

City of Glendale, California

Comprehensive Annual Financial Report



Fiscal Year Ended June 30, 2020

The City of Glendale is home to beautiful parks and open spaces, a bustling downtown area, and cozy-small town neighborhoods. Whether you're an adventure seeker, big-city dweller, or anything in-between, the Jewel City is the perfect place to live, work and play!

Since incorporating in 1906, Glendale has grown from a small community into an animated, cosmopolitan city, rich in history, cultural diversity, and limitless lifestyle opportunities. Glendale offers a unique downtown area that features art and entertainment, shopping, dining, hotels, multi-national and entertainment companies, and the legendary Alex Theatre.

The City of Glendale has long been one of the most desirable locations to live, work and visit, and has earned its standing as one of the nation's safest cities of its size. With housing ranging from hillside homes to affordable housing and multi-family complexes, Glendale boasts a wide range of great places to live.

Glendale is home to 47 parks and park facilities, including 36 parks, the Civic Auditorium, four community centers, six sports facilities, and four historic buildings! The City's residents and visitors can revel in, hike, play, and explore 286 acres of park land and over 5,000 acres of open space.

Glendale, vibrant and convenient to everything.



City of Glendale, California
City Council



Vrej Agajanian
MAYOR



Ara Najarian
COUNCILMEMBER



Paula Devine
COUNCILMEMBER



Ardy Kassakhian
COUNCILMEMBER



Daniel Brotman
COUNCILMEMBER

City of Glendale, California

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020

Prepared by the Finance Department - Accounting Section

Michele Flynn, CPA, Director of Finance

City of Glendale, California

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Introductory Section

The Introductory Section of the Comprehensive Annual Financial Report provides general information of the City of Glendale, California's structure and its personnel, as well as information useful in assessing the City's financial condition. This section includes the:

- Letter of Transmittal
- City's Organizational Chart and List of Principal Officials
- Government Finance Officer Association Certificate of Achievement for Excellence in Financial Reporting





November 30, 2020

The Honorable Mayor and City Council
City of Glendale
Glendale, California

Council Members:

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Glendale (the City) for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of the City. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to both protect the City's assets from loss, theft, or misuse, and compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Glendale's MD&A can be found immediately following the independent auditors' report.

The financial reporting entity includes all the funds of the primary government (The City of Glendale), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are in substance, part of the primary government. Accordingly, the Glendale Housing Authority and the Glendale Municipal Financing Authority are reported in the appropriate funds of the City's financial report.

Profile of the City of Glendale

The City of Glendale is located northeast of Los Angeles in the foothills of the San Gabriel Mountains. The City was incorporated on February 16, 1906 under the general laws of the state of California. The City Charter was adopted on March 29, 1921. The City provides the full range of municipal services. This includes public safety (police, fire and paramedic), streets and sanitation, refuse collection, sewer, hazardous disposal, electric and water utilities, parking, parks and recreation, library, public improvements, planning and zoning, housing and community development and general administrative and support services.

Noted for its high quality of life and fiscal stability, Glendale is the fourth largest city in Los Angeles County, encompassing 30.6 square miles and serving over 205,000 residents. The City operates under a council-manager form of government, with a five-member council elected at large to four-year overlapping terms, in addition to an elected City Clerk and City Treasurer. The mayor is elected by the City Council for a one-year term and is the presiding officer of the Council. The City Council is responsible for passing ordinances, adopting the budget, appointing various boards and commissions, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments

Factors Affecting the Glendale Economy

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Glendale operates.

The Local Economy – Continued capital investment is seen throughout the City in the form of business expansion as well as business attraction to Glendale’s central location, public safety record, and robust business environment. The implementation of the Glendale Tech Strategy continues to strengthen local tech firms such as Service Titan, Age of Learning, Legal Zoom, and Beyond Limits. Also of note, are Glendale’s regional shopping centers, the Glendale Galleria, Americana at Brand and Brand Boulevard of Cars. Several large development projects, either recently completed or underway in Glendale, will provide approximately 3,500 new residential units and thousands of square feet of commercial development. Hotel development and tourism are also on the rise. The Glenmark Hotel and Residence Inn by Marriot Los Angeles join top performing hotels like Embassy Suites and Hilton. Hotels are supported by strong corporate presence and the three local hospitals. Such investments by the business community indicate continued confidence in Glendale. Overall, Glendale’s economy is one of the most diverse within the Los Angeles region largely due to a healthy mix of business and industry that operates within its borders.

Economic Development Highlights – The City focuses on collaborative strategies to create jobs, generate revenue, support entrepreneurs, and improve the quality of life for residents, the business community, and visitors of Glendale. Throughout the years, the City has encouraged economic development through proactive efforts to target and attract businesses; reduce Class A office vacancies; provide support to existing businesses through concierge services; support workforce development program that is operated by the Verdugo Jobs Center; promote City-wide branding and marketing efforts; and adopt strategic planning methods. Economic Development accomplishments for FY 2019-20 were focused around three main goals:

1. **Asset Management** – Glendale actively employs ways to provide additional value of City assets through proactive, profitability-focused management practices. The priority was to achieve the highest and best use of City facilities through an effective asset management strategy. Accomplishments include:
 - Advanced the imagination of the Arts & Entertainment District by working with urban design firm Studio111 to provide placemaking, landscape and urban design services for the future project that is currently in the conceptual design stage.
 - Renovating the Artsakh Retail Units at 117-131 N. Artsakh Avenue for future retail tenants.

- 2. Business Attraction** – The City is committed to attracting business and investment to Glendale in an effort to create a diverse economy. This is done through Business Concierge services and fast-track permitting, broker relationships, site selection assistance, utility consultation, and connecting potential businesses with resource marketing campaigns and support. The priorities were to establish an 18-Hour City and the furtherance of the Tech Strategic Plan. Accomplishments in business attraction include:
- Awarded Children’s Hospital Los Angeles \$500,000 to launch the first Pediatric-focused Accelerator in the country, which will be located in Glendale, and \$500,000 to Hero House Glendale to launch an accelerator targeting overseas startups serving as a gateway to Glendale. The \$1 million grant was awarded to the City of Glendale from the State of California to implement the Glendale Tech Start-Up Accelerator.
 - A \$30,000 contract was awarded to We the Creative in collaboration with the City of Burbank and City of Pasadena in an effort to create a marketing strategy that promotes the region as a booming tech hub.
 - Established a 1.7% retail vacancy rate, and continued to build on the 18-hour city concept by adding new businesses such as: Nothing Bundt Cake, Yolo Chicken, Paperback Brewery, Maggie’s Pastry & Café, Pardis Restaurant, Mila Rooftop, Uptown Coffee, Seaweed Handroll Bar, Anoush BBQ, Chick Next Door and more.
 - Maintained the office vacancy rate to 15.7% by successfully attracting tenants such as WeWork.
 - The Economic Development Division launched a new and improved website that provides businesses with resources and Economic Development offerings.
- 3. Business Services** – Recognizing that a majority of job growth in any community is generated by the businesses already located there, Glendale focuses on services to businesses to propel economic growth. Harnessing the power of the thousands of businesses in the City and the nearly 100,000 employees, the City’s priority was to strengthen neighborhood districts and the businesses within them. Accomplishments related to this effort include:
- Assisted nearly 3,000 current and expanding businesses with resources to further drive business in the community.
 - Coordinated the installation of the safety barrier project in the Montrose Shopping Park.
 - In collaboration with the Business Concierge team, the Economic Development Division implemented the AI Fresco Program to help businesses thrive in the city during COVID-19.
 - Obtained 40,000 gallons of hand sanitizer from FEMA and hosted several drive-through events to distribute the sanitizer to businesses and residents in the city.
 - City Council approved a \$500 Reimbursable Grant Program to be implemented in FY 2020-21, allowing Glendale businesses to apply for up to \$500 in reimbursements for PPE purchases related to COVID-19.
 - City Council also approved two \$5,000 Grant programs to be implemented in FY2020-21, for Small Businesses and Low-Income Small Businesses who are experiencing a hardship due to COVID-19.

Employment – According to the data obtained from the California State Department of Finance Demographic Research Unit, the population for the City of Glendale as of January 1, 2020 is 205,331. The Glendale labor force includes 102,100 residents as of July 2020 (16 years of age or over), according to the Employment Development Department Labor Market Information Division (EDD-LMID). Census data also shows that there are 29,153 businesses located in Glendale (2017).

