



# CITY OF ANN ARBOR

June 30, 2023

**Rehmann**  
EMPOWER YOUR PURPOSE

# Our Agenda for Today



**Team Members**



**Questions**



**Board Communications**



**Financial Results**



**Upcoming Accounting  
Pronouncements**

# Meet the People on Your Team



**Daniel Clark, CPA**

Signing Principal



**Tracey Kendall, CPA**

Senior Manager

**Not Pictured  
Here**

**Teresa Freeman**

Supervisor

**Not Pictured  
Here**

**Alexie Day**

Staff



**Dan Merritt, CPA**

Senior Manager

**Not Pictured  
Here**

**Matha Barno**

Staff

**Not Pictured  
Here**

**Tamiko Ball**

Staff

## Board Communications

- 1** An unmodified opinion will be given on the 6/30/2023 financial statements
- 2** One new accounting pronouncement was adopted in FY23 – GASB96 SBITA
- 3** Accounting estimates by management were assessed and deemed reasonable
- 4** No difficulties were encountered during the audit
- 5** No material misstatements were noted. One immaterial passed adjustment was noted
- 6** No material weaknesses, significant deficiencies, or other matters were noted

# Single Audit

**1**

**A single audit is in process and will be completed in the next few weeks**

**2**

**Greater than \$750,000 (\$9.6m) was spent in federal expenditures in fiscal year 2023. Agricultural Conservation Easement Program – ALN 10.931 (\$2.2m) and CSLFRF – ALN 21.027 (\$6.7m) are being tested**

**3**

**A report will be issued over controls and compliance. A separate opinion will be issued related to the schedule of expenditures of federal awards (SEFA)**

## Assets and Deferred Outflows

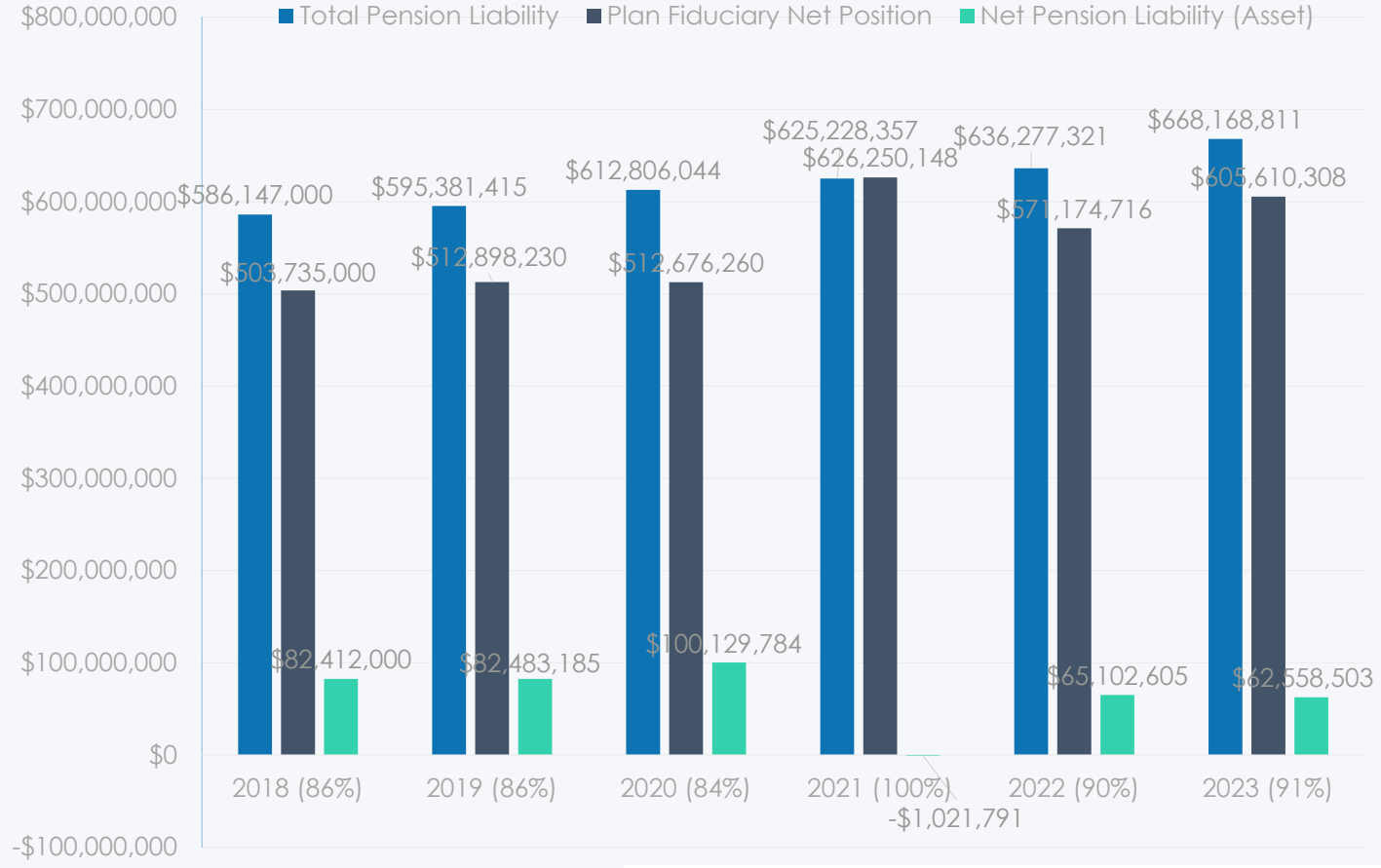
	6/30/2023	6/30/2022	Variance
Cash and investments	\$408,118,000	\$353,757,000	\$54,361,000
Receivables	\$33,400,000	\$34,055,000	(\$655,000)
Other assets	\$4,033,000	\$5,269,000	(\$1,236,000)
Net capital asset	\$1,460,494,000	\$1,415,087,000	\$45,407,000
Deferred outflows – pension	\$3,811,000	\$12,971,000	(\$9,160,000)
Deferred outflows – OPEB	\$22,268,000	\$19,571,000	\$2,697,000
Deferred outflows – refunding	\$16,320,000	\$4,227,000	\$12,093,000
<b>Total</b>	<b>\$1,948,444,000</b>	<b>\$1,844,937,000</b>	<b>\$103,507,000</b>

