

FINANCIAL SECTION

The Financial Section of the Annual Comprehensive Financial Report contains the following:

- Independent Auditors' Report
- Required Supplementary Information-
Management's Discussion and Analysis (MD & A)
- City's basic financial statement, which includes the following:
 - The Government-wide Financial Statements
 - Fund Financial Statements
 - Notes to the Basic Financial Statements





INDEPENDENT AUDITORS' REPORT

Honorable Mayor and
Members of the City Council
City of Glendale
Glendale, California

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 (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise 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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Housing Assistance special revenue fund and Parking special revenue fund 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

Change in Accounting Principle

As described in Note 15 to the financial statements, effective July 1, 2021, the City adopted new accounting guidance, Statement of Governmental Accounting Standards Board (GASB Statement) No. 87, *Leases*.

Correction of an Error

As described in Note 16 to the financial statements, the net position of Sewer Fund and business-type activities were restated at July 1, 2021 to report prior year expenses in the appropriate period.

Our opinions are not modified with respect to these matters.

Honorable Mayor and
Members of the City Council
City of Glendale

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 City of Glendale'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 City of Glendale'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.

Honorable Mayor and
Members of the City Council
City of Glendale

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in net pension liability and related ratios of the pension plans and schedules of pension plan contributions and schedule of changes in total OPEB liability and related ratio 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 of Glendale's basic financial statements. The individual non-major fund financial statements and schedules 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 individual non-major fund financial statements and schedules 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 the City Council
City of Glendale

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2022, 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

Irvine, California
November 18, 2022

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

As management of the City of Glendale (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i – xi of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2021-22 by \$1,732,133 (net position), which was comprised of net investment in capital assets of \$1,325,508, restricted net position of \$322,259 and unrestricted net position of \$84,366. The unrestricted net position consisted of a negative \$220,516 for governmental activities and \$304,882 for business-type activities. The negative unrestricted net position for governmental activities was primarily due to the recognition of net pension liability.
- The City's total net position increased by \$66,729. The increase was mainly attributable to the positive investment return on the City's pension assets as of June 30, 2021, which resulted in a decrease in the City's net pension liability.
- As of the close of FY 2021-22, the City's governmental funds reported combined ending fund balances of \$493,079, an increase of \$41,832 in comparison with the prior year. About 9.3% of this total amount, \$45,685 was unassigned and available for spending at the government's discretion.
- At the end of FY 2021-22, City Charter Article XI Section 15 general reserve of \$35,770, and unassigned fund balance of \$55,106 for the General Fund totaled \$90,876, representing about 34.4% of the revised FY 2021-22 budget of \$264,311. The minimum General Fund reserve level is 25.0% of the annual operating budget, and the targeted General Fund reserve level is at 35.0% of the annual operating budget.

Overview of the Financial Statements

This discussion and analysis are 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 basic financial statements. This report also contains other supplementary information in addition to 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 statement of net position presents information on all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. 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 presents information showing how the government's net position changed during the recent 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 (e.g., uncollected taxes and earned but unused vacation leave).

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

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, police, fire, public works, transportation, housing, health, and community development, employment programs, public service, parks, recreation, and community services, library, and interest and fiscal charges (such as cost of issuance, bond premiums and discounts). The business-type activities of the City include electric, fiber optic, fire communication, refuse disposal, sewer and water.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate housing authority and municipal financing authority for which the City is financially accountable. The housing authority and the municipal financing authority, although legally separate, function for all practical purposes as departments of the City, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 23-25 of this report.

Fund financial statements. 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 of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 statement, governmental fund financial statements 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 government'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.

The City maintains 48 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 General Fund, Housing Assistance Fund, Parking Fund and Capital Improvement Fund, all of which are reported as major funds. Data from the other 44 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 elsewhere in this report.

The City adopts an annual budget for its General Fund, special revenue and debt service fund types. Budgetary comparison information has been provided for the above fund types to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 26-35 of this report.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

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 electric, fiber optic, fire communication, refuse disposal, sewer and water operations. 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 of vehicles, information services and infrastructure, joint helicopter operation, building maintenance, uninsurable litigation, employee benefits, and various other insurances.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sewer, electric, and water operations, all of which are considered to be major funds of the City. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the non-major enterprise and internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 36-40 of this report.

Fiduciary funds. The City maintains two different types of fiduciary funds. Private-purpose trust funds are used to report all fiduciary activities that (a) are not required to be reported in pension (and other employee benefit) trust funds or investment trust funds and (b) are held in the trust that meets certain criteria. The City uses private-purpose trust fund to account for its Glendale Successor Agency Fund. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The City uses custodial funds to account for its ICI System Fund and Unclaimed Evidence Fund.

Since the resources of fiduciary fund are not available to support the City's own programs, it is not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on pages 41-42 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-103 of this report.

The combining statements referred to earlier in connection with nonmajor governmental and enterprise funds, internal service funds and custodial funds are presented immediately following the required supplementary information, which can be found on pages 104-112 of this report. Combining and individual fund statements can be found on pages 113-188 of this report.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

Government-wide Financial Analysis

The government-wide financial analysis contains comparative information from the prior year.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,732,133 at the close of the most recent fiscal year.

The largest portion of the City's net position, \$1,325,508 (76.5%), is the net investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment) less any related debt used to acquire those assets that was 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 net investment in its capital assets is reported as 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.

**City of Glendale's Net Position
As of June 30,**

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 773,886	668,012	482,346	477,763	1,256,232	1,145,775
Capital and lease assets	985,508	995,823	570,005	589,076	1,555,513	1,584,899
Total assets	<u>1,759,394</u>	<u>1,663,835</u>	<u>1,052,351</u>	<u>1,066,839</u>	<u>2,811,745</u>	<u>2,730,674</u>
Deferred outflows of resources	67,499	74,788	18,986	20,495	86,485	95,283
Total assets and deferred outflows of resources	<u>1,826,893</u>	<u>1,738,623</u>	<u>1,071,337</u>	<u>1,087,334</u>	<u>2,898,230</u>	<u>2,825,957</u>
Current liabilities	92,664	75,783	50,731	38,872	143,395	114,655
Noncurrent liabilities	525,344	707,930	267,687	329,826	793,031	1,037,756
Total liabilities	<u>618,008</u>	<u>783,713</u>	<u>318,418</u>	<u>368,698</u>	<u>936,426</u>	<u>1,152,411</u>
Deferred inflows of resources	190,506	3,779	39,165	1,363	229,671	5,142
Total liabilities and deferred inflows of resources	<u>808,514</u>	<u>787,492</u>	<u>357,583</u>	<u>370,061</u>	<u>1,166,097</u>	<u>1,157,553</u>
Net investment in capital assets	958,053	966,347	367,455	378,683	1,325,508	1,345,030
Restricted	280,842	273,738	41,417	24,031	322,259	297,769
Unrestricted	<u>(220,516)</u>	<u>(288,954)</u>	<u>304,882</u>	<u>314,559</u>	<u>84,366</u>	<u>25,605</u>
Total net position	<u>\$ 1,018,379</u>	<u>951,131</u>	<u>713,754</u>	<u>717,273</u>	<u>1,732,133</u>	<u>1,668,404</u>

The restricted portion of the City's net position are resources that are subject to external restrictions on how they may be used, and comprised \$322,259 (18.6%) of the City's net position. The remaining balance of the City's net position, \$84,366 (4.9%) is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. Of this total, \$304,882 is in business-type activities such as electric, water and sewer utilities.

CITY OF GLENDALE

Management's Discussion and Analysis

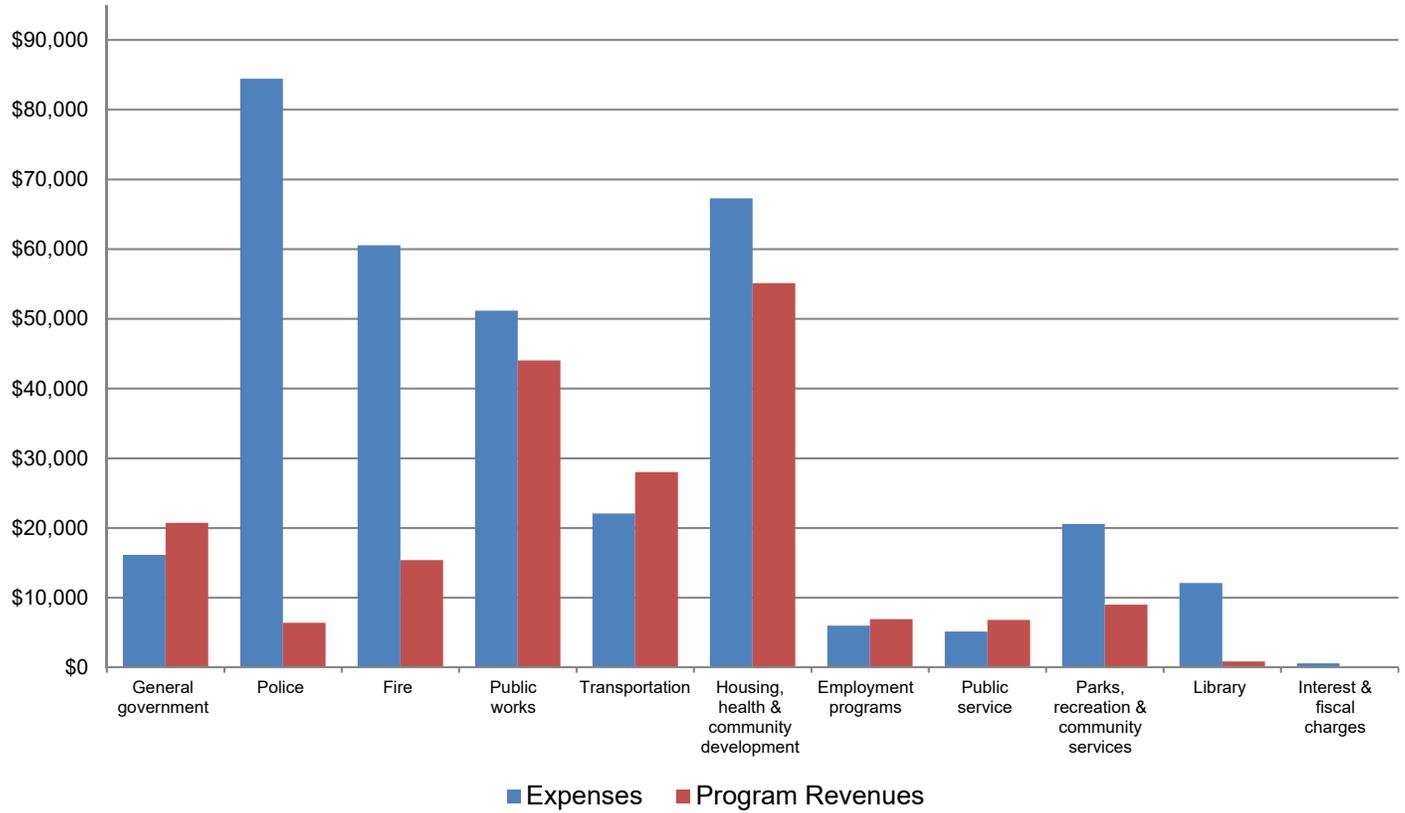
June 30, 2022

(in thousands)

