



Fiscal Year 2023-24 Year-End Financial Report

January 28, 2025





Presentation Outline

- Understanding Financial Reporting
- Highlights from the Audited Financial Report
- City's Fiscal Health



Understanding Financial Reporting



Annual Reports

- Annual Comprehensive Financial Report (ACFR)
 - Financial information presented in accordance with U.S. Generally Accepted Accounting Principles (GAAP)
 - Statement of Net Position/Fund Balance
 - Revenues, Expenditures, and Changes in Fund Balance
- Single Audit Reporting Package
 - ACFR
 - Internal control and compliance report over the annual financial report
 - Internal control and compliance report over federal programs
- Annual Expenditure Limitation Report



Funds

Governmental Funds

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Debt Service
- Permanent Fund

Proprietary Funds:

- Enterprise Funds
- Internal Service Funds



Net Position & Fund Balance

Net Position:

- Net Investment in Capital Assets
- Restricted
- Unrestricted

Fund Balance:

- Nonspendable
- Restricted
- Committed
- Assigned
- Unassigned



Highlights From the Audited Financial Report





GFOA Excellence in Financial Reporting Award



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, 2023

Christopher P. Morill

Executive Director/CEO

Thank You to our Accounting Team:

- Megan Ellgen
- Julianne Loyd
- Sharon Broderius
- Mark Munson
- Jun Okabe
- Elizabeth Smith
- Sheng Wang
- Michael Johnson
- Susana Marquez
- Anne Foss
- Maribel Moreno



Net Position Improved

(Amounts Shown in Thousands)

	Prior year 6/30/2023	6/30/2024	Change	
Cash & Investments	752,531	961,249	208,718	27.7%
Capital Assets, net of depreciation	1,767,379	1,824,254	56,875	3.2%
Other Assets and Deferred Outflows	311,537	327,164	15,627	5.0%
Total Assets and Deferred Outflows	\$2,831,447	\$3,112,667	\$281,220	9.9%
Net Pension Liabilities	187,068	218,484	31,416	16.8%
Bonds Payable	896,560	896,195	(365)	0.0%
Other Liabilities and Deferred Inflows	405,519	433,853	28,334	7.0%
Total Liabilities and Deferred Inflows	\$1,489,147	\$1,548,532	\$59,385	4.0%
Total Net Position	\$1,342,300	\$1,564,135	\$221,835	16.5%



