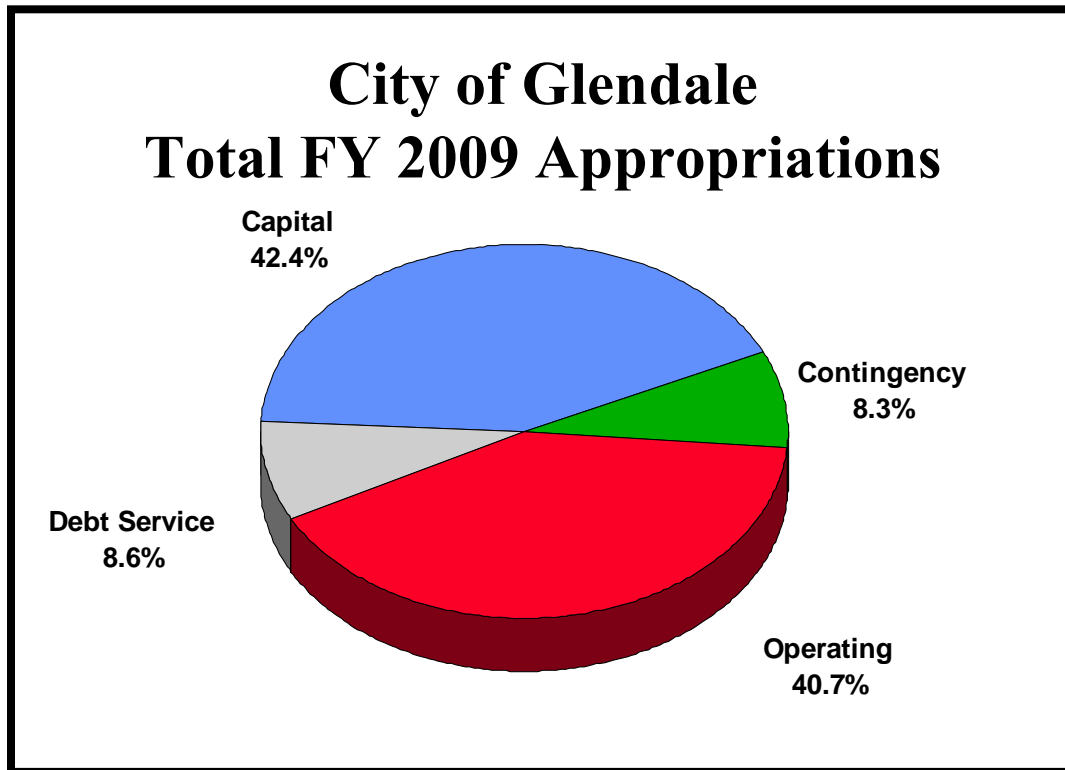


BUDGET SUMMARY

The annual budget for the City of Glendale is divided into four major components, which include all appropriations for the city. The *operating budget* finances the day-to-day provision of city services and totals \$376.9 million. The *capital improvement budget* funds the construction of city facilities, such as police/fire stations and libraries, in addition to the construction of roads, public amenities and other infrastructure throughout the city. This year the capital improvement budget totals \$391.9 million. The *debt service budget* is used to repay money borrowed by the city, primarily for capital improvements, and amounts to \$79.3 million. The final component of the budget is the *contingency appropriation*, which is made up of fund reserves and is available to cover emergency expenses or revenue shortages should they arise during the fiscal year. The contingency appropriation for this fiscal year totals \$76.9 million.

The total budget, including all four components, is \$925 million for Fiscal Year (FY) 2009. This represents a decrease of 1.8% from the FY 2008 total budget of \$942 million. As you can see from the graph below, the operating (40.7%) and the capital (42.4%) appropriations are the largest components of the FY 2009 budget and account for 83.1% of the total appropriations. Both are discussed on the following pages.



A summary of the city’s major revenues and expenditures, including other financing sources and uses, provides an overview of the total resources budgeted by the organization. This summary is located in the *Schedules* section of this book and is titled *Schedule One by Category*.

Operating Budget

The development of Glendale's FY 2009 budget was an open process designed to reflect the needs and desires of the community. Throughout the year, the Mayor, City Council and city staff obtained input from the community through neighborhood meetings, citizen boards and commissions, surveys and other contacts with individuals and groups.