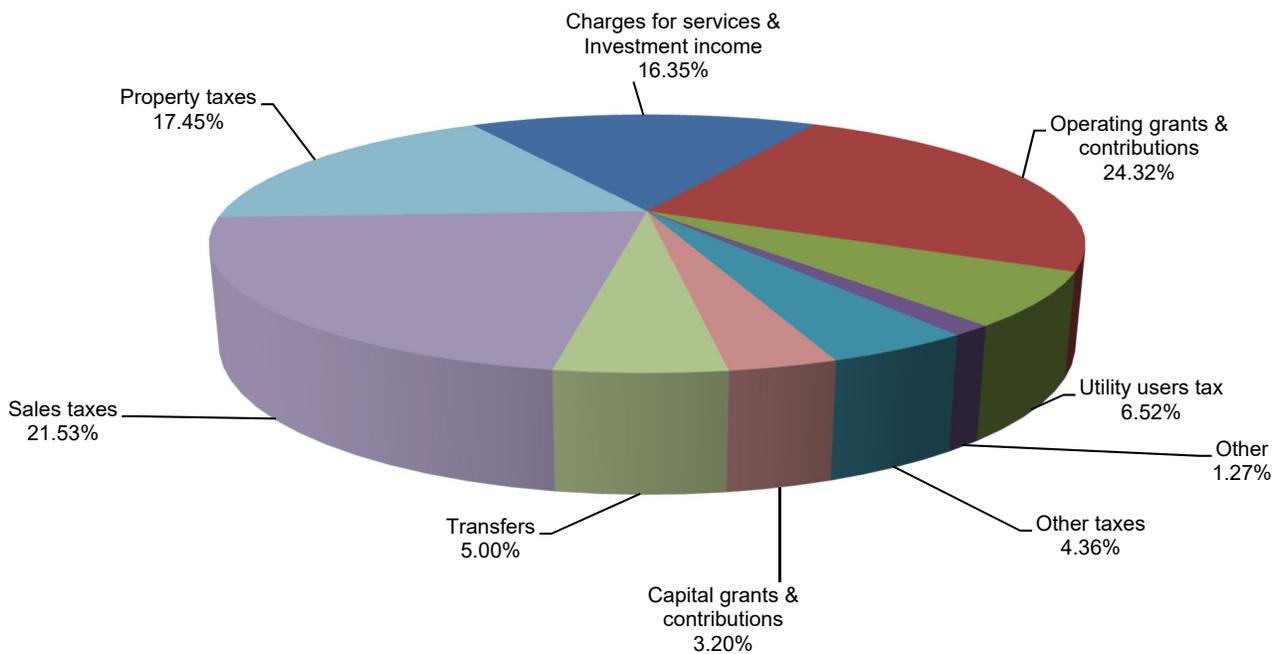
Governmental activities. Governmental activities increased the City's net position by \$67,248. Key elements of this increase are as follows:

- Sales tax revenue increased by \$14,398 (19.3%) compared to prior fiscal year. The sales tax growth reset to pre-pandemic levels as the COVID restrictions lifted. The City experienced healthy sales tax growth in categories such as general consumer goods, restaurants, fuel and auto-transportation during the current fiscal year.
- Compared to prior fiscal year, charges for services increased by \$11,312 (16.6%). The increase was primarily driven by revenue increases in the following categories: parking meters, parking garages, parking citations, building and planning permits, and plan check fees.
- Investment income decreased by \$16,597 (362.6%) during the current fiscal year, which consists of interest revenue increase of \$1,011, and decrease in fair value of investments in accordance of GASB 31 of \$17,608.
- Governmental activities expense decreased by \$37,898 (9.9%) during the current fiscal year, primarily due to a decrease in pension expense.

2022 Expenses and Program Revenues – Governmental Activities



2022 Revenues and Transfers by Source – Governmental Activities



CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

**City of Glendale's Change in Net Position
For the Fiscal Year Ended June 30,**

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 79,576	68,264	348,190	326,265	427,766	394,529
Operating grants and contributions	100,480	96,665	7,662	51	108,142	96,716
Capital grants and contributions	13,223	16,030	2,401	-	15,624	16,030
General revenues:						
Taxes:						
Property taxes	72,115	71,738	-	-	72,115	71,738
Sales taxes	88,976	74,578	-	-	88,976	74,578
Utility users tax	26,943	26,114	-	-	26,943	26,114
Other taxes	17,997	12,274	-	-	17,997	12,274
Investment income	(12,020)	4,577	(17,761)	817	(29,781)	5,394
Other	5,328	1,391	6,760	19,071	12,088	20,462
Total revenues	392,618	371,631	347,252	346,204	739,870	717,835
Expenses:						
General government	16,143	22,663	-	-	16,143	22,663
Police	84,436	106,799	-	-	84,436	106,799
Fire	60,535	74,151	-	-	60,535	74,151
Public works	51,167	40,161	-	-	51,167	40,161
Transportation	22,083	20,582	-	-	22,083	20,582
Housing, health and community development	67,287	69,016	-	-	67,287	69,016
Employment program	5,983	7,303	-	-	5,983	7,303
Public service	5,159	7,433	-	-	5,159	7,433
Parks, recreation and community services	20,563	22,246	-	-	20,563	22,246
Library	12,105	12,956	-	-	12,105	12,956
Interest and fiscal charges	581	630	-	-	581	630
Fiber optic	-	-	100	214	100	214
Fire communications	-	-	5,003	5,102	5,003	5,102
Sewer	-	-	23,734	23,914	23,734	23,914
Refuse disposal	-	-	20,998	26,781	20,998	26,781
Electric	-	-	227,985	224,764	227,985	224,764
Water	-	-	49,279	54,271	49,279	54,271
Total expenses	346,042	383,940	327,099	335,046	673,141	718,986
Excess before transfers	46,576	(12,309)	20,153	11,158	66,729	(1,151)
Transfers	20,672	18,653	(20,672)	(18,653)	-	-
Change in net position	67,248	6,344	(519)	(7,495)	66,729	(1,151)
Net position – beginning, as restated	951,131	944,787	714,273	724,768	1,665,404	1,669,555
Net position – ending	\$ 1,018,379	951,131	713,754	717,273	1,732,133	1,668,404

In FY2022, the negative investment income was due to the net decrease in the fair value of investments pursuant to GASB statement No. 31.

CITY OF GLENDALE

Management's Discussion and Analysis

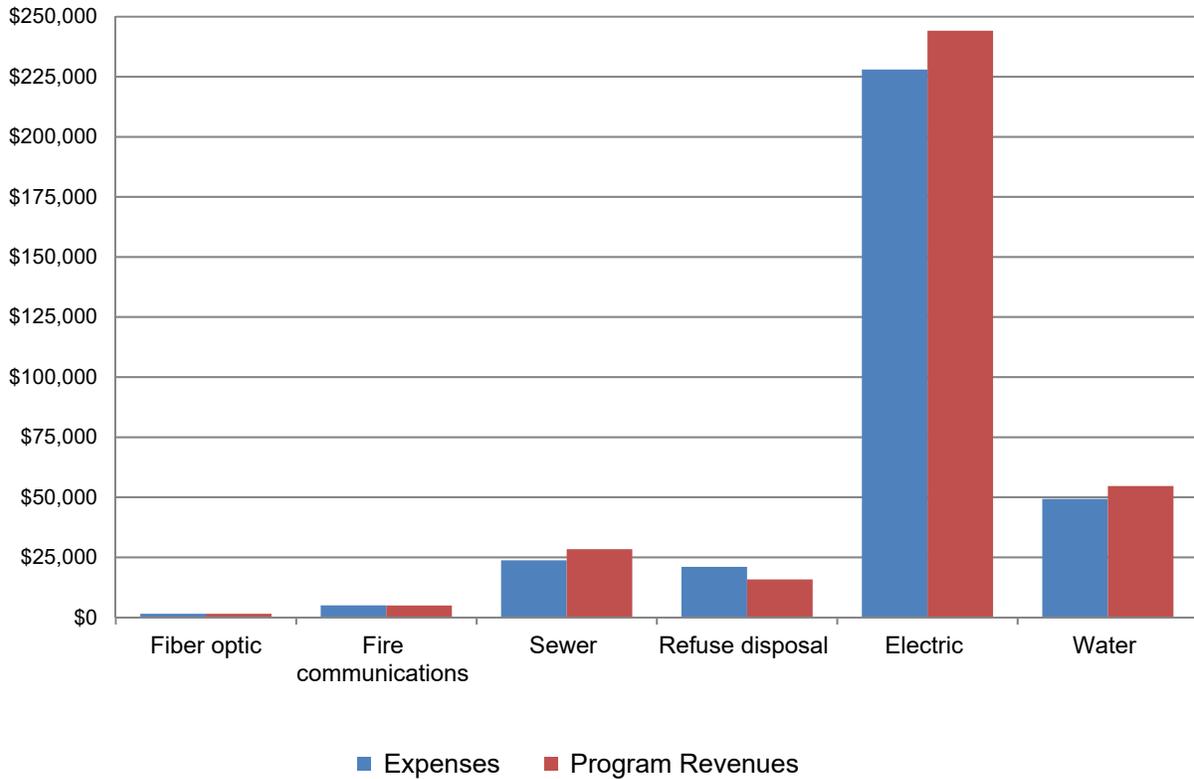
June 30, 2022

(in thousands)

