

## COUNCIL MINUTES

January 3, 2019

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on January 3, 2019 at 7:30 a.m.

### COUNCIL PRESENT

John Giles  
Mark Freeman  
Christopher Glover  
Francisco Heredia  
Kevin Thompson  
Jeremy Whittaker

### COUNCIL ABSENT

David Luna

### OFFICERS PRESENT

Christopher Brady  
Dee Ann Mickelsen  
Jim Smith

Mayor Giles excused Vice Mayor Luna from the entire meeting.

### 1. Review items on the agenda for the January 7, 2019 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None.

Items removed from the consent agenda: None.

Items removed from the agenda: 6-e to be continued to a future Regular Council meeting.

In response to a question posed by Councilmember Whittaker, Assistant City Manager John Pombier explained that for item 4-c (**Ratification of the Emergency Purchase for the Presidential Rally as requested by the Police Department**) the cost was determined between the Mesa Police Department and Phoenix Mesa Gateway Airport staff and no formula was used. He added that the Mesa Police Department provided security services at the Presidential Rally.

In response to questions from Councilmember Whittaker, City Manager Christopher Brady confirmed that the City has requested reimbursement from the campaign committees. He noted that security became an issue due to the fact that the Rally was held in the evening and parking was off-site.

In response to questions posed by Councilmember Whittaker, City Engineer Beth Huning responded that no legal issues should occur on item 5-f (**Requesting approval for Staff to continue negotiations to acquire certain property along Southern Avenue and Stapley Drive Intersection Improvement Project, and in order to avoid construction delays,**

**authorizing and directing staff that fee title, easements or other interests in and possession of certain property be acquired by the City of Mesa through eminent domain as a matter of public necessity).** She stated that the acquired properties are small strips of right-of-way and easements for the road project and a public necessity. She emphasized that when the City uses eminent domain for road projects, they utilize the funding process as a scheduling tool. She noted that the City will submit this project to the Arizona Department of Transportation (ADOT) by May, 2019. She added that the City requests the use of the property and continues negotiations throughout the process. She clarified that the reference to the light rail was only for informational purposes to demonstrate the minimal court processes.

For the record, Mayor Giles acknowledged that a speaker card was received from the following individual in support of agenda item 5-e **(Authorizing the City Manager, or his designee, to execute necessary documents with MC-Hotel River View, LLC for the sale of approximately 12,000 square feet of City-owned property (APN 135-37-904) located at the northeast corner of Paseo Lago Vista and Sheffield Avenue and to enter into a Development Agreement for the site for the construction of a hotel and retail/restaurant space)** but didn't wish to speak:

Kimberly Forest:

A Mesa resident

Finance Director Irma Ashworth displayed a PowerPoint presentation **(See Attachment 1)** and discussed item 5-g **(Accepting the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2018)** on the Regular Council Meeting agenda.

In response to a question posed by Mr. Brady, Ms. Ashworth reported that the CAFR process started in July, 2018.

Mr. Brady highlighted page 8 of the CAFR that captures all the City's revenues and expenses for 2018. He noted that the City had collected approximately \$1 billion in revenues and had \$922 million in expenditures for a net increase of \$79 million. (See Page 1 of Attachment 1)

Mr. Brady reported that on page 16 of the CAFR the Pooled Cash and Investments line item total of \$458,335 million and Restricted Assets: Pooled Cash and Investments line item total of \$131,754 million represents the liquidity of the City. (See Page 2 of Attachment 1)

Mr. Brady explained that on page 19 of the CAFR the balance sheet breaks down the General Fund available cash and the Pooled Cash and Investments line item of \$120,293 million shows the City's ability to make payments and the amount of liquidity reflects the City's ability to meet obligations on a short-term basis, such as payroll. He noted that on page 21 the Sales Tax and Licenses and Permits revenues for 2018 came in higher than budgeted, in addition to expenditures coming in under budget for a net increase of approximately \$16 million. He added that the ending General Fund balance of \$130,374 million is within the recommended fund balance percentage set for the City. (See Pages 3 and 4 of Attachment 1)

