



*Thunderbird Park*



*O'Neil Splash Pad*



*Heroes Regional Park Lake*

# Annual Comprehensive Financial Report

For the Fiscal Year Ended  
June 30, 2023



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City of Glendale, Arizona  
**Annual Comprehensive Financial Report**  
For the Fiscal Year Ended June 30, 2023



Prepared by the:  
Budget and Finance Department

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City of Glendale, Arizona

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

# INTRODUCTORY SECTION

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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City of Glendale, Arizona

# **Annual Comprehensive Financial Report**

For the Fiscal Year Ended June 30, 2023

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## **Mayor Jerry Weiers**

## **Councilmembers**

Joyce Clark - Vice Mayor, Yucca District

Bart Turner - Barrel District

Ian Hugh, Cactus District

Lauren Tolmachoff - Cholla District

Jamie Aldama - Ocotillo District

Ray Malnar - Sahuaro District

## **Management Staff**

Kevin Phelps - City Manager

Vicki Rios - Assistant City Manager

Jamsheed Mehta - Assistant City Manager

Prepared by Budget and Finance Department

Levi D. Gibson - Director

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**City of Glendale, Arizona  
Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2023**

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March 31, 2024

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Glendale, Arizona:

The Budget and Finance Department is pleased to submit the City of Glendale, Arizona's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. The ACFR includes a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP). The financial statements are audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards (GAAS).

City Management assumes full responsibility for the accuracy and completeness of the data, including all disclosures presented in this report. To provide a reasonable basis for making these representations, Management has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse; and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free of material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects and is designed to fairly represent the financial position of the operations of the various funds of the City.

This letter of transmittal is best reviewed in conjunction with the Management's Discussion and Analysis (MD&A) beginning on page 19. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements of the City.

### **Independent Audit**

The City's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The City's independent auditors also perform the Single Audit of the City's federal grant programs. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements involving the administration of federal awards. The Single Audit Reporting Package is issued separately from this financial report and is available upon request.

### **Budgetary Controls**

The annual budget serves as the foundation for the City's financial planning and control. City departments are required to submit requests for appropriation to the City Manager on or before the last week of December each year. Management uses these requests to develop a budget to propose to the City Council for review and adoption. The City Council is required to hold public hearings on the proposed budget and adopt the final budget by the first Monday in August. The City maintains budgetary controls that are designed to ensure compliance with budgetary and legal provisions contained in the annually appropriated operating and capital project budgets approved by the City Council. The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the city-wide level consisting of the total operating budget and the total capital projects budget, as adopted by the City Council. For budget

administrative purposes, the City maintains budgetary controls at the fund and department level. Department Heads may request transfers of appropriations within the same fund for his/her department. However, transfers of appropriations between funds and departments require approval of the City Council and can only occur in the last quarter of the fiscal year.

The City adopts an annual appropriated budget for its General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds, Permanent Fund, and Enterprise Funds. Budget-to-actual comparisons are provided in this report for each individual governmental fund to demonstrate compliance with this budget.

Arizona state law and Glendale City financial policies require that each annual City budget be a balanced budget. A balanced budget means the total expenditures cannot exceed the budgeted period's total financial resources available. The adopted FY22-23 budget complies with the balanced budget requirement in all City funds. Additionally, the State of Arizona sets a limit on the expenditures of local jurisdictions. Compliance with these expenditure limitations is required. The City submits an expenditure limitation report as defined by the Uniform Expenditure Reporting System (A.R.S. Section 41-1279.07) along with audited financial statements to the State Auditor General within the required timeframe.

### **City of Glendale Profile**

The City of Glendale, Arizona is the seventh largest city in the state with a population of approximately 257,000 people. Located in the northwestern part of the metropolitan Phoenix area and occupying approximately 62 square miles of land, the City is home to the Arizona Cardinals. The City is also the owner of Camelback Ranch, the spring training facility for the Los Angeles Dodgers and the Chicago White Sox.

The City was incorporated in 1910 and has operated under the council-manager form of government since its incorporation. Policy-making and legislative authority are vested in the City Council which consists of the Mayor and six other members. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, Clerk, Attorney, and Municipal Judge. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve four-year terms, with three Council members elected every two years. The Mayor is elected to serve a four-year term.

The City provides a full range of services including police and fire services; water, sewer, and solid waste services; the construction and maintenance of highways, streets, public facilities, and other infrastructure; and recreational activities and cultural events. Certain housing services are provided by the City's public housing authority, which functions, in essence, as a department of the City and therefore has been included as an integral part of the City's financial statements. The City also is financially accountable for the Municipal Property Corporation, a legally separate entity, that is reported within the City's financial statements.

### **Economic Conditions and Strategies**

Before reviewing the presented financial statements, it is important to consider the local and global economic factors that have impacted the City's financial position.

#### *Primary Revenue Sources*

The City relies on local and state shared sales tax as well as state shared income tax as primary revenue sources for the City's operating budget. Local sales tax revenues increased 12.2% this fiscal year compared to the last fiscal year. The growth can be attributed to the improving economy and economic development activities which generated additional construction sales tax revenue. The City's state shared sales tax revenues also increased 5.2% compared to last fiscal year.

## *Workforce and Unemployment*

Glendale's unemployment rate for the month of June 2023 was 4.1% which is slightly lower than the statewide unemployment rate of 4.2%. Glendale's workforce is concentrated in the following nonfarm sectors: health care services (14.76%), government and social advocacy services (16.69%), retail (14.71%), consumer services (12.38%), education (10.28%), construction (7.26%), finance, insurance and real estate (5.17%), business services (6.39%), and transportation and distribution (3.82%). The unemployment rate was as low as 3.3% in fiscal year 2023. Arizona's nonfarm employment increased 2.3% over the last year.

## *Economic Development*

Business attraction, business retention & expansion, redevelopment, small business support, arts and culture, special events and tourism comprise the vital components to Glendale's overall economic development program. Economic development efforts have been focused on the fast-growing Loop 303 area (the new frontier) which provides thousands of acres of developable land. Following the successful completion and operations of major beverage conglomerates in recent years, Glendale has also welcomed other world-renowned corporations such as Nestlé, PUMA, and William-Sonoma Inc. Additionally, Glendale has seen the expansion of several facilities in this area, including the Red Bull Lagerhaus facility that continues to add more job opportunities in the area. The capital investments from these major corporations continue to contribute to the growth in Glendale.

The City's Sports and Entertainment District continues to experience new major additions in the experiential retail space. YAM properties, the commercial real estate company owned by GoDaddy founder Bob Parson, purchased the Westgate Entertainment District in 2018. Since then, YAM Properties made several announcements on the addition of new experiential sites coming to Westgate. Westgate Entertainment District is now home to the state's first Chicken N Pickle, a concept that brings elevated food offerings paired with the popular game of pickle ball. This facility has already hosted major tournaments in this popular sport. Also under construction is the 2-story Thirsty Lion, directly adjacent to the Glendale Renaissance Hotel and Spa that recently underwent renovations. Just west of the Loop 101 and north of TopGolf, Mario Andretti will bring his signature Andretti Karting. The 96,000 square foot facility will feature a multi-level indoor electric karting track, a state-of-the-art arcade, a two-level laser tag arena, duckpin bowling, a restaurant and bar and a 6,000-square-foot venue space.

Adding to the expansion of hospitality and entertainment is VAI Resort. Since it was originally announced, this project has nearly doubled in size. Once operational, VAI will be Arizona's largest hotel. Boasting over 1200 luxury rooms, a \$40 Million 360-degree rotating stage, 12 restaurants, 52,000 square foot party island, and much more, this project is expected to bring a capital investment of over \$1 billion and 1,800 jobs.

In northern Glendale, the Arrowhead area is also seeing additional growth. Following the opening of Volvo, Land Rover and Jaguar, Arrowhead Porsche announced a new dealership will be coming to 83<sup>rd</sup> Avenue and Bell Road. Phoenix Children's Hospital officially opened their Arrowhead campus that offers inpatient care, an emergency department, an outpatient surgery center, and a multi-specialty clinic. The \$134.7 million investment brought additional jobs and much needed pediatric services to the West Valley.

In Downtown Glendale, City Council approved the \$89.7 million Downtown Campus Reinvestment Project (DCRP). The project calls for a full renovation of City Hall and the surrounding areas. In conjunction, the Economic Development team restructured to provide a Deputy Director that oversees Downtown Development. This deputy leads development and redevelopment activities in Downtown Glendale. A significant portion of the role is focused on continuing to develop and maintain relationships with merchants, landowners, residents, regional stakeholders, developers and other partners to help facilitate development and business attraction. With the announcement of the DCRP, Downtown Glendale has experienced significant interest from the development community. One notable project, the redevelopment of the former Gaslight Inn property, saw this former bed and breakfast converted into a mixed-use space that includes residential lofts, a brewery, and will soon be home to the West Valley's first Cornish Pasty restaurant. Additionally, the city will be welcoming a brand-new 120-room hotel to Downtown Glendale, adjacent to the Glendale Civic Center.

Arts and culture and special events have also been a major focus of the operations. The Arts Commission funded over a dozen performances through the City of Glendale Performing Arts Grants. Ballet Under the Stars once again took the stage at Sahuaro Ranch Park for a free performance with over 3,000 people in

attendance. Special Events and the Arts and Culture divisions held the first annual Downtown Glendale Arts and Culture Fest, that featured one of the most pronounced schedules of immersive art performances, cultural performers, and arts experiences in a single day in the West Valley. Performers and creatives from all over Arizona participated in the event that attracted over 8,000 attendees.

### **Financial Strategy**

As part of the annual budget process, the City prepares a five-year financial forecast for each of the City's major operating funds. The forecast provides a long-term view of current year budget decisions affecting the City and provides an estimate of fund balance and sensitivity to revenue and expenditure changes over the forecast period. Through sound financial planning and positive economic conditions, the City's General Fund balance continues to improve. The general fund realized an increase in fund balance of \$73.5 million in fiscal year 2023. This increase is primarily due to \$25.4 million in taxes and special assesment revenue, \$27.2 million in charges for services and \$17.4 million of intergovernmental revenue which was a result of strong consumer spending boosted by federal stimulus programs aiding economic recovery.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This was the thirty-fifth consecutive year the City has received this prestigious award, and the thirty-sixth year overall. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its fiscal year beginning July 1, 2022. This was the thirty-sixth consecutive year that the City has received the highest form of recognition in governmental budgeting.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Budget and Finance Department. I would like to express appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor, Council, and City Manager for their unfailing support in maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

Levi D. Gibson, CPA  
Budget and Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Glendale  
Arizona**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

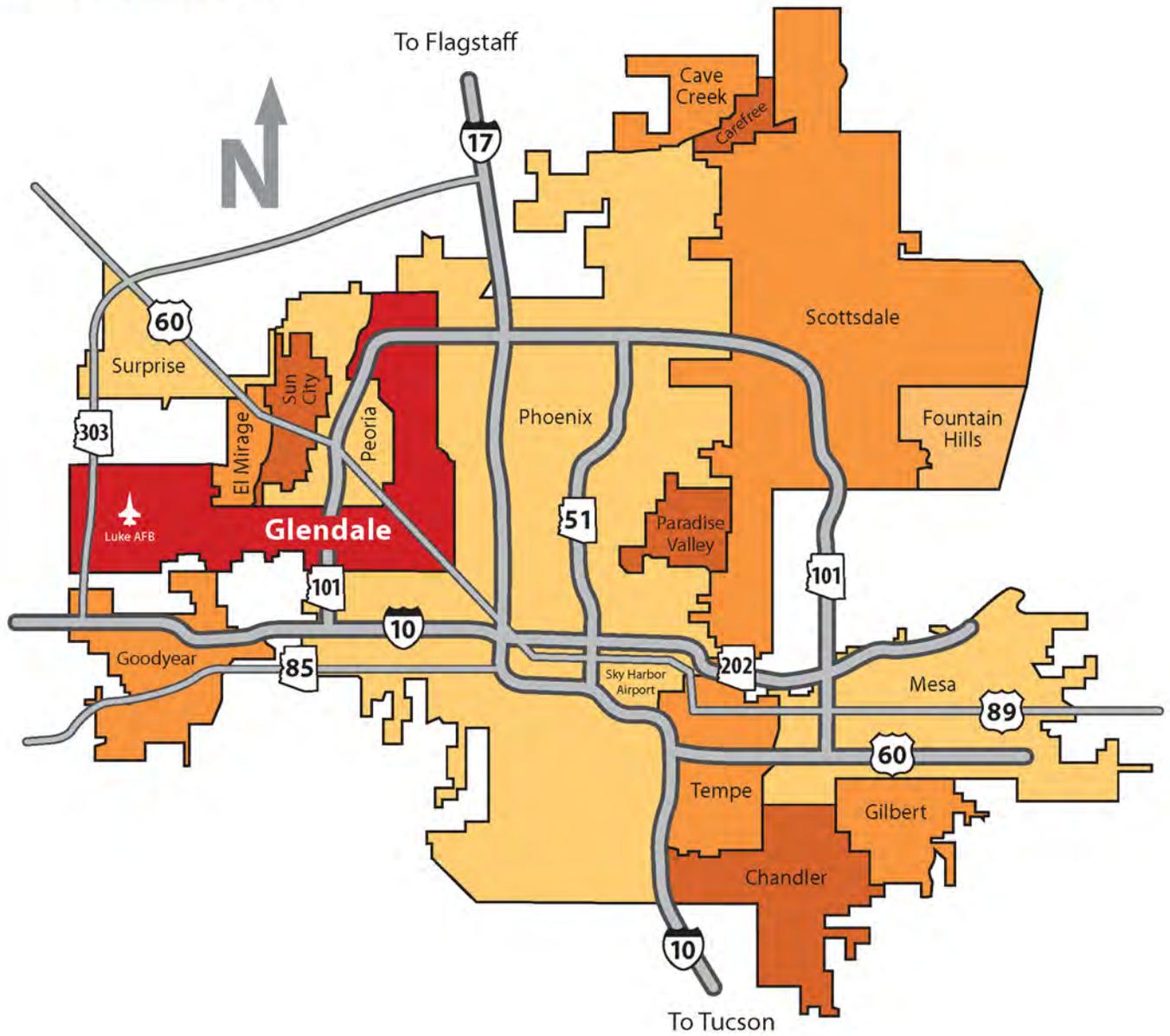
*Christopher P. Morrill*

Executive Director/CEO



## Glendale, Arizona & Neighboring Communities

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## GLENDALE CITY OFFICIALS

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**Jerry P. Weiers**  
Mayor



**Joyce Clark**  
Vice Mayor  
Yucca District



**Bart Turner**  
Councilmember  
Barrel District



**Ian Hugh**  
Councilmember  
Cactus District



**Lauren Tolmachoff**  
Councilmember  
Cholla District



**Jamie Aldama**  
Councilmember  
Ocotillo District



**Ray Malnar**  
Councilmember  
Sahuaro District

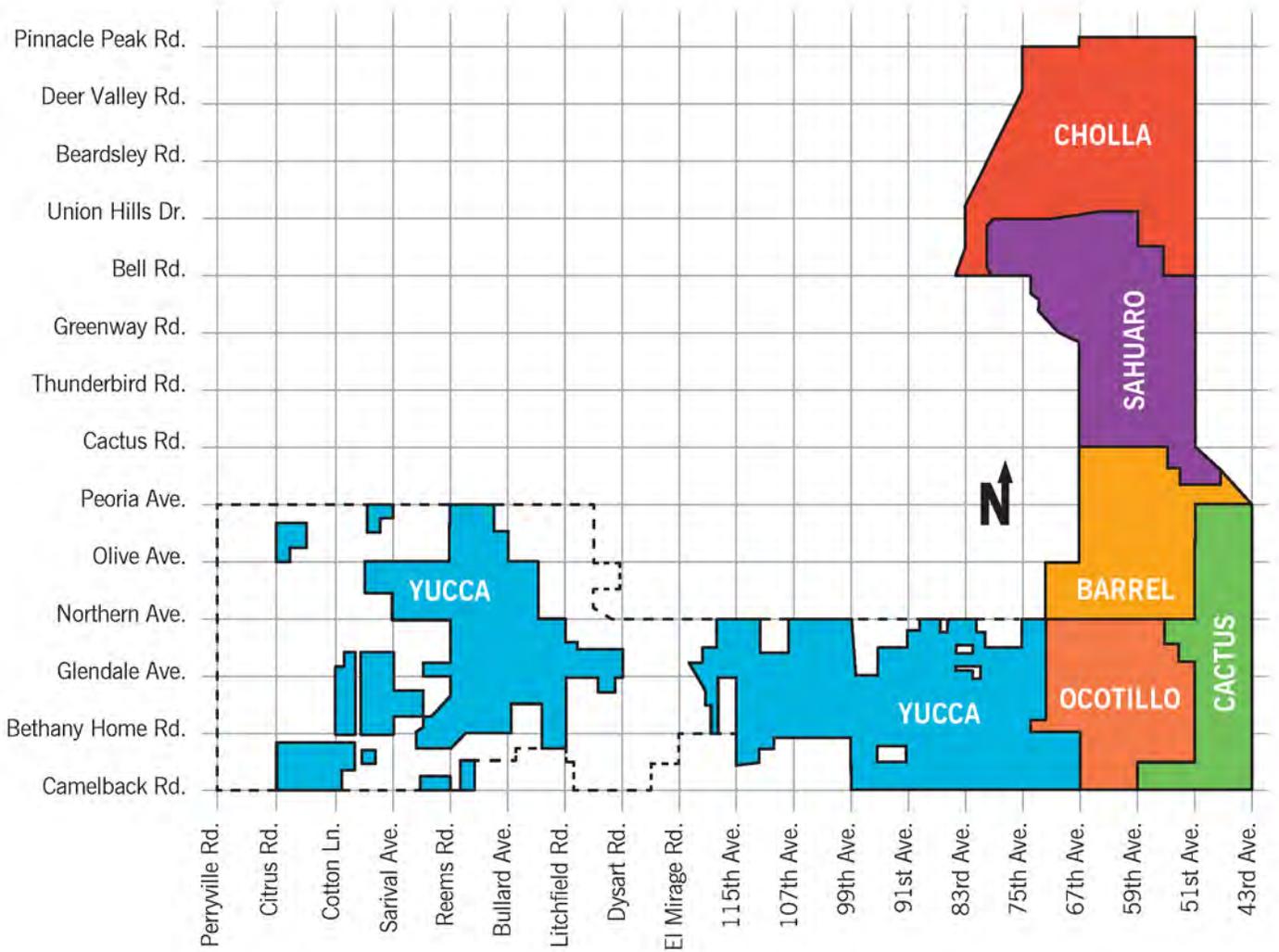


**Kevin Phelps**  
City Manager

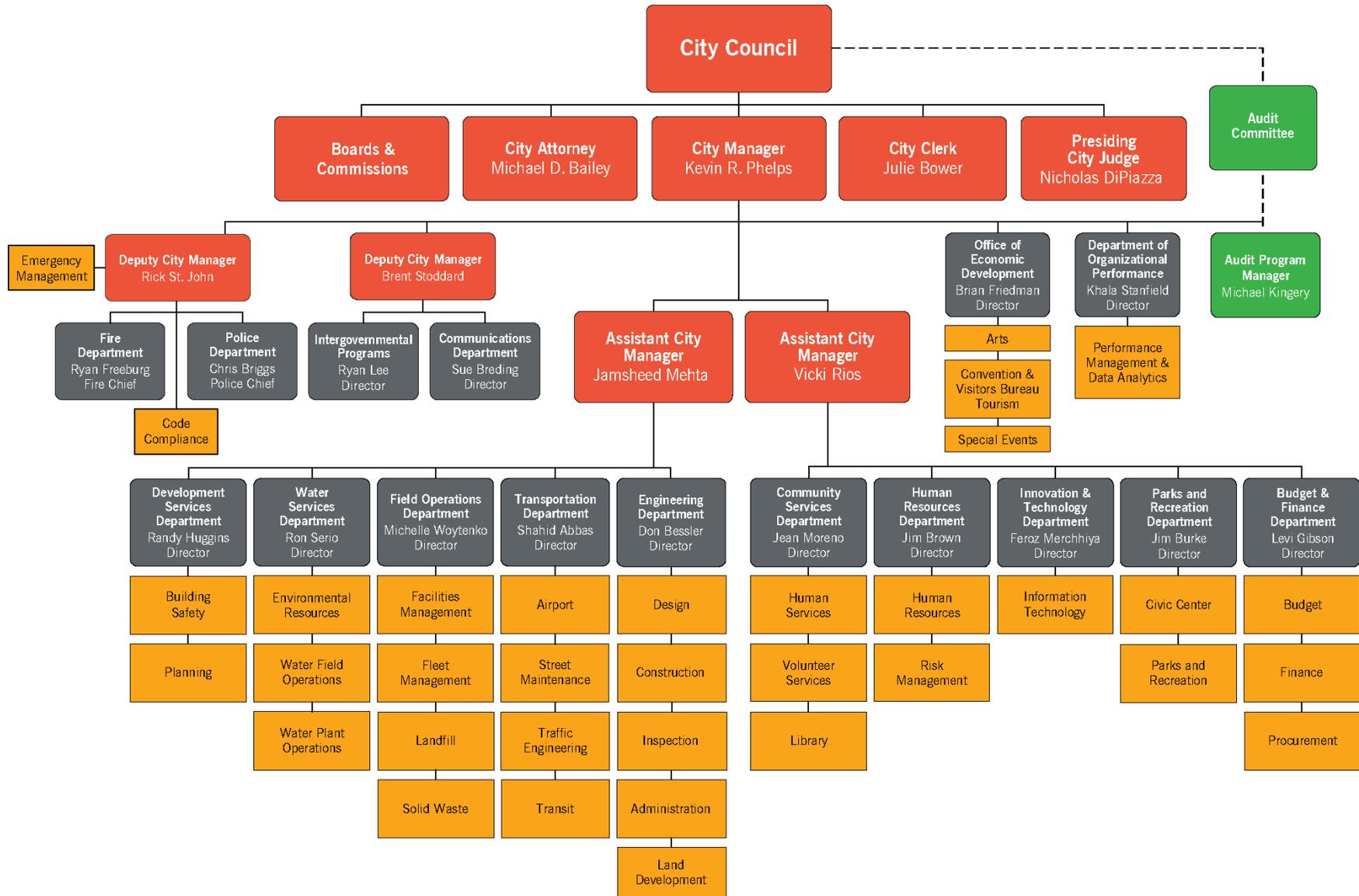


## Glendale Council District Boundaries

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# CITIZENS OF GLENDALE



COMMUNITY INTEGRITY EXCELLENCE INNOVATION LEARNING

We improve the lives of the people we serve every day.



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City of Glendale, Arizona

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FINANCIAL  
SECTION**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of City Council  
City of Glendale, Arizona  
Glendale, Arizona

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Glendale, Arizona (City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matters – Changes in Accounting Principle***

As discussed in Note XVII to the financial statements, the City restated beginning net position for the correction of the amortization method used for bond premiums/discounts. Our opinions are not modified with respect to this matter.

#### ***Emphasis of Matters – Implementation of a New Accounting Standard***

As discussed in Note XXI to the financial statements, effective July 1, 2022, the City adopted new accounting guidance for subscription-based information technology arrangements. The guidance requires governments to recognize a right-to-use subscription asset and corresponding subscription liability. Our opinions are not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the City's proportionate share of the net pension and OPEB (asset)/liability and contributions and the budgetary comparison schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and fund schedules and the federal financial data schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements and schedules and the federal financial data schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

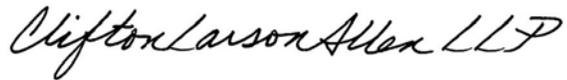
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Honorable Mayor and Members of City Council  
City of Glendale, Arizona

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Phoenix, Arizona  
March 29, 2024



City of Glendale, Arizona

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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# MANAGEMENT'S DISCUSSION & ANALYSIS

(Required Supplementary Information)

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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**CITY OF GLENDALE, ARIZONA**

Management's Discussion and Analysis (MD&A)

For the Fiscal Year Ended June 30, 2023

(amounts expressed in thousands)

**Management's Discussion and Analysis**

The following discussion and analysis is provided to readers of the City's financial statements as a narrative overview of the financial activities of the City for the fiscal year ended June 30, 2023. This discussion and analysis is designed to assist the reader in focusing on significant financial highlights; provide an overview of the City's financial activity; identify changes in the City's financial position; identify material deviations from the financial plan (the approved annual budget); and identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) has a different focus and purpose than the letter of transmittal presented on pages 1-4. It is designed to be read in conjunction with the transmittal letter, the financial statements beginning on page 33, and the accompanying notes to the financial statements.

**Significant Financial Highlights**

The financial statements illustrate the following significant financial highlights for FY 2022-23:

- The City's total net position changed by \$179,101 or 15.4%. The governmental net position changed by \$157,216 or 24.2%, and the business-type net position changed by \$21,885 or 4.3%.
- The City's total revenues changed by \$66,364 or 9.7%. Program revenues in the form of charges for services, grants, and contributions changed by \$5,795 or 1.8%. General revenues changed by \$60,569 or 16.7%.
- Program revenues from governmental activities changed by \$58. Program revenues for business-type activities changed by \$5,737 or 3.5%.
- Operating grants and contributions from governmental activities changed by \$(10,006) or (12.7)%.
- Capital grants and contributions from governmental activities changed by \$(1,613) or (4.6)%.
- General revenues from governmental activities changed by \$66,651 or 19.0%. The primary reason for this is a change of \$30,380 or 12.2% in sales tax revenues and a change of \$14,575 or 44.5% in state shared income tax. The increase in tax revenue reflects strong consumer spending boosted by federal stimulus programs aiding the economic recovery as well as strong performance in construction sales tax.
- The total cost of all City programs changed by \$66,404 or 13.2%. The increase in program costs is primarily due to an increase in general government and public safety.
- The General Fund, a major governmental fund, collected \$405,168 in revenues which is a change of \$80,618 or 24.8% from the prior year. This increase was primarily due to an increase in taxes, licenses and permits, and intergovernmental revenues. The total expenditures of the General Fund were \$282,038 which is a change of \$(187,580) or (39.9)%.

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For the Fiscal Year Ended June 30, 2023

(amounts expressed in thousands)

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information intended to provide additional detail to support the basic financial statements.

**Government-Wide Financial Statements**

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The accrual basis of accounting is used for government-wide financial statements.

The Statement of Net Position presented on page 33, provides information on all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is categorized as net investment in capital assets, restricted by an outside party, and unrestricted. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities found on page 34, presents information that illustrates how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused compensated absences.

Both of the Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, community services, street maintenance, and interest on long-term debt. The business-type activities of the City include water and sewer services, landfill, solid waste, and housing.

**Fund Financial Statements**

The Fund Financial Statements found on page 35, provide more detailed information about the major funds within the City. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds.

*Governmental Funds*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting and focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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The City maintains 17 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the 4 major funds. Data from the other 13 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

### *Proprietary Funds*

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, landfill, solid waste, and housing services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet, technology, risk management, workers' compensation and employee benefit activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the water and sewer fund and the landfill fund, while data from the other two enterprise funds is combined into a single, aggregated presentation. Individual fund data for each of the non-major enterprise funds is provided in the form of combining statements. Conversely, all five internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Additional Required Supplementary Information**

Following the notes to the basic financial statements is Required Supplementary Information (RSI) that further explains and supports the financial information in the financial statements. RSI presents the budgetary comparison schedules for the general fund and major special revenue funds, as well as other required supplementary information related to the City's pensions and other post-employment benefits.

### **Other**

The Combining Statements and Individual Fund Statements and Schedules section presents combining statements for non-major governmental funds, non-major enterprise funds, and internal service funds, along with budget to actual comparisons on individual funds.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a City's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,342,300 as of June 30, 2023.

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By far the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. At the end of the current fiscal year, the City is able to report positive balances in the categories of net investment in capital assets and restricted net position. Unrestricted net position for the governmental activities changed by \$23,586 or (17.3)% over the prior year. The City is addressing the negative unrestricted net position for the governmental activities by holding the line on expenses and decreasing debt service payments as a result of bond refundings in fiscal years 2015, 2016, 2017, 2018, 2021 and 2022.

The chart below is a comparison of the City's net position for fiscal years 2023 and 2022:

City of Glendale, Arizona  
**Condensed Statement of Net Position**  
 As of June 30, 2023 and 2022  
 (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Current and other assets	\$ 752,063	\$ 610,672	\$ 122,200	\$ 128,310	\$ 874,263	\$ 738,982
Capital Assets:						
Non-depreciable	143,657	127,283	45,137	43,377	188,794	170,660
Depreciable (net)	967,483	944,314	611,102	598,157	1,578,585	1,542,471
Lease receivable	48,196	48,839	2,014	2,138	50,210	50,977
Non-current OPEB assets	5,524	6,321	1,124	983	6,648	7,304
Equity in joint venture	2,354	2,580	37,595	38,873	39,949	41,453
<b>Total assets</b>	<u>1,919,277</u>	<u>1,740,009</u>	<u>819,172</u>	<u>811,838</u>	<u>2,738,449</u>	<u>2,551,847</u>
Deferred Outflows of Resources	<u>85,218</u>	<u>321,728</u>	<u>7,780</u>	<u>10,556</u>	<u>92,998</u>	<u>332,284</u>
Current liabilities	138,786	114,374	43,598	38,839	182,384	153,213
Noncurrent liabilities	<u>1,000,073</u>	<u>1,176,633</u>	<u>241,635</u>	<u>255,470</u>	<u>1,241,708</u>	<u>1,432,103</u>
<b>Total liabilities</b>	<u>1,138,859</u>	<u>1,291,007</u>	<u>285,233</u>	<u>294,309</u>	<u>1,424,092</u>	<u>1,585,316</u>
Deferred Inflows of Resources	<u>59,333</u>	<u>121,643</u>	<u>5,722</u>	<u>13,973</u>	<u>65,055</u>	<u>135,616</u>
Net position:						
Net investment in capital assets	584,359	488,913	485,518	439,039	1,069,877	927,952
Restricted	334,618	296,434	47,567	45,051	382,185	341,485
Unrestricted	<u>(112,674)</u>	<u>(136,260)</u>	<u>2,912</u>	<u>30,022</u>	<u>(109,762)</u>	<u>(106,238)</u>
<b>Total net position</b>	<u>\$ 806,303</u>	<u>\$ 649,087</u>	<u>\$ 535,997</u>	<u>\$ 514,112</u>	<u>\$ 1,342,300</u>	<u>\$ 1,163,199</u>

Note - \* Net position has been restated. See Note XVII.

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Management's Discussion and Analysis (MD&A)

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(amounts expressed in thousands)

The following presents a summary of the changes in net position compared to the prior year:

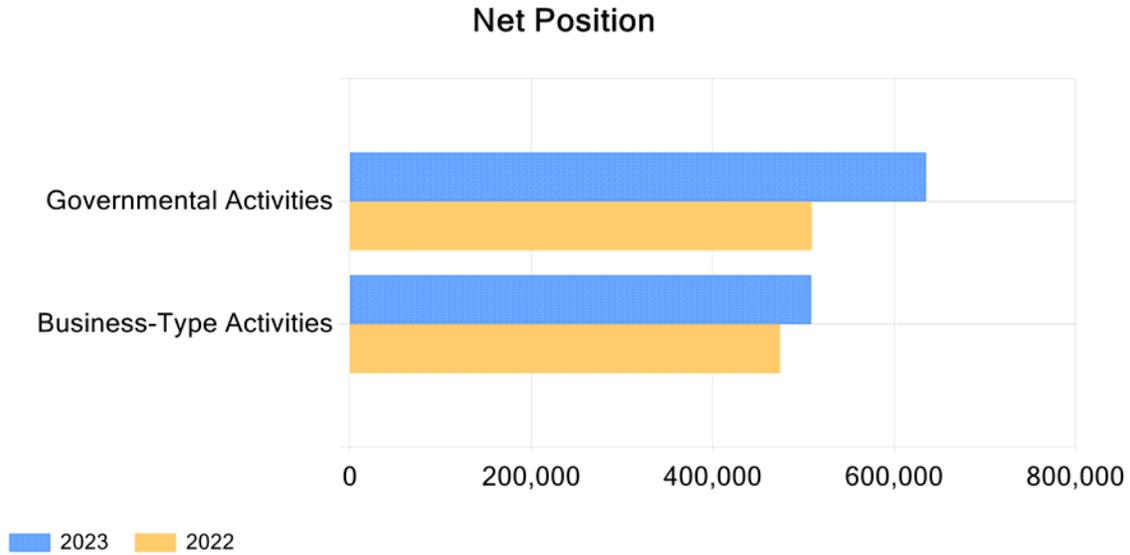
**Changes in Net Position**  
As of June 30, 2023 and 2022  
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022*	2023	2022*	2023	2022*
<b>Revenues:</b>						
Program revenues:						
Charges for Services	\$ 54,625	\$ 42,948	\$ 153,477	\$ 143,071	\$ 208,102	\$ 186,019
Operating Grants and Contributions	68,923	78,929	13,268	11,140	82,191	90,069
Capital Grants and Contributions	33,139	34,752	4,067	10,864	37,206	45,616
<b>Total Program revenues</b>	<b>156,687</b>	<b>156,629</b>	<b>170,812</b>	<b>165,075</b>	<b>327,499</b>	<b>321,704</b>
General revenues:						
Property taxes	28,170	26,885	-	-	28,170	26,885
Sales taxes	279,831	249,451	-	-	279,831	249,451
State shared sales tax	36,901	35,086	-	-	36,901	35,086
Urban revenue sharing (state shared income tax)	47,355	32,780	-	-	47,355	32,780
Auto in-lieu taxes	12,384	11,815	-	-	12,384	11,815
Investment earnings (losses), unrestricted	11,427	(8,777)	3,087	285	14,514	(8,492)
Miscellaneous	2,018	4,195	1,673	10,557	3,691	14,752
<b>Total revenues</b>	<b>574,773</b>	<b>508,064</b>	<b>175,572</b>	<b>175,917</b>	<b>750,345</b>	<b>683,981</b>
<b>Expenses:</b>						
General Government	67,766	26,904	-	-	67,766	26,904
Public Safety	173,375	157,622	-	-	173,375	157,622
Public Works	42,500	33,267	-	-	42,500	33,267
Community Services	47,954	64,057	-	-	47,954	64,057
Street Maintenance	57,884	70,250	-	-	57,884	70,250
Interest on long term debt	25,766	12,860	-	-	25,766	12,860
Water and Sewer	-	-	106,533	92,854	106,533	92,854
Landfill	-	-	11,620	11,189	11,620	11,189
Solid Waste	-	-	21,200	20,702	21,200	20,702
Housing	-	-	16,646	15,135	16,646	15,135
<b>Total expenses</b>	<b>415,245</b>	<b>364,960</b>	<b>155,999</b>	<b>139,880</b>	<b>571,244</b>	<b>504,840</b>
<b>Excess before transfers</b>	<b>159,528</b>	<b>143,104</b>	<b>19,573</b>	<b>36,037</b>	<b>179,101</b>	<b>179,141</b>
<b>Transfers in (out)</b>	<b>(2,312)</b>	<b>(3,445)</b>	<b>2,312</b>	<b>3,445</b>	<b>-</b>	<b>-</b>
<b>Increase (decrease) in net position</b>	<b>157,216</b>	<b>139,659</b>	<b>21,885</b>	<b>39,482</b>	<b>179,101</b>	<b>179,141</b>
<b>Net position - beginning, as restated</b>	<b>649,087</b>	<b>509,428</b>	<b>514,112</b>	<b>474,630</b>	<b>1,163,199</b>	<b>984,058</b>
<b>Net position - ending</b>	<b>\$ 806,303</b>	<b>\$ 649,087</b>	<b>\$ 535,997</b>	<b>\$ 514,112</b>	<b>\$ 1,342,300</b>	<b>\$ 1,163,199</b>

Note - \* Unamortized premiums and discounts on debt issuance and net position have been restated. See Note XVII.

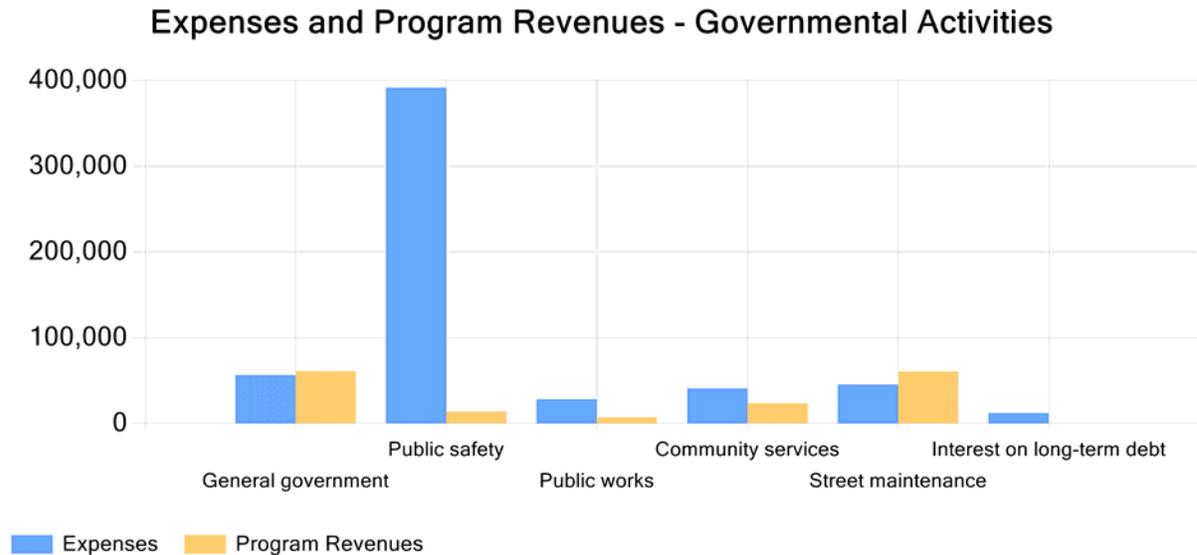
**Changes in Net Position**

The net position of the governmental activities changed by \$157,216 from \$649,087 to \$806,303 and business-type activities' net position changed by \$21,885 from \$514,112 to \$535,997.



**Revenues and Expenses**

The chart below shows the performance of the revenues in the governmental activities versus expenses:



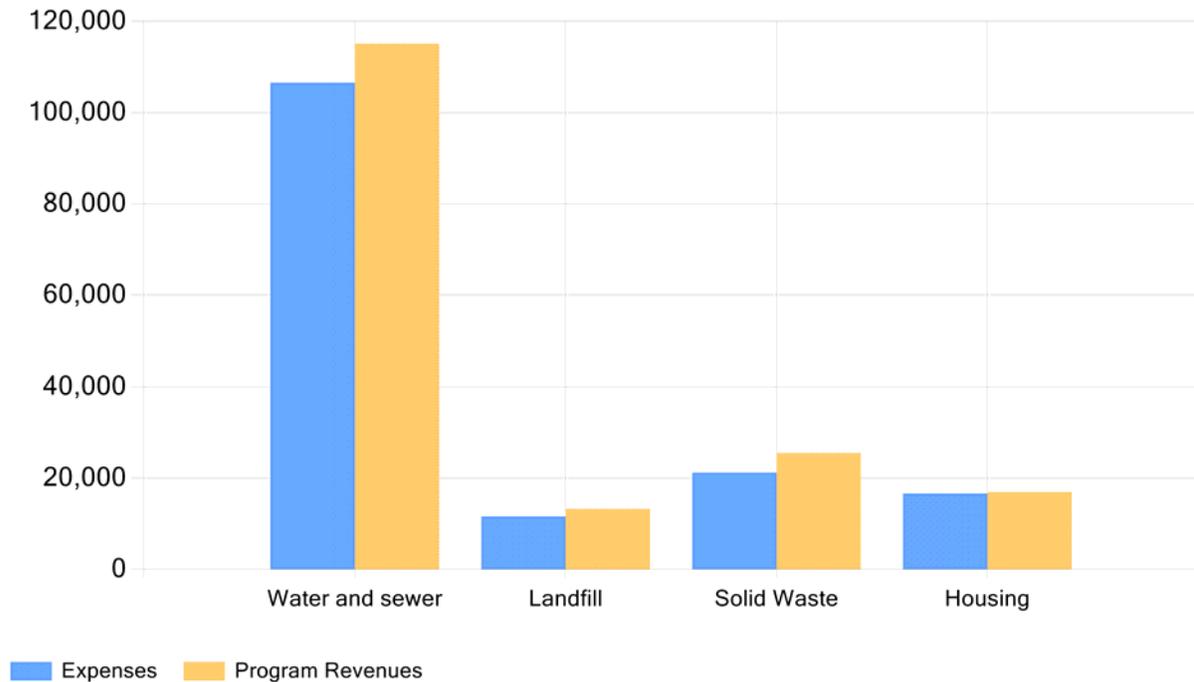
The City's general revenues from governmental activities for the fiscal year ended June 30, 2023 changed by \$66,651 or 19.0%. The increase in revenues is due an increase of \$30,380 in local sales tax and \$14,575 in state shared income tax. The increases to tax revenue reflect the continuing economic growth the City and State of Arizona have experienced over the past several years.

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The cost of programs and services for governmental activities changed by \$50,285 or 13.8%. The increase is primarily due to increases in general government of \$40,862 and public safety of \$15,753.

The chart below shows the performance of the expenses and revenues in the business-type activities:

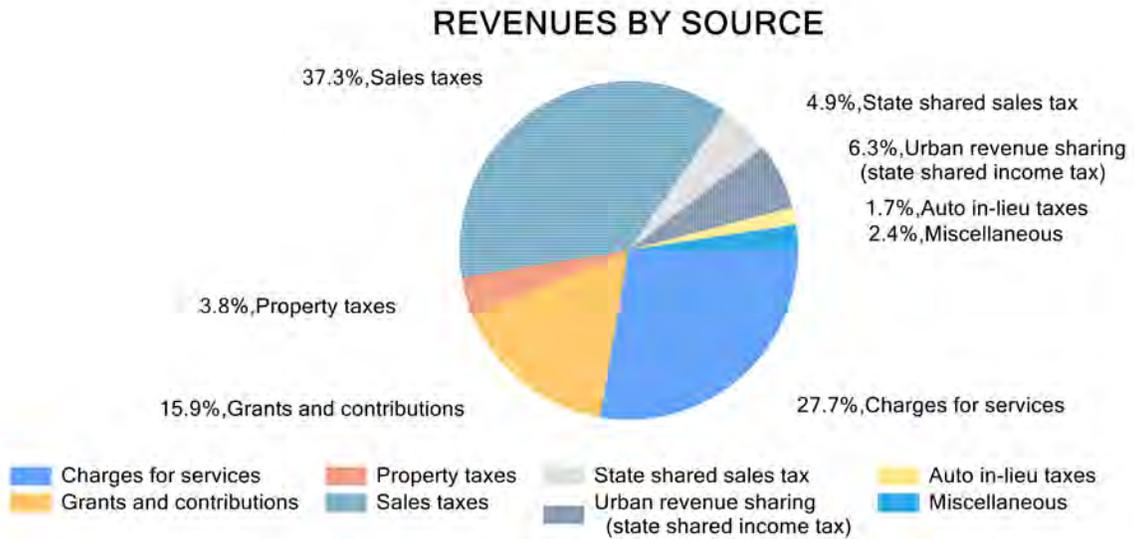
**Expenses and Program Revenues - Business-Type Activities**



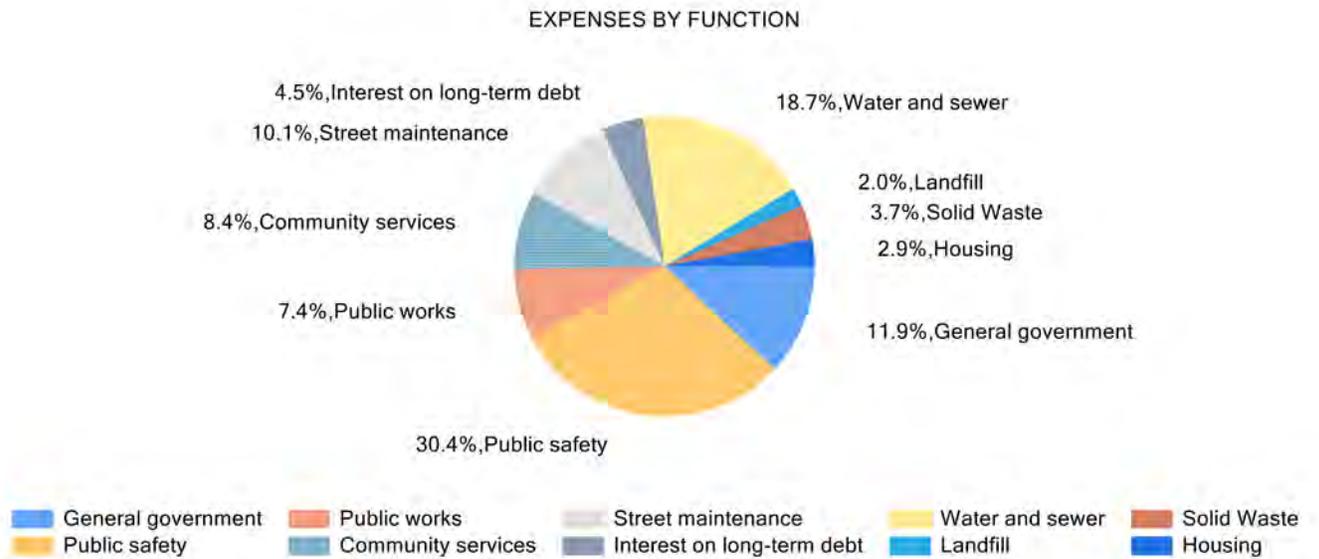
The City's total revenues from business-type activities for the fiscal year ended June 30, 2023 changed by \$(345) or (0.2)%.