According to Census data, occupational employment data shows the following results based on 2018 American Consumer Survey (ACS) Five-Year Estimates: 43,199 people in Glendale were employed in management, business, arts, or science occupations (the single largest group) with median annual earnings of \$74,361; 23,210 were employed in sales and office occupations (second largest) with median annual earnings of \$43,527; and 15,637 were employed in service occupations (the third largest group) with median annual earnings of \$26,769. Median household income for Glendale residents recorded at \$73,871, and the poverty rate was 14.9%, according to ACS. The information provided below includes additional employment statistics pertaining to the City of Glendale and the surrounding region.

- **Unemployment Levels** – In December 2007, at the start of the Great Recession, the Glendale unemployment rate was 4.8%; by the (reported) end of the Recession in June 2010, the rate had peaked to 10.1% and declined to 8.1% in June 2013, demonstrating the recovery period following the Recession. The Glendale unemployment rate again measured 4.8% in June 2018, equaling its pre-recession level and as of December 2019, the unemployment rate recorded at 3.9%. Due to the economic impact of the COVID 19 pandemic that started in March 2020, Glendale’s unemployment increased to 19.3% for July 2020.
- **Industry Employment Status** – According to Dunn & Bradstreet, by employment, the top six Glendale industries in 2020 were:
 1. Healthcare with 16,550 employed across 2,044 establishments, earning an average salary of \$46,917 and recording a Location Quotient (LQ) for the industry of 1.36. An industry recording an LQ of 1.00 or more, demonstrates a local concentration of the industry located in the City of Glendale that is equal to or higher than the national average.
 2. The Retail industry recorded 11,248 employed across 1,611 establishments, earning an average salary of \$38,085 and an LQ of 1.10.
 3. Public Administration and Education with 10,583 employees across 340 establishments, earning an average salary of \$70,294 and an LQ of 0.67.
 4. Professional Services recorded 9,232 employed across 1,886 establishments, with an average salary of \$105,480 and an LQ of 1.17.
 5. Eating and Drinking with 7,154 employed across 678 establishments, earning an average salary of \$24,021 and an LQ of 1.04.
 6. Finance recorded 6,815 employed across 500 establishments, earning an average salary of \$146,536 and an LQ of 2.31.
- **Large Employers** – Dream Works Animation, Glendale Community College District, Glendale Adventist, and USC Verdugo Hills Hospital were among the City’s largest employers in FY 2019-20.

- **Fastest Growing Occupations** – Current EDD projections indicate that through 2026 the fastest growing occupations in Los Angeles County include:

1. Mathematicians
2. Home Health Aides
3. Personal Care Aides
4. Genetic Counselors
5. Physician Assistants
6. Statisticians
7. Nurse Practitioners
8. Archivists
9. Software Developers Applications
10. Physical Therapists Assistants
11. Physical Therapists Aides
12. Occupational Therapist Assistants
13. Massage Therapists
14. Physical Therapists
15. Combined Food Preparation and Serving Workers
16. Atmospheric and Space Scientists
17. Athletic Trainers
18. Floor Layers, Except Carpet, Wood, and Hard Tiles

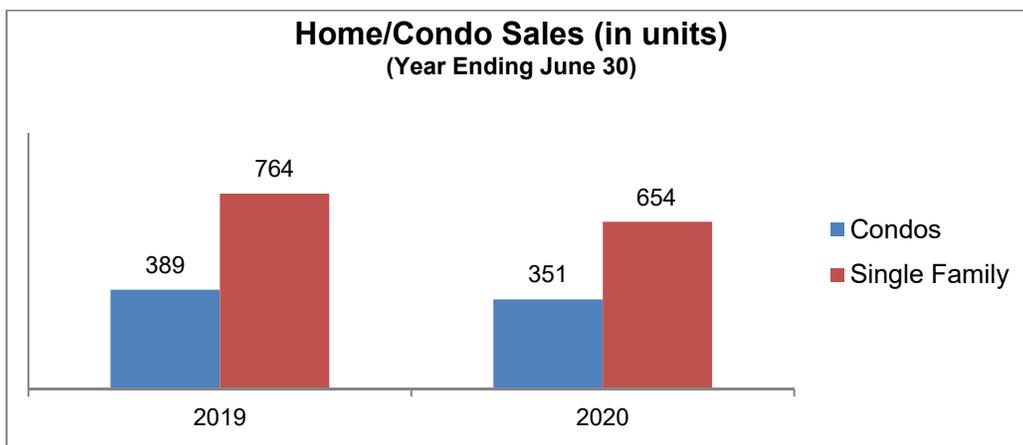
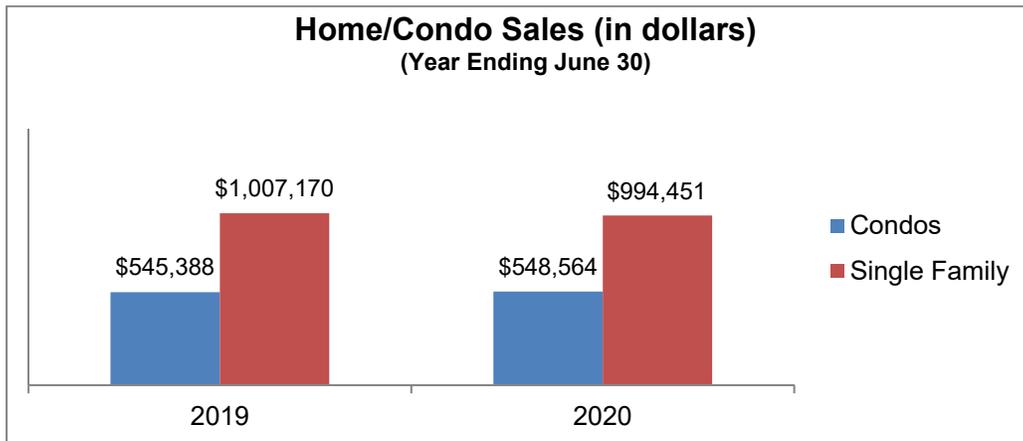
- **Trends** – The EDD-LMID has not issued any new trends due to COVID-19 pandemic, but the last available report indicated that industry employment in Los Angeles County, which includes self-employment, private household workers, farm, and non-farm employment in Los Angeles County, is expected to reach 5,175,900 by 2026, an increase of 10.1% over the 10-year projections period. 12 of 13 non-farm industry sectors are projected to grow between 2016 and 2026.

Total non-farm employment is projected to grow by nearly 440,900 jobs by 2026, with Self-Employment increasing by 32,600 (11%) to a total 330,100 jobs and Private Household Workers increasing by 1,700 (13.3%) to a total of 14,500 jobs. Top 10 Industry Sectors are shown in the table below.

Top 10 Industry Sectors

Industry Sector	Base Employment Estimate 2016	Numeric Change 2016-2026	Percent Change 2016-2026
Individual & Family Services	206,500	80,700	39.1%
Nonstore Retailers	14,100	5,300	37.6%
Social Assistance	237,600	82,100	34.6%
Warehousing & Storage	18,300	5,300	29.0%
Management, Scientific, & Technical Consulting Services	49,400	14,400	29.0%
General Merchandise Stores, including Warehouse Clubs and Centers	40,800	11,700	28.7%
Offices of Other Healthcare Practitioners	21,900	6,200	28.3%
Ambulatory Healthcare Services	210,300	53,400	25.4%
Data Processing Hosting & Related Services	7,200	1,800	25.0%
Healthcare & Social Assistance	645,700	161,500	25.0%

Housing – Based on the “2019 Annual Report” issued by the Los Angeles Office of the Assessor, Glendale experienced a net taxable property value increase of 6.4%, which was greater than the increase experienced countywide at 6.2%. According to the City’s property tax consultant, HdL, Glendale’s single-family housing market fell in sales volume (number of units sold) and showed a decrease in an average home price, falling from \$1,007,170 in FY 2018-19 to \$994,451 in FY 2019-20. The condominium sales showed a decline in sales volume and an increase in an average price, rising from \$545,388 in FY 2018-19 to \$548,564 in FY 2019-20.



Local Government Finance

The legal challenges to the long-standing and charter-mandated General Fund Transfer from Glendale Water & Power, escalating pension rates, and low investment returns for CalPERS have all combined to make these past few years some of the most difficult for City government budgeting in recent history. In spite of the difficulty involved in preparing the FY 2020-21 budget, the City Council has set the tone to allow our managers and staff to approach challenges in a professional and constructive manner. Through the vision of the Glendale City Council, we are able to balance new growth while preserving a rich and honored heritage. The City will continue to aggressively pursue exceptional customer service, balance value propositions, and invest in the future to ensure continuity of high-quality City services.