During the fall of 2007, staff updated the city's *Five-Year Financial Forecast*. The forecast allows various budget scenarios to be tested for their effect on the city's financial condition on a long-range basis. At the same time, the city's CIP Management Team met to begin the process of updating the *Ten-Year Capital Improvement Plan*. In November, City Council conducted a goals-setting retreat to update its strategic goals and key objectives. These City Council goals did not change from the previous year and are explained in the *Mayor's Message*.

In November, the Management and Budget Department kicked off the budget development process for FY 2009. The kickoff meeting focused on the central role of City Council's goals in the budget development process. This meeting also provided an assessment of current economic trends, the revenue outlook for the upcoming fiscal year and the city manager's direction for the development of individual departmental budget requests.

As part of the budget development process, departments were required to reduce their FY 2008 ongoing General Fund base budgets by 4.5% for all non-salary related items. The Police, Fire and Homeland Security Departments were not affected by the 4.5% reduction. This reduction, coupled by the need for departments to absorb inflationary increases within their base budgets, proved to be quite a challenge. The lone exception related to electricity and utilities budgets. Due to significant price increases, a city-wide supplemental was submitted to cover this critical base budget line item for FY 2009.

Managers exhibited considerable innovation in developing better methods and practices. In some cases, managers found it necessary to request supplemental funding to cover growth or to provide new or expanded services to meet Council goals and objectives. In those cases, they were required to submit detailed justifications including a description of the service benefit, cost recovery potential and other innovations implemented prior to requesting supplemental funding.

FY 2009 budget requests were reviewed by their group's deputy city manager in order to prioritize the requests. The entire management team met in February to develop the city manager's recommended budget. City Council reviewed the city manager's balanced budget in a series of four public, televised workshop sessions beginning on March 25 and concluding on April 22. Approximately 14 hours of workshop hearings were held to discuss the pertinent issues surrounding the operating, capital and debt service budgets for the upcoming fiscal year. The proposed budget, as revised by City Council, became the preliminary budget, which was published and made available for further public review prior to the public hearings and formal adoption of the final budget on June 24, 2008.



Capital Improvement Plan Budget

The city annually updates the *Ten-Year Capital Improvement Plan (CIP)*, which is now based on FY 2009 through FY 2018 and includes over \$2.4 billion in projects. The first year of the plan is the only year appropriated by Council. The remaining nine years are for planning purposes and funding is not guaranteed to occur in the year planned. The final decision to fund a project is made by City Council. Projects include upgrades to city buildings, street improvements, parks construction, renovation and rehabilitation, as well as upgrades to water treatment and wastewater collection facilities. The CIP Management Team is comprised of staff from Engineering, Management and Budget, Field Operations and Finance Departments to carefully review all capital projects.

In an effort to manage total costs, the city reviews all CIP projects in great detail for their capital costs to construct and their projected impact on the operating budget once they are completed. Projects with high operating costs may need to be deferred to a year when the city can ensure that the operating impact can be adequately covered when the project is completed.

For FY 2009, the City of Glendale plans on making the following capital investments with a \$391.9 million budget (figures are rounded):

Table 1: Capital Improvements
(All Dollars in Millions)

Transportation Construct. (Fund 2210)	\$104.9
Water & Sewer (Fund 2360+)	\$97.4
Public Safety (Fund 2040)	\$56.6
Flood Control (Fund 2180)	\$21.9
Transportation Grants (Fund 1650)	\$15.7
Street Revenue Bonds –HURF (Fund 2000)	\$15.1
Economic Dev. (Fund 2100)	\$14.2
Parks (Fund 2060)	\$9.2
Landfill (Fund 2440)	\$8.7
Street Construction (Fund 1980)	\$7.4
Library (Fund 2160)	\$6.8
General Fund Pay-As-You-Go (Fund 1000)	\$6.7
Other Grants (Fund 1840)	\$5.4
DIF – Roadway Improvements (Fund 1600)	\$4.9
DIF – Libraries (Fund 1500)	\$3.1
Other CIP Funds	\$13.9
Total CIP	\$391.9

Refer to the *Capital Improvement Plan* section for more detailed information regarding the projects included in these categories, as well as the funding sources available for each.

Amending the Budget

Once the City Council adopts the annual budget, total expenditures cannot exceed the final appropriation that is \$925 million for FY 2009. However, with City Council's formal approval, the city can adjust the total appropriations within the funds provided that the budget remains in balance. This means that if one fund's total appropriation is increased, other fund appropriations must be reduced by an equal amount.