## Liabilities and Deferred Inflows

7

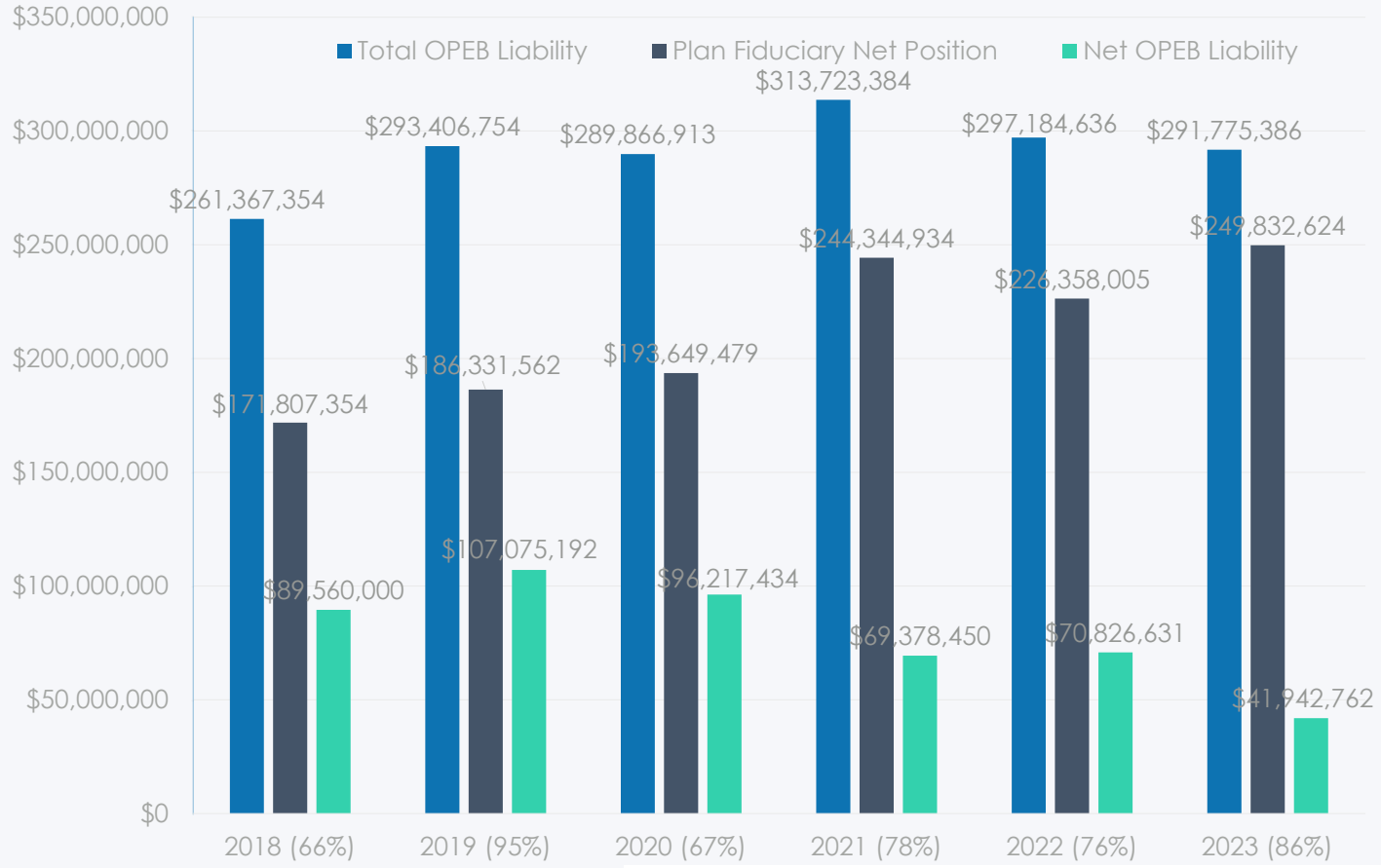
	6/30/2023	6/30/2022	Variance
AP and accrued liabilities	\$49,829,000	\$36,630,000	\$13,199,000
Unearned revenue	\$17,099,000	\$24,498,000	(\$7,399,000)
Long-term debt	\$302,716,000	\$282,606,000	\$20,110,000
Net pension liability	\$62,558,000	\$64,842,000	(\$2,284,000)
Net OPEB liability	\$41,943,000	\$70,621,000	(\$28,678,000)
Deferred inflows – pension	\$15,874,000	\$6,465,000	\$9,409,000
Deferred inflows – OPEB	\$33,867,000	\$26,558,000	\$7,309,000
Deferred inflows – leases	\$277,000	\$1,302,000	(\$1,025,000)
<b>Total</b>	<b>\$524,163,000</b>	<b>\$513,522,000</b>	<b>\$10,641,000</b>