The cost of programs and services from business-type activities for the fiscal year ended June 30, 2023 changed by \$16,119 or 11.5%. Solid waste expenses changed by \$498 or 2.4%, water and sewer expenses changed by \$13,679 or 14.7% and landfill expenses changed by \$431 or 3.9%. The increase in cost of programs and services for business-type activities is mainly contributable to increased maintenance costs.

**City Revenue Categories**



The pie chart above shows the different types of revenue the City receives and the proportion of each. The majority (65.0%) of the total revenue the City receives comes from charges for services and local sales tax. The second most significant source is grants and contributions (15.9%).



**City Expense Categories**

The majority of the City's expenses (49.1%) are incurred in public safety and water and sewer categories. Public safety expenses include those related to police and fire protection services provided to the community and are funded by the general fund. Water and sewer expenses are paid by the enterprise fund which is funded primarily through user paid fees for services.

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**Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$510,277, a change of \$101,236 or 24.7% in comparison with the prior year.

The City presents fund balance components by five categories: non-spendable, restricted, committed, assigned and unassigned; Note I.K in the summary of significant accounting policies addresses this in greater detail. In fiscal year 2023 and 2022, \$96,886 and \$54,905 respectively, of the total fund balance constituted unassigned fund balance.

Revenues for governmental functions overall totaled \$561,728 in fiscal year 2023, a change of \$79,866 or 16.6 % of the previous years' total of \$481,862. The increase is primarily due to an increase of \$31,408 or 11.3% in taxes and special assessments revenue, an increase in charges for services of \$25,104 or 213.6% and an increase in investment income of \$18,991 or 217.5%. These revenues are all indicators of the continued healthy economy experienced by the City.

Expenditures for governmental functions totaled \$458,582 in fiscal year 2023, a change of \$(187,204) or (29.0)% from the previous year total of \$645,786. The decrease is primarily due to a \$251,320 payment in FY 2022 to Public Safety Personnel Retirement System to reduce an unfunded liability paid from the issuance of Certificates of Participation.

The General Fund is the main operating fund of the City. The General Fund balance changed by \$73,263 or 36.8%. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$96,886 while total fund balance was \$272,126. The General Fund has \$962 of its fund balance as non-spendable; \$23,477 as restricted; and \$150,801 assigned. Per the City's adopted financial policies, 10% of the general fund operating revenue \$40,517 has been earmarked as the Budget Stabilization Reserve and \$56,369 has been earmarked as the Operating Reserve. Consistent with the requirements of GASB Statement No. 54, formal Council action was not taken prior to June 30, 2023 to commit these funds; therefore, the funds are reported as unassigned.

Overall, the General Fund's performance resulted in revenues over expenditures of \$123,130 in fiscal year 2023. In the prior year, expenditures exceeded revenues by \$145,068. The excess of revenues decreased when compared to the prior year due to the \$251,320 payment made to Public Safety Personnel Retirement System in FY 2022. In addition, revenues increased by \$80,618 over the prior fiscal year. The increase is primarily due to an increase in taxes and special assessment revenue of \$25,421 or 11.9%, an increase in charges for services of \$27,286 or 429.4%, and an increase in intergovernmental revenue of \$17,477 or 21.0%. These revenues are all indicators of the continued healthy economy experienced by the City.

The Transportation Special Revenue Fund is used to account for the accumulation of resources for, and the payment of, the City's public transit program and transportation improvement project costs. The fund had a balance of \$113,502 at the end of the fiscal year, an increase of \$19,989 from the previous fiscal year. The increase in fund balance was primarily due to the increase in taxes and special assessment revenue of \$5,160 or 12.1%, and increase in investment income of \$3,690 or 943.7%, and an increase in intergovernmental revenue of \$1,870 or 106.9% including developer agreements in lieu of fees.

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The Other Construction Fund accounts for construction activities for governmental facilities, economic development, cultural facilities, open space and trails, library, flood control and ARPA projects. The fund had a balance of \$6,054 at the end of the fiscal year a decrease from \$9,366 from the previous fiscal year.

The Municipal Property Corporation (MPC) debt service fund was established to account for the debt service payments on the bonds that were issued to finance the construction of a new municipal office complex, hockey arena, public safety training center, parking garage, media center, and convention center. The fund had a balance of \$14,197 at the end of the fiscal year an increase of \$5,154 from the previous fiscal year. The increase was primarily due to the intergovernmental revenue from Arizona Sports and Tourism Authority of \$4,947.

Other Non-Major Governmental Funds had a balance increased \$6,142 to \$104,398 at the end of the fiscal year. This is primarily due to net transfers in and out.

### **Proprietary Funds**

Net position of the enterprise funds increased \$21,885 or 4.3 %. The enterprise funds' total net position was \$47,567 restricted, \$2,912 unrestricted, and \$485,518 invested in capital assets.

The water and sewer fund accounts for operations, maintenance and construction projects of City-owned water and sewer systems. The fund saw a change in net position of \$11,283 or 2.3% for the fiscal year ended June 30, 2023. The landfill fund net position changed by \$2,926 of 23.6% for the fiscal year. The internal service funds account for fleet, technology, risk management, workers' compensation, and employee benefits provided to other departments. The funds saw an increase in fund balance of \$18,517 for the fiscal year ended June 30, 2023. The City's policy is to fund the worker's compensation and risk management funds at a 55% confidence level based on the most recent actuarial valuations.

### **General Fund Budgetary Highlights**

- The City's budgeted revenues exceeded expectations and were \$49,890 higher than the final budgeted amounts. Positive economic trends resulted in taxes and charges for services that were \$27,953 and \$21,358 greater than the final budget, respectively.
- General Fund expenditures were lower than the final budget by \$44,683. The most significant budget variances was in capital outlay which was \$26,308 lower than the budgeted amount due to capital project expenditures that did not occur during the fiscal year.
- General Fund budgetary fund balance increased by \$76,987 or 41.0%. This increase is due to tax revenues, licenses and permits, and intergovernmental revenues. This increase is also related to expenditures being lower than expected, mainly in the public safety and capital outlay categories.

## **Capital Asset and Debt Administration**

### **Capital Assets**

The City's investment in capital assets (net of accumulated depreciation/amortization) as of June 30, 2023, for its governmental activities was \$1,111,140 and for the business-type activities was \$656,239. The investment in governmental and business-type capital assets consisted of land, buildings, machinery and equipment, right-to-use assets, and infrastructure for streets, parks, airport and street lighting, water, and wastewater treatment plants.

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Major capital asset projects capitalized during the current fiscal year included the following:

- West Area Water Reclamation Facility Improvements \$18,349
- Luke AFB Wastewater Connection and Lift Station \$5,171
- Cactus Road 59th Ave to 67th Ave Street Reconstruction \$3,848
- Landfill North Cell Excavation \$3,815
- Glendale Ave 99th to 91st Sewer Relief \$2,439
- Splash Pad in Sunset Palms Park \$1,879

The following table is a summary of capital assets reflected in the June 30, 2023 financial statements as compared to last year's financial statements.

**Capital Assets at Year End**  
(Net of depreciation/amortization)  
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Construction in progress	\$ 24,929	\$ 8,625	\$ 27,896	\$ 26,136	\$ 52,825	\$ 34,761
Land	116,019	116,019	17,241	17,241	133,260	133,260
Water storage rights	-	-	6,150	6,329	6,150	6,329
Artwork	2,709	2,639	-	-	2,709	2,639
Buildings	207,631	212,378	5,145	5,062	212,776	217,440
Right to use leased assets - buildings	166	265	-	-	166	265
Improvements other than buildings	87,630	94,105	49,335	49,047	136,965	143,152
Infrastructure - streets	510,670	497,891	-	-	510,670	497,891
Infrastructure - parks	42,524	41,127	-	-	42,524	41,127
Infrastructure - flood/storm drains	64,927	64,891	-	-	64,927	64,891
Infrastructure - airport	11,227	10,270	-	-	11,227	10,270
Water lines	-	-	91,219	93,629	91,219	93,629
Sewer lines	-	-	84,546	81,707	84,546	81,707
Water treatment plant	-	-	219,448	232,407	219,448	232,407
Sewer treatment plant	-	-	107,876	89,472	107,876	89,472
Meters and services	-	-	17,839	17,766	17,839	17,766
Fire hydrants	-	-	4,694	4,121	4,694	4,121
Machinery and equipment	7,772	6,905	2,827	2,139	10,599	9,044
Computer equipment	1,348	178	820	449	2,168	627
System Purchase	-	-	111	111	111	111
Software	1,536	1,661	-	-	1,536	1,661
Right to use IT software	16,505	-	1,727	-	18,232	-
Automotive equipment	15,547	14,643	19,365	15,918	34,912	30,561
<b>Total</b>	<b>\$ 1,111,140</b>	<b>\$ 1,071,597</b>	<b>\$ 656,239</b>	<b>\$ 641,534</b>	<b>\$ 1,767,379</b>	<b>\$ 1,713,131</b>

The construction commitments at June 30, 2023 were \$32,130. Additional information on capital assets can be found in Note V of the financial statements.

**Long-Term Debt**

At the end of the current fiscal year, the City had total bonded debt outstanding of \$896,560 compared to \$955,430 last year, a 6.16% net decrease.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
General obligation	\$ 98,535	\$ 116,405	\$ -	\$ -	\$ 98,535	\$ 116,405
Transportation revenue bond	50,235	54,545	-	-	50,235	54,545
Excise tax revenue bonds	161,880	175,450	-	-	161,880	175,450
Municipal Property revenue bonds	175,300	179,555	-	-	175,300	179,555
Certificates of Participation	252,800	252,800	-	-	252,800	252,800
Water and sewer revenue bonds/obligations	-	-	149,165	167,760	149,165	167,760
GO Landfill bonds	-	-	8,645	8,915	8,645	8,915
<b>Total</b>	<b>\$ 738,750</b>	<b>\$ 778,755</b>	<b>\$ 157,810</b>	<b>\$ 176,675</b>	<b>\$ 896,560</b>	<b>\$ 955,430</b>

## **CITY OF GLENDALE, ARIZONA**

Management's Discussion and Analysis (MD&A)

For the Fiscal Year Ended June 30, 2023

(amounts expressed in thousands)

The City received a "AA-" underlying rating from Standard & Poor's, an "A1" underlying rating from Moody's Investor Services, and an "AAA" underlying rating from Fitch Ratings for its general obligation debt. The senior excise tax bonds are rated "AA+" by Standard & Poor's and an "A1" by Moody's. The subordinate excise tax bonds are rated "AA+" by Standard and Poor's and an "A1" by Moody's. The senior lien water and sewer revenue bonds are rated "AA" by Standard & Poor's and "AA" by Fitch Ratings. The subordinate lien water and sewer revenue bonds are rated "A1" by Moody's, "AA-" by Standard & Poor's and "AA" by Fitch Ratings. Transportation bonds were assigned an underlying rating of "AA+" by Standard & Poor's and "A1" by Moody's.

The Arizona Constitution provides that the general obligation bonded indebtedness for a city for general municipal purposes, libraries, economic development, historic preservation, and cultural facilities may not exceed 6% of the total limited property value of the taxable property in that city. Cities may also issue general obligation bonds up to 20% of the total limited property value for supplying water, sewer, artificial light, public safety, law enforcement, fire and emergency services, streets and transportation facilities, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities. The City's current unused 6% and 20% debt limitation on June 30, 2023, were \$190,435 and \$593,642, respectively. Additional information on long-term debt can be found in Note X of the financial statements.

### **Next Year's Budget and Economic Factors**

The City of Glendale is continuing its efforts to make sound financial decisions that focus on prudent long-range planning in order to maintain adequate levels of fund balance to mitigate current and future risks and to ensure stable tax rates. The overall goals underlying the City's financial policies include fiscal responsibility, flexibility, and adherence to the highest accounting and management practices.

The adopted fiscal year 2023-24 budget is \$1,260,000 an increase of 17.7% from 2022-23. The increase is mainly attributable to an increase in capital outlay. Overall, the goal of the FY23-24 budget is to continue to improve the City's financial position while maintaining a high quality of service delivery, improving public safety, encouraging development, maintaining neighborhoods and continuing progress toward the development of a strategic plan to ensure service delivery and resource allocation is aligned with City Council policy throughout the entire organization.

Total revenues for fiscal year 2023-24 are projected at \$990,114. The major sources of revenue for the City continue to be sales tax, property taxes, and state shared revenues with projected revenues of \$174,019, \$6,553, and \$115,124 respectively. For fiscal year 2023-24, City sales tax is expected to increase by 8.3%. This expectation is based on the continued expansion of Glendale's sports, entertainment, office and retail destination area, continued attraction of diverse job growth industries to the City, and modest but sustainable economic recovery.

### **Request for information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Budget & Finance, 5850 West Glendale Avenue, Suite 302, Glendale, Arizona 85301.



City of Glendale, Arizona

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

# **BASIC FINANCIAL STATEMENTS**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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City of Glendale, Arizona  
**Statement of Net Position**  
June 30, 2023  
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Equity in pooled cash and investments	\$ 621,446	\$ 13,325	\$ 634,771
Receivables (net of allowance for uncollectibles)			
Property taxes	771	-	771
Accounts	16,115	19,226	35,341
Note	37,981	-	37,981
Accrued interest	324	14	338
Intergovernmental	41,401	245	41,646
Internal balances	(4,158)	4,158	-
Inventories and prepaid items	415	5,240	5,655
Restricted deposits	1,575	8,382	9,957
Restricted cash and investments	36,193	71,610	107,803
Lease receivable	48,196	2,014	50,210
Non-depreciable capital assets	143,657	45,137	188,794
Depreciable capital assets (net)	967,483	611,102	1,578,585
Net OPEB assets	5,524	1,124	6,648
Equity in joint venture	2,354	37,595	39,949
Total assets	<u>1,919,277</u>	<u>819,172</u>	<u>2,738,449</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Amounts related to pensions and OPEB	73,030	5,723	78,753
Amounts resulting from refunded debt	12,188	2,057	14,245
Total deferred outflows of resources	<u>85,218</u>	<u>7,780</u>	<u>92,998</u>
<b>LIABILITIES</b>			
Vouchers payable	22,425	11,828	34,253
Retainage payable	148	1,158	1,306
Matured bonds payable	40,005	18,865	58,870
Accrued interest payable	14,934	3,979	18,913
Intergovernmental payable	508	395	903
Deposits payable	4,813	7,362	12,175
Unearned revenue	55,953	11	55,964
Noncurrent liabilities:			
Due within one year	96,434	25,922	122,356
Due in more than one year	903,639	215,713	1,119,352
Total liabilities	<u>1,138,859</u>	<u>285,233</u>	<u>1,424,092</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Amounts related to pensions and OPEB	12,060	1,966	14,026
Amounts resulting from refunded debt	(11)	1,768	1,757
Amounts related to leases	47,284	1,988	49,272
Total deferred inflows of resources	<u>59,333</u>	<u>5,722</u>	<u>65,055</u>
<b>NET POSITION</b>			
Net investment in capital assets	584,359	485,518	1,069,877
Restricted for:			
Capital projects	60,905	-	60,905
Debt service	95,914	18,595	114,509
Transportation	113,507	-	113,507
Highway and streets	24,138	-	24,138
Revenue bond retirement, replacement and extension	-	11,899	11,899
Perpetual care - nonexpendable	6,496	-	6,496
Police and Fire	23,476	-	23,476
OPEB benefits	5,524	1,124	6,648
Other purposes	4,658	-	4,658
Development impact fees	-	15,949	15,949
Unrestricted	(112,674)	2,912	(109,762)
Total net position	<u>\$ 806,303</u>	<u>\$ 535,997</u>	<u>\$ 1,342,300</u>

The notes to financial statements are an integral part of this statement.

City of Glendale, Arizona  
**Statement of Activities**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
<b>Primary government:</b>							
Governmental activities:							
General Government	\$ 67,766	\$ 37,663	\$ 9,301	\$ 4,085	\$ (16,717)	\$ -	\$ (16,717)
Public Safety	173,375	4,730	9,236	-	(159,409)	-	(159,409)
Public Works	42,500	4,315	2,250	317	(35,618)	-	(35,618)
Community Services	47,954	6,181	17,952	-	(23,821)	-	(23,821)
Street Maintenance	57,884	1,736	30,184	28,737	2,773	-	2,773
Interest on long term debt	25,766	-	-	-	(25,766)	-	(25,766)
Total governmental activities	<u>415,245</u>	<u>54,625</u>	<u>68,923</u>	<u>33,139</u>	<u>(258,558)</u>	<u>-</u>	<u>(258,558)</u>
Business-type activities:							
Water and Sewer	106,533	111,703	19	3,375	-	8,564	8,564
Landfill	11,620	13,266	-	-	-	1,646	1,646
Solid Waste	21,200	25,510	-	-	-	4,310	4,310
Housing	16,646	2,998	13,249	692	-	293	293
Total business-type activities	<u>155,999</u>	<u>153,477</u>	<u>13,268</u>	<u>4,067</u>	<u>-</u>	<u>14,813</u>	<u>14,813</u>
Total primary government	<u>\$ 571,244</u>	<u>\$ 208,102</u>	<u>\$ 82,191</u>	<u>\$ 37,206</u>	<u>(258,558)</u>	<u>14,813</u>	<u>(243,745)</u>
General revenues:							
Property tax for general purposes					6,274	-	6,274
Property tax for debt service					21,896	-	21,896
Sales taxes					279,831	-	279,831
State shared sales tax					36,901	-	36,901
Urban revenue sharing (state shared income tax)					47,355	-	47,355
Auto in-lieu taxes					12,384	-	12,384
Investment earnings unrestricted					11,427	3,087	14,514
Miscellaneous					2,018	1,673	3,691
Transfers					(2,312)	2,312	-
Total general revenues and transfers					<u>415,774</u>	<u>7,072</u>	<u>422,846</u>
Change in net position					157,216	21,885	179,101
Net position - beginning, as restated					649,087	514,112	1,163,199
Net position - ending					<u>\$ 806,303</u>	<u>\$ 535,997</u>	<u>\$ 1,342,300</u>

The notes to financial statements are an integral part of this statement.

City of Glendale, Arizona  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2023  
(amounts expressed in thousands)

	General	Transportation Special Revenue	Other Construction	Municipal Property Corporation Debt Service	Other Non- Major Governmental Funds	Total
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 249,087	\$ 114,348	\$ 36,206	\$ 14,010	\$ 140,092	\$ 553,743
Receivables, net of allowance for doubtful accounts						
Property tax	170	-	-	-	601	771
Accounts	9,259	569	-	-	6,198	16,026
Note	-	-	-	37,981	-	37,981
Accrued interest	313	-	-	-	11	324
Due from other funds	2,372	-	-	-	-	2,372
Intergovernmental receivable	34,592	844	-	-	5,938	41,374
Inventories and prepaid items	142	171	-	-	11	324
Restricted cash and investments	15	-	-	8,889	27,289	36,193
Lease receivable	42,887	-	-	-	5,309	48,196
Total assets	<u>\$ 338,837</u>	<u>\$ 115,932</u>	<u>\$ 36,206</u>	<u>\$ 60,880</u>	<u>\$ 185,449</u>	<u>\$ 737,304</u>
<b>LIABILITIES</b>						
Vouchers payable	\$ 12,214	\$ 2,378	\$ 348	\$ -	\$ 4,382	\$ 19,322
Retainage payable	148	-	-	-	-	148
Compensated Absences - current	1,491	32	-	-	61	1,584
Intergovernmental payable	508	-	-	-	-	508
Due to other funds	-	-	46	-	2,317	2,363
Deposits	4,746	-	-	-	67	4,813
Unearned revenue	3,974	15	29,758	-	22,206	55,953
Matured interest payable	-	-	-	4,447	10,359	14,806
Matured bonds payable	-	-	-	4,255	35,750	40,005
Total liabilities	<u>23,081</u>	<u>2,425</u>	<u>30,152</u>	<u>8,702</u>	<u>75,142</u>	<u>139,502</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Inflows of Resources- unavailable revenue	1,563	5	-	37,981	692	40,241
Deferred Inflows of Resources- leases	42,067	-	-	-	5,217	47,284
Total deferred inflows of resources	<u>43,630</u>	<u>5</u>	<u>-</u>	<u>37,981</u>	<u>5,909</u>	<u>87,525</u>
<b>FUND BALANCES</b>						
Fund balance:						
Nonspendable	962	171	-	-	6,401	7,534
Restricted	23,477	113,331	6,054	14,197	93,541	250,600
Committed	-	-	-	-	2,068	2,068
Assigned	150,801	-	-	-	2,388	153,189
Unassigned	96,886	-	-	-	-	96,886
Total fund balances	<u>272,126</u>	<u>113,502</u>	<u>6,054</u>	<u>14,197</u>	<u>104,398</u>	<u>510,277</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 338,837</u>	<u>\$ 115,932</u>	<u>\$ 36,206</u>	<u>\$ 60,880</u>	<u>\$ 185,449</u>	<u>\$ 737,304</u>

The notes to financial statements are an integral part of this statement.

City of Glendale, Arizona  
**Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position**

June 30, 2023

(amounts expressed in thousands)

Amounts reported for governmental activities in the statement of net position are different because:

Fund balances - total governmental funds balance sheet		\$ 510,277
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	\$ 2,104,551	
Less accumulated depreciation/amortization	<u>(1,015,304)</u>	1,089,247
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Right to use assets	\$ 364	
Less accumulated amortization	<u>(198)</u>	166
Right to use subscription based information technology arrangements used in governmental activities are not financial resources and therefore are not reported in the funds.		
Right to use assets	\$ 13,557	
Less accumulated amortization	<u>(2,736)</u>	10,821
Net OPEB asset		5,273
Adjustment to reflect the government joint venture		2,354
Deferred outflow of resources related to pensions and OPEB		71,254
Deferred outflows related to refunded debt		12,188
Subscription interest payable		(56)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds and shown as an internal balance item.		(4,167)
Internal service funds are used by management to charge the costs of workers' compensation, risk management, employee benefits, fleet services and IT projects to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.		37,823
Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	\$ (738,750)	
Net pension and OPEB liabilities	(148,427)	
Lease payable	(157)	
Subscription payable	(11,012)	
Developer payable obligations	(5,473)	
Compensated absences	(28,301)	
Unamortized premium on debt issuance	<u>(25,678)</u>	(957,798)
Deferred inflows of resources related pensions and OPEB		(11,331)
Deferred inflows of resources is unavailable revenue that is measurable but not yet available for governmental fund activities is recognized as revenue for governmental-wide activities		40,252
Net position of governmental activities		<u><u>\$ 806,303</u></u>

City of Glendale, Arizona  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	General	Transportation Special Revenue	Other Construction	Municipal Property Corporation Debt Service	Other Non- Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes and special assessments	\$ 238,559	\$ 47,814	\$ -	\$ -	\$ 21,878	\$ 308,251
Licenses and permits	24,627	-	-	-	16,823	41,450
Intergovernmental	100,802	3,620	4,624	4,974	45,372	159,392
Local	102	-	-	-	9	111
Charges for services	33,640	1,965	-	-	1,253	36,858
Fines and forfeitures	2,003	-	-	-	324	2,327
Investment income (loss)	3,323	4,081	-	186	2,670	10,260
Miscellaneous	2,112	195	-	-	772	3,079
Total revenues	<u>405,168</u>	<u>57,675</u>	<u>4,624</u>	<u>5,160</u>	<u>89,101</u>	<u>561,728</u>
<b>EXPENDITURES</b>						
Current:						
General Government	48,930	-	492	6	972	50,400
Public Safety	166,504	-	-	-	4,944	171,448
Public Works	24,998	-	25	-	1,968	26,991
Community Services	22,992	-	63	-	20,447	43,502
Street Maintenance	1,065	27,631	-	-	18,041	46,737
Debt service:						
Principal	-	-	-	4,255	35,750	40,005
Interest	-	-	-	8,895	20,718	29,613
Capital outlay	17,549	361	7,344	-	24,632	49,886
Total expenditures	<u>282,038</u>	<u>27,992</u>	<u>7,924</u>	<u>13,156</u>	<u>127,472</u>	<u>458,582</u>
Excess (deficiency) of revenues over expenditures	<u>123,130</u>	<u>29,683</u>	<u>(3,300)</u>	<u>(7,996)</u>	<u>(38,371)</u>	<u>103,146</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Proceeds from equipment disposal	321	4	-	-	77	402
Transfer in	-	5,803	-	13,150	61,182	80,135
Transfer out	(50,188)	(15,501)	(12)	-	(16,746)	(82,447)
Total other financing sources (uses)	<u>(49,867)</u>	<u>(9,694)</u>	<u>(12)</u>	<u>13,150</u>	<u>44,513</u>	<u>(1,910)</u>
Net change in fund balances	73,263	19,989	(3,312)	5,154	6,142	101,236
Fund balances - beginning	198,863	93,513	9,366	9,043	98,256	409,041
Fund balances - ending	<u>\$ 272,126</u>	<u>\$ 113,502</u>	<u>\$ 6,054</u>	<u>\$ 14,197</u>	<u>\$ 104,398</u>	<u>\$ 510,277</u>

The notes to financial statements are an integral part of this statement.

City of Glendale, Arizona  
**Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities**  
For the Fiscal Year Ended June 30, 2023  
(amounts expressed in thousands)

Amounts for governmental activities in the statement of net position are different because:

Net change in fund balances - total governmental funds	\$	101,236
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense.		
Expenditures for capitalized assets	\$	66,041
Less current year depreciation/amortization		<u>(57,452)</u>
		8,589
The net effect of various transactions involving capital is to increase net position.		
Capital contributions	\$	27,223
Gain (loss) on disposals		<u>(58)</u>
		27,165
Gain (loss) on government joint venture		(225)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(117)
The net effect of long-term obligations and the related transactions is to increase net position.		
Long-term developer liability increase	\$	(313)
Amortization of bond premium and discount		4,999
Principal paid on bonds, notes, and leases		40,005
Subscriptions		<u>(13,506)</u>
		31,185
Compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(3,643)
Governmental funds report pension/OPEB contributions as expenditures. However, in the Statement of Activities, pension/OPEB service costs, interest on the pension liability, current year benefit changes, member contributions, expected earnings on plan investments, administrative expenses and recognition of deferred outflows and inflows from pension and OPEB is reported as pension/OPEB expense.		
Pension/OPEB Contributions	\$	18,661
Pension/OPEB Expense		<u>(34,703)</u>
		(16,042)
Internal service funds are used by management to charge the costs of workers' compensation, risk management, employee benefits, fleet services, and technology projects to individual funds.		15,251
Interest expense on software based internet technology arrangements on the statement of activities are not accrued on the governmental funds.		(56)
Amortization expense on refunded debt on the statement of activities are not accrued on the governmental funds.		(1,152)
The net effect of interest in the statement of activities that does not provide current financial resources are not reported as revenues in the governmental funds.		
Interest income on note receivable	\$	(926)
Bad debt expense		<u>(4,049)</u>
		(4,975)
Change in net position of governmental activities	\$	<u><u>157,216</u></u>

City of Glendale, Arizona  
**Statement of Net Position**  
**Proprietary Funds**  
June 30, 2023  
(amounts expressed in thousands)

	Business-type Activities			Governmental Activities	
	Water and Sewer	Landfill	Total Non-Major Funds	Total Enterprise Funds	Internal Service Funds
<b>ASSETS</b>					
Current assets:					
Equity in pooled cash and investments	\$ -	\$ 10,227	\$ 3,098	\$ 13,325	\$ 67,703
Restricted cash and investments	59,109	-	-	59,109	-
Receivables:					
Accounts receivable	17,973	1,058	3,689	22,720	89
Allowance for uncollectibles	(2,823)	(12)	(659)	(3,494)	-
Accrued interest	14	-	-	14	-
Intergovernmental	-	-	245	245	27
Inventories and prepaid items	5,192	-	48	5,240	91
Total current assets	79,465	11,273	6,421	97,159	67,910
Noncurrent assets:					
Restricted deposits	8,382	-	-	8,382	1,575
Restricted cash and investments	12,008	493	-	12,501	-
Lease receivable	2,014	-	-	2,014	-
OPEB assets	722	122	280	1,124	251
Capital assets:					
Capital assets	1,097,092	59,963	41,463	1,198,518	18,951
Accumulated depreciation	(496,682)	(21,170)	(24,427)	(542,279)	(8,045)
Capital assets, net	600,410	38,793	17,036	656,239	10,906
Equity in joint venture	37,595	-	-	37,595	-
Total noncurrent assets	661,131	39,408	17,316	717,855	12,732
Total assets	740,596	50,681	23,737	815,014	80,642
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Amounts related to pensions and OPEB	3,729	658	1,336	5,723	1,776
Amounts resulting from refunded debt	2,057	-	-	2,057	-
Total deferred outflows of resources	5,786	658	1,336	7,780	1,776
<b>LIABILITIES</b>					
Current liabilities:					
Vouchers payable	10,654	743	431	11,828	3,103
Retainage payable	1,158	-	-	1,158	-
Compensated absences	1,724	272	332	2,328	711
Unearned revenue	-	-	11	11	-
Due to other funds	-	-	9	9	-
Matured bonds payable	18,595	270	-	18,865	-
Intergovernmental payable	300	-	2	302	-
Deposits	7,018	185	159	7,362	-
Estimated claims payable	93	-	-	93	29,869
Bonds payable current	22,732	446	-	23,178	-
Interest payable	3,753	226	-	3,979	72
Subscription - due within one year	137	71	208	416	2,810
Total current liabilities	66,164	2,213	1,152	69,529	36,565
Noncurrent liabilities:					
Compensated absences	1,661	273	418	2,352	756
Bonds payable	148,559	9,916	-	158,475	-
Net pension & OPEB liabilities	22,208	4,099	8,288	34,595	4,046
Other long term debt	268	185	702	1,155	2,499
Estimated closure and post closure costs	-	19,136	-	19,136	-
Total noncurrent liabilities	172,696	33,609	9,408	215,713	7,301
Total liabilities	238,860	35,822	10,560	285,242	43,866
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Amounts related to pensions and OPEB	1,162	218	586	1,966	729
Amounts resulting from refunded debt	1,768	-	-	1,768	-
Amounts related to leases	1,988	-	-	1,988	-
Total deferred inflows of resources	4,918	218	586	5,722	729
<b>NET POSITION</b>					
Net investment in capital assets	440,321	28,161	17,036	485,518	10,906
Restricted for:					
Debt service	18,595	-	-	18,595	-
Development impact fees	15,949	-	-	15,949	-
OPEB benefits	722	122	280	1,124	251
Revenue bond retirement, replacement and extension	11,899	-	-	11,899	-
Unrestricted	15,118	(12,984)	(3,389)	(1,255)	26,666
Total net position	\$ 502,604	\$ 15,299	\$ 13,927	\$ 531,830	\$ 37,823
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				4,167	
Net position of business type activities				\$ 535,997	

The notes to financial statements are an integral part of this statement.

City of Glendale, Arizona  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Business-type Activities				Governmental
	Water and Sewer	Landfill	Total Non-Major Funds	Total Enterprise Funds	Internal Service Funds
<b>OPERATING REVENUES</b>					
Intergovernmental	\$ -	\$ -	\$ 13,249	\$ 13,249	\$ -
Metered water sales	59,312	-	-	59,312	-
Sewer service charges	42,768	-	-	42,768	-
Container service	-	-	6,396	6,396	-
Curb service	-	-	19,073	19,073	-
Landfill user fees	-	13,173	-	13,173	-
Self insurance premium	-	-	-	-	61,330
Charges for services	-	-	-	-	29,179
Miscellaneous	1,592	22	40	1,654	363
Recycling sales	-	53	-	53	-
Other fees	4,472	-	2,998	7,470	9
Total operating revenues	<u>108,144</u>	<u>13,248</u>	<u>41,756</u>	<u>163,148</u>	<u>90,881</u>
<b>OPERATING EXPENSES</b>					
Water	41,070	-	-	41,070	-
Sewer	19,583	-	-	19,583	-
Landfill	-	8,359	-	8,359	-
Housing	-	-	16,520	16,520	-
Closure/post-closure care adjustment	-	940	-	940	-
Solid Waste	-	-	19,733	19,733	-
Administrative and general	11,481	2	25	11,508	29,018
Insurance claims and premiums	-	-	-	-	41,926
Amortization and depreciation	32,584	2,298	2,496	37,378	3,317
Total operating expenses	<u>104,718</u>	<u>11,599</u>	<u>38,774</u>	<u>155,091</u>	<u>74,261</u>
Operating income (loss)	<u>3,426</u>	<u>1,649</u>	<u>2,982</u>	<u>8,057</u>	<u>16,620</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Impact fees	3,348	-	-	3,348	-
Investment income	2,523	526	38	3,087	2,008
Interest expense	(3,434)	(347)	(25)	(3,806)	(112)
Net gain from joint venture	1,446	-	-	1,446	-
Gain/(loss) on disposal of assets	8	40	56	104	1
Total nonoperating revenues (expenses)	<u>3,891</u>	<u>219</u>	<u>69</u>	<u>4,179</u>	<u>1,897</u>
Income (loss) before contributions and transfers	7,317	1,868	3,051	12,236	18,517
Capital contributions	3,375	-	692	4,067	-
Transfer in	817	1,102	663	2,582	-
Transfer out	(226)	(44)	-	(270)	-
Change in net position	11,283	2,926	4,406	18,615	18,517
Total net position - beginning, as restated	491,321	12,373	9,521	-	19,306
Total net position - ending	<u>\$ 502,604</u>	<u>\$ 15,299</u>	<u>\$ 13,927</u>	<u>\$ -</u>	<u>\$ 37,823</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				3,270	
Changes in net position of business-type activities				<u>\$ 21,885</u>	

The notes to financial statements are an integral part of this statement.

City of Glendale, Arizona  
**Statement of Cash Flows**  
**Proprietary Funds**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds				Governmental
	Major Funds		Total Non-	Total	Internal Service
	Water and	Landfill			
	Sewer				
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 108,968	\$ 12,675	\$ 40,916	\$ 162,559	\$ 90,866
Cash paid to internal city departments	(12,364)	(2,206)	(11,534)	(26,104)	(3,082)
Cash paid to external vendors	(32,980)	(1,812)	(17,393)	(52,185)	(17,210)
Cash paid for insurance and in settlement of claims	-	-	-	-	(35,640)
Cash paid to employees for services	(23,805)	(4,012)	(7,071)	(34,888)	(8,180)
Net cash provided (used) by operating activities	<u>39,819</u>	<u>4,645</u>	<u>4,918</u>	<u>49,382</u>	<u>26,754</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers in	817	1,102	663	2,582	-
Transfers out	(226)	(44)	-	(270)	-
Advances to/due from other funds	-	-	(1,564)	(1,564)	-
Net cash provided (used) by noncapital financing activities	<u>591</u>	<u>1,058</u>	<u>(901)</u>	<u>748</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Principal payments on obligations	(26,868)	(390)	-	(27,258)	-
Acquisition of capital assets and rights	(34,572)	(8,458)	(3,664)	(46,694)	(4,396)
Impact fees	3,348	-	-	3,348	-
Interest payments on obligations	2,505	51	(25)	2,531	(40)
Net cash provided (used) by capital and related financing activities	<u>(55,587)</u>	<u>(8,797)</u>	<u>(3,689)</u>	<u>(68,073)</u>	<u>(4,436)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received from investments	2,523	526	38	3,087	2,008
Net cash provided (used) by investing activities	<u>2,523</u>	<u>526</u>	<u>38</u>	<u>3,087</u>	<u>2,008</u>
Net increase (decrease) in cash and cash equivalents	<u>(12,654)</u>	<u>(2,568)</u>	<u>366</u>	<u>(14,856)</u>	<u>24,326</u>
Balances - beginning of year	83,771	13,288	2,732	99,791	43,377
Cash and restricted cash and investment balances - end of the year	<u>\$ 71,117</u>	<u>\$ 10,720</u>	<u>\$ 3,098</u>	<u>\$ 84,935</u>	<u>\$ 67,703</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating Income (Loss)	\$ 3,426	\$ 1,649	\$ 2,982	\$ 8,057	\$ 16,620
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Amortization and depreciation	32,584	2,298	2,496	37,378	3,317
Changes in assets and liabilities:					
Accounts receivable	591	(241)	(601)	(251)	22
Intergovernmental receivable	-	-	(126)	(126)	(19)
Net OPEB asset	(93)	(15)	(33)	(141)	(31)
Net pension and OPEB liability	4,038	681	1,494	6,213	1,388
Deferred outflows related to pensions and OPEB	1,360	228	503	2,091	466
Deferred inflows related to pensions and OPEB	(5,031)	(846)	(1,859)	(7,736)	(1,719)
Inventories and prepaid items	(778)	-	(33)	(811)	129
Deferred inflows - leases	(143)	-	-	(143)	-
Vouchers and accounts payable	3,204	259	56	3,519	(496)
Intergovernmental payable	(83)	-	(63)	(146)	-
Deposits	233	(332)	17	(82)	-
Compensated absences	418	24	82	524	139
Unearned revenue	-	-	3	3	-
Claims payable	93	-	-	93	6,938
Estimated closure and post-closure costs	-	940	-	940	-
Net cash provided (used) by operating activities	<u>\$ 39,819</u>	<u>\$ 4,645</u>	<u>\$ 4,918</u>	<u>\$ 49,382</u>	<u>\$ 26,754</u>
<b>Noncash investing, capital and financing activities</b>					
Gain on joint venture	\$ 1,446	\$ -	\$ -	\$ 1,446	\$ -
Change in value of joint venture	1,278	-	-	1,278	-
Change in lease receivable	124	-	-	124	-
Change in subscription based information technology arrangements payable	405	256	888	1,549	5,309
Change in retainage payable	455	-	-	455	-

The notes of the financial statements are an integral part of this statement.

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**Notes to the Financial Statements**

The Notes to the Basic Financial Statements include a summary of significant accounting policies and other disclosures considered necessary for a clear understanding of the accompanying financial statements.

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## CITY OF GLENDALE, ARIZONA

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

### I. Summary of significant accounting policies

#### A. Reporting entity

The City of Glendale, Arizona (City) was incorporated June 18, 1910, under the provisions of Article 13, Sections 1 through 6 of the Constitution of Arizona and Title 9 of the Arizona Revised Statutes. It is governed by a Mayor elected at large, and six district council members. The City operates under a Council-Manager form of government. The major operations of the City include providing police, fire, water, and sewer services to citizens. As required by GAAP, these financial statements present the government and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of a government's operations, so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in combined financial statements to emphasize that it is legally separate from the government. The City has no discretely presented component units.

#### Blended component units

City of Glendale, Arizona, Municipal Property Corporation (MPC) is a non-profit corporation organized under the laws of the State of Arizona to assist the City in the acquisition and financing of municipal projects and facilities. The MPC is governed by a board of directors who are responsible for approving the corporation's bond sales. Bond sales must also be approved by the City Council. Although it is legally separate from the City, MPC is reported as if it is part of the primary government because its sole purpose is to finance and construct public facilities for the City. The total debt outstanding of the MPC is expected to be repaid entirely or almost entirely with the resources of the primary government. MPC does not issue separate audited financial statements. However, it does file a tax return with the Internal Revenue Service. Copies of the tax return are available from the City's Budget and Finance Department.

#### B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

There are several types of transactions that are reported in the financial statements as inter-fund items. Transactions that would be treated as revenue, expenditures or expenses if they involved organizations external to the governmental unit, like the sale of water from the water & sewer fund to various functions of the general fund, are accounted for as revenue & expenditures or expenses in the funds involved. These revenue & expense transactions are reflected in the appropriate functional activity on the government-wide statement of activities and are not eliminated in consolidation. Transactions that constitute reimbursement to a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Governmental Accounting Standards Board (GASB) Statement 34 also requires that administrative service fees charged to other operating funds to support general services used by the other operating funds (like purchasing, accounting & administration) should be treated as reimbursement transactions and the revenue & expenditures/expenses reduced in the allocating fund. The costs of these services are reflected in the appropriate functional activity within the government-wide statement of activities and the revenues & expenses are eliminated from the government-wide financial statements to avoid any doubling up effect of these revenues & expenses. Transfers between funds are included in the results of both governmental & proprietary funds (as other financing sources/uses in governmental funds).

## CITY OF GLENDALE, ARIZONA

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported in the fund financial statements as “due to/from other funds.”

Certain transactions occurring between funds that are combined within the same fund type or displayed in the same financial statement column for presentation in these annual financial statements have been eliminated from the financial statements. These transactions include transfers between funds and interdepartmental service charges. All internal balances in the statement of net position have been eliminated, with the exception of those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total governmental column.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The *internal service funds* are eliminated on an entity-wide basis as per GASB Statement 34.

### C. Form of presentation – fund financial statements

The City reports the following major governmental funds:

The *general fund* is the City’s primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *transportation special revenue fund* accounts for the City’s public transit system and transportation improvement projects including transportation sales tax.

The *other construction fund* accounts for construction activities for government facilities, economic development, cultural facilities, open space and trails, library, flood control and ARPA projects.

The *municipal property corporation debt service fund (MPC)* accounts for the debt service payments for the bonds that were issued to finance the construction of a new municipal office complex, hockey arena, public safety training center, parking garage, media center and convention center.

The City reports the following major proprietary fund:

The *water and sewer fund* accounts for operations, maintenance and construction projects of the City-owned water and sewer systems.

The *landfill fund* accounts for the operations and maintenance of the City’s landfill.

Additionally, the City reports internal service funds.

*Internal service funds* account for risk management, workers’ compensation, employee benefits, fleet and technology services provided to other departments.

## CITY OF GLENDALE, ARIZONA

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds are presented in the accompanying financial statements:

### **Governmental funds**

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is based upon determination of financial position and changes in financial position rather than upon the determination of net income. The following governmental funds are presented in the accompanying financial statements.

General fund: The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special revenue funds: Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt service funds: Debt service funds are used to account for the accumulation of financial resources for the payment of long-term debt principal, interest, and related costs, except the debt service accounted for in the enterprise funds. Debt service funds also include the debt payable from highway user's gas tax revenues and unrestricted excise tax revenues as well as debt funded by property taxes levied by the City on property located within the City.

Capital projects funds: Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Permanent fund: Permanent fund is used to account for financial resources to be used by the cemetery fund.

### **Proprietary funds**

Proprietary funds are used to account for the City's ongoing operations and activities, which are similar to those found in the private sector. The measurement focus is based upon the determination of net income.

Enterprise funds: Enterprise funds are used to account for operations, including debt service, 1) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The enterprise funds, which the City currently maintains, are the water and sewer, landfill, solid waste, and housing funds.

Internal service funds: Internal service funds are used to account for the financing of self-insurance and fleet and technology services provided by one City department to other City departments on a cost-reimbursement basis.

## CITY OF GLENDALE, ARIZONA

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

### D. Measurement focus and basis of accounting

The City-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available except as described below in relation to grants. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the related debt service fund for payments to be made shortly after fiscal year-end.

Revenues susceptible to accrual because of their availability include property tax, sales tax, highway user's tax, state shared sales tax, vehicle license tax, and interest earned on investments. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

In applying the *susceptible to accrual* concept to intergovernmental revenues, the decision to accrue depends on the terms of the arrangement or agreement. Generally, these resources are reflected as revenue at the time of receipt or earlier if they meet the available criterion. Certain grant revenues are recognized based on expenditures recorded.

Resources that have been received before time requirements are met but after all other eligibility requirements have been met are recorded as a deferred inflow. However, resources transmitted before time requirements are met but after eligibility requirements have been met are recorded as deferred outflows. This practice is defined and supported by GASB Statement 63, as it pertains to Financial reporting of deferred outflows of resources, deferred inflows of resources and net position.

### E. Statement of cash flows

The City considers short-term investments (including restricted assets) in the State of Arizona Local Government Investment Pool (LGIP), mutual fund-money market, U.S. Treasury bills and notes with original maturities of three months or less at acquisition date to be cash equivalents.

### F. Inter-fund transactions

Inter-fund transactions, consisting of services performed for other funds or costs billed to other funds are treated as expenditures/expenses in the fund receiving the services and as a reimbursement reducing expenditures/expenses in the fund performing the services, except for sales of water to other City departments, which are recorded as revenue in the Water Enterprise funds. In addition, operating transfers are made between funds to shift resources from a fund legally authorized to receive revenue to a fund authorized to expend the revenue.

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is classified as due to/from other funds (current portion of inter-fund advances) and advances to/from other funds (noncurrent portion of inter-fund advances). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

**G. Inventories and prepaid items**

Inventories of the governmental and enterprise funds consist primarily of expendable supplies held for consumption. These inventories are maintained on a perpetual system verified through cyclical physical counts and are valued using a weighted average cost. Generally, expenditures are recorded at the time inventories are used (i.e., the consumption method) for both GAAP reporting and budgetary purposes. However, the City postage inventory is recorded as expenditure at time of purchase (i.e., the purchase method) for budgetary purposes. At June 30, 2023, the postage portion of the general fund supplies inventory was \$6. Certain expenditures are recorded for financial reporting purposes as prepaid items.

Special reporting treatment is applied to governmental fund inventories and prepaid items to indicate that they represent amounts that are not in spendable form, even though they are a component of current assets. Such amounts are presented as a component of non-spendable fund balance.

**H. Restricted assets**

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted on the balance sheet, or statement of net position, because they are maintained in separate bank accounts and their use is limited by applicable debt covenants and the escrow agreement. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

Restricted assets also include cash held at the Maricopa County Treasurer for the Racketeer Influenced and Corrupt Organizations Act (RICO). RICO funds are limited by state and federal law to qualified expenses related to fighting and preventing drug use and organized crime.

**I. Capital assets**

The City has chosen not to apply the modified approach to any networks or subsystems of infrastructure assets. No long-term assets or depreciation/amortization are shown in the governmental fund financial statements.