These inter-fund transfers are primarily approved by City Council as part of the normal course of city business when various council communications detailing pending construction awards, grant awards or professional service agreements are presented at public meetings. Inter-fund transfers processed during the year that did not come forward in a formal council communication are summarized by the Management and Budget Department and presented to City Council at the end of the fiscal year via the annual clean-up ordinance.

The City Charter gives the city manager the authority to approve transfers of appropriations within the same fund without City Council approval. These types of budget transfer requests are typically reviewed by the relevant operating managers and the Management and Budget Department staff before being sent to executive management for final approval. Line item changes within the same department do not require such approvals. All administrative budget transfers are documented by the Management and Budget Department and tracked in the city's computerized financial system.

Fund Descriptions and Fund Balances

The City of Glendale uses fund accounting to track revenues and expenditures. Some funds, such as the Streets Fund, are required by state legislation. Others were adopted by the city to track and document revenues and expenditures related to specific operations. Enterprise funds are expected to be self-supporting through revenue for the services provided. For these funds, the city charges a fee for a specific service, such as sanitation collection, just like any other business would do. Ending fund balances in each of these funds are composed of the ending balance plus the contingency appropriation, which should remain unspent barring any unforeseen emergencies.

General/Special Revenue Funds:

General (Fund 1000): The General Fund includes all sources of revenue the city receives that are not designated for a specific purpose. General Fund revenue may be used by the City Council for any legal public purpose. Most city departments receive at least some support from the General Fund. Nearly the entire amount of the ending fund balance, after accounting for operating and capital expenditures and transfers, was conservatively appropriated as contingency appropriation that can be used only as directed by Council during the fiscal year.



Streets (Fund 1340): The Streets Fund is used to track Highway User Revenue Fund (HURF) money received from the State of Arizona. HURF revenues are generated from gasoline and other fuel taxes as well as other transportation-related fees. The state collects the revenue and shares it with cities and counties based on a complex distribution formula. There is a state constitutional restriction on the use of HURF revenues; they must be used solely for street and highway purposes such as maintenance, repair, reconstruction and roadside development. In Glendale, the Streets Fund supports street cleaning and maintenance, traffic signs and signals, street lighting and other street-related activities. The fund generally has a minimal projected ending balance in any given fiscal year.

Police (Fund 1700) and Fire Special Revenue (Fund 1720): In 1994, Glendale voters passed a citizen initiative that increased the local sales tax by 0.1% to add police and fire personnel and related equipment. In September 2007, Glendale voters passed a separate initiative that increased the local sales tax by another 0.4%, bringing the total public safety tax rate to 0.5%, effective November 1, 2007. Both taxes specified that two-thirds of the revenue would go to police operations and one-third to fire operations. However, the new tax (0.4%) excludes all grocery related food sales. Both taxes specifically prohibit supplanting existing general fund budgets with the sales tax revenue.

The number of positions paid from the designated sales taxes has increased from 42 to 118 for the Police Department, and the Fire Department realized an increase of 21 positions (to 50) since the tax rate adjustment became effective on November 1, 2007. The designated sales tax also covers the associated vehicles, equipment and supplies needed to outfit the additional staffing. The Police and Fire Revenue Funds are used to track these revenues and expenses.

Transportation (Fund 1660): The Transportation Fund supports transportation services in Glendale. The fund is primarily supported by designated sales tax revenue received from Proposition 402 (0.5%). In 2001 Glendale voters approved a one-half cent adjustment to the city sales tax rate to fund a comprehensive package of transportation projects including expansion of public transit service, intersection improvements to reduce congestion and other street-related services. 100% of the revenues and operating expenditures are accounted for in this fund. A separate Transportation Construction Fund exists to track transportation related capital expenditures that are paid for by the designated sales tax.

Typically, the city will issue revenue bonds to fund transportation capital projects and deposit the bond proceeds into the Transportation Construction Fund. Debt service payments are then funded with the revenues collected in the Transportation Fund. Each year the Transportation Fund transfers cash into the Transportation Debt Service Fund to cover debt payments. Transfers also can be made from the Transportation Fund to the Transportation Construction Fund to cover any shortfalls related to capital project construction.