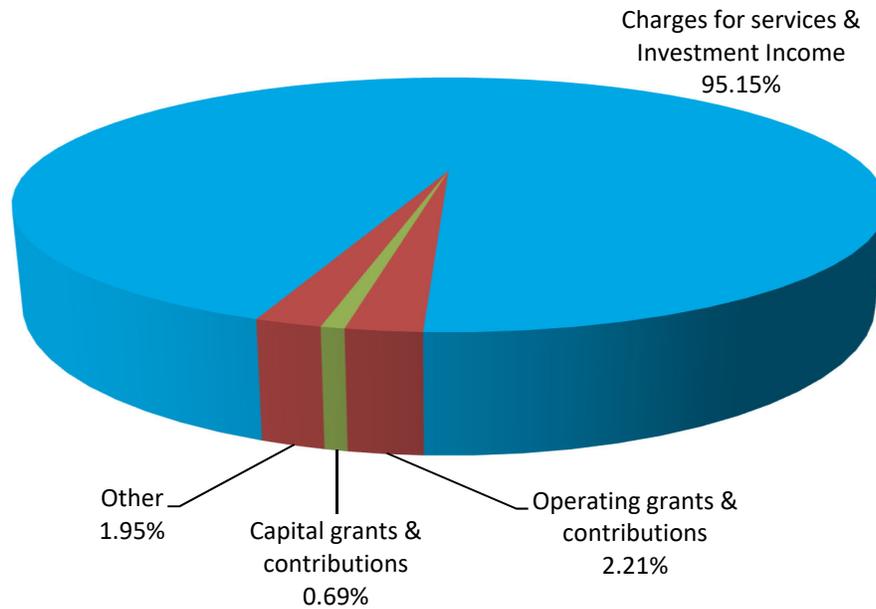
Business-type activities. Business-type activities net position decreased by \$519. Key elements of this decrease are as follows:

- Investment income decreased by \$18,578 (2,273.9%) during the current fiscal year, which consists of interest revenue increase of \$187, and decrease in fair value of investments in accordance of GASB 31 of \$18,765.
- Operating grants and contributions increased by \$7,611 (14,923.5%) during the current fiscal year mainly due to the California Arrearage Payment Program (CAPP) and California Water and Wastewater Arrearage Payment Program (CWWAPP) grant funds received by the city to pay for past due customer utility bills.
- Charges for services increased by \$21,925 (6.7%) during the current fiscal year mainly due to increase in electric retail sales and natural gas sales to other utilities. There is also a reclassification of various revenues from other category to charges for services category to better align with appropriate functions.
- Business-type activities expense decreased by \$7,947 (2.4%) due to a decrease in pension expense.
- Other Income decreased by \$12,311 (64.6%). The decrease is mainly due to reclassification of various revenues from other income category to the charges for services category to better align with appropriate functions.

2022 Expenses and Program Revenues – Business-type Activities



2022 Revenues by Source – Business-type Activities



CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$493,079, an increase of \$41,832 in comparison with the prior year. About 9.3% of this total amount, \$45,685, constituted unassigned fund balance, which was available for spending at the government's discretion. The remainder of fund balance in the amount of \$447,394 was not available for new spending because it was either nonspendable, restricted, committed or assigned. Nonspendable fund balance was \$3,900. Restricted fund balance was \$333,605, which was constrained by external creditors, grantors, laws or regulations of other governments and enabling legislation. Committed fund balance was \$90,826 and the assigned fund balance was \$19,063.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance and the City Charter Article XI Section 15 general reserve of the General Fund were \$55,106 and \$35,770 respectively, while total fund balance was \$145,155.

The fund balance of the City's General Fund had a net decrease of \$2,818 during the current fiscal year. This net decrease is primarily due to the following reasons:

- While the total City sales tax increased due to the economic recovery, more Measure S sales tax was allocated to Measure S CIP Fund to cover Council approved capital projects, which resulted in a decrease in the sales tax revenue of the General Fund, by \$2,245 compared to last year.
- Compared to the prior fiscal year, other taxes revenue increased by \$5,723, primarily from Transient Occupancy taxes due to the economy recovering from the pandemic. The other taxes revenue also includes franchise taxes, property transfer taxes, and landfill host assessment.
- Compared to the prior fiscal year, licenses and permits revenue increased by \$2,317, primarily due to economy recovering from the pandemic.
- Compared to the prior fiscal year, charges for services revenue increased by \$6,237, primarily due to full re-openings of City facilities to the public.
- Compared to the prior fiscal year, use of money and property revenue decreased by \$16,234, which consists of an increase in rental/lease revenue and sale of property of \$341, interest revenue increase of \$1,033, and decrease in fair value of investments in accordance of GASB 31 of \$17,608.

The Housing Assistance Fund (Section 8 grant) had a fund balance of \$8,409, an increase of \$424 during the current fiscal year. The main reason was that the City spent less administrative expenditures than the earned administrative revenue due to efficient and effective administrative operations.

The Parking Fund had a fund balance of \$8,946. During the current fiscal year, the fund balance increased by \$421, primarily due to higher revenues from parking and parking tickets. The full re-openings of the businesses and resuming all normal parking violations regulations contributed to the revenue increases.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

The Capital Improvement Fund had a fund balance of \$63,657. During the current fiscal year, the fund balance increased by \$24,174, primarily due to additional Measure S Sales tax revenues that were allocated to the fund with appropriations going towards housing, infrastructure, parks and recreation, and other quality of life items.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

At the end of the year, net position was composed of \$220,848 for the Sewer Fund, \$341,559 for the Electric Fund, \$136,380 for the Water Fund, and \$35,952 for the nonmajor enterprise funds.

The net position of the Sewer Fund increased by \$3,783 during the current fiscal year. The revenue increase is mainly due to the 4-year wastewater rate increase that took effect on July 5, 2018. On the other hand, the city experienced a loss in the fair value of investments which was partially offset by reduction in pension expense.

The net position of the Electric Fund decreased by \$1,892 during the current fiscal year. The decrease was mainly attributable to higher fuel and purchase power costs and decrease in fair value of investments, partially offset by increase in electric retail sales and natural gas sales to other utilities and reduction in pension expense.

The net position of the Water Fund increased by \$7,159 during the current fiscal year. The increase in net position was mainly due to lower purchased water and pension costs. The revenues were mostly on par with prior year, the increase in water drought rate revenues which was in part offset by reduction in water retail sales and fair value of investments.

The net position of nonmajor enterprise funds decreased by \$1,287 during the current fiscal year. The decrease is mainly attributable to decrease in Refuse Disposal Fund revenues due to franchising of the solid waste collection services for commercial establishments and multi-family residential establishments of 5-units or greater, and decrease in the fair value of investments offset by one-time reimbursement from Los Angeles County Sanitation Districts. The operating expenses were mostly on par with prior year level apart from the reductions in contractual services and pension expenses.

General Fund Budgetary Highlights

In comparison to the FY 2021-22 final General Fund revenue budget, the actual revenue received inclusive of transfers in, came in lower by \$2,291. Some of the major revenue categories that ended the fiscal year with lower revenues than anticipated were Property Taxes by \$1,064 and Use of Money and Property by \$12,609. For the Property Taxes category, the revenue collected was slightly lower than the budget due to the AB 1x26 property taxes collected through the County, coming in lower than anticipated. The variance for the Use of Money and Property category was due to the unrealized losses in interest revenue, recorded in accordance with GASB 31 in the amount of \$8,796, and the unbudgeted interest income and unrealized losses recorded for the Section 115 PERS Stabilization Trust Fund totaling to a net \$5,294. While the sales tax category (inclusive of Measure S revenues) also recorded \$2,113 less in revenues than the final General Fund budget, this was not due to less sales tax revenues received by the City, but rather a larger portion of the Measure S sales tax revenues being deposited in the Measure S CIP Fund (Fund 4011) to cover Council approved capital projects. Sales Tax revenues, on the contrary, came in higher than anticipated as major industries continue to experience some financial recovery after the COVID-19 pandemic.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

The Other Taxes category ended the fiscal year with higher revenues by \$2,389 mainly due to Transient Occupancy Tax (TOT) revenues coming in higher than anticipated. With loosened restrictions and increasing personal and business travel, hotel services have seen significant recovery over the past year, translating to a continuous growth in TOT revenues. The Revenues from Other Agencies category also ended the year with higher revenues by \$5,839, mainly due to the recording of the use of American Rescue Plan Act (ARPA) funds. In addition, the Charges for Services category ended the year with higher revenues received by \$3,956, mainly due to higher receipts in Emergency Medical Response fees and in Community Services & Parks revenues resulting from higher than anticipated participation in various activities including camps, facility rentals and aquatics.

On the expenditure side, the FY 2021-22 final expense and transfers out budget increased during the year by \$8,928 in comparison to the original expense budget. The increase was largely driven by \$6,786 for budget carryovers of which \$6,295 were for Measure S programs, and \$2,142 for various Council approved budget amendments. Compared to the FY 2021-22 final General Fund expense budget, the actual expenditures and transfers out were underspent by \$11,572. The variance is partially due to Measure S appropriations for various Council approved programs that were unspent in the amount of \$5,359. Excluding Measure S appropriations, the remaining variance is mainly due to salaries and benefits savings in the amount of \$2,401 as a result of additional vacancy savings and less hourly wages spent; savings in contractual services throughout various departments in the amount of \$2,349; and savings in various other maintenance & operations and capital outlay categories in the amount of \$1,464.

Capital Asset, Lease Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities, as of June 30, 2022, is \$1,553,887. This investment in capital assets includes land, natural gas reserve, buildings and improvements, machinery and equipment, infrastructure, intangible assets, and construction in progress. The total decrease in the City's investment in capital assets for the current fiscal year was 2.0%, and this represents 1.2% decrease for governmental activities and a 3.3% decrease for business-type activities.