In response to a question posed by Councilmember Thompson, Ms. Ashworth responded that the transfers between the Governmental and Business-Type Activities have no impact on the change in net position as the transfers cancel themselves out and the \$78,855 million is the increase in net position as of June 30, 2018. (See Page 1 of Attachment 1)

Ms. Ashworth outlined changes in long-term obligations as stated on page 59 of the CAFR. (See Page 5 of Attachment 1)

Ms. Ashworth reviewed the last ten Fiscal Years (FY) which represent the City's net position in three categories:

- Net Investment in Capital Assets
- Restricted
- Unrestricted

Ms. Ashworth explained that in FY 2013-14 the City had a positive unrestricted balance of approximately \$57 million and with the implementation of The Government Accounting Standards Board (GASB) 68 in FY 2014-15, resulted in a negative unrestricted balance of \$505 million. She added that the negative unrestricted balance continues into FY 2017-18, when GASB 75 was implemented which required the City to record Other Post-employment Benefits (OPEB) on the financial statements. (See Pages 6 and 7 of Attachment 1)

Mr. Brady clarified that OPEB was reported in the past as a footnote in the budget and that the change resulted in a negative impact. He emphasized that the negative net position has no effect on the City's ability to provide services. He continued by saying that the negative net position reflects a long-term liability with an annual payment of \$19 million.

In response to a question posed by Councilmember Thompson, Chief Financial Officer Mike Kennington responded that Council directed staff to pay off the Public Safety Personnel Retirement System (PSPRS) over a 25-year period.

Ms. Ashworth pointed out that as of June 30, 2018 the outstanding PSPRS for the Fire and Medical Department was \$193,863 million and \$377,891 million for the Police Department for a total of approximately \$570 million. She noted that the outstanding OPEB unfunded liability is approximately \$705 million.

In response to questions from Councilmember Whittaker, Mr. Brady reported that the sales tax increase from 1.25% to 1.75% was due to Council approval of additional positions to the Public Safety Departments. He stated that an annual estimate of revenue from sales tax is \$25 million. He explained that the General Fund net increase of \$79 million includes all funds within the City including the Enterprise Fund. He remarked that the utility fund expenditures were higher than the revenues brought in and that staff will review for future rate increases.

Councilmember Thompson informed staff and Council of a potential cost increase for utilities due to the Corporation Commission looking into master meters which may require those owners to maintain their own facilities. He stated the opinion that Council will need to decide to convert the master meters to electric or install service to avoid the need for master meters. He added that the cost would affect the utilities expenditures and the extra revenue received from FY 2018 may be used for utility services due to master meters.

In response to a question posed by Councilmember Whittaker, Mr. Kennington clarified that staff annually reviews the payment of PSPRS unfunded liability and Council decides on the payment. He confirmed that the assumed earnings rate on PSPRS is 7.4%. He stated that he does not have the cost breakdown of the potential excess interest rate by extending the payments from 20 to 25 years and will provide those costs to Council.

Mayor Giles thanked staff for the presentation.

2-a. Hear a presentation, discuss, and provide direction on proposed projects recommended from the Supplemental Funding Process for unallocated Community Development Block Grant (CDBG) funds.

Housing and Community Development Director Liz Morales introduced Community Revitalization Coordinator Dennis Newburn who displayed a PowerPoint presentation. **(See Attachment 2)** She commented that staff is requesting direction on unallocated CDBG funding.

Ms. Morales stated that the Housing and Community Development Department requested Council open the CDBG process in September on projects where the City would spend funds timely. She added that staff is asking for approval of \$150,000 of unallocated Home Investment Partnership Program (HOME) funding to be allocated to the Home Ownership Assistance (HOA) program for down payment assistance.