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the City) are defined as assets with an initial, individual cost of more than \$5 and an estimated useful life greater than three years. Aggregated capital assets comprise a group of assets with a collective cost exceeding \$500, adhering to the designated classes and useful life criteria applicable to standard capital assets. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Major improvements are capitalized and depreciated/amortized over the remaining useful lives of the related capital assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Useful Life (Years)</u>
Buildings	30
Right to use leased assets - buildings	3
Improvements other than buildings	10-20
Infrastructure	10-100
Machinery and equipment	5-8
Automotive equipment	6-8
Software	3
Computer equipment	3-5

Lease and subscription-based information technology arrangements assets are amortized over the life of the associated contract.

Capital assets transferred between funds are transferred at their carrying value (cost less accumulated depreciation/amortization) as of the date of the transfer.

**J. Water rights**

The City has entered into an agreement with Salt River Pima-Maricopa Indian Community (SRP-MIC) for the rights to 1,814 acre-feet of water each year through 2099. These rights, costing \$2,693, are being amortized over 40 years on a straight-line basis starting January 1, 2000. Current year amortization was \$67. The net book value of water rights as of June 30, 2023, is \$1,110. In addition, the City will be responsible for paying for the cost of water delivered each year.

The City participates in the Plan Six cost sharing agreement to construct the Waddell Dam on the Agua Fria River and modify the Roosevelt and Stewart Mountain Dams on the Salt River. The parties to this agreement include the United States government, State of Arizona, Central Arizona Water Conservation District, Salt River Project, and the cities of Phoenix, Chandler, Glendale, Mesa, Scottsdale, Tempe and Tucson. The federal government has determined that this agreement does not constitute a joint venture. As of June 30, 2023, the City has capitalized payment of \$4,463 for these water rights. Current year amortization was \$112. The net book value of these water rights as of June 30, 2023, is \$3,013.

The City purchased Central Arizona Project water rights as part of the Salt River Pima-Maricopa Indian Community Water Rights Settlement in November 2007. These rights, as of June 30, 2023, costing \$2,027, are a permanent right and are considered to have an indefinite useful life. As such, they are not amortized; therefore, cost and net book value are equal to \$2,027.

**K. Governmental fund balance components**

The components of governmental fund balance consist of the following:

*Non-spendable* amounts are the portion of net resources that cannot be spent because of their form such as inventories and prepaid items. Also included is the portion of net resources that cannot be spent because they must be maintained intact pursuant to legal and contractual requirements such as the cemetery permanent fund.

*Restricted* are amounts that are subject to externally enforceable legal restrictions imposed by parties outside the government such as creditors, grantors, contributors, and other governments through laws and regulations. Examples of restricted fund balance are amounts held to pay for bonded construction

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

projects, debt service, and excise tax revenues collected for voter approved transportation expenditures.

*Committed* are amounts that are constrained by limitations imposed by the highest level of decision making authority, namely Mayor and Council and require approval by the same level of authority through an ordinance to remove. Amounts must be committed prior to the fiscal year end. An example of committed fund balance is amounts for artwork.

*Assigned* are amounts that are constrained by limitations imposed by management based on the intended use of the funds. The city manager has been given authority to assign funds as needed through the financial policies adopted in the annual Budget Book approved by Mayor and Council. An example of assigned fund balance are amounts for equipment replacement or general government capital projects.

*Unassigned* are amounts for any other purpose. If resources were not assigned, they could not be properly reported in a fund other than the general fund. Therefore, only the general fund can report a positive amount of unassigned fund balance. Any governmental fund in a deficit position could report a negative amount of unassigned fund balance.

When both restricted and unrestricted resources are available for specific expenditures, restricted resources are considered spent before unrestricted resources. Within unrestricted resources, committed and assigned are considered spent (if available) before unassigned amounts. On the government-wide financial statements, only restrictions imposed by external sources are shown as restricted net position.

**L. Net position**

The government-wide and proprietary fund financial statements use a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation/amortization and the outstanding balances of debt and other liabilities that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted net position – This category represents net position that has external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This category represents net position of the City not restricted for any project or other purpose.

**M. Property tax**

The City levies taxes on real and personal property located within its boundaries. Property values are assessed by the Maricopa County Tax Assessor. The tax levy is then approved by the State of Arizona Property Tax Oversight Commission. The County Treasurer bills and collects property taxes and remits them to the City monthly. City property tax revenues are recognized when levied to the extent that they are received within the current period, or soon enough thereafter (within 30 days of year-end), to pay liabilities of the current period. Remaining collectible taxes are accrued and reflected as deferred inflows of resources.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

Property Tax Calendar

Lien date	January 1, 2022
Levy (assessment) date (third Monday in August)	August 16, 2022
Due dates:	
First half of assessment	October 1, 2022
Second half of assessment	March 1, 2023
Penalties and interest added (collection dates):	
First half of assessment	November 1, 2022
Second half of assessment	May 1, 2023

The City currently levies less than the maximum allowed by State Statutes for primary property taxes. The City is permitted to levy an increase of two percent over the previous year's maximum allowable primary levy plus an increased dollar amount due to a net gain in property not taxed the previous year. The secondary property tax levy is made for the purpose of retiring the principal, interest and servicing fees on bonded indebtedness. The City may levy the amount deemed necessary to meet its bonded debt service requirements. The debt service fund balance cannot exceed 10% of the next year's debt service payment. Assessed values are established by the Maricopa County Tax Assessor each year on a uniform basis ratio to full cash value of each property class as required by State Statutes.

The distribution of the City's levy (tax rate per \$100 assessed value) to its funds for the year ended June 30, 2023, is as follows:

<u>Fund</u>	<u>Rate</u>
General fund	\$ 0.37
General obligation debt service fund	1.30
Total	<u>\$ 1.67</u>

**N. Compensated absences**

Vacation time is accumulated up to a maximum of 10 workweeks and compensatory time is earned in lieu of cash payment for overtime. Both vacation and compensatory time can either be taken as time off from work, within certain limitations, or may be payable to employees upon termination or retirement. Employees who have ten or more years of service will receive upon retirement 100% of up to 160 hours of vacation accrued. Any remaining vacation time above 160 hours will be 100% contributed to a mandatory Retiree Health Savings plan for the employee. Employees separating from the City receive 100% of accrued vacation time. Sick leave is accumulated without limit and can be used in the event of an illness of the employee or their immediate family. Accumulated sick leave can be converted to a cash benefit on a biannual basis for employees based on one-third of the average hourly rate the last 36 months. Employees must maintain a minimum sick leave balance on the books. Employees who retire and have ten or more years of service will have 50% of their accrued sick time contributed to a mandatory Retiree Health Savings plan based on their average hourly wage over the last 36 months. Employees who separate from service and have five or more years of service will receive one-third of their sick leave balance based on their average hourly wage over the last 36 months in a cash payout.

Represented Fire and Police MOU employees who retire and have ten or more years of service will have 50% of their accrued sick time contributed to a mandatory Retiree Health Savings plan based on their average hourly wage over the last 36 months. Represented Fire and Police MOU employees who retire are paid 100% of accrued vacation time.

The current portion of the liability for compensated absences recorded in the governmental fund is equal to:  
1) vacation and compensatory time taken and paid during the thirty days following the year ended June 30,

## CITY OF GLENDALE, ARIZONA

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

2023, and 2) sick leave, taken and paid for illness during that period, paid to terminating employees or paid under the optional annual declaration. Long-term liabilities of governmental funds are not shown on the fund financial statements. All of the outstanding vacation, compensatory time, and sick leave are recorded as a liability on the government-wide financial statements, and the proprietary fund financial statements, according to payment policy.

### **O. Deferred outflow and deferred inflow of resources**

In addition to assets, the statement of net position will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has two items that qualify for reporting in this category. It is the deferred charge on refunded debt and deferred outflows related to pensions and OPEB reported in the government-wide statement of net position.

In addition to liabilities, the statement of net position will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has four items that qualify for reporting in this category. It is unavailable revenue, which arises only under a modified accrual basis of accounting, deferred inflow related to leases, the deferred inflow related to pensions and other post-employment benefits, and amounts resulting from refunded debt.

Amounts that are reported as deferred outflows are shown as a separate balance sheet section following the assets. Similarly, amounts shown as deferred inflows are shown in a separate balance sheet section following liabilities.

### **P. Long-term obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are reported as a long-term liability and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### **Q. Operating revenues and expenses**

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services, leases, and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the City's internal service funds are charges to customers for sales and services, or housing operational grants from a federal agency. Housing operational grants provide decent, safe, and affordable housing to eligible, low-income families and individuals by providing a voucher to rent a qualifying unit in the City of Glendale.

The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal

## **CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### **R. Lease agreements**

The City has entered into lease agreements and are accounted for based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

### **S. Subscription-Based Information Technology Arrangements**

The City has entered into subscription-based information technology arrangements (SBITAs) and are accounted for based on the principle that a SBITA is a contract that conveys control of the right to use another party's IT software, alone or in combination with tangible capital assets for a period of time. A government is required to recognize a subscription liability and an intangible right-to-use lease asset.

### **T. Postemployment benefits**

For purposes of measuring the net pension and other postemployment benefits (OPEB) assets and liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the plan's fiduciary net assets and additions to/deductions from the plan's fiduciary net assets have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **U. Deferred compensation**

The Voluntary Deferred Compensation Plan for Employees of the City of Glendale, State of Arizona; Restated Plan Document (the "Plan document") was adopted by the Mayor and City Council on November 10, 1998, and amended on January 8, 2002 to incorporate the Federal Economic Growth and Tax Relief Reconciliation Act of 2001. In addition, the Mayor and City Council adopted a defined contribution deferred compensation plan document on April 9, 2002, under the Internal Revenue Code Section 401(a). On February 12, 2013 the adoption of a new contract was approved by the Mayor and City Council which allowed the plan to be administered solely by the third-party administrator Empower Retirement (Empower) a division of Great West Life & Annuity Insurance Co (Great West). Through the Plan document, the City offers its employees a deferred compensation plan that permits them to defer a portion of their current salary until future years. Any contributions made to the deferred compensation plan, in compliance with Section 457 and 401(a) of the Internal Revenue Code, are not available to employees until termination of employment, retirement, death or an unforeseen emergency. The plan assets are in custodial or trust accounts for the exclusive benefit of the plans' participants and beneficiaries.

The City provides neither administrative services nor investment advice to the plans; therefore, no fiduciary relationship exists between the City and the deferred compensation pension plan. In addition, the plan assets are not included as a fund of the City.

The Retiree Health Savings (RHS) Plan was originally adopted on July 1, 2008, and amended and restated on February 12, 2013, by Mayor and Council. The purpose of the Plan is to provide certain Employees with an opportunity to receive reimbursement for certain Health Care Expenses as provided in this Plan. It is the intention of the Adopting Employer that the benefits payable under this Plan be eligible for exclusion from the gross income of Participants as provided by Sections 105(b) and 106 of the Code. In addition, it is the

## CITY OF GLENDALE, ARIZONA

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

intention of the Adopting Employer that the Plan qualify as a Health Reimbursement Arrangement (HRA) under IRS Revenue Ruling 202-41 (June 26, 2002) and IRS Notice 2002-45 (June 26, 2002). The provider for this RHS plan is Educator Benefit Consultants (EBC). The contributions to this Plan are detailed in the Compensated Absences (N) section on this document.

### V. Elected Officials' Defined Contribution Retirement System (EODCRS)

HB 2608 signed in July of 2013 closed the Elected Officials' Retirement Plan (EORP) to new members and established the new Elected Officials' Defined Contribution Retirement System (EODCRS) effective January 1, 2014 (A.R.S. Title 38, Chapter 5, Article 3.1). In addition to this new plan, the EODCRS Disability Program was also established (A.R.S. Title 38, Chapter 5, Article 3.2). EODCRS is a non-ERISA 401(a) plan type. If a person is elected, appointed, or hired on or after January 1, 2014, does not have money on account with EORP, does not have money on account with ASRS or does not timely opt out of the EODCRS to return to ASRS, if applicable, the elected official must be automatically enrolled in the EODCRS. This includes any elected official who has already retired from EORP and/or ASRS. The investment options available to EODCRS members will be administered by Nationwide Retirement Solutions (NRS). The elected official will also contribute to and participate in the EODCRS Disability Program administered by PSPRS.

As prescribed in ARS § 38-727, if a person is appointed, elected, or hired on or after January 1, 2014 and does not have money on account with the EORP, but has money on account with the ASRS, that person has the option to return to the ASRS. The member has the option to participate in either the EODCRS or the ASRS Plan with each term. That decision is irrevocable during the term in which that election was made. Additionally, the elected official will contribute to and participate in the Long-Term Disability Program administered by ASRS. To choose the ASRS, the person must fill out a form provided by PSPRS opting out of the EODCRS. This election must be made within 30 days after that person's term begins and returned to PSPRS. The City was required by statute to contribute 49.86 percent of elected officials participating as an ASRS members' annual covered payroll to the ASRS Legacy

As of January 1, 2014, the employer rate for all employers contributing on behalf of their elected officials vary based on the path the employee is eligible for. Pursuant to ARS § 38-810, subsection C, and as described above, that rate may be split a number of ways depending on which plan (or path) your elected official will belong to. Employee rates will vary, also dependent upon the path your elected official is on, and all are pre-tax contributions. The rates for the respective disability programs are separate from the 61.43% employer rate and are contributed on an after-tax basis. The 61.43% employer rate is set by statute; however, the Board of Trustees of PSPRS is required to monitor this rate to inform the Legislature annually of its continued ability to pay the unfunded liability of the EORP legacy costs, so there is the possibility of this rate changing from time-to-time. Additionally, the rate for the disability program will also be reviewed and revised annually to meet its actuarially determined costs.

For the year ended June 30, 2023 active EODCRS members were required by statute to contribute at the rate of 8.165 percent (8 percent to the DC plan and .165 percent for the disability program) of the members' annual covered payroll. The City was required by statute to contribute at the rate 6.165 percent (6 percent to the DC plan and .165 percent for the disability program) of the active members' annual covered payroll. The maximum annual contribution limits are in accordance with the IRS regulation for defined contribution plans. Employee and employer contributions are immediately vested. In addition, the City was required by statute to contribution 64.42 percent of the EODC members' annual covered payroll to the EORP Legacy.

## CITY OF GLENDALE, ARIZONA

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

### W. Investments

The City uses the following methods and assumptions to account for its investments:

1. Aside from investments clearly identified as belonging to a specific fund, any unrealized gain/loss resulting from the valuation is recognized within the general fund as investment revenue.
2. Investments are recorded at fair value, which is based on quoted market prices as of the valuation date.
3. Pooled investment income is allocated to various funds monthly based on the average equity balances maintained during the month.

Arizona Revised Statutes require the City to deposit certain crime-related forfeitures with the County Treasurer. The County Treasurer determines the fair value of those pooled investments. The structure of the pool does not provide for shares and the County has not provided or obtained any legally binding guarantees to support the value of the participants' investments. The County Treasurer is not subject to custodial credit risk.

The City's investment in LGIP represents shares of the pool's portfolio. The fair value of each share in the LGIP is one dollar. These shares are not identified with specific investments and are not subject to custodial credit risk. Neither the County nor LGIP are registered with the Securities and Exchange Commission as investment companies. The State Board of Deposits provides oversight, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the LGIP. There is no regulatory oversight of the County Treasurer's operations.

The net decrease in the fair value of total investments during the fiscal year ended June 30, 2023, was \$807.

### II. Compliance - Excess of expenditures over appropriations/deficits in fund equity

The City ended the fiscal year June 30, 2023, with a deficit net position of \$2,934 in the fleet services internal service fund. This deficit will be funded by increases in user premium charges in the next fiscal year.

The City ended the fiscal year June 30, 2023, with expenditures exceeding appropriation in the amount of \$450 in the parks construction bond. General obligation bonds were issued in September 2023 which covers this deficit.

### III. Deposits and investments

The City maintains a cash management pool for its cash and cash equivalents in which each fund and/or account or sub-account of a fund participates on a dollar equivalent basis.

#### Deposits

At year-end, the carrying amount of the City's deposits was \$328,130 and the bank balances were \$332,300. The difference of \$4,170 represents deposits in transit, outstanding checks, and other reconciling items. At year-end all of the City's deposits were covered by Federal depository insurance and collateral held in the City's name.

#### Investments

State Statutes and the City's investment policy authorize the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, repurchase agreements, commercial paper (A-1/P-1 rated), interest-earning money market accounts, certificates of deposit, and the State of Arizona Local Government Investment Pool (LGIP). Investments may not exceed five years to maturity from the date of purchase.

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

The City's investment in the LGIP is valued using net asset value (NAV) per share (or its equivalent), which approximates the fair value of the holdings provided by the Arizona State Treasurer's Office at June 30, 2023. Unlike more traditional investments, the City's holdings in the LGIP, measured at a NAV approximately \$1 per share (or equivalent) are not individually identifiable.

As of June 30, 2023, the City had the following investments:

Investment Type	Investment Maturities (in years)				Fair Value
	0 - 1	1 - 2	2 - 3	Over 3	
Coporate Bonds	\$ 15,257	\$ 17,118	\$ 4,858	\$ -	\$ 37,233
U.S. Agencies	28,206	12,738	3,836	-	44,780
U.S. Treasury	65,079	16,780	41,822	66,603	190,284
Arizona LGIP-State Pool	25,929	-	-	-	25,929
Grand total investments	<u>\$ 134,471</u>	<u>\$ 46,636</u>	<u>\$ 50,516</u>	<u>\$ 66,603</u>	<u>298,226</u>
Cash deposits					328,130
Cash with fiscal agents					126,175
Total deposits and investments					<u>\$ 752,531</u>

Investment Fair Value Level: Investments using fair value measurement guidelines established by generally accepted accounting principles recognize a three-tiered fair value hierarchy as follows:

- Level 1 – Financial assets are valued using inputs that are unadjusted quoted prices in active markets accessible at the measurement date of financial assets. The inputs include those traded on an active exchange, such as the New York Stock Exchange, as well as U.S. Treasury and other US. government and agency mortgage-backed securities that are traded by dealers or brokers in active over-the-counter markets.
- Level 2 – Financial assets are valued based on quoted prices for similar assets, or inputs that are observable, either directly or indirectly for substantially the full term through corroboration with observable market data.
- Level 3 – Financial assets are valued using pricing inputs which are observable for the asset, inputs that reflect the City's own assumptions about the assumptions market participants would use in pricing the asset.

The City's investments are classified as follows:

Investment at fair value level	Fair Value Measurements Using Levels			
	Level 1	Level 2	Level 3	Totals
Coporate Bonds	\$ -	\$ 37,233	\$ -	\$ 37,233
U.S. Agencies	28,206	16,574	-	44,780
U.S. Treasury	190,284	-	-	190,284
Total Investments at fair value level	<u>\$ 218,490</u>	<u>\$ 53,807</u>	<u>\$ -</u>	<u>272,297</u>
External Investment Pools Measured at Fair Value				
State Treasurer's Investment Pool				25,929
Total Investments				<u>\$ 298,226</u>

Interest rate risk: As a means of limiting its exposure to interest rate risk the City's investment policy requires all securities to mature in no more than five years. The City also purchases securities to be laddered with staggered

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

maturity dates.

Credit risk: The City's investment policy requires commercial paper to have a rating of at least A-1 by Standard and Poor's, P-1 by Moody's, or F1 by Fitch. Corporate bonds must have a rating of at least A or better by Standard and Poor's, A2 by Moody's, or A by Fitch. As of June 30, 2023, the City's investments were rated by Moody's Investor Service and Standard & Poor's as follows:

<u>Investment Type</u>	<u>S&amp;P Rating</u>	<u>Moody's Rating</u>	<u>% of Total Investments</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Treasury	AA+	Aaa	60.30%	2.61
U.S. Agencies	A-1+	P-1	10.36%	0.34
U.S. Treasury	A-1+	P-1	9.56%	0.66
U.S. Agencies	AA+	Aaa	6.09%	1.77
Corporate	A+	A1	4.42%	0.88
Corporate	AA	A1	2.52%	1.79
Corporate	AA+	Aaa	2.45%	1.23
Corporate	A	A2	1.84%	1.00
Corporate	AAA	Aaa	1.09%	0.61
Corporate	AA-	Aa3	0.75%	2.45
Corporate	AA	Aa2	0.62%	2.20

Concentration of credit risk: The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Amount</u>
United States Treasury	U.S. Treasury	\$ 190,284
Federal Home Loan Banks	U.S. Agencies	30,149
Arizona LGIP	Arizona LGIP	25,929

Custodial credit risk: To control custodial credit risk, the City's investment policy requires all securities and collateral to be held by an independent third-party custodian in the City's name. The custodian provides the City with monthly market values along with original safekeeping receipts.

**IV. Note receivable**

On October 22, 2008, the Western Loop 101 Public Facilities Corporation (PFC), a blended component of the City dissolved in fiscal year 2016, issued \$199,750 in third lien excise tax revenue bonds to construct a baseball spring training facility. On October 1, 2009, the City finalized an Intergovernmental Agreement with the Arizona Sports and Tourism Authority (AZSTA) for the Glendale Spring Training Facility Project. The AZSTA agreed to contribute to the City \$60,000 for the construction costs plus interest at 4.13% per annum payable semi-annually. A note receivable for the agreed upon contribution amount plus accrued interest on the note in the amount of \$97,101 less an allowance for doubtful accounts in the amount of \$59,120 for a net value of \$37,981 has been recorded at June 30, 2023. In the year 2020, the AZSTA began making payments to the City. Payments of \$13,327 have been received by the City on the note as of June 30, 2023. On December 27, 2012, the City of Glendale Municipal Property Corporation (MPC), a blended component unit of the City, issued subordinate excise tax revenue bonds to refund the \$199,750 third lien excise tax revenue bonds that were previously issued by the Western Loop 101 Public Facilities Corporation (PFC). The issuance of \$183,405 in tax-exempt bonds and \$16,850 in taxable bonds achieved debt service savings and lowered the next five fiscal years' annual rental payments under the agreement. In fiscal year 2016, the AZSTA receivable was recorded in the MPC debt service fund.

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**V. Capital assets**

A summary of capital asset activity, for the government-wide financial statements, for the year ended June 30, 2023, is as follows:

	Balances June 30, 2022	Increase	Decrease	Balances June 30, 2023
<b>Governmental activities</b>				
Non-depreciable assets:				
Construction in progress	\$ 8,625	\$ 40,858	\$ (24,554)	\$ 24,929
Land	116,019	-	-	116,019
Artwork	2,639	70	-	2,709
Total non-depreciable assets	<u>127,283</u>	<u>40,928</u>	<u>(24,554)</u>	<u>143,657</u>
Depreciable/amortizable assets:				
Buildings	392,462	4,415	(102)	396,775
Right to use leased assets-building	364	-	-	364
Improvements other than buildings	286,521	3,179	(6)	289,694
Infrastructure - streets	921,003	37,536	-	958,539
Infrastructure - parks	99,813	4,755	-	104,568
Infrastructure - flood/stormdrains	81,705	1,196	-	82,901
Infrastructure - airport	22,681	1,476	-	24,157
Machinery and equipment	43,126	3,113	(448)	45,791
Computer equipment	4,526	1,377	(155)	5,748
Software	6,875	-	-	6,875
Right to use IT software	-	22,000	-	22,000
Automotive equipment	53,023	4,949	(1,617)	56,355
Total depreciable/amortizable assets	<u>1,912,099</u>	<u>83,996</u>	<u>(2,328)</u>	<u>1,993,767</u>
Less accumulated depreciation/amortization for:				
Buildings	(180,084)	(9,162)	102	(189,144)
Right to use leased assets-building	(99)	(99)	-	(198)
Improvements other than buildings	(192,416)	(9,653)	5	(202,064)
Infrastructure - streets	(423,112)	(24,757)	-	(447,869)
Infrastructure - parks	(58,686)	(3,358)	-	(62,044)
Infrastructure - flood/stormdrains	(16,814)	(1,160)	-	(17,974)
Infrastructure - airport	(12,411)	(519)	-	(12,930)
Machinery and equipment	(36,221)	(2,242)	444	(38,019)
Computer equipment	(4,348)	(207)	155	(4,400)
Software	(5,214)	(125)	-	(5,339)
Right to use IT software	-	(5,495)	-	(5,495)
Automotive equipment	(38,380)	(3,992)	1,564	(40,808)
Total accumulated depreciation/amortization	<u>(967,785)</u>	<u>(60,769)</u>	<u>2,270</u>	<u>(1,026,284)</u>
Total depreciable/amortizable assets, net	<u>944,314</u>	<u>23,227</u>	<u>(58)</u>	<u>967,483</u>
Governmental activities capital assets, net	<u>\$ 1,071,597</u>	<u>\$ 64,155</u>	<u>\$ (24,612)</u>	<u>\$ 1,111,140</u>

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

	Balances June 30, 2022	Increase	Decrease	Balances June 30, 2023
<b>Business-type Activities:</b>				
Non-depreciable assets:				
Construction in progress - water and sewer	\$ 23,947	\$ 33,018	\$ (32,391)	\$ 24,574
Construction in progress - landfill	1,372	4,870	(4,230)	2,012
Construction in progress - housing authority	817	493	-	1,310
Land	17,241	-	-	17,241
Total non-depreciable assets	<u>43,377</u>	<u>38,381</u>	<u>(36,621)</u>	<u>45,137</u>
Depreciable/amortizable assets:				
Buildings	17,723	482	-	18,205
Water rights	9,183	-	-	9,183
Improvements other than buildings	98,927	4,404	-	103,331
Water lines	160,829	1,557	-	162,386
Sewer lines	166,171	7,041	-	173,212
Water treatment plant	396,598	872	-	397,470
Sewer treatment plant	165,436	23,522	-	188,958
Meters and services	38,394	1,086	-	39,480
Fire hydrants	7,383	743	-	8,126
Machinery and equipment	6,766	1,495	(277)	7,984
Computer equipment	1,373	625	(247)	1,751
System purchase	1,176	-	-	1,176
Right to use IT software	-	2,141	-	2,141
Automotive equipment	33,988	6,479	(488)	39,979
Total depreciable/amortizable assets	<u>1,103,947</u>	<u>50,447</u>	<u>(1,012)</u>	<u>1,153,382</u>
Less accumulated depreciation/amortization for:				
Buildings	(12,661)	(399)	-	(13,060)
Water rights	(2,854)	(179)	-	(3,033)
Improvements other than buildings	(49,880)	(4,116)	-	(53,996)
Water lines	(67,200)	(3,967)	-	(71,167)
Sewer lines	(84,464)	(4,202)	-	(88,666)
Water treatment plant	(164,191)	(13,831)	-	(178,022)
Sewer treatment plant	(75,964)	(5,118)	-	(81,082)
Meters and services	(20,628)	(1,013)	-	(21,641)
Fire hydrants	(3,262)	(170)	-	(3,432)
Machinery and equipment	(4,627)	(801)	271	(5,157)
Computer equipment	(924)	(176)	169	(931)
System purchase	(1,065)	-	-	(1,065)
Right to use IT software	-	(414)	-	(414)
Automotive equipment	(18,070)	(2,992)	448	(20,614)
Total accumulated depreciation/amortization	<u>(505,790)</u>	<u>(37,378)</u>	<u>888</u>	<u>(542,280)</u>
Total depreciable/amortizable assets, net	<u>598,157</u>	<u>13,069</u>	<u>(124)</u>	<u>611,102</u>
Business-type activities capital assets, net	<u>\$ 641,534</u>	<u>\$ 51,450</u>	<u>\$ (36,745)</u>	<u>\$ 656,239</u>

**CITY OF GLENDALE, ARIZONA**

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Depreciation and amortization were charged to functions/programs as follows:

Governmental activities:	
General	\$ 19,683
Public safety	6,967
Public works	15,889
Street maintenance	12,877
Community services	5,353
Total depreciation and amortization expense	<u>\$ 60,769</u>
Business-Type activities:	
Water and sewer	\$ 32,584
Landfill	2,298
Solid Waste	2,224
Housing	272
Total depreciation and amortization expense	<u>\$ 37,378</u>

Included in the water and sewer depreciation amount is \$179 amortization of water storage rights.

**VI. Construction commitments**

The City has active construction projects as of June 30, 2023. The projects include street construction, park facilities, and the construction of additional water and sewer facilities. At year-end, the government's commitments with contractors are as follows:

Project	Spent-to-date	Construction Commitment
General government	\$ 4,896	\$ 8,016
Community services	7,350	6,389
Public safety	4,488	1,389
Public works	1,154	592
Street maintenance	3,748	2,542
Water and sewer facilities	24,574	12,938
Landfill	2,011	264
Total primary government	<u>\$ 48,221</u>	<u>\$ 32,130</u>

**VII. Internal service funds**

The City is exposed to various risks of loss. Certain of these risks are accounted for within the internal service fund type.

**A. Risk management**

On January 1, 1987, the City established a risk management fund for torts, and loss and destruction of assets. The City's risk management fund purchases excess or commercial insurance as follows: automobile and general liability, errors and omissions, employment practices liability, employee benefit liability, employee benefits wrongful acts, law enforcement liability, and products completed operations hazards with limits up to \$40,000. The risk management fund was fully self-insured through June 30, 1998, for tort liability losses. Effective July 1, 1998, the City purchased excess insurance. Currently the excess insurance liability coverage has a \$1,000 self-insured retention. The fund also purchased commercial insurance for airport owners and operators' liability with limits up to \$25 and no deductible, aviation drones coverage with limits up to \$1,000 with no deductible, crime coverage with limits up to \$10,000 with a \$50

## **CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

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deductible, fiduciary liability covering the Deferred Compensation Committee with limits up to \$5,000 and with a \$5 deductible, and public employees blanket bond covering the Risk Management and Workers' Compensation Trust Fund Board with limits up to \$10. Property coverage for damage or destruction of City assets is up to \$927,594 with varying sub limits and varying deductibles from \$25 up to \$500. The property coverage includes all-risk property, builder's risk, automobile physical damage, boiler and machinery, pollution and cyber (with a \$2,000 liability limit). Two excess cyber liability policies were also purchased with limits up to \$4,000 and a \$25 deductible or 100 notified individuals.

Funds receiving insurance coverage pay monthly premiums to the risk management fund based upon a budget model taking into consideration actuarial analysis and projections, prior loss experience, staffing, and operating budget.

Premium payments to insurance carriers, loss control, and risk management expenses are made directly from the risk management fund. Insurance coverage has not been significantly reduced in recent years and settled claims have not exceeded insurance in any of the last three years.

### **B. Workers' compensation**

On July 1, 1994, the City established a workers' compensation fund for work-related injuries to employees. The workers' compensation fund provides statutory coverage for each injured workers' compensation claim with a \$2,000 self-insured retention, \$2,500 self-insured retention for presumptive loss, and employers' liability with a limit of \$2,000 per occurrence.

Funds receiving insurance coverage pay monthly premiums to the workers' compensation fund based upon a budget model taking into consideration actuarial analysis and projections prior loss experience, staffing level, operating budget and the National Council on Compensation Insurance workers' compensation manual rates.

Premium payments to insurance carriers and loss control and workers' compensation expenses are made directly from the workers' compensation fund. There have been no settlements paid in excess of insurance in any of the past three years.

### **C. Employee benefits**

On July 1, 2000, the City established an employee benefits fund to meet future cost increases for health-related insurance.

Active employees' premiums are collected through contributions from employee paychecks and department budgets. Retirees contribute 100% of the premiums, COBRA participants contribute 100% of premiums plus 2% administration fee for their insurance benefit coverage. Premiums for the medical, vision, dental, and life insurance plans are determined prior to each renewal period based on the actuarial valuation of the costs of claims, administration of the plan, demographics of the group, plan design changes and any new mandated benefits. The City is self-insured on the medical plan with an aggregate stop-loss of 125% and a specific stop-loss of \$200. If claims exceed the stop-loss amounts the policy will reimburse the plan for the claims in excess of that amount.

Premiums for the self-insured medical plan are set prior to the beginning of each plan year equal to 125% of the expected claims liability.

Premium payments to insurance carriers are made directly from the fund. There have been no settlements paid in excess of insurance in any of the past three years nor has insurance coverage been significantly reduced in recent years.

**CITY OF GLENDALE, ARIZONA**

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(amounts expressed in thousands)

**D. Estimated liability**

Based on information provided by the actuary, liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

Liabilities include an amount for claims that have been incurred but not reported, the effects of specific, incremental claim adjustment expenses, and other allocated claim adjustment expenses and recoveries for salvage and subrogation. The City's workers' compensation self-insurance program liability includes recoveries related to subrogation. Salvage and subrogation are immaterial to employee benefits self-insurance programs and are not incorporated into the liability. The risk management trust fund and workers' compensation self-insurance programs do include a provision for unallocated claim adjustment expenses. The workers' compensation fund includes payment of Industrial Commission taxes and fees.

The City claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payout and other economic and societal factors.

The risk management fund and the workers' compensation fund are funded to meet a 55% confidence level of the most recent actuarial report.

The City reports the estimated liability in net present value dollars using a future investment yield assumption of .51%. These liabilities are reported in the internal service funds at their actuarial determined liability of \$29,869 as of June 30, 2023. Changes in the balances of claims liabilities during the past two years are as follows:

	Risk Management		Workers Compensation		Employee Benefits	
	2023	2022	2023	2022	2023	2022
Unpaid claims, beginning of fiscal year	\$ 7,205	\$ 3,731	\$ 11,200	\$ 9,321	\$ 4,526	\$ 4,543
Current year claims and changes in estimate	1,290	6,998	7,960	4,060	32,676	29,452
Claims payments	(1,410)	(3,524)	(3,917)	(2,181)	(29,661)	(29,469)
Balance at fiscal year end	<u>\$ 7,085</u>	<u>\$ 7,205</u>	<u>\$ 15,243</u>	<u>\$ 11,200</u>	<u>\$ 7,541</u>	<u>\$ 4,526</u>

**E. Fleet Services**

The Fleet Services Fund was established to track income and expenses of the internal services provided to City departments. The Fleet Services Fund specifically covers vehicle maintenance needs and fuel purchased for City vehicles.

**F. Technology**

The Technology Fund and the Technology Projects Fund are used to track income and expenses of the internal services provided to City departments for telephone services, information technology services, and support. The Technology Fund specifically supports all the City's computers, hardware, and software. The Technology Fund is designed to balance, with the rates (revenues) set to recover the actual expenses each year. The Technology Projects Fund may accrue net position in anticipation of future upgrades and potential carry over of project funding.

**CITY OF GLENDALE, ARIZONA**

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**VIII. Leases as Lessor**

The City, as a lessor, has entered into lease agreements involving land, airport facilities, buildings, and billboards. Leases range from 19-months to 741-months. As of June 30, 2023, the value of the lease receivable is \$50,210. The leases have interest rates between 0.514% and 3.843%. The value of the deferred inflow of resources as of June 30, 2023 was \$49,272, and Glendale recognized lease revenue of \$2,471 and lease interest revenue of \$1,208 during the fiscal year. The lease receivable does not include any variable payments.

<b>GOVERNMENTAL ACTIVITIES:</b>	Balance as of			Balance as of
Deferred Inflow of Resources	July 1, 2022	Additions	Reductions	June 30, 2023
Land	\$ 41,234	\$ 704	\$ 1,312	\$ 40,626
Buildings	2,764	373	647	2,490
Land Improvements	1	-	-	1
Other	4,538	-	371	4,167
<b>Total Deferred Inflow of Resources</b>	<b>\$ 48,537</b>	<b>\$ 1,077</b>	<b>\$ 2,330</b>	<b>\$ 47,284</b>

<b>BUSINESS-TYPE ACTIVITIES:</b>	Balance as of			Balance as of
Deferred Inflow of Resources	July 1, 2022	Additions	Reductions	June 30, 2023
Land	\$ 618	\$ -	\$ 19	\$ 599
Other	1,513	-	124	1,389
<b>Total Deferred Inflow of Resources</b>	<b>\$ 2,131</b>	<b>\$ -</b>	<b>\$ 143</b>	<b>\$ 1,988</b>

<b>GOVERNMENTAL ACTIVITIES:</b>	Balance as of			Balance as of
Lease Receivable	July 1, 2022	Additions	Reductions	June 30, 2023
Land	\$ 41,482	\$ 704	\$ 758	\$ 41,428
Buildings	2,785	373	626	2,532
Land Improvements	1	-	-	1
Other	4,571	-	336	4,235
<b>Total Lease Receivable</b>	<b>\$ 48,839</b>	<b>\$ 1,077</b>	<b>\$ 1,720</b>	<b>\$ 48,196</b>

<b>BUSINESS-TYPE ACTIVITIES:</b>	Balance as of			Balance as of
Lease Receivable	July 1, 2022	Additions	Reductions	June 30, 2023
Land	\$ 614	\$ -	\$ 12	\$ 602
Other	1,524	-	112	1,412
<b>Total Lease Receivable</b>	<b>\$ 2,138</b>	<b>\$ -</b>	<b>\$ 124</b>	<b>\$ 2,014</b>

**IX. Short-term debt**

The City did not issue short-term debt for the year ended June 30, 2023.

**X. Long-term debt****A. General obligation bonds (GO)**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City and are repaid through the City's levying of property taxes. Retirement of the general obligation bonds in the business-type activities are intended to be paid back by the revenues of the business-type activities.

## **CITY OF GLENDALE, ARIZONA**

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June 30, 2023

(amounts expressed in thousands)

### **B. Revenue bonds**

The transportation revenue bonds are special revenue obligations of the City and are used to construct various transportation projects such as roadway widening, intersection improvements, and right-of-way acquisitions. The \$50,235 in bonds outstanding is secured by the City's pledge of a 0.50% transportation excise tax approved by voters on November 6, 2001. The debt service payments are also secured by the same excise tax. The total remaining principal and interest to be paid to a trustee under a trust agreement is \$60,810. The current year revenues of \$47,814 collected in the transportation special revenue fund paid the current year principal and interest amounts of \$4,310 and \$2,384 respectively.

For transportation revenue bonds, the pledged revenue coverage covenants in the purchase agreements require the transportation excise taxes received must be equal to or at least one and one-half times the total interest and principal payment required in the current fiscal year.

The Excise Tax Revenue Refunding bonds are special obligations of the City and are not a general obligation of the City. Under a purchase agreement the City makes monthly payments to a trustee. The payments are secured by a senior claim and pledge by the City of all of the City's unrestricted excise tax revenues which comprise of all excise tax, transaction privilege, franchise and income tax which it collects or is apportioned by the State or political subdivision of the State. The \$161,880 in bonds outstanding was issued to refund senior and subordinate excise tax revenue bonds issued by the MPC. The total principal and interest remaining on the bonds to be paid is \$203,390. The current year principal and interest amount of \$13,570 and \$8,417 were funded with a transfer from the General fund.

The \$149,165 in water and sewer revenue bonds/obligations outstanding has been issued for the construction, acquisition, and equipping of water and sewer facilities and related systems and infrastructure. These are special revenue obligations and are pledged and secured solely by the net revenues of the system. The net revenues of the system consist of revenues collected from customers including development impact fees and interest income less such necessary expenses of operation, maintenance, and repair of the system excluding depreciation, amortization and debt service. The total principal and interest remaining to be paid is \$193,471. The current year principal and interest on the bonds were \$26,090 and net revenues of the system were \$41,881.

For water and sewer revenue bond senior obligations, the pledged revenue coverage covenants in the purchase agreements require the revenues received must be equal to or at least one hundred twenty percent of the combined debt service on all outstanding senior obligations. For water and sewer revenue bond subordinate obligations, the pledged revenue coverage covenants in the purchase agreements require the revenues received must be equal to or at least one hundred twenty percent of the combined debt service on all outstanding senior obligations and subordinate obligations.

### **C. Municipal Property Corporation (MPC) bonds**

In 1982, 2002, 2003, 2006 and 2008 the MPC, a non-profit corporation, issued bonds to finance the construction of a new municipal office complex, hockey arena, public safety training center, parking garage, media center, convention center and City infrastructure, respectively. On October 19, 1982, July 31, 2002, May 1, 2003, and June 1, 2006, the City entered into a purchase agreement with MPC, whereby, the City purchased the constructed municipal office complex, hockey arena, public safety training center, parking garage, media center, convention center and City infrastructure, respectively, from MPC. In addition, on April 1, 2004, the City entered into an agreement with the MPC to issue bonds to finance an escrow account to refund certain outstanding City improvement district bonds. In June 2008, the City entered into an agreement with the MPC to issue bonds to refund outstanding 2006B bonds. In February 2012, the City entered into an agreement with the MPC to issue bonds to partially refund outstanding maturities of the bond series 2003, 2004, and 2006. In December 2012, the City entered into an agreement with the MPC to issue bonds to partially refund outstanding maturities of the bond series 2003 and 2004,

## **CITY OF GLENDALE, ARIZONA**

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and to fully refund outstanding maturities of the Western Loop 101 Public Facilities Corporation bond series 2008. In March 2015, senior excise tax revenue bonds were issued to refund MPC bonds series 2002B, 2003B, 2006A, and series 2012D, respectively. In April 2016, senior excise tax revenue bonds were issued to refund MPC bond series 2003D in full as well as several maturities of the MPC bond series 2008A. In October 2017, subordinate excise tax revenue bonds were issued to partially refund MPC bond series 2012C. An amount equal to the MPC debt service and related miscellaneous fees, is payable to the MPC in monthly installments by the City.

Under the provisions of the purchase agreement, the City has pledged for the payment of the purchase price: 1) all net revenues derived from the municipal office complex and arena, and 2) all excise, transaction, privilege and franchise taxes which the City currently collects, may collect or are allocated to the City by any other governmental unit or municipal corporation, except the City's share of such amounts which by state law, rule or regulation must be expended for other purposes. However, under no circumstances shall such pledge constitute a general obligation of the City nor will the purchase price be payable from the proceeds of ad valorem taxes. The total principal and interest remaining to be paid is \$262,311. Excise tax revenues pledged for repayment of MPC was \$267,156. The current year principal and interest paid was \$13,150.

For senior liens, the pledged revenue coverage covenants in the lien agreements require the unrestricted excise taxes received must be equal to or at least three times the senior excise tax obligation payment required in any current fiscal year. The requirement for subordinate liens is the unrestricted excise taxes received must be equal to at least two times the combined total payment on senior excise tax obligations and subordinate lien excise tax obligations in any current fiscal year.

### **D. Certificates of Participation (COP) bonds**

The certificates of participation bonds are payable exclusively from annually budgeted and appropriated funds and will not be a general obligation or indebtedness of the City. In July 2021, the City issued certificates of participation in an agreement to fund a significant portion of the City's pension plans unfunded liabilities in the Public Safety Personnel Retirement System. Although no specific revenue sources will be pledged to or secure the certificates, it is anticipated monies from the City's general fund will be used for making payments. The total principal and interest remaining to be paid is \$304,816. The current year interest on the bonds was \$5,662.

### **E. Leases as Lessee**

The City, as a lessee, has entered into a 44-month lease agreement for the use of police department property. An initial lease liability was recorded in the amount of \$364. As of June 30, 2023, the value of the lease liability is \$157. The lease has an interest rate of 0.8927%. The value of the right to use asset as of June 30, 2023 was \$364 with accumulated amortization of \$198. The lease liability does not include any variable payments or sublease agreements.

### **F. Subscription Based Internet Technology Agreements**

The City has entered into subscription based internet technology agreements (SBITAs) involving various software. Arrangement vary from 12 to 84 months. An initial liability was recorded in the amount of \$23,855. As of June 30, 2023, the value of the lease liability is \$17,846. The subscriptions have interest rates between 1.58% and 3.12%. The value of the right to use asset as of June 30, 2023 was \$24,141 with accumulated amortization of \$5,909.

**CITY OF GLENDALE, ARIZONA**

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(amounts expressed in thousands)

**G. Changes in long-term liabilities**

The following is a summary of changes in long-term liabilities reported in the governmental activities financial statements for the year ended June 30, 2023:

	June 30, 2022 <sup>1</sup>	Increases	Decreases	June 30, 2023	Amounts Due Within One Year
General obligation (GO) bonds	\$ 64,990	\$ -	\$ (14,730)	\$ 50,260	\$ 3,830
General obligation (GO) bonds-					
Direct borrowing	51,415	-	(3,140)	48,275	3,220
Revenue bonds:					
Excise Tax Revenue bonds	175,450	-	(13,570)	161,880	14,245
Transportation bonds	47,345	-	(4,295)	43,050	4,515
Transportation bonds-Direct borrowing	7,200	-	(15)	7,185	15
Municipal Property Corporation	179,555	-	(4,255)	175,300	4,475
Certificates of Participation (COP)	252,800	-	-	252,800	13,065
Total bonds payable	<u>778,755</u>	<u>-</u>	<u>(40,005)</u>	<u>738,750</u>	<u>43,365</u>
Other long-term obligations:					
Lease obligations	261	-	(104)	157	105
Subscription-based IT arrangements	-	21,832	(5,511)	16,321	2,953
Net pensions and OPEB liabilities	311,440	-	(158,967)	152,473	-
Compensated absences	27,409	15,060	(11,117)	31,352	15,588
Claims and judgements	22,931	41,926	(34,988)	29,869	29,869
Unamortized premium on debt issuance <sup>1</sup>	31,077	-	(5,399)	25,678	4,554
Unamortized discount on debt issuance <sup>1</sup>	(400)	-	400	-	-
Developer payable obligations	5,160	313	-	5,473	-
Total other long-term obligations	<u>397,878</u>	<u>79,131</u>	<u>(215,686)</u>	<u>261,323</u>	<u>53,069</u>
Total	<u>\$ 1,176,633</u>	<u>\$ 79,131</u>	<u>\$ (255,691)</u>	<u>\$ 1,000,073</u>	<u>\$ 96,434</u>

<sup>1</sup>The beginning balances of unamortized premiums and discounts on debt issuance have been restated. See Note XVII .