Major capital asset events during the current fiscal year included the following:

- In FY 2021-22, the City purchased the following machinery and equipment: \$423 patrol cars and SUVs, \$585 vans, \$482 backhoe/loaders, \$406 trailer and trucks and \$1,316 street sweeper.
- The following construction in progress projects contributing to the capital assets increase in government wide: \$2,296 for Maintenance District 6 Pavement Rehabilitation, \$897 for Colorado Street and Columbus Avenue Rehabilitation, and \$2,408 for Traffic Signal Improvement.
- The following projects contributed to the increase in the buildings and improvements and intangible assets in the Sewer Fund: \$1,729 for Hyperion Wastewater System. The City is upgrading Hyperion Wastewater Treatment Plant and Conveyance System Facilities to meet federal and state mandates.
- The following construction in progress projects in Electric Fund and Water Fund contributed to the increased in the business-type capital assets activities: \$789 Grayson Repower, \$469 Fiber Plan, \$290 Biogas Renewable Generation, \$971 Glendale Heights Tank Replacement, \$1,518 Western Reservoir and Bel Aire Electric and \$512 Portable Water Meter.
- Governmental and business-type activities retired the following machinery and equipment, of which \$4,773 was sold in auction, and \$32,262 was fully depreciated.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

City of Glendale's Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 447,292	447,259	9,557	9,557	456,849	456,816
Natural gas reserve	-	-	22,171	22,166	22,171	22,166
Buildings and improvements	465,134	458,769	320,498	317,943	785,632	776,712
Machinery and equipment	131,259	148,419	591,113	593,524	722,372	741,943
Infrastructure	370,930	358,326	177,980	173,740	548,910	532,066
Construction in progress	14,103	16,725	11,589	13,007	25,692	29,732
Intangible assets	7,304	7,304	116,940	115,211	124,244	122,515
Total capital assets	<u>1,436,022</u>	<u>1,436,802</u>	<u>1,249,848</u>	<u>1,245,148</u>	<u>2,685,870</u>	<u>2,681,950</u>
Less: Accumulated depreciation	(448,876)	(438,779)	(604,049)	(583,926)	(1,052,925)	(1,022,705)
Less: Accumulated gas depletion	-	-	(14,481)	(13,770)	(14,481)	(13,770)
Less: Accumulated amortization	<u>(2,992)</u>	<u>(2,200)</u>	<u>(61,585)</u>	<u>(58,376)</u>	<u>(64,577)</u>	<u>(60,576)</u>
Net of depreciation, depletion and amortization	<u>\$ 984,154</u>	<u>995,823</u>	<u>569,733</u>	<u>589,076</u>	<u>1,553,887</u>	<u>1,584,899</u>

Additional information on the City's capital assets can be found in Note 6 on pages 66-69.

Lease assets. The City's leased assets for its governmental and business-type activities, as of June 30, 2022, is \$1,626 net of \$815 accumulated depreciation. These lease assets include land and buildings. The Major lease asset events during the current fiscal year included the following:

- The following lease assets contribute to the increase in governmental activities: Police, Community Service, and Parks and Library is leasing a building. These resulted in the recording of building lease assets of \$2,169.
- The Glendale Water and Power department is leasing land to install their pieces of equipment. These resulted in recording land lease assets in the amount of \$272.

City of Glendale's Lease Assets

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ -	-	272	-	272	-
Buildings	2,169	-	-	-	2,169	-
Total lease assets	<u>2,169</u>	<u>-</u>	<u>272</u>	<u>-</u>	<u>2,441</u>	<u>-</u>
Less: Accumulated depreciation	<u>(815)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(815)</u>	<u>-</u>
Net of depreciation	<u>\$ 1,354</u>	<u>-</u>	<u>272</u>	<u>-</u>	<u>1,626</u>	<u>-</u>

Additional information on the City's lease assets can be found in Note 6 on pages 66-69.

CITY OF GLENDALE

Management's Discussion and Analysis

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(in thousands)

Long-term debt. The City's total long-term debt decreased by \$10,052 (4.1%) in FY 2021-22. The decrease was mainly due to the regular annual bond debt retirements.

City of Glendale's Long-Term Debt

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Bonds payable:						
GMFA lease revenue bonds, 2019 refunding	\$ 23,164	25,578	-	-	23,164	25,578
Electric revenue bonds, 2013 refunding	-	-	16,465	17,761	16,465	17,761
Electric revenue bonds, 2013 series	-	-	54,321	55,838	54,321	55,838
Electric revenue bonds, 2016 refunding	-	-	69,869	73,897	69,869	73,897
Water revenue bonds, 2012 series	-	-	33,034	33,606	33,034	33,606
Water revenue bonds, 2020 refunding	-	-	36,504	38,338	36,504	38,338
Total bonds payable	<u>23,164</u>	<u>25,578</u>	<u>210,193</u>	<u>219,440</u>	<u>233,357</u>	<u>245,018</u>
Leases payable:						
Verdugo Jobs Center building lease	529	-	-	-	529	-
Library Connection @ Adams Square building lease	264	-	-	-	264	-
Mt. Lukens telecommunication building lease	598	-	-	-	598	-
Flint Peak tower facility ground lease	-	-	111	-	111	-
Airspace land lease	-	-	107	-	107	-
Total leases payable	<u>1,391</u>	<u>-</u>	<u>218</u>	<u>-</u>	<u>1,609</u>	<u>-</u>
Total long-term debt	<u>\$ 24,555</u>	<u>25,578</u>	<u>210,411</u>	<u>219,440</u>	<u>234,966</u>	<u>245,018</u>

Additional information on the City's long-term debt can be found in Note 7 on pages 69-77 of this report.

Credit ratings

Municipal bond ratings provide investors with a simple way to compare the relative investment quality of different bonds. Bond ratings express the opinions of the rating agencies as to the issuer's ability and willingness to pay debt service when it is due. In general, the credit rating analysis includes the evaluation of the relative strengths and weaknesses of the following four factors as they affect an issuer's ability to pay debt and service: fiscal, economic, debt and administrative/management factors. The City continues to receive high general credit ratings from all three national rating agencies, despite the difficult financial and economic conditions the national and local economy has been faced with and continues to have a strong capacity to meet its financial commitments on obligations.

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Management's Discussion and Analysis

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(in thousands)

The City's bond ratings as of June 30, 2022 are as follows:

<u>Debt Issue</u>	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
Issuer credit rating (Implied General Obligation)	Aa2	AA+	AA+
2019 Lease revenue refunding bonds	-	AA	AA
Electric revenue bonds, 2013 refunding	Aa3	A+	A+
Electric revenue bonds, 2013 series	Aa3	A+	A+
Electric revenue bonds, 2016 refunding	-	A+	A+
Water revenue bonds, 2012 series	A1	AA-	AA-
Water revenue bonds, 2020 refunding	-	AA-	AA-

Debt Administration

The City's debt administration obligations are as follows:

- Pay debt service timely;
- Monitor trustee-held accounts and guaranteed investment contracts;
- Comply with bond covenants and Internal Revenue Service (IRS) rules and regulations;
- Provide continuing disclosure and other reports to the municipal bond market;
- Manage liquidity and credit enhancement contracts.

Continuing Disclosure

On November 10, 1994, the Securities and Exchange Commission ("SEC") adopted amendments to existing federal regulations ("Rule 15c-12" or the "Rule") under which municipalities issuing securities on or after July 3, 1995 are required to:

- Prepare official statements meeting current requirements of the Rule;
- Annually file certain financial information and operating data with national and state repositories;
- Prepare announcements of the significant events enumerated in the Rule.

As of June 30, 2022, the City had six series of bonds subject to Continuing Disclosure requirements. The City prepares the Continuing Disclosure (financial and operating information) for its three Electric and two Water series bonds, and engaged a financial advisor, Harrell & Company Advisors, LLC to prepare the Continuing Disclosure for the one GMFA bond. The City also engaged Harrell & Company Advisors, LLC as dissemination agent to post all six series of bonds' Continuing Disclosure Annual Reports and the City financial statements on the MSRB's Electronic Municipal Market Access ("EMMA") website. The dissemination agent will also prepare any notices of material events and post such notices on EMMA. Timely and accurate communication with the municipal marketplace is vital in retaining the City's creditworthiness and market access. Continuing Disclosure and compliance reporting constitute a significant part of Debt Management's compliance activity for the life of each series of bonds.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

Next Year's Budget and Rates

The total appropriations adopted for the FY 2022-23 citywide budget is \$1,100,000, with \$280,500 of that amount in the General Fund, which reflects an increase of approximately \$23,000 when compared to the FY 2021-22 revised budget. Council also approved \$34,700 in Measure S appropriations for Housing, Infrastructure, Economic Vibrancy, Quality of Life and Safety & Security projects and programs, totaling to \$17,500 in General Fund and \$17,200 in the Measure S Capital Improvement Fund.

The American Rescue Plan Act (ARPA) signed into law on March 11, 2021 guarantees direct financial relief to local governments. The total City of Glendale allocation is \$43,500, which can be used for revenue loss replacement, infrastructure projects pertaining to water, sewer, and broadband, COVID assistance programs, as well as premium pay for essential employees up to \$13.00 per hour. All funds received must be committed by December 31, 2024. In order to adopt a balanced General Fund budget, the City is projecting to use approximately \$18,000 in ARPA funding in FY 2022-23.

Property Tax receipts are estimated to be approximately \$75,500, which is \$2,300, or 3.1%, above the prior year's revised estimate. This is due to an increase in the number of home sales in calendar year 2021 compared to 2020, when home sales slowed due to the pandemic, which was used as the basis for the FY 2022-23 budget forecast. The City's projection also factors in rising interest rates and an increase in assessed valuation of 2%.

Sales Tax revenues are estimated to be approximately \$52,200 for Bradley Burns, with an additional \$30,200 in Measure S sales tax of which \$17,500 is for General Fund programming. Since COVID-19 restrictions were lifted, the City experienced healthy sales tax growth in categories such as general consumer goods, restaurants, fuel and auto-transportation. While this growth was a reset to pre pandemic levels, the same level of growth rate is not expected to continue in FY 2022-23 for a variety of factors including rising interest rates, inflation, and supply chain issues. As such, sales tax is still expected to grow in FY 2022-23, albeit at a declining rate relative to FY 2021-22.

Other Taxes receipts are estimated to be approximately \$18,200, of which \$8,000 is due to Occupancy Taxes. With loosened restrictions and increasing personal and business travel, hotel services have seen significant recovery over the past year. Consequently, Transient Occupancy Tax (TOT) revenues, which are received by hotels at the time of booking, have seen month-over-month growth in recent quarters.

Utility Users Tax (UUT) is estimated to be approximately \$25,000, which is a 3.9% decrease from the FY 2021-22 estimate. We anticipate a decrease in telecommunication revenues due to consumers' declining usage of voice and text and increasing data usage (internet access and internet access-based apps). Data services have been deemed as exempt from taxation by courts in California and other jurisdictions nationwide. Cable revenue also continues to slowly decline as customers cancel traditional cable television services in favor of streaming services, which results in a lower bill and corresponding tax collection.