# Net Pension Liability (Asset)

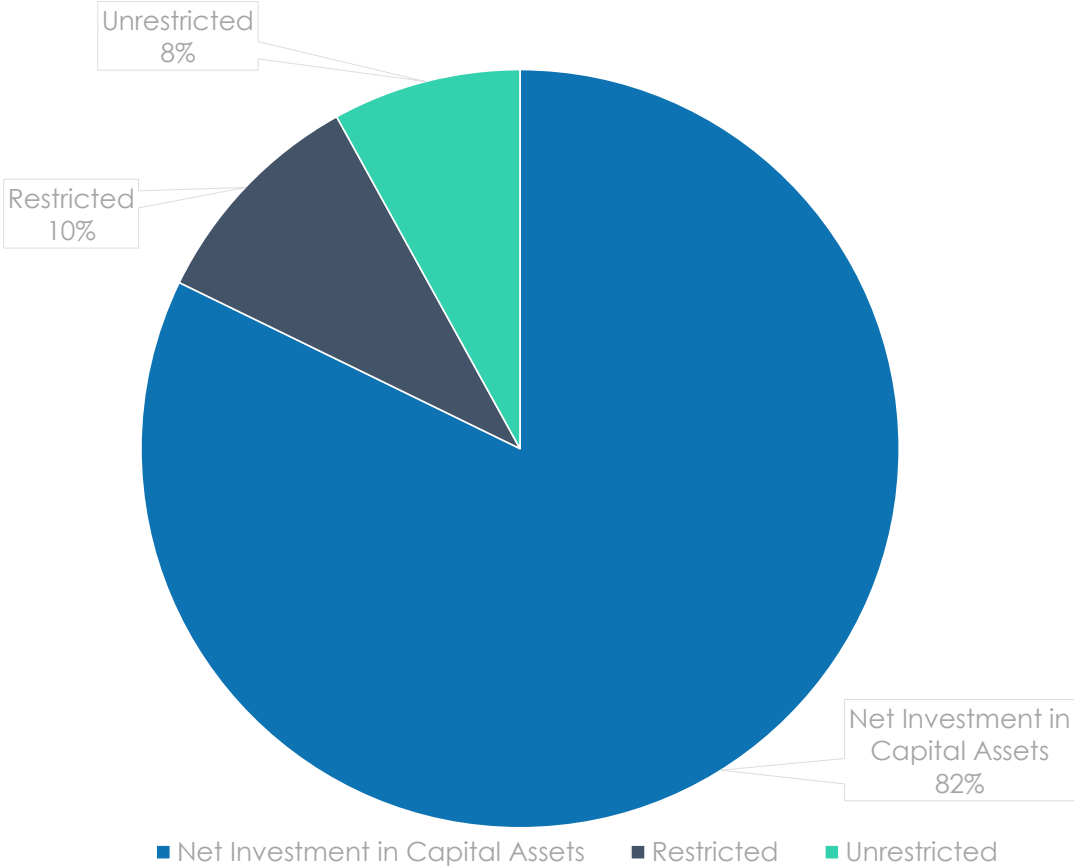




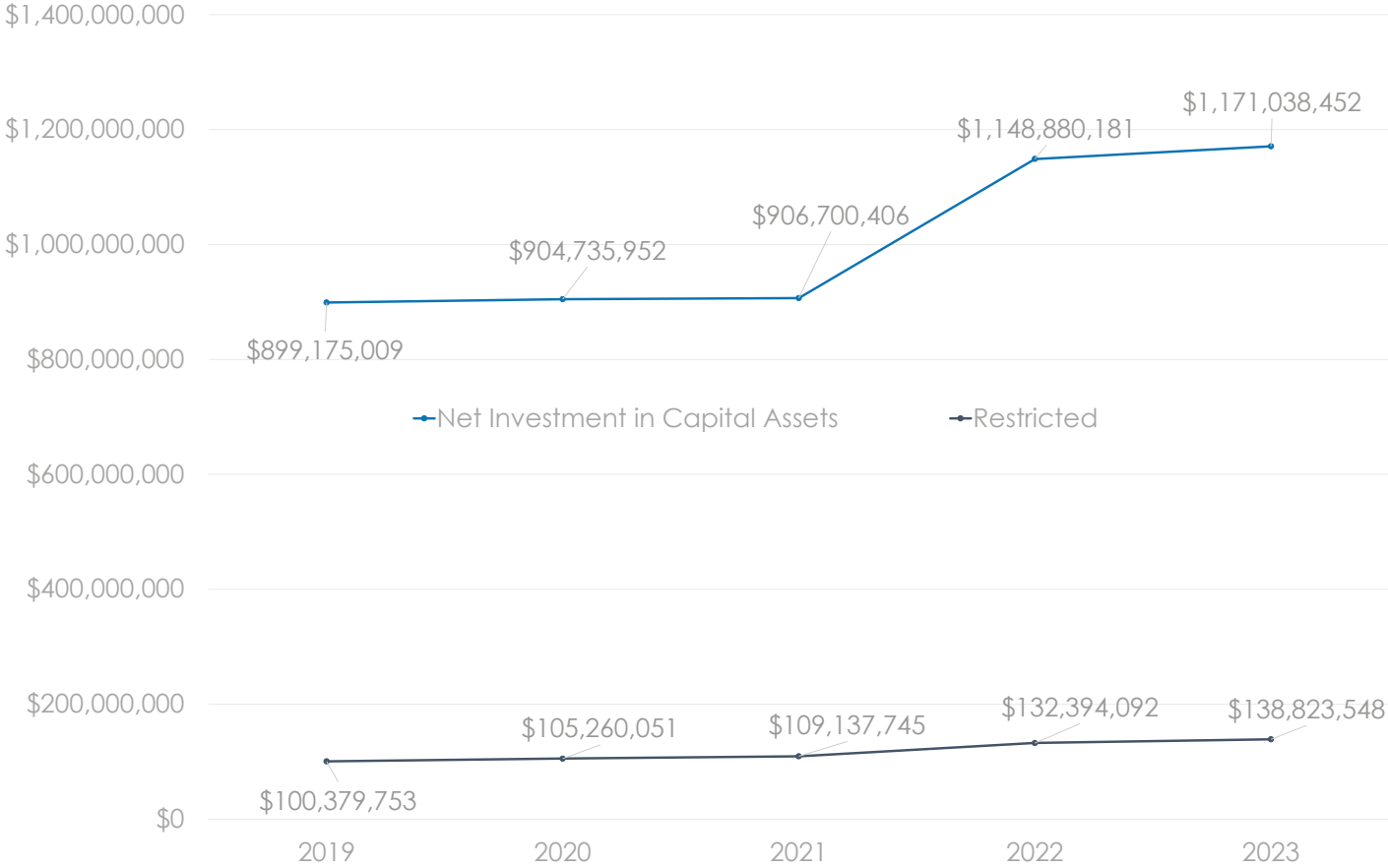
# Net OPEB Liability



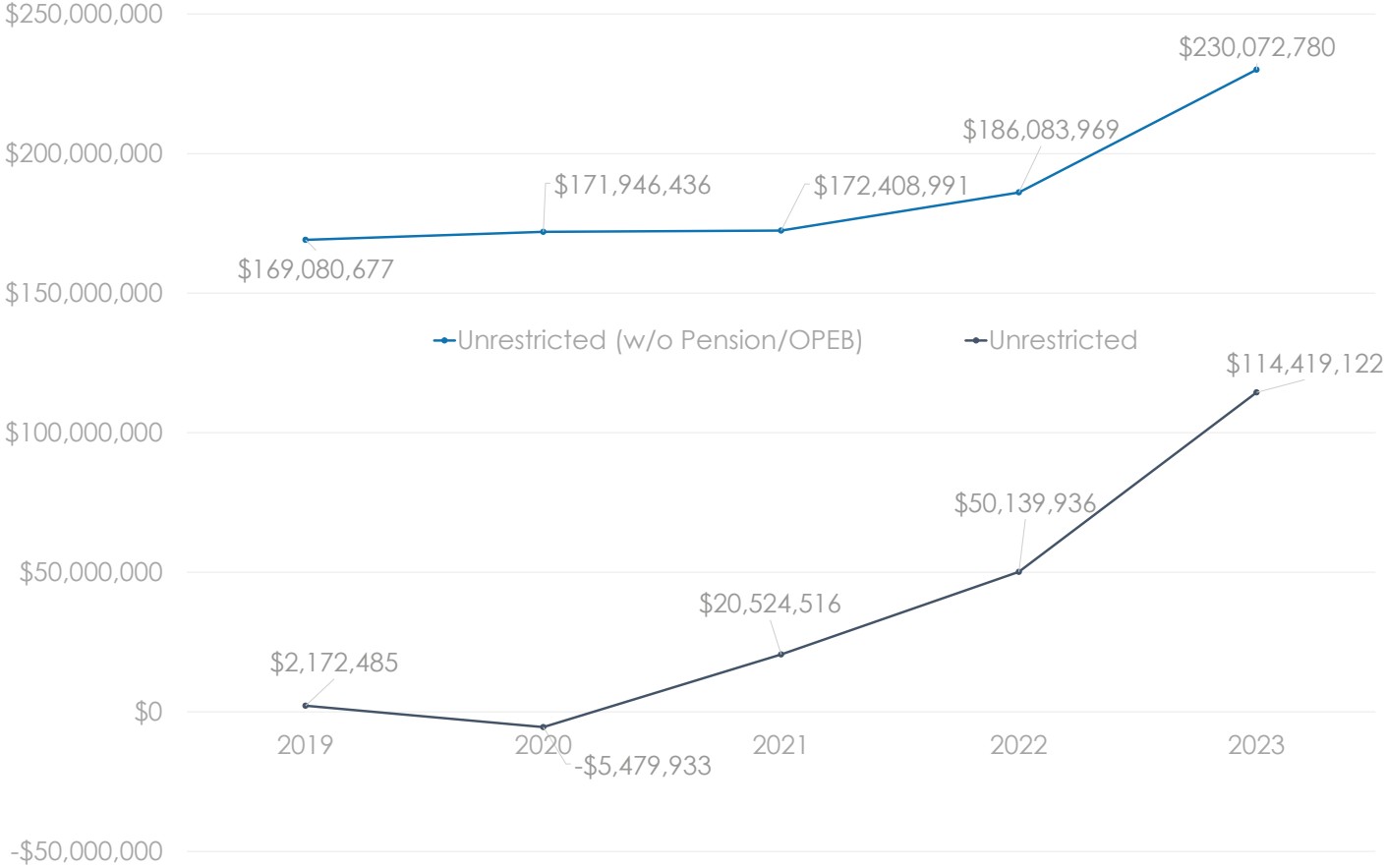
# Net Position (Government-Wide)