Cash and Investments at 6/30/24

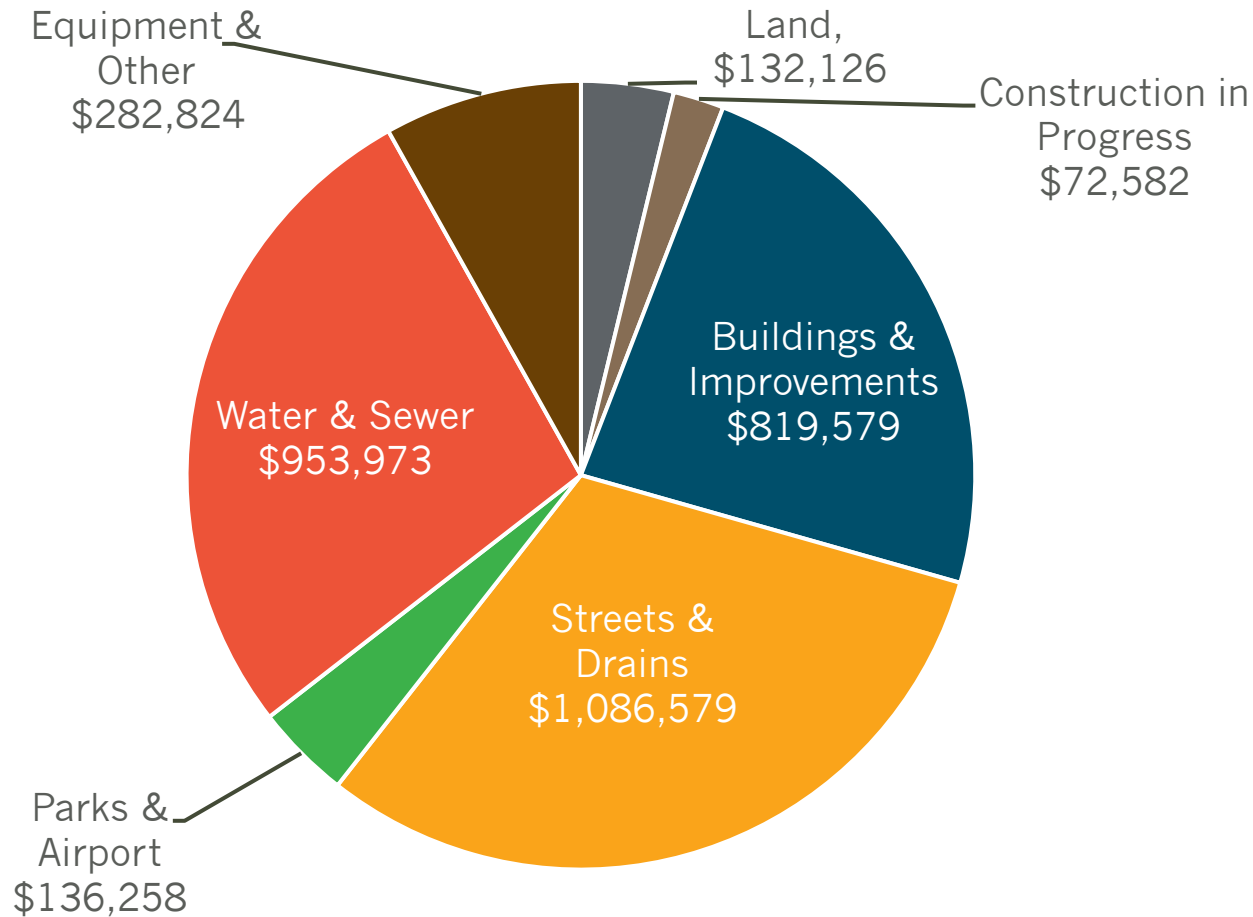
(Amounts Shown in Thousands)

	Prior Year 6/30/2023	6/30/2024	Change	
General Fund	\$249,102	\$257,266	\$8,164	3.30%
Transportation Special Revenue Fund	114,348	136,052	21,704	19.00%
Highway User Revenue Fund	23,246	26,318	3,072	13.20%
Capital Projects Funds	100,073	220,422	120,349	120.30%
Debt Service Funds	72,140	97,747	25,607	35.50%
Other Restricted Funds	31,027	16,508	(14,519)	-46.80%
Water & Sewer	79,499	86,360	6,861	8.60%
Landfill	10,720	8,441	(2,279)	-21.30%
Other Enterprise Funds	3,098	4,837	1,739	56.10%
Internal Service Funds	69,278	107,298	38,020	54.90%
Total Cash & Investments	\$752,531	\$961,249	\$208,718	27.70%



Capital Assets at 6/30/24

(Amounts Shown in Thousands)