Local Transportation Assistance (Fund 1640): The Local Transportation Assistance Fund (LTAF) is used to receive state lottery funds distributed to the cities based on population. Glendale transfers 100% of its LTAF funds into the Transportation Fund. The transfer will be \$1 million in FY 2009.

Civic Center (Fund 1740): The Civic Center Fund was created to track the revenue and expenses for the downtown facility that contains over 33,000 square feet of meeting and event space. The Civic Center hosted over 70,000 people at 282 events including weddings, trade shows and conventions in FY 2008. A projected transfer from the General Fund of \$611,053 will supplement revenues of \$530,000 generated from Civic Center activities in FY 2009 to cover operating and capital related expenditures. It is the city's goal for the Civic Center to be a self-sustaining operation in the future.

Airport Operating (Fund 1760): This fund was established to track the operating revenues and expenses of the Glendale Municipal Airport. Currently, the Airport Fund receives a transfer from the General Fund and carries no year-to-year fund balance. The long-range goal for the airport is to become a self-sustaining operation, at which time the Airport Fund will become an enterprise fund. The airport expects to attract more commercial business as development of Westgate progresses around the Jobing.com Arena, University of Phoenix Stadium and the soon to be completed spring training baseball facility. The Airport Fund is projected to receive a transfer of \$63,976 from the General Fund to augment projected revenue collections of \$521,825 in FY 2009.

Employee Groups (Fund 1190): This fund was created to track activity related to an employee group known as Glendale's Exceptional Municipal Staff (GEMS). GEMS plans, organizes and sponsors events such as the annual holiday employee luncheon, conducts fund raising activities for local non-profits and plans periodic social events to provide a setting for informal networking outside of the work environment, with the assistance of various planning committees and employee volunteers. The General Fund transfers a fixed amount of \$37,909 each year into the fund and vending machine revenues received primarily from City of Glendale employee purchases throughout the year, in addition to outside donations and sponsorships, is projected to bring in another \$100,000 to the fund in FY 2009.

Zanjero Special Revenue (Fund 1770): This fund is used to track the revenue generated by the Zanjero development just north of Westgate on Glendale Avenue. The Zanjero development is a 150-acre, mixed use project that is planned to include residential, office, retail and hotel space totaling about 4.6 million square feet. This site is anchored by Cabela's, the world's foremost outfitter of outdoor gear. Revenues collected in the fund are transferred to the MPC debt service fund and used to pay the debt service related to infrastructure improvements completed by the city for this development.

Arena Special Revenue (Fund 1780): The Arena Special Revenue Fund tracks the revenues generated from Jobing.com Arena events and the surrounding Westgate City Center. It also tracks the operating expenditures associated with the arena renewal and replacement agreement that helps ensure the Jobing.com Arena stays modernized. Revenue collected in the fund includes team fees, parking fees and sales taxes. There is a transfer from this fund to the MPC debt service fund to pay the debt service related to the construction costs associated with the arena. Westgate City Center which opened in November 2006 already includes 2.8 million square feet of retail, lodging, restaurants, entertainment and office uses. Jobing.com Arena is



home to the National Hockey League's Phoenix Coyotes and also serves as a first-class venue for concerts, trade shows and other events.

Youth Sports Complex (Fund 1280): The Glendale Youth Sports Complex is adjacent to the University of Phoenix Stadium. It features five fields that were developed to fill a community need for additional youth sporting opportunities in the west valley. The complex also provides additional parking amenities to the stadium. Expenditures related to the operations and maintenance of the facility is offset primarily by a General Fund operating transfer that is supplemented by some rental revenue generated through the use of the fields.

Stadium (Fund 1281) and Arena Event Operations (Fund 1282): These funds were created to track the city's operational costs associated with conducting events at the stadium and arena venues. All public safety, transportation and marketing costs related to football, hockey, concerts, trade shows and other events held at these venues are recorded in the corresponding event operations fund. Revenue reimbursement for city services paid by Global Spectrum, the operations management company for both venues, is recorded in the funds. A General Fund operating transfer is made to cover any expenditures that exceed the reimbursement received.

National Events (Fund 1010): The National Events Fund was established in FY 2005 to track General Fund cash that was reserved, or set aside, by City Council to pay for community improvements and operations associated with the initial Fiesta Bowl, the 2007 Bowl Championship Series college football game and Super Bowl 2008. \$1.0 million was set-aside in FY 2005, \$5.0 million in FY 2006 and another \$1.0 million was added in FY 2007. These set asides were augmented by the collection of fees associated with these events, including parking and shuttle revenue. With the successful completion of the Super Bowl event in February 2008, the remaining fund balance was retained in the fund and has been appropriated as contingency in FY 2009 until City Council provides direction on future uses of these funds.