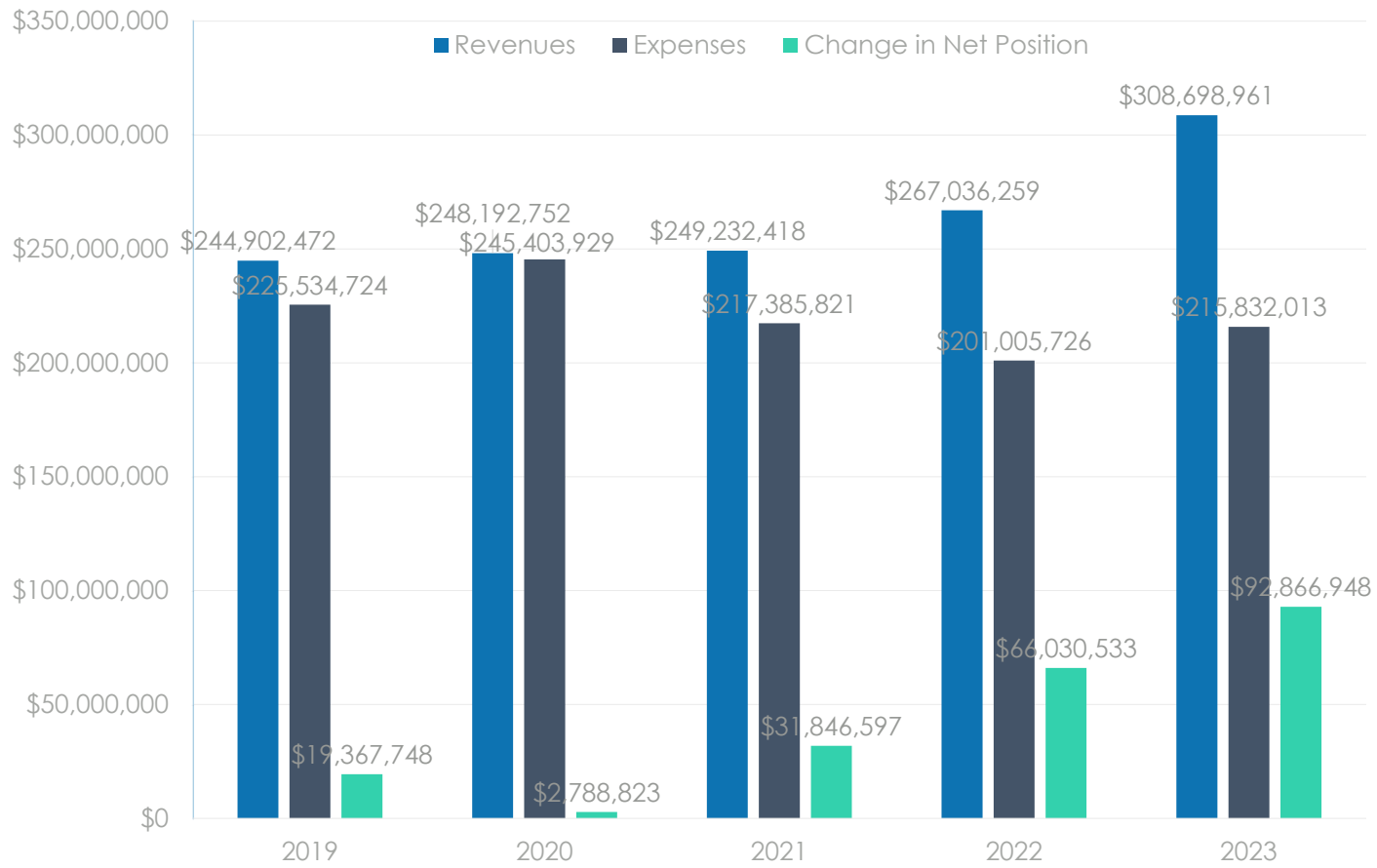
# Net Position (Government-Wide)



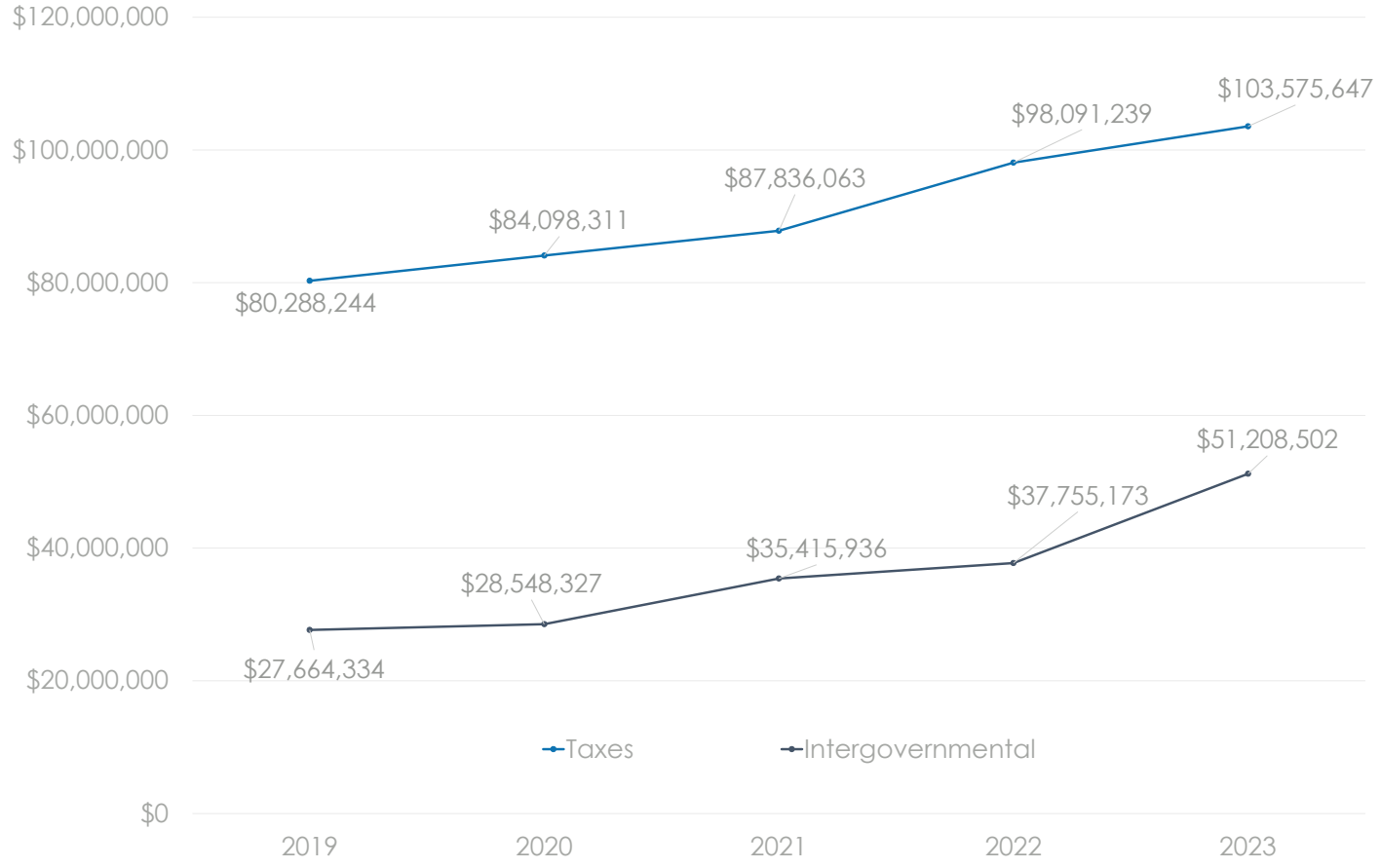
# Net Position (Government-Wide) (continued)