On November 6, 2018, Glendale voters approved the Quality of Life and Essential Services Protection Measure (otherwise known as “Measure S”), which increased the sales tax rate in the City by 0.75% to a new total of 10.25%, effective April 1, 2019. The entire 0.75% increase goes directly to the City of Glendale, increasing its portion of the 10.25% rate from 1.00% to 1.75%. It is estimated that the City will receive \$22.2 million in sales tax revenue from Measure S in FY 2020-21.

The emergence of the COVID-19 pandemic and the associated “Safer at Home” measures substantially impacted the forecast of the City’s financial standing, as well as created a state of uncertainty for many businesses. In response to the COVID-19 pandemic, reductions were built into various revenue categories resulting in a projected negative impact of approximately \$11.4 million in revenues to the General Fund in FY 2020-21. The Sales Tax category has been impacted the most with an anticipated loss of approximately \$5.6 million in FY 2020-21 and a slow recovery lasting 24 to 36 months. Furthermore, with much of the population staying home, fewer people are traveling and thereby not using hotel services. Consequently, Transient Occupancy Tax (TOT) revenues, which are generally received by hotels at the time of booking and remitted to the City on a monthly basis, have seen immediate declines resulting in estimated losses of approximately \$995,000 for FY 2020-21. Other major revenue categories with an anticipated negative impact for FY 2020-21 include Licenses and Permits and Charges for Services mainly due to the closures of certain facilities, the suspension of various City recreational programs, and activities put on hold due to “Safer at Home” measures.

It seems as though our world has come to a halt with the COVID-19 pandemic taking hold of the way we communicate, work, and simply enjoy our lives. But there is one thing COVID-19 cannot take away, and that is the City’s ability to provide critical services for our residents and businesses. In spite of the challenges that the City continues to face including the COVID-19 financial impacts, increased pension costs, and aging infrastructure, the City is confident that our team will embrace these challenges and move our community forward with a focus on our purpose and goals.

Long-term Financial Planning

Financial Challenges – We are in the middle of the global COVID-19 pandemic and until the situation is more under control, no one can accurately predict what the economy will look like. Thus, we will be facing notable challenges in the coming years. The General Fund remains highly dependent on sales taxes generated, in particular, from automobile sales and retail outlets. Sales tax revenues have been steadily rising over the past decade since the Great Recession; however, the economic downturn placed that revenue stream in jeopardy. In order to diversify our potential revenue stream opportunities, staff and City Council have been and continue to work diligently to finalize the development of new hotels that would generate considerable occupancy tax revenue for the City. However, with the COVID-19 pandemic, the leisure and hospitality sector has been hit the hardest. Fortunately, Glendale has shown that it has a lot to offer even through the challenges of this pandemic, including the expansion in outdoor dining, which continues to add vibrancy to the City’s streets. As people begin to gradually and safely return to some of their previous activities including traveling and shopping, occupancy tax and sales tax revenues will be tracking upwards and will gradually return to their previous levels.

Moving forward, our continuing challenge is to minimize the negative impact on our community and customers from past restructuring efforts and ensure the City adds ongoing value to the taxpayers. Glendale’s vision is accomplished through a combination of the City Council’s priorities, the City’s strategic goals, and key performance indicators. With the FY 2020-21 budget process, the City Council has reaffirmed the following priorities:

<ul style="list-style-type: none"> • Fiscal Responsibility • Exceptional Customer Service • Economic Vibrancy • Informed & Engaged Community • Safe & Healthy Community 	<ul style="list-style-type: none"> • Balanced, Quality Housing • Community Services & Facilities • Infrastructure & Mobility • Arts & Culture • Sustainability
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Cash Management – To obtain flexibility in cash management, the City employs a pooled cash system. Under the City's pooling concept, all available cash is invested daily in various securities, while still maintaining reasonable liquidity to meet maturing obligations and maximizing return through the use of competitive rate comparisons from various investment sources.

The City manages its pooled idle cash and investments under a formal investment policy that follows the guidelines of the State of California Government Code, which is then reviewed by the Investment Committee and adopted by the City Council.

The following table presents a comparison of the City's cash and investments for previous four fiscal years.

	Fiscal year ended June 30,			
	2020	2019	2018	2017
Cash and investments	\$ 961,455,000	923,902,000	815,777,000	765,797,000

Risk Management – The City is self-insured up to \$2 million for claims filed under the comprehensive general liability and Workers' Compensation insurance programs. The City purchases excess liability insurance policies for general liability claims to cover losses up to \$52 million, and an amount up to statutory limits for the Workers' Compensation program. The City also purchases Errors & Omissions Employment Practices, Property, Aviation, Employee Dishonesty, Cyber Security, and other smaller insurance policies for specific activities. Insurance coverage and the associated premiums are reviewed annually to ensure the City is properly covered.

The City's Risk Management program is comprised of Insurance Services and Employee Safety. The primary goal of Insurance Services is to effectively address potential risk factors that affect both the City and its employees. The Safety Section works with City Departments to evaluate and mitigate workplace hazards, assist in providing safety training, conduct accident investigations, and ensure compliance with Cal/OSHA regulations.

Risk Management staff, in conjunction with the Finance Department, annually reviews internal funding levels to address claims costs. Internal insurance costs are charged to each department and based on analysis of recent claims costs, as well as the outstanding reserves. Input from an actuarial study, performed annually, is considered in assessing the charges.

Independent Audit

The City's financial statements have been audited by the firm of CliftonLarsonAllen LLP, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of California. The goal of the independent audit was to provide an opinion on whether the financial statements of the City of Glendale, California for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Glendale, California's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report. Their unmodified opinion on the City's basic financial statements is included within this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and other financial reporting and compliance with legal requirements, and on compliance and internal control over compliance for each major federal program selected. These reports are available in the City’s separately issued *Single Audit Report*.

Award

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City for its comprehensive annual financial report for the past twenty-five fiscal years ended June 30, 1995 through June 30, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. This award is valid for a period of one year. The City believes the current comprehensive annual financial report continues to meet the Certificate of Achievement for Excellence requirements and will be submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for their contribution in the preparation of this report.

In closing, without the leadership and support of the Glendale City Council and the Interim City Manager, the preparation of this report, as well as the favorable financial results of the past year, would not have been possible.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink that reads "Michele Flynn". The signature is written in a cursive, flowing style.

MICHELE FLYNN, CPA
DIRECTOR OF FINANCE

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City of Glendale, California