Public Safety Training Center (Fund 2530): All revenues and expenditures associated with the new Glendale Regional Public Safety Training Center are tracked in this fund. The facility was built with capital contributions from the City of Glendale (74.8%), Maricopa County Community College District (8.2%), City of Surprise (6.6%), City of Peoria (6.5%), City of Avondale (3.9%) and the federal government. The training center provides fire and police departments with the tools required to train new firefighters and conduct continuing education and training for fire and police personnel. Operating costs associated with the facility are shared proportionately with the police and fire partners based upon the initial capital contribution.

Community Housing Services (Fund 2500): The Housing Fund supports Glendale's public housing program, which is part of the Community Partnerships Department. The fund is almost entirely financed by federal housing grants.

Court (Fund 1240): The Court Fund is funded by two primary sources: a security surcharge paid by persons convicted of traffic or misdemeanor offenses in City Court, and timed payment fees charged to persons who choose to pay their fines in installments. Security surcharge

revenue must be used for security services and facility improvements at the City Court. The timed payment fee may be used for general court services.

RICO (Fund 1860): Federal anti-racketeering laws permit law enforcement agencies to seize and sell property and proceeds acquired by individuals as a result of their involvement in certain types of criminal activities such as the sale of illegal drugs. The city's RICO Fund tracks the revenue generated from such seizures. This revenue must be used for purposes that improve public safety or crime prevention programs and cannot be used to supplant existing funding for law enforcement purposes.

Grant Funds: The city created a number of individual funds to track grants received from various federal, state and county sources. Individual funds allow the city to comply with the specific financial and reporting requirements of each grantor agency. Separate funds are used to track Community Development Block Grant (Fund 1320), HOME (Fund 1300) and Emergency Shelter Grant (Fund 1830) funds received from the federal government. Another fund tracks the Community Action Program (Fund 1820) grant funds received from Maricopa County. A Transportation Grant (Fund 1650) fund was established in FY 2005 to track grant activity for projects covered by the Glendale Onboard transportation program. Most other grants are tracked through the Other State and Local Grants Fund (Fund 1840). Most grant funds come in on a reimbursement basis, so these funds typically do not carry a fund balance from year to year unless they have a specified reserve balance requirement.

Enterprise Funds:

Water/Sewer (Funds 2360, 2400 & 2420): The Water/Sewer Enterprise Fund supports the provision of water and sewer service to Glendale residents and businesses. It is completely self-supported through water sales, sewer user fees and other related user fees. The fund receives no tax revenue and pays an annual contribution to the General Fund for administrative support services such as personnel and legal services that General Fund departments provide. If the General Fund departments did not provide these services, the enterprise fund would have to contract with vendors to receive the services.

All revenues and expenditures associated solely with providing water services to citizens and businesses in Glendale is captured in Fund 2400 (Water). All activity associated solely with providing sewer services is recorded in Fund 2420 (Sewer). Fund 2360 (Water/Sewer) is used to capture any expenditures that are incurred on behalf of both water and sewer operations. For example, administration costs associated with providing oversight to both operations and finance costs associated with the Customer Service Division that handles the accounts for both water and sewer operations is recorded in Fund 2360.

The Water/Sewer Enterprise Fund balance is expected to decrease from \$115.3 million to \$78.5 million in FY 2009 because of planned capital expenditures totaling \$97.4 million and the debt service requirements associated with revenue bond funded projects. Examples of capital projects



include groundwater treatment plant improvements, system security enhancements, expansion of the 91st avenue wastewater treatment plant, as well as planned line replacements and extensions.

Sanitation (Fund 2480): This fund supports refuse collection and disposal services to homes and businesses in the city. It is supported through monthly charges paid by sanitation customers. The divisions in the Sanitation Enterprise Fund pay the Landfill Fund to dispose of solid waste at the landfill. The fund balance is expected to decrease from about \$5.6 million to \$3.2 million in FY 2009 as planned expenditures for large capital equipment (i.e., roll-off trucks, front and side-load trucks, loose trash equipment, etc.) totaling \$2.8 million will be made using fund balance.