General, transportation, other special revenue and other non-major funds typically have been used to liquidate compensated absences in prior years, since most employees engaged in governmental activities are paid from those funds. Of the \$1,000,073 in the total liabilities, \$533,579 is related to net position for the City's net investment in capital assets. Other obligations not included in the calculation of net position for the City's net investment in capital assets are pension and OPEB obligations, compensated absences, claims and judgments and Certificates of Participation (COP). No governmental funds cash has been used to fund the City of Glendale post-employment healthcare plan post-employment benefit obligation (OPEB).

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

The following is a summary of changes in long-term liabilities reported in the business-type activities financial statements for the year ended June 30, 2023:

	June 30, 2022 <sup>1</sup>	Increases	Decreases	June 30, 2023	Amounts Due Within One Year
Landfill GO bonds	\$ 8,915	\$ -	\$ (270)	\$ 8,645	\$ 285
Water and sewer revenue bonds	167,760	-	(18,595)	149,165	19,190
Total bonds payable	<u>176,675</u>	<u>-</u>	<u>(18,865)</u>	<u>157,810</u>	<u>19,475</u>
Other long-term obligations:					
Estimated closure and post-closure costs	18,196	940	-	19,136	-
Subscription-based IT arrangements	-	2,023	(498)	1,525	416
Unamortized premium on debt issuance	28,039	-	(4,484)	23,555	3,703
Net pensions and OPEB liabilities	28,382	6,311	(98)	34,595	-
Compensated absences	4,156	3,044	(2,520)	4,680	2,328
Arbitrage rebate	-	290	-	290	-
Housing noncurrent liabilities	22	26	(4)	44	-
Total other long-term obligations	<u>78,795</u>	<u>12,634</u>	<u>(7,604)</u>	<u>83,825</u>	<u>6,447</u>
Total	<u>\$ 255,470</u>	<u>\$ 12,634</u>	<u>\$ (26,469)</u>	<u>\$ 241,635</u>	<u>\$ 25,922</u>

<sup>1</sup>The beginning balances of unamortized premiums on debt issuance have been restated. See Note XVII.

Of the \$241,635 in total liabilities, \$182,890 (including matured bonds payable) is included in the calculation of net position for the City's net investment in capital assets. Other obligations not included in the calculation of net position for the City's net investment in capital assets are estimated landfill closure and post-closure costs, pension and OPEB liabilities, compensated absences, arbitrage rebate payable, and housing noncurrent liabilities.

**H. Current and advance refunded bonds**

The City issued refunding bonds to defease certain outstanding bonds, thus achieving debt service savings. The City has placed the proceeds from the refunding issues in an irrevocable escrow account with a trust agent, which will provide amounts sufficient for future payment of principal and interest of the issue refunded.

According, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. Although defeased, the refunded debt from this issue will not actually be retired until the call dates have come due or maturity if they are not callable issues.

Issue Refunded	Date Refunded	Remaining Balance
General Obligation Bonds Series 2016A	October 13, 2021	\$ 16,705
General Obligation Bonds Series 2018	October 13, 2021	7,225

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

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**I. Bonds payable**

Bonds payable on June 30, 2023, are comprised of the following:

Classified in governmental activities on the statement of net position:

Purpose	Interest Rate	Issued Fiscal Year Ending June 30	Year Series Matures	Amount of Original Issue	Bonds Outstanding June 30, 2023
<u>GO bonds payable from secondary assessed property taxes</u>					
Various Tax-Exempt (A), Taxable (B)	1.54-4.00	2016	2036	\$ 27,285	\$ 5,955
Various Taxable 2019	3.00-5.00	2019	2038	15,385	13,780
Various Tax-Exempt 2021	3.00-5.00	2021	2041	13,700	10,520
Various Tax-Exempt 2022	5.00	2022	2042	31,375	20,005
Total					<u>50,260</u>
<u>GO bonds payable from secondary assessed property taxes-direct borrowing</u>					
Refunding Taxable BAB 2017	3.16	2018	2030	26,555	17,980
Refunding Taxable 2021	2.21	2022	2037	32,225	30,295
Total					<u>48,275</u>
<u>Revenue bonds payable from the 0.5% transportation sales tax</u>					
Refunding Tax-Exempt Excise Tax Rev	2.00-5.00	2015	2032	55,635	43,050
Total					<u>43,050</u>
<u>Revenue bonds payable from the 0.5% transportation sales tax</u>					
Refunding Tax-Exempt Excise Tax Rev	2.62	2017	2032	19,330	7,185
Total					<u>7,185</u>
<u>Excise Tax bonds payable from general fund sales tax</u>					
Refunding Tax-Exempt 2015A	5.00	2015	2031	100,430	68,515
Refunding Taxable 2015B	3.93-4.03	2015	2033	13,700	13,700
Refunding Tax-Exempt 2016	3.00-5.00	2016	2033	33,830	25,790
Sub Refunding Tax-Exempt 2017	5.00	2018	2032	65,385	53,875
Total					<u>161,880</u>
<u>Municipal Property Corporation payable from general fund payments</u>					
MPC Taxable excise tax 2003B	1.46-5.58	2003	2033	105,260	1,480
MPC Taxable excise tax 2008B	5.45-6.16	2008	2033	52,780	33,640
MPC Tax-Exempt refunding 2012B	5.00	2013	2033	39,620	31,935
MPC Tax-Exempt refunding 2012C	5.00	2013	2038	183,405	108,245
Total					<u>175,300</u>
<u>Certificates of Participation payable from general fund payments</u>					
COPs Taxable 2021	0.897-2.942	2022	2037	252,800	252,800
Total					<u>252,800</u>
Total bonds payable recorded in governmental activities					738,750
Less current portion					(43,365)
Long-term portion of bonds payable recorded in governmental activities					<u>\$ 695,385</u>

**CITY OF GLENDALE, ARIZONA**

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June 30, 2023

(amounts expressed in thousands)

Classified in business-type activities on the statement of net position:

Purpose	Interest Rate	Issued Fiscal Year Ending June 30	Year Series Matures	Amount of Original Issue	Bonds Outstanding June 30, 2023
<u>GO bonds payable from landfill fund</u>					
Landfill	5.00	2022	2042	\$ 8,915	\$ 8,645
Total					8,645
<u>Revenue bonds/obligations payable from water and sewer fund</u>					
Various refunding	2.00-5.00	2015	2028	121,245	55,450
Various refunding	5.00	2021	2030	20,250	20,250
Various	5.00	2021	2041	22,720	22,720
Various	5.00	2022	2042	20,665	20,665
Refunding 2012	5.00	2022	2028	40,010	30,080
Total					149,165
Total bonds payable recorded in business-type activities					157,810
Less current portion					(19,475)
Long-term portion of bonds payable recorded in business-type activities					\$ 138,335

**J. Legal debt margin**

The Arizona Constitution provides that the general obligation bonded indebtedness for a city for general municipal purposes may not exceed 6% of the limited assessed valuation of the taxable property in that city. In addition to the 6% limitation for general municipal purpose bonds, cities may issue general obligation bonds up to 20% of the limited assessed valuation for supplying such city with water, sewer, artificial light, public safety, law enforcement, fire and emergency services, streets and transportation facilities, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.

The City's unused bonded debt borrowing capacity as of June 30, 2023, is as follows:

	6%	20%
Capacity to incur bonded debt	\$ 207,357	\$ 691,189
Less: Bonded debt applicable to limit	(16,922)	(97,547)
Unused bonded debt capacity	\$ 190,435	\$ 593,642

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance and flow of monies through various restricted accounts, and minimum revenue and bond coverage. The City is in compliance with all such significant limitations and restrictions.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**K. Bonds authorized, issued and unissued**

Bonds authorized but not fully issued as of June 30, 2023, are shown below:

GO bonds	Authorized Amount	Issued through June 30, 2023	Authorized but Unissued
<u>Voter authorized October 20, 1981</u>			
Operations center	\$ 6,750	\$ 550	\$ 6,200
<u>Voter authorized March 10, 1987</u>			
Library	9,698	8,225	1,473
<u>Voter authorized November 2, 1999</u>			
Cultural facility <sup>1 2</sup>	18,215	5,583	12,632
Economic development	50,500	28,453	22,047
Governmental facilities <sup>1 2</sup>	40,910	20,325	20,585
Landfill development <sup>1 2</sup>	17,000	12,374	4,626
Library	15,398	-	15,398
Open spaces	53,700	4,420	49,280
Transit <sup>1</sup>	6,935	185	6,750
<u>Voter authorized May 15, 2007</u>			
Flood control <sup>2</sup>	20,554	12,880	7,674
Parks and recreation <sup>2</sup>	16,155	10,111	6,044
Public safety <sup>2</sup>	102,638	16,058	86,580
Streets and parking <sup>2</sup>	79,065	78,807	258
Total GO bonds	\$ 437,518	\$ 197,971	\$ 239,547
<u>Revenue bonds</u>			
<u>Voter authorized November 2, 1999<sup>2</sup></u>			
Water and sewer <sup>1</sup>	\$ 10,000	\$ -	\$ 10,000
Total revenue bonds	10,000	-	10,000
Total bonds	\$ 447,518	\$ 197,971	\$ 249,547

(1) Certain general obligation bonds or revenue bonds can be issued as general obligation bonds, revenue bonds or a combination thereof.

(2) The Voter authorized November 2, 1999 and May 15, 2007 issued through June 30, 2023, and authorized but unissued amounts were adjusted for the 2016 ARS 35-457 change to allow for bond premium to go toward project costs if counted against authorization.

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**L. Other debt (developer, notes, long-term)**

Developer Payable Obligation - On December 1, 2005, the City entered into a development and ground lease agreement with Cabela's whereby Cabela's has the option to purchase the City owned property 90 days after the expiration of the 20-year ground lease (option date). In addition, the City entered into a site improvement management agreement on July 1, 2006, whereby Cabela's accrues a management compensation amount for their actual costs of operation, maintenance, and repair of site improvements. The management compensation amount accrues annually with interest. At the option date Cabela's can purchase the property at fair market value and receive a credit against the purchase price for the accrued management compensation amount.

\$ 5,473

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**M. Future year debt service requirements**

Fiscal Year Ending	Trans- portation Bonds	Trans- portation Bonds Direct Borrowing	MPC Bonds	Excise Tax Bonds	G.O. Bonds	G.O. Bonds Direct Borrowing	Certificates of Partici- pation	Landfill Bonds	Water and Sewer Revenue Bonds/ Obligations	Lease Obligations	Subscription Based IT Arrangem.	Total
2024	\$ 6,496	\$ 203	\$ 13,134	\$ 22,000	\$ 6,054	\$ 4,457	\$ 18,727	\$ 717	\$ 26,090	\$ 105	\$ 6,483	\$ 104,466
2025	6,495	208	13,096	22,034	5,230	4,469	19,386	713	26,085	53	4,728	102,497
2026	6,493	207	13,092	22,049	5,232	4,473	19,988	713	26,090	-	3,291	101,628
2027	6,494	207	13,090	22,041	5,237	4,468	20,551	713	23,631	-	2,653	99,085
2028	6,493	206	13,074	22,059	3,630	6,076	21,062	717	20,853	-	1,174	95,344
2029	6,493	206	13,836	21,300	3,627	6,261	21,523	714	10,112	-	197	84,269
2030	6,491	205	13,799	21,338	3,624	6,071	21,944	716	10,109	-	-	84,297
2031	6,494	205	13,792	21,342	3,631	3,164	22,330	717	4,412	-	-	76,087
2032	-	7,214	14,915	20,224	3,647	3,168	22,671	717	4,411	-	-	76,967
2033	-	-	27,821	9,003	3,707	3,170	22,971	716	4,408	-	-	71,796
2034	-	-	22,533	-	3,698	3,177	23,237	714	4,409	-	-	57,768
2035	-	-	22,533	-	3,709	3,166	23,463	716	4,408	-	-	57,995
2036	-	-	22,532	-	3,733	3,165	23,641	717	4,410	-	-	58,198
2037	-	-	22,532	-	3,730	1,007	23,322	717	4,409	-	-	55,717
2038	-	-	22,532	-	3,739	-	-	715	4,410	-	-	31,396
2039	-	-	-	-	2,468	-	-	717	4,413	-	-	7,598
2040	-	-	-	-	2,472	-	-	712	4,411	-	-	7,595
2041	-	-	-	-	2,468	-	-	717	4,410	-	-	7,595
2042	-	-	-	-	1,659	-	-	714	1,990	-	-	4,363
Total	51,949	8,861	262,311	203,390	71,295	56,292	304,816	13,592	193,471	158	18,526	1,184,661
Less interest	8,899	1,676	87,011	41,510	21,035	8,017	52,016	4,947	44,306	1	680	270,098
Principal	\$ 43,050	\$ 7,185	\$ 175,300	\$ 161,880	\$ 50,260	\$ 48,275	\$ 252,800	\$ 8,645	\$ 149,165	\$ 157	\$ 17,846	\$ 914,563

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

The following table discloses the debt service requirements as of June 30, 2023, segregating principal and interest, for the next five years and in five-year increments thereafter.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 69,124	\$ 35,342	\$ 104,466
2025	69,518	32,978	102,496
2026	71,094	30,534	101,628
2027	71,412	27,673	99,085
2028	70,572	24,772	95,344
2029-2033	308,682	84,736	393,418
2034-2038	229,800	31,274	261,074
2039-2042	24,360	2,789	27,149
Total	<u>\$ 914,562</u>	<u>\$ 270,098</u>	<u>\$ 1,184,660</u>

**N. New bonds**

No new bonds were issued in the fiscal year through June 30, 2023.

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**CITY OF GLENDALE, ARIZONA**

Note to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**XI. Landfill obligations**

The City operates a municipal sanitary landfill under an Aquifer Protection Permit and Solid Waste Facility Plan approval issued by the Arizona Department of Environmental Quality requiring future closure work and post-closure monitoring. The permit meets federal and state regulations. These laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will not be paid until near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and post-closure costs as an operating expense in each period based on landfill capacity used.

The landfill closure and post-closure care liability at June 30, 2023, calculated below, represents the cumulative amount reported to date based on the use of estimated capacity of the landfill.

	<u>North Cell</u>	<u>South Cell</u>
Capacity (cubic yards)	29,769	24,615
Capacity used to date	-	23,509
Percentage of capacity used	-	96%
Total closure and post-closure costs in present dollars:		
as of June 30, 2023	\$ 21,336	\$ 20,037
as of June 30, 2022	\$ 20,713	\$ 19,452
Closure and post-closure care costs:		
Amount remaining to be recognized		
as of June 30, 2023	\$ 21,336	\$ 901
Liability recognized as of June 30, 2023	\$ -	\$ 19,136

These amounts are based on what it would cost to perform all closure and post-closure care in fiscal year 2022-23. The estimated costs are subject to changes due to inflation, deflation, new technology, and applicable laws and regulations. Assets are not restricted to fund the obligations. The estimated remaining life of the landfill is approximately 38 years.

According to state and federal laws and regulations, the City must comply with the local government financial test requirements that assure the City can meet the cost of landfill closure, post-closure, and corrective action when needed. The City is in compliance with these requirements.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**XII. Inter-fund transactions**

Inter-fund balances at June 30, 2023, consisted of the following:

**A. Due to/due from**

**Due to general fund from:**

Major governmental funds	
Other construction fund	\$ 46
Other non-major governmental funds	
Community development block grants fund	400
Other special revenue fund	1,479
Streets construction	22
Parks bonds construction	416
Non-major proprietary funds	
Housing	9
Total due to general fund	<u>\$ 2,372</u>

The inter-fund balances at June 30, 2023, include short-term loans to cover temporary cash deficits in various funds. This occasionally occurs prior to bond sales or grant reimbursements. All inter-fund balances outstanding at June 30, 2023, are expected to be repaid within one year.

Transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and 3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The inter-fund transfers are all classified as transfers and are included in the results of operations of both governmental and proprietary funds.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**B. Inter-fund transfers**

Inter-fund transfers for the year ended June 30, 2023, consisted of the following:

<b>Transfers to municipal property corporation debt service fund from:</b>	
General fund	\$ 13,150
Total transfers to municipal property corporation debt service fund	<u>13,150</u>
<b>Transfers to transportation special revenue fund from:</b>	
General fund	3,844
Transportation capital projects fund	1,959
Total transfers to transportation special revenue fund	<u>5,803</u>
<b>Transfers to non-major special revenue funds from:</b>	
General fund	2,959
Other construction fund	12
Highway user gas tax fund	3
Street construction fund	86
Capital projects fund	10,507
Fire and police construction fund	34
Parks bond construction fund	18
Water and sewer fund	226
Landfill fund	44
Total transfers to non-major special revenue fund	<u>13,889</u>
<b>Transfers to non-major debt service funds from:</b>	
General fund	27,653
Transportation special revenue fund	6,704
Total transfers to non-major debt service funds	<u>34,357</u>
<b>Transfers to non-major capital projects fund from:</b>	
Highway user gas tax fund	4,139
Transportation special revenue fund	8,797
Total transfers to non-major capital projects fund	<u>12,936</u>
<b>Transfers to water and sewer proprietary fund from:</b>	
General fund	817
Total transfers to water and sewer proprietary fund	<u>817</u>
<b>Transfers to landfill proprietary fund from:</b>	
General fund	1,102
Total transfers to landfill proprietary fund	<u>1,102</u>
<b>Transfers to non-major proprietary funds from:</b>	
General fund	663
Total transfers to other non-major proprietary fund	<u>663</u>
Grand total all transfers	<u>\$ 82,717</u>

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**XIII. Encumbrances**

The Arizona Revised Statutes allow cities to encumber unused appropriations for up to sixty days after the end of the fiscal year. However, effective July 1, 1987, the City adopted a policy of not recognizing encumbrances at year-end. All appropriations lapse on the last day of the fiscal year. Any outstanding commitments that the City intends to honor are budgeted in the new fiscal year. At June 30, 2023, the City intended to honor \$39,474 of outstanding encumbrances in the new fiscal year.

**Fund**

**Major:**

General	\$	1,043
Transportation special revenue		252
Water and sewer		11,266
Landfill		1,309

**Non-Major:**

Non-major special revenue		1,522
Non-major capital projects		20,501
Non-major proprietary		544
Internal service		3,037
Total	\$	<u>39,474</u>

**XIV. Equity in joint ventures**

**A. Sub-Regional Operating Group (SROG)**

The City, along with the cities of Phoenix, Mesa, Scottsdale and Tempe participates in the Sub-Regional Operating Group (SROG), a joint venture. SROG constructs, operates and maintains jointly used facilities including the 91st Avenue Waste Water Treatment Plant (Plant) and certain sewage transportation facilities. The City of Phoenix acts as lead agency, and as such, is responsible for the planning, budgeting, construction, operation and maintenance of the Plant. In addition, the City of Phoenix provides all management personnel and financing arrangements and accepts federal grants on behalf of the participants.

Each participant pays for its costs of operation and maintenance based on relative sewage flows and strengths and for purchased capacity in the plant and related transportation facilities based on ownership. The latest available audited financial information on the joint venture is as of and for the fiscal year ended June 30, 2022. The City accounts for its approximate 6.4% investment using the equity method in the water and sewer fund. For the year ended June 30, 2023, the City recognized a gain in the joint venture of \$1,446. The City has financed its share of construction costs through the issuance of revenue bonds, development fees and grants. The bonds are collateralized by a pledge of water revenues and are reflected in the financial statements of the water and sewer fund. The joint venture itself has not issued any debt.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

A summary of the audited financial information on the joint venture as of and for the fiscal year ended June 30, 2022, is as follows:

<b>Assets</b>	
Current assets	\$ 95,314
Capital assets, net of accumulated depreciation	576,925
Total assets	<u>672,239</u>
<b>Liabilities</b>	<u>75,515</u>
<b>Net position</b>	<u>\$ 596,724</u>
Total revenues	\$ 75,335
Total expenses	(92,940)
Decrease in net position	<u>\$ (17,605)</u>

Copies of separate financial statements of the joint venture can be obtained from Arizona Municipal Water Users Association, 4041 North Central Avenue, Phoenix, Arizona 85012.

**B. Regional Wireless Cooperative (RWC)**

The City currently participates with twenty-two Arizona cities and districts in the Regional Wireless Cooperative agreement for the construction, operation and maintenance of a regional communications network, a joint venture. The City of Phoenix is both the Network and the Administrative Managing Member. As the Network Managing Member, Phoenix operates and maintains the network. As the Administrative Managing Member, Phoenix is responsible for accounting, budgeting, procurement and contracting for the RWC.

The City has an ongoing financial responsibility as a result of the agreement to participate in the cost to construct, operate and maintain the network. The City's share of costs is determined based on the proportionate number of subscriber units in use at the time of assessment. The latest available audited financial information on the joint venture is as of and for the fiscal year ended June 30, 2022. The equity interest for the City at June 30, 2022, was \$2,354. The City accounts for its approximate 4% investment using the equity method in Public Safety as a part of the General Fund. For the year ended June 30, 2023, the City recognized a loss in the joint venture of \$225.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

A summary of the audited financial information on the joint venture as of and for the fiscal year ended June 30, 2022, is as follows:

<b>Assets</b>	
Current assets	\$ 4,981
Capital assets, net of accumulated depreciation	55,883
Total assets	<u>60,864</u>
<b>Liabilities</b>	
	<u>2,624</u>
<b>Net position</b>	<u>\$ 58,240</u>
Total revenues	\$ 10,798
Total expenses	<u>(16,744)</u>
Decrease in net position	<u>\$ (5,946)</u>

Copies of separate financial statements of the joint venture can be obtained from RWC Director's Office, 200 W. Washington Street, 14<sup>th</sup> Floor, Phoenix, Arizona 85003

**XV. Jointly governed organizations**

The Regional Public Transit Authority (RPTA) is a voluntary association of local governments, including Glendale, Phoenix, Mesa, Tempe, Scottsdale, and Maricopa County. Its purpose is to ensure that a viable public transportation system is provided as an alternative for regional mobility and to ease the traffic congestion and air pollution caused by over-reliance on the single occupant vehicle. The Board of Directors consists of the mayors of those cities and a member of the County Board of Supervisors.

Arizona Municipal Water Users Association (AMWUA) is a non-profit corporation established and funded by cities in Maricopa County for the development of an urban water policy and to represent the cities' interests before the Arizona legislature. In addition, AMWUA contracts with the cities jointly using the 91st Avenue Waste Water Treatment Plant to perform certain accounting, administrative and support services.

**XVI. Governmental fund balance components and fund type definitions**

The City has a formally adopted minimum fund balance policy for the general fund. This policy was adopted through the annual budget process. The policy states that the general fund should maintain a minimum total unassigned fund balance of 25% of the projected annual ongoing revenues.

The City's general fund, unassigned fund balance at June 30, 2023 is \$96,885. Per the City's adopted financial policies, 10% of the general fund operating revenue which totals \$40,517 has been earmarked as the Budget Stabilization Reserve and \$56,368 has been earmarked as the Operating Reserve. Consistent with the requirements of GASB Statement No. 54, formal Council action was not taken prior to June 30, 2023 to commit these funds; therefore, the funds are reported as unassigned.

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

	General	Transportation	Other Construction	Municipal Property Corporation Debt Service	Other Non-Major Governmental Funds	Total Governmental Funds
<b>Nonspendable</b>						
Inventories and prepaid items	\$ 142	\$ 171	\$ -	\$ -	\$ 11	\$ 324
Lease receivable, net	820	-	-	-	-	820
Cemetery perpetual care	-	-	-	-	6,390	6,390
Total Nonspendable	<u>962</u>	<u>171</u>	<u>-</u>	<u>-</u>	<u>6,401</u>	<u>7,534</u>
<b>Restricted</b>						
Public transit	-	113,331	-	-	-	113,331
U.S. drug enforcement	-	-	-	-	1,593	1,593
Debt service	-	-	-	14,197	3,336	17,533
Court security	-	-	-	-	(28)	(28)
HOME program	-	-	-	-	602	602
Highway user revenue	-	-	-	-	24,138	24,138
Police activities	15,413	-	-	-	-	15,413
Fire activities	8,064	-	-	-	-	8,064
Other grants	-	-	-	-	863	863
Development impact fees	-	-	-	-	58,612	58,612
Streets construction	-	-	-	-	1,904	1,904
Fire and police construction	-	-	-	-	2,091	2,091
Park bond construction	-	-	-	-	(450)	(450)
Library construction	-	-	210	-	-	210
Economic development	-	-	2,943	-	-	2,943
Open spaces/trails	-	-	1,171	-	-	1,171
Cultural and historical projects	-	-	630	-	-	630
Government facilities	-	-	(56)	-	-	(56)
Neighborhood stabilization	-	-	-	-	880	880
Flood control construction	-	-	1,156	-	-	1,156
Total restricted	<u>23,477</u>	<u>113,331</u>	<u>6,054</u>	<u>14,197</u>	<u>93,541</u>	<u>250,600</u>
<b>Committed</b>						
Artwork	-	-	-	-	1,825	1,825
Pool/Park repair	-	-	-	-	243	243
Total committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,068</u>	<u>2,068</u>
<b>Assigned</b>						
Equipment replacement	6,693	-	-	-	-	6,693
General government capital projects	86,876	-	-	-	-	86,876
Fire Apparatus	15,546	-	-	-	-	15,546
Pension reserve	20,000	-	-	-	-	20,000
Bed tax/tourism	3,686	-	-	-	-	3,686
Mega events	3,000	-	-	-	-	3,000
Public safety training facility	-	-	-	-	2,388	2,388
TPT revenue stabilization	10,000	-	-	-	-	10,000
Inflation risk	5,000	-	-	-	-	5,000
Total assigned	<u>150,801</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,388</u>	<u>153,189</u>
<b>Unassigned fund balance</b>	<u>96,886</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,886</u>
	<u>\$ 272,126</u>	<u>\$ 113,502</u>	<u>\$ 6,054</u>	<u>\$ 14,197</u>	<u>\$ 104,398</u>	<u>\$ 510,277</u>

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**Enterprise Fund Type**

**Water and sewer fund**

Restricted for debt service	\$ 18,595
Restricted for revenue bond retirement/replacement and extension Two percent of net water revenues must be, by bond ordinance, reserved for the replacement and extension of the City's water distribution system, or for the retirement of water revenue bonds. The reservation is only required to the extent that the reserve equals two percent of the value of net capital assets of the water and sewer fund.	11,899
Restricted for OPEB benefits	722
Restricted for other purposes	<u>15,949</u>
<b>Total restricted for water and sewer</b>	<u>47,165</u>
<b>Landfill fund</b>	
Restricted for OPEB benefits	<u>122</u>
<b>Total restricted for landfill</b>	<u>122</u>
<b>Other enterprise funds</b>	
Restricted for OPEB benefits	<u>280</u>
<b>Total restricted for other enterprise funds</b>	<u>280</u>
<b>Total restricted for enterprise fund types</b>	<u>\$ 47,567</u>

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**XVII. Change in accounting principle**

Net position and fund balance at June 30, 2022 were restated for a changed in method of amortizing bond premium and discount from straight line to effective interest rate. The effective interest rate is required by GASB 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

**RESTATEMENT OF NET POSITION**

Restatement of net position as of July 1, 2022, is as follows:

	Governmental Activities	Business-type Activities	Totals
Net position, beginning of year, as originally reported	\$ 635,476	\$ 508,845	\$ 1,144,321
Correction of bond premiums/discounts, net of accumulated amortization based on use of the effective interest method for amortization	13,611	5,267	18,878
Net position beginning of year, as restated	<u>\$ 649,087</u>	<u>\$ 514,112</u>	<u>\$ 1,163,199</u>
	Water & Sewer Enterprise Fund	Landfill Enterprise Fund	Totals
Net position, beginning of year, as originally reported	\$ 486,280	\$ 12,147	\$ 498,427
Correction of bond premiums/discounts, net of accumulated amortization based on use of the effective interest method for amortization	5,041	226	5,267
Net position beginning of year, as restated	<u>\$ 491,321</u>	<u>\$ 12,373</u>	<u>\$ 503,694</u>

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**XVIII. Pensions and other postemployment benefits**

The City contributes to the Arizona State Retirement System (ASRS) and the Public Safety Personnel Retirement System (PSPRS) for police officers and fire fighters. The plans are component units of the State of Arizona.

At June 30, 2023, the City reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes:

Statement of net position and statement of activities	Governmental activities	Business-type activities	Total
OPEB asset	\$ 5,524	\$ 1,124	\$ 6,648
Net pension and OPEB liabilities	152,473	34,595	187,068
Deferred outflows of resources to pensions and OPEB	73,030	5,723	78,753
Deferred inflows of resources related to pensions and OPEB	12,060	1,966	14,026
Pension and OPEB expense	34,703	3,469	38,172

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**A. Arizona State Retirement System (ASRS)**

**Plan Description** - City employees not covered by the other pension plans described on the following pages participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at [www.azasrs.gov](http://www.azasrs.gov).

**Benefits Provided** - The ASRS provides retirement, disability, health insurance premium supplemental benefits, and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and total credited service as follows:

	<b>Retirement initial membership date:</b>	
	<b>Before July 1, 2011</b>	<b>On or after July 1, 2011</b>
Years of service and age required to receive benefit	Sum of years, age equals 80 10 years, age 62 5 years, age 50* any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$150 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

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**Contributions** - In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2023, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.17 percent (12.03 percent for retirement and 0.14 percent for long-term disability) of the members' annual covered payroll. The City was required by statute to contribute at the actuarially determined rate of 12.17 percent (11.92 percent for retirement, 0.11 percent for health insurance premium benefit, and 0.14 percent for long-term disability) of the active members' annual covered payroll. In addition, the City was required by statute to contribute at the actuarially determined rate of 9.68 percent (9.62 percent for retirement, and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the ASRS. The City's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2023, were \$10,420, \$96, and \$122, respectively.

During fiscal year 2023, the City paid for ASRS pension and OPEB contributions as follows: 64% from the governmental funds and 36% from the enterprise funds.

**Liability** – At June 30, 2023, the City reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability:

ASRS	Net pension/OPEB (asset) liability
Pension	\$ 111,319
Health insurance premium benefits	(3,821)
Long-term disability	63

The net asset and net liabilities were measured as of June 30, 2022. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2021, to the measurement date of June 30, 2022.

The City's proportionate share of the net asset or net liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The City's proportions measured as of June 30, 2022, and the change from its proportions measured as of June 30, 2021 were:

ASRS	Proportion June 30, 2022	Increase from June 30, 2021
Pension	0.68201%	(0.00110)
Health insurance premium benefit	0.68454%	(0.00046)
Long-term disability	0.68238%	(0.00112)

**Expense** - For the year ended June 30, 2023, the City recognized the following pension and OPEB expense:

ASRS	Pension/OPEB expense
Pension	\$ 13,258
Health insurance premium benefit	(558)
Long-term disability	25

**CITY OF GLENDALE, ARIZONA**

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(amounts expressed in thousands)

**Deferred outflows/inflows of resources** - At June 30, 2023 the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health insurance premium benefit		Long-term disability	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 949	\$ -	\$ -	\$ 1,950	\$ 33	\$ 59
Changes of assumptions or other inputs	5,525	-	62	105	34	154
Net difference between projected and actual earnings on pension plan investments	-	2,932	-	128	-	2
Changes in proportion and differences between City contributions and proportionate share of contributions	858	119	-	4	10	6
City contributions subsequent to the measurement date	10,420	-	96	-	122	-
Total	<u>\$ 17,752</u>	<u>\$ 3,051</u>	<u>\$ 158</u>	<u>\$ 2,187</u>	<u>\$ 199</u>	<u>\$ 221</u>

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions and OPEB will be recognized as expenses as follows:

Year Ended June 30,	Pension	Health insurance premium benefit	Long-term disability
2024	\$ 6,068	\$ (584)	\$ (12)
2025	(1,390)	(636)	(16)
2026	(5,091)	(697)	(31)
2027	4,694	(105)	(4)
2028	-	(103)	(30)
Thereafter	-	-	(51)

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**Actuarial Assumptions** –The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Actuarial valuation date	6/30/2021
Actuarial roll forward date	6/30/2022
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9-8.4% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent benefit increase	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pensions and health insurance premium benefits
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2022, valuation were based on results of an actuarial experience study for the five-year period ending June 30, 2018.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0% using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected geometric real rate of return
Equity	50%	3.90%
Real Estate	20%	6.00%
Fixed Income-Credit	20%	5.30%
Fixed Income-Int Rate Sensitive	10%	-0.20%
Total	100%	

**Discount Rate** - At June 30, 2022, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statutes. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

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(amounts expressed in thousands)

**Sensitivity of the City’s proportionate share of the ASRS net pension/OPEB (asset) liability to changes in the discount rate** - The following table presents the City’s proportionate share of the net pension/OPEB (asset) liability calculated using the discount rate of 7.0 percent, as well as what the City’s proportionate share of the net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate.

ASRS	1% Decrease (6.0)%	Current Discount Rate (7.0)%	1% Increase (8.0)%
City's proportionate share of the			
Net pension liability	\$ 164,248	\$ 111,319	\$ 67,185
Net insurance premium benefit liability (asset)	(2,747)	(3,821)	(4,731)
Net long-term disability liability	104	63	23

**Plan Fiduciary Net Position** - Detailed information about the plan’s fiduciary net position is available in the separately issued ASRS financial report.

**B. Public Safety Personnel Retirement System (PSPRS)**

**Plan Description** - City public safety personnel who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers an agent and cost sharing multiple-employer defined benefit pension plans and an agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. City public safety personnel who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the PSPRS Tier 3 plans, which are not further disclosed because of their relative insignificance to the City’s financial statements.

The PSPRS issues a publicly available financial report that includes their financial statements and required supplementary information. The reports are available on the PSPRS website at [www.psprs.com](http://www.psprs.com).

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**CITY OF GLENDALE, ARIZONA**

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**Benefits Provided** - The PSPRS provides retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefit terms. Retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

Retirement and Disability	Initial Membership Date		
	Before January 1, 2012	On or after January 1, 2012 and before July 17, 2017	On or after July 1, 2017
Years of service and age required to receive benefits	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, and age 52.5	15 years of credited service, age 52.5* 15 or more years of service, age 55
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years	Highest 60 consecutive months of last 15 years
Benefit percentage Normal Retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5% to 2.5% per year of credited service, not to exceed 80%	
Accidental Disability Retirement	50% or normal retirement, whichever is greater		
Catastrophic Disability Retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater		
Ordinary Disability Retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20		
Survivor Benefit Retired Members	80% to 100% of retired member's pension benefit		
Active Members	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries on the job		

\*With actuarially reduced benefits

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$150 per month to \$260 per month depending on the age of the member and dependents.

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(amounts expressed in thousands)

**Employees Covered by Benefit Terms** - At June 30, 2023, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police		PSPRS Firefighters	
	Pension	Health	Pension	Health
Inactive employees or beneficiaries currently receiving benefits	266	266	124	124
Inactive employees entitled to but not yet receiving benefits	99	62	44	38
Active employees	343	343	217	217
Total	<u>708</u>	<u>671</u>	<u>385</u>	<u>379</u>

**Contributions**- State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2022, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Active member- pension	health insurance premium benefit	City-pension	City-health insurance premium benefit
PSPRS Police	7.65%-8.99%	0%-0.10%	15.40%-20.21%	0%-0.24%
PSPRS Firefighters	7.65%-10.05%	0%-0.13%	17.95%-22.69%	0%-0.13%

The City's contributions to the plans for the year ended June 30, 2023, were:

	Pension	Health insurance premium benefit
PSPRS-Police	\$ 6,771	\$ 94
PSPRS-Fire	4,482	4

During fiscal year 2023, the City paid for PSPRS pension and OPEB contributions 100 percent from the General Fund.

**Liability** - At June 30, 2023, the City reported the following assets and liabilities:

	Net pension (asset) liability	Net OPEB (asset) liability
PSPRS Police	\$ 49,173	\$ (683)
PSPRS Firefighters	26,440	(2,144)

The net assets and net liabilities were measured as of June 30, 2022, and the total liability used to calculate the net asset or liability was determined by an actuarial valuation as of June 30, 2021.

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**Actuarial Assumptions** - The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

Actuarial valuation date	June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	3.0-6.25% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.85% for pensions/not applicable for OPEB
Mortality rates	Pub-S-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2017. A new experience study for the period ended June 30, 2020 will be utilized by the ASRS for future actuarial valuations.

The long-term expected rate of return on PSPRS plan investments was determined to be 7.2 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset class	Target allocation	Long-term expected geometric real rate of return
Cash - Mellon	1%	-0.35%
Core bonds	2%	0.45%
Other assets (Capital appreciation)	7%	4.83%
Diversifying strategies	10%	2.68%
International public equity	16%	4.47%
Private credit	20%	5.10%
Global private equity	20%	7.18%
U.S. Public equity	24%	3.49%
Total	100%	

**Discount Rate** – At June 30, 2022, the discount rate used to measure the PSPRS total pension/OPEB liability was 7.2 percent for Tier 1/2 members. The discount rate used to measure the PSPRS total pension/OPEB liability was 7.0 percent for Tier 3 members. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

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(amounts expressed in thousands)

**Changes in the net pension/OPEB liability** - The following tables present changes in the City's net pension/OPEB liability for the PSPRS pension plans (Police and Firefighters):

**PSPRS - Police**

	Pension			Health insurance premium benefit		
	Increase (decrease)			Increase (decrease)		
	Total pension liability (asset) (a)	Plan fiduciary net position (b)	Net pension liability (asset) (a) - (b)	Total OPEB liability (asset) (a)	Plan fiduciary net position (b)	Net OPEB liability (asset) (a) - (b)
Balance at June 30, 2022	\$ 403,216	\$ 236,644	\$ 166,572	\$ 5,576	\$ 6,814	\$ (1,238)
Changes for the year:						
Service cost	7,385	-	7,385	142	-	142
Interest on the total liability	29,268	-	29,268	409	-	409
Differences between expected and actual experience in the measurement of the liability	7,591	-	7,591	(242)	-	(242)
Changes of assumptions or other inputs	3,539	-	3,539	118	-	118
Contributions - employer	-	177,969	(177,969)	-	134	(134)
Contributions - employee	-	3,339	(3,339)	-	10	(10)
Net investment income	-	(15,842)	15,842	-	(267)	267
Benefit payments, including refunds of employee contributions	(19,339)	(19,339)	-	(233)	(233)	-
Administrative expenses	-	(284)	284	-	(5)	5
Other changes	-	-	-	-	-	-
Adjustment to beginning of year	-	-	-	-	-	-
Net changes	<u>28,444</u>	<u>145,843</u>	<u>(117,399)</u>	<u>194</u>	<u>(361)</u>	<u>555</u>
Balance as of June 30, 2023	<u>\$ 431,660</u>	<u>\$ 382,487</u>	<u>\$ 49,173</u>	<u>\$ 5,770</u>	<u>\$ 6,453</u>	<u>\$ (683)</u>

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PSPRS - Firefighters	Pension			Health insurance premium benefit		
	Increase (decrease)			Increase (decrease)		
	Total pension liability (asset) (a)	Plan fiduciary net position (b)	Net pension liability (asset) (a) - (b)	Total OPEB liability (asset) (a)	Plan fiduciary net position (b)	Net OPEB liability (asset) (a) - (b)
Balance at June 30, 2022	\$ 248,417	\$ 165,556	\$ 82,861	\$ 2,986	\$ 5,715	\$ (2,729)
Changes for the year:						
Service cost	4,979	-	4,979	83	-	83
Interest on the total liability	18,119	-	18,119	220	-	220
Differences between expected and actual experience in the measurement of the liability	(2,199)	-	(2,199)	30	-	30
Changes of assumptions or other inputs	2,525	-	2,525	31	-	31
Contributions - employer	-	87,874	(87,874)	-	4	(4)
Contributions - employee	-	1,875	(1,875)	-	4	(4)
Net investment income	-	(9,728)	9,728	-	(225)	225
Benefit payments, including refunds of employee contributions	(10,388)	(10,389)	1	(116)	(116)	-
Administrative expenses	-	(175)	175	-	(4)	4
Other changes	-	-	-	-	-	-
Net changes	13,036	69,457	(56,421)	248	(337)	585
Balance as of June 30, 2023	\$ 261,453	\$ 235,013	\$ 26,440	\$ 3,234	\$ 5,378	\$ (2,144)

**Sensitivity of the City's net pension/OPEB (asset) liability to changes in the discount rate** - The following table presents the City's net pension/OPEB (assets) liabilities calculated using the discount rate of 7.2 percent for Tier 1/2 members and the discount rate of 7.0 percent for Tier 3 members, as well as what the City's net pension/OPEB (asset) liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.20%/6.00%)	Current discount rate (7.20%/7.00%)	1% Increase (8.20%/8.00%)
PSPRS Police			
Net pension liability	\$ 108,508	\$ 49,173	\$ 831
Net OPEB liability (asset)	(23)	(683)	(1,239)
PSPRS Firefighters			
Net pension liability	61,501	26,440	(2,341)
Net OPEB asset	(1,782)	(2,144)	(2,451)

**Plan fiduciary net position** - Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial report.

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(amounts expressed in thousands)

**Expense** - For the year ended June 30, 2023, the City recognized the following pension and OPEB expense:

	Pension Expense	OPEB Expense (Income)
PSPRS Police	\$ 17,626	\$ (250)
PSPRS Firefighters	9,823	(350)

**Deferred outflows/inflows of resources** - At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

PSPRS - Police

	Pension		Health insurance premium benefit	
	Deferred outflow of resources	Deferred inflows of resources	Deferred outflow of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 10,796	\$ 893	\$ -	\$ 1,318
Changes of assumptions or other inputs	6,032	-	131	-
Net difference between projected and actual earnings on plan investments	12,367	-	110	-
City contributions subsequent to the measurement date	6,771	-	94	-
Total	<u>\$ 35,966</u>	<u>\$ 893</u>	<u>\$ 335</u>	<u>\$ 1,318</u>

PSPRS - Firefighters

	Pension		Health insurance premium benefit	
	Deferred outflow of resources	Deferred inflows of resources	Deferred outflow of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 7,190	\$ 4,519	\$ 26	\$ 594
Changes of assumptions or other inputs	5,876	-	41	39
Net difference between projected and actual earnings on plan investments	6,642	-	82	-
City contributions subsequent to the measurement date	4,482	-	4	-
Total	<u>\$ 24,190</u>	<u>\$ 4,519</u>	<u>\$ 153</u>	<u>\$ 633</u>

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The amounts reported as deferred outflows of resources related to pensions and OPEB resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized as expenses as follows:

Year Ending June 30,	PSPRS Police		PSPRS Firefighters	
	Pension	Health	Pension	Health
2024	6,232	(313)	3,659	(139)
2025	6,238	(325)	2,857	(157)
2026	4,341	(380)	695	(192)
2027	9,636	(38)	6,351	67
2028	1,855	(21)	814	(35)
Thereafter	-	-	813	(28)

**C. City of Glendale post-employment healthcare plan**

The City of Glendale post-employment healthcare plan is a single employer defined benefit plan administered by the City of Glendale. The plan provides medical, dental, and vision coverage for eligible retirees and their dependents through the City’s group health insurance plans. By continuing to provide eligible retirees with access to the City’s healthcare plans based on the same rates it charges to active employees, the City is in effect providing a blended rate to eligible retirees. This blended rate or implicit rate exists because on average retiree healthcare costs are higher than active employee healthcare costs. Retirees can also continue their basic life insurance benefit. Retirees contribute 100% of the premiums. In order for employees to be eligible for this benefit, they need 5 years of service if they were hired prior to July 1, 2005, and 10 years of service if they were hired after July 1, 2005. Effective July 1, 2018 the plan is closed to new retirees. Only those who retired prior to July 1, 2018 are eligible to continue coverage under the City of Glendale OPEB plan. The Mayor and Council have authority each budget year to establish, eliminate, or amend benefit provisions through the annual budget process. A separate report is not provided as the plan financial information is included in the governmental-wide basis and proprietary funds as part of the City of Glendale reporting entity.

**Funding policy and employees covered**

The City pays for and reports retiree health care benefits on a pay-as-you-go basis, which is the practice of paying for these benefits as they become due each year. Contributions to the plan by retirees are established at the beginning of each fiscal year through the annual budget process. The City makes no contribution to the retirees’ premiums other than allowing them to participate through the City’s pooled benefits.

For the fiscal year ending June 30, 2023, the number of employees covered by the plan totaled 478.

Inactive employees or beneficiaries currently receiving benefits	478
Active employees	-
Total	<u>478</u>

**Actuarial methods and assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between employer and plan members at that point. The actuarial methods and assumptions used include

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techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and actuarial value of assets, consistent with the long-term perspective of the calculations. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Healthcare costs were derived from age-neutral premiums, trended to the valuation date and adjusted for the risk characteristics of the group. Medical healthcare trends were projected at 7.0% decreasing down to an ultimate rate of 5.0%.

Effective July 1, 2018, the City's discontinued benefits for any future retirees. Only those already retired as of June 30, 2018 are eligible for OPEB benefits. In 2023, amounts reflect updated mortality improvement assumptions with Scale MP-2021.

For June 30, 2023, the actuarial cost method used is the entry age normal method. A 3.86% pay as you go discount/investment rate was used.

	<u>Discount rate</u>
2016	2.85%
2017	3.43%
2018	3.62%
2019	3.13%
2020	2.45%
2021	1.92%
2022	3.69%
2023	3.86%

No actuarial valuation of assets was done as there were no assets at the valuation date and the plan does not have a trust established to hold assets. The amortization method is level percent of payroll amortized over 30 years and the period is open.

Measurement Date	June 30, 2023
Actuarial valuation date	June 30, 2023
Inflation	2.4%
Salary Increases	3.5% including inflation
Discount rate	3.86%
Mortality rates	
Pre-retirement	Not applicable since plan is closed to new retirees
Post-retirement	PubG.H-2010 and PubS.H-2010 healthy annuitant mortality table, generational with projection scale MP-2021
Healthcare cost trend rates	5.0%-7.00%

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**Change in total OPEB liability**

A change in the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The following table shows the changes in OPEB liability as of June 30, 2023.