The net increase in the Salaries and Benefits category is approximately \$12,900. Of this, \$4,500 is in salaries as a result of approved Memorandum of Understanding Cost of Living Adjustments, normal step progression and reallocation of employees; \$3,300 is pension expenses (net of employee cost sharing); and a combined increase of \$5,400 in other benefits including medical insurance, worker's compensation rates, and compensated absences. These costs are partially offset by \$5,500 in estimated vacancy savings.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2022

(in thousands)

It is no surprise that one of the largest expense obligations for the City is the cost for PERS, in particular the growing unfunded actuarial liability (UAL), which is continuing to be a cause of concern for the City. While the City's net pension obligation decreased from the prior year (see page 84) due to PERS strong investment return in 2021, we expect the decrease is temporary and will revert or increase in next year's Annual Comprehensive Financial Report. The reason why is two-fold in that PERS had a negative return in 2022, and the lowering of the discount rate will be reflected in our pension liability.

To mitigate future increases in pension costs, the City Council took a proactive step by voting to establish a Section 115 Pension Rate Stabilization Trust at the time of the FY 2017-18 budget adoption. Since the establishment of the Trust, the City Council authorized the initial deposit of \$26,500 in FY 2017-18 and an additional deposit of \$5,500 in FY 2019-20, for a total deposit of \$32,000 of one-time surplus revenues. The total ending balance as of June 30, 2022, is \$34,500 which provides a 2.1% average annual rate of return. This decision demonstrates the City Council's commitment to help mitigate rising pension costs. City staff is will continue to evaluate other strategies when appropriate to address the trend in rising PERS costs.

In the Maintenance & Operation category, there is a total net increase of approximately \$1,000 when compared to the revised FY 2021-22 budget. This is primarily due to an increase in internal service charges including \$4,600 in Fleet equipment rental charge, \$1,100 in ITD service charge and \$431 in Building Maintenance, offset by a \$4,600 decrease in Contractual Services composed of quality of life programs that shifted to Measure S.

In the Capital Outlay category, the total net decrease of approximately \$1,100 is due to less planned equipment purchases in FY 2022-23 compared to prior year.

Requests 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 government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance and Information Technology, 141 North Glendale Avenue, Suite 346, Glendale, CA 91206.

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Exhibit A-1
CITY OF GLENDALE
Statement of Net Position
June 30, 2022
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Pooled cash and investments	\$ 517,173	\$ 241,921	\$ 759,094
Cash and investments with fiscal agent	-	9,857	9,857
Accounts receivable, net	48,230	52,670	100,900
Interest receivable	1,794	2,001	3,795
Internal balances	20,985	(20,985)	-
Inventories	860	9,704	10,564
Prepaid items	5,647	8,565	14,212
Total current assets	594,689	303,733	898,422
Noncurrent assets:			
Restricted cash and investments	125,697	41,417	167,114
Designated cash and investments	-	135,400	135,400
Leases receivable	46,777	1,796	48,573
Loans receivable	6,723	-	6,723
Capital assets, net	522,759	548,587	1,071,346
Capital assets, not being depreciated	461,395	21,146	482,541
Lease assets, net	1,354	-	1,354
Lease assets, not being depreciated	-	272	272
Total noncurrent assets	1,164,705	748,618	1,913,323
Total assets	1,759,394	1,052,351	2,811,745
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to OPEB	2,611	607	3,218
Deferred outflows of resources related to pensions	64,888	14,752	79,640
Loss on refunding	-	3,627	3,627
Total deferred outflows of resources	67,499	18,986	86,485
Total assets and deferred outflows of resources	1,826,893	1,071,337	2,898,230
LIABILITIES			
Current liabilities:			
Accounts payable	15,249	33,440	48,689
Accrued wages and withholding	7,601	2,157	9,758
Bonds payable	2,509	9,607	12,116
Claims payable	13,159	-	13,159
Compensated absences	3,353	-	3,353
Deposits	7,088	2,009	9,097
Interest payable	81	3,411	3,492
Leases payable	638	54	692
Unearned revenues	42,986	53	43,039
Total current liabilities	\$ 92,664	\$ 50,731	\$ 143,395

(Continued)

Exhibit A-1
CITY OF GLENDALE
Statement of Net Position
June 30, 2022
(amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Noncurrent liabilities:			
Bonds payable	\$ 20,655	\$ 200,586	\$ 221,241
Claims payable	66,942	-	66,942
Compensated absences	28,649	-	28,649
Landfill postclosure	71,451	-	71,451
Leases payable	753	164	917
OPEB liability	12,174	2,841	15,015
Net pension liability	324,720	64,096	388,816
Total noncurrent liabilities	525,344	267,687	793,031
Total liabilities	618,008	318,418	936,426
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	46,209	1,751	47,960
Deferred inflows of resources related to OPEB	3,760	871	4,631
Deferred inflows of resources related to pensions	140,537	35,693	176,230
Gain on refunding	-	850	850
Total deferred inflows of resources	190,506	39,165	229,671
Total liabilities and deferred inflows of resources	808,514	357,583	1,166,097
NET POSITION			
Net investment in capital assets	958,053	367,455	1,325,508
Restricted for:			
Air quality improvement	997	-	997
Cable access	3,711	-	3,711
Capital projects	65,168	-	65,168
Carbon emissions	-	26,718	26,718
City Charter - Article XI Sec. 15 general reserve	35,770	-	35,770
Electric public benefit AB1890	8,609	-	8,609
Federal and state grants	10,819	-	10,819
Impact fee funded projects	29,713	-	29,713
Investment-gas/electric commodity	-	7,281	7,281
Landscaping district	266	-	266
Low and moderate housing	12,677	-	12,677
Low carbon fuel standard	-	1,749	1,749
Pension stabilization	34,512	-	34,512
Public safety	4,251	-	4,251
Public works	2,488	-	2,488
SCAQMD emission controls	-	5,669	5,669
State gas tax mandates	17,137	-	17,137
Transportation	45,936	-	45,936
Urban art	8,743	-	8,743
Youth employment	45	-	45
Unrestricted	(220,516)	304,882	84,366
Total net position	\$ 1,018,379	\$ 713,754	\$ 1,732,133

Exhibit A-2
CITY OF GLENDALE
Statement of Activities
For the Year Ended June 30, 2022
(amounts expressed in thousands)

	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
Governmental activities:							
General government	\$ 16,143	\$ 20,558	\$ 171	\$ -	\$ 4,586	\$ -	\$ 4,586
Police	84,436	2,209	4,183	-	(78,044)	-	(78,044)
Fire	60,535	10,855	4,548	-	(45,132)	-	(45,132)
Public works	51,167	21,062	10,684	12,278	(7,143)	-	(7,143)
Transportation	22,083	-	28,004	-	5,921	-	5,921
Housing, health and community development	67,287	11,211	43,003	897	(12,176)	-	(12,176)
Employment programs	5,983	2,531	4,401	-	949	-	949
Public service	5,159	6,812	-	-	1,653	-	1,653
Parks, recreation and community services	20,563	3,870	5,087	48	(11,558)	-	(11,558)
Library	12,105	468	399	-	(11,238)	-	(11,238)
Interest and fiscal charges	581	-	-	-	(581)	-	(581)
Total governmental activities	<u>346,042</u>	<u>79,576</u>	<u>100,480</u>	<u>13,223</u>	<u>(152,763)</u>	<u>-</u>	<u>(152,763)</u>
Business-type activities:							
Sewer Fund	23,734	28,377	465	-	-	5,108	5,108
Refuse Disposal Fund	20,998	15,805	394	-	-	(4,799)	(4,799)
Fiber Optic Fund	100	236	-	-	-	136	136
Fire Communication Fund	5,003	4,956	-	-	-	(47)	(47)
Electric Fund	227,985	244,145	4,995	2,401	-	23,556	23,556
Water Fund	49,279	54,671	1,808	-	-	7,200	7,200
Total business-type activities	<u>327,099</u>	<u>348,190</u>	<u>7,662</u>	<u>2,401</u>	<u>-</u>	<u>31,154</u>	<u>31,154</u>
Total primary government	<u>\$ 673,141</u>	<u>\$ 427,766</u>	<u>\$ 108,142</u>	<u>\$ 15,624</u>	<u>\$ (152,763)</u>	<u>\$ 31,154</u>	<u>\$ (121,609)</u>
General revenues:							
Investment income					(12,020)	(17,761)	(29,781)
Property taxes					72,115	-	72,115
Sales taxes					88,976	-	88,976
Utility users tax					26,943	-	26,943
Other taxes					17,997	-	17,997
Other					5,328	6,760	12,088
Transfers					20,672	(20,672)	-
Total general revenues and transfers					<u>220,011</u>	<u>(31,673)</u>	<u>188,338</u>
Change in net position					<u>67,248</u>	<u>(519)</u>	<u>66,729</u>
Net position - beginning, as restated					<u>951,131</u>	<u>714,273</u>	<u>1,665,404</u>
Net position - ending					<u>\$ 1,018,379</u>	<u>\$ 713,754</u>	<u>\$ 1,732,133</u>

Exhibit B-1
CITY OF GLENDALE
Balance Sheet
Governmental Funds
June 30, 2022
(amounts expressed in thousands)

	General Fund 1010-1070	Housing Assistance Fund 2020	Parking Fund 2210
ASSETS			
Pooled cash and investments	\$ 92,187	\$ 7,224	\$ 8,576
Restricted cash and investments	72,934	-	-
Leases receivable	12,839	-	33,457
Accounts receivable, net	27,000	85	1,187
Interest receivable	812	-	42
Loans receivable	-	-	-
Due from other funds	6,191	-	-
Inventories	253	-	-
Prepaid items	451	3,143	-
Total assets	212,667	10,452	43,262
LIABILITIES			
Accounts payable	2,633	377	952
Deposits	6,963	-	-
Due to other funds	-	-	-
Unearned revenues	38,448	1,490	109
Wages and benefits payable	6,859	91	97
Total liabilities	54,903	1,958	1,158
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	12,601	-	33,135
Unavailable revenues	8	85	23
Total deferred inflows of resources	12,609	85	33,158
Total liabilities and deferred inflows of resources	\$ 67,512	\$ 2,043	\$ 34,316