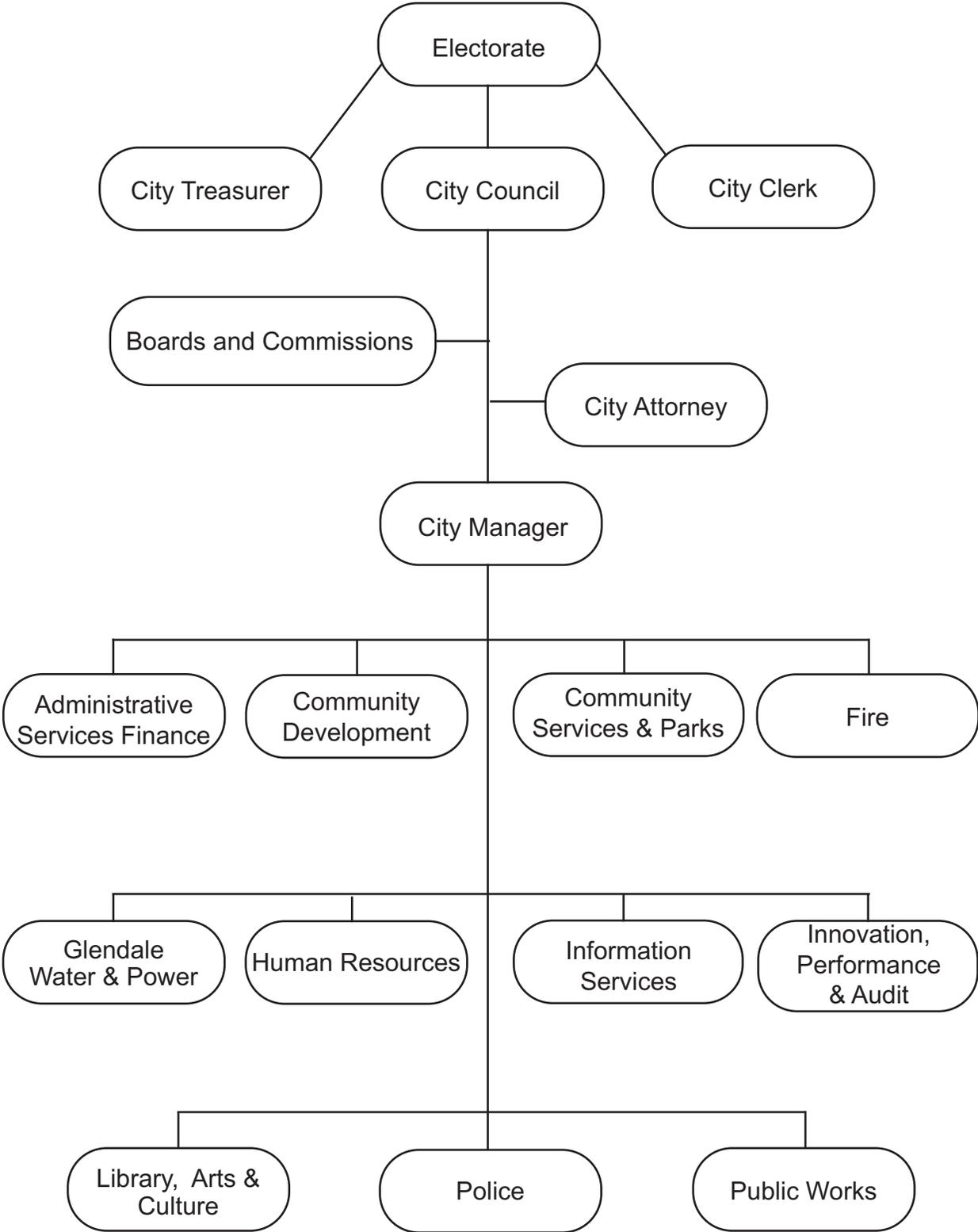
Officials of the City of Glendale

June 30, 2020

Administration and Executive Management Team

City Manager	Yasmin K. Beers
Assistant City Manager	Roubik Golanian
Deputy City Manager	John Takhtalian
Director of Innovation, Performance, & Audit	Elena Bolbolian
Chief Information Officer	Jason Bradford
Director of Community Services & Parks	Onnig Bulanikian
Director of Human Resources	Matthew Doyle
Director of Public Works	Yazdan Emrani
Director of Finance	Michele Flynn, CPA
City Attorney	Michael J. Garcia
City Clerk	Aram Adjemian
Director of Community Development	Philip Lanzafame
Fire Chief	Silvio Lanzas
City Treasurer	Rafi Manoukian, CPA
Police Chief	Carl Povilaitis
Director of Library, Arts & Culture	Gary Shaffer
General Manager of Glendale Water & Power	Stephen Zurn

City of Glendale, California Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Glendale for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the 25th consecutive year that the City of Glendale has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Glendale
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

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Financial Section

The Financial Section of the Comprehensive Annual 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





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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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, California (the City), as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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, 2020 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison statements for the General Fund and the Housing Assistance Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes 18, the City restated the beginning balances of the fund balance of the General Fund and Low and Moderate Income Housing Asset Special Revenue Fund and the net position of the Business-type activities, Electric Utility Fund and Glendale Successor Agency Private-Purpose Trust Fund. Our opinions are not modified with respect to this matter.

Other Matters

Report on 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 ratios, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, 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 RSI in accordance with auditing standards generally accepted in the United States of America, 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 RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules (supplementary information), and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Other Matters (Continued)

Other Information (Continued)

The combining statements and individual fund schedules (supplementary information), as listed in the table of contents, 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. Such 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2020, 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 30, 2020

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CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2020

(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, 2020. 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 – ix 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 2019-20 by \$1,669,555 (net position), which was comprised of net investment in capital assets of \$1,355,534, restricted net position of \$264,089 and unrestricted net position of \$49,932. The unrestricted net position consisted of a negative \$275,900 for governmental activities and \$325,832 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 \$12,130. Most of this increase was attributable to the first full year of Measure S sales tax revenue from governmental activities, and the first year sale of carbon emissions revenue from business-type activities.
- As of the close of FY 2019-20, the City's governmental funds reported combined ending fund balances of \$412,044, an increase of \$3,779 in comparison with the prior year. About 9.9% of this total amount, \$40,736 was unassigned and available for spending at the government's discretion.
- At the end of FY 2019-20, City Charter Article XI Section 15 general reserve of \$32,584, and unassigned fund balance of \$49,325 for the General Fund totaled \$81,909, representing about 33.7% of the original FY 2019-20 budget of \$243,316. 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

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2020

(in thousands)

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).

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. 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 47 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 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.

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Management's Discussion and Analysis

June 30, 2020

(in thousands)

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 26-32 of this report.

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 33-37 of this report.

Fiduciary funds. A fiduciary fund is used to account for resources held for the benefit of parties outside the City. The City maintains one fiduciary fund – Glendale Successor Agency Trust Fund, a Private-Purpose Trust 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 38-39 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 41-105 of this report.

The combining statements referred to earlier in connection with nonmajor governmental and enterprise funds and internal service funds are presented immediately following the required supplementary information, which can be found on pages 106-114 of this report. Combining and individual fund statements can be found on pages 115-186 of this report.

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Management's Discussion and Analysis

June 30, 2020

(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 \$1,669,555 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (81.2%) reflected its 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	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 618,255	605,136	472,833	449,505	1,091,088	1,054,641
Capital assets	995,773	962,440	603,674	619,941	1,599,447	1,582,381
Total assets	1,614,028	1,567,576	1,076,507	1,069,446	2,690,535	2,637,022
Deferred outflows of resources	68,765	84,238	17,227	22,788	85,992	107,026
Total assets and deferred outflows of resources	1,682,793	1,651,814	1,093,734	1,092,234	2,776,527	2,744,048
Current liabilities	62,986	63,405	34,393	44,607	97,379	108,012
Noncurrent liabilities	662,919	629,078	328,978	331,704	991,897	960,782
Total liabilities	725,905	692,483	363,371	376,311	1,089,276	1,068,794
Deferred inflows of resources	15,239	18,168	2,457	2,860	17,696	21,028
Total liabilities and deferred inflows of resources	741,144	710,651	365,828	379,171	1,106,972	1,089,822
Net investment in capital assets	967,835	932,188	387,699	387,043	1,355,534	1,319,231
Restricted	249,714	175,754	14,375	5,669	264,089	181,423
Unrestricted	(275,900)	(166,779)	325,832	320,351	49,932	153,572
Total net position	\$ 941,649	941,163	727,906	713,063	1,669,555	1,654,226

The 15.8% of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$49,932 may be used to meet the government's ongoing obligations to citizens and creditors. Of this total, \$325,832 is in business-type activities such as electric, water, and sewer utilities.