Total OPEB liability balance at June 30, 2022	<u>\$ 490</u>
Changes for the year	
Interest	25
Differences between expected and actual experience	(934)
Changes in assumptions or other inputs	109
Change in benefit terms	-
Benefit payments	<u>383</u>
Net Changes	<u>(417)</u>
Total OPEB liability balance at June 30, 2023	<u><u>\$ 73</u></u>

Multi-year schedule of changes in the net OPEB liability is available in the Required Supplementary Information.

**Discount rate sensitivity**

The discount rate of 3.86% was used to measure the total OPEB liability. This discount rate is the Fidelity General Obligation AA 20 Year Yield as of June 30, 2023. The following table presents the City's net OPEB liability calculated using the discount rate noted above, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	<u>1% Decrease</u>	<u>Current discount Rate</u>	<u>1% Increase</u>
Discount rate	2.86%	3.86%	4.86%
Total OPEB liability	\$ 54	\$ 73	\$ 88

**Healthcare cost trend rate sensitivity**

The following table presents the total OPEB liability of the City, as well as the City's total OPEB liability if it were calculated using healthcare cost trend rates that are 1 percentage point lower or higher than current rates.

	<u>Healthcare Cost Trend Rates</u>		
	<u>4.00%</u>	<u>5.00%</u>	<u>6.00%</u>
Total OPEB liability	\$ 107	\$ 73	\$ 34

**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**OPEB expense**

The following table shows the components of the City's annual OPEB expense for the year.

Interest	\$	25
Difference between Actual and Expected Experience		(1,208)
Changes in Assumptions/Inputs		(219)
Change in Benefit Terms		-
Total FY22 OPEB Expense	\$	<u>(1,402)</u>

**Deferred outflows/inflows of resources**

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB as shown in the following table.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 547
Changes of assumptions or other inputs	-	657
Total	\$ -	\$ 1,204

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	OPEB Expense
2024	\$ (602)
2025	(602)
2026	-
2027	-
2028	-
Thereafter	-
	<u>\$ (1,204)</u>

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**XIX. Contingent liabilities and commitments**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is subject to claims and litigation, which arise in the ordinary course of its operations. In the opinion of City management, based on the advice of the City attorney, the resolution of such claims and litigation are believed to either have no material adverse effect on the financial position or the future operations of the City or likelihood of a negative outcome to the City is not determinable.

The City, under the memorandum of agreement with the Arizona Sports and Tourism Authority (AZSTA) and B & B Holdings (DBA Arizona Cardinals), irrevocably assigns, transfers, and pledges unrestricted excise taxes collected at the Multipurpose Facility site (Stadium) to AZSTA. In consideration for the pledge of unrestricted excise tax revenues, the AZSTA issued bonds to improve the stadium infrastructure. The City's obligation is to make monthly payments to the AZSTA for sales tax payments collected from the site only. The AZSTA bonds do not constitute a legal debt of the City.

**XX. Tax Abatement**

The City implemented GASB Statement No. 77. This statement requires government's that enter into tax abatement agreements to disclose information about the agreements. The tax abatement is listed by program for the year ended June 30, 2023.

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

Primary Government  
City of Glendale, AZ

Purpose of Program	Economic Development
Tax being abated	Sales tax reimbursements
Authority under which the abatement agreement is entered	The City is authorized pursuant to Article 1, Section 3 of its Charter and ARS 9-500.05 and 9-500.11, ARS 11-952 to enter into economic development agreements with businesses located in the City and to appropriate and spend public monies for and in conjunction with economic development activities.
Criteria to be eligible to receive abatement	The City analyzes the economic development benefits and determines that such public benefits support and justify the economic development incentives provided by each agreement. The public benefits anticipated are indirect economic and non-economic benefits such as increasing City's residents access to goods and services, enhancing public infrastructure, increasing the City's employment base, increasing the City's assessed property valuation and increasing the City's general tax revenues.
Mechanism by which the taxes are abated	The City shall make periodic payments based on a percentage of transaction privilege taxes received by the City for a certain length of time as entered into the agreement after occupancy.
How amount of abatement is determined	Based on a percentage of transaction privilege taxes received by the City for a certain length of time as entered into the agreement or capped at a certain dollar amount.
Types of commitments made by the City other than to reduce taxes	City will abandon real property adjacent to the property for right of way, modifying and rezoning use permit of property
Amount of sales tax reimbursements for the fiscal year ended June 30, 2023	\$ 8,700

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**CITY OF GLENDALE, ARIZONA**

Notes to the Financial Statements

June 30, 2023

(amounts expressed in thousands)

**XXI. Implementation of new accounting principles**

The City adopted the provisions of GASB Statement No. 96, Subscription Based Internet Technology Arrangements (SBITAs). This statement is to enhance the relevance and consistency of information about government's subscription activities. This statement requires recognition of certain subscription assets and liabilities for SBITAs that previously were classified as operating expenditures. It establishes a single model for SBITA accounting based on the foundational principle that SBITAs are financings of the right to use an underlying asset. Under this standard, a government is required to recognize a subscription liability and an intangible right-to-use lease asset. The City adopted the requirements of the statement effective July 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption.

**XXII. Subsequent Events**

On September 13, 2023, the City of Glendale closed on \$64,260 tax exempt General Obligation bond series 2023 with The Bank of New York Mellon, whereby the proceeds were used to fund public safety, parks, flood control, open spaces, cultural facilities, libraries, and governmental facilities. The bonds are a general obligation of the City, and pledged by the full faith and credit of the City. They are repaid through the levying of property taxes.

On January 31, 2024, Fitch Ratings upgraded the City of Glendale's water and sewer revenue debt ratings from 'AA' to 'AA+' for the Water and Sewer Senior Revenue Obligations Series 2022A, Water and Sewer Senior Revenue Refunding Obligations Series 2022B, Water and Sewer Subordinate Revenue Obligations Series 2021, and Water and Sewer Subordinate Revenue Refunding Obligations Series 2020. The upgrade reflected sustained improvements in leverage, which is expected to remain very low and is attributed to the implementation of annual rate increases adopted to support the capital improvement program.

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City of Glendale, Arizona

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

# **REQUIRED SUPPLEMENTARY INFORMATION**

(other than MD&A)

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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## REQUIRED SUPPLEMENTARY INFORMATION SECTION

This part of the City of Glendale's comprehensive annual financial report presents detailed information for pension plans, OPEB plans, and the general fund budgetary schedule as a context for understanding the information presented in the financial statements and note disclosures.

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	<u>Pages</u>
Schedule of the City's Proportionate Share of the Net Pension/OPEB (Asset)/Liability Cost-sharing plans	104-105
Schedule of Changes in the City's Net Pension/OPEB (Asset)/Liability and Related Ratios Agent plans	106-113
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**CITY OF GLENDALE, ARIZONA**

Schedule of the City's proportionate share of the net pension/OPEB (asset)/liability

Cost-sharing plans

June 30, 2023

(amounts expressed in thousands)

	Reportings fiscal year (measurement date)			
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
<b>ASRS-Pension</b>				
City's proportion of the net pension liability	0.682010%	0.683110%	0.665190%	0.670370%
City's proportionate share of the net pension liability	\$ 111,319	\$ 89,758	\$ 115,254	\$ 97,547
City's covered payroll	\$ 68,377	\$ 69,867	\$ 70,766	\$ 69,407
City's proportionate share of the net pension liability as a percentage of its covered payroll	162.08%	128.47%	162.87%	140.54%
Plan fiduciary net position as a percentage of the total pension liability	74.26%	78.58%	69.33%	73.24%

	Reportings fiscal year (measurement date)			
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
<b>ASRS-Health insurance premium benefit</b>				
City's proportion of the net OPEB (asset)	0.68454%	0.68500%	0.67104%	0.67599%
City's proportionate share of the net OPEB (asset)	\$ (3,821)	\$ (3,337)	\$ (476)	\$ (187)
City's covered payroll	\$ 68,377	\$ 69,867	\$ 70,766	\$ 69,407
City's proportionate share of the net OPEB (asset) as a percentage of its covered payroll	(5.59)%	(4.78)%	(0.67)%	(0.27)%
Plan fiduciary net position as a percentage of the total OPEB liability	137.79%	130.24%	104.33%	101.62%

	Reportings fiscal year (measurement date)			
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
<b>ASRS-Long-term disability</b>				
City's proportion of the net OPEB liability	0.68238%	0.68350%	0.66804%	0.67335%
City's proportionate share of the net OPEB liability	\$ 63	\$ 141	\$ 507	\$ 439
City's covered payroll	\$ 68,377	\$ 69,867	\$ 70,766	\$ 69,407
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.09%	0.20%	0.72%	0.63%
Plan fiduciary net position as a percentage of the total OPEB liability	95.40%	90.38%	68.01%	72.85%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

<u>2019</u> <u>(2018)</u>	<u>2018</u> <u>(2017)</u>	<u>2017</u> <u>(2016)</u>	<u>2016</u> <u>(2015)</u>	<u>2015</u> <u>(2014)</u>	<u>2014</u> <u>(2013)</u>
0.691230%	0.666400%	0.637060%	0.605260%	0.619749%	0.656524%
\$ 96,402	\$ 103,812	\$ 102,830	\$ 94,278	\$ 91,702	\$ 109,143
\$ 67,340	\$ 64,059	\$ 58,301	\$ 54,853	\$ 54,523	\$ 57,475
143.16%	162.06%	176.38%	171.87%	168.19%	189.90%
73.40%	69.92%	67.06%	68.35%	69.49%	N/A

<u>2019</u> <u>(2018)</u>	<u>2018</u> <u>(2017)</u>	<u>"2017 - 2014</u> <u>"(2016 - 2013)</u>
0.69452%	0.670580%	Information
\$ (250)	\$ (365)	Not Available
\$ 67,340	\$ 64,059	
(0.37)%	(0.57)%	
102.20%	103.57%	

<u>2019</u> <u>(2018)</u>	<u>2018</u> <u>(2017)</u>	<u>"2017 - 2014</u> <u>"(2016 - 2013)</u>
0.69218%	0.666740%	Information
\$ 361	\$ 242	Not Available
\$ 67,340	\$ 64,059	
0.54%	0.38%	
77.83%	84.44%	

**CITY OF GLENDALE, ARIZONA**

Schedule of changes in the City's net pension/OPEB (asset)/liability and related ratios

Agent plans

June 30, 2023

(amounts expressed in thousands)

**Public Safety Personnel Retirement System - Police:  
Pension**

<b>Total pension liability:</b>	Reporting fiscal year (measurement date)			
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
Service cost	\$ 7,385	\$ 7,630	\$ 8,002	\$ 8,355
Interest on the total pension liability	29,268	28,010	26,063	24,443
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	7,591	(140)	8,375	661
Changes of assumptions or other inputs	3,539	-	-	7,193
Benefit payments, including refunds of employee contributions	(19,339)	(16,697)	(14,109)	(13,051)
Net change in total pension liability	28,444	18,803	28,331	27,601
Total pension liability - beginning	403,216	384,413	356,082	328,483
Total pension liability - ending (a)	<u>\$ 431,660</u>	<u>\$ 403,216</u>	<u>\$ 384,413</u>	<u>\$ 356,084</u>
<b>Plan fiduciary net position:</b>				
Contributions - employer	\$ 177,969	\$ 21,385	\$ 17,737	\$ 16,942
Contributions - employee	3,339	3,044	3,159	2,880
Net investment income	(15,842)	52,247	2,301	8,990
Benefit payments, including refunds of employee contributions	(19,339)	(16,697)	(14,109)	(13,051)
Administrative expenses	(284)	(243)	(188)	(157)
Other changes	-	-	55	(10)
Net change in plan fiduciary net position	145,843	59,736	8,955	15,594
Plan fiduciary net position - beginning	236,644	176,908	167,953	152,491
Adjustment to Beginning of year	-	-	-	(130)
Plan fiduciary net position - ending (b)	<u>\$ 382,487</u>	<u>\$ 236,644</u>	<u>\$ 176,908</u>	<u>\$ 167,955</u>
City's net pension liability (asset) - ending (a) - (b)	\$ 49,173	\$ 166,572	\$ 207,505	\$ 188,129
Plan fiduciary net position as a percentage of the total pension liability	88.61%	58.69%	46.02%	47.17%
Covered payroll	\$ 35,366	\$ 34,313	\$ 35,635	\$ 36,383
City's net pension liability (asset) as a percentage of covered payroll	139.04%	485.45%	582.31%	517.08%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 (2013)
\$ 8,012	\$ 8,582	\$ 6,644	\$ 6,083	\$ 5,483	Information
23,135	20,971	18,964	17,857	14,973	Not available
-	2,583	16,926	-	3,331	
(4,084)	6,973	(3,593)	1,067	2,845	
-	8,114	10,446	-	19,686	
<u>(14,430)</u>	<u>(13,390)</u>	<u>(11,246)</u>	<u>(11,143)</u>	<u>(8,616)</u>	
12,633	33,833	38,141	13,864	37,702	
315,850	282,017	243,876	230,012	192,310	
<u>\$ 328,483</u>	<u>\$ 315,850</u>	<u>\$ 282,017</u>	<u>\$ 243,876</u>	<u>\$ 230,012</u>	
\$ 10,982	\$ 13,678	\$ 13,527	\$ 9,691	\$ 8,221	
3,351	4,549	4,299	4,009	3,432	
9,921	15,468	729	4,023	12,960	
(14,430)	(13,390)	(11,246)	(11,143)	(8,616)	
(152)	(137)	(105)	(99)	(104)	
192	50	(2)	(6)	(124)	
9,864	20,218	7,202	6,475	15,769	
142,627	122,409	115,207	108,732	92,963	
-	-	-	-	-	
<u>\$ 152,491</u>	<u>\$ 142,627</u>	<u>\$ 122,409</u>	<u>\$ 115,207</u>	<u>\$ 108,732</u>	
\$ 175,992	\$ 173,223	\$ 159,608	\$ 128,669	\$ 121,280	
46.42%	45.16%	43.40%	47.24%	47.27%	
\$ 36,201	\$ 37,234	\$ 34,196	\$ 33,350	\$ 31,815	
486.15%	465.22%	466.74%	385.81%	381.20%	

**CITY OF GLENDALE, ARIZONA**

Schedule of changes in the City's net pension/OPEB (assets)/liability and related ratios

Agent plans

June 30, 2023

(amounts expressed in thousands)

**Public Safety Personnel Retirement System - Police:  
OPEB**

<b>Total OPEB liability:</b>	Reporting fiscal year (measurement date)			
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
Service cost	\$ 142	\$ 154	\$ 160	\$ 106
Interest on the total OPEB liability	409	438	443	481
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the OPEB liability	(242)	(742)	(322)	(950)
Changes of assumptions or other inputs	118	-	-	76
Benefit payments, including refunds of employee contributions	(233)	(239)	(280)	(296)
Net change in total OPEB liability	194	(389)	1	(583)
Total OPEB liability - beginning	5,576	5,965	5,964	6,548
Total OPEB liability - ending (a)	<u>\$ 5,770</u>	<u>\$ 5,576</u>	<u>\$ 5,965</u>	<u>\$ 5,965</u>
<b>Plan fiduciary net position:</b>				
Contributions - employer	\$ 134	\$ 160	\$ 186	\$ 179
Contributions - employee	10	11	8	5
Net investment income	(267)	1,474	68	276
Benefit payments	(233)	(239)	(280)	(296)
Administrative expenses	(5)	(6)	(6)	(5)
Other changes	-	-	-	-
Net change in plan fiduciary net position	(361)	1,400	(24)	159
Plan fiduciary net position - beginning	6,814	5,414	5,438	5,150
Adjustment to Beginning of year	-	-	-	130
Plan fiduciary net position - ending (b)	<u>\$ 6,453</u>	<u>\$ 6,814</u>	<u>\$ 5,414</u>	<u>\$ 5,439</u>
City's net OPEB liability (asset) - ending (a) - (b)	\$ (683)	\$ (1,238)	\$ 551	\$ 526
Plan fiduciary net position as a percentage of the total OPEB liability	111.85%	122.20%	90.77%	91.18%
Covered payroll	\$ 35,366	\$ 34,313	\$ 35,635	\$ 36,383
City's net OPEB liability (asset) as a percentage of covered payroll	(1.93)%	(3.61)%	1.55%	1.45%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

2019 (2018)	2018 (2017)	2017 - 2014 (2016 - 2013)
\$ 102	\$ 119	Information
467	464	Not available
-	11	
(127)	211	
-	(359)	
(293)	(359)	
149	87	
6,399	6,312	
<u>\$ 6,548</u>	<u>\$ 6,399</u>	

\$ 75	\$ 202
1	-
343	541
(293)	(359)
(5)	(5)
1	-
<u>122</u>	<u>379</u>
5,028	4,649
-	-
<u>\$ 5,150</u>	<u>\$ 5,028</u>

\$ 1,398    \$ 1,371

78.65%    78.58%

\$ 36,201    \$ 37,234

3.86%    3.68%

**CITY OF GLENDALE, ARIZONA**

Schedule of changes in the City's pension/OPEB (asset)/liability and related ratios

Agent plans

June 30, 2023

(amounts expressed in thousands)

**Public Safety Personnel Retirement System - Fire:**

**Pension**

Total pension liability:	Reporting fiscal year (measurement date)			
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
Service cost	\$ 4,979	\$ 4,680	\$ 4,791	\$ 4,831
Interest on the total pension liability	18,119	16,890	15,828	15,287
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	(2,199)	6,137	4,174	(4,945)
Changes of assumptions or other inputs	2,525	-	-	3,704
Benefit payments, including refunds of employee contributions	(10,388)	(11,957)	(8,309)	(8,883)
Net change in total pension liability	13,036	15,750	16,484	9,994
Total pension liability - beginning	248,417	232,667	216,183	206,190
Total pension liability - ending (a)	<u>\$ 261,453</u>	<u>\$ 248,417</u>	<u>\$ 232,667</u>	<u>\$ 216,184</u>
<b>Plan fiduciary net position:</b>				
Contributions - employer	\$ 87,874	\$ 11,644	\$ 9,360	\$ 9,335
Contributions - employee	1,875	2,057	2,004	1,504
Net investment income	(9,728)	36,833	1,642	6,476
Benefit payments, including refunds of employee contributions	(10,389)	(11,957)	(8,309)	(8,883)
Administrative expenses	(175)	(172)	(133)	(113)
Other changes	-	-	5	-
Net change in plan fiduciary net position	69,457	38,405	4,569	8,319
Plan fiduciary net position - beginning	165,556	127,151	122,583	114,265
Plan fiduciary net position - ending (b)	<u>\$ 235,013</u>	<u>\$ 165,556</u>	<u>\$ 127,152</u>	<u>\$ 122,584</u>
City's net pension liability (asset) - ending (a) - (b)	\$ 26,440	\$ 82,861	\$ 105,515	\$ 93,600
Plan fiduciary net position as a percentage of the total pension liability	89.89%	66.64%	54.65%	56.70%
Covered payroll	\$ 21,533	\$ 20,625	\$ 20,122	\$ 22,868
City's net pension liability (asset) as a percentage of covered payroll	112.78%	401.75%	524.38%	409.31%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available

2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 (2013)
\$ 4,963	\$ 5,062	\$ 4,065	\$ 3,858	\$ 3,805	Information Not available
14,302	13,114	11,801	11,230	9,672	
-	1,055	12,497	-	1,658	
(536)	787	(2,923)	(823)	1,452	
-	5,437	6,345	-	9,623	
(6,668)	(7,304)	(8,199)	(5,996)	(6,800)	
12,061	18,151	23,586	8,269	19,410	
194,129	175,978	152,392	144,123	124,713	
<u>\$ 206,190</u>	<u>\$ 194,129</u>	<u>\$ 175,978</u>	<u>\$ 152,392</u>	<u>\$ 144,123</u>	
<u>\$ 206,190</u>	<u>\$ 194,129</u>	<u>\$ 175,978</u>	<u>\$ 152,392</u>	<u>\$ 144,123</u>	
\$ 6,023	\$ 6,578	\$ 7,339	\$ 4,942	\$ 4,630	
2,050	2,604	2,649	2,380	2,265	
7,405	11,234	547	3,189	10,457	
(6,668)	(7,304)	(8,199)	(5,996)	(6,800)	
(113)	(100)	(79)	(78)	(84)	
54	1	(232)	(389)	-	
8,751	13,013	2,025	4,048	10,468	
105,514	92,501	90,476	86,428	75,960	
<u>\$ 114,265</u>	<u>\$ 105,514</u>	<u>\$ 92,501</u>	<u>\$ 90,476</u>	<u>\$ 86,428</u>	
<u>\$ 114,265</u>	<u>\$ 105,514</u>	<u>\$ 92,501</u>	<u>\$ 90,476</u>	<u>\$ 86,428</u>	
\$ 91,925	\$ 88,615	\$ 83,477	\$ 61,916	\$ 57,695	
55.42%	54.35%	52.56%	59.37%	59.97%	
\$ 21,360	\$ 20,840	\$ 20,296	\$ 20,570	\$ 19,291	
430.36%	425.22%	411.30%	301.00%	299.08%	

**CITY OF GLENDALE, ARIZONA**

Schedule of changes in the City's net pension/OPEB (asset)/liability and related ratios

Agent plans

June 30, 2023

(amounts expressed in thousands)

**Public Safety Personnel Retirement System - Fire:  
OPEB**

<b>Total OPEB liability:</b>	Reporting fiscal year (measurement date)			
	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)
Service cost	\$ 83	\$ 83	\$ 82	\$ 52
Interest on the total OPEB liability	220	230	231	251
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the OPEB liability	30	(346)	174	(503)
Changes of assumptions or other inputs	31	-	-	31
Benefit payments, including refunds of employee contributions	(116)	(108)	(122)	(120)
Net change in total OPEB liability	248	(141)	365	(289)
Total OPEB liability - beginning	2,986	3,127	3,110	3,399
Total OPEB liability - ending (a)	<u>\$ 3,234</u>	<u>\$ 2,986</u>	<u>\$ 3,475</u>	<u>\$ 3,110</u>
<b>Plan fiduciary net position:</b>				
Contributions - employer	\$ 4	\$ 2	\$ 1	\$ -
Contributions - employee	4	2	1	-
Net investment income	(225)	1,257	58	242
Benefit payments	(116)	(108)	(122)	(120)
Administrative expenses	(4)	(5)	(5)	(4)
Other changes	-	-	-	-
Net change in plan fiduciary net position	(337)	1,148	(67)	118
Plan fiduciary net position - beginning	5,715	4,567	4,634	4,516
Plan fiduciary net position - ending (b)	<u>\$ 5,378</u>	<u>\$ 5,715</u>	<u>\$ 4,567</u>	<u>\$ 4,634</u>
City's net OPEB liability (asset) - ending (a) - (b)	\$ (2,144)	\$ (2,729)	\$ (1,092)	\$ (1,524)
Plan fiduciary net position as a percentage of the total OPEB liability	166.31%	191.39%	146.07%	149.05%
Covered payroll	\$ 21,533	\$ 20,625	\$ 20,122	\$ 22,868
City's net OPEB liability (asset) as a percentage of covered payroll	(9.96)%	(13.23)%	(7.16)%	(6.66)%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available

2019 (2018)	2018 (2017)	2017 - 2014 (2016 - 2013)
\$ 53	\$ 56	Information
238	243	Not available
-	3	
(29)	(39)	
-	(145)	
(113)	(153)	
149	(35)	
3,250	3,285	
<u>\$ 3,399</u>	<u>\$ 3,250</u>	

\$ -	\$ -
-	-
300	465
(113)	(153)
(4)	(4)
(1)	-
182	308
4,334	4,026
<u>\$ 4,516</u>	<u>\$ 4,334</u>

\$ (1,117)    \$ (1,084)

132.86%    133.36%

\$ 21,360    \$ 20,840

(5.23)%    (5.20)%

**CITY OF GLENDALE, ARIZONA**  
Schedule of OPEB Liability-City OPEB plan  
June 30, 2023  
(amounts expressed in thousands)

<b>Total OPEB Liability-City OPEB plan</b>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Service Cost	\$ -	\$ -	\$ -
Interest	25	28	40
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(934)	(523)	(1,878)
Changes in assumptions or other inputs	109	55	491
Benefit payments	383	317	(201)
Net Changes	<u>(417)</u>	<u>(123)</u>	<u>(1,548)</u>
Total OPEB Liability balance at June 30, 2022	<u>\$ 490</u>	<u>\$ 613</u>	<u>\$ 2,161</u>
Total OPEB Liability balance at June 30, 2023	<u>\$ 73</u>	<u>\$ 490</u>	<u>\$ 613</u>
Covered Employee Payroll	\$ -	\$ -	\$ -
Total OPEB Liability as a percentage of covered employee payroll	N/A	N/A	N/A
Discount Rate	3.86%	3.69%	1.92%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available. There are no assets accumulated in trust to pay related benefits.

<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>2015 - 2014</u>
\$ -	\$ -	\$ 3,083	\$ 3,494	\$ 3,376	Information Not Available
71	225	2,183	2,311	1,792	
15	-	(47,511)	(3,580)	-	
(239)	(3,204)	(11,823)	(2,463)	-	
(582)	(175)	(174)	(2,952)	-	
(31)	(296)	(6)	(237)	(620)	
<u>(766)</u>	<u>(3,450)</u>	<u>(54,248)</u>	<u>(3,427)</u>	<u>4,548</u>	
<u>\$ 2,927</u>	<u>\$ 6,377</u>	<u>\$ 60,625</u>	<u>\$ 64,052</u>	<u>\$ 59,504</u>	
<u>\$ 2,161</u>	<u>\$ 2,927</u>	<u>\$ 6,377</u>	<u>\$ 60,625</u>	<u>\$ 64,052</u>	
\$ -	\$ -	\$ -	\$ 113,677	\$ 93,944	
N/A	N/A	N/A	53.3%	68.2%	
2.45%	3.13%	3.62%	3.43%	2.85%	

**CITY OF GLENDALE, ARIZONA**  
Schedule of the City's pension/OPEB contributions  
June 30, 2023  
(amounts expressed in thousands)

	Reporting fiscal year			
	2023	2022	2021	2020
<b>ASRS-Pension:</b>				
Statutorily required contribution	\$ 10,420	\$ 9,802	\$ 9,030	\$ 8,377
City's contribution in relation to the statutorily required contribution	<u>10,420</u>	<u>9,802</u>	<u>9,030</u>	<u>8,377</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 66,935	\$ 68,377	\$ 69,867	\$ 70,766
City's contribution as a percentage of covered-payroll	15.57%	14.34%	12.92%	11.84%
<b>ASRS-Health insurance premium benefit:</b>				
Statutorily required contribution	\$ 96	\$ 171	\$ 302	\$ 345
City's contribution in relation to the statutorily required contribution	<u>96</u>	<u>171</u>	<u>302</u>	<u>345</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 66,935	\$ 68,377	\$ 69,867	\$ 70,766
City's contribution as a percentage of covered-payroll	0.14%	0.25%	0.43%	0.49%
<b>ASRS-Long-term disability:</b>				
Statutorily required contribution	\$ 122	\$ 155	\$ 139	\$ 120
City's contribution in relation to the statutorily required contribution	<u>122</u>	<u>155</u>	<u>139</u>	<u>120</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 66,935	\$ 68,377	\$ 69,867	\$ 70,766
City's contribution as a percentage of covered-payroll	0.18%	0.23%	0.20%	0.17%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

2019	2018	2017	2016	2015	2014
\$ 8,111	\$ 7,414	\$ 7,007	\$ 6,472	\$ 6,071	\$ 5,978
<u>8,111</u>	<u>7,414</u>	<u>7,007</u>	<u>6,472</u>	<u>6,071</u>	<u>5,978</u>
<u>\$ -</u>					
\$ 69,407	\$ 67,340	\$ 64,059	\$ 58,301	\$ 54,853	\$ 54,523
11.69%	11.01%	10.94%	11.10%	11.07%	10.96%

2019	2018	2017	2017 - 2014
\$ 327	\$ 385	\$ 361	Information Not Available
<u>327</u>	<u>385</u>	<u>361</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 69,407	\$ 67,340	\$ 64,059	
0.47%	0.57%	0.56%	

2019	2018	2017	2017 - 2014
\$ 119	\$ 96	\$ 91	Information Not Available
<u>119</u>	<u>96</u>	<u>91</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 69,407	\$ 67,340	\$ 64,059	
0.17%	0.14%	0.14%	

**CITY OF GLENDALE, ARIZONA**  
Schedule of the City's pension/OPEB contributions  
June 30, 2023  
(amounts expressed in thousands)

	Reporting fiscal year			
	2023	2022	2021	2020
<b>PSRS Police-Pension:</b>				
Actuarially determined contribution	\$ 6,771	\$ 8,647	\$ 18,012	\$ 17,500
City's contribution in relation to the actuarially determined contribution	<u>6,771</u>	<u>177,717</u>	<u>18,012</u>	<u>17,500</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (169,070)</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 38,554	\$ 35,366	\$ 34,313	\$ 35,635
City's contribution as a percentage of covered-payroll	17.56%	502.51%	52.49%	49.11%
	Reporting fiscal year			
	2023	2022	2021	2020
<b>PSRS Police-OPEB:</b>				
Actuarially determined contribution	\$ 94	\$ 57	\$ 155	\$ 187
City's contribution in relation to the actuarially determined contribution	<u>94</u>	<u>57</u>	<u>155</u>	<u>187</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 38,554	\$ 35,366	\$ 34,313	\$ 35,635
City's contribution as a percentage of covered-payroll	0.24%	0.16%	0.45%	0.52%
	Reporting fiscal year			
	2023	2022	2021	2020
<b>PSRS Fire-Pension:</b>				
Actuarially determined contribution	\$ 4,482	\$ 5,301	\$ 10,077	\$ 9,451
City's contribution in relation to the actuarially determined contribution	<u>4,482</u>	<u>87,552</u>	<u>10,077</u>	<u>9,451</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (82,251)</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 21,927	\$ 21,533	\$ 20,625	\$ 20,122
City's contribution as a percentage of covered-payroll	20.43%	406.59%	48.86%	46.97%
	Reporting fiscal year			
	2023	2022	2021	2020
<b>PSRS Fire-OPEB:</b>				
Actuarially determined contribution	\$ 4	\$ 2	\$ 3	\$ 1
City's contribution in relation to the actuarially determined contribution	<u>4</u>	<u>2</u>	<u>3</u>	<u>1</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 21,927	\$ 21,533	\$ 20,625	\$ 20,122
City's contribution as a percentage of covered-payroll	0.02%	0.01%	0.01%	0.00%

The notes to pension/OPEB plan schedules are an integral part of this schedule.

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

2019	2018	2017	2016	2015	2014
\$ 16,942	\$ 10,982	\$ 13,678	\$ 13,527	\$ 9,691	\$ 8,221
17,306	10,828	13,678	13,527	9,691	8,221
\$ (364)	\$ 154	\$ -	\$ -	\$ -	\$ -
\$ 36,383	\$ 36,201	\$ 37,234	\$ 34,196	\$ 33,350	\$ 31,815
47.57%	29.91%	36.74%	39.56%	29.06%	25.84%

2019	2018	2017	"2017 - 2014 Information Not Available
\$ 179	\$ 75	\$ 202	
183	135	202	
\$ (4)	\$ (60)	\$ -	
\$ 36,383	\$ 36,201	\$ 37,234	
0.50%	0.37%	0.54%	

2019	2018	2017	2016	2015	2014
\$ 9,335	\$ 6,023	\$ 6,578	\$ 7,339	\$ 4,942	\$ 4,630
9,435	5,607	6,578	7,339	4,942	4,630
\$ (100)	\$ 416	\$ -	\$ -	\$ -	\$ -
\$ 22,868	\$ 21,360	\$ 20,840	\$ 20,296	\$ 20,570	\$ 19,291
41.26%	26.25%	31.56%	36.16%	24.03%	24.00%

2019	2018	2017	2016 - 2014 Information Not Available
\$ -	\$ -	\$ -	
-	-	-	
\$ -	\$ -	\$ -	
\$ 22,868	\$ 21,360	\$ 20,840	
0.00%	0.00%	0.00%	

## CITY OF GLENDALE, ARIZONA

Notes to Net Pension/OPEB (assets)/liability and contributions

June 30, 2023

### I. Actuarially determined contribution rates

Actuarial determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

#### PSPRS Actuarial Methods and Assumptions:

Actuarial Cost Method	Entry age normal
Amortization Level	Members with initial membership date before July 1, 2017: Level percent-of-pay, closed Members with initial membership on or after July 1, 2017: Level dollar closed
Remaining Amortization Period as of the 2021 Actuarial Valuation	Members with initial membership date before July 1, 2017: 18 years for unfunded actuarial accrued liability, 20 years for excess Members with initial membership on or after July 1, 2017: 10 years
Asset Valuation Method	Members with initial membership date before July 1, 2017: 7-year smoothed market value; 80%/120% market corridor Members with initial membership on or after July 1, 2017: 5-year smoothed market value; 80%/120% market corridor
Actuarial Assumptions: Investment Rate of Return	Members with initial membership date before July 1, 2017: In the 2019 actuarial valuation, the investment rate of return was decreased from 7.40% to 7.30%. In the 2017 actuarial valuation, the investment rate of return was decreased from 7.50% to 7.40%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.50%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.00% to 7.85%. Members with initial membership on or after July 1, 2017: 7%
Projected Salary Increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%-8.0% to 3.5%-7.5%. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5%-8.5% to 4.0%-8.0%. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%-9.0% to 4.5%-8.5%.
Wage Growth	In the 2017 actuarial valuation, wage growth was decreased from 4.0% to 3.5%. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5%.
Retirement Age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011
Mortality	In the 2019 actuarial valuation, changed to PUBS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females)

**CITY OF GLENDALE, ARIZONA**

Notes to Net Pension/OPEB (assets)/liability and contributions

June 30, 2023

**II. Factors that affect trends**

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS-required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes increased the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the City refunded excess employee contributions to PSPRS members. PSPRS allowed the City to reduce its actual employer contributions for the refund amounts. As a result, the City's pension contributions were less than the actuarially or statutorily determined contributions for 2018 and 2019.

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City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**General Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Taxes	\$ 166,093	\$ 166,093	\$ 194,046	\$ 27,953
Licenses and permits	24,447	24,447	24,627	180
Intergovernmental	103,309	103,309	100,700	(2,609)
Local	131	131	102	(29)
Charges for services	16,206	16,206	37,564	21,358
Fines and forfeitures	2,665	2,665	2,003	(662)
Investment income (loss)	177	177	4,132	3,955
Miscellaneous	1,194	1,194	938	(256)
Amounts available for appropriation	<u>314,222</u>	<u>314,222</u>	<u>364,112</u>	<u>49,890</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
General Government	58,027	61,541	55,020	6,521
Public Safety	157,237	157,246	154,486	2,760
Public Works	18,704	27,344	27,437	(93)
Community Services	26,209	26,182	22,147	4,035
Street Maintenance	929	929	1,065	(136)
Contingency	6,010	5,288	-	5,288
Capital outlay	42,003	44,238	17,930	26,308
Total charges to appropriations	<u>309,119</u>	<u>322,768</u>	<u>278,085</u>	<u>44,683</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from equipment disposal	341	341	303	(38)
Transfer in	71,896	71,896	40,845	(31,051)
Transfer out	<u>(77,353)</u>	<u>(77,353)</u>	<u>(50,188)</u>	<u>27,165</u>
Total other financing sources (uses)	<u>(5,116)</u>	<u>(5,116)</u>	<u>(9,040)</u>	<u>(3,924)</u>
Budgetary fund balance, July 1	<u>115,245</u>	<u>115,245</u>	<u>187,759</u>	<u>72,514</u>
Budgetary fund balances, June 30	<u>\$ 115,232</u>	<u>\$ 101,583</u>	<u>\$ 264,746</u>	<u>\$ 163,163</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**General Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures</b>				
<b>Sources/inflows of resources:</b>				
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.			542,832	
Differences - budget to GAAP:				
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.			(187,759)	
Interest earned on restricted investments not available for appropriation			(809)	
Interest earned on leases not available for appropriation			1,174	
Indirect cost allocation			(8,840)	
Lease revenue reported on a GAAP basis.			(10,316)	
Subscription revenue reported on a GAAP basis.			12,765	
Proceeds from disposal of assets.			(303)	
Revenue reported on a GAAP basis.			2,568	
Police and fire sales tax revenue.			44,513	
Less: Transfers in.			(40,845)	
Add: Transfers out.			50,188	
Total revenues as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.			<u>\$ 405,168</u>	
<b>Uses/outflows of resources:</b>				
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.			278,086	
Differences - budget to GAAP:				
Salaries payable.			157	
Trade in value of vehicle.			5	
Subscription based internet technology arrangement.			12,765	
Capital outlay.			(393)	
Internal charges for services provided.			(8,840)	
Miscellaneous			258	
Total expenditures as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.			<u>\$ 282,038</u>	

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Transportation Special Revenue Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Taxes	\$ 41,418	\$ 41,418	\$ 47,814	\$ 6,396
Intergovernmental	4,510	4,510	3,620	(890)
Charges for services	87	87	1,553	1,466
Investment income (loss)	623	623	4,081	3,458
Miscellaneous	280	280	195	(85)
Amounts available for appropriation	<u>46,918</u>	<u>46,918</u>	<u>57,263</u>	<u>10,345</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Street Maintenance	28,360	28,360	27,209	1,151
Contingency	3,000	2,829	-	2,829
Capital outlay	5,213	5,213	361	4,852
Total charges to appropriations	<u>36,573</u>	<u>36,402</u>	<u>27,570</u>	<u>8,832</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from equipment disposal	-	-	4	4
Transfer in	-	-	5,803	5,803
Transfer out	(28,618)	(28,618)	(15,501)	13,117
Total other financing sources (uses)	<u>(28,618)</u>	<u>(28,618)</u>	<u>(9,694)</u>	<u>18,924</u>
Budgetary fund balance, July 1	84,062	84,062	93,411	9,349
Budgetary fund balances, June 30	<u>\$ 65,789</u>	<u>\$ 65,960</u>	<u>\$ 113,410</u>	<u>\$ 47,450</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	140,980
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(93,411)
Subscription revenue reported on a GAAP basis.	412
Proceeds from disposal of assets.	(4)
Less: Transfers in.	(5,803)
Add: Transfers out.	15,501
Total revenues as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 57,675</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	27,570
Differences - budget to GAAP:	
Salaries payable.	11
Subscription based internet technology arrangement.	407
Capital outlay.	4
Total expenditures as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 27,992</u>

## CITY OF GLENDALE, ARIZONA

Notes to Required Supplementary Information

June 30, 2023

(amounts expressed in thousands)

### I. Basis of accounting

The City prepares its annual budget on a basis which differs from the GAAP basis. A budgetary comparison schedule for the general fund and major special revenue fund are included as required supplementary information to provide a meaningful comparison of actual results to budget on a budget basis. Budgetary comparison schedules for all other governmental funds are presented as other supplemental information after the combining statements.

The intent of preparing the Budgetary Comparison Schedule is to provide the reader with a more complete understanding and appreciation for the difference between budgetary revenues and other financing sources and expenditures and other financing uses presented in the Budgetary Comparison Statements and the revenues, expenditures, and other financing sources (uses) reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances, which is prepared in accordance with GAAP.

The major areas of difference are as follows:

1. Under the budgetary basis, the revenues and expenses relating to police and fire sales tax is not included in the general fund. The police and fire sales tax is included in the general fund for the GAAP financial statements.
2. Under the budgetary basis, investment income is recognized on an amortized cost basis. In accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools" (GASB Statement No. 31), all investment income, including changes in fair value (gains/losses) of investments, are recognized as investment income.
3. Under the budgetary basis, revenues are normally recorded when earned. For GAAP basis, in accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" (GASB Statement No. 33), and GASB Statement No. 65, all nonexchange transactions, such as government-mandated nonexchange transactions and voluntary nonexchange transactions, can be accrued only if they are measurable and "available". "Available" has been defined by GASB Statement No. 33 as "collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period." The City has established the availability period as 60 days after the end of the fiscal year. In order to ensure all transactions for the current fiscal year meet this criterion, the City analyzes revenue receipts through August 31 and records adjustments to deferred inflows of resources for transactions that are not collected.
4. Under the budgetary basis, intrafund transfers are recognized as other financing sources (uses). For the GAAP financial statements, intrafund transfers are eliminated to minimize the "grossing-up" of intrafund transfers.
5. Under the budgetary basis, interfund reimbursements or repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are recorded as revenues in the payer fund. In accordance with GASB Statement No. 34, an adjustment to eliminate interfund reimbursements is recorded for the GAAP financial statements.
6. In accordance with GAAP, the City has established guidelines for recording expenditure accruals. In order to reasonably ensure that accruals for current fiscal year transactions are materially accurate, the City performs an analysis to identify expenditure accruals for the GAAP financial statements.

## **CITY OF GLENDALE, ARIZONA**

Notes to Required Supplementary Information

June 30, 2023

(amounts expressed in thousands)

### **II. Budgetary information**

The City utilizes the following procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to the first of June of each year, the City Manager submits to the Mayor and Council a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed operating, capital and debt service expenditures and the means of financing them.
2. The projected beginning budgeted fund balances for each fund are based on preliminary estimates of the June 30<sup>th</sup> ending actual budget basis fund balances rather than the June 30<sup>th</sup> ending budgeted fund balances. These two amounts will differ because of differences in actual results for the year versus planned results and by unused contingency appropriations. The legal level of budgetary control is the total budget as adopted. This is the level at which expenditures cannot legally exceed the appropriated amount.
3. Prior to July 1, after receiving comments in a public hearing, a tentative budget is adopted by the City Council, which sets an upper-dollar limit for all funds combined, beyond which the City may not increase appropriations. After two weeks of legal advertising, the City Council legally adopts a final budget ordinance, which sets appropriations for each fund.
4. Budget basis expenditures may not exceed appropriations for each fund, except in conjunction with the transfer of contingency funds and/or unused appropriation authority from another fund that is backed by additional revenue or fund balance in the fund receiving the appropriation. Contingency funds are appropriated for several funds as identified in the budget basis schedules and may only be transferred with City Council approval. The City Council may reallocate appropriations through budget amendments, but may not increase total appropriations above the total budget, which was legally adopted for the fiscal year.
5. The City Council may authorize a transfer of unencumbered appropriation balanced within an individual city office, department or agency at any time during the fiscal year. During the last three months of the fiscal year, the City Council may approve transfers among city offices, departments, and agencies as necessary. Interfund transfers (i.e., transfers between funds) must be specifically approved by City Council. Procedures for requesting City Council approval of appropriation transfers and delegation of budget responsibility will be set by the City Manager.
6. Budgetary authorization and spending management controls are employed during the year for all funds.

### **III. Contingency appropriation**

The principal purpose of a contingency appropriation is to cover any unforeseen expenditure, which may arise after the budget is adopted. It is impossible to estimate revenues exactly or to determine in a prior year the exact expenditures of each program or activity for the ensuing year. Thus, a contingency is essential for budgetary purposes.

Contingency appropriation is re-established each fiscal year based on available fund balance and balancing needs of the budget year. The unused balances of contingency appropriations are reflected in the budget basis financial statements.



City of Glendale, Arizona

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

# **COMBINING STATEMENTS AND SCHEDULES**

\_\_\_\_\_ FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Other Construction**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Intergovernmental	\$ -	\$ -	\$ 4,624	\$ 4,624
Amounts available for appropriation	-	-	4,624	4,624
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
General Government	1,134	-	492	(492)
Public Works	-	-	25	(25)
Community Services	2	2	63	(61)
Contingency	4,404	4,404	-	4,404
Capital outlay	47,145	48,183	7,344	40,839
Total charges to appropriations	52,685	52,589	7,924	44,665
<b>OTHER FINANCING SOURCES (USES)</b>				
Long term debt issued	12,589	12,589	-	(12,589)
Transfer in	29,260	29,260	-	(29,260)
Transfer out	(61)	(61)	(12)	49
Total other financing sources (uses)	41,788	41,788	(12)	(41,800)
Budgetary fund balance, July 1	10,322	10,322	9,366	(956)
Budgetary fund balances, June 30	\$ (575)	\$ (479)	\$ 6,054	\$ 6,533

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	13,978
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(9,366)
Add: Transfers out.	12
Total revenues as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 4,624</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	7,924
Total expenditures as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 7,924</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Municipal Property Corporation Debt Service**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Intergovernmental	\$ -	\$ -	\$ 4,974	\$ 4,974
Investment income (loss)	-	-	186	186
Amounts available for appropriation	-	-	5,160	5,160
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
General Government	20	20	6	14
Debt service:				
Principal	4,255	4,255	4,255	-
Interest	8,895	8,895	8,895	-
Total charges to appropriations	13,170	13,170	13,156	14
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	13,150	13,150	13,150	-
Total other financing sources (uses)	13,150	13,150	13,150	-
Budgetary fund balance, July 1	8,098	8,098	9,043	945
Budgetary fund balances, June 30	<u>\$ 8,078</u>	<u>\$ 8,078</u>	<u>\$ 14,197</u>	<u>\$ 6,119</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	27,353
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(9,043)
Less: Transfers in.	(13,150)
Total revenues as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 5,160</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	13,156
Total expenditures as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 13,156</u>

## NON-MAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for revenues from specific taxes or other earmarked revenue sources, which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses.

#### **Community Development Block Grants Fund**

This fund accounts for a series of ongoing entitlements received directly from the U. S. Department of Housing and Urban Development (HUD). This fund also includes the HUD Rental Rehabilitation and HOME programs.

#### **Highway User Gas Tax Fund**

This fund accounts for capital outlay and maintenance of municipal streets and highways, as mandated by the Arizona Revised Statutes. Financing for this fund is provided by state-shared fuel taxes.