Ms. Morales reported that as of October 10, 2018 the Housing and Community Development Department received 17 CDBG funding proposals and all proposals have met the consolidated plan goals. (See Pages 3 through 5 of Attachment 2)

Ms. Morales remarked that the Housing and Community Development Department will return to Council for final approval after the 30-day public comment period. (See Page 6 of Attachment 2)

In response to a question posed by Councilmember Heredia, Ms. Morales clarified that the \$150,000 unallocated HOME funds are in addition to the current funds for the HOA program. She noted that the additional funds would cover the eight requests for the down payment assistance.

In response to a question from Councilmember Freeman, Ms. Morales reported that the down payment assistance funding ranges from \$5,000 to \$30,000 per household depending on income.

In response to questions posed by Mayor Giles, Ms. Morales responded that families qualify for the down payment assistance by meeting certain criteria such as, being at or below the 80% area median income (AMI) and the home mortgage cannot exceed 31% of the gross income. She pointed out that residents can access the information on the City's website or visit the Housing and Community Development Department. She remarked that the City works with outside Counseling Agencies specifically for homeownership counseling and applications are typically provided by the agencies.

In response to questions from Mayor Giles, Ms. Morales confirmed that all 17 CDBG proposals qualified and the proposals not receiving funding for FY 2018/19 will be moved to the FY 2019/20 application process without re-submittal. She noted that not all proposals recommended received a high score but pointed out that those proposals selected were shovel ready and funding would be spent timely.

Discussion ensued relative to businesses recommended for funding that are outside of the City but serve Mesa residents.

In response to a question posed by Councilmember Freeman, Ms. Morales stated that the spending of the CDBG monies must be used by June 30, 2019.

Mayor Giles thanked staff for the presentation.

2-b. Hear a presentation, discuss, and provide direction on the auction of City-owned property on the northwest corner of Thomas and Recker Roads.

Mayor Giles stated that this item would be continued to the January 7, 2019 Study Session.

3. Acknowledge receipt of minutes of various boards and committees.

3-a. Audit, Finance and Enterprise Committee meeting held on December 10, 2018.

It was moved by Councilmember Glover, seconded by Councilmember Thompson, that receipt of the above-listed minutes be acknowledged.

Upon tabulation of votes, it showed:

AYES – Giles-Freeman-Glover-Heredia-Thompson-Whittaker

NAYS – None

ABSENT – Luna

Mayor Giles declared the motion carried unanimously by those present.

4. Hear reports on meetings and/or conferences attended.

Councilmember Thompson congratulated Assistant Police Chief Tony Lythgoe on his retirement and thanked him for his dedication to the City.

5. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the schedule of meetings is as follows:

Monday, January 7, 2019, 5:15 p.m. – Study Session

Monday, January 7, 2019, 5:45 p.m. – Regular Council Meeting

Mr. Brady welcomed new Planning Director Nana Appiah to the City.

6. Adjournment.

Without objection, the Study Session adjourned at 8:16 a.m.

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JOHN GILES, MAYOR

ATTEST:

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DEE ANN MICKELSEN, CITY CLERK

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 3<sup>rd</sup> day of January, 2019. I further certify that the meeting was duly called and held and that a quorum was present.

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DEE ANN MICKELSEN, CITY CLERK

js  
(Attachments – 2)

## Changes in Net Position

The following table shows the revenues and expenses of the City for the fiscal years ended June 30, 2018 and 2017.