CITY OF GLENDALE

Management's Discussion and Analysis

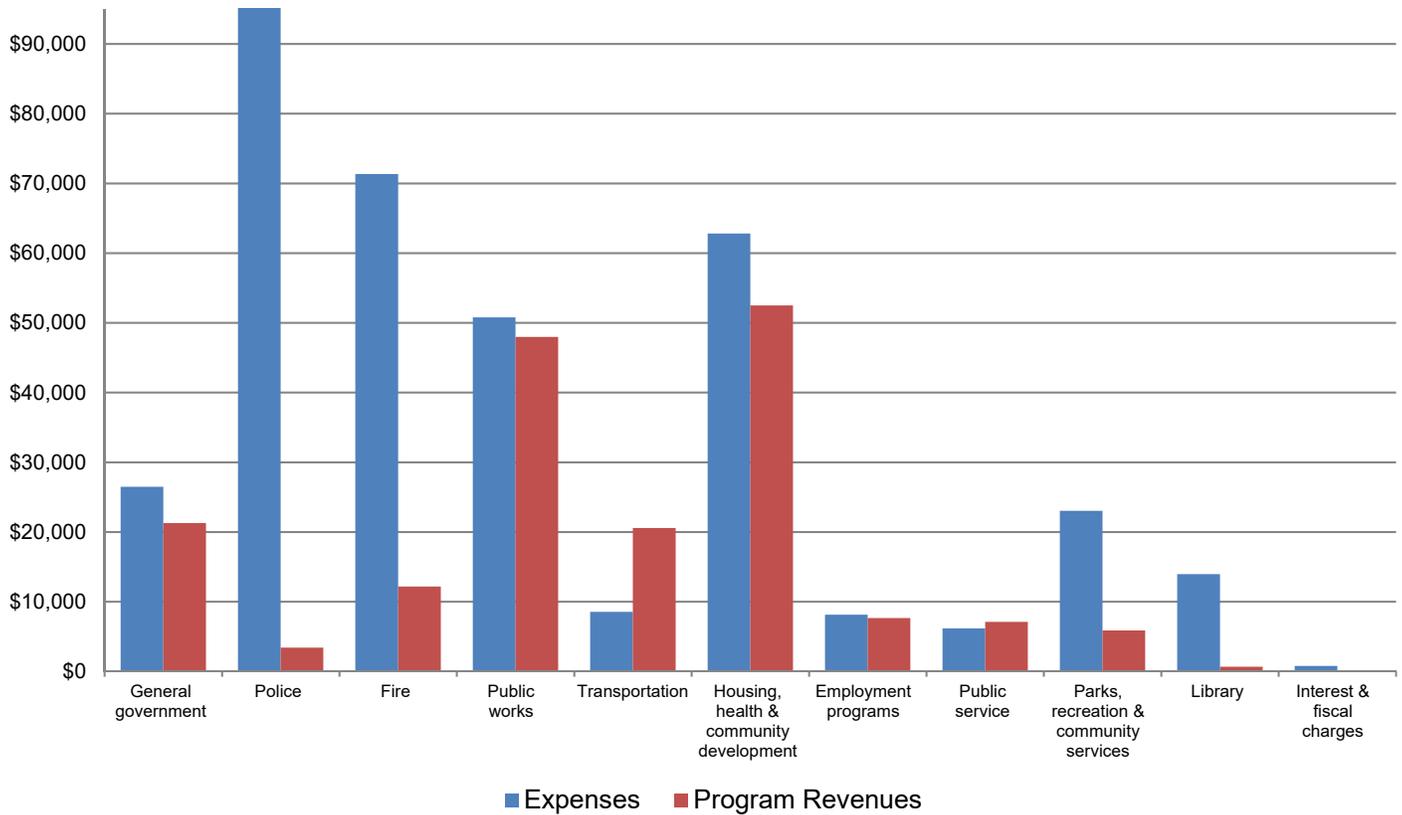
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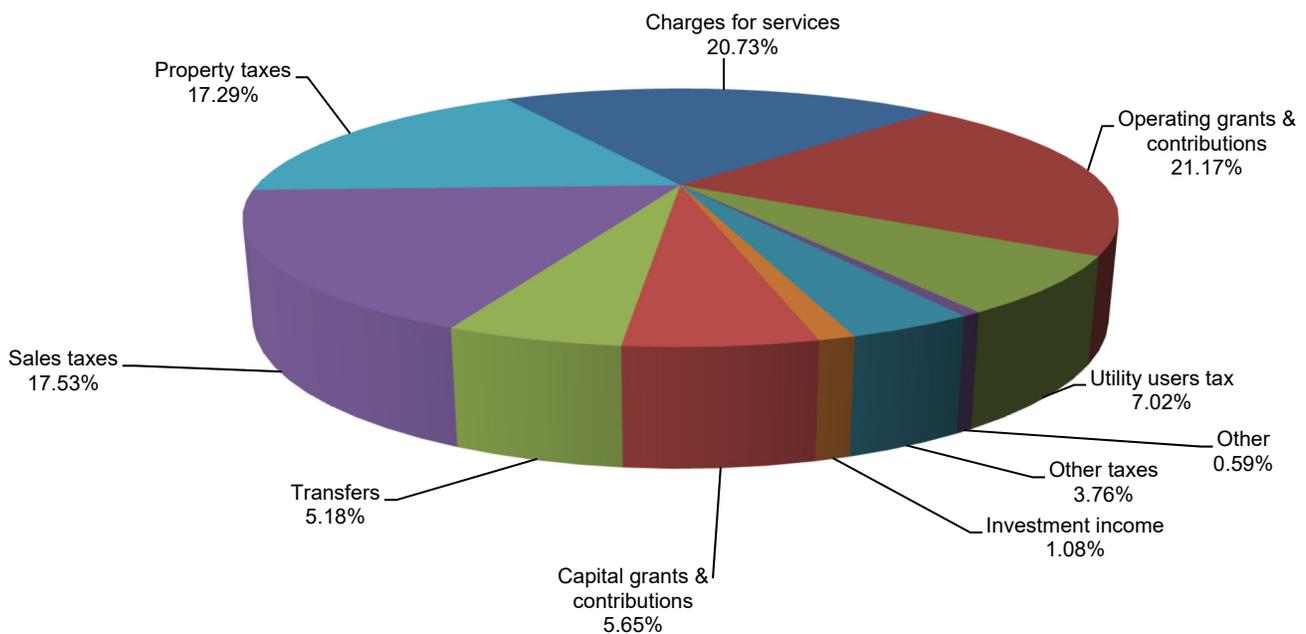
Governmental activities. Governmental activities increased the City's net position by \$486. Key elements of this increase are as follows:

- In FY 2019-20, various revenue categories were reclassified to better align with appropriate functions.
- Compared to prior fiscal year, property tax revenue increased by \$2,846 (4.6%), primarily due to the growth in home values and the strong real estate market in the City.
- Sales tax revenue increased by \$7,362 (12.5%) compared to prior fiscal year. The increase is mostly driven by Measure S sales tax revenue. In FY 2018-19, the City only received one quarter (April to June 2019) of the Measure S sales tax revenue. The rest of the variance is due to reclassification of revenues.
- Transfer decreased by \$11,336 (36.8%) during the current fiscal year. In FY 2018-19, the City received \$10,667, a one-time transfer of 2011 Tax Allocation Bond proceeds from Glendale Successor Agency to fund the City's low and moderate income housing projects and capital improvement projects.
- Governmental activities expense increased by \$32,047 (9.3%) during the current fiscal year. The increase is mainly due to the higher pension expense and liability. Section 8 housing assistance payments also contributed to the increase in FY 2019-20.

2020 Expenses and Program Revenues – Governmental Activities



2020 Revenues, Transfers, Special items, and Other increases by Source – Governmental Activities



CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2020

(in thousands)

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

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 78,126	78,735	313,059	312,318	391,185	391,053
Operating grants and contributions	79,793	58,580	196	200	79,989	58,780
Capital grants and contributions	21,322	17,458	62	8	21,384	17,466
General revenues:						
Taxes:						
Property taxes	65,169	62,323	-	-	65,169	62,323
Sales taxes	66,054	58,692	-	-	66,054	58,692
Utility users tax	26,455	26,655	-	-	26,455	26,655
Other taxes	14,172	22,563	-	-	14,172	22,563
Investment income	4,080	14,626	17,008	16,040	21,088	30,666
Other	2,227	14,831	15,101	8,778	17,328	23,609
Reinstatement of loans	-	323	-	-	-	323
Total revenues	357,398	354,786	345,426	337,344	702,824	692,130
Expenses:						
General government	26,490	24,272	-	-	26,490	24,272
Police	104,378	92,931	-	-	104,378	92,931
Fire	71,342	65,484	-	-	71,342	65,484
Public works	50,772	40,720	-	-	50,772	40,720
Transportation	8,539	15,863	-	-	8,539	15,863
Housing, health and community development	62,815	57,379	-	-	62,815	57,379
Employment program	8,129	7,550	-	-	8,129	7,550
Public service	6,175	6,190	-	-	6,175	6,190
Parks, recreation and community services	23,037	20,204	-	-	23,037	20,204
Library	13,955	12,650	-	-	13,955	12,650
Interest and fiscal charges	783	1,125	-	-	783	1,125
Fiber optic	-	-	62	-	62	-
Fire communications	-	-	5,183	4,286	5,183	4,286
Sewer	-	-	20,297	21,448	20,297	21,448
Refuse disposal	-	-	24,526	21,566	24,526	21,566
Electric	-	-	211,615	202,232	211,615	202,232
Water	-	-	52,596	49,750	52,596	49,750
Total expenses	376,415	344,368	314,279	299,282	690,694	643,650
Excess before transfers and special item	(19,017)	10,418	31,147	38,062	12,130	48,480
Transfers	19,503	20,172	(19,503)	(20,172)	-	-
Special item from Successor Agency:						
Transfer of bond proceeds	-	10,667	-	-	-	10,667
Change in net position	486	41,257	11,644	17,890	12,130	59,147
Net position – Beginning of the year, as restated	941,163	899,906	716,262	695,173	1,657,425	1,595,079
Net position – End of the year	\$ 941,649	941,163	727,906	713,063	1,669,555	1,654,226

A prior period adjustment of \$3,199 was made to increase the beginning net position of the Electric Fund and business-type activities. The migration of the transformer inventory function to the GWP warehouse added transformers to the GWP inventory and reduced the previously capitalized assets in the Electric Fund. Additionally,

