



Legislation Details (With Text)

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Title:	Recommendation to receive and file the Comprehensive Annual Financial Report (CAFR) and Separately Issued Financial Statements for the Fiscal Year Ended September 30, 2018. (Citywide)				
Sponsors:	Financial Management				
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Attachments:	1. 061819-C-5sr.pdf, 2. 061819-C-5att A. Comprehensive Annual Financial Report (CAFR) for the City of Long Beach.pdf, 3. 061819-C-5att B. The Harbor Department Comprehensive Financial Report.pdf, 4. 061819-C-5att C. Long Beach Water Department Comprehensive Annual Financial Report.pdf, 5. 061819-C-5att D. The 2017 Long Beach Airport Schedule of Passenger Facilities Charges.pdf				

Date	Ver.	Action By	Action	Result
6/18/2019	1	City Council	approve recommendation	Pass

Recommendation to receive and file the Comprehensive Annual Financial Report (CAFR) and Separately Issued Financial Statements for the Fiscal Year Ended September 30, 2018. (Citywide)

Comprehensive Annual Financial Report

The Comprehensive Annual Financial Report (CAFR), prepared by the Financial Management Department, contains audited financial information on all City funds for the fiscal year ended September 30, 2018 (FY 18), in accordance with generally accepted accounting principles. In accordance with Section 302(e) of the City Charter, the CAFR is submitted annually to the City Council. It is important to note that the CAFR is designed to report historical financial information only and is not designed to report financial projections or budgetary priorities.

We are pleased to report that the Independent Auditor's Report concluded that the City's financial statements present fairly, in all material respects, the financial position of the City and its related cash flow and budgetary information. The audit was conducted by KPMG, LLP, a certified public accounting firm, under contract with the City Auditor.

The CAFR provides Basic Financial Statements that combine all the City's assets and liabilities in one consolidated statement. The City's total net position, as shown on page 25 of the CAFR, was \$5.1 billion as of September 30, 2018. Of this amount, \$18.8 million was recorded in governmental funds and \$5.0 billion was recorded in enterprise funds such as the Harbor Fund, Water Fund and Tidelands Fund. The net position increased by \$169.3 million from FY 17.

Separately Issued Financial Reports and Statements

In addition to the CAFR, certain City funds are also required to submit audited annual financial statements separately, including the Harbor and Water Departments. These separate reports are attached and are issued annually to meet distinct legal and financial requirements. Also provided are the Long Beach Airport Schedule of Passenger Facilities Charges for FY 17 and the annual financial report for Long Beach Transit, a discretely presented component unit of the City.

Finally, because of the professionalism and dedication of the Financial Management, Harbor and Water Departments, as well as finance professionals throughout the City, the CAFR and the separately issued financial reports of the Harbor and

Water Departments, have been awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for their FY 17 annual financial reports. The receipt of the Certificate of Achievement attests to the City's desire to be fully accountable to residents. In addition, this recognition can be viewed as a positive factor by credit rating agencies.

This matter was reviewed by Deputy City Attorney Amy R. Webber and by Budget Management Officer Rhutu Amin Gharib on May 30, 2019.

City Council action on this item is not time critical.

There is no fiscal or local job impact associated with this recommendation.

Approve recommendation.

JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

PATRICK H. WEST
CITY MANAGER