### Changes in Net Position Year Ended June 30 (In thousands of dollars)

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Government</b>	
	2018	2017	2018	2017	2018	2017
Program Revenues:						
Charges for Services	\$ 78,756	\$ 72,703	\$ 371,794	\$ 359,060	\$ 450,550	\$ 431,763
Operating Grants & Contributions	34,446	26,955	2,406	158	36,852	27,113
Capital Grants & Contributions	23,618	24,451	23,474	28,711	47,092	53,162
General Revenues:						
Sales Taxes	169,024	159,735	-	-	169,024	159,735
Property Taxes	35,571	34,684	-	-	35,571	34,684
Occupancy Taxes	2,628	2,536	1,192	1,085	3,820	3,621
Unrestricted Intergovernmental Contributions	167,540	158,916	-	-	167,540	158,916
Unrestricted Investment Income	80,312	46,817	-	-	80,312	46,817
Gain on Disposal of Capital Assets	1,912	448	1,691	983	3,603	1,431
Miscellaneous	(2,462)	(1,411)	261	16,364	(2,201)	14,953
Total Revenues	596,763	536,995	402,733	406,827	999,496	943,822
Governmental Activities Expenses:						
General Government	105,140	101,301	-	-	105,140	101,301
Public Safety	334,905	379,505	-	-	334,905	379,505
Community Environment	113,916	104,173	-	-	113,916	104,173
Cultural-Recreational	54,828	55,739	-	-	54,828	55,739
Interest on Long-Term Debt	19,514	19,279	-	-	19,514	19,279
Business-Type Activities:						
Electric	-	-	25,573	26,561	25,573	26,561
Gas	-	-	31,636	37,109	31,636	37,109
Water	-	-	101,005	95,608	101,005	95,608
Wastewater	-	-	74,157	71,782	74,157	71,782
Solid Waste	-	-	37,988	37,911	37,988	37,911
Airport	-	-	5,308	5,125	5,308	5,125
Golf Course	-	-	1,965	2,028	1,965	2,028
Convention Center	-	-	4,481	4,711	4,481	4,711
Hohokam Stadium/Fitch Complex	-	-	3,174	3,687	3,174	3,687
Cubs Stadium	-	-	5,870	6,042	5,870	6,042
District Cooling	-	-	1,181	1,268	1,181	1,268
Total Expenses	628,303	659,997	292,338	291,832	920,641	951,829
Increase (Decrease) in Net Position Before Transfers	(31,540)	(123,002)	110,395	114,995	78,855	(8,007)
Transfers	116,006	106,607	(116,006)	(106,607)	-	-
Change in Net Position	84,466	(16,395)	(5,611)	8,388	78,855	(8,007)
Total Net Position - As Adjusted	165,335	181,730	511,594	503,206	676,929	684,936
Net Position - Ending	\$ 249,801	\$ 165,335	\$ 505,983	\$ 511,594	\$ 755,784	\$ 676,929

CITY OF MESA, ARIZONA  
**EXHIBIT A-1**  
STATEMENT OF NET POSITION  
JUNE 30, 2018  
(in thousands)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Pooled Cash and Investments	\$ 359,534	\$ 98,801	\$ 458,335
Accounts Receivable, Net	5,770	36,852	42,622
Accrued Interest Receivable	991	920	1,911
Due from Other Governments	35,819	2,647	38,466
Internal Balances	(876)	876	-
Inventory	6,079	-	6,079
Prepaid Costs	3,186	2,172	5,358
Deposits	69	45	114
Restricted Assets:			
Pooled Cash and Investments	7,001	124,753	131,754
Cash with Fiscal Agent	42,651	57,680	100,331
Cash with Trustee	-	98	98
Accounts Receivable, Net	12,527	-	12,527
Due from Other Governments	1,265	-	1,265
Customer Deposits	-	4,281	4,281
Joint Venture Construction Deposits	-	3,716	3,716
Investment in Joint Ventures	262,061	208,505	470,566
Capital Assets, Not Being Depreciated	513,044	296,894	809,938
Capital Assets, Being Depreciated, Net	927,250	1,225,149	2,152,399
Total Assets	<u>2,176,371</u>	<u>2,063,389</u>	<u>4,239,760</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Debt Refunding	8,946	29,430	38,376
Pensions and OPEB	162,477	9,168	171,645
Total Deferred Outflows of Resources	<u>171,423</u>	<u>38,598</u>	<u>210,021</u>
<b>LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	24,358	9,722	34,080
Claims Payable	37,029	-	37,029
Customer and Defendant Deposits	7,190	-	7,190
Liabilities Payable from Restricted Assets	48,431	99,749	148,180
Noncurrent Liabilities, Due Within One Year	41,741	36,352	78,093
Noncurrent Liabilities, Due in More Than One Year	472,231	1,299,888	1,772,119
Net Pension and OPEB Liability	1,399,889	141,767	1,541,656
Total Liabilities	<u>2,030,869</u>	<u>1,587,478</u>	<u>3,618,347</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions and OPEB	67,124	8,526	75,650
Total Deferred Inflows of Resources	<u>67,124</u>	<u>8,526</u>	<u>75,650</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,019,888	266,012	1,285,900
Restricted For:			
Bond Indentures	-	29,505	29,505
Construction	-	3,716	3,716
Debt Service	25,490	7,219	32,709
Public Safety	5,369	-	5,369
Transportation Programs	54,265	-	54,265
Other Programs	3,181	-	3,181
Unrestricted	(858,392)	199,531	(658,861)
Total Net Position	<u>\$ 249,801</u>	<u>\$ 505,983</u>	<u>\$ 755,784</u>