CITY OF GLENDALE

Management’s Discussion and Analysis

June 30, 2020

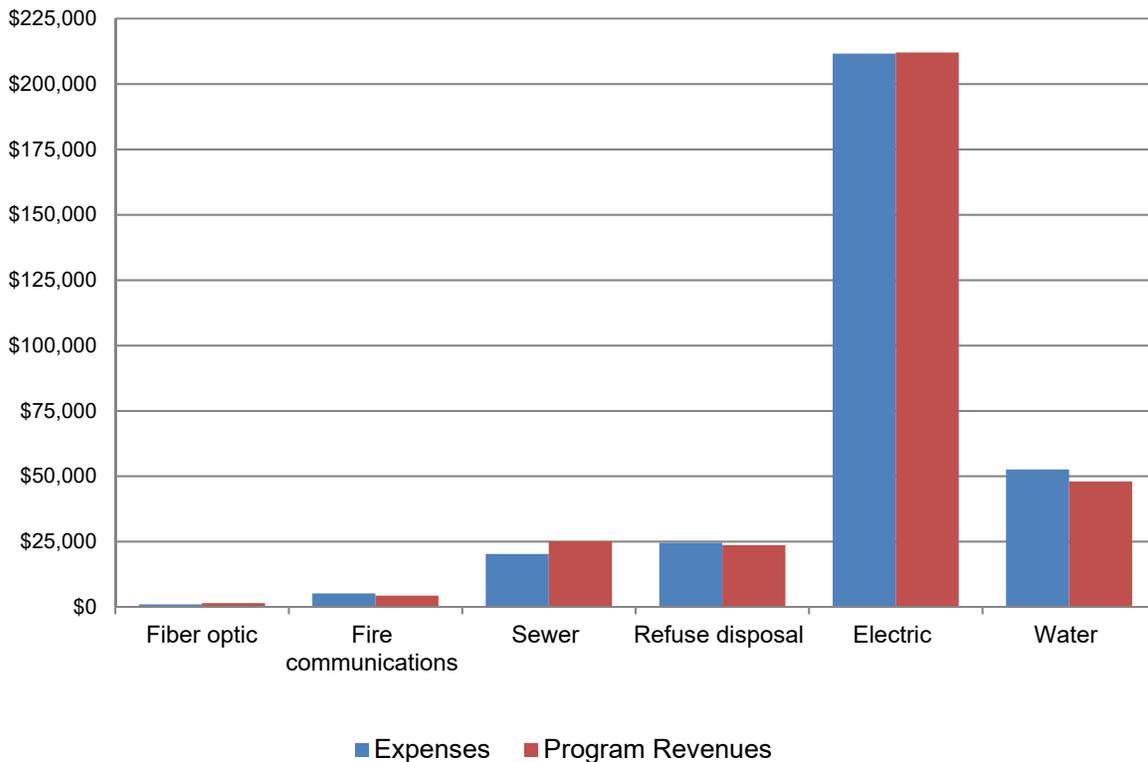
(in thousands)

the City of Glendale recorded prior years’ transmission loss credit from the Los Angeles Department of Water & Power (LADWP) for the Intermountain Power Plant losses (IPPLosses), and Intermountain losses (ILosses).

Business-type activities. Business-type activities net position increased by \$11,644. Key elements of this increase are as follows:

- Investment income increased by \$968 (6.0%) during the current fiscal year as a result of an increase in the fair market value of investments.
- Other income increased by \$6,323 (72.0%) during the current fiscal year as a result of sales for carbon emissions. The City of Glendale receives Carbon Emission Allowances from the California Air and Resource Board on an annual basis. Any excess, after emission requirements are met, can be sold through the CARB auction process. This is the first year the City of Glendale has participated in the auction.
- Business-type activities expense increased by \$14,997 (5.0%). The increase is mainly due to the higher pension expense and liability in all enterprise funds.

2020 Expenses and Program Revenues – Business-type Activities



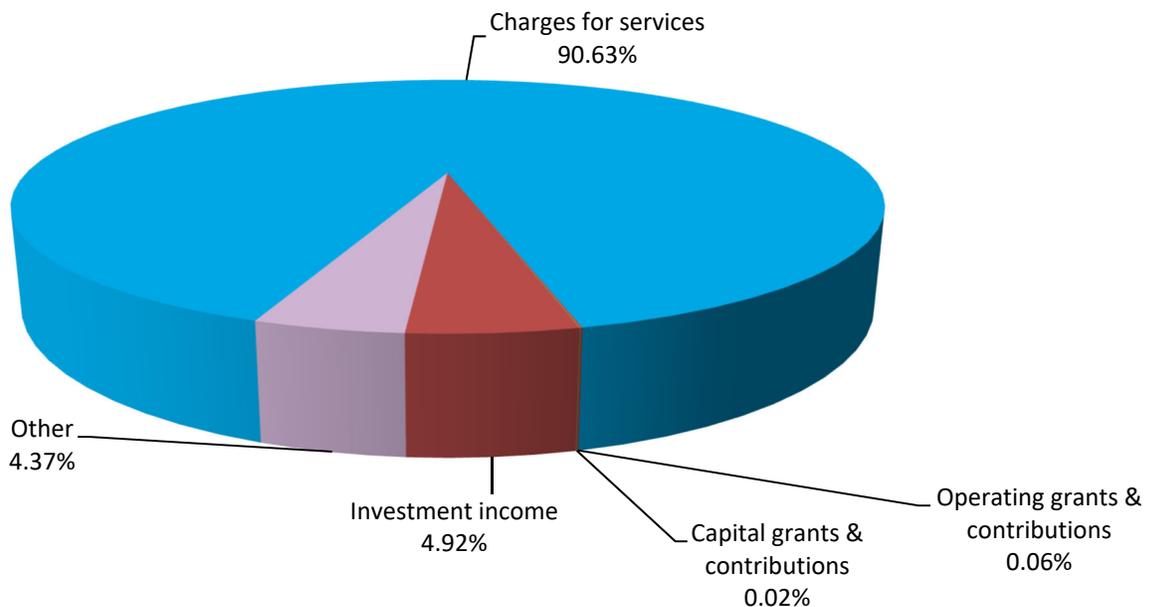
CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2020

(in thousands)

2020 Revenues by Source – Business-type Activities



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 \$412,044, an increase of \$3,779 in comparison with the prior year. About 9.9% of this total amount, \$40,736, constituted unassigned fund balance, which was available for spending at the government's discretion. The remainder of fund balance in the amount of \$371,308 was not available for new spending because it was either nonspendable, restricted, committed or assigned. Nonspendable fund balance was \$11,352. Restricted fund balance was \$285,302, which was constrained by external creditors, grantors, laws or regulations of other governments and enabling legislation. Committed fund balance was \$67,666, and the assigned fund balance was \$6,988.

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 \$49,325 and \$32,584 respectively, while total fund balance was \$132,493. As a measure of the General Fund's liquidity, it may be useful to compare the total of City Charter Article XI Section 15 general reserve and unassigned fund balance to total fund expenditures. City Charter Article XI Section 15 general reserve and unassigned fund balance, totaling \$81,909 represented about 35.5% of FY 2019-20 General Fund expenditures plus transfers, \$230,621.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2020

(in thousands)

The fund balance of the City's General Fund had a net decrease of \$3,625 during the current fiscal year. This net decrease is primarily due to the following reasons:

- Compared to the prior fiscal year, property tax revenue increased by \$2,846, primarily due to the growth in home values and strong real estate market in the City.
- Compared to the prior fiscal year, sales tax revenue decreased by \$8,531, primarily due to safer at home shutdown from COVID.
- Compared to the prior fiscal year, licenses and permits revenue decreased by \$1,960, primarily due to government-mandated shutdowns since the start of the COVID-19 pandemic.
- Compared to the prior fiscal year, other taxes revenue decreased by \$1,677, primarily due to the length of economic shutdown in light of COVID-19 pandemic.
- Compared to the prior fiscal year, use of money and property decreased by \$11,784, primarily due to decreased amount of \$6,307 transfer of Agency debt payment to the City.

It's worthwhile to mention the City's General Fund expenses had a net increase of \$2,185 as well, which is mainly driven by increases in workers' compensation rates and the required PERS employer contribution.

The Housing Assistance Fund (Section 8 grant) had a fund balance of \$7,080, an increase of \$867 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 Capital Improvement Fund had a fund balance of \$34,902. During the current fiscal year, the fund balance increased by \$7,006, primarily due to increase in Measure S revenue. This additional sales tax rate revenue has generated \$21,283 in FY 2019-20 to fund various new affordable housing developments and infrastructure needs.