(Continued)

Exhibit B-1
CITY OF GLENDALE
Balance Sheet
Governmental Funds
June 30, 2022
(amounts expressed in thousands)

	General Fund 1010-1070	Housing Assistance Fund 2020	Parking Fund 2210
FUND BALANCES (DEFICITS)			
Nonspendable			
Inventory	\$ 253	\$ -	\$ -
Prepaid	451	3,143	-
Restricted			
Air quality improvement	-	-	-
Cable access	-	-	-
Capital projects	-	-	-
City Charter - Article XI Sec. 15 general reserve	35,770	-	-
Electric public benefit AB1890	-	-	-
Federal and state grants	-	5,266	-
Impact fee funded projects	-	-	-
Landfill postclosure	-	-	-
Landscaping district	-	-	-
Low and moderate housing	-	-	-
Pension stabilization	34,512	-	-
Public safety	-	-	-
Public works	-	-	-
State gas tax mandates	-	-	-
Transportation	-	-	-
Urban art	-	-	-
Youth employment	-	-	-
Committed			
Capital projects	-	-	-
Debt service	-	-	-
Hazardous materials	-	-	-
Parking	-	-	8,946
Public safety	-	-	-
Assigned			
Economic development	1,862	-	-
Quality of life - affordable housing, infrastructure improvements, and other essential services	17,201	-	-
Unassigned	55,106	-	-
Total fund balances (deficits)	<u>145,155</u>	<u>8,409</u>	<u>8,946</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 212,667</u>	<u>\$ 10,452</u>	<u>\$ 43,262</u>

(Continued)

Exhibit B-1
CITY OF GLENDALE
Balance Sheet
Governmental Funds
June 30, 2022
(amounts expressed in thousands)

	Capital Improvement Fund 4010-4011	Total Nonmajor Funds	Total Governmental Funds
ASSETS			
Pooled cash and investments	\$ 62,414	\$ 221,248	\$ 391,649
Restricted cash and investments	-	52,763	125,697
Leases receivable	-	481	46,777
Accounts receivable, net	1,852	17,555	47,679
Interest receivable	-	307	1,161
Loans receivable	-	6,723	6,723
Due from other funds	-	-	6,191
Inventories	-	-	253
Prepaid items	-	53	3,647
Total assets	64,266	299,130	629,777
LIABILITIES			
Accounts payable	571	5,543	10,076
Deposits	-	126	7,089
Due to other funds	-	6,136	6,136
Unearned revenues	-	2,940	42,987
Wages and benefits payable	38	416	7,501
Total liabilities	609	15,161	73,789
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	-	473	46,209
Unavailable revenues	-	16,584	16,700
Total deferred inflows of resources	-	17,057	62,909
Total liabilities and deferred inflows of resources	\$ 609	\$ 32,218	\$ 136,698

(Continued)

Exhibit B-1
 CITY OF GLENDALE
 Balance Sheet
 Governmental Funds
 June 30, 2022
 (amounts expressed in thousands)

	Capital Improvement Fund 4010-4011	Total Nonmajor Funds	Total Governmental Funds
FUND BALANCES (DEFICITS)			
Nonspendable			
Inventory	\$ -	\$ -	\$ 253
Prepaid	-	53	3,647
Restricted			
Air quality improvement	-	997	997
Cable access	-	3,711	3,711
Capital projects	-	65,168	65,168
City Charter - Article XI Sec. 15 general reserve	-	-	35,770
Electric public benefit AB1890	-	8,609	8,609
Federal and state grants	-	5,553	10,819
Impact fee funded projects	-	29,713	29,713
Landfill postclosure	-	52,763	52,763
Landscaping district	-	266	266
Low and moderate housing	-	12,677	12,677
Pension stabilization	-	-	34,512
Public safety	-	4,251	4,251
Public works	-	2,488	2,488
State gas tax mandates	-	17,137	17,137
Transportation	-	45,936	45,936
Urban art	-	8,743	8,743
Youth employment	-	45	45
Committed			
Capital projects	63,657	2,152	65,809
Debt service	-	11,549	11,549
Hazardous materials	-	3,554	3,554
Parking	-	-	8,946
Public safety	-	968	968
Assigned			
Economic development	-	-	1,862
Quality of life - affordable housing, infrastructure improvements, and other essential services	-	-	17,201
Unassigned	-	(9,421)	45,685
Total fund balances (deficits)	<u>63,657</u>	<u>266,912</u>	<u>493,079</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 64,266</u>	<u>\$ 299,130</u>	<u>\$ 629,777</u>

Exhibit B-2
 CITY OF GLENDALE
 Reconciliation of Balance Sheet
 to the Statement of Net Position
 June 30, 2022
 (amounts expressed in thousands)

Fund balances of governmental funds	\$	493,079
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets are not included as financial resources in the governmental funds:		
Land	\$	447,292
Buildings and improvements		249,318
Equipment		13,711
Infrastructure		226,285
Intangible		48
Construction in progress		<u>11,880</u>
		948,534
Lease assets are not included as financial resources in the governmental funds:		
Buildings		769
Long-term debt not included in the governmental funds (due within one year):		
2019 GMFA lease revenue refunding bonds		(2,509)
Long-term debt not included in the governmental funds (due more than one year):		
2019 GMFA lease revenue refunding bonds		(20,655)
Accrued interest payable for the current portion of interest due is not included in the governmental funds:		
2019 GMFA lease revenue refunding bonds		(81)
Long-term lease not included in the governmental funds (due within one year)		(597)
Long-term lease not included in the governmental funds (due more than one year)		(196)
Landfill postclosure liability not included in the governmental funds		(71,451)
Unavailable revenue in the governmental funds is revenue in the statement of activities		16,701
Deferred outflows of resources related to pensions		64,888
Deferred inflows of resources related to pensions		(140,537)
Net pension liability		(324,720)
Deferred outflows of resources related to OPEB		2,611
Deferred inflows of resources related to OPEB		(3,760)
OPEB Liability		(12,174)
Internal service funds are used to charge the cost of certain activities to individual funds, such as self insurance, and post employment benefits. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position		
		<u>68,477</u>
Net position of governmental activities	\$	<u><u>1,018,379</u></u>

Exhibit C-1
CITY OF GLENDALE
Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022
(amounts expressed in thousands)

	General Fund 1010-1070	Housing Assistance Fund 2020	Parking Fund 2210
REVENUES			
Property taxes	\$ 72,115	\$ -	\$ -
Sales tax	63,116	-	-
Utility users tax	26,943	-	-
Other taxes	17,997	-	-
Revenue from other agencies	6,059	39,076	-
Licenses and permits	10,566	-	-
Fines and forfeitures	3,110	-	3,216
Charges for services	20,559	-	6,835
Interfund revenue	18,833	-	-
Miscellaneous revenue	808	29	1
Use of money and property	(10,861)	78	(61)
Total revenues	<u>229,245</u>	<u>39,183</u>	<u>9,991</u>
EXPENDITURES			
Current:			
General government	22,745	-	-
Police	97,674	-	-
Fire	65,064	-	-
Public works	14,643	-	9,490
Transportation	-	-	-
Housing, health and community development	20,227	38,759	-
Employment programs	-	-	-
Public service	-	-	-
Parks, recreation and community services	18,002	-	-
Library	11,218	-	-
Debt service:			
Principal retirement - Leases	49	-	-
Interest - Leases	2	-	-
Principal retirement	-	-	-
Interest	-	-	-
Capital outlay:			
Capital outlay	1,137	-	80
Total expenditures	<u>250,761</u>	<u>38,759</u>	<u>9,570</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,516)</u>	<u>424</u>	<u>421</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	20,676	-	-
Transfers out	(1,978)	-	-
Total other financing sources (uses)	<u>18,698</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,818)	424	421
Fund balances - beginning	<u>147,973</u>	<u>7,985</u>	<u>8,525</u>
Fund balances - ending	<u>\$ 145,155</u>	<u>\$ 8,409</u>	<u>\$ 8,946</u>

(Continued)

Exhibit C-1
CITY OF GLENDALE
Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022
(amounts expressed in thousands)

	Capital Improvement Fund 4010-4011	Total Nonmajor Funds	Total Governmental Funds
REVENUES			
Property taxes	\$ -	\$ -	\$ 72,115
Sales tax	25,860	-	88,976
Utility users tax	-	-	26,943
Other taxes	-	-	17,997
Revenue from other agencies	-	54,889	100,024
Licenses and permits	-	2,079	12,645
Fines and forfeitures	-	136	6,462
Charges for services	4,500	21,392	53,286
Interfund revenue	-	-	18,833
Miscellaneous revenue	2,019	998	3,855
Use of money and property	-	(49)	(10,893)
Total revenues	<u>32,379</u>	<u>79,445</u>	<u>390,243</u>
EXPENDITURES			
Current:			
General government	-	-	22,745
Police	95	1,766	99,535
Fire	-	3,553	68,617
Public works	608	3,219	27,960
Transportation	-	19,607	19,607
Housing, health and community development	825	7,768	67,579
Employment programs	-	6,125	6,125
Public service	-	5,129	5,129
Parks, recreation and community services	147	1,518	19,667
Library	33	1,151	12,402
Debt service:			
Principal retirement - Leases	-	690	739
Interest - Leases	-	2	4
Principal retirement	-	1,930	1,930
Interest	-	1,063	1,063
Capital outlay:			
Capital outlay	2,969	11,797	15,983
Total expenditures	<u>4,677</u>	<u>65,318</u>	<u>369,085</u>
Excess (deficiency) of revenues over (under) expenditures	<u>27,702</u>	<u>14,127</u>	<u>21,158</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	378	5,567	26,621
Transfers out	(3,906)	(63)	(5,947)
Total other financing sources (uses)	<u>(3,528)</u>	<u>5,504</u>	<u>20,674</u>
Net change in fund balances	24,174	19,631	41,832
Fund balances - beginning	<u>39,483</u>	<u>247,281</u>	<u>451,247</u>
Fund balances - ending	<u>\$ 63,657</u>	<u>\$ 266,912</u>	<u>\$ 493,079</u>

Exhibit C-2
 CITY OF GLENDALE
 Reconciliation of the Statement of Revenues, Expenditures and Changes in
 Fund Balances to the Statement of Activities
 For the Year Ended June 30, 2022
 (amounts expressed in thousands)

