



**TOWN OF LOS GATOS  
FINANCE COMMISSION REPORT**

MEETING DATE: 12/06/2021

ITEM NO: 5

DESK ITEM

---

DATE: December 6, 2021  
TO: Finance Commission  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Review the Town Manager's Draft Annual Comprehensive Financial Report (ACFR) for the Preceding Fiscal Year and Provide Written Comments and Recommendations

**REMARKS:**

After the release of the Draft ACFR further review by staff identified that a revenue reclassification was needed in the Statement of Activity between Charges for Services and Operating Grants and Contribution. Per reclassification Charges for Services decreased by \$400,808 from \$11,754,740 to \$11,353,932 while the Operating Grants and Contribution increased by the same amount from \$2,886,756 to \$3,287,564. The reclassification of the revenue does not change the Town Net Position. Replacement pages containing information on the Statement of Activity are included in Attachment 2 of this Desk Item. In addition, the auditor identified a typographical error in the Other Post Employment Benefits Sensitivity Analysis schedule in Note 10 (page 92). Attachment 3 contains replacement page 92.

Staff will continue to review the Draft ACFR and present any recommended updates as warranted until the final approval by Council on December 21, 2021.

**Attachment previously distributed with the Staff Report:**

1. Draft FY 2020/21 ACFR

**Attachments distributed with this Desk Item:**

2. Replacement pages related to the Statement of Activity Schedule: - pages 25, 26 ,41, and 129
3. Replacement page on OPEB Sensitivity Analysis Schedule: - page 92

**PREPARED BY:** Arn Andrews  
Assistant Town Manager

---

Reviewed by: Town Manager and Finance Director

---