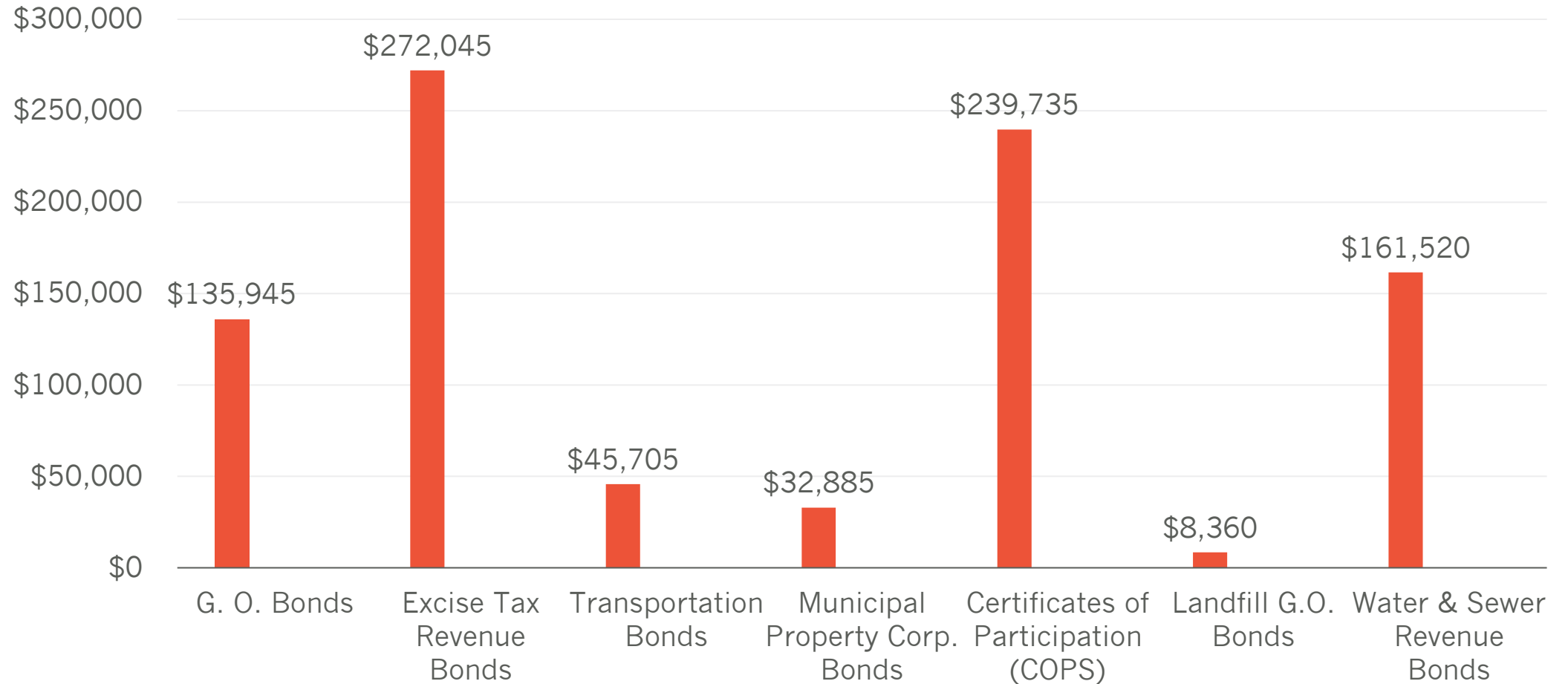


- Total Asset Value: \$3,483,921
- Less Depreciation: \$1,659,667
- Net Book Value: \$1,824,254