Net change in fund balances - total government funds	\$ 41,832
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures	15,253
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation and amortization expenses	(23,993)
In the statement of activities, the cost of lease assets is allocated over their lease terms as depreciation expenses	(762)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
2019 GMFA lease revenue refunding bonds	1,930
2019 GMFA lease revenue refunding bonds accrued interests	8
2019 GMFA lease revenue refunding bonds premium	484
Repayment of lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	739
Landfill postclosure liability changed from prior year	(16,020)
Unavailable revenue in the governmental funds are recognized as revenues in the statement of activities	2,373
Governmental funds report pension contributions as expenditures. However, in the statement of activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts	53,923
Governmental funds report OPEB benefits paid to retirees as expenditures. However, in the statement of activities, OPEB expense is measured as the change in total OPEB liability and the amortization of deferred outflows and inflows related to OPEB. This amount represents the net change in OPEB related amounts	318
Change in net position of internal service funds allocated to governmental activities	<u>(8,837)</u>
Change in net position of governmental activities	<u>\$ 67,248</u>

Exhibit D-1
 CITY OF GLENDALE
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 General Fund
 1010-1070
 For the Year Ended June 30, 2022
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 73,179	\$ 73,179	\$ 72,115	\$ (1,064)
Sales tax	48,417	65,229	63,116	(2,113)
Utility users tax	26,020	26,020	26,943	923
Other taxes	15,608	15,608	17,997	2,389
Revenue from other agencies	220	220	6,059	5,839
Licenses and permits	9,643	9,643	10,566	923
Fines and forfeitures	3,005	3,005	3,110	105
Charges for services	16,603	16,603	20,559	3,956
Interfund revenue	18,967	18,967	18,833	(134)
Miscellaneous revenue	1,265	1,290	808	(482)
Use of money and property	1,748	1,748	(10,861)	(12,609)
Total revenues	214,675	231,512	229,245	(2,267)
EXPENDITURES				
Current:				
City Clerk	1,141	1,710	1,458	252
City Manager	6,442	6,623	5,358	1,265
City Treasurer	972	980	968	12
Finance	7,330	7,388	6,980	408
Legal	4,635	4,674	4,663	11
Personnel	3,322	3,592	3,318	274
Non-Departmental*	(5,000)	(5,000)	-	(5,000)
Police	99,931	100,213	97,674	2,539
Fire	67,775	66,784	65,064	1,720
Public Works	16,798	16,635	14,643	1,992
Community Development	19,791	24,900	20,227	4,673
Community Services and Parks	19,182	20,730	18,002	2,728
Library, Arts and Culture	11,361	11,431	11,218	213
Total current	253,680	260,660	249,573	11,087
Debt service:				
Principal retirement - Leases	-	-	49	(49)
Interest - Leases	-	-	2	(2)
Total debt service	-	-	51	(51)
Capital outlay:				
City Manager	-	18	18	-
Police	118	88	88	-
Fire	-	1,021	1,020	1
Community Development	-	515	-	515
Community Services and Parks	-	31	11	20
Total capital outlay	118	1,673	1,137	536
Total expenditures	253,798	262,333	250,761	11,572
Excess (deficiency) of revenues over (under) expenditures	(39,123)	(30,821)	(21,516)	9,305
OTHER FINANCING SOURCES (USES)				
Transfers in	20,700	20,700	20,676	(24)
Transfers out	(1,585)	(1,978)	(1,978)	-
Total other financing sources (uses)	\$ 19,115	\$ 18,722	\$ 18,698	\$ (24)

Note:
 * Vacancy savings were incorporated in the adopted FY 2021-22 budget.

Exhibit D-2
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 Housing Assistance Fund & Parking Fund
 For the Year Ended June 30, 2022
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Housing Assistance Fund:				
2020				
REVENUES				
Revenue from other agencies	\$ 41,751	\$ 46,019	\$ 39,076	\$ (6,943)
Miscellaneous revenue	-	-	29	29
Use of money and property	57	57	78	21
Total revenues	41,808	46,076	39,183	(6,893)
EXPENDITURES				
Current:				
Housing, health and community development	41,731	46,287	38,759	7,528
Total expenditures	\$ 41,731	\$ 46,287	\$ 38,759	\$ 7,528
Parking Fund:				
2210				
REVENUES				
Fines and forfeitures	\$ 1,500	\$ 1,500	\$ 3,216	\$ 1,716
Charges for services	4,430	4,430	6,835	2,405
Miscellaneous revenue	-	-	1	1
Use of money and property	99	99	(61)	(160)
Total revenues	6,029	6,029	9,991	3,962
EXPENDITURES				
Current:				
Public works	11,834	11,906	9,490	2,416
Capital outlay	-	4,549	80	4,469
Total expenditures	\$ 11,834	\$ 16,455	\$ 9,570	\$ 6,885

Exhibit E-1
CITY OF GLENDALE
Statement of Net Position
Proprietary Funds
June 30, 2022
(amounts expressed in thousands)

Business-Type Activities

	Sewer Fund 5250	Electric Fund 5810-5870	Water Fund 5910-5980	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
ASSETS						
Current assets:						
Pooled cash and investments	\$ 50,627	\$ 136,560	\$ 23,308	\$ 31,426	\$ 241,921	\$ 125,524
Cash with fiscal agent	-	2,332	5,127	-	7,459	-
Investment with fiscal agent	-	2,398	-	-	2,398	-
Accounts receivable, net	4,204	33,063	8,663	6,740	52,670	1,317
Interest receivable	246	1,422	178	155	2,001	634
Inventories	-	9,704	-	-	9,704	606
Prepaid items	-	8,565	-	-	8,565	2,000
Total current assets	<u>55,077</u>	<u>194,044</u>	<u>37,276</u>	<u>38,321</u>	<u>324,718</u>	<u>130,081</u>
Noncurrent assets:						
Designated cash and investments	-	124,100	11,300	-	135,400	-
Restricted cash and investments	-	41,417	-	-	41,417	-
Leases receivable	-	1,016	780	-	1,796	-
Capital assets, net	176,689	179,351	179,165	13,382	548,587	33,330
Capital assets, not being depreciated	764	15,392	3,324	1,666	21,146	2,290
Lease assets, net	-	-	-	-	-	585
Lease assets, not being depreciated	-	203	69	-	272	-
Total noncurrent assets	<u>177,453</u>	<u>361,479</u>	<u>194,638</u>	<u>15,048</u>	<u>748,618</u>	<u>36,205</u>
Total assets	<u>232,530</u>	<u>555,523</u>	<u>231,914</u>	<u>53,369</u>	<u>1,073,336</u>	<u>166,286</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to OPEB	-	467	140	-	607	-
Deferred outflows of resources related to pensions	858	8,898	2,546	2,450	14,752	-
Loss on refunding	-	3,627	-	-	3,627	-
Total deferred outflows of resources	<u>858</u>	<u>12,992</u>	<u>2,686</u>	<u>2,450</u>	<u>18,986</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 233,388</u>	<u>\$ 568,515</u>	<u>\$ 234,600</u>	<u>\$ 55,819</u>	<u>\$ 1,092,322</u>	<u>\$ 166,286</u>

(Continued)

Exhibit E-1
CITY OF GLENDALE
Statement of Net Position
Proprietary Funds
June 30, 2022
(amounts expressed in thousands)

	Business-Type Activities					
	Sewer Fund 5250	Electric Fund 5810-5870	Water Fund 5910-5980	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 6,790	\$ 17,917	\$ 6,683	\$ 2,050	\$ 33,440	\$ 5,171
Bonds payable	-	7,126	2,481	-	9,607	-
Claims payable	-	-	-	-	-	13,159
Compensated absences	-	-	-	-	-	3,353
Deposits	196	1,355	351	107	2,009	-
Due to other funds	-	-	-	-	-	55
Interest payable	-	2,572	839	-	3,411	-
Leases payable	-	39	15	-	54	41
Unearned revenues	53	-	-	-	53	-
Wages and benefits payable	135	1,294	338	390	2,157	866
Total current liabilities	<u>7,174</u>	<u>30,303</u>	<u>10,707</u>	<u>2,547</u>	<u>50,731</u>	<u>22,645</u>
Noncurrent liabilities:						
Bonds payable	-	133,529	67,057	-	200,586	-
Claims payable	-	-	-	-	-	66,942
Compensated absences	-	-	-	-	-	28,649
Leases payable	-	125	39	-	164	557
OPEB liability	-	2,156	685	-	2,841	-
Net pension liability	3,334	37,753	11,850	11,159	64,096	-
Total noncurrent liabilities	<u>3,334</u>	<u>173,563</u>	<u>79,631</u>	<u>11,159</u>	<u>267,687</u>	<u>96,148</u>
Total liabilities	<u>10,508</u>	<u>203,866</u>	<u>90,338</u>	<u>13,706</u>	<u>318,418</u>	<u>118,793</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to leases	-	990	761	-	1,751	-
Deferred inflows of resources related to OPEB	-	682	189	-	871	-
Deferred inflows of resources related to pensions	2,032	21,418	6,082	6,161	35,693	-
Gain on refunding	-	-	850	-	850	-
Total liabilities and deferred inflows of resources	<u>12,540</u>	<u>226,956</u>	<u>98,220</u>	<u>19,867</u>	<u>357,583</u>	<u>118,793</u>
NET POSITION						
Net investment in capital assets	177,440	61,184	115,330	13,501	367,455	34,663
Restricted for:						
Carbon emissions	-	26,718	-	-	26,718	-
Investment-gas/electric commodity	-	7,281	-	-	7,281	-
Low carbon fuel standard	-	1,749	-	-	1,749	-
SCAQMD emission controls	-	5,669	-	-	5,669	-
Unrestricted	43,408	238,958	21,050	22,451	325,867	12,830
Total net position	<u>\$ 220,848</u>	<u>\$ 341,559</u>	<u>\$ 136,380</u>	<u>\$ 35,952</u>	<u>734,739</u>	<u>\$ 47,493</u>

Some amounts reported for business-type activities in the statement of net position are different because the net adjustment pertains to items on the statement of net position of certain internal service funds reported with business-type activities.