#### **Other Special Revenue Fund**

This fund accounts for various activities, including the airport, miscellaneous grants, and other recreation programs.

### Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

**General Obligation Debt Service Fund** accounts for the debt service payments for the bonds that were issued to finance government infrastructure such as government facilities, parks, libraries, flood control, economic development and open space/trails

#### **Highway User Debt Service Fund**

This fund accumulates monies for payment of all street and highway revenue bonds of the City. Highway user fuel taxes are transferred from other funds to fund this debt.

#### **Transportation Debt Service Fund**

This fund accumulates monies for payment of the transportation revenue bonds. Transportation excise taxes are transferred from a special revenue fund to fund this debt.

#### **Excise Tax Revenue Debt Service Fund**

This fund accounts for the debt that was issued to refund the senior and subordinate excise tax revenue bonds issued by the Municipal Property Corporation.

#### **Certificates of Participation Debt Service Fund**

This fund accounts for the debt that was issued to finance a significant portion of the City's unfunded pension liabilities with respect to its pension plans in the Arizona Public Safety Personnel Retirement System.

## **Capital Projects Funds**

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

### **Streets Construction Fund**

This fund accounts for the construction of streets, sidewalks, streetlights, traffic signals, and street landscaping funded through GO and revenue bonds issued under authorizations approved by voters on March 10, 1987, and November 2, 1999. In addition, this fund accounts for transportation projects funded by transportation excise tax revenue bonds issued on October 27, 2007.

### **Fire and Police Construction Fund**

This fund accounts for the construction of fire and police department facilities. Funding is provided through GO bonds issued under authorizations approved by voters on March 10, 1987, and November 2, 1999.

### **Parks Bond Construction Fund**

This fund accounts for the construction of parks and recreation improvements.

### **Development Impact Fees Fund**

This fund accounts for fees covered by Chapter 28, Article VI of the Municipal Code and is restricted in use by ARS 9-463.05. The fees are used exclusively to provide the necessary public facilities and services for development. Residential development impact fees may be spent only in the district (residential development district, not political district) in which they are collected

## **Permanent Fund**

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting City's programs.

### **Cemetery Perpetual Care Fund**

This fund is used to account for the revenues received by the City from the sale of cemetery lots and other related services.

City of Glendale, Arizona  
**Combining Governmental Balance Sheet**  
**Non-Major Governmental Funds**  
Summary by Fund Type  
June 30, 2023  
(amounts expressed in thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Non- Major Governmental Funds
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 46,065	\$ 23,770	\$ 63,867	\$ 6,390	\$ 140,092
Receivables, net of allowance for doubtful accounts:					
Property tax	-	601	-	-	601
Accounts	6,028	-	64	106	6,198
Accrued interest	11	-	-	-	11
Intergovernmental receivable	5,938	-	-	-	5,938
Inventories and prepaid items	11	-	-	-	11
Restricted cash and investments	1,818	25,471	-	-	27,289
Lease receivable	5,309	-	-	-	5,309
Total assets	<u>65,180</u>	<u>49,842</u>	<u>63,931</u>	<u>6,496</u>	<u>185,449</u>
<b>LIABILITIES</b>					
Vouchers payable	3,066	2	1,314	-	4,382
Compensated Absences - current	61	-	-	-	61
Due to other funds	1,879	-	438	-	2,317
Deposits	67	-	-	-	67
Unearned revenue	22,184	-	22	-	22,206
Matured interest payable	-	10,359	-	-	10,359
Matured bonds payable	-	35,750	-	-	35,750
Total liabilities	<u>27,257</u>	<u>46,111</u>	<u>1,774</u>	<u>-</u>	<u>75,142</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Inflows of Resources- unavailable revenue	191	395	-	106	692
Deferred Inflows of Resources- leases	5,217	-	-	-	5,217
Total deferred inflows of resources	<u>5,408</u>	<u>395</u>	<u>-</u>	<u>106</u>	<u>5,909</u>
<b>FUND BALANCES</b>					
Fund balances:					
Nonspendable	11	-	-	6,390	6,401
Restricted	28,048	3,336	62,157	-	93,541
Committed	2,068	-	-	-	2,068
Assigned	2,388	-	-	-	2,388
Total fund balances	<u>32,515</u>	<u>3,336</u>	<u>62,157</u>	<u>6,390</u>	<u>104,398</u>
Total liabilities, deferred outflows of resources and fund balances	<u>\$ 65,180</u>	<u>\$ 49,842</u>	<u>\$ 63,931</u>	<u>\$ 6,496</u>	<u>\$ 185,449</u>

City of Glendale, Arizona  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
June 30, 2023  
(amounts expressed in thousands)

	Community Development Block Grants	Highway User Revenue	Other Special Revenue	Total Non- Major Special Revenue Funds
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 1,254	\$ 23,246	\$ 21,565	\$ 46,065
Receivables, net of allowance for doubtful accounts:				
Accounts	5,612	23	393	6,028
Accrued interest	-	-	11	11
Intergovernmental receivable	1,380	1,903	2,655	5,938
Inventories and prepaid items	-	-	11	11
Restricted cash and investments	-	-	1,818	1,818
Lease receivable	-	-	5,309	5,309
Total assets	<u>8,246</u>	<u>25,172</u>	<u>31,762</u>	<u>65,180</u>
<b>LIABILITIES</b>				
Vouchers payable	748	999	1,319	3,066
Compensated Absences - current	5	35	21	61
Due to other funds	400	-	1,479	1,879
Deposits	-	-	67	67
Unearned revenue	5,607	-	16,577	22,184
Total liabilities	<u>6,760</u>	<u>1,034</u>	<u>19,463</u>	<u>27,257</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows of Resources- unavailable revenue	-	-	191	191
Deferred Inflows of Resources- leases	-	-	5,217	5,217
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>5,408</u>	<u>5,408</u>
<b>FUND BALANCES</b>				
Fund balances:				
Nonspendable	-	-	11	11
Restricted	1,486	24,138	2,424	28,048
Committed	-	-	2,068	2,068
Assigned	-	-	2,388	2,388
Total fund balances	<u>1,486</u>	<u>24,138</u>	<u>6,891</u>	<u>32,515</u>
Total liabilities and fund balances	<u>\$ 8,246</u>	<u>\$ 25,172</u>	<u>\$ 31,762</u>	<u>\$ 65,180</u>

City of Glendale, Arizona  
**Combining Balance Sheet**  
**Non-Major Debt Service Funds**  
June 30, 2023  
(amounts expressed in thousands)

	General Obligation	Highway User	Transportation	Excise Tax Revenue	Certificates of Participation	Total Non- Major Debt Service Funds
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 1,359	\$ 43	\$ 6,377	\$ 12,949	\$ 3,042	\$ 23,770
Receivables, net of allowance for doubtful accounts:						
Property tax	601	-	-	-	-	601
Restricted cash and investments	19,998	-	-	5,473	-	25,471
Total assets	<u>21,958</u>	<u>43</u>	<u>6,377</u>	<u>18,422</u>	<u>3,042</u>	<u>49,842</u>
<b>LIABILITIES</b>						
Vouchers payable	-	-	1	1	-	2
Matured interest payable	2,128	-	1,192	4,208	2,831	10,359
Matured bonds payable	17,870	-	4,310	13,570	-	35,750
Total liabilities	<u>19,998</u>	<u>-</u>	<u>5,503</u>	<u>17,779</u>	<u>2,831</u>	<u>46,111</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Inflows of Resources- unavailable revenue	395	-	-	-	-	395
<b>FUND BALANCES</b>						
Fund balances:						
Restricted	1,565	43	874	643	211	3,336
Total fund balances	<u>1,565</u>	<u>43</u>	<u>874</u>	<u>643</u>	<u>211</u>	<u>3,336</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,958</u>	<u>\$ 43</u>	<u>\$ 6,377</u>	<u>\$ 18,422</u>	<u>\$ 3,042</u>	<u>\$ 49,842</u>

City of Glendale, Arizona  
**Combining Balance Sheet**  
**Non-Major Capital Projects Funds**  
June 30, 2023  
(amounts expressed in thousands)

	Streets Construction	Fire and Police Construction	Parks Bond Construction	Development Impact Fees	Total Non- Major Capital Projects Funds
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 2,525	\$ 2,668	\$ -	\$ 58,674	\$ 63,867
Receivables, net of allowance for doubtful accounts:					
Accounts	64	-	-	-	64
Total assets	<u>2,589</u>	<u>2,668</u>	<u>-</u>	<u>58,674</u>	<u>63,931</u>
<b>LIABILITIES</b>					
Vouchers payable	641	577	34	62	1,314
Due to other funds	22	-	416	-	438
Unearned revenue	22	-	-	-	22
Total liabilities	<u>685</u>	<u>577</u>	<u>450</u>	<u>62</u>	<u>1,774</u>
<b>FUND BALANCES</b>					
Fund balances:					
Restricted	1,904	2,091	(450)	58,612	62,157
Total fund balances	<u>1,904</u>	<u>2,091</u>	<u>(450)</u>	<u>58,612</u>	<u>62,157</u>
Total liabilities and fund balances	<u>\$ 2,589</u>	<u>\$ 2,668</u>	<u>\$ -</u>	<u>\$ 58,674</u>	<u>\$ 63,931</u>

City of Glendale, Arizona  
**Combining Balance Sheet**  
**Non-Major Permanent Funds**  
 June 30, 2023  
 (amounts expressed in thousands)

	<u>Cemetery</u>
<b>ASSETS</b>	
Equity in pooled cash and investments	\$ 6,390
Receivables, net of allowance for doubtful accounts:	
Accounts	<u>106</u>
Total assets	<u><u>6,496</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows of Resources- unavailable revenue	106
<b>FUND BALANCES</b>	
Fund balances:	
Nonspendable	<u>6,390</u>
Total fund balances	<u><u>6,390</u></u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 6,496</u></u>

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City of Glendale, Arizona  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
Summary by Fund Type  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total Non-Major Governmental Funds
<b>REVENUES</b>					
Taxes and special assessments	\$ -	\$ 21,878	\$ -	\$ -	\$ 21,878
Licenses and permits	998	-	15,825	-	16,823
Intergovernmental	45,235	-	137	-	45,372
Local	9	-	-	-	9
Charges for services	1,253	-	-	-	1,253
Fines and forfeitures	324	-	-	-	324
Investment income (loss)	93	336	1,982	259	2,670
Miscellaneous	504	-	268	-	772
Total revenues	<u>48,416</u>	<u>22,214</u>	<u>18,212</u>	<u>259</u>	<u>89,101</u>
<b>EXPENDITURES</b>					
Current:					
General Government	954	18	-	-	972
Public Safety	4,689	-	255	-	4,944
Public Works	1,968	-	-	-	1,968
Community Services	20,291	-	156	-	20,447
Street Maintenance	15,356	-	2,685	-	18,041
Debt service:					
Principal	-	35,750	-	-	35,750
Interest	-	20,718	-	-	20,718
Capital outlay	3,717	-	20,915	-	24,632
Total expenditures	<u>46,975</u>	<u>56,486</u>	<u>24,011</u>	<u>-</u>	<u>127,472</u>
Excess (deficiency) of revenues over expenditures	<u>1,441</u>	<u>(34,272)</u>	<u>(5,799)</u>	<u>259</u>	<u>(38,371)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from equipment disposal	77	-	-	-	77
Transfer in	13,889	34,357	12,936	-	61,182
Transfer out	(4,142)	-	(12,604)	-	(16,746)
Total other financing sources (uses)	<u>9,824</u>	<u>34,357</u>	<u>332</u>	<u>-</u>	<u>44,513</u>
Net change in fund balances	11,265	85	(5,467)	259	6,142
Fund balances - beginning	21,250	3,251	67,624	6,131	98,256
Fund balances - ending	<u>\$ 32,515</u>	<u>\$ 3,336</u>	<u>\$ 62,157</u>	<u>\$ 6,390</u>	<u>\$ 104,398</u>

City of Glendale, Arizona

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**Non-Major Special Revenue Funds**

For the Year Ended June 30, 2023

(amounts expressed in thousands)

	Community Development Block Grants	Highway User Revenue	Other Special Revenue	Total Non-Major Special Revenue Funds
<b>REVENUES</b>				
Licenses and permits	\$ -	\$ 989	\$ 9	\$ 998
Intergovernmental	5,653	18,626	20,956	45,235
Local	-	-	9	9
Charges for services	130	224	899	1,253
Fines and forfeitures	-	73	251	324
Investment income (loss)	-	-	93	93
Miscellaneous	192	2	310	504
Total revenues	<u>5,975</u>	<u>19,914</u>	<u>22,527</u>	<u>48,416</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	954	954
Public Safety	-	-	4,689	4,689
Public Works	-	-	1,968	1,968
Community Services	5,946	-	14,345	20,291
Street Maintenance	-	15,356	-	15,356
Capital outlay	9	499	3,209	3,717
Total expenditures	<u>5,955</u>	<u>15,855</u>	<u>25,165</u>	<u>46,975</u>
Excess (deficiency) of revenues over expenditures	<u>20</u>	<u>4,059</u>	<u>(2,638)</u>	<u>1,441</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from equipment disposal	-	20	57	77
Transfer in	-	10,507	3,382	13,889
Transfer out	-	(4,142)	-	(4,142)
Total other financing sources (uses)	<u>-</u>	<u>6,385</u>	<u>3,439</u>	<u>9,824</u>
Net change in fund balances	20	10,444	801	11,265
Fund balances - beginning	1,466	13,694	6,090	21,250
Fund balances - ending	<u>\$ 1,486</u>	<u>\$ 24,138</u>	<u>\$ 6,891</u>	<u>\$ 32,515</u>

City of Glendale, Arizona  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Debt Service Funds**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	General Obligation	Highway User	Transportation	Excise Tax Revenue	Certificates of Participation	Total Non-Major Debt Service Funds
<b>REVENUES</b>						
Taxes and special assessments	\$ 21,878	\$ -	\$ -	\$ -	\$ -	\$ 21,878
Investment income (loss)	-	-	-	329	7	336
Total revenues	<u>21,878</u>	<u>-</u>	<u>-</u>	<u>329</u>	<u>7</u>	<u>22,214</u>
<b>EXPENDITURES</b>						
Current:						
General Government	8	-	3	6	1	18
Debt service:						
Principal	17,870	-	4,310	13,570	-	35,750
Interest	4,255	-	2,384	8,417	5,662	20,718
Total expenditures	<u>22,133</u>	<u>-</u>	<u>6,697</u>	<u>21,993</u>	<u>5,663</u>	<u>56,486</u>
Excess (deficiency) of revenues over expenditures	<u>(255)</u>	<u>-</u>	<u>(6,697)</u>	<u>(21,664)</u>	<u>(5,656)</u>	<u>(34,272)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer in	-	-	6,704	21,987	5,666	34,357
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>6,704</u>	<u>21,987</u>	<u>5,666</u>	<u>34,357</u>
Net change in fund balances	(255)	-	7	323	10	85
Fund balances - beginning	1,820	43	867	320	201	3,251
Fund balances - ending	<u>\$ 1,565</u>	<u>\$ 43</u>	<u>\$ 874</u>	<u>\$ 643</u>	<u>\$ 211</u>	<u>\$ 3,336</u>

City of Glendale, Arizona  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Capital Projects Funds**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Streets Construction	Fire and Police Construction	Parks Bond Construction	Development Impact Fees	Total Non-Major Capital Projects Funds
<b>REVENUES</b>					
Licenses and permits	\$ -	\$ -	\$ -	\$ 15,825	\$ 15,825
Intergovernmental	137	-	-	-	137
Investment income (loss)	-	-	-	1,982	1,982
Miscellaneous	93	-	175	-	268
Total revenues	<u>230</u>	<u>-</u>	<u>175</u>	<u>17,807</u>	<u>18,212</u>
<b>EXPENDITURES</b>					
Current:					
Public Safety	-	255	-	-	255
Community Services	-	-	105	51	156
Street Maintenance	2,654	-	-	31	2,685
Capital outlay	10,343	4,090	3,897	2,585	20,915
Total expenditures	<u>12,997</u>	<u>4,345</u>	<u>4,002</u>	<u>2,667</u>	<u>24,011</u>
Excess (deficiency) of revenues over expenditures	<u>(12,767)</u>	<u>(4,345)</u>	<u>(3,827)</u>	<u>15,140</u>	<u>(5,799)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	12,936	-	-	-	12,936
Transfer out	(12,552)	(34)	(18)	-	(12,604)
Total other financing sources (uses)	<u>384</u>	<u>(34)</u>	<u>(18)</u>	<u>-</u>	<u>332</u>
Net change in fund balances	(12,383)	(4,379)	(3,845)	15,140	(5,467)
Fund balances - beginning	14,287	6,470	3,395	43,472	67,624
Fund balances - ending	<u>\$ 1,904</u>	<u>\$ 2,091</u>	<u>\$ (450)</u>	<u>\$ 58,612</u>	<u>\$ 62,157</u>

City of Glendale, Arizona

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**Non-Major Permanent Funds**

For the Year Ended June 30, 2023

(amounts expressed in thousands)

	<u>Cemetery</u>
<b>REVENUES</b>	
Investment income (loss)	\$ 259
Total revenues	<u>259</u>
Net change in fund balances	259
Fund balances - beginning	<u>6,131</u>
Fund balances - ending	<u>\$ 6,390</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Police and Fire Sales Tax Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Taxes	\$ 37,845	\$ 37,845	\$ 44,513	\$ 6,668
Amounts available for appropriation	<u>37,845</u>	<u>37,845</u>	<u>44,513</u>	<u>6,668</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from equipment disposal	-	-	14	14
Transfer out	<u>(40,845)</u>	<u>(40,845)</u>	<u>(40,845)</u>	<u>-</u>
Total other financing sources (uses)	<u>(40,845)</u>	<u>(40,845)</u>	<u>(40,831)</u>	<u>14</u>
Budgetary fund balance, July 1	16,620	16,620	19,686	3,066
Budgetary fund balances, June 30	<u>\$ 13,620</u>	<u>\$ 13,620</u>	<u>\$ 23,368</u>	<u>\$ 9,748</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule.	23,368
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(19,686)
Proceeds from disposal of assets.	(14)
Add: Transfers out.	40,845
Total revenues of the police and fire sales tax fund included in the general fund	<u>\$ 44,513</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	-
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund	
balances - governmental funds.	<u>\$ -</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Community Development Block Grants Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Intergovernmental	\$ 15,073	\$ 15,073	\$ 5,653	\$ (9,420)
Miscellaneous	142	142	192	50
Amounts available for appropriation	<u>15,215</u>	<u>15,215</u>	<u>5,845</u>	<u>(9,370)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Community Services	9,768	9,768	5,814	3,954
Street Maintenance	4,364	4,364	-	4,364
Capital outlay:				
Capital outlay	-	-	9	(9)
Total capital outlay	<u>-</u>	<u>-</u>	<u>9</u>	<u>(9)</u>
Total charges to appropriations	<u>14,132</u>	<u>14,132</u>	<u>5,823</u>	<u>8,309</u>
Budgetary fund balance, July 1	1,678	1,678	1,468	(210)
Budgetary fund balances, June 30	<u>\$ 2,761</u>	<u>\$ 2,761</u>	<u>\$ 1,490</u>	<u>\$ (1,271)</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	7,313
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(1,468)
Subscription revenue reported on a GAAP basis.	130
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 5,975</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	5,823
Differences - budget to GAAP:	
Salaries payable.	2
Subscription based internet technology arrangement.	130
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 5,955</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Highway User Revenue**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Licenses and permits	\$ 288	\$ 288	\$ 989	\$ 701
Intergovernmental	18,940	18,940	18,626	(314)
Charges for services	-	-	224	224
Fines and forfeitures	-	-	73	73
Miscellaneous	-	-	2	2
Amounts available for appropriation	<u>19,228</u>	<u>19,228</u>	<u>19,914</u>	<u>686</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Street Maintenance	16,370	16,370	15,350	1,020
Capital outlay:				
Contingency	1,500	1,500	-	1,500
Capital outlay	394	394	499	(105)
Total capital outlay	<u>1,894</u>	<u>1,894</u>	<u>499</u>	<u>1,395</u>
Total charges to appropriations	<u>18,264</u>	<u>18,264</u>	<u>15,849</u>	<u>2,415</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from equipment disposal	-	-	20	20
Transfer in	-	-	10,507	10,507
Transfer out	(6,139)	(6,139)	(4,142)	1,997
Total other financing sources (uses)	<u>(6,139)</u>	<u>(6,139)</u>	<u>6,385</u>	<u>12,524</u>
Budgetary fund balance, July 1	18,614	18,614	13,777	(4,837)
Budgetary fund balances, June 30	<u>\$ 13,439</u>	<u>\$ 13,439</u>	<u>\$ 24,227</u>	<u>\$ 10,788</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	40,076
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(13,777)
Proceeds from disposal of assets.	(20)
Less: Transfers in.	(10,507)
Add: Transfers out.	4,142
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 19,914</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	15,849
Differences - budget to GAAP:	
Salaries payable.	6
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 15,855</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Other Special Revenue**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Licenses and permits	\$ 6	\$ 6	\$ 9	\$ 3
Intergovernmental	12,299	12,299	20,949	8,650
Local	50	50	32	(18)
Charges for services	608	608	771	163
Fines and forfeitures	246	246	251	5
Investment income (loss)	5	5	93	88
Miscellaneous	70,674	70,674	175	(70,499)
Amounts available for appropriation	<u>83,888</u>	<u>83,888</u>	<u>22,280</u>	<u>(61,608)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
General Government	2,406	2,773	949	1,824
Public Safety	10,336	12,568	4,503	8,065
Public Works	1,830	1,830	1,970	(140)
Community Services	13,470	16,428	14,346	2,082
Street Maintenance	1,405	6,233	-	6,233
Contingency	60,259	32,730	-	32,730
Capital outlay	11,711	13,266	3,157	10,109
Total charges to appropriations	<u>101,417</u>	<u>85,828</u>	<u>24,925</u>	<u>60,903</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from equipment disposal	-	-	5	5
Transfer in	3,486	3,486	3,382	(104)
Transfer out	(29,265)	(29,265)	-	29,265
Total other financing sources (uses)	<u>(25,779)</u>	<u>(25,779)</u>	<u>3,387</u>	<u>29,166</u>
Budgetary fund balance, July 1	63,310	63,310	5,412	(57,898)
Budgetary fund balances, June 30	<u>\$ 20,002</u>	<u>\$ 35,591</u>	<u>\$ 6,154</u>	<u>\$ (29,437)</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	31,079
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(5,412)
Interest earned on leases not available for appropriation	120
Lease revenue reported on a GAAP basis.	(71)
Subscription revenue reported on a GAAP basis.	198
Proceeds from disposal of assets.	(5)
Less: Transfers in.	(3,382)
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 22,527</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	24,925
Differences - budget to GAAP:	
Salaries payable.	(11)
Trade in value of vehicle.	52
Subscription based internet technology arrangement.	199
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 25,165</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**General Obligation Debt Service Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Taxes	\$ 21,838	\$ 21,838	\$ 21,878	\$ 40
Amounts available for appropriation	<u>21,838</u>	<u>21,838</u>	<u>21,878</u>	<u>40</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
General Government	325	325	8	317
Debt service:				
Principal	17,870	17,870	17,870	-
Interest	4,255	4,255	4,255	-
Total charges to appropriations	<u>22,450</u>	<u>22,450</u>	<u>22,133</u>	<u>317</u>
Budgetary fund balance, July 1	1,328	1,328	1,820	492
Budgetary fund balances, June 30	<u>\$ 716</u>	<u>\$ 716</u>	<u>\$ 1,565</u>	<u>\$ 849</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	23,698
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	<u>(1,820)</u>
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 21,878</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	<u>22,133</u>
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 22,133</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Highway User Debt Service Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
TOTAL	\$ -	\$ -	\$ -	\$ -
Budgetary fund balance, July 1	43	43	43	-
Budgetary fund balances, June 30	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ 43</u>	<u>\$ -</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule. 43

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes. (43)

Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ -

**Uses/outflows of resources:**

Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ -

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Transportation Debt Service Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
General Government	\$ 10	\$ 10	\$ 3	\$ 7
Debt service:				
Principal	4,310	4,310	4,310	-
Interest	2,384	2,384	2,384	-
Total charges to appropriations	<u>6,704</u>	<u>6,704</u>	<u>6,697</u>	<u>7</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	6,704	6,704	6,704	-
Total other financing sources (uses)	<u>6,704</u>	<u>6,704</u>	<u>6,704</u>	<u>-</u>
Budgetary fund balance, July 1	933	933	867	(66)
Budgetary fund balances, June 30	<u>\$ 933</u>	<u>\$ 933</u>	<u>\$ 874</u>	<u>\$ (59)</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	7,571
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(867)
Less: Transfers in.	<u>(6,704)</u>
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ -</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	<u>6,697</u>
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 6,697</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Excise Tax Revenue Debt Service Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Investment income (loss)	\$ -	\$ -	\$ 329	\$ 329
Amounts available for appropriation	-	-	329	329
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
General Government	17	17	6	11
Debt service:				
Principal	13,570	13,570	13,570	-
Interest	8,417	8,417	8,417	-
Total charges to appropriations	22,004	22,004	21,993	11
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	21,987	21,987	21,987	-
Total other financing sources (uses)	21,987	21,987	21,987	-
Budgetary fund balance, July 1	2,608	2,608	320	(2,288)
Budgetary fund balances, June 30	\$ 2,591	\$ 2,591	\$ 643	\$ (1,948)

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	22,636
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(320)
Less: Transfers in.	(21,987)
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 329</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	21,993
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 21,993</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Certificates of Participation Debt Service Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Investment income (loss)	\$ -	\$ -	\$ 7	\$ 7
Amounts available for appropriation	-	-	7	7
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
General Government	5	5	1	4
Debt service:				
Interest	5,662	5,662	5,662	-
Total charges to appropriations	5,667	5,667	5,663	4
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	5,666	5,666	5,666	-
Total other financing sources (uses)	5,666	5,666	5,666	-
Budgetary fund balance, July 1	674	674	201	(473)
Budgetary fund balances, June 30	<u>\$ 673</u>	<u>\$ 673</u>	<u>\$ 211</u>	<u>\$ (462)</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	5,874
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(201)
Less: Transfers in.	(5,666)

Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ 7

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	5,663
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 5,663</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Streets Construction Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Intergovernmental	\$ -	\$ -	\$ 137	\$ 137
Miscellaneous	-	-	93	93
Amounts available for appropriation	-	-	230	230
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Street Maintenance	510	480	2,654	(2,174)
Capital outlay	34,989	35,112	10,343	24,769
Total charges to appropriations	35,499	35,592	12,997	22,595
<b>OTHER FINANCING SOURCES (USES)</b>				
Long term debt issued	348	348	-	(348)
Transfer in	28,052	28,052	12,936	(15,116)
Transfer out	(139)	(217)	(12,552)	(12,335)
Total other financing sources (uses)	28,261	28,183	384	(27,799)
Budgetary fund balance, July 1	3,193	3,193	14,225	11,032
Budgetary fund balances, June 30	<u>\$ (4,045)</u>	<u>\$ (4,216)</u>	<u>\$ 1,842</u>	<u>\$ 6,058</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	14,839
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(14,225)
Less: Transfers in.	(12,936)
Add: Transfers out.	12,552
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 230</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	12,997
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 12,997</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Fire and Police Construction Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Public Safety	\$ 191	\$ 191	\$ 255	\$ (64)
Contingency	412	412	-	412
Capital outlay	19,264	19,264	4,090	15,174
Total charges to appropriations	<u>19,867</u>	<u>19,867</u>	<u>4,345</u>	<u>15,522</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long term debt issued	13,260	13,260	-	(13,260)
Transfer out	(61)	(61)	(34)	27
Total other financing sources (uses)	<u>13,199</u>	<u>13,199</u>	<u>(34)</u>	<u>(13,233)</u>
Budgetary fund balance, July 1	6,668	6,668	6,470	(198)
Budgetary fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,091</u>	<u>\$ 2,091</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	6,436
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(6,470)
Add: Transfers out.	34
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ -</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	4,345
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 4,345</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Parks Bond Construction Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Community Services	\$ -	\$ -	\$ 105	\$ (105)
Capital outlay	7,759	8,841	3,722	5,119
Total charges to appropriations	<u>7,759</u>	<u>8,841</u>	<u>3,827</u>	<u>5,014</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long term debt issued	3,930	3,930	-	(3,930)
Transfer out	(3)	(3)	(18)	(15)
Total other financing sources (uses)	<u>3,927</u>	<u>3,927</u>	<u>(18)</u>	<u>(3,945)</u>
Budgetary fund balance, July 1	3,266	3,266	3,395	129
Budgetary fund balances, June 30	<u>\$ (566)</u>	<u>\$ (1,648)</u>	<u>\$ (450)</u>	<u>\$ 1,198</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	3,377
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(3,395)
Donations.	175
Add: Transfers out.	18
Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 175</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	3,827
Differences - budget to GAAP:	
Noncash exchange for capital outlay.	175
Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 4,002</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Development Impact Fees Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Licenses and permits	\$ 14,715	\$ 14,715	\$ 15,825	\$ 1,110
Investment income (loss)	426	426	1,982	1,556
Amounts available for appropriation	<u>15,141</u>	<u>15,141</u>	<u>17,807</u>	<u>2,666</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Community Services	-	51	51	-
Street Maintenance	25	118	31	87
Contingency	52,794	50,785	-	50,785
Capital outlay	4,908	7,725	2,585	5,140
Total charges to appropriations	<u>57,727</u>	<u>58,679</u>	<u>2,667</u>	<u>56,012</u>
Budgetary fund balance, July 1	42,585	42,583	43,472	889
Budgetary fund balances, June 30	<u>\$ (1)</u>	<u>\$ (955)</u>	<u>\$ 58,612</u>	<u>\$ 59,567</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule. 61,279

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes. (43,472)

Total revenues as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ 17,807

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule. 2,667

Total expenditures as reported in the combining statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ 2,667

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Cemetery Perpetual Care Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Investment income (loss)	\$ 26	\$ 26	\$ 259	\$ 233
Amounts available for appropriation	26	26	259	233
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Current:				
Contingency	6,174	6,174	-	6,174
Total charges to appropriations	6,174	6,174	-	6,174
Budgetary fund balance, July 1	6,148	6,148	6,131	(17)
Budgetary fund balances, June 30	\$ -	\$ -	\$ 6,390	\$ 6,390

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenditures**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule. 6,390

**Differences - budget to GAAP:**

The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes. (6,131)

Total revenues as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ 259

**Uses/outflows of resources:**

Total expenditures as reported in the statement of revenues, expenditures, and changes in fund balances - governmental funds. \$ -

## **NON-MAJOR PROPRIETARY FUNDS – BUSINESS-TYPE ACTIVITIES**

Proprietary funds are used to account for City operations that are run like a business. These funds are responsible for providing enough operational revenue to cover all expenses.

### **Solid Waste**

This fund accounts for the City's trash collection services including curb, roll-off, bulk, and front-load services to individuals and businesses. Revenues collected are used to keep the City clean.

### **Housing**

This fund accounts for operations to provide affordable housing to those who cannot afford it in the private market. This is done through administration of Federal Section 8 Housing Choice and Conventional Public Housing programs.

City of Glendale, Arizona  
**Combining Statement of Net Position**  
**Non-Major Proprietary Fund-Business Type Activities**  
June 30, 2023  
(amounts expressed in thousands)

	Solid Waste	Housing	Total Non-Major Enterprise Funds
<b>ASSETS</b>			
Current assets:			
Equity in pooled cash and investments	\$ 246	\$ 2,852	\$ 3,098
Receivables:			
Accounts receivable	3,676	13	3,689
Allowance for uncollectibles	(659)	-	(659)
Intergovernmental	-	245	245
Inventories and prepaid items	-	48	48
Total current assets	<u>3,263</u>	<u>3,158</u>	<u>6,421</u>
Noncurrent assets:			
OPEB assets	222	58	280
Capital assets:			
Capital assets	25,099	16,364	41,463
Accumulated depreciation	(12,474)	(11,953)	(24,427)
Capital assets, net	<u>12,625</u>	<u>4,411</u>	<u>17,036</u>
Total noncurrent assets	<u>12,847</u>	<u>4,469</u>	<u>17,316</u>
Total assets	<u>16,110</u>	<u>7,627</u>	<u>23,737</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Amounts related to pensions and OPEB	1,019	317	1,336
Total deferred outflows of resources	<u>1,019</u>	<u>317</u>	<u>1,336</u>
<b>LIABILITIES</b>			
Current liabilities:			
Vouchers payable	272	159	431
Compensated absences	312	20	332
Unearned revenue	-	11	11
Due to other funds	-	9	9
Intergovernmental payable	2	-	2
Deposits	102	57	159
Subscription - due within one year	208	-	208
Total current liabilities	<u>896</u>	<u>256</u>	<u>1,152</u>
Noncurrent liabilities:			
Compensated absences	238	180	418
Net pension & OPEB liabilities	6,340	1,948	8,288
Other long term debt	654	48	702
Total noncurrent liabilities	<u>7,232</u>	<u>2,176</u>	<u>9,408</u>
Total liabilities	<u>8,128</u>	<u>2,432</u>	<u>10,560</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Amounts related to pensions and OPEB	434	152	586
Total deferred inflows of resources	<u>434</u>	<u>152</u>	<u>586</u>
<b>NET POSITION</b>			
Net investment in capital assets	12,625	4,411	17,036
Restricted for:			
OPEB benefits	222	58	280
Unrestricted	(4,280)	891	(3,389)
Total net position	<u>\$ 8,567</u>	<u>\$ 5,360</u>	<u>\$ 13,927</u>

City of Glendale, Arizona

**Combining Statement of Revenues, Expenses, and Changes in Net Position**

**Non-Major Proprietary Fund-Business Type Activities**

For the Year Ended June 30, 2023

(amounts expressed in thousands)

	Solid Waste	Housing	Total Non-Major Enterprise Funds
<b>Operating Revenues</b>			
Intergovernmental	\$ -	\$ 13,249	\$ 13,249
Container service	6,396	-	6,396
Curb service	19,073	-	19,073
Miscellaneous	39	1	40
Other fees	1	2,997	2,998
Total operating revenues	<u>25,509</u>	<u>16,247</u>	<u>41,756</u>
<b>Operating Expenses</b>			
Housing	-	16,520	16,520
Solid Waste	19,733	-	19,733
Administrative and general	25	-	25
Amortization and depreciation	2,224	272	2,496
Total operating expenses	<u>21,982</u>	<u>16,792</u>	<u>38,774</u>
Operating income (loss)	<u>3,527</u>	<u>(545)</u>	<u>2,982</u>
<b>Nonoperating Revenues (Expenses)</b>			
Investment income	-	38	38
Interest expense	(25)	-	(25)
Gain/(loss) on disposal of assets	56	-	56
Total nonoperating revenues (expenses)	<u>31</u>	<u>38</u>	<u>69</u>
Income (loss) before contributions and transfers	3,558	(507)	3,051
Capital contributions	-	692	692
Transfer in	210	453	663
Change in net position	<u>3,768</u>	<u>638</u>	<u>4,406</u>
Total net position - beginning	4,799	4,722	9,521
Total net position - ending	<u>\$ 8,567</u>	<u>\$ 5,360</u>	<u>\$ 13,927</u>

**City of Glendale, Arizona**  
Combining Statement of Cash Flows  
Non-Major Proprietary Funds - Business-Type Activities  
For the Year June 30, 2023  
(amounts expressed in thousands)

	Solid Waste	Housing	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 24,924	\$ 15,992	\$ 40,916
Cash received from federal operating grants	-	-	-
Cash paid to internal city departments	(11,534)	-	(11,534)
Cash paid to external vendors	(906)	(16,487)	(17,393)
Cash paid to employees for services	(7,187)	116	(7,071)
Net cash provided (used) by operating activities	<u>5,297</u>	<u>(379)</u>	<u>4,918</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	210	453	663
Advances to/due from other funds	(1,564)	-	(1,564)
Net cash provided (used) by noncapital financing activities	<u>(1,354)</u>	<u>453</u>	<u>(901)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Proceeds from sale of capital assets	-	-	-
Interest payments on obligations	(25)	-	(25)
Acquisition of capital assets and rights	(3,687)	23	(3,664)
Net cash provided (used) by capital and related financing activities	<u>(3,712)</u>	<u>23</u>	<u>(3,689)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received from investments	-	38	38
Net cash provided (used) by investing activities	<u>-</u>	<u>38</u>	<u>38</u>
Net increase (decrease) in cash and cash equivalents	<u>231</u>	<u>135</u>	<u>366</u>
Balances - beginning of year	<u>15</u>	<u>2,717</u>	<u>2,732</u>
Balances - end of year	<u>\$ 246</u>	<u>\$ 2,852</u>	<u>\$ 3,098</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating Income (Loss)	\$ 3,527	\$ (545)	\$ 2,982
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Amortization and depreciation	2,224	272	2,496
Changes in assets and liabilities:			
Accounts receivable	(596)	(5)	(601)
Intergovernmental receivable	-	(126)	(126)
Net OPEB asset	(27)	(6)	(33)
Net pension and OPEB liability	1,194	300	1,494
Deferred outflows related to pensions and OPEB	401	102	503
Deferred inflows related to pensions and OPEB	(1,485)	(374)	(1,859)
Inventories and prepaid items	-	(33)	(33)
Vouchers and accounts payable	(13)	69	56
Intergovernmental payable	(1)	(62)	(63)
Deposits	11	6	17
Compensated absences	62	20	82
Unearned revenue	-	3	3
Other long term liabilities	-	-	-
Net cash provided (used) by operating activities	<u>\$ 5,297</u>	<u>\$ (379)</u>	<u>\$ 4,918</u>
<b>Noncash investing, capital and financing activities</b>			
Change in subscription based information technology arrangements payable	\$ 862	\$ 26	\$ 888

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Water and Sewer Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Metered water sales	\$ 63,902	\$ 63,902	\$ 59,231	\$ (4,671)
Sewer service charges	42,728	42,728	42,768	40
Charges for services	82	82	82	-
Miscellaneous	6,750	6,750	1,592	(5,158)
Other fees	2,894	2,894	4,496	1,602
Long term debt issued	26,000	26,000	-	(26,000)
Amounts available for appropriation	<u>142,356</u>	<u>142,356</u>	<u>108,169</u>	<u>(34,187)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Contingency	2,000	927	-	927
Water	39,057	41,235	41,289	(54)
Sewer	20,688	20,318	19,397	921
Administrative and general	11,673	11,644	11,249	395
Total charges to appropriations	<u>73,418</u>	<u>74,124</u>	<u>71,935</u>	<u>2,189</u>
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Impact fees	3,247	3,247	3,348	101
Investment income	297	297	2,480	2,183
Principal	(18,595)	(18,595)	(18,595)	-
Interest expense	(7,495)	(7,495)	(7,495)	-
Gain/(loss) on disposal of assets	-	-	4	4
Capital Outlay	(75,451)	(74,747)	(34,041)	40,706
Total nonoperating revenues (expenses)	<u>(97,997)</u>	<u>(97,293)</u>	<u>(54,299)</u>	<u>42,994</u>
Transfer in	817	817	817	-
Transfer out	(274)	(274)	(226)	48
Budgetary fund balance, July 1	61,930	61,930	62,861	931
Budgetary fund balances, June 30	<u>\$ 33,414</u>	<u>\$ 33,412</u>	<u>\$ 45,387</u>	<u>\$ 11,975</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Water and Sewer Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses</b>				
<b>Sources/inflows of resources:</b>				
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.			177,453	
Differences - budget to GAAP:				
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.			(62,861)	
Revenues offset directly by bad debt expense on budgetary basis.			81	
Capital contributed.			3,375	
Proceeds from equipment disposals.			(4)	
Gain on disposal of assets.			8	
Gain on Joint Venture.			1,446	
Internal staff and administrative charges reported as revenue only on budgetary basis.			(82)	
Lease income.			19	
Less: Transfers in.			(817)	
Add: Transfers out.			226	
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.			<u>\$ 118,844</u>	
<b>Uses/outflows of resources:</b>				
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.			132,066	
Differences - budget to GAAP:				
Bad debt expense.			81	
Capital outlay expenditure.			(34,041)	
Other non-capital expenditure.			(288)	
Accrued payroll expense.			418	
Amortization and depreciation expense.			32,584	
Subscription based internet technology arrangement.			(198)	
Principal payments on long-term obligations.			(18,595)	
Pension expense.			498	
OPEB expense.			(224)	
Interest expense.			(4,067)	
Indirect cost allocation.			(82)	
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.			<u>\$ 108,152</u>	

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Landfill Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Landfill user fees	\$ 13,246	\$ 13,246	\$ 13,170	\$ (76)
Charges for services	442	442	431	(11)
Miscellaneous	57	57	22	(35)
Recycling sales	-	-	53	53
Amounts available for appropriation	<u>13,745</u>	<u>13,745</u>	<u>13,676</u>	<u>(69)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Contingency	500	500	-	500
Landfill	10,744	10,744	9,542	1,202
Administrative and general	40	40	2	38
Total charges to appropriations	<u>11,284</u>	<u>11,284</u>	<u>9,544</u>	<u>1,740</u>
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Investment income	87	87	526	439
Interest expense	(446)	(446)	(446)	-
Gain/(loss) on disposal of assets	-	-	40	40
Capital Outlay	(16,504)	(16,504)	(7,942)	8,562
Total nonoperating revenues (expenses)	<u>(16,863)</u>	<u>(16,863)</u>	<u>(7,822)</u>	<u>9,041</u>
Transfer in	1,102	1,102	1,102	-
Transfer out	(26)	(26)	(44)	(18)
Budgetary fund balance, July 1	8,263	8,263	13,043	4,780
Budgetary fund balances, June 30	<u>\$ (5,063)</u>	<u>\$ (5,063)</u>	<u>\$ 10,411</u>	<u>\$ 15,474</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Landfill Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses</b>				
<b>Sources/inflows of resources:</b>				
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.			28,343	
Differences - budget to GAAP:				
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.			(13,043)	
Internal staff and administrative charges reported as revenue only on budgetary basis.			(431)	
Revenues offset directly by bad debt expense on budgetary basis.			3	
Less: Transfers in.			(1,102)	
Add: Transfers out.			44	
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.			<u>\$ 13,814</u>	
<b>Uses/outflows of resources:</b>				
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.			17,932	
Differences - budget to GAAP:				
Bad debt expense.			3	
Capital outlay expenditures.			(7,942)	
Accrued payroll expense.			23	
Landfill post-closure expense.			940	
Amortization and depreciation expense.			2,298	
Subscription based internet technology arrangement.			(78)	
Principal payments on long-term obligations.			(270)	
Interest expense.			(103)	
Aggregated capital outlay expenditures			(475)	
Pension expense.			84	
OPEB expense.			(35)	
Internal staff and administrative charges reported as revenue only on budgetary basis.			(431)	
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.			<u>\$ 11,946</u>	

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Solid Waste Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Container service	\$ 5,723	\$ 5,723	\$ 6,396	\$ 673
Curb service	18,273	18,273	19,032	759
Miscellaneous	306	306	39	(267)
Other fees	-	-	1	1
Amounts available for appropriation	<u>24,302</u>	<u>24,302</u>	<u>25,468</u>	<u>1,166</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Contingency	200	200	-	200
Solid Waste	20,065	20,065	20,097	(32)
Administrative and general	28	28	25	3
Total charges to appropriations	<u>20,293</u>	<u>20,293</u>	<u>20,122</u>	<u>171</u>
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Investment income	17	17	-	(17)
Gain/(loss) on disposal of assets	49	49	15	(34)
Capital Outlay	(4,579)	(4,579)	(3,179)	1,400
Total nonoperating revenues (expenses)	<u>(4,513)</u>	<u>(4,513)</u>	<u>(3,164)</u>	<u>1,349</u>
Transfer in	210	210	210	-
Budgetary fund balance, July 1	149	149	737	588
Budgetary fund balances, June 30	<u>\$ (145)</u>	<u>\$ (145)</u>	<u>\$ 3,129</u>	<u>\$ 3,274</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	26,430
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(737)
Revenues offset directly by bad debt expense on budgetary basis.	41
Proceeds from disposal of capital assets.	(15)
Gain on disposal of assets.	56
Less: Transfers in.	(210)
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 25,565</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	23,301
Differences - budget to GAAP:	
Bad debt expense.	41
Capital outlay.	(3,372)
Accrued payroll expense.	61
Depreciation expense.	2,025
Pension expense.	147
OPEB expense.	(65)
Subscription based internet technology arrangement.	(131)
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 22,007</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Housing Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Intergovernmental	\$ -	\$ -	\$ 13,249	\$ 13,249
Miscellaneous	-	-	1	1
Other fees	-	-	2,997	2,997
Amounts available for appropriation	-	-	16,247	16,247
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Housing	23	23	16,500	(16,477)
Total charges to appropriations	23	23	16,500	(16,477)
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Investment income	-	-	38	38
Capital Outlay	(430)	(430)	-	430
Total nonoperating revenues (expenses)	(430)	(430)	38	468
Capital contributions	-	-	692	692
Transfer in	453	453	453	-
Budgetary fund balance, July 1	805	805	6,957	6,152
Budgetary fund balances, June 30	<u>\$ 805</u>	<u>\$ 805</u>	<u>\$ 7,887</u>	<u>\$ 7,082</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	24,387
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(6,957)
Capital Contributions	(692)
Less: Transfers in.	(453)
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 16,285</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	16,500
Differences - budget to GAAP:	
Depreciation expense.	272
Pension expense.	29
OPEB expense.	(9)
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 16,792</u>

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City of Glendale, Arizona

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

# **INTERNAL SERVICE FUNDS**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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## INTERNAL SERVICE FUNDS

### **Risk Management Fund**

This fund accounts for potential torts, and loss and destruction of assets. The City's risk management fund purchases excess and commercial insurance.

### **Workers' Compensation Fund**

This fund accounts for work-related injuries to employees. The workers' compensation fund provides statutory coverage for each injured workers' compensation claim.