Outstanding Bonded Debt at 6/30/24

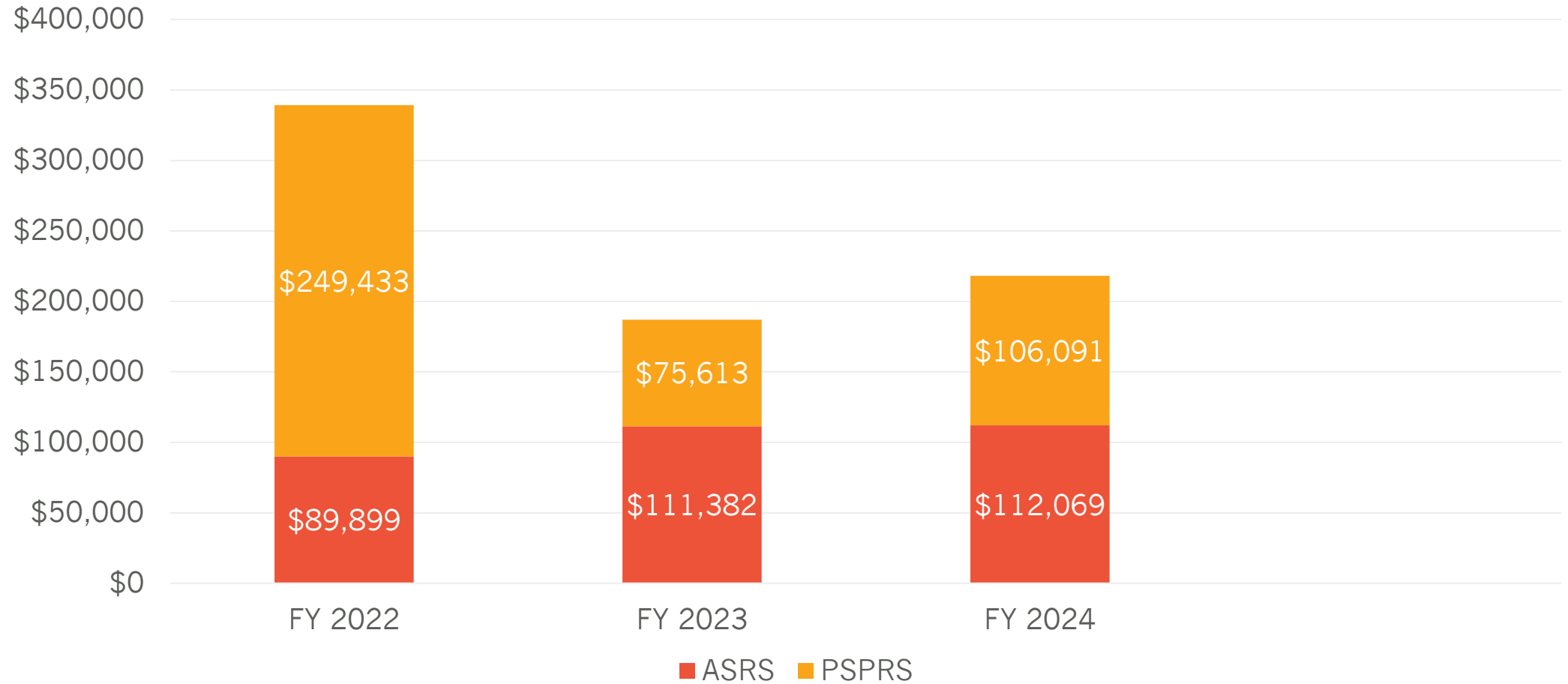
(Amounts Shown in Thousands)