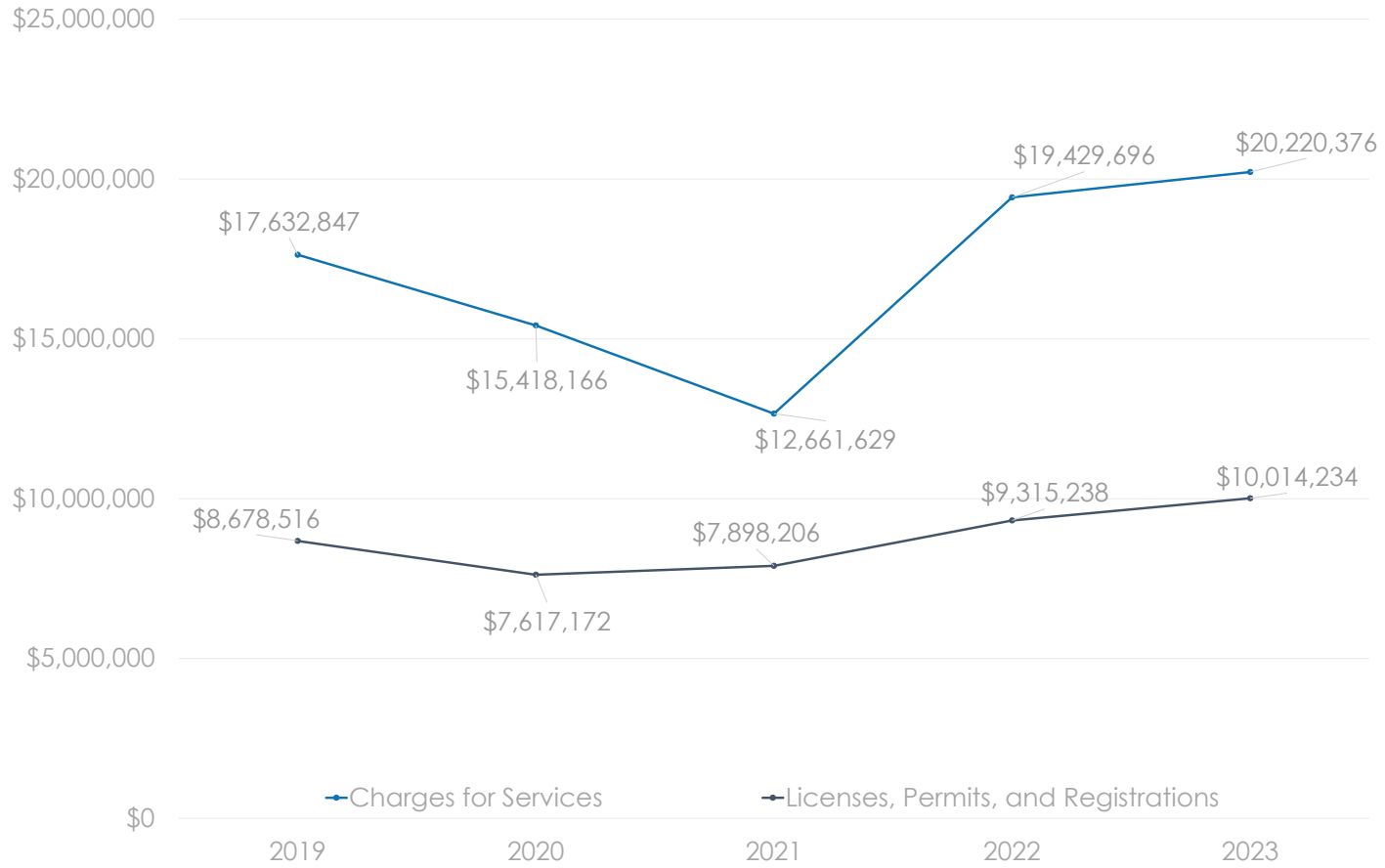
## Revenues vs. Expenses (Government-Wide)



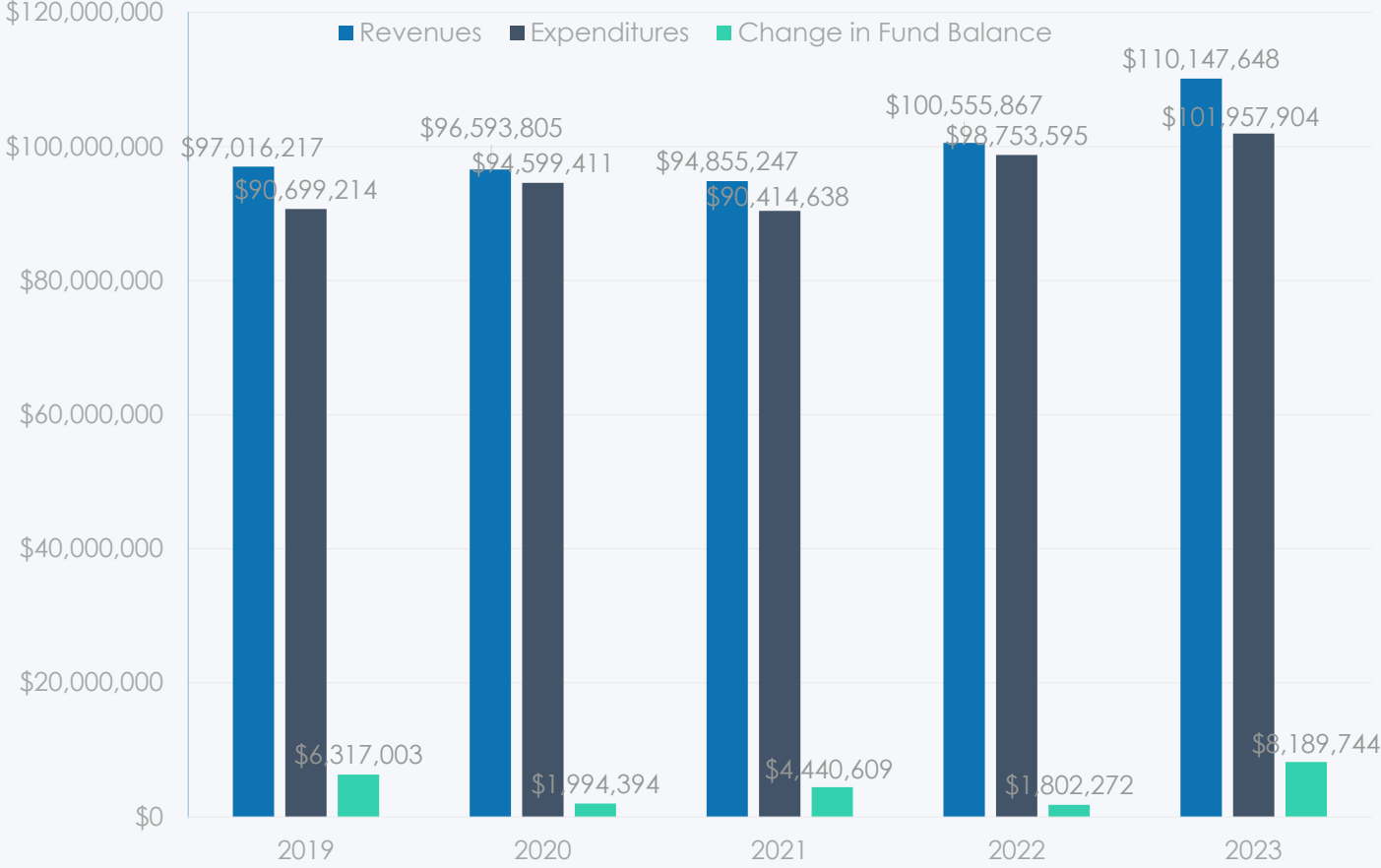
# Major Revenue Line Items (Governmental Funds)