The accompanying notes are an integral part of the financial statements.



CITY OF MESA, ARIZONA  
**EXHIBIT A-3**  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2018  
(in thousands)

	<b>General Fund</b>	<b>Non-major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>			
Pooled Cash and Investments	\$ 120,293	\$ 170,055	\$ 290,348
Accounts Receivable, Net	3,254	1,751	5,005
Accrued Interest Receivable	361	396	757
Due from Other Governments	20,427	15,392	35,819
Due from Other Funds	1,262	-	1,262
Prepaid Costs	2,304	135	2,439
Restricted Assets:			
Pooled Cash and Investments	-	7,001	7,001
Cash with Fiscal Agent	-	42,651	42,651
Accounts Receivable	-	12,527	12,527
Due from Other Governments	-	1,265	1,265
Total Assets	<u>\$ 147,901</u>	<u>\$ 251,173</u>	<u>\$ 399,074</u>
<b>LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	\$ 11,961	\$ 10,307	\$ 22,268
Due to Other Funds	-	1,262	1,262
Advances from Other Funds	876	-	876
Customer and Defendant Deposits	234	6,956	7,190
Payable from Restricted Assets:			
Accrued Interest Payable	-	9,382	9,382
Unearned Revenue	3,160	1,513	4,673
Matured Bonds Payable	-	34,376	34,376
Total Liabilities	<u>16,231</u>	<u>63,796</u>	<u>80,027</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	1,296	13,293	14,589
Total Deferred Inflows of Resources	<u>1,296</u>	<u>13,293</u>	<u>14,589</u>
<b>FUND BALANCES</b>			
Nonspendable	2,304	135	2,439
Restricted	-	132,462	132,462
Committed	10,377	41,641	52,018
Assigned	28,346	22	28,368
Unassigned	89,347	(176)	89,171
Total Fund Balances	<u>130,374</u>	<u>174,084</u>	<u>304,458</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 147,901</u>	<u>\$ 251,173</u>	<u>\$ 399,074</u>

The accompanying notes are an integral part of the financial statements.

CITY OF MESA, ARIZONA

**EXHIBIT A-5**

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(in thousands)