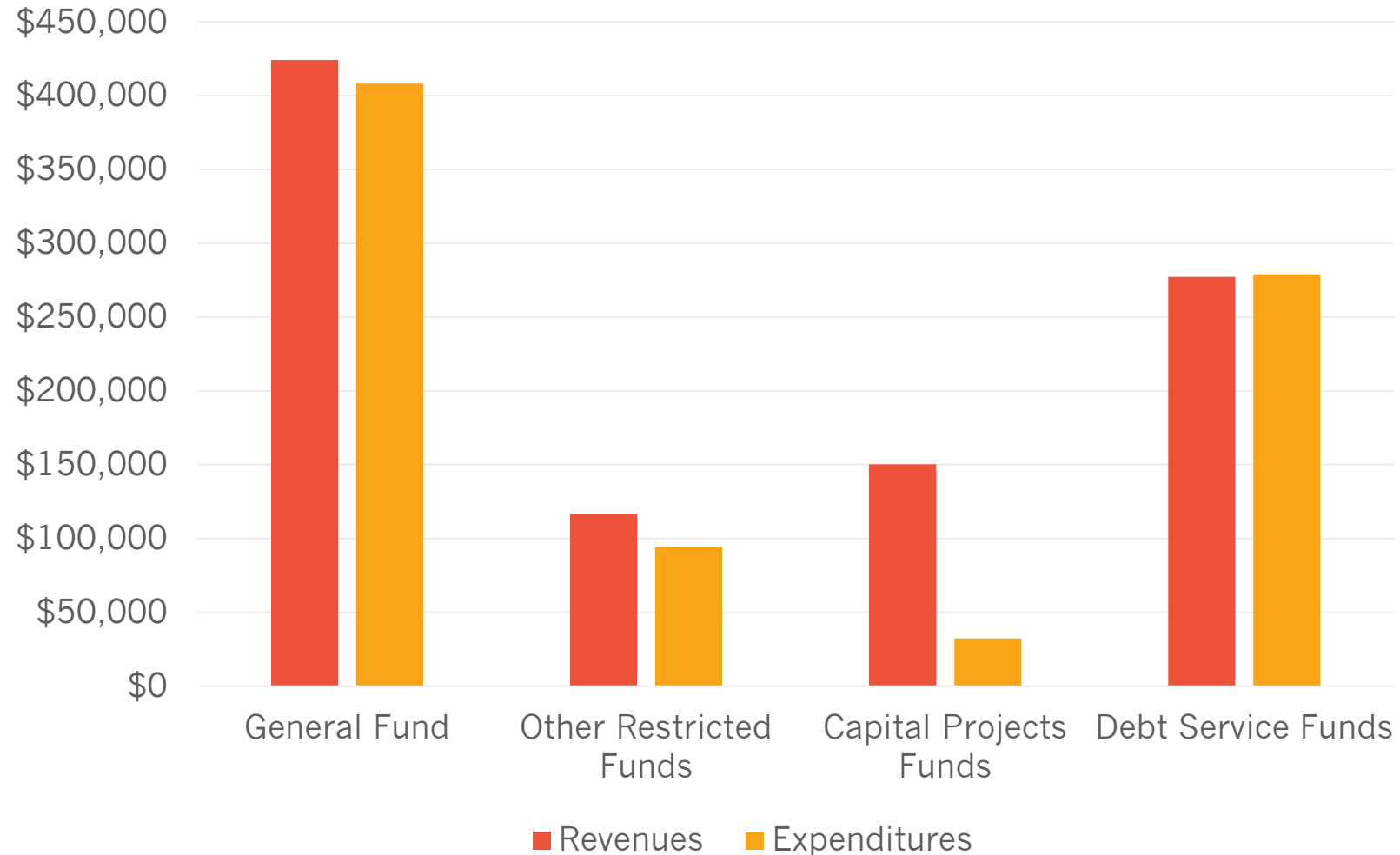
Change In Net Pension Liabilities

(Amounts Shown in Thousands)