# Major Revenue Line Items (Governmental Funds) (continued)

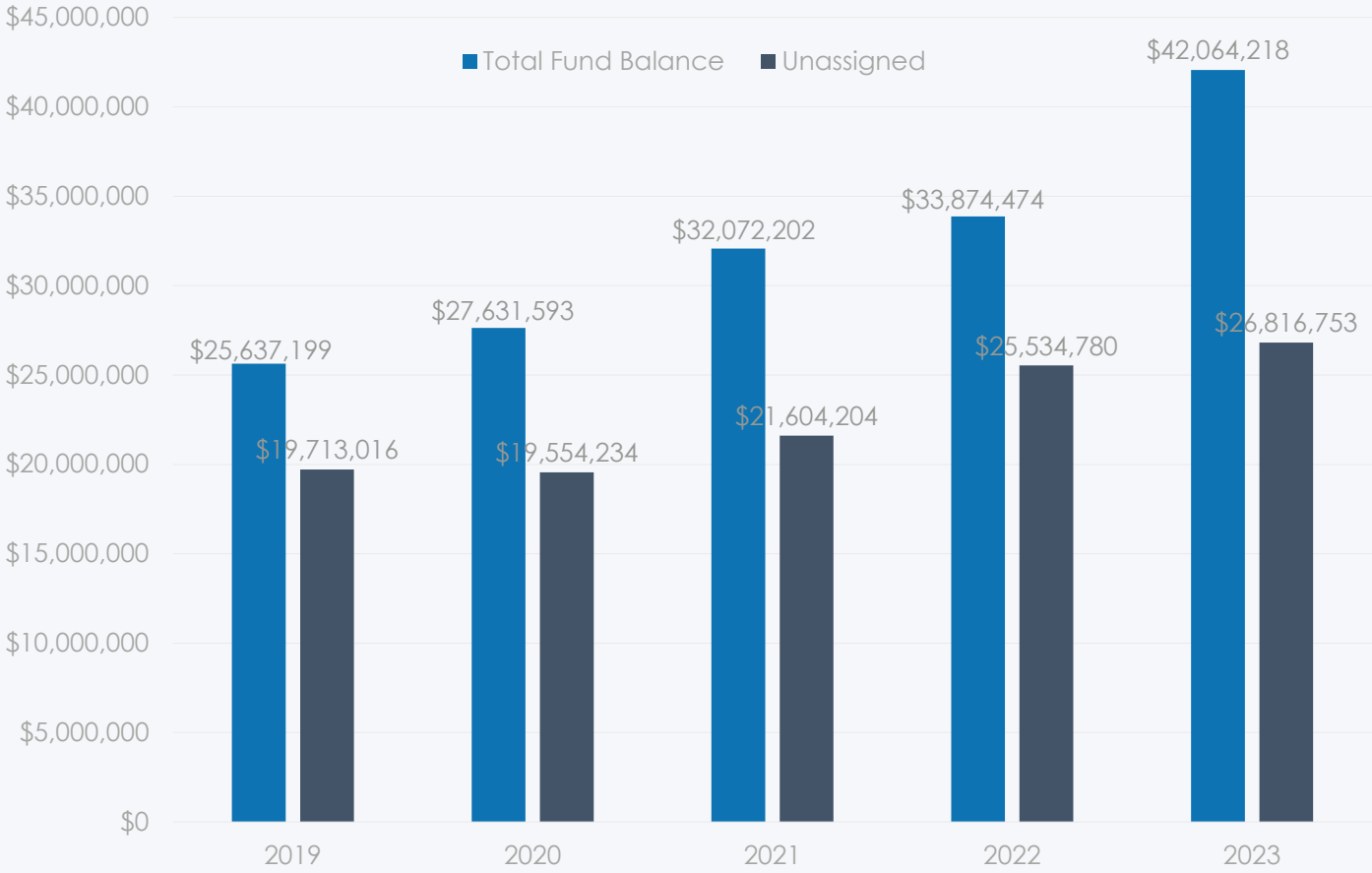


# Revenues vs. Expenditures (General Fund)

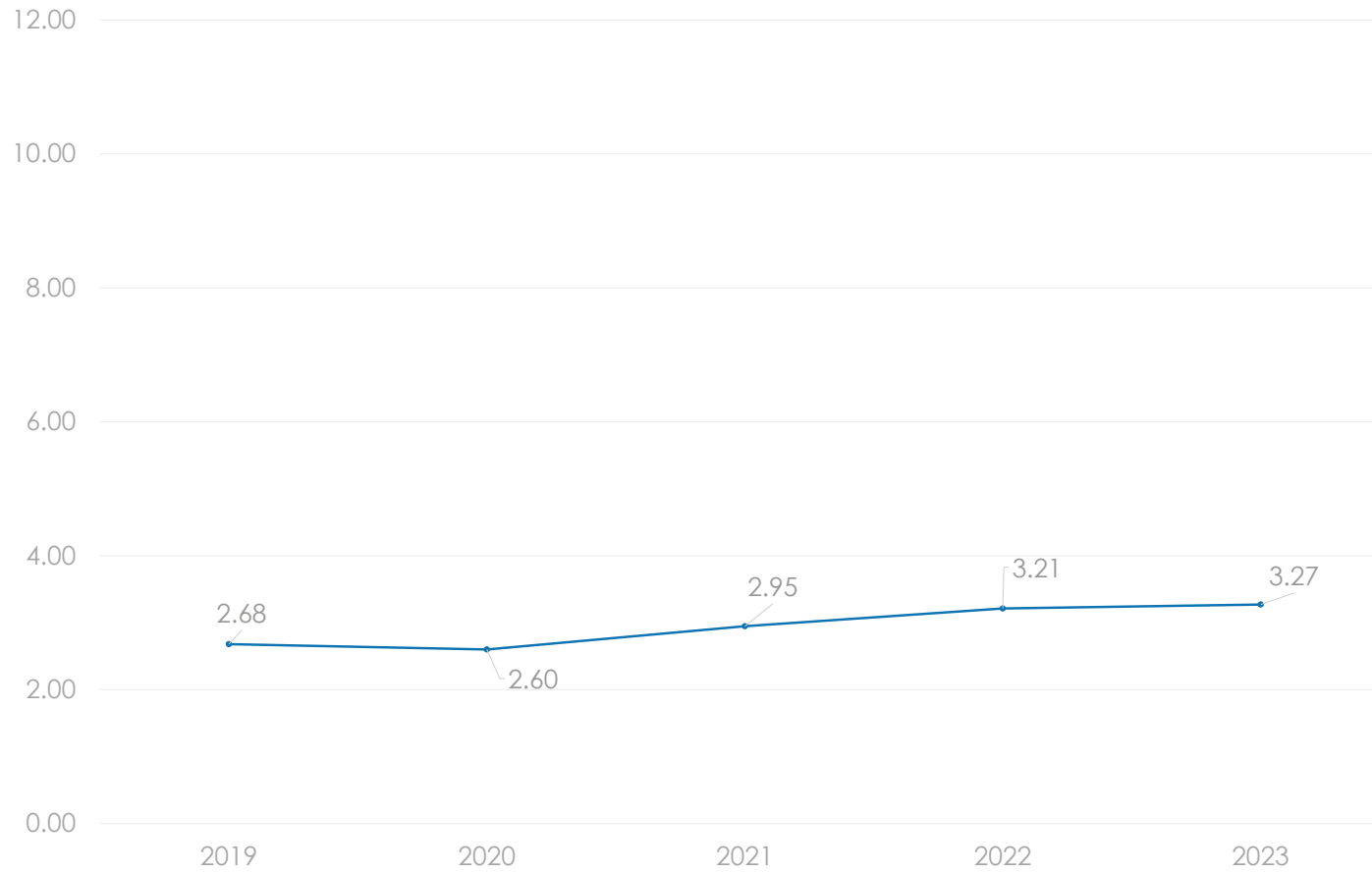