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 \$215,399 for the Sewer Fund, \$348,688 for the Electric Fund, \$126,107 for the Water Fund, and \$40,615 for the nonmajor enterprise funds.

The net position of the Sewer Fund increased by \$6,398 during the current fiscal year. The increase was mainly attributable to new higher wastewater rates approved after conducting a Cost of Service Analysis (COSA) and rate study effective July 2018. The operating expenses are largely on par with the prior fiscal year.

The net position of the Electric Fund increased by \$9,331 during the current fiscal year. The increase in net position was mainly attributable to the net increase in the electric domestic sales and sales of excess carbon Emission Allowances from the California Air and Resource Board. On the other hand, there was an increase in pension expense and liability.

The net position of the Water Fund decreased by \$862 during the current fiscal year. The decrease in net position was due to slight decrease in commercial and multifamily water sales compared to prior fiscal year. The operating expenses were generally on par with the prior fiscal year.

CITY OF GLENDALE

Management's Discussion and Analysis

June 30, 2020

(in thousands)

General Fund Budgetary Highlights

In comparison to the FY 2019-20 final General Fund revenue budget, the actual revenue and transfers in has a net decrease of \$3,273. Due to the COVID-19 pandemic, various revenue category projections were adjusted in anticipation of the financial impact. Although the financial impact was inevitable, some revenues categories were higher than the final budgeted estimates.

The major revenue categories that ended the fiscal year higher than the budgeted estimate were property tax (\$1,126), utility users tax (\$1,326), and charges for services (\$2,369). The sales tax category shows a lower than budget estimate (\$2,563); however, this is due to large portion of the Measure S revenues being deposited to the Capital Improvement Fund instead of the General Fund, to fund City Council approved capital purchases and projects. Excluding Measure S revenues, the total sales tax category ended higher than the budgeted estimate (\$811).

In contrast to these increases, three revenue categories ended the fiscal year lower than the budgeted estimate: other taxes (\$1,418), use of money and property (\$1,188), and miscellaneous revenue (\$2,946). The variance for other taxes is primarily due to the commercial franchise negotiations still in progress and not yet finalized, and Transient Occupancy Tax revenues coming in lower than anticipated. The variance for use of money and property was in large due to change in accounting method to classify Successor Agency's loan payments as a decrease in loans receivable rather than as a revenue. The variance for miscellaneous revenue is due to anticipated salary savings for vacant positions that was included in the budget (\$3,000), which was recognized under the actual expenditures.

In FY 2019-20, the final expense and transfers out budget increased by \$5,617 in comparison to the original expense budget. The increase is largely driven by the following items: \$1,625 for budget carryovers, \$1,000 of the General Fund transfer to the Electric Fund for a purchase of an electric bus, \$1,083 for the March elections, and \$1,154 for the GPOA and GMA Police Management MOU agreement salary adjustments.

Compared to the FY 2019-20 final General Fund expense budget, the actual expenditures and transfers out were underspent by \$18,312. The variance is partially due to Measure S appropriations for various Council approved programs that were unspent in the amount of \$5,075. Excluding Measure S appropriations, the remaining variance is mainly due to salaries and benefits savings in the amount of \$7,183 as a result of vacancies. Although many vacant positions have been eliminated in the General Fund in previous years, vacancies still exist across almost every department as a result of employee turnover. In addition to this, there were savings in contractual services throughout various departments in the amount of \$2,837, in utilities in the amount of \$354, and in the capital outlay category in the amount of \$365 due to purchases that were not completed by the end of the fiscal year.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities, as of June 30, 2020, is \$1,599,447 (net of \$973,556 accumulated depreciation, \$12,978 accumulated gas depletion and \$56,557 accumulated amortization). 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 increase in the City's investment in capital assets for the current fiscal year was 2.8%, and this represents a 3.8% increase for governmental activities and a 0.2% increase for business-type activities.

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

- In FY 2019-20, the City purchased various properties in the amount of \$24,300 for the purpose of developing affordable housing.
- \$12,993 of Beeline Maintenance and Facility capital improvement project contributed to the capital assets increased in government wide.
- The following projects contributed to the increase in the intangible assets in the Sewer Fund: \$2,308 for Los Angeles-Glendale Water Reclamation Plant and \$2,334 for Hyperion Wastewater System. The City is upgrading the Los Angeles –Glendale Water Reclamation Plant and Hyperion Wastewater Treatment Plant and Conveyance System Facilities to meet federal and state mandates.
- The following capital improvement projects in Electric Fund contributed to the increased in the business-type capital assets activities: \$1,257 Grayson Power Plant, \$760 Fiber Plan, \$546 Feeder Tropic and \$209 Emergency System Improvement.

City of Glendale's Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 447,259	422,904	9,557	9,557	456,816	432,461
Natural gas reserve	-	-	22,163	22,161	22,163	22,161
Buildings and improvements	423,943	419,110	309,751	278,290	733,694	697,400
Machinery and equipment	138,471	132,839	584,113	586,228	722,584	719,067
Infrastructure	344,782	327,433	162,341	158,445	507,123	485,878
Construction in progress	48,031	44,342	32,244	64,258	80,275	108,600
Intangible assets	7,122	6,979	112,761	109,736	119,883	116,715
Total capital assets	1,409,608	1,353,607	1,232,930	1,228,675	2,642,538	2,582,282
Less: Accumulated depreciation	(412,502)	(390,759)	(561,054)	(544,425)	(973,556)	(935,184)
Less: Accumulated gas depletion	-	-	(12,978)	(12,039)	(12,978)	(12,039)
Less: Accumulated amortization	(1,333)	(408)	(55,224)	(52,270)	(56,557)	(52,678)
Net of depreciation, depletion and amortization	\$ 995,773	962,440	603,674	619,941	1,599,447	1,582,381

Additional information on the City's capital assets can be found in Note 6 on pages 63-64.

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Long-term debt. The City's total debt decreased by \$10,904 (4.1%) in FY 2019-20. The decrease was mainly due to the regular annual debt retirements.

City of Glendale's Long-Term Debt

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Other debt:						
2011 HUD Section 108 Loan	\$ 474	696	-	-	474	696
Bonds payable:						
GMFA lease revenue bonds, 2019 refunding	27,937	30,252	-	-	27,937	30,252
Electric revenue bonds, 2013 refunding	-	-	19,016	20,227	19,016	20,227
Electric revenue bonds, 2013 series	-	-	57,296	58,688	57,296	58,688
Electric revenue bonds, 2016 refunding	-	-	77,776	81,509	77,776	81,509
Water revenue bonds, 2008 series	-	-	40,635	42,170	40,635	42,170
Water revenue bonds, 2012 series	-	-	34,143	34,639	34,143	34,639
Total bonds payable	<u>27,937</u>	<u>30,252</u>	<u>228,866</u>	<u>237,233</u>	<u>256,803</u>	<u>267,485</u>
Total debt	\$ <u>28,411</u>	<u>30,948</u>	<u>228,866</u>	<u>237,233</u>	<u>257,277</u>	<u>268,181</u>

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.

The City's bond ratings as of June 30, 2020 are as follows:

<u>Debt Issue</u>	<u>Moody's</u>	<u>Standard & Poor's (S & P)</u>	<u>Fitch Ratings'</u>
Issuer credit rating (Implied General Obligation)	Aa2	AA+	AA+
2019 Lease revenue refunding bonds	-	AA	AA
Electric revenue bonds, 2013 refunding series	Aa3	A+	A+
Electric revenue bonds, 2013 series	Aa3	A+	A+
Electric revenue bonds, 2016 refunding series	-	A+	A+
Water revenue bonds, 2008 series	A1	AA-	AA-
Water revenue bonds, 2012 series	A1	AA-	AA-

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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, 2020, the City had 6 series of bonds subject to Continuing Disclosure requirements. The City prepares the Continuing Disclosure (financial and operating information) for its 5 Electric and Water series bonds, and engaged a financial advisor, Harrell & Company Advisors, LLC to prepare the Continuing Disclosure for the GMFA bonds. The City also engaged Harrell & Company Advisors, LLC as dissemination agent to post all 6 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.

Additional information on the City's long-term debt can be found in Note 7 on pages 65-70 of this report.

Economic Factors and Next Year's Budget and Rates

The COVID-19 crisis has affected households, businesses, healthcare systems, and economies everywhere. The economic effects of the global pandemic are unprecedented and have made the outlook for the upcoming years uncertain due to the nature of the pandemic and the measures implemented to try to contain the spread of the virus. Some of these measures include reduced social activities, employees working remotely, and the closing of schools and businesses.

