
 - Financial Trends
 - Revenue Capacity
 - Debt Capacity
 - Demographic and Economic Information
 - Operating Information

Single Audit & Compliance Reports

- Single Audit Report
 - Compliance requirements identified in the OMB Circular A-133 Supplement that could have a direct and material effect on the City's major federal and state programs
- Compliance Reports
 - Compliance on Internal Control over Financial Reporting and Other Matters
 - Compliance with Local Government Investment Policies

Single Audit & Compliance Reports (cont.)

- Total Federal Expenditures for FY 2014: \$1,745,774
- Total State Expenditures for FY 2014: \$133,000
- Unmodified auditors report issued on compliance with major projects
- No Findings were reported for the fiscal year ended September 30, 2014

Management Letter

- Provides management with observations during the audit in areas where the internal control procedures can be strengthened.
- No observations or comments were reported for the fiscal year ended September 30, 2014.
- All prior year observations and comments have been addressed and cleared.

LOOKING AHEAD TO FISCAL YEAR 2015

Year To Date

- FY 2015 Second Quarter Financial Report to be presented at the April 28th Commission meeting
- To date, revenues and expenditures are in line with the budget
- FY 2016 Budget process has begun

GASB 68 – Accounting and Financial Reporting for Pensions

- GASB Statement 68 was issued in June 2012. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities.
- The City will be implementing GASB 68 with the FY 2015 CAFR



Donnovan Maginley

Partner

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QUESTIONS?