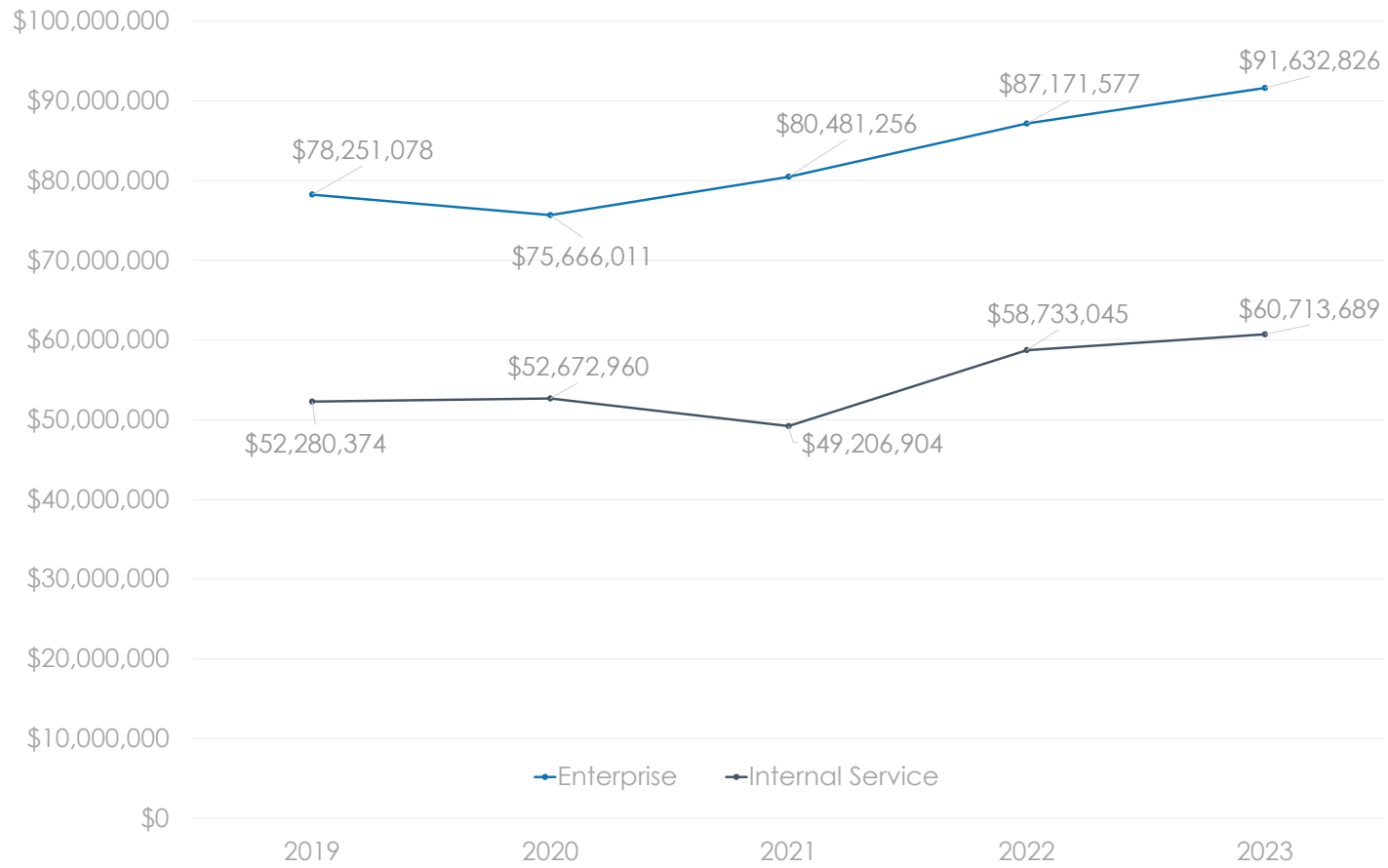
# Fund Balance (General Fund)



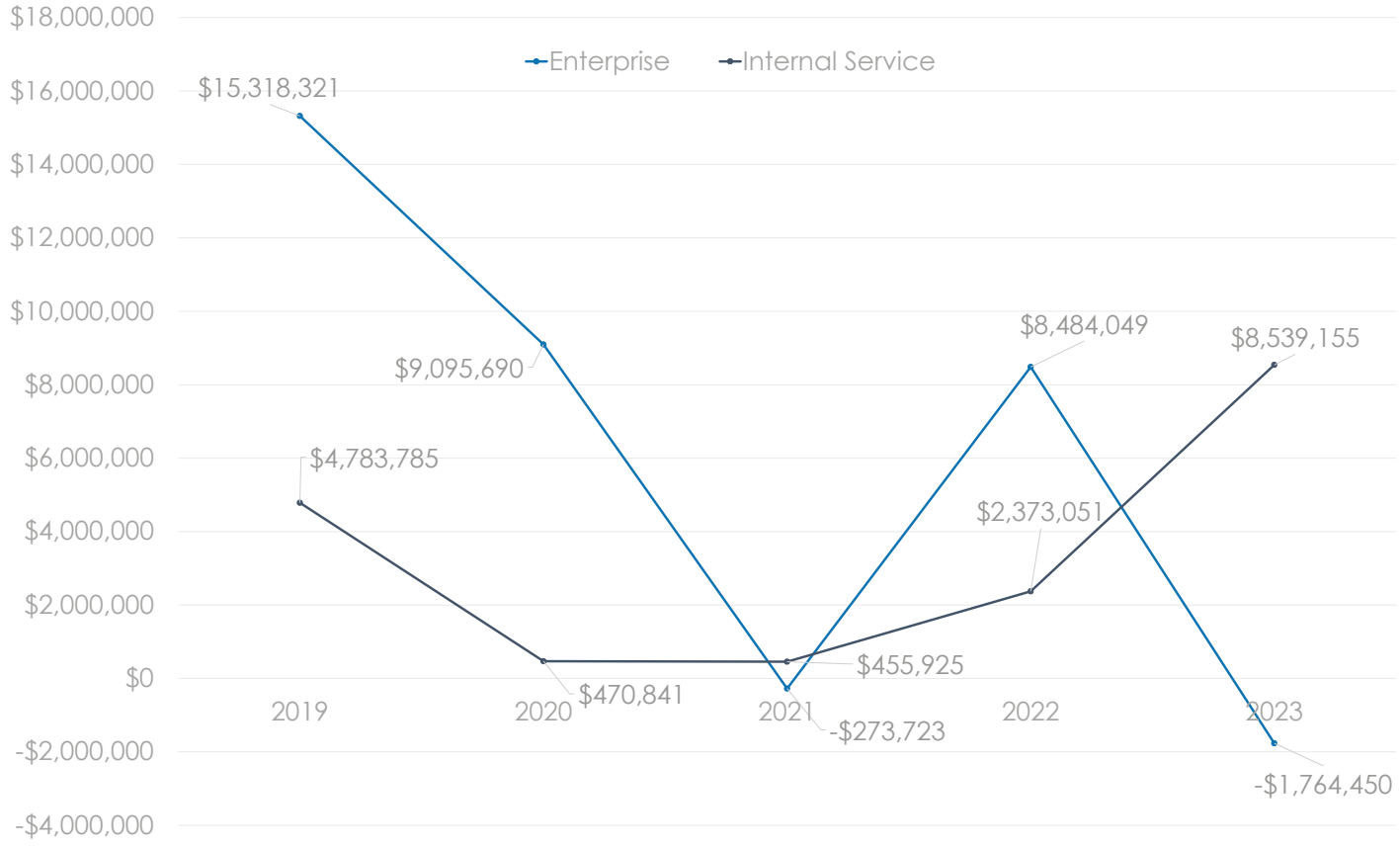
## General Fund Coverage Ratio (in months)