### **Employee Benefits Trust Fund**

This fund accounts for reserves to meet future cost increases for health-related insurance.

### **Fleet Services Fund**

This fund is used to track income and expenses of the internal services provided to city departments. The fund specifically covers vehicle maintenance needs and fuel purchased for city vehicles.

### **Technology Fund**

This fund accounts for the support all the city's computers and hardware and software needs, including both the everyday operations and the replacement of equipment.

City of Glendale, Arizona  
**Combining Statement of Net Position**  
**Non-Major Internal Service Funds**  
June 30, 2023  
(amounts expressed in thousands)

	Risk Management	Workers' Compensation	Employee Benefits	Fleet Services	Technology	Total Non- Major Internal Service Funds
<b>ASSETS</b>						
Current assets:						
Equity in pooled cash and investments	\$ 14,476	\$ 18,757	\$ 20,160	\$ 501	\$ 13,809	\$ 67,703
Receivables:						
Accounts receivable	-	-	82	7	-	89
Intergovernmental	-	-	-	27	-	27
Inventories and prepaid items	8	-	-	83	-	91
Total current assets	<u>14,484</u>	<u>18,757</u>	<u>20,242</u>	<u>618</u>	<u>13,809</u>	<u>67,910</u>
Noncurrent assets:						
Restricted deposits	-	150	1,425	-	-	1,575
OPEB assets	9	8	-	95	139	251
Capital assets:						
Capital assets	616	-	-	758	17,577	18,951
Accumulated depreciation	(123)	-	-	(588)	(7,334)	(8,045)
Capital assets, net	<u>493</u>	<u>-</u>	<u>-</u>	<u>170</u>	<u>10,243</u>	<u>10,906</u>
Total noncurrent assets	<u>502</u>	<u>158</u>	<u>1,425</u>	<u>265</u>	<u>10,382</u>	<u>12,732</u>
Total assets	<u>14,986</u>	<u>18,915</u>	<u>21,667</u>	<u>883</u>	<u>24,191</u>	<u>80,642</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Amounts related to pensions and OPEB	57	19	-	923	777	1,776
Total deferred outflows of resources	<u>57</u>	<u>19</u>	<u>-</u>	<u>923</u>	<u>777</u>	<u>1,776</u>
<b>LIABILITIES</b>						
Current liabilities:						
Vouchers payable	28	83	2,148	424	420	3,103
Compensated absences	35	47	-	222	407	711
Estimated claims payable	7,085	15,243	7,541	-	-	29,869
Interest payable	11	-	-	-	61	72
Subscription - due within one year	117	-	-	82	2,611	2,810
Total current liabilities	<u>7,276</u>	<u>15,373</u>	<u>9,689</u>	<u>728</u>	<u>3,499</u>	<u>36,565</u>
Noncurrent liabilities:						
Compensated absences	36	68	-	269	383	756
Net pension & OPEB liabilities	79	52	-	2,998	917	4,046
Other long term debt	372	-	-	56	2,071	2,499
Total noncurrent liabilities	<u>487</u>	<u>120</u>	<u>-</u>	<u>3,323</u>	<u>3,371</u>	<u>7,301</u>
Total liabilities	<u>7,763</u>	<u>15,493</u>	<u>9,689</u>	<u>4,051</u>	<u>6,870</u>	<u>43,866</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Amounts related to pensions and OPEB	3	(33)	-	689	70	729
Total deferred inflows of resources	<u>3</u>	<u>(33)</u>	<u>-</u>	<u>689</u>	<u>70</u>	<u>729</u>
<b>NET POSITION</b>						
Net investment in capital assets	493	-	-	170	10,243	10,906
Restricted for:						
OPEB benefits	9	8	-	95	139	251
Unrestricted	6,775	3,466	11,978	(3,199)	7,646	26,666
Total net position	<u>\$ 7,277</u>	<u>\$ 3,474</u>	<u>\$ 11,978</u>	<u>\$ (2,934)</u>	<u>\$ 18,028</u>	<u>\$ 37,823</u>

City of Glendale, Arizona  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Non-Major Internal Service Funds**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Risk Management	Workers' Compensation	Employee Benefits	Fleet Services	Technology	Total Internal Service Funds
<b>OPERATING REVENUES</b>						
Self insurance premium	\$ 11,514	\$ 11,292	\$ 38,524	\$ -	\$ -	\$ 61,330
Charges for services	-	-	-	12,537	16,642	29,179
Miscellaneous	344	-	19	-	-	363
Other fees	-	-	-	-	9	9
Total operating revenues	<u>11,858</u>	<u>11,292</u>	<u>38,543</u>	<u>12,537</u>	<u>16,651</u>	<u>90,881</u>
<b>OPERATING EXPENSES</b>						
Administrative and general	4,086	1,041	200	12,562	11,129	29,018
Insurance claims and premiums	1,290	7,960	32,676	-	-	41,926
Amortization and depreciation	123	-	-	87	3,107	3,317
Total operating expenses	<u>5,499</u>	<u>9,001</u>	<u>32,876</u>	<u>12,649</u>	<u>14,236</u>	<u>74,261</u>
Operating income (loss)	<u>6,359</u>	<u>2,291</u>	<u>5,667</u>	<u>(112)</u>	<u>2,415</u>	<u>16,620</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment income	475	664	565	-	304	2,008
Interest expense	(11)	-	-	(4)	(97)	(112)
Gain/(loss) on disposal of assets	-	-	-	-	1	1
Total nonoperating revenues (expenses)	<u>464</u>	<u>664</u>	<u>565</u>	<u>(4)</u>	<u>208</u>	<u>1,897</u>
Change in net position	<u>6,823</u>	<u>2,955</u>	<u>6,232</u>	<u>(116)</u>	<u>2,623</u>	<u>18,517</u>
Total net position - beginning	<u>454</u>	<u>519</u>	<u>5,746</u>	<u>(2,818)</u>	<u>15,405</u>	<u>19,306</u>
Total net position - ending	<u>\$ 7,277</u>	<u>\$ 3,474</u>	<u>\$ 11,978</u>	<u>\$ (2,934)</u>	<u>\$ 18,028</u>	<u>\$ 37,823</u>

City of Glendale, Arizona  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Risk Management	Workers' Compensation	Employee Benefits	Fleet Services	Technology	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Cash received from customers	\$ 11,858	\$ 11,293	\$ 38,553	\$ 12,511	\$ 16,651	\$ 90,866
Cash paid to internal city departments	(4)	(6)	19	(524)	(2,567)	(3,082)
Cash paid to external vendors	(3,685)	(684)	-	(9,213)	(3,628)	(17,210)
Cash paid for insurance and in settlement of claims	(1,410)	(3,917)	(30,313)	-	-	(35,640)
Cash paid to employees for services	(329)	(368)	-	(2,838)	(4,645)	(8,180)
Net cash provided (used) by operating activities	<u>6,430</u>	<u>6,318</u>	<u>8,259</u>	<u>(64)</u>	<u>5,811</u>	<u>26,754</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Acquisition of capital assets and rights	(127)	-	-	(80)	(4,189)	(4,396)
Interest payments on obligations	-	-	-	(4)	(36)	(40)
Net cash provided (used) by capital and related financing activities	<u>(127)</u>	<u>-</u>	<u>-</u>	<u>(84)</u>	<u>(4,225)</u>	<u>(4,436)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received from investments	475	664	565	-	304	2,008
Net cash provided (used) by investing activities	<u>475</u>	<u>664</u>	<u>565</u>	<u>-</u>	<u>304</u>	<u>2,008</u>
Net increase (decrease) in cash and cash equivalents	<u>6,778</u>	<u>6,982</u>	<u>8,824</u>	<u>(148)</u>	<u>1,890</u>	<u>24,326</u>
Balances - beginning of year	7,698	11,775	11,336	649	11,919	43,377
Balances - end of year	<u>\$ 14,476</u>	<u>\$ 18,757</u>	<u>\$ 20,160</u>	<u>\$ 501</u>	<u>\$ 13,809</u>	<u>\$ 67,703</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>						
Operating Income (Loss)	\$ 6,359	\$ 2,291	\$ 5,667	\$ (112)	\$ 2,415	\$ 16,620
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Amortization and depreciation	123	-	-	87	3,107	3,317
Changes in assets and liabilities:						
Accounts receivable	-	-	29	(7)	-	22
Intergovernmental receivable	-	-	-	(19)	-	(19)
Net OPEB asset	(1)	(2)	-	(11)	(17)	(31)
Net pension and OPEB liability	67	48	-	478	795	1,388
Deferred outflows related to pensions and OPEB	18	20	-	161	267	466
Deferred inflows related to pensions and OPEB	(79)	(64)	-	(595)	(981)	(1,719)
Inventories and prepaid items	34	-	-	95	-	129
Vouchers and accounts payable	17	(19)	(452)	(218)	176	(496)
Compensated absences	12	1	-	77	49	139
Claims payable	(120)	4,043	3,015	-	-	6,938
Net cash provided (used) by operating activities	<u>6,430</u>	<u>6,318</u>	<u>8,259</u>	<u>(64)</u>	<u>5,811</u>	<u>26,754</u>
<b>Noncash investing, capital and financing activities</b>						
Change in subscription based information technology arrangements payable	\$ 489	\$ -	\$ -	\$ 138	\$ 4,682	\$ 5,309

The notes to financial statements are an integral part of this statement.

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Risk Management Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Self insurance premium	\$ 11,514	\$ 11,514	\$ 11,514	\$ -
Miscellaneous	-	-	344	344
Amounts available for appropriation	<u>11,514</u>	<u>11,514</u>	<u>11,858</u>	<u>344</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Contingency	1,000	1,000	-	1,000
Administrative and general	4,507	4,507	4,164	343
Insurance claims and premiums	7,074	7,074	1,410	5,664
Total charges to appropriations	<u>12,581</u>	<u>12,581</u>	<u>5,574</u>	<u>7,007</u>
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Investment income	-	-	475	475
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>475</u>	<u>475</u>
Budgetary fund balance, July 1	5,234	5,234	7,689	2,455
Budgetary fund balances, June 30	<u>\$ 4,167</u>	<u>\$ 4,167</u>	<u>\$ 14,448</u>	<u>\$ 10,281</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule. 20,022

Differences - budget to GAAP:

The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes. (7,689)

Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position. \$ 12,333

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule. 5,574

Differences - budget to GAAP:

Change in compensated absences liability. 11

Change in estimated claims payable and prepaids. 34

Insurance and claims recorded GAAP basis only. (120)

Pension contributions that were reclassified as deferred outflows of resources. 5

Subscription based internet technology arrangement. 6

Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position. \$ 5,510

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Workers' Compensation Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Self insurance premium	\$ 11,333	\$ 11,333	\$ 11,292	\$ (41)
Amounts available for appropriation	11,333	11,333	11,292	(41)
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Contingency	1,000	1,000	-	1,000
Administrative and general	1,485	1,485	1,036	449
Insurance claims and premiums	9,059	9,059	3,917	5,142
Total charges to appropriations	11,544	11,544	4,953	6,591
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Investment income	26	26	664	638
Total nonoperating revenues (expenses)	26	26	664	638
Budgetary fund balance, July 1	9,902	9,902	11,823	1,921
Budgetary fund balances, June 30	<u>\$ 9,717</u>	<u>\$ 9,717</u>	<u>\$ 18,826</u>	<u>\$ 9,109</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	23,779
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(11,823)
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 11,956</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	4,953
Differences - budget to GAAP:	
Insurance and claims recorded gaap basis only.	4,043
Pension contributions that were reclassified as deferred outflows of resources.	6
Change in compensated absences liability.	1
OPEB Expense	(2)
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 9,001</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Employee Benefits**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Self insurance premium	\$ 34,335	\$ 34,335	\$ 38,524	\$ 4,189
Miscellaneous	-	-	19	19
Amounts available for appropriation	<u>34,335</u>	<u>34,335</u>	<u>38,543</u>	<u>4,208</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Administrative and general	406	406	200	206
Insurance claims and premiums	<u>33,929</u>	<u>33,929</u>	<u>29,660</u>	<u>4,269</u>
Total charges to appropriations	<u>34,335</u>	<u>34,335</u>	<u>29,860</u>	<u>4,475</u>
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Investment income	-	-	565	565
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>565</u>	<u>565</u>
Budgetary fund balance, July 1	12,254	12,254	10,271	(1,983)
Budgetary fund balances, June 30	<u>\$ 12,254</u>	<u>\$ 12,254</u>	<u>\$ 19,519</u>	<u>\$ 7,265</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	49,379
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	<u>(10,271)</u>
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 39,108</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	29,860
Differences - budget to GAAP:	
Insurance and claims recorded gaap basis only.	<u>3,016</u>
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 32,876</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Fleet Services Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Charges for services	\$ 12,759	\$ 12,759	\$ 12,537	\$ (222)
Miscellaneous	475	475	-	(475)
Amounts available for appropriation	<u>13,234</u>	<u>13,234</u>	<u>12,537</u>	<u>(697)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Administrative and general	12,984	13,059	12,537	522
Total charges to appropriations	<u>12,984</u>	<u>13,059</u>	<u>12,537</u>	<u>522</u>
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Capital Outlay	(250)	(175)	-	175
Total nonoperating revenues (expenses)	<u>(250)</u>	<u>(175)</u>	<u>-</u>	<u>175</u>
Budgetary fund balance, July 1	-	-	156	156
Budgetary fund balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156</u>	<u>\$ 156</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	12,693
Differences - budget to GAAP:	
Beginning fund balance restated	<u>(156)</u>
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 12,537</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	12,537
Differences - budget to GAAP:	
Change in compensated absences liability	76
Amortization and depreciation expense.	7
Pension contributions that were reclassified as deferred outflows of resources.	47
OPEB Expense	<u>(14)</u>
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 12,653</u>

City of Glendale, Arizona  
**Budgetary Comparison Schedule**  
**Technology Fund**  
For the Year Ended June 30, 2023  
(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>RESOURCES (INFLOWS):</b>				
Charges for services	\$ 17,340	\$ 17,340	\$ 16,642	\$ (698)
Other fees	-	-	9	9
Amounts available for appropriation	<u>17,340</u>	<u>17,340</u>	<u>16,651</u>	<u>(689)</u>
<b>CHARGES TO APPROPRIATIONS (OUTFLOWS)</b>				
Administrative and general	20,743	20,961	14,524	6,437
Total charges to appropriations	<u>20,743</u>	<u>20,961</u>	<u>14,524</u>	<u>6,437</u>
<b>NONOPERATING REVENUES (EXPENSE)</b>				
Investment income	-	-	304	304
Capital Outlay	(2,735)	(2,517)	(668)	1,849
Total nonoperating revenues (expenses)	<u>(2,735)</u>	<u>(2,517)</u>	<u>(364)</u>	<u>2,153</u>
Budgetary fund balance, July 1	3,672	3,672	11,655	7,983
Budgetary fund balances, June 30	<u>\$ (2,466)</u>	<u>\$ (2,466)</u>	<u>\$ 13,418</u>	<u>\$ 15,884</u>

**Explanation of differences between budgetary inflows and outflows and GAAP revenues and expenses**

**Sources/inflows of resources:**

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule.	28,610
Differences - budget to GAAP:	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(11,655)
Miscellaneous	1
Total revenues as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 16,956</u>

**Uses/outflows of resources:**

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	15,192
Differences - budget to GAAP:	
Capital outlay expenditure.	(1,050)
Amortization and depreciation expense.	340
Loss on disposal of assets.	(1)
Change in compensated absences liability	50
Pension contributions that were reclassified as deferred outflows of resources.	78
Subscription based internet technology arrangement.	(261)
OPEB Expense	(15)
Total expenses as reported in the combining statement of revenues, expenses, and changes in fund net position.	<u>\$ 14,333</u>

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City of Glendale, Arizona

ANNUAL COMPREHENSIVE FINANCIAL REPORT

# SUPPLEMENTARY INFORMATION

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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City of Glendale, Arizona  
**Federal Financial Data Schedule (PHA: AZ003)**  
For the Fiscal Year Ended June 30, 2023  
(rounded to nearest dollar)

The following is the schedule of Federal Financial Data as required by the United States Department of Housing and Urban Development under the Uniform Financial Reporting Standards Rule implementing requirements of 24 CFR, Part 5, Subpart H.

**Balance Sheet**

Line Item No.	Account Description	Project Total	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	Resident Opportunity and Supportive Services	HCV CARES Act Funding	EHV Emergency Housing Voucher	Eliminations	Total
ASSETS:									
Current assets:									
Cash:									
111	Cash - unrestricted	\$ 1,330,708	\$ 1,342,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,673,439
112	Cash - restricted - modernization and development	-	-	-	-	-	-	-	-
113	Cash - other restricted	-	47,309	-	-	-	-	-	47,309
114	Cash - tenant security deposits	57,332	-	-	-	-	-	-	57,332
115	Cash- restricted for payment of current liability	-	-	-	-	-	-	-	-
100	Total cash	<u>1,388,040</u>	<u>1,390,040</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,778,080</u>
Accounts receivables:									
121	Accounts receivable - PHA projects	-	-	-	-	-	-	-	-
122	Accounts receivable - HUD other projects	3,206	47,364	-	884	-	-	-	51,454
124	Accounts receivable - other government	-	44,183	-	-	-	-	-	44,183
125	Accounts receivable - miscellaneous	6,330	2,005	-	-	-	-	-	8,335
126	Accounts receivable - tenants	4,841	4,536	-	-	-	-	-	9,377
126.1	Allowance for doubtful accounts - tenants	(227)	(4,536)	-	-	-	-	-	(4,763)
126.2	Allowance for doubtful accounts - other	-	-	-	-	-	-	-	-
127	Notes, loans, & mortgages receivable - current	-	-	-	-	-	-	-	-
128	Fraud recovery	8,254	-	-	-	-	-	-	8,254
128.1	Allowance for doubtful accounts - fraud	(8,254)	-	-	-	-	-	-	(8,254)
129	Accrued interest receivable	-	-	-	-	-	-	-	-
120	Total receivables, net of allowances for doubtful accounts	<u>14,150</u>	<u>93,552</u>	<u>-</u>	<u>884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,586</u>
Current investments:									
131	Investments - unrestricted	-	-	-	-	-	-	-	-
132	Investments - restricted	-	-	-	-	-	-	-	-
135	Investments - restricted for payment of current liability	-	-	-	-	-	-	-	-
142	Prepaid expenses and other assets	6,365	-	-	-	-	-	-	6,365
143	Inventories	43,651	-	-	-	-	-	-	43,651
143.1	Allowance for obsolete inventories	(2,183)	-	-	-	-	-	-	(2,183)
144	Inter program - due from	149,608	-	-	-	-	-	-	149,608
145	Assets held for sale	-	-	-	-	-	-	-	-
150	Total current assets	<u>1,599,631</u>	<u>1,483,592</u>	<u>-</u>	<u>884</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,084,107</u>

(continued)

**Balance Sheet**

Line Item No.	Account Description	Project Total	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	Resident Opportunity and Supportive Services	HCV CARES Act Funding	EHV Emergency Housing Voucher	Eliminations	Total
Non-current assets:									
Capital assets:									
161	Land	135,533	-	-	-	-	-	-	135,533
162	Buildings	11,441,159	149,998	-	-	-	-	-	11,591,157
163	Furniture, equipment & machinery - dwellings	617,481	-	-	-	-	-	-	617,481
164	Furniture, equipment & machinery - administration	203,309	102,908	-	-	-	-	-	306,217
165	Leasehold improvements	2,402,337	-	-	-	-	-	-	2,402,337
166	Accumulated depreciation	(11,749,449)	(203,356)	-	-	-	-	-	(11,952,805)
167	Construction in progress	1,310,304	-	-	-	-	-	-	1,310,304
168	Infrastructure	-	-	-	-	-	-	-	-
160	Total capital assets, net of accumulated depreciation	4,360,674	49,550	-	-	-	-	-	4,410,224
171	Notes, loans, & mortgages receivable - non-current	-	-	-	-	-	-	-	-
172	Notes, loans, & mortgages receivable - non-current - past due	-	-	-	-	-	-	-	-
173	Grants receivable - non-current	-	-	-	-	-	-	-	-
174	Other assets	23,347	35,020	-	-	-	-	-	58,367
176	Investment in joint venture	-	-	-	-	-	-	-	-
180	Total non-current assets	4,384,021	84,570	-	-	-	-	-	4,468,591
190	Total assets	5,983,652	1,568,162	-	884	-	-	-	7,552,698
200	Deferred outflow of resources	126,964	190,444	-	-	-	-	-	317,408
290	Total assets and deferred outflow of resources	\$ 6,110,616	\$ 1,758,606	\$ -	\$ 884	\$ -	\$ -	\$ -	\$ 7,870,106
LIABILITIES AND EQUITY-NET ASSETS/POSITION:									
LIABILITIES									
Current liabilities:									
311	Bank Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
312	Accounts payable <=90 days	29,796	33,777	-	884	-	30,334	-	94,791
313	Accounts payable >90 days past due	-	-	-	-	-	-	-	-
321	Accrued wage/payroll taxes payable	-	-	-	-	-	-	-	-
322	Accrued compensated absences - current portion	9,293	10,706	-	-	-	-	-	19,999
324	Accrued contingency liability	-	-	-	-	-	-	-	-
325	Accrued interest payable	-	-	-	-	-	-	-	-
331	Accounts payable - HUD PHA Programs	-	-	-	-	-	-	-	-
332	Accounts payable - PHA projects	-	-	-	-	-	-	-	-
333	Accounts payable - other government	-	-	-	-	-	-	-	-
341	Tenant security deposits	57,332	-	-	-	-	-	-	57,332
342	Unearned revenues	11,230	-	-	-	-	-	-	11,230
343	Total current portion of L/T debt - capital projects/mortgage revenue	-	-	-	-	-	-	-	-
344	Current portion of L/T debt - operating borrowings	-	-	-	-	-	-	-	-
345	Other current liabilities	-	-	-	-	-	-	-	-
346	Accrued liabilities - other	-	-	-	-	-	-	-	-
347	Inter program - due to	-	-	-	-	-	-	-	-
348	Loan liability - current	-	-	-	-	-	-	-	-
310	Total current liabilities	107,651	44,483	-	884	-	30,334	-	183,352

(continued)

**Balance Sheet**

Line Item No.	Account Description	Project Total	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	Resident Opportunity and Supportive Services	HCV CARES Act Funding	EHV Emergency Housing Voucher	Eliminations	Total
	Noncurrent liabilities								
351	Long-term debt, net of current - capital projects/mortgage revenue	-	-	-	-	-	-	-	-
352	Long-term debt, net of current - operating borrowings	-	-	-	-	-	-	-	-
353	Noncurrent liabilities - other	-	47,309	-	-	-	-	-	47,309
354	Accrued compensated absences- non current	83,635	96,357	-	-	-	-	-	179,992
355	Loan liability - noncurrent	-	-	-	-	-	-	-	-
356	FASB 5 liabilities	-	-	-	-	-	-	-	-
357	Accrued pension and OPEB liabilities	779,023	1,168,534	-	-	-	-	-	1,947,557
350	Total noncurrent liabilities	<u>862,658</u>	<u>1,312,200</u>	-	-	-	-	-	<u>2,174,858</u>
300	Total liabilities	<u>970,309</u>	<u>1,356,683</u>	-	884	-	30,334	-	<u>2,358,210</u>
400	Deferred inflow of resources	60,733	91,101	-	-	-	-	-	151,834
	EQUITY - NET ASSETS/POSITION:								
508.4	Net investment in capital assets	4,360,674	49,550	-	-	-	-	-	4,410,224
511.4	Restricted net position	-	-	-	-	-	-	-	-
512.4	Unrestricted net position	718,900	261,272	-	-	-	(30,334)	-	949,838
513	Total equity - net assets/position	<u>5,079,574</u>	<u>310,822</u>	-	-	-	<u>(30,334)</u>	-	<u>5,360,062</u>
600	Total liabilities, deferred inflow of resources and equity - net assets/position	<u>\$ 6,110,616</u>	<u>\$ 1,758,606</u>	<u>\$ -</u>	<u>\$ 884</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,870,106</u>

(continued)

(continued)

**Income Statement**

Line Item No.	Account Description	Project Total	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	Resident Opportunity and Supportive Services	HCV CARES Act Funding	EHV Emergency Housing Voucher	Eliminations	Total
REVENUE:									
70300	Net tenant rental revenue	\$ 516,431	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 516,431
70400	Tenant revenue - other	15,758	-	-	-	-	-	-	15,758
70500	Total tenant revenue	532,189	-	-	-	-	-	-	532,189
70600	HUD PHA operating revenue	783,847	11,362,947	-	68,076	-	1,034,370	-	13,249,240
70610	Capital grants	691,746	-	-	-	-	-	-	691,746
70710	Management fee	-	-	-	-	-	-	-	-
70720	Asset management fee	-	-	-	-	-	-	-	-
70730	Bookkeeping fee	-	-	-	-	-	-	-	-
70740	Front line service fee	-	-	-	-	-	-	-	-
70750	Other fees	-	-	-	-	-	-	-	-
70700	Total fee revenue	-	-	-	-	-	-	-	-
70800	Other government grants	-	-	-	-	-	-	-	-
71100	Investment income - unrestricted	19,141	18,495	-	-	-	-	-	37,636
71200	Mortgage interest income	-	-	-	-	-	-	-	-
71300	Proceeds from disposition of assets held for sale	-	-	-	-	-	-	-	-
71310	Cost of sale of assets	-	-	-	-	-	-	-	-
71400	Fraud recovery	-	1,464	-	-	-	-	-	1,464
71500	Other revenue	1,787	2,323,174	-	-	-	139,685	-	2,464,646
71600	Gain or loss on sale of capital assets	-	-	-	-	-	-	-	-
72000	Investment income - restricted	-	-	-	-	-	-	-	-
70000	Total revenue	\$ 2,028,710	\$ 13,706,080	\$ -	\$ 68,076	\$ -	\$ 1,174,055	\$ -	\$ 16,976,921

(continued)

**Income Statement**

Line Item No.	Account Description	Project Total	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	Resident Opportunity and Supportive Services	HCV CARES Act Funding	EHV Emergency Housing Voucher	Eliminations	Total
EXPENSES:									
91100	Administrative salaries	\$ 237,881	\$ 591,574	\$ -	\$ -	\$ -	\$ 77,954	\$ -	\$ 907,409
91200	Auditing fees	-	-	-	-	-	-	-	-
91300	Management fee	-	-	-	-	-	-	-	-
91310	Bookkeeping fee	-	-	-	-	-	-	-	-
91400	Advertising and Marketing	-	-	-	-	-	-	-	-
91500	Employee benefit contributions - administrative	191,894	321,885	-	-	-	29,973	-	543,752
91600	Office expenses	16,219	24,286	-	-	-	939	-	41,444
91700	Legal expense	173	1,800	-	-	-	-	-	1,973
91800	Travel	-	-	-	-	-	-	-	-
91810	Allocated overhead	-	-	-	-	-	-	-	-
91900	Other	115,195	134,796	-	-	-	73,015	-	323,006
91000	Total operating - administrative	561,362	1,074,341	-	-	-	181,881	-	1,817,584
92000	Asset management fee	-	-	-	-	-	-	-	-
92100	Tenant services - salaries	-	-	-	59,697	-	-	-	59,697
92200	Relocation costs	-	-	-	-	-	-	-	-
92300	Employee benefit contributions - tenant services	-	-	-	-	-	-	-	-
92400	Tenant services - other	-	-	-	8,379	-	-	-	8,379
92500	Total Tenant services	-	-	-	68,076	-	-	-	68,076
93100	Water	87,988	-	-	-	-	-	-	87,988
93200	Electricity	18,893	-	-	-	-	-	-	18,893
93300	Gas	2,039	-	-	-	-	-	-	2,039
93400	Fuel	-	-	-	-	-	-	-	-
93500	Labor	-	-	-	-	-	-	-	-
93600	Sewer	47,056	-	-	-	-	-	-	47,056
93700	Employee benefit contributions - utilities	-	-	-	-	-	-	-	-
93800	Other utilities expense	-	-	-	-	-	-	-	-
93000	Total utilities	155,976	-	-	-	-	-	-	155,976
94100	Ordinary maintenance and operations - labor	306,635	-	-	-	-	-	-	306,635
94200	Ordinary maintenance and operations - materials & other	126,201	2,704	-	-	-	-	-	128,905
94300	Ordinary maintenance and operations - contract costs	177,837	-	-	-	-	-	-	177,837
94500	Employee benefit contributions - ordinary maintenance	94,762	-	-	-	-	-	-	94,762
94000	Total maintenance	\$ 705,435	\$ 2,704	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 708,139

(continued)

(continued)

**Income Statement**

Line Item No.	Account Description	Project Total	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	Resident Opportunity and Supportive Services	HCV CARES Act Funding	EHV Emergency Housing Voucher	Eliminations	Total
95100	Protective services - labor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
95200	Protective services - other contract costs	-	-	-	-	-	-	-	-
95300	Protective services - other	-	-	-	-	-	-	-	-
95500	Employee benefit contributions - protective services	-	-	-	-	-	-	-	-
95000	Total protective services	-	-	-	-	-	-	-	-
96110	Property insurance	71,307	-	-	-	-	-	-	71,307
96120	Liability insurance	-	47,538	-	-	-	-	-	47,538
96130	Workmen's compensation	21,826	14,551	-	-	-	-	-	36,377
96140	All other insurance	-	-	-	-	-	-	-	-
96100	Total insurance premiums	93,133	62,089	-	-	-	-	-	155,222
96200	Other general expenses	-	4,345	-	-	-	-	-	4,345
96210	Compensated absences	-	-	-	-	-	-	-	-
96300	Payments in lieu of taxes	-	-	-	-	-	-	-	-
96400	Bad debt - tenant rents	9,055	-	-	-	-	-	-	9,055
96500	Bad debt - mortgages	-	-	-	-	-	-	-	-
96600	Bad debt - other	-	-	-	-	-	-	-	-
96800	Severance expense	-	-	-	-	-	-	-	-
96000	Total other general expenses	9,055	4,345	-	-	-	-	-	13,400
96710	Interest on mortgage (or bonds) payable	-	-	-	-	-	-	-	-
96720	Interest on notes payable (short and long term)	-	-	-	-	-	-	-	-
96730	Amortization of bond issue costs	-	-	-	-	-	-	-	-
96700	Total Interest expense and amortization cost	-	-	-	-	-	-	-	-
96900	Total operating expenses	1,524,961	1,143,479	-	68,076	-	181,881	-	2,918,397
97000	Excess of operating revenue over operating expenses	503,749	12,562,601	-	-	-	992,174	-	14,058,524
97100	Extraordinary maintenance	5,994	-	-	-	-	-	-	5,994
97200	Casualty losses - non-capitalized	-	-	-	-	-	-	-	-
97300	Housing assistance payments	-	10,509,492	-	-	-	879,489	-	11,388,981
97350	HAP Portability-in	-	2,204,267	-	-	-	-	-	2,204,267
97400	Depreciation expense	267,484	4,061	-	-	-	-	-	271,545
97500	Fraud losses	-	-	-	-	-	-	-	-
97600	Capital outlays - governmental funds	-	-	-	-	-	-	-	-
97700	Debt principal payment - governmental funds	-	-	-	-	-	-	-	-
97800	Dwelling units rent expense	-	-	-	-	-	-	-	-
90000	Total expenses	\$ 1,798,439	\$ 13,861,299	\$ -	\$ 68,076	\$ -	\$ 1,061,370	\$ -	\$ 16,789,184

(continued)

**Income Statement**

Line Item No.	Account Description	Project Total	Housing Choice Vouchers	PHC Public Housing CARES Act Funding	Resident Opportunity and Supportive Services	HCV CARES Act Funding	EHV Emergency Housing Voucher	Eliminations	Total
<b>OTHER FINANCING SOURCES (USES)</b>									
10010	Operating transfers in	\$ 14,785	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,785
10020	Operating transfers out	(14,785)	-	-	-	-	-	-	(14,785)
10030	Operating transfers from/to primary government	212,563	240,000	-	-	-	-	-	452,563
10040	Operating transfers from/to component unit	-	-	-	-	-	-	-	-
10050	Proceeds from notes, loans, and bonds	-	-	-	-	-	-	-	-
10060	Proceeds from property sales	-	-	-	-	-	-	-	-
10070	Extraordinary items, net gain/loss	-	-	-	-	-	-	-	-
10080	Special items, net gain/loss	-	-	-	-	-	-	-	-
10091	Inter project excess cash transfer in	-	-	-	-	-	-	-	-
10092	Inter project excess cash transfer out	-	-	-	-	-	-	-	-
10093	Transfers between program and project - in	-	-	-	-	-	-	-	-
10094	Transfers between program and project - out	-	-	-	-	-	-	-	-
10100	Total other financing sources (uses)	212,563	240,000	-	-	-	-	-	452,563
10000	Excess (deficiency) of total revenues over (under) total expenses	\$ 442,834	\$ 84,781	\$ -	\$ -	\$ -	\$ 112,685	\$ -	\$ 640,300
<b>MEMO ACCOUNT INFORMATION</b>									
11020	Required annual debt principal payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11030	Beginning equity	4,636,740	226,041	-	-	-	(143,019)	-	4,719,762
11040	Prior period adjustments, equity transfers & correction of errors	-	-	-	-	-	-	-	-
11050	Changes in compensated absence balance	-	-	-	-	-	-	-	-
11060	Changes in contingent liability balance	-	-	-	-	-	-	-	-
11070	Changes in unrecognized pension transition liability	-	-	-	-	-	-	-	-
11080	Changes in special term/severance benefits liability	-	-	-	-	-	-	-	-
11090	Changes in allowance for doubtful accounts - dwelling rents	-	-	-	-	-	-	-	-
11100	Changes in allowance for doubtful accounts - other	-	-	-	-	-	-	-	-
11170	Administrative fee equity	-	310,822	-	-	-	-	-	310,822
11180	Housing assistance payments equity	-	-	-	-	-	-	-	-
11190	Unit months available	1,830	11,054	-	-	-	702	-	13,586
11210	Unit months leased	1,799	11,054	-	-	-	702	-	13,555
11270	Excess cash	1,320,553	-	-	-	-	-	-	1,320,553
11610	Land purchases	-	-	-	-	-	-	-	-
11620	Building purchases	691,746	-	-	-	-	-	-	691,746
11630	Furniture & equipment - dwelling purchases	-	-	-	-	-	-	-	-
11640	Furniture & equipment - administrative purchases	-	-	-	-	-	-	-	-
11650	Leasehold improvements purchases	-	-	-	-	-	-	-	-
11660	Infrastructure purchases	-	-	-	-	-	-	-	-
13510	CFFP debt service payments	-	-	-	-	-	-	-	-
13901	Replacement housing factor funds	-	-	-	-	-	-	-	-

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City of Glendale, Arizona

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

# STATISTICAL SECTION

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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## STATISTICAL SECTION

This part of the City of Glendale’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

### Contents

	<u>Pages</u>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	194-201
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City’s local revenue source, the property tax and sales tax.	202-206
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	208-215
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	216-218
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	219-223

City of Glendale, Arizona  
**Net Position by Component**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 1**

	<u>2023</u>	<u>2022*</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Government activities					
Net investment in capital assets	\$ 584,359	\$ 488,913	\$ 471,198	\$ 465,366	\$ 416,078
Restricted	334,618	296,434	200,500	170,205	184,654
Unrestricted	<u>(112,674)</u>	<u>(136,260)</u>	<u>(162,270)</u>	<u>(193,716)</u>	<u>(215,449)</u>
Total governmental activities net position	<u>806,303</u>	<u>649,087</u>	<u>509,428</u>	<u>441,855</u>	<u>385,283</u>
Business-type activities					
Net investment in capital assets	485,518	439,039	397,187	362,679	313,704
Restricted	47,567	45,051	37,992	33,896	32,943
Unrestricted	<u>2,912</u>	<u>30,022</u>	<u>39,451</u>	<u>32,618</u>	<u>53,699</u>
Total business-type activities net position	<u>535,997</u>	<u>514,112</u>	<u>474,630</u>	<u>429,193</u>	<u>400,346</u>
Primary government					
Net investment in capital assets	1,069,877	927,952	868,385	828,045	729,782
Restricted	382,185	341,485	238,492	204,101	217,597
Unrestricted	<u>(109,762)</u>	<u>(106,238)</u>	<u>(122,819)</u>	<u>(161,098)</u>	<u>(161,750)</u>
Total primary government net position	<u>\$ 1,342,300</u>	<u>\$ 1,163,199</u>	<u>\$ 984,058</u>	<u>\$ 871,048</u>	<u>\$ 785,629</u>

Note - \* Net position has been restated. See Note XVII.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 451,826	\$ 471,979	\$ 456,001	\$ 456,897	\$ 448,083
185,396	157,251	163,592	168,714	161,027
<u>(246,697)</u>	<u>(278,767)</u>	<u>(239,670)</u>	<u>(240,749)</u>	<u>(277,093)</u>
<u>390,525</u>	<u>350,463</u>	<u>379,923</u>	<u>384,862</u>	<u>332,017</u>
280,920	267,111	256,488	253,134	256,164
27,550	22,897	21,576	24,090	22,300
<u>78,272</u>	<u>83,920</u>	<u>96,300</u>	<u>92,357</u>	<u>123,699</u>
<u>386,742</u>	<u>373,928</u>	<u>374,364</u>	<u>369,581</u>	<u>402,163</u>
732,746	739,090	712,489	710,031	704,247
212,946	180,148	185,168	192,804	183,327
<u>(168,425)</u>	<u>(194,847)</u>	<u>(143,370)</u>	<u>(148,392)</u>	<u>(153,394)</u>
<u>\$ 777,267</u>	<u>\$ 724,391</u>	<u>\$ 754,287</u>	<u>\$ 754,443</u>	<u>\$ 734,180</u>

City of Glendale, Arizona  
**Changes in Net Position**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 2**

	2023	2022*	2021	2020	2019	2018	2017	2016	2015	2014
<b>Expenses</b>										
Governmental activities:										
General government	\$ 67,766	\$ 26,904	\$ 47,850	\$ 45,972	\$ 56,530	\$ 42,915	\$ 61,373	\$ 64,228	\$ 60,490	\$ 73,637
Public safety	173,375	157,622	166,243	165,030	158,883	134,977	166,790	132,498	127,870	116,070
Public works	42,500	33,267	30,451	31,211	30,232	25,072	24,768	24,859	21,482	20,524
Community services	47,954	64,057	35,751	28,378	28,010	30,885	33,752	32,796	31,311	30,796
Community environment	-	-	-	-	-	3,290	3,930	4,262	4,980	5,895
Street maintenance	57,884	70,250	50,283	43,436	44,992	20,976	21,848	21,219	19,180	25,207
Interest on long-term debt	25,766	12,860	22,056	24,133	26,181	24,916	27,827	27,932	32,106	34,808
Total governmental activities expenses	415,245	364,960	352,634	338,160	344,828	283,031	340,288	307,794	297,419	306,937
Business-type activities:										
Water and sewer	106,533	92,854	90,604	87,212	83,603	81,911	83,500	80,375	74,807	77,243
Landfill	11,620	11,189	11,319	10,051	9,921	9,852	11,302	9,049	7,727	7,554
Solid Waste	21,200	20,702	19,310	18,351	17,242	15,150	15,698	15,016	15,059	14,471
Housing	16,646	15,135	14,182	13,663	12,910	12,498	12,644	12,730	13,159	13,088
Total business-type activities expenses	155,999	139,880	135,415	129,277	123,676	119,411	123,144	117,170	110,752	112,356
Total primary government expenses	\$ 571,244	\$ 504,840	\$ 488,049	\$ 467,437	\$ 468,504	\$ 402,442	\$ 463,432	\$ 424,964	\$ 408,171	\$ 419,293
<b>Program revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 37,663	\$ 30,054	\$ 23,415	\$ 15,648	\$ 16,572	\$ 17,847	\$ 15,027	\$ 16,381	\$ 18,498	\$ 17,666
Public safety	4,730	5,201	3,860	3,803	4,126	2,295	5,445	6,148	6,084	6,369
Public works	4,315	4,411	3,969	4,478	3,883	651	536	650	631	1,126
Community services	6,181	3,187	1,909	2,995	4,318	10,890	13,490	9,649	11,704	10,486
Community environment	-	-	-	-	-	338	308	305	309	-
Street maintenance	1,736	95	33	124	207	662	357	193	25	-
Operating grants and contributions	68,923	78,929	57,903	50,999	30,906	26,523	27,519	26,225	25,665	25,168
Capital grants and contributions	33,139	34,752	18,112	33,570	12,728	12,382	6,669	6,603	11,403	10,748
Total governmental activities program revenues	156,687	156,629	109,201	111,617	72,740	71,588	69,351	66,154	74,319	71,563

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Business-type activities:</b>										
Charges for services:										
Water and sewer	111,703	106,476	103,533	89,208	86,004	86,288	80,219	81,829	78,541	81,065
Landfill	13,266	12,815	12,238	10,383	9,670	9,444	9,451	9,858	9,757	8,646
Solid Waste	25,510	21,050	19,854	19,048	18,080	16,048	14,856	15,181	14,944	14,836
Housing	2,998	2,730	3,123	2,984	3,527	3,355	2,876	2,980	3,265	3,504
Operating grants and contributions	13,268	11,140	11,462	10,866	9,397	9,682	10,230	9,809	8,855	9,357
Capital grants and contributions	4,067	10,864	3,211	5,816	3,940	2,054	2,815	815	2,562	2,423
Total business-type activities program revenues	<u>170,812</u>	<u>165,075</u>	<u>153,421</u>	<u>138,305</u>	<u>130,618</u>	<u>126,871</u>	<u>120,447</u>	<u>120,472</u>	<u>117,924</u>	<u>119,831</u>
Total primary government program revenues	<u>327,499</u>	<u>321,704</u>	<u>262,622</u>	<u>249,922</u>	<u>203,358</u>	<u>198,459</u>	<u>189,798</u>	<u>186,626</u>	<u>192,243</u>	<u>191,394</u>
<b>Net (expense)/revenue</b>										
Governmental activities	(258,558)	(208,331)	(243,433)	(226,543)	(272,088)	(211,443)	(270,937)	(241,640)	(223,100)	(210,760)
Business-type activities	14,813	25,195	18,006	9,028	6,942	7,460	(2,697)	3,302	7,172	7,987
Total primary government net expense	<u>\$ (243,745)</u>	<u>\$ (183,136)</u>	<u>\$ (225,427)</u>	<u>\$ (217,515)</u>	<u>\$ (265,146)</u>	<u>\$ (203,983)</u>	<u>\$ (273,634)</u>	<u>\$ (238,338)</u>	<u>\$ (215,928)</u>	<u>\$ (202,773)</u>
<b>General revenues and other changes in net position</b>										
Governmental activities:										
Taxes:										
Property taxes	\$ 28,170	\$ 26,885	\$ 26,473	\$ 25,718	\$ 25,877	\$ 25,519	\$ 24,955	\$ 24,531	\$ 23,881	\$ 23,577
Sales taxes	279,831	249,451	205,325	180,842	171,821	162,299	155,779	150,201	147,175	131,983
Unrestricted state shared sales tax	36,901	35,086	29,941	25,910	24,849	23,627	22,024	21,482	20,695	19,734
Unrestricted urban revenue sharing (state shared income tax)	47,355	32,780	36,069	32,419	29,876	30,456	29,378	27,297	27,446	25,271
Auto in-lieu taxes	12,384	11,815	11,976	10,643	10,647	10,166	9,458	9,351	8,664	8,086
Investment earnings	11,427	(8,777)	(464)	5,931	1,919	(694)	(253)	1,225	1,070	726
Gain (losses) on disposal of capital assets	-	-	-	-	-	-	-	-	(688)	78
Miscellaneous	2,018	4,195	3,023	2,978	3,177	1,490	1,400	3,417	520	687
Transfers	(2,312)	(3,445)	(1,337)	(1,326)	(1,320)	(1,358)	(1,264)	(803)	39,198	(64)
Total governmental activities	<u>415,774</u>	<u>347,990</u>	<u>311,006</u>	<u>283,115</u>	<u>266,846</u>	<u>251,505</u>	<u>241,477</u>	<u>236,701</u>	<u>267,961</u>	<u>210,078</u>
Business-type activities:										
Investment earnings	3,087	285	227	1,277	1,628	1,368	883	614	643	463
Gain (losses) on disposal of capital assets	-	-	-	-	-	-	-	-	127	167
Loss on joint venture	-	-	-	-	-	-	-	-	(3,329)	-
Miscellaneous	1,673	10,557	25,867	17,216	3,714	2,628	114	63	86	67
Transfers	2,312	3,445	1,337	1,326	1,320	1,358	1,264	803	(39,198)	64
Total business-type activities	<u>7,072</u>	<u>14,287</u>	<u>27,431</u>	<u>19,819</u>	<u>6,662</u>	<u>5,354</u>	<u>2,261</u>	<u>1,480</u>	<u>(41,671)</u>	<u>761</u>
Total primary government	<u>\$ 422,846</u>	<u>\$ 362,277</u>	<u>\$ 338,437</u>	<u>\$ 302,934</u>	<u>\$ 273,508</u>	<u>\$ 256,859</u>	<u>\$ 243,738</u>	<u>\$ 238,181</u>	<u>\$ 226,290</u>	<u>\$ 210,839</u>
<b>Changes in net position</b>										
Governmental activities	\$ 157,216	\$ 139,659	\$ 67,573	\$ 56,572	\$ (5,242)	\$ 40,062	\$ (29,460)	\$ (4,939)	\$ 44,861	\$ (682)
Business-type activities	21,885	39,482	45,437	28,847	13,604	12,814	(436)	4,782	(34,499)	8,748
Total primary government	<u>\$ 179,101</u>	<u>\$ 179,141</u>	<u>\$ 113,010</u>	<u>\$ 85,419</u>	<u>\$ 8,362</u>	<u>\$ 52,876</u>	<u>\$ (29,896)</u>	<u>\$ (157)</u>	<u>\$ 10,362</u>	<u>\$ 8,066</u>

Note - \* Unamortized premiums and discounts on debt issuance and net position have been restated. Set Note XVII.