(20,985)
\$ 713,754

Exhibit E-2
CITY OF GLENDALE
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2022
(amounts expressed in thousands)

	Business-Type Activities					
	Sewer Fund 5250	Electric Fund 5810-5870	Water Fund 5910-5980	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 28,377	\$ 231,821	\$ 53,464	\$ 20,997	\$ 334,659	\$ 100,287
Miscellaneous revenue	63	15,091	2,239	3,062	20,455	593
Total operating revenues	<u>28,440</u>	<u>246,912</u>	<u>55,703</u>	<u>24,059</u>	<u>355,114</u>	<u>100,880</u>
OPERATING EXPENSES						
Claims and settlement	-	-	-	-	-	55,987
Maintenance and operation	16,465	192,282	39,180	23,051	270,978	49,366
Amortization	2,988	84	19	118	3,209	781
Depreciation	3,590	23,770	7,089	2,241	36,690	6,601
Gas depletion	-	711	-	-	711	-
Total operating expenses	<u>23,043</u>	<u>216,847</u>	<u>46,288</u>	<u>25,410</u>	<u>311,588</u>	<u>112,735</u>
Operating income (loss)	<u>5,397</u>	<u>30,065</u>	<u>9,415</u>	<u>(1,351)</u>	<u>43,526</u>	<u>(11,855)</u>
NONOPERATING REVENUES (EXPENSES)						
Capital grants	-	-	-	-	-	500
Intergovernmental grants	465	4,995	786	394	6,640	-
Use of money and property	(2,079)	(11,314)	(1,257)	149	(14,501)	(5,753)
Interest expense	-	(5,445)	(1,785)	-	(7,230)	(8)
Total nonoperating revenues (expenses)	<u>(1,614)</u>	<u>(11,764)</u>	<u>(2,256)</u>	<u>543</u>	<u>(15,091)</u>	<u>(5,261)</u>
Income (loss) before transfers	<u>3,783</u>	<u>18,301</u>	<u>7,159</u>	<u>(808)</u>	<u>28,435</u>	<u>(17,116)</u>
Transfers out	-	(20,193)	-	(479)	(20,672)	-
Change in net position	<u>3,783</u>	<u>(1,892)</u>	<u>7,159</u>	<u>(1,287)</u>	<u>7,763</u>	<u>(17,116)</u>
Total net position - beginning, as restated	<u>217,065</u>	<u>343,451</u>	<u>129,221</u>	<u>37,239</u>		<u>64,609</u>
Total net position - ending	<u>\$ 220,848</u>	<u>\$ 341,559</u>	<u>\$ 136,380</u>	<u>\$ 35,952</u>		<u>\$ 47,493</u>

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds are reported with business-type activities.

	(8,282)
Changes in net position of business-type activities	\$ (519)

Exhibit E-3
CITY OF GLENDALE
Statement of Cash Flows
Proprietary Funds
June 30, 2022
(amounts expressed in thousands)

	Business-Type Activities					
	Sewer Fund 5250	Electric Fund 5810-5870	Water Fund 5910-5980	Nonmajor Enterprises Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash receipts from customers	\$ 28,689	\$ 244,775	\$ 55,895	\$ 20,813	\$ 350,172	\$ 102,625
Payments to employees	(3,697)	(39,304)	(10,939)	(12,314)	(66,254)	(25,629)
Payments to suppliers	(12,276)	(154,506)	(30,374)	(12,451)	(209,607)	(78,235)
Operating grants received	518	4,995	786	394	6,693	-
Net cash provided (used) by operating activities	<u>13,234</u>	<u>55,960</u>	<u>15,368</u>	<u>(3,558)</u>	<u>81,004</u>	<u>(1,239)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Lease revenue received	-	956	257	-	1,213	34
Amounts received from (paid to) other funds	-	-	-	-	-	(109)
Transfers in (out), net	-	(20,193)	-	(479)	(20,672)	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>(19,237)</u>	<u>257</u>	<u>(479)</u>	<u>(19,459)</u>	<u>(75)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Lease payments	-	(40)	(15)	-	(55)	(47)
Acquisition of capital assets	(2,357)	(7,804)	(8,093)	(3,011)	(21,265)	(4,399)
Capital grants received	-	-	-	-	-	500
Interest paid on long-term debt	-	(6,458)	(2,091)	-	(8,549)	-
Principal payments	-	(5,710)	(2,185)	-	(7,895)	-
Proceeds from sales of capital assets	10	343	39	1,657	2,049	144
Net cash provided (used) by capital and related financing activities	<u>(2,347)</u>	<u>(19,669)</u>	<u>(12,345)</u>	<u>(1,354)</u>	<u>(35,715)</u>	<u>(3,802)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	588	3,993	435	455	5,471	1,677
Decrease in fair value of investments	(2,776)	(16,965)	(2,049)	(1,976)	(23,766)	(7,728)
Net cash provided (used) by investing activities	<u>(2,188)</u>	<u>(12,972)</u>	<u>(1,614)</u>	<u>(1,521)</u>	<u>(18,295)</u>	<u>(6,051)</u>
Net increase (decrease) in cash and cash equivalents	<u>8,699</u>	<u>4,082</u>	<u>1,666</u>	<u>(6,912)</u>	<u>7,535</u>	<u>(11,167)</u>
Balances - beginning of year	<u>41,928</u>	<u>300,327</u>	<u>38,069</u>	<u>38,338</u>	<u>418,662</u>	<u>136,691</u>
Balances - end of the year	<u>\$ 50,627</u>	<u>\$ 304,409</u>	<u>\$ 39,735</u>	<u>\$ 31,426</u>	<u>\$ 426,197</u>	<u>\$ 125,524</u>

(Continued)

Exhibit E-3
CITY OF GLENDALE
Statement of Cash Flows
Proprietary Funds
June 30, 2022
(amounts expressed in thousands)

	Business-Type Activities					
	Sewer Fund 5250	Electric Fund 5810-5870	Water Fund 5910-5980	Nonmajor Enterprises Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating Income	\$ 5,397	\$ 30,065	\$ 9,415	\$ (1,351)	\$ 43,526	\$ (11,855)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	3,590	23,770	7,089	2,241	36,690	6,601
Amortization	2,988	84	19	118	3,209	781
Depletion	-	711	-	-	711	-
Operating grants received	465	4,995	786	394	6,640	-
(Increase) Decrease Accounts receivable, net	261	(2,189)	210	(2,595)	(4,313)	1,750
(Increase) Decrease Inventories	-	(303)	-	-	(303)	(153)
(Increase) Decrease Prepaid expenses	-	(183)	-	-	(183)	(1,497)
(Increase) Decrease Deferred outflows from OPEB	-	28	13	-	41	-
(Increase) Decrease Deferred outflows from pension	77	671	309	174	1,231	-
Increase (Decrease) Accrued wages payable	(85)	(1,275)	(400)	(434)	(2,194)	(857)
Increase (Decrease) Compensated absences	-	-	-	-	-	(88)
Increase (Decrease) Accounts payable	1,455	8,450	149	680	10,734	(557)
Increase (Decrease) Deposits	(12)	78	(16)	(47)	3	-
Increase (Decrease) Unearned revenues	53	-	-	-	53	-
Increase (Decrease) Claims payable	-	-	-	-	-	4,636
Increase (Decrease) OPEB liability	-	(476)	(126)	-	(602)	-
Increase (Decrease) Deferred inflows from OPEB	-	389	98	-	487	-
Increase (Decrease) Deferred inflows from pension	2,027	21,377	6,067	6,147	35,618	-
Increase (Decrease) Deferred inflows from leases	-	990	761	-	1,751	-
Increase (Decrease) Net pension liability	(2,982)	(31,222)	(9,006)	(8,885)	(52,095)	-
Net cash provided (used) by operating activities	<u>13,234</u>	<u>55,960</u>	<u>15,368</u>	<u>(3,558)</u>	<u>81,004</u>	<u>(1,239)</u>
Reconciliation of Statement of Cash Flows to Statement of Net Position:						
Pooled cash and investments	50,627	136,560	23,308	31,426	241,921	125,524
Cash with fiscal agent	-	2,332	5,127	-	7,459	-
Designated cash and investments	-	124,100	11,300	-	135,400	-
Restricted cash and investments	-	41,417	-	-	41,417	-
Cash and cash equivalents at June 30	<u>\$ 50,627</u>	<u>\$304,409</u>	<u>\$ 39,735</u>	<u>\$ 31,426</u>	<u>\$ 426,197</u>	<u>\$125,524</u>

Exhibit F-1
 CITY OF GLENDALE
 Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2022
 (amounts expressed in thousands)

	Glendale Successor Agency Private-Purpose Trust Fund 8060-8490	Total Custodial Funds
ASSETS		
Cash and investments	\$ 34,155	\$ 3,662
Restricted cash and investments	29	-
Prepaid items	-	55
Accounts receivable, net	-	3
Interest receivable	-	9
Loans receivable	308	-
Capital assets, net	-	156
Capital assets, not being depreciated	-	2,795
Total assets	34,492	6,680
DEFERRED OUTFLOWS OF RESOURCES		
Loss on refunding	426	-
Total assets and deferred outflows of resources	34,918	6,680
LIABILITIES		
Accounts payable	-	55
Bonds payable	21,896	-
Interest payable	75	-
Wages and benefits payable	9	-
Total liabilities	21,980	55
NET POSITION		
Restricted for:		
Glendale Successor Agency	12,938	-
ICI system	-	4,754
Unclaimed evidence	-	1,871
Total net position	\$ 12,938	\$ 6,625

Exhibit F-2
CITY OF GLENDALE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year Ended June 30, 2022
(amounts expressed in thousands)

	Glendale Successor Agency Private-Purpose Trust Fund 8060-8490	Total Custodial Funds
	<u>8060-8490</u>	<u>Funds</u>
ADDITIONS		
Charges for services	\$ -	\$ 540
Interest income	(238)	(78)
Miscellaneous revenue	-	265
Use of money and property	33	-
Property tax	9,970	-
Unclaimed deposits	-	476
Total additions	<u>9,765</u>	<u>1,203</u>
DEDUCTIONS		
Depreciation	-	26
Interest and amortization expense on bonds	648	-
Operating expenses	462	526
Transfer of bond proceeds to the City	74	-
Refunds	-	544
Total deductions	<u>1,184</u>	<u>1,096</u>
Net increase in fiduciary net position	8,581	107
Net Position - beginning of the year	<u>4,357</u>	<u>6,518</u>
Net Position - end of the year	<u>\$ 12,938</u>	<u>\$ 6,625</u>