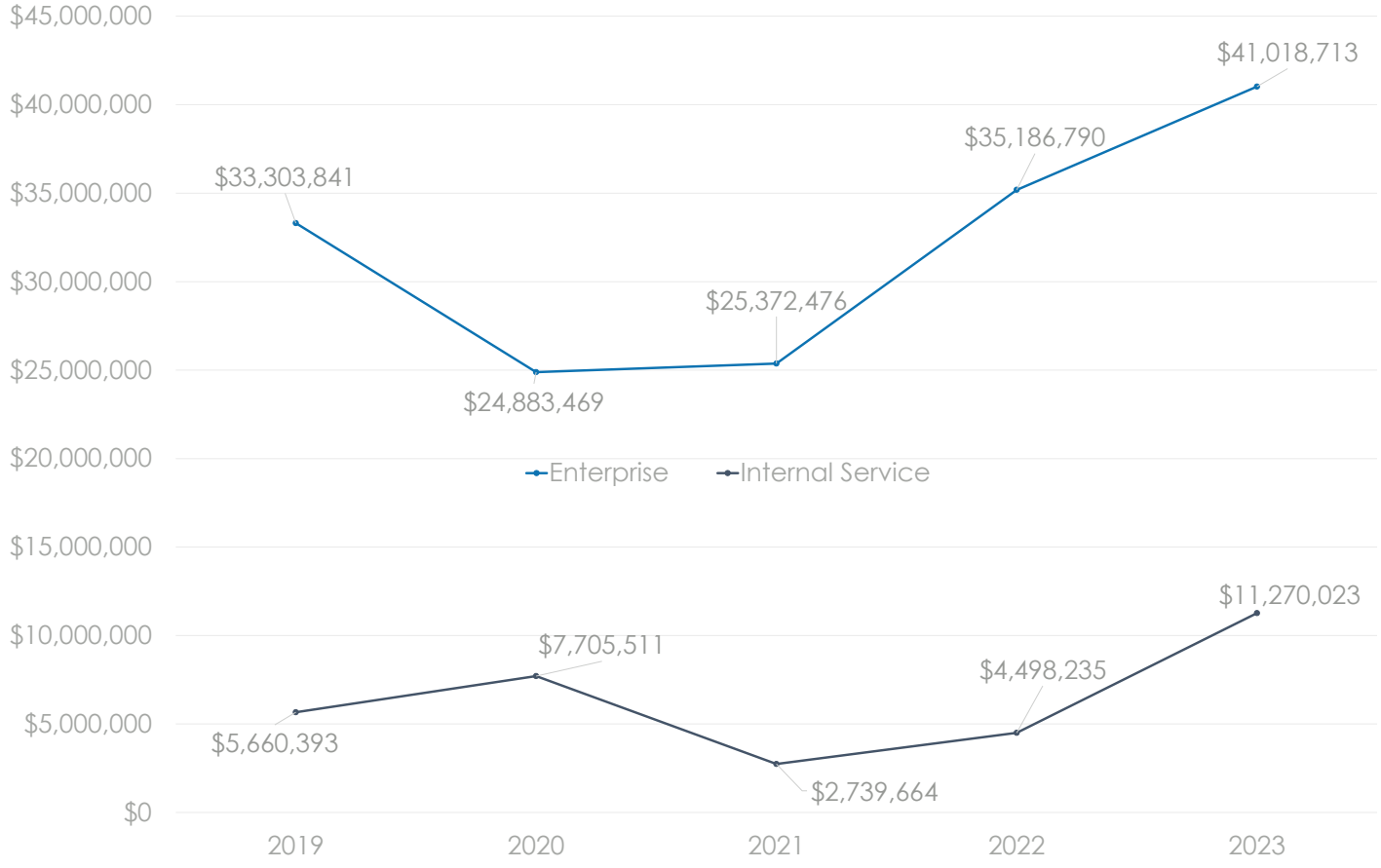
## Charges for Services (Business-Type)



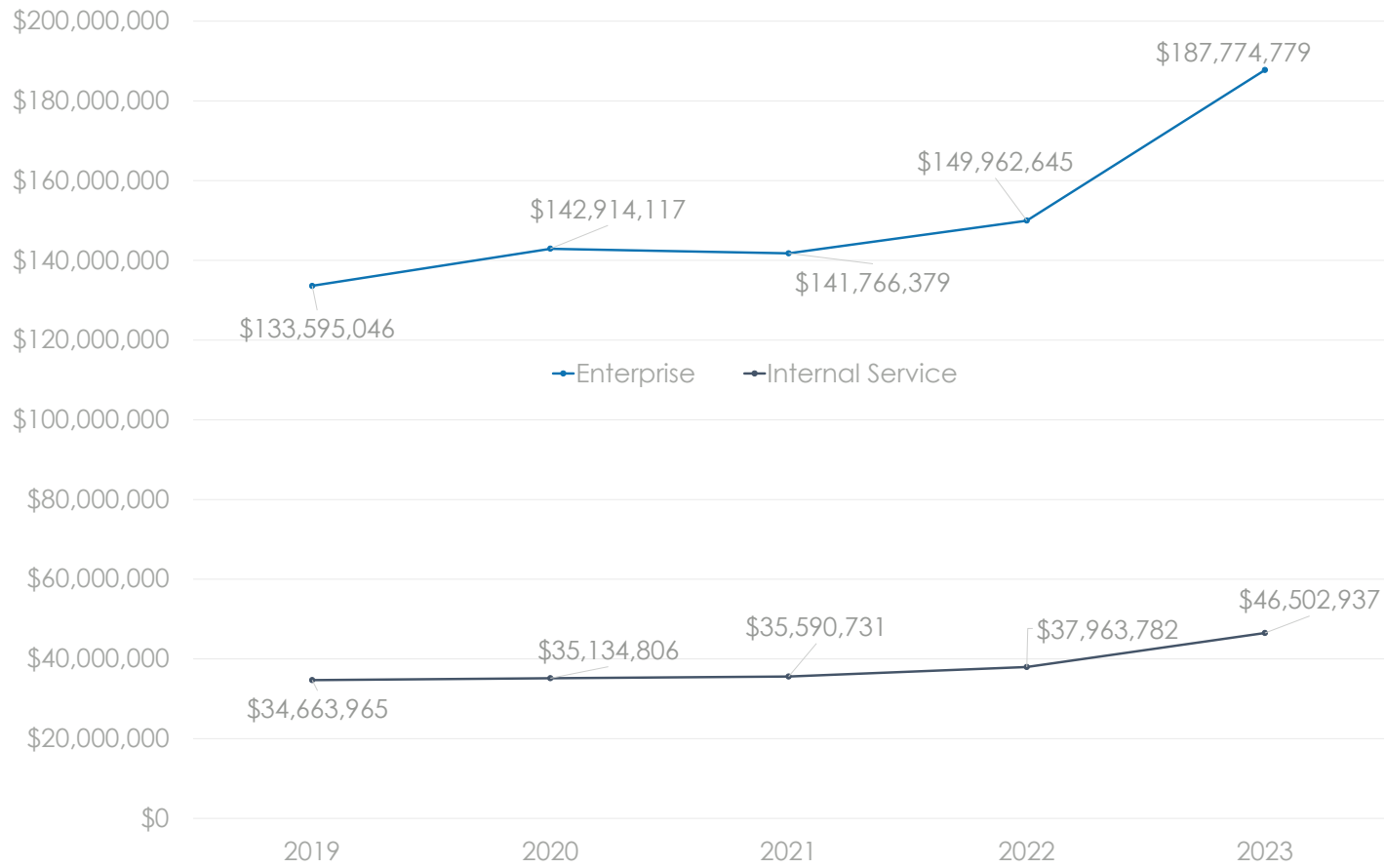
# Net Cash Flow (Business-Type)



# Operating Cash Flow (Business-Type)



## Cash Balance (Business-Type)



## Upcoming Accounting Pronouncements (next two years)

1

**GASB 100 – Accounting Changes and Errors Corrections (FY24) – N/A**

2

**GASB 101 – Compensated Absences (FY25)**



**QUESTIONS**