Landfill (Fund 2440): The Landfill Enterprise Fund supports the operation of the Glendale Landfill. City departments, and all private haulers pay tipping fees (based on tonnage disposed) to use the city's landfill. Non-city customers pay higher tipping fees. City Code requires that any excess of budgeted revenues over budgeted expenditures be reserved each year for major landfill improvements, major equipment purchases and the eventual closure costs. The city's successful recycling program has helped to extend the life of the landfill and contribute to our community's effort to improve the environment.

The balance of the Landfill Fund at the beginning of FY 2009 is projected to be \$23.3 million. It is projected to decrease to approximately \$14.6 million by the end of this fiscal year as a result of planned capital expenditures related to replacement of heavy equipment and excavation of the north expansion area.

Revolving/Internal Service Funds:

Risk Management (Fund 2540) and Workers' Compensation (Fund 2560): The Risk Management and Worker's Compensation Trust Funds support the provision of liability insurance and worker's compensation coverage for the city. Income to the funds comes from premiums charged to each city department based upon a number of factors including the number of employees, size of operating budget, actual claims history, etc. The funds are used to pay claims against the city and to cover premiums for certain types of outside coverage. \$2.0 million of fund balance was transferred from Workers' Compensation to the Risk Management during FY 2008 to better align the fund balance with actuarial reserve recommendations for each fund. The Risk Management and Workers Compensation Trust Board approved the transfer.

Benefits Trust (Fund 2580): The Benefits Trust Fund was created in FY 2001. An actuarial study of health insurance funding recommended the creation of a separate fund would be the best way to develop reserves to meet future cost increases for health-related insurance. During the course of the year, employer and employee contributions for medical, dental and vision insurance are deposited into this fund. Income to the fund comes from premiums charged to each city department based upon employee coverage elections made each year during open enrollment (employer portion). The fund also receives contributions from employees, both current and retired. Premium payments to insurance carriers and related claims expenses are made directly from the fund. The ending fund balance serves as a reserve to cover incurred but

not reported claims, as well as a buffer against rising health care costs. In FY 2009, \$1.0 million of fund balance will be used to offset medical and dental premium increases.

Vehicle (Fund 1120) and Technology Replacement (Fund 1140): These replacement funds were designed to allow the city to accumulate the money needed to replace at regular intervals the city's fleet of cars, trucks and other rolling stock and its personal computers, servers and other technology-related equipment. Typically each department pays annually into each fund based on the amount of equipment in its inventory, the expected life span of the equipment in use and any residual value of the equipment. Replacement equipment is then purchased according to the established replacement schedule and paid for out of the appropriate replacement fund. Fund balances in both fluctuate from year to year according to the replacement schedules.

To help address soft economic conditions, the General Fund contributions to both funds were reduced to the 75% level for FY 2009. The Enterprise Funds contributions remain at the 100% level for FY 2009.

General Services (Fund 1040) and Telephone (Fund 1100): The General Services and Telephone Funds are used to track income and expenses of the internal services provided to city departments. The General Services Fund specifically covers vehicle maintenance needs and fuel for city vehicles. City departments pay for these services on an actual usage basis. These charges go into each fund as revenues that support the cost of providing the services. Both funds generally carry only a small fund balance because the rate structures are designed to recover only actual costs. Small annual surpluses may occur from time to time, but these are generally returned to city departments when rates are established for the following year.

Marketing (Fund 1870) and Parks & Recreation Self-Sustaining (Fund 1880): These funds track the collection and use of revenues related to the specific purpose of each fund. Examples include vendor rental fees for downtown special events such as Glendale Glitters that are orchestrated by the Marketing Department. Other examples include self-sustaining programs administered by the Parks & Recreation Department for sports, aquatics and special interest type classes for which fees are charged. Although the Marketing Department receives contributions from sponsors and collects fees from vendors for special events, it also receives a transfer of \$861,798 from the General Fund each year to support special events.

Library (Fund 1260) & Cable Communications (Fund 1160): Similar to the funds described above, these funds track the use of special revenue sources dedicated to the specific service areas that collect them. Examples include library book sales and rental fees for the cable TV studio and van.

Parks & Recreation Designated (Fund 1885): The Parks and Recreation Department has agreements with several local school districts to cover the maintenance of city pools located on school property and jointly owned city/school district parks. The school districts and the city make annual payments into the fund to cover major maintenance and restoration costs. This fund also includes a separate division used to track the costs associated with the maintenance of

the Elsie McCarthy Park in accordance with a generous donation made by a private party and designated for this purpose only.