	<b>General Fund</b>	<b>Non-major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>			
Sales Taxes	\$ 116,024	\$ 53,000	\$ 169,024
Property Taxes	-	35,616	35,616
Occupancy Taxes	25	2,603	2,628
Special Assessments	-	1,174	1,174
Licenses and Permits	20,103	5,016	25,119
Intergovernmental	138,177	85,623	223,800
Charges for Services	24,033	16,189	40,222
Fines and Forfeitures	8,155	2,281	10,436
Investment Income	208	1,400	1,608
Contributions	75	354	429
Miscellaneous Revenue	1,768	3,779	5,547
Total Revenues	<u>308,568</u>	<u>207,035</u>	<u>515,603</u>
<b>EXPENDITURES</b>			
Current:			
General Government	80,860	9,349	90,209
Public Safety	237,902	28,557	266,459
Community Environment	15,705	57,699	73,404
Cultural-Recreational	38,358	7,785	46,143
Debt Service:			
Principal	-	34,738	34,738
Interest on Bonds	-	18,477	18,477
Service Charges	-	14	14
Cost of Issuance	-	1,023	1,023
Capital Outlay	13,261	63,018	76,279
Total Expenditures	<u>386,086</u>	<u>220,660</u>	<u>606,746</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(77,518)</u>	<u>(13,625)</u>	<u>(91,143)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	120,095	56,477	176,572
Transfers Out	(26,629)	(39,579)	(66,208)
Face Amount of Bonds Issued	-	26,745	26,745
Premium on Issuance of Bonds (Net)	-	1,063	1,063
Total Other Financing Sources (Uses)	<u>93,466</u>	<u>44,706</u>	<u>138,172</u>
Net Change in Fund Balances	15,948	31,081	47,029
Fund Balance - Beginning	<u>114,426</u>	<u>143,003</u>	<u>257,429</u>
Fund Balances - Ending	<u>\$ 130,374</u>	<u>\$ 174,084</u>	<u>\$ 304,458</u>

The accompanying notes are an integral part of the financial statements.

CITY OF MESA, ARIZONA  
**NOTES TO FINANCIAL STATEMENTS**  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**8. LONG-TERM OBLIGATIONS**

**a. Changes in Long-Term Obligations**

The following is a summary of changes in long-term obligations (in thousands).

	Beginning Balances	Additions	Reductions	Ending Balances	Amounts Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 374,443	\$ 16,120	\$ (25,044)	\$ 365,519	\$ 28,104
Highway User Revenue Bonds	84,995	-	(8,375)	76,620	8,715
Special Assessment Bonds with Governmental Commitment	1,340	-	(335)	1,005	335
Community Facility District	19,172	10,625	(984)	28,813	813
Total Bonds Payable	<u>479,950</u>	<u>26,745</u>	<u>(34,738)</u>	<u>471,957</u>	<u>37,967</u>
Unamortized Premiums	16,015	1,063	(2,263)	14,815	-
Compensated Absences	28,322	23,468	(24,590)	27,200	3,774
Governmental Activities Total	<u>\$ 524,287</u>	<u>\$ 51,276</u>	<u>\$ (61,591)</u>	<u>\$ 513,972</u>	<u>\$ 41,741</u>
<b>Business-type Activities:</b>					
Bonds Payable:					
Revenue Bonds	\$ 1,161,755	\$ 112,120	\$ (46,520)	\$ 1,227,355	\$ 35,525
General Obligation Bonds	312	-	(76)	236	46
Excise Tax Revenue Obligations	94,060	-	(45,035)	49,025	-
Total Bonds Payable	<u>1,256,127</u>	<u>112,120</u>	<u>(91,631)</u>	<u>1,276,616</u>	<u>35,571</u>
Notes Payable	1,851	-	(137)	1,714	140
Unamortized Bond Premiums	45,365	12,931	(4,711)	53,585	-
Compensated Absences	4,223	3,937	(3,835)	4,325	641
Business-type Activities Total	<u>\$ 1,307,566</u>	<u>\$ 128,988</u>	<u>\$ (100,314)</u>	<u>\$ 1,336,240</u>	<u>\$ 36,352</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for internal service funds are included as part of the above totals for governmental activities. At year-end, \$840,000 of internal service funds compensated absences are included in the above amounts.

For governmental activities, compensated absences are generally liquidated by the general fund.