Prior to the COVID-19 pandemic, the U.S. economy was expected to remain on a fairly steady growth, with employment and real wages expanding through 2020. Personal consumption was expected to grow through 2020 by 2.0% and the Gross Domestic Product (GDP) by 1.9%. With this, economists predicted

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2,100 additional jobs, thus decreasing the unemployment rate from 3.7% in 2019 to 3.5% in 2020. However, due to the emergence of the COVID-19 pandemic, the unemployment rate skyrocketed from 3.5% in February 2020 to 11.0% in June 2020, with the GDP and unemployment rate not expected to recover until after 2022.

California remains the largest economy when compared to any other state in the U.S. and prior to COVID-19, it was forecasted to grow an additional 2.0% during 2020, nearly mirroring the nation's projected growth of 1.9%. Economists projected that this continued economic expansion would bring personal income growth to 2.2% and the unemployment rate would decline from 4.1% in 2019 to 4.0% in 2020. Industries at the forefront of private sector job growth were expected to be education, healthcare, leisure & hospitality, and construction. Due to COVID-19, California's economy is following a similar pattern to that of the U.S., with the unemployment rate increasing from 3.9% in February 2020 to 14.9% in June 2020. As expected, due to business closures and restricted travel, half of all jobs lost in California have been in leisure & hospitality and retail trade sectors. Correspondingly, personal income growth is now being driven by transfer receipts, which includes unemployment payments and welfare assistance.

Locally, Los Angeles County was projected to experience further improvements to its unemployment rate, dropping from 4.5% in 2019 to 4.3% in 2020, with a likely shift occurring in the private sector from manufacturing employment to professional and businesses services. With this, total personal income across the County was expected to experience an estimated growth of 1.8% in 2020. Due to COVID-19, there has been a decline in business and consumer spending. The unemployment rate in June 2020 peaked at 19.4%, up by 15.0% when compared to the same time last year. Los Angeles County businesses took advantage of the Federal Payroll Protection Program, reportedly allowing the retention of 1,800 LA County jobs, but more federal aid is needed to combat the severity of the crisis.

The emergence of the COVID-19 pandemic and the associated "Safer at Home" measures substantially impacted the forecast of the City's financial standing, as well as created a state of uncertainty for many businesses. In response to the COVID-19 pandemic, reductions were built into various revenue categories resulting in a projected negative impact of approximately \$11,400 in revenues to the General Fund in FY 2020-21. The Sales Tax category has been impacted the most with an anticipated loss of approximately \$5,600 in FY 2020-21 and a slow recovery lasting 24 to 36 months. Furthermore, with much of the population staying home, fewer people are traveling and thereby not using hotel services. Consequently, Transient Occupancy Tax (TOT) revenues, which are generally received by hotels at the time of booking and remitted to the City on a monthly basis, have seen immediate declines resulting in estimated losses of approximately \$995 for FY 2020-21. Other major revenue categories with an anticipated negative impact for FY 2020-21 include Licenses and Permits and Charges for Services mainly due to the closures of certain facilities, the suspension of various City recreational programs, and activities put on hold due to "Safer at Home" measures.

It seems as though our world has come to a halt with the COVID-19 pandemic taking hold of the way we communicate, work, and simply enjoy our lives. But there is one thing COVID-19 cannot take away, and that is our ability to provide critical services for our residents and businesses. In spite of the challenges that the City continues to face including the COVID-19 financial impacts, increased pension costs, and aging infrastructure, the City is confident that our team will embrace these challenges and move our community forward with a focus on our purpose and goals.

The City's FY 2020-21 Budget incorporates the policy direction of the City Council for services and programs to address the needs of the community, which is structurally balanced with projected resources available to support all projected expenditures. The total budget for FY 2020-21 is \$906,783 and includes all City funds, departments and programs.

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(in thousands)

The General Fund's total budget, including sales tax from the Glendale Quality of Life and Essential Services Protection Measure (Measure S), is \$250,500, from which the City pays for services commonly associated with local government, such as police and fire services, libraries, parks, public works, and economic development. The FY 2020-21 adopted General Fund budget, not inclusive of Measure S funding, reflects an increase of \$1,800 when compared to FY 2019-20.

From the net increase of \$7,200, \$5,300 is an increase in Council approved appropriations for various Measure S programs. The remaining \$1,800 General Fund increase is mainly in the salaries & benefits and maintenance & operations categories. The net increase in the Salaries and Benefits category is approximately \$144. The increases of \$4,100 in PERS costs (net of employee cost-share), as well as cost of living adjustments for Police and Fire personnel, and normal step progression and reallocation of employees, are offset by \$5,000 in estimated vacancy savings due to the implementation of a hiring freeze in response to the COVID-19 pandemic.

CalPERS sustained significant investment losses during the Great Recession, the impacts of which continue to reverberate through just about every government agency in the State. Hence, Glendale is not alone in seeing higher employer costs from CalPERS due to the City's obligation to pick up the partial tab for those investment losses and CalPERS's subsequent decrease in their estimated rate of returns on their investments. Due to the recent adoption of more conservative actuarial and investment policies by the CalPERS Board, the City has been advised by its actuary to continue expecting increases in annual costs going forward. These risk mitigation policies will eventually rebuild the CalPERS fund and lower the burden on local governments that have committed to provide reasonable retirements for their employees. Furthermore, the financial markets were negatively impacted due to the emergence of COVID-19 in the United States and throughout the world. As such, the CalPERS investment portfolio was affected by the downturn in the financial markets. By June 30, 2020, CalPERS reported a year to date investment return of 4.7%. While pension rates for the City of Glendale were already determined for the upcoming fiscal year, such an investment return for CalPERS, being below their expected rate of return of 7%, will impact rates beginning in FY 2022-23. There is a 5-year ramp up before the City will incur the full impact of the current year return.

To mitigate rising PERS 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. This decision demonstrates the City Council's commitment to keep rising PERS costs at a containable level. City staff is actively assessing other strategies to address the trend in rising PERS costs and will work to implement more solutions in the coming years.

For FY 2020-21, the adopted budget for the Special Revenue Funds reflects an increase of \$5,100 when compared to the FY 2019-20 adopted budget. The most notable components of this increase include \$1,500 in the Housing Assistance Fund due to an increase in anticipated revenue to be received, \$2,900 increase in the Measure R Regional Fund due to an increase in project appropriation, \$2,600 increase in the Transit Prop C Local Return Fund due to an increase in Subsidy Prop C Local Return, and an increase of \$2,600 in the Transit Utility Fund due to an increase in contractual services. The increases are offset by a \$2,300 decrease in the Continuum of Care Grant Fund due to \$2,400 being appropriated in February 2020, with the remaining budget to be carried over to FY 2020-21. Furthermore, there is a decrease of \$1,900 in the Measure M Local Return Fund due to a reduction in project appropriation relative to last year.

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As for the City's Capital Improvement Program Funds, there is a decrease of \$14,900 when compared to the FY 2019-20 adopted budget. The decrease is primarily due to a reduction of \$16,500 for the Measure S program appropriations in the Capital Improvement Fund. Of the \$7,000 that is appropriated for the Measure S programs, \$6,000 is for affordable housing development and \$1,000 is for land acquisition for recreational purposes. The Measure A Capital Improvement Fund, with a budget of \$921, was newly established to account for projects related to the repair and upgrade of parks and recreational facilities, the creation of new parks, the preservation and protection of open spaces and beaches, as well as support of recreational programming.

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, 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, 2020
 (amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Pooled cash and investments	\$ 475,460	\$ 249,372	\$ 724,832
Cash and investments with fiscal agent	-	9,119	9,119
Interest receivable	1,593	1,972	3,565
Accounts receivable, net	37,856	44,020	81,876
Internal balances	2,903	(2,903)	-
Inventories	485	10,018	10,503
Prepaid items	5,211	11,460	16,671
Total current assets	523,508	323,058	846,566
Noncurrent assets:			
Capital assets, not being depreciated	495,290	41,801	537,091
Capital assets, net	500,483	561,873	1,062,356
Designated cash and investments	-	135,400	135,400
Restricted cash and investments	77,729	14,375	92,104
Loans receivable	17,018	-	17,018
Total noncurrent assets	1,090,520	753,449	1,843,969
Total assets	1,614,028	1,076,507	2,690,535
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	67,857	13,128	80,985
Loss on refunding	-	4,099	4,099
Deferred outflows of resources related to OPEB	908	-	908
Total deferred outflows of resources	68,765	17,227