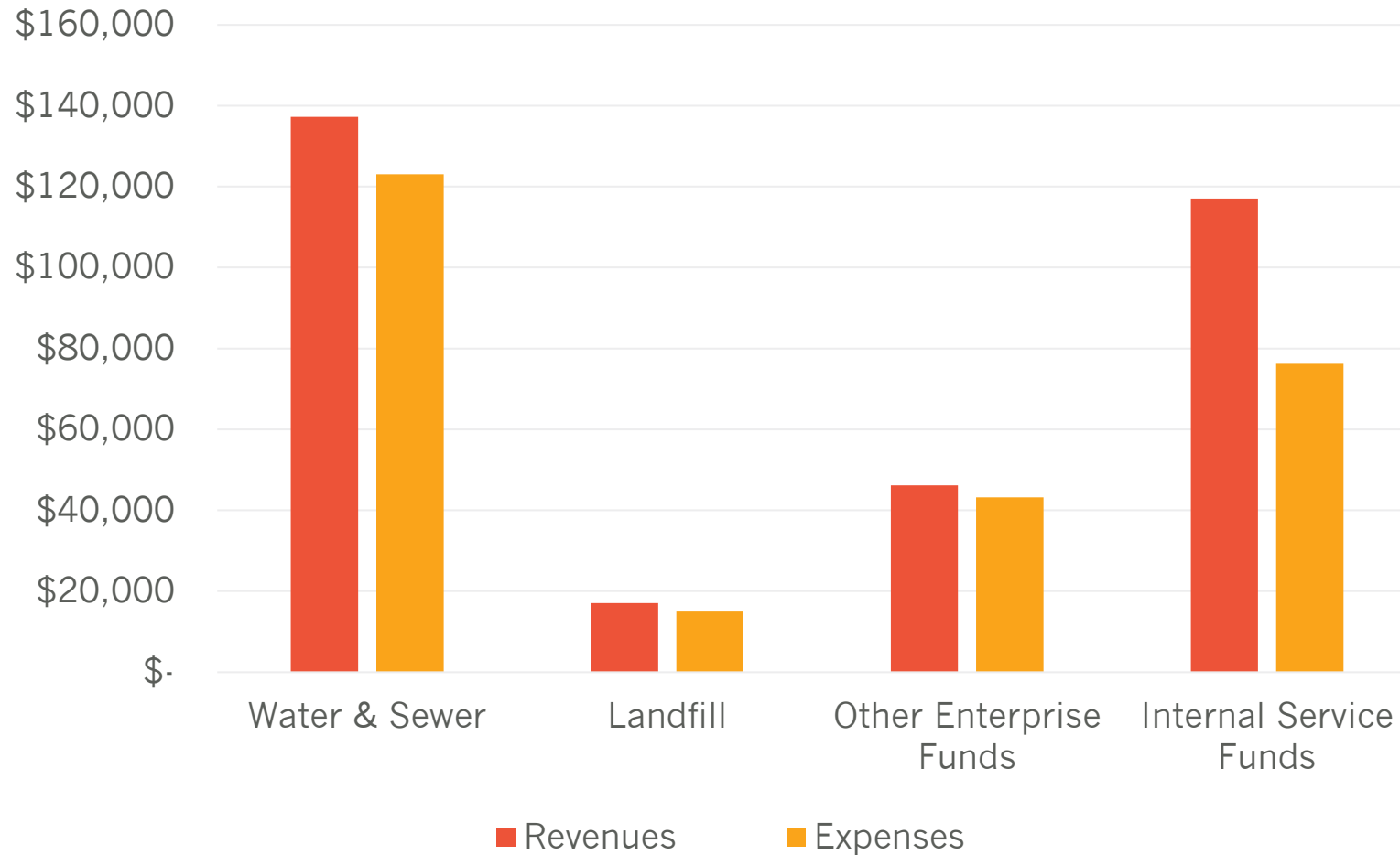
FY24 Governmental Funds' Revenues, Expenditures, Other Sources & Uses (Amounts Shown in Thousands)