CITY OF MESA, ARIZONA

**TABLE I**

NET POSITION BY COMPONENTS

LAST TEN FISCAL YEARS

(accrual basis of accounting)

(in thousands)

	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net Investment in Capital Assets	\$ 791,523	\$ 844,777	\$ 872,302	\$ 913,702
Restricted	92,533	86,955	39,296	41,257
Unrestricted	91,363	3,651	(6,376)	(96,986)
Total Governmental Activities Net Position	<u>\$ 975,419</u>	<u>\$ 935,383</u>	<u>\$ 905,222</u>	<u>\$ 857,973</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net Investment in Capital Assets	\$ 413,944	\$ 434,814	\$ 430,436	\$ 412,016
Restricted	82,697	47,011	55,873	69,739
Unrestricted	278,892	271,706	258,131	254,189
Total Business-type Activities	<u>\$ 775,533</u>	<u>\$ 753,531</u>	<u>\$ 744,440</u>	<u>\$ 735,944</u>
<b>PRIMARY GOVERNMENT</b>				
Net Investment in Capital Assets	\$ 1,205,467	\$ 1,279,591	\$ 1,302,738	\$ 1,325,718
Restricted	175,230	133,966	95,169	110,996
Unrestricted	370,255	275,357	251,755	157,203
Total Primary Government	<u>\$ 1,750,952</u>	<u>\$ 1,688,914</u>	<u>\$ 1,649,662</u>	<u>\$ 1,593,917</u>

**TABLE I**  
(Concluded)

<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
\$ 902,397	\$ 866,332	\$ 932,660	\$ 965,148	\$ 986,354	\$ 1,019,888
56,719	60,555	72,170	81,941	88,721	88,305
(184,355)	(120,803)	(666,758)	(666,986)	(711,367)	(858,392)
<u>\$ 774,761</u>	<u>\$ 806,084</u>	<u>\$ 338,072</u>	<u>\$ 380,103</u>	<u>\$ 363,708</u>	<u>\$ 249,801</u>
\$ 346,352	\$ 393,720	\$ 327,743	\$ 302,521	\$ 247,598	\$ 266,012
37,795	43,023	47,576	49,139	43,046	40,440
271,619	178,702	160,934	158,756	228,160	199,531
<u>\$ 655,766</u>	<u>\$ 615,445</u>	<u>\$ 536,253</u>	<u>\$ 510,416</u>	<u>\$ 518,804</u>	<u>\$ 505,983</u>
\$ 1,248,749	\$ 1,260,052	\$ 1,260,403	\$ 1,267,669	\$ 1,233,952	\$ 1,285,900
94,514	103,578	119,746	131,080	131,767	128,745
87,264	57,899	(505,824)	(508,230)	(483,207)	(658,861)
<u>\$ 1,430,527</u>	<u>\$ 1,421,529</u>	<u>\$ 874,325</u>	<u>\$ 890,519</u>	<u>\$ 882,512</u>	<u>\$ 755,784</u>

# Housing and Community Development Unallocated CDBG Funding

Liz Morales

Community Services Department

January 3, 2019



# PURPOSE

Request direction from City Council on the staff recommendations for funding of proposals with Community Development Block Grant supplemental funds (CDBG)

Request approval of \$150,000 of unallocated HOME Investment Partnership (HOME) funds be added to the Home Ownership Assistance (HOA) program.

# FUNDING PROCESS

- Notice of Funding Availability issued  
Sept. 30<sup>th</sup> 2018
- Eligible Activities:
  - Public Facilities and Improvements
  - Commercial Rehabilitation
  - Acquisition
  - Economic Development
  - Accessibility
- Submission deadline Oct. 10, 2018



# EVALUATION PROCESS

- Eligibility
- Agency Presentations
- Scoring by Housing and Community Development Advisory Board (HCDAB)
- Staff Recommendation

# FACTORS FOR FUNDING

- Expend funds by June 30, 2019
- Shovel-Ready
- Leveraging
- Projects which address homelessness
- Community benefit,
- Budget consideration
- Meeting Consolidated Plan goals

# NEXT STEPS

- 30-day Public Comment period
- Return to Council for final approval and resolution to amend FY 2018/2019 Annual Action Plan

# CDBG Unallocated Funding

## Questions?

January 3, 2019