City of Glendale, Arizona  
**Fund Balances - Governmental Funds**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 3**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General fund										
Nonspendable	\$ 962	\$ 394	\$ 6,143	\$ 5,621	\$ 2,933	\$ 2,919	\$ 2,934	\$ 2,940	\$ 216	\$ 600
Restricted	23,477	19,795	10,047	5,374	5,604	6,274	7,443	8,495	10,313	688
Committed	-	-	-	-	-	-	-	-	1,114	1,554
Assigned	150,801	123,769	66,822	34,322	5,685	12,678	10,647	12,483	8,563	-
Unassigned	96,886	54,905	54,511	49,648	43,523	43,474	40,559	35,226	26,033	(4,835)
Total general fund	<u>\$ 272,126</u>	<u>\$ 198,863</u>	<u>\$ 137,523</u>	<u>\$ 94,965</u>	<u>\$ 57,745</u>	<u>\$ 65,345</u>	<u>\$ 61,583</u>	<u>\$ 59,144</u>	<u>\$ 46,239</u>	<u>\$ (1,993)</u>
All other governmental funds										
Nonspendable	\$ 6,572	\$ 6,332	\$ 6,244	\$ 6,171	\$ 6,020	\$ 5,810	\$ 5,861	\$ 5,818	\$ 5,768	\$ 5,801
Restricted	227,123	199,999	137,087	107,088	119,994	118,991	91,908	97,170	99,970	102,241
Committed	2,068	2,142	1,974	1,734	1,571	2,548	2,295	1,273	-	123
Assigned	2,388	1,705	959	569	737	430	170	319	1,945	202
Unassigned	-	-	-	(502)	-	(653)	(3,770)	-	-	-
Total all other governmental funds	<u>\$ 238,151</u>	<u>\$ 210,178</u>	<u>\$ 146,264</u>	<u>\$ 115,060</u>	<u>\$ 128,322</u>	<u>\$ 127,126</u>	<u>\$ 96,464</u>	<u>\$ 104,580</u>	<u>\$ 107,683</u>	<u>\$ 108,367</u>

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City of Glendale, Arizona  
**Changes in Fund Balances - Governmental Funds**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 4**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues</b>										
Taxes and special assessments	\$ 308,251	\$ 276,843	\$ 232,032	\$ 206,815	\$ 198,012	\$ 188,553	\$ 181,576	\$ 176,489	\$ 170,605	\$ 159,328
Licenses and permits	41,450	43,276	35,656	19,182	16,350	12,534	12,403	11,951	10,610	11,522
Intergovernmental	159,392	152,120	124,611	129,329	95,573	94,191	89,684	86,273	87,112	81,364
Local revenues	111	191	184	173	177	58	300	17	525	18
Charges for services	36,858	11,754	7,504	8,514	10,744	10,250	13,486	12,613	17,685	14,781
Fines and forfeitures	2,327	2,654	2,782	2,426	2,982	3,337	3,699	3,857	3,556	3,735
Investment income (loss)	10,260	(8,731)	(380)	6,063	3,276	129	276	1,517	1,258	900
Miscellaneous	3,079	3,755	4,323	3,647	4,375	6,490	5,079	6,850	5,662	4,500
<b>Total revenues</b>	<b>561,728</b>	<b>481,862</b>	<b>406,712</b>	<b>376,149</b>	<b>331,489</b>	<b>315,542</b>	<b>306,503</b>	<b>299,567</b>	<b>297,013</b>	<b>276,148</b>
<b>Expenditures</b>										
General government	50,400	36,424	29,294	30,174	43,615	30,961	29,531	34,671	33,494	29,666
Public safety	171,448	402,258	151,271	146,573	146,166	139,287	131,576	126,498	114,143	108,397
Public works	26,991	15,529	15,298	16,164	15,674	11,400	9,484	9,429	8,673	7,463
Community services	43,502	54,825	30,512	23,514	23,772	31,954	30,659	28,461	26,379	25,536
Community environment	-	-	-	-	-	3,621	3,979	4,285	4,977	5,826
Street maintenance	46,737	38,604	38,389	31,772	34,053	10,861	11,195	10,260	7,951	8,352
Miscellaneous	-	-	-	-	-	-	-	27	5,791	2,323
Capital outlay	49,886	29,332	28,068	23,525	24,663	42,652	39,053	59,189	20,949	14,662
Debt service:										
Principal	40,005	38,795	36,020	61,450	39,706	29,359	46,456	35,650	37,251	30,043
Interest	29,613	30,019	25,604	27,681	29,654	28,300	30,704	30,382	32,870	35,628
<b>Total expenditures</b>	<b>458,582</b>	<b>645,786</b>	<b>354,456</b>	<b>360,853</b>	<b>357,303</b>	<b>328,395</b>	<b>332,637</b>	<b>338,852</b>	<b>292,478</b>	<b>267,896</b>
Excess of revenues over (under) expenditures	103,146	(163,924)	52,256	15,296	(25,814)	(12,853)	(26,134)	(39,285)	4,535	8,252

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Other financing sources (uses)</b>										
Long-term debt issued	-	284,175	13,700	-	15,385	-	-	27,285	-	-
Refunding bonds issued	-	32,225	-	-	-	91,940	19,330	33,830	209,255	-
Payment to redeem lease	-	-	-	-	-	-	-	-	-	-
Premium on long-term debt issued	-	5,316	2,277	-	1,983	15,686	-	4,948	35,751	-
Proceeds from equipment disposal	402	602	366	295	238	2,910	2,391	329	2,650	174
Proceeds from land sale	-	1,938	6,500	9,693	3,125	-	-	-	-	-
Leases	-	364	-	-	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	-	6,615	-	8
Proceeds from loans	-	-	-	-	-	15,240	-	7,353	-	-
Payment to redeem/refunded bonds escrow agent	-	(31,996)	-	-	-	(77,139)	-	-	-	-
Current bond refunding principal	-	-	-	-	-	-	-	(30,470)	(131,966)	-
Current bond refunding interest	-	-	-	-	-	-	-	-	(110,145)	-
Transfers in	80,135	58,860	54,047	50,009	56,739	61,927	48,450	84,460	240,694	48,704
Transfers out	(82,447)	(62,306)	(55,384)	(51,335)	(58,060)	(63,287)	(49,714)	(85,263)	(201,496)	(48,768)
<b>Total other financing sources (uses)</b>	<u>(1,910)</u>	<u>289,178</u>	<u>21,506</u>	<u>8,662</u>	<u>19,410</u>	<u>47,277</u>	<u>20,457</u>	<u>49,087</u>	<u>43,721</u>	<u>118</u>
Net change in fund balances	<u>\$ 101,236</u>	<u>\$ 125,254</u>	<u>\$ 73,762</u>	<u>\$ 23,958</u>	<u>\$ (6,404)</u>	<u>\$ 34,424</u>	<u>\$ (5,677)</u>	<u>\$ 9,802</u>	<u>\$ 48,256</u>	<u>\$ 8,370</u>
Debt service as a percentage of noncapital expenditures	17.03%	11.16%	18.88%	26.42%	20.85%	20.18%	26.28%	23.61%	25.82%	25.93%

Note: The debt service percentage of noncapital expenditures does not include other financing sources/uses. The percentage equals the total principal and interest expenditures divided by the total expenditures less capital outlay.

City of Glendale, Arizona  
**Assessed and Estimated Actual Value of Taxable Property**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 5**

Fiscal Year	Major Components				Less: Tax Exempt Property	Net Assessed Value <sup>1</sup>	Total Direct Tax Rate	Estimated Actual Value <sup>1</sup>	Assessed Value as a Percentage of Actual Value <sup>2</sup>
	Real Estate	Improvements	Personal <sup>3</sup>	Utilities Rails and Wires					
2013-14	\$ 316,206	\$ 1,213,829	\$ 41,750	\$ 53,581	\$ 477,258	\$ 1,148,108	2.29	\$ 12,489,163	13.014%
2014-15	379,087	1,451,325	40,191	55,687	518,191	1,408,099	2.15	12,452,875	15.469
2015-16	403,055	1,546,186	40,431	59,918	529,361	1,520,229	2.20	13,046,428	15.708
2016-17	499,308	1,635,370	37,350	60,892	579,745	1,653,175	2.14	13,617,839	16.397
2017-18	535,252	1,771,647	49,605	60,918	596,446	1,820,976	2.07	19,526,518	12.380
2018-19	565,975	1,924,149	48,588	59,594	590,661	2,007,645	1.98	21,072,143	12.331
2019-20	645,653	2,100,805	47,258	60,722	673,484	2,180,954	1.86	23,159,054	12.325
2020-21	722,615	2,271,767	55,014	64,004	718,396	2,395,004	1.80	25,276,448	12.317
2021-22	781,897	2,463,822	60,382	64,327	749,713	2,620,715	1.73	27,872,355	12.092
2022-23	1,027,022	3,122,956	80,028	69,568	843,629	3,455,945	1.67	35,738,019	12.031

Source: Maricopa County Assessor's Office and Maricopa County's Department of Finance

Notes: <sup>1</sup> Assessed values are established each year by the County. The tax rate is \$100 per assessed value (reference note I. L).

<sup>2</sup> The assessed value as a percentage of actual value does not include tax exempt property.

City of Glendale, Arizona  
**Direct and Overlapping Governments Property Tax Rates**  
 Last Ten Fiscal Years  
 Per \$100 Assessed Valuation

**Schedule 6**

Fiscal Year	Basic Rate	General Obligation Debt Service	City of Glendale	Overlapping Rates*		
				Glendale Elementary and High School Districts	Peoria Unified School Districts	Deer Valley Unified School Districts
2013-14	0.50	1.79	2.29	25.06	19.82	18.91
2014-15	0.49	1.66	2.15	23.58	19.64	18.85
2015-16	0.49	1.71	2.20	22.54	20.66	18.86
2016-17	0.48	1.67	2.15	23.29	20.82	19.16
2017-18	0.46	1.61	2.07	23.61	20.02	19.10
2018-19	0.44	1.54	1.98	22.17	18.96	18.63
2019-20	0.42	1.44	1.86	22.13	18.47	18.17
2020-21	0.40	1.40	1.80	21.20	17.91	17.56
2021-22	0.39	1.34	1.73	20.47	17.13	17.06
2022-23	0.37	1.30	1.67	19.08	15.16	15.22

Source: Maricopa County 2022 Tax Rates

Note: The City rounds the rates to two digits from the four presented by the county.

\* Overlapping rates are those of local and county governments that apply to property owners within the City of Glendale. Not all overlapping rates apply to all City of Glendale property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

City of Glendale, Arizona  
**Principal Property Taxpayers**  
 Current Year and Nine Years Ago  
 June 30, 2023  
 (amounts expressed in thousands)

**Schedule 7**

Taxpayer	Tax Year 2023				Tax Year 2014			
	Rank	Assessed Valuation	Percentage of Total City Taxable Assessed Value		Rank	Assessed Valuation	Percentage of Total City Taxable Assessed Value	
RRB Beverage Opeartions Inc	1	\$ 52,388	1.52	%				
Sarival Development LLC	2	32,516	0.94					
Yam Westgate LLC	3	30,023	0.87					
Hart Cotton Lane Industrial LLC	4	25,883	0.75					
JLLX West Phoenix Distribution Center	5	22,950	0.66					
Mark Anthony Brewing Inc	6	19,003	0.55					
Escape One LLC Escape Two LLC	7	18,693	0.54					
VHS of Arrowhead Inc	8	17,248	0.50		2	\$ 11,535	1.00	%
BDPF Park 303 LLC	9	15,934	0.46					
West 303 Phase 1 LLC	10	15,244	0.44					
Arizona Public Service Company					1	17,900	1.56	
Arrowhead Towne Center LLC					3	9,625	0.84	
Thunderbird School of Global Management					4	7,588	0.66	
Wal-Mart Stores, Inc.					5	7,180	0.63	
Centurylink (Qwest Corporation)					6	6,422	0.56	
New Westgate LLC					7	6,079	0.53	
JQH-Glendale Az Development LLC					8	5,700	0.50	
Southwest Gas Corporation					9	4,852	0.42	
Stadium Development LLC					10	4,437	0.39	
<b>Total principal taxpayers</b>		<b>\$ 249,882</b>	<b>7.23</b>	<b>%</b>		<b>\$ 81,318</b>	<b>7.09</b>	<b>%</b>

Source: Maricopa County Treasurer's Office

Notes: The Salt River Project Agriculture Improvement and Power District assessed valuation is not reflected in the total assessed valuation of the City of Glendale. The Project is subject to "voluntary contribution" in lieu of ad valorem taxation. The percentage of Total City Taxable Assessed Value is based on the Net Assessed Value. In fiscal year 2023, information obtained through Maricopa County Treasurers Office was pulled from new system software. Taxpayer information is grouped by owners name by land deed.

City of Glendale, Arizona  
**Property Tax Levies and Collections**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 8**

Fiscal Year	Total Tax Levy(1)	Collected within the Fiscal Year of Levy		Collections in Subsequent Years(2)	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2013-14	\$ 23,943	\$ 23,490	97.38 %	\$ 138	\$ 23,628	98.68 %
2014-15	24,429	23,729	98.11	234	23,963	98.09
2015-16	24,850	24,255	97.61	219	24,474	98.49
2016-17	25,253	24,638	97.56	367	25,005	99.02
2017-18	25,592	25,202	98.48	285	25,487	99.59
2018-19	25,953	25,521	98.34	164	25,685	98.97
2019-20	25,831	25,300	97.94	391	25,691	99.46
2020-21	26,619	26,039	97.82	327	26,366	99.05
2021-22	27,126	26,639	98.20	306	26,945	99.33
2022-23	28,365	27,825	98.10	-	27,825	98.10

Source: Maricopa County Treasurer's Office

(1) Total levy includes only secured property.

(2) Includes collections and resolutions.

City of Glendale, Arizona  
**City Transaction Privilege Taxes (Sales Tax) by Category**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 9**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Retail sales	\$ 143,428	\$ 136,147	\$ 118,580	\$ 100,561	\$ 95,042	\$ 89,762	\$ 88,804	\$ 84,710	\$ 79,062	\$ 73,924
Contracting	32,149	27,575	17,047	13,988	7,212	6,684	5,559	4,810	6,457	7,948
Rentals	31,889	26,519	22,064	21,407	20,598	18,629	17,394	16,581	16,146	14,502
Utilities	10,176	9,412	9,271	8,629	8,898	8,995	8,775	8,544	8,678	8,732
Telecom/cable TV	2,070	2,119	2,364	3,029	3,006	3,486	3,523	4,244	4,773	5,072
Restaurant/bar	32,417	29,383	23,184	20,883	22,280	20,498	20,070	18,767	17,651	15,842
Amusement	12,827	5,537	2,975	2,893	5,023	4,920	3,615	4,176	5,673	2,110
Other	<u>14,868</u>	<u>12,734</u>	<u>9,827</u>	<u>9,364</u>	<u>9,519</u>	<u>8,574</u>	<u>7,347</u>	<u>8,802</u>	<u>6,686</u>	<u>5,808</u>
<b>Total</b>	<u>\$ 279,824</u>	<u>\$ 249,426</u>	<u>\$ 205,312</u>	<u>\$ 180,754</u>	<u>\$ 171,578</u>	<u>\$ 161,548</u>	<u>\$ 155,087</u>	<u>\$ 150,634</u>	<u>\$ 145,126</u>	<u>\$ 133,938</u>
<b>% Growth by year</b>										
Retail sales	5.3 %	14.8 %	17.9 %	5.8 %	5.9 %	1.1 %	4.8 %	7.1 %	7.0 %	10.1 %
Contracting	16.6	61.8	21.9	94.0	7.9	20.2	15.6	(25.5)	(18.8)	38.9
Rentals	20.2	20.2	3.1	3.9	10.6	7.1	4.9	2.7	11.3	2.3
Utilities	8.1	1.5	7.4	(3.0)	(1.1)	2.5	2.7	(1.5)	(0.6)	8.8
Telecom/cable TV	(2.3)	(10.4)	(22.0)	0.8	(13.8)	(1.1)	(17.0)	(11.1)	(5.9)	(8.4)
Restaurant/bar	10.3	26.7	11.0	(6.3)	8.7	2.1	6.9	6.3	11.4	10.9
Amusement	131.7	86.1	2.8	(42.4)	2.1	36.1	(13.4)	(26.4)	168.9	(2.0)
Other	<u>16.8</u>	<u>29.6</u>	<u>4.9</u>	<u>(1.6)</u>	<u>11.0</u>	<u>16.7</u>	<u>(16.5)</u>	<u>31.6</u>	<u>15.1</u>	<u>(1.8)</u>
<b>Total</b>	<u>12.2 %</u>	<u>21.5 %</u>	<u>13.6 %</u>	<u>5.3 %</u>	<u>6.2 %</u>	<u>4.2 %</u>	<u>3.0 %</u>	<u>3.8 %</u>	<u>8.4 %</u>	<u>8.9 %</u>

Note: The tax rate for City activities is 2.9% except for telecommunications which is 6.1%, restaurant/bars 3.9%, hotel/motel 7.9%, retail sales food for home consumptions 2.5%, and retail sales of individual items over \$5,000 2.2%.  
 The amounts represent sales tax dollars collected for the fiscal year presented.

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City of Glendale, Arizona  
**Ratio of Outstanding Debt by Type<sup>(1)</sup>**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 10**

Fiscal Year	Government Activities									
	General Obligation Bonds(4)(5)	Street and Highway Revenue Bonds(4)(5)	Excise Tax Revenue Bonds (4)(5)	Transportation Bonds (4)(5)	Certificates of Participation (4)	Developer Payable Obligations	Subscription Based IT Arrangements	Capital Leases	Notes Payable	
2013-14	\$ 151,206	\$ 3,736	\$ 477,736	\$ 89,317	\$ -	\$ 3,112	\$ -	\$ 10,361	\$ -	
2014-15	133,168	1,912	477,747	91,047	-	3,406	-	57	-	
2015-16	141,553	-	475,918	87,031	-	3,639	-	6,620	5,515	
2016-17	125,384	-	468,431	83,119	-	3,898	-	4,484	3,677	
2017-18	154,834	-	455,495	78,590	-	4,126	-	2,278	1,839	
2018-19	152,066	-	439,912	73,952	-	4,376	-	-	-	
2019-20	107,678	-	422,679	69,209	-	4,693	-	-	-	
2020-21	106,367	-	403,550	64,691	-	4,893	-	-	-	
2021-22	126,548	-	383,719	59,977	252,800	5,160	-	261	-	
2022-23	105,672	-	353,314	52,642	252,800	5,473	16,321	157	-	

Fiscal Year	Business Activities				Total Primary Government (5)	Total Debt per Capita(3)(6)	Percentage of Personal Income(2)(6)
	Landfill G.O. Bonds (4)(5)	Water Sewer Revenue Bonds (4)(5)	Subscription Based IT Arrangements				
2013-14	\$ -	\$ 267,254	\$ -	\$ -	\$ 1,002,722	\$ 4,915	11.56%
2014-15	-	260,967	-	-	968,304	4,421	10.22
2015-16	-	249,302	-	-	969,578	4,824	10.84
2016-17	-	237,247	-	-	926,240	4,268	9.18
2017-18	-	222,217	-	-	919,379	4,463	9.19
2018-19	-	203,917	-	-	874,223	4,143	8.11
2019-20	-	185,231	-	-	789,490	3,605	6.52
2020-21	-	197,234	-	-	776,735	3,362	6.08
2021-22	10,962	210,401	-	-	1,049,828	4,564	7.66
2022-23	10,363	171,002	1,525	-	969,269	3,757	5.96

(1) Does not include other long-term obligations such as compensated absences, claims/judgments, arbitrage, post-closure costs, etc.

(2) Calculate by dividing Glendale population with Maricopa County population and multiplying by total personal income to arrive at Glendale personal income (data from Schedule 15). Then divide total primary government amount by Glendale personal income to arrive at percentage of personal income.

(3) Numbers not expressed in thousands.

(4) Amounts outstanding less July 1.

(5) Includes unamortized premiums of debt issuance and discount on debt issuance.

(6) Total debt per capita and percentage of personal income numbers changed due to the addition of developer payable obligations

**Ratios of Net General Bonded Debt Outstanding****Schedule 11**

Last Ten Fiscal Years

(amounts expressed in thousands)

Fiscal Year	General Obligation Bonds(3)	Less: Amounts Available in Debt Service Funds(1)	Total	Secondary Assessed Property Value	Limited Property Value	Percentage of Net Assessed Value of Property(5)	Per Capita(2)
2013-14	\$ 147,810	\$ 9,310	\$ 138,500	\$ 1,148,164	N/A	12.06%	\$ 599.28
2014-15	126,305	8,270	118,035	1,406,062	N/A	10.43	507.29
2015-16	135,130	4,511	130,619	N/A	1,173,091	11.12 <sup>(4)</sup>	556.38
2016-17	120,000	3,657	116,343	N/A	1,227,220	7.04 <sup>(4)</sup>	488.84
2017-18	146,985	31,750	115,235	N/A	1,306,946	8.82 <sup>(4)</sup>	480.43
2018-19	143,460	28,593	114,867	N/A	1,413,253	8.13 <sup>(4)</sup>	458.18 <sup>(6)</sup>
2019-20	100,445	1,545	98,900	N/A	1,478,280	6.69 <sup>(4)</sup>	389.24 <sup>(6)</sup>
2020-21	98,230	2,269	95,961	N/A	1,582,239	6.19 <sup>(4)</sup>	381.74 <sup>(6)</sup>
2021-22	125,320 <sup>(7)</sup>	1,820	123,500	N/A	1,682,808	7.34 <sup>(4)</sup>	487.53 <sup>(6)</sup>
2022-23	107,180 <sup>(7)</sup>	1,309	105,871	N/A	1,880,898 <sup>(8)</sup>	5.63 <sup>(4)</sup>	409.95 <sup>(8)</sup>

Sources: Maricopa County - Abstract by tax authority and class  
ADOA Office of Employment and Population Statistics - Population estimates

## Notes:

- (1) Includes the general obligation debt service fund balance at June 30.
- (2) Per capita is in actual dollars. Population estimates per ADOA.
- (3) Includes the July 1 payment.
- (4) In accordance with Proposition 117, The Arizona Property Tax Assessed Valuation Amendment, property taxes are calculated based on limited assessed value instead of secondary full cash value beginning with tax year 2015.
- (5) Calculation uses the February State Abstract.
- (6) Calculation uses projected population figure from City of Glendale Annual Budget Book
- (7) Includes general obligation landfill bonds.
- (8) Calculation for FY2022-23 uses population figure provided by the City of Glendale's Economic Development Department.

City of Glendale, Arizona  
**Net Direct and Overlapping Governmental Activities Debt**  
June 30, 2023  
(amounts expressed in thousands)

**Schedule 12**

Jurisdiction	Net Debt Outstanding	Percentage Applicable to Glendale	Amount Applicable to Glendale (2)
Peoria Unified School District No. 11	\$ 153,065	23.9518 %	\$ 36,662
Glendale Elementary School District No. 40	46,630	99.2504	46,280
Deer Valley Unified School District No. 97	176,750	17.1756	30,358
Alhambra Elementary School District No. 68	35,970	19.3675	6,966
Glendale Union High School District No. 205	163,965	24.6838	40,473
Maricopa County	-	3.7746	-
Maricopa County Community College District	135,585	3.7746	5,118
Phoenix Union High School District No. 210	280,510	1.3931	3,908
Pendergast Elementary School District No. 92	56,075	24.3877	13,675
Tolleson Union High School District No. 214	214,300	7.0603	15,130
Washington Elementary School District No. 6	110,475	3.0962	3,421
Dysart Unified School District No. 89	69,425	2.4647	1,711
Agua Fria Union High School District No. 216	107,525	4.8575	5,223
Litchfield Elementary School District No. 79	30,250	7.2742	2,200
Cartwright Elementary School District No. 83	<u>56,320</u>	-	<u>-</u>
Total Overlapping Debt	1,636,845		211,125
City of Glendale Debt(1)	<u>786,379</u>		<u>786,379</u>
Total	<u>\$ 2,423,224</u>		<u>\$ 997,504</u>

Source: Maricopa County - Abstract by tax authority and class, Abstract by tax area code and Annual Report of Bonded Indebtedness.

- (1) The City of Glendale debt includes total General Obligation (GO) and governmental revenue bonds debt outstanding, lease, Certificates of Participation, developer payable obligation, bond premiums, and subscription-based information technology arrangements.
- (2) Calculation based on Net Debt Outstanding multiplied by Percentage Applicable to Glendale, which is determined by dividing the tax area code net secondary assessed value by the tax authority net secondary assessed value.
- (3) The Net Debt Outstanding source is Arizona's Open Book Report of Outstanding Indebtedness for the most recent fiscal year available.

City of Glendale, Arizona  
**Legal Debt Margin Information**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 13**  
**Legal Debt Margin Calculation for Fiscal Year 2023**

**6% Type Bonds**

Assessed value	\$ 3,455,945
Debt limit (6% of assessed value)	207,357
Debt applicable to limit: General obligation bonds	17,144
Less: Amount set aside for repayment of general obligation debt	(222)
Total net debt applicable to limit	<u>16,922</u>
Legal debt margin	<u>\$ 190,435</u>

	<u>2014(1)</u>	<u>2015(1)(2)</u>	<u>2016(1)(2)(4)</u>	<u>2017(1)(2)(3)(4)</u>	<u>2018(1)(2)(3)(4)</u>	<u>2019(1)(2)(3)(4)</u>	<u>2020(1)(2)(3)(4)</u>	<u>2021(1)(2)(3)(4)</u>	<u>2022(1)(2)(3)(4)</u>	<u>2023(1)(2)(3)(4)</u>
Debt limit	\$ 68,886	\$ 67,877	\$ 70,496	\$ 73,633	\$ 78,417	\$ 84,795	\$ 88,697	\$ 143,700	\$ 157,243	\$ 207,357
Total net debt applicable to limit	<u>2,415</u>	<u>(165)</u>	<u>10,580</u>	<u>10,580</u>	<u>7,978</u>	<u>8,802</u>	<u>9,039</u>	<u>8,514</u>	<u>19,450</u>	<u>16,922</u>
Legal debt margin	<u>\$ 66,471</u>	<u>\$ 68,042</u>	<u>\$ 59,916</u>	<u>\$ 63,053</u>	<u>\$ 70,439</u>	<u>\$ 75,993</u>	<u>\$ 79,658</u>	<u>\$ 135,186</u>	<u>\$ 137,793</u>	<u>\$ 190,435</u>
Total net debt applicable to the limit as a percentage of debt limit	3.51%	-0.24%	15.01%	14.37%	10.17%	10.38%	10.19%	5.92%	12.37%	8.16%

**20% Type Bonds**

Assessed value	\$ 3,455,945
Debt limit (20% of assessed value)	691,189
Debt applicable to limit: General obligation bonds	98,890
Less: Amount set aside for repayment of general obligation debt	(1,343)
Total net debt applicable to limit	<u>97,547</u>
Legal debt margin	<u>\$ 593,642</u>

	<u>2014(1)</u>	<u>2015(1)(2)</u>	<u>2016(1)(2)(4)</u>	<u>2017(1)(2)(3)(4)</u>	<u>2018(1)(2)(3)(4)</u>	<u>2019(1)(2)(3)(4)</u>	<u>2020(1)(2)(3)(4)</u>	<u>2021(1)(2)(3)(4)</u>	<u>2022(1)(2)(3)(4)</u>	<u>2023(1)(2)(3)(4)</u>
Debt limit	\$ 229,622	\$ 226,257	\$ 234,986	\$ 245,444	\$ 261,389	\$ 282,651	\$ 295,656	\$ 479,001	\$ 524,143	\$ 691,189
Total net debt applicable to limit	<u>136,085</u>	<u>118,200</u>	<u>120,039</u>	<u>105,763</u>	<u>107,257</u>	<u>106,065</u>	<u>89,861</u>	<u>95,584</u>	<u>116,240</u>	<u>97,547</u>
Legal debt margin	<u>\$ 93,537</u>	<u>\$ 108,057</u>	<u>\$ 114,947</u>	<u>\$ 139,681</u>	<u>\$ 154,132</u>	<u>\$ 176,586</u>	<u>\$ 205,795</u>	<u>\$ 383,417</u>	<u>\$ 407,903</u>	<u>\$ 593,642</u>
Total net debt applicable to the limit as a percentage of debt limit	59.26%	52.24%	51.08%	43.09%	41.03%	37.53%	30.39%	19.95%	22.18%	14.11%

- (1) Debt applicable to limit: General obligation bonds net of July 1 payment made prior to June 30.
- (2) FY 2012-FY 2014, based on secondary full cash value, FY 2015-FY2020, based on limited assessed value, starting in FY 2021, based on full cash value.
- (3) Beginning in FY 2017, the assessed value is from Maricopa County Assessor's Office February State Abstract report.
- (4) In FY 2020, adjusted debt applicable to limit by moving the General Obligation Bonds 2016B from 20% to 6%.

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City of Glendale, Arizona  
**Pledged-Revenue Coverage**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 14**

Fiscal Year	Water and Sewer Revenue Bonds						Coverage
	Utility Service Charges(1)	Less: Operating Expenses(2)	Net Available Revenue	Debt Service			
				Principal	Interest		
2013-14	\$ 81,733	\$ 42,544	\$ 39,189	\$ 10,210	\$ 12,706	1.71	
2014-15	79,325	41,712	37,613	13,170	10,918	1.56	
2015-16	83,088	45,431	37,657	9,415	10,719	1.87	
2016-17	83,442	49,005	34,437	9,805	10,321	1.71	
2017-18	90,844	50,962	39,882	12,780	9,860	1.76	
2018-19	96,012	52,151	43,861	16,050	9,398	1.72	
2019-20	111,854	55,576	56,278	16,435	8,646	2.24	
2020-21	130,218	58,792	71,426	16,585	7,550	2.96	
2021-22	118,609	63,693	54,916	17,520	7,203	2.22	
2022-23	114,015	72,134	41,881	18,595	7,495	1.61	

Fiscal Year	Transportation Bonds					Excise Tax Revenue Bonds (4)				
	Transportation Sales Tax	Debt Service		Coverage	Excise Tax Revenue(3)	Debt Service		Coverage		
		Principal	Interest			Principal	Interest			
2013-14	\$ 23,112	\$ 3,125	\$ 4,201	3.15	\$ 141,674	\$ 6,500	\$ 22,951	4.81		
2014-15	24,690	3,545	3,597	3.46	151,963	2,585	21,175	6.40		
2015-16	25,566	3,380	3,763	3.58	156,210	10,025	20,984	5.04		
2016-17	26,362	3,550	3,594	3.69	160,534	5,075	21,033	6.15		
2017-18	27,571	3,925	3,114	3.92	170,484	6,580	19,542	6.53		
2018-19	29,231	4,035	2,999	4.16	169,868	12,645	20,104	5.19		
2019-20	30,989	4,140	2,893	4.41	179,289	14,295	19,556	5.30		
2020-21	35,329	3,915	2,785	5.27	206,532	16,190	18,946	5.88		
2021-22	42,654	4,110	2,589	6.37	235,926	16,985	18,149	6.72		
2022-23	47,814	4,310	2,384	7.14	267,157	17,825	17,311	7.60		

Source: City of Glendale Finance Department

Notes:

- (1) Operating revenues and nonoperating revenues excluding non-cash contributions, gains and losses and opeb income/(loss)/
- (2) Excluding depreciation.
- (3) Excise tax revenue amounts include state shared revenues.

City of Glendale, Arizona  
**Demographic and Economical Statistics**  
 Last Ten Fiscal Years  
 (amounts expressed in thousands)

**Schedule 15**

Fiscal Year	City of Glendale Population(2)		Maricopa County Population(6)	Personal Income (1)	Per Capita Personal Income(1)(4)	Unemployment Rate (5)	
2013-14	233	(5)	3,945	\$ 167,439,604	\$ 42,443	6.6	%
2014-15	233	(5)	4,064	175,437,829	43,169	5.6	
2015-16	227		4,153	185,111,698	44,573	5.6	
2016-17	238		4,233	196,779,825	46,487	4.9	(8)
2017-18	240	(7)	4,316	209,719,687	48,591	4.3	(8)
2018-19	251	(9)	4,367	223,097,349	51,087	4.8	(8)
2019-20	254	(9)	4,437	245,077,753	55,235	10.2	(8)
2020-21	250	(10)	4,507	249,677,860	55,398	7.4	(8)
2021-22	252	(11)	4,507	268,713,717	59,621	3.5	(8)
2022-23	258		4,507 (3)	268,713,717 (3)	59,621 (3)	4.1	(8)

- Note: (1) Personal Income and Per Capita Income figures are for Maricopa County. City of Glendale is one of several Valley cities that comprise Maricopa County, including Pheonix, Mesa and Scottsdale.  
 (2) Estimate provided by City of Glendale Planning Department.  
 (3) The previous fiscal year Maricopa County ACFR provides the most current number.  
 (4) Calculation based on personal income divided by Maricopa County population.  
 (5) Estimate provided by Arizona Department of Administration, Office of Employment and Population Statistics website for the prior fiscal year.  
 (6) Maricopa County population extracted from Maricopa County ACFR statistical section.  
 (7) Estimate from the Arizona Office of Economic Opportunity website; Arizona population estimates, for the fiscal year as of July 1.  
 (8) Unemployment rate from the Arizona Office of Economic Opportunity website, LAUS data.  
 (9) Estimate from the City of Glendale Annual Budget Book for the following fiscal year.  
 (10) US Census Bureau - American FactFinder - Annual Population Estimate as of July 1, 2021.  
 (11) Projected population number provided by City of Glendale Budget Department.

City of Glendale, Arizona  
**Principal Employers**  
 Current Year and Nine Years Ago

**Schedule 16**

Employer	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Luke Air Force Base	6,960	1	5.20 %	5,610	1	4.76 %
Banner Thunderbird Health System	2,650	2	1.98	2,900	2	2.46
Arrowhead Towne Center	2,650	2	1.98	2,500	3	2.12
Walmart	1,940	4	1.45	2,175	4	1.85
City of Glendale	1,840	5	1.38	1,592	8	1.35
Westgate	1,700	6	1.27			
Peoria Unified School District #11	1,540	7	1.15			
Glendale Elementary School District	1,540	7	1.15	1,608	7	1.37
Deer Valley School District	1,280	9	0.96			
Glendale Community College	1,020	10	0.76	1,790	6	1.52
Glendale Union High School District				1,944	5	1.65
Arrowhead Community Hospital				1,010	9	0.86
AAA				1,000	10	0.85
<b>Total</b>	<b>23,120</b>		<b>17.28 %</b>	<b>22,129</b>		<b>18.79 %</b>

Source: City of Glendale Economic Development Department  
 Department of Economic Security, Research Administration  
 City of Glendale Human Resources Department  
 Arizona Department of Administration, Office of Employment and Population Statistics

City of Glendale, Arizona  
**Full-Time Equivalent City Government Employees by Function/Program**  
 Last Ten Fiscal Years

Schedule 17

Function/Program	Full-Time Equivalent Employees as of June 30									
	2023	2022	2021 (1)	2020	2019	2018	2017	2016	2015	2014
General government										
Management services	35	31	31	26	22	27	29	28	24	31
Finance	64	57	62	61	56	57	55	53	56	49
Planning	12	9	12	11	10	12	14	13	11	10
Building	31	28	25	22	24	24	22	22	22	21
Legal	68	69	70	75	71	73	71	67	69	69
Other	62 (2)	67	69	71	72	70	68	68	66	63
Police	571	536	549	563	551	529	530	522	517	534
Fire	301	286	287	283	278	276	282	262	259	253
Community service	100 (2)	69	65	68	59	53	54	55	57	48
Parks and recreation	59	58	55	53	51	68	73	66	58	59
Library	34	32	36	36	37	35	35	34	31	32
Public works	169	157	164	168	156	188	183	184	180	173
Engineering	35	33	32	31	29	26	24	18	19	17
Transportation	97	88	80	85	77	60	59	57	56	57
Utilities	202	189	189	199	195	185	186	184	185	176
<b>Total</b>	<b>1,840</b>	<b>1,709</b>	<b>1,726</b>	<b>1,752</b>	<b>1,688</b>	<b>1,683</b>	<b>1,685</b>	<b>1,633</b>	<b>1,610</b>	<b>1,592</b>

Sources:

City of Glendale Human Resources Department and Munis HCM system

Note:

(1) Employee data obtained from the City of Glendale Human Resources Department and Munis HCM system as of September 1, 2022.

(2) Communications department was moved to Community Service from Other.

City of Glendale, Arizona  
**Operating Indicators by Function/Program**  
 Last Ten Fiscal Years

**Schedule 18**

Function/Program	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Police</b>										
Calls for service	173,395	175,604	181,576	179,469	185,857	192,877	187,645	190,074	174,535	146,538
Bookings	8,440	6,907	4,753	6,310	10,056	11,037	9,030	8,445	17,871	18,939
Criminal offense reports / Case reports	44,836	30,660	28,856	29,306	35,867	30,146 (3)	30,146	32,732	31,873	31,481
<b>Fire</b>										
EMS calls	39,776	38,747	34,851	36,695	35,939	35,482	31,502	34,518	32,250	30,262
Fire calls	5,766	6,091	5,827	3,948	3,395	3,661	3,093	3,371	3,467	3,461
<b>Water (4)</b>										
Number of billed accounts	64,003	64,088	63,109	62,440	62,105	61,463	61,270	60,921	60,679	60,436
Water produced (million gallons)	12,266	13,569	14,787	13,398	12,826	13,755	13,672	13,864	12,057	13,768
<b>Sewer (4)</b>										
Number of billed accounts	59,557	59,314	58,710	58,114	57,804	57,206	57,037	56,700	56,491	56,313
Treated influent (million gallons)	6,100	6,300	5,983	6,295	6,025	6,045	6,289	6,229	6,117	6,244
<b>Refuse collection (5)</b>										
Residential curb service (tons per year)	60,058	56,965	53,563	52,903	49,479	46,338	48,346	48,971	48,993	45,942
Commercial container service (tons per year)	44,673	39,579	38,650	40,114	40,791	39,744	41,026	46,086	45,693	41,879
<b>Airport</b>										
Departures/arrivals (1)	113,950	90,721	83,452	90,953	89,614	86,187	75,561	78,977	74,217	70,679
<b>General government</b>										
Building permits	10,183	9,764	8,844	7,171	6,217	5,804	6,234	5,488	5,449	4,799
<b>Library</b>										
Volumes in collection (2)	435,343	517,174	504,461	499,106	494,325	498,092	514,197	568,653	528,835	408,516
<b>Transit</b>										
Dial-A-Ride passengers	42,508	38,270	43,670	47,273	66,174	69,934	71,912	74,256	77,318	78,271

Source: Various city departments and FAA ATADS report

Note: Water and sewer statistics are contained in Schedule 20 and 21.

- (1) Departures/arrivals are based on fiscal year.
- (2) Includes all formats: books, magazines, CD's, DVD's and electronic/downloadable collection.
- (3) FY2018 criminal offense reports figure same as FY2017 due to PD rebuilding data views.
- (4) Water and sewer numbers updated to exclude duplicate account number.
- (5) Refuse collection excludes bulk and Phoenix reciprocal trash.

City of Glendale, Arizona  
**Capital Asset Statistics by Function/Program**  
 Last Ten Fiscal Years

**Schedule 19**

Function/Program	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Police</b>										
Stations	3	3	3	3	3	3	3	3	3	3
Patrol vehicles	219	210	212	218	217	194	183	193	178	176
<b>Fire stations</b>	9	9	9	9	9	9	9	9	9	9
<b>General government</b>										
City square miles	68	62	62	62	60	60	60	60	59	59
<b>Water</b>										
Treatment capacity (millions gallons per day)	97.1	97.1	104.1	104.1	104.1	104.1	104.1	104.1	104.1	104.1
Storage capacity (millions gallons)	67	67	67	67	67	67	67	67	67	67
Miles of water mains	994	1,006	994	994	994	994	994	994	994	994
<b>Sewer</b>										
Treatment capacity (millions gallons per day)	29.2	29.2	29.2	29.2	29.2	29.2	29.2	29.2	29.2	29.2
Miles of sewer lines	708	707	707	707	707	707	707	707	707	707
<b>Landfill</b>										
Landfill capacity - south cell	24,615	24,607	24,607	24,638	24,215	24,234	24,215	24,215	22,429	21,493
Landfill capacity used - south cell	23,509	23,019	22,468	21,976	21,436	20,983	20,575	20,137	19,687	19,220
<b>Other public works</b>										
Streets (miles)	757	757	748	748	748	748	748	718	718	718
<b>Parks and recreation</b>										
Number of parks/retention basins/facilities	110	110	110	102	102	102	102	101	100	100
Acres of parks	2,189	2,189	2,189	2,192	2,192	2,192	2,192	2,192	2,189	2,189
<b>Transit</b>										
Dial-A-Ride minibuses	22	20	21	21	21	22	22	20	22	20

Source: Various city departments  
 Note: Landfill capacity in thousands

<b>WATER RATES PER METER SIZE</b>		
Meter Size (inch)	Commercial and Residential Monthly Base Charge	
	Inside City	Outside City
5/8"	12.40	16.12
3/4"	15.90	20.67
1"	22.70	29.51
1 1/2"	44.10	57.33
2"	78.90	102.57
3"	135.00	175.50
4"	235.00	305.50
6"	466.00	605.80
8"	835.00	1,085.50
10"	1,284.00	1,669.20
12"	1,764.00	2,293.20

Gallons per Month	Residential Meter Size		Commercial 3/4 inch Meter Size and Greater (1)			
	All Year		All Year		Summer Excess Rate	
	Inside City	Outside City	Inside City	Outside City	Inside City	Outside City
0 - 6,000	\$ 2.99	\$ 3.89	\$ 3.17	\$ 3.96	\$ 4.03	\$ 5.00
6,001 - 15,000	3.75	4.88	3.17	3.96	4.03	5.00
15,001 - 30,000	5.24	6.82	3.17	3.96	4.03	5.00
over 30,000	7.14	9.29	3.17	3.96	4.03	5.00

<b>SEWER SERVICE RATES</b>		
Type of Service	Inside City	Outside City
Single Family Dwelling Unit	41.91	31.21
Office Building	83.37	1,961.22
Apartment - Average 5 units	99.53	79.59
Apartment - Average 35 units	700.38	150.45
Retail/Wholesale	81.85	N/A

(1) Per 1,000 gallons  
 SOURCE: City of Glendale Finance

**HISTORICAL AVERAGE NUMBER OF WATER CONNECTIONS(1)**

Fiscal Year Ending June 30	Residential	Multi-Family	Commercial	Sprinkler	Total
2014 (2)(3)	53,914	1,799	4,264	1,819	61,796
2015 (2)	54,126	1,800	4,379	1,862	62,167
2016 (2)	54,266	1,800	4,492	1,885	62,443
2017 (2)	54,448	1,799	4,632	1,910	62,789
2018	54,686	1,790	4,390	1,863	62,729
2019	54,881	1,790	4,425	1,955	63,051
2020	55,161	1,790	4,450	1,974	63,375
2021	55,646	1,789	4,514	2,025	63,974
2022	56,807	1,789	4,593	2,076	65,265
2023	57,416	1,789	4,657	2,133	65,995

(1) In comparison to the number of billed accounts, total connections includes inactive "vacant" properties.

(2) As of October following the fiscal year ended.

(3) Review determined 269 residential connections should be classified as multi-family or sprinklers.

Source: City of Glendale Water Services Department

**WATER DELIVERIES**

Acre Feet

Calendar Year	Residential (1)	Commercial	Other (2)(3)	Sprinkler (3)	Total
2013	26,921	8,221	3,050	2,413	40,605
2014	26,946	8,176	2,467	2,411	40,000
2015	26,595	8,704	2,092	2,327	39,718
2016	27,193	8,748	2,743	2,581	41,265
2017	27,150	8,834	2,365	2,564	40,913
2018	27,303	9,257	1,891	2,536	40,987
2019	26,251	8,793	1,691	2,405	39,140
2020	27,867	8,954	2,913	2,436	42,170
2021	26,149	8,965	2,835	2,237	40,186
2022	26,291	8,837	1,423	2,142	38,693

(1) Residential includes both Single and Multi-family deliveries.

(2) Other include unbilled water and recovered effluent groundwater.

(3) Calendar years 2019, 2020, 2021 Other and Sprinkler totals were transposed.

Source: Annual report to Arizona Department of Water Resources

**SEWERAGE CONNECTIONS BILLED AND SEWAGE TREATED**

Fiscal Year Ending June 30	No. of Connections	91st Ave WWTP (2) (MGD) Actual	Arrowhead WRF (MGD)	West Area WRF (MGD)	Total Treated
2014	57,385	8.4	2.7	6.0	17.1
2015	57,588	6.9	2.7	7.2	16.8
2016	57,758	7.5	2.7	6.9	17.1
2017	57,953	7.4	2.7	7.2	17.3
2018	58,155	6.7	2.6	7.2	16.5
2019	58,454	7.0	2.7	7.0	16.7
2020	58,764	6.6	2.6	8.0	17.2
2021	59,305	9.0	2.6	4.8	16.4
2022	60,532	7.4	2.7	7.1	17.2
2023	61,201	7.6	2.6	6.2	16.4

- (1) In comparison to the number of billed accounts, total connections includes inactive "vacant" properties.  
(2) The 91st Avenue Wastewater Treatment Plant is a regional plant servicing five cities. Previously listed as "Multi-City Plant" (SROG)

Source: City of Glendale Water Services Department

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