FY24 Enterprise Funds' Operating and Non-Operating Revenues & Expenses

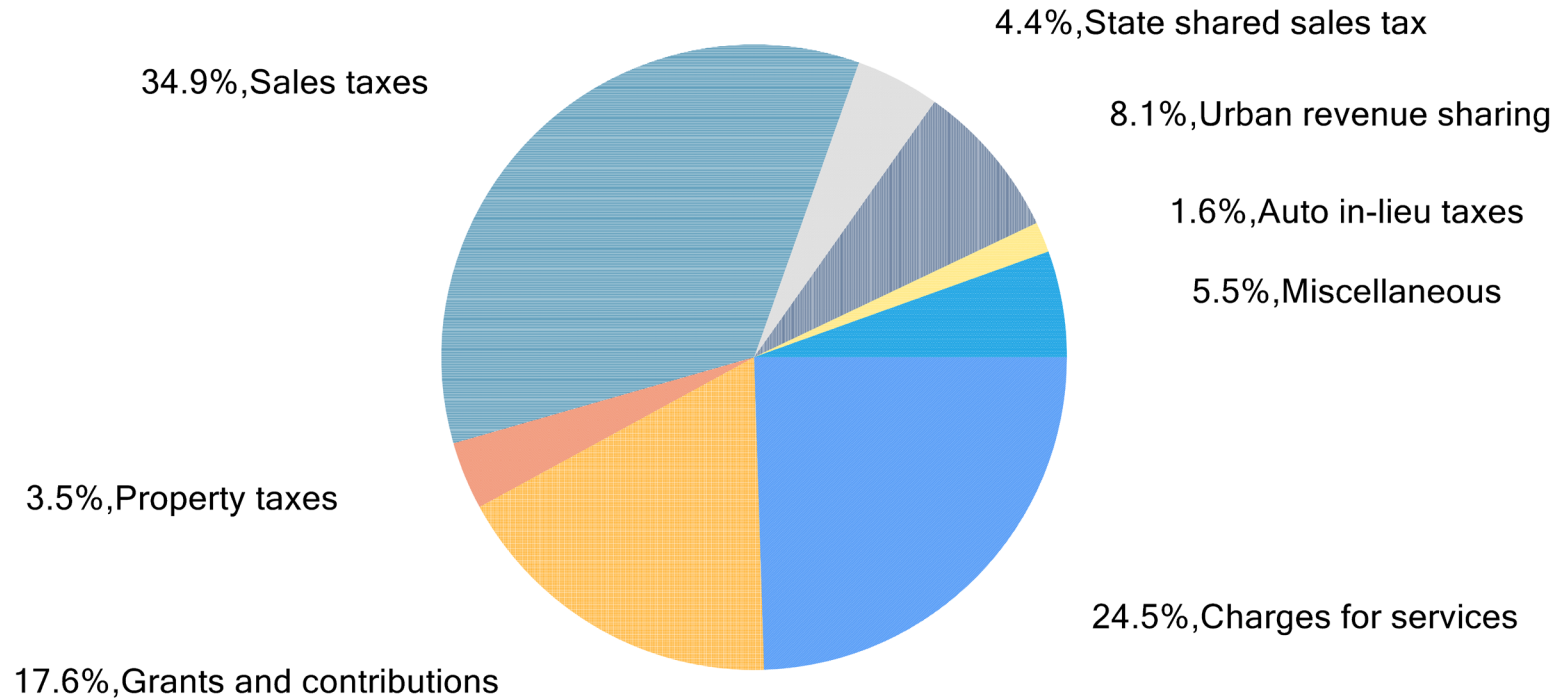
(Amounts Shown in Thousands)