Stadium City Sales Tax - AZSTA (Fund 1790): This fund was created to track specific University of Phoenix Stadium revenues that are refunded to the Arizona Sports and Tourism Authority (AZSTA) in accordance with signed development, construction and operating agreements. All revenues collected in this clearing house type fund are subsequently dispersed to the AZSTA.

Construction Funds:

Construction funds account for financial resources used for the acquisition or construction of major capital facilities and equipment. They are based on the type of general obligation bonds and other types of long-term financing that the city issues. Considerable detail on planned capital projects, their potential operating impacts on the General Fund, Enterprise Funds, debt policies and tax implications are included in the *Capital Improvement Plan* section of this document. Any remaining fund balances in the capital construction funds are appropriated to contingency to cover unanticipated project costs or the unanticipated acceleration of key projects.

Development impact fees are another major source of funds used for constructing major city infrastructure. These are based on the type of development impact fees the city collects from developers to address the city's capital costs associated with accommodating growth. Separate funds are used to track the collection of fees associated with the construction of libraries, fire and police facilities, parks, roadway improvements, etc. Further information about these types of funds is included in the *Capital Improvement Plan* section of this document.

Debt Service Funds:

Bond financing is a primary source used to finance long-term capital projects and infrastructure. The City's debt management plan is an important tool for one of the main financing sources of the CIP. Outstanding debt, capacity limitations, voter authorization and cash flow projections are all reviewed as part of the capital budgeting process, while the annual debt service payments are incorporated into the operating budget. Depending on the need and the type of project being financed, several different types of bonds are available to the City.

Separate funds are used to track payments made on the city's outstanding debt obligations. Each type of debt (General Obligation, Revenue Bonds and Municipal Property Corporation) is tracked in a separate fund. Fund balances fluctuate according to established debt payment schedules.

The city's debt policies and long-range debt management plans are described in detail in the *Capital Improvement Plan* section of this document and the associated debt schedules that show the principal and interest payments by year are included in the *Schedules* section.

General Obligation (GO) Bond Debt (Fund 1900): GO bonds require voter approval and are backed by the taxing authority of the City. These bonds finance projects that City Council select. Arizona law limits the amount of GO bonds the City can have outstanding based on the secondary assessed valuation of both commercial and residential property located within the city limits. Financing for parks and recreation facilities, open space and trails, flood control, water/sewer and public safety are limited to 20% of secondary assessed valuation. Financing for all other projects, such as government facilities and economic development, is limited to 6% of the secondary assessed valuation. Secondary property tax revenue is recorded directly into this fund and used to pay GO bond debt.

Municipal Property Corp (MPC) Bond Debt (Fund 1940): MPC bonds do not require voter authorization. These bonds are backed by the city's excise taxes that are in most cases generated from recently developed properties. The amount of MPC bonds that can be issued is limited by the city's ability to repay the bonds. These bonds often have restrictive covenants requiring a reserve of pledged revenues equal to some multiple of the maximum debt service payment on the bonds.

Street (Fund 1920) and Transportation Revenue Bond Debt (Fund 1970): Revenue bonds are generally used to finance capital projects that have an identifiable revenue source. These bonds are often used to finance projects that are backed by identified revenue sources. For example, the majority of transportation construction projects are backed by the half-cent city sales tax designated for transportation. The City also has outstanding Highway User Revenue Fund (HURF) bonds for street projects that are backed by a pledge of the HURF monies the city receives from the state. Street capital projects financed with HURF monies require voter approval but transportation bonds based by the city's designated sales tax do not require voter approval. Both are limited by the ability of the revenue source to support the associated debt service payments.

Training Facility (Fund 2533): This debt service fund is used to track the capital construction contributions made by the partners that helped pay for the Glendale Regional Public Safety Training Center. As mentioned previously, the facility was built with capital contributions from the City of Glendale (74.8%), Maricopa County Community College District (8.2%), City of Surprise (6.6%), City of Peoria (6.5%), City of Avondale (3.9%) and the federal government. Since the city issued a combination of general obligation and MPC bonds to build the entire facility, these cash contributions are used to help extinguish the outstanding debt service associated with the facility. A transfer equal to the debt service payment associated with the facility construction is processed from this fund to the MPC debt service fund.