City Revenue Categories

REVENUES BY SOURCE

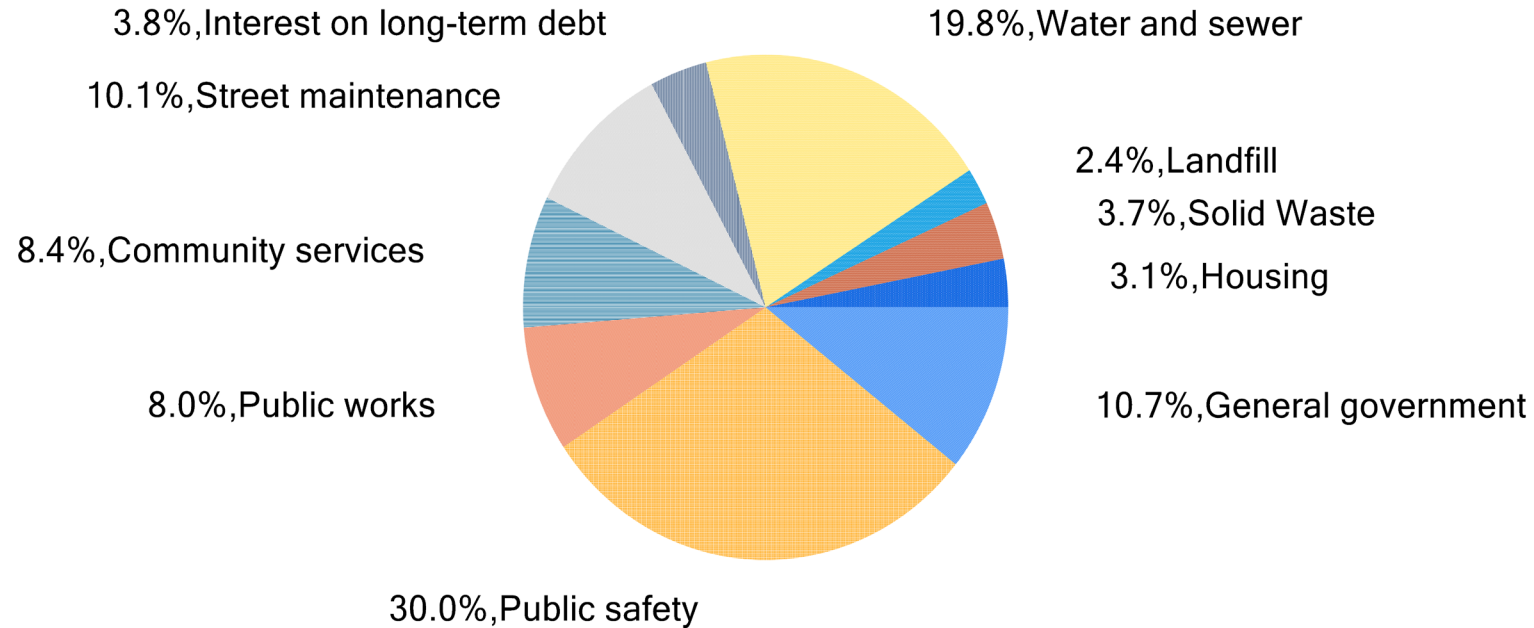


- Charges for services
- Grants and contributions
- Property taxes
- Sales taxes
- State shared sales tax
- Urban revenue sharing
- Auto in-lieu taxes
- Miscellaneous



City Expense Categories

EXPENSES BY FUNCTION



- General government
- Public safety
- Public works
- Community services
- Street maintenance
- Interest on long-term debt
- Water and sewer
- Landfill
- Solid Waste
- Housing



City's Fiscal Health





Credit Ratings Improved

- Fitch Rating – Assigned a AAA rating to our most recent General Obligation Bonds
- Moody's – Upgraded the city Transportation Excise Tax Bonds from A2 to A1



City's Credit Ratings Over Time

General Obligation Issuer Rating			
Year	Moody's	S&P	Fitch
2012	Aa3	A+	NR
2013	A2	A-	NR
2014	A3	BBB+	NR
2015	A3	BBB+	NR
2016	A2	A+	NR
2017	A1	A+	NR
2018	A1	A+	NR
2019	A1	AA-	NR
2020	A1	AA-	NR
2021	A1	AA-	AAA/AA
2022	A1/Aa2	AA	AAA/AA
2023	A1/Aa2	AA	AAA/AA
2024	Aa3/Aa2	AA	AAA/AA



Strong Revenue Growth

- Revenue growth has been extraordinary with pandemic and post-pandemic spending and inflation
- TPT Growth is expected to slow for future fiscal years and will be monitored and managed through the annual budget process
 - Residential Rental Tax elimination beginning January 2025



Annual Expenditure Limitation Report

- City's expenditure limitation calculated by the State:
 - Base limit adjustments for changes in population and inflation
- Maximum limit on the City's spending of certain revenues (local revenues) on annual operating expenditures



Expenditure Limitation

(Amounts Shown in Thousands)

	6/30/23	6/30/24	6/30/25
State Calculated Limit	\$671,003	\$730,771	\$765,293
Expenditures Subject to the Limit	433,874	\$ 479,541 (unaudited)	N/A
Amount Under the Limit	\$237,129	\$251,230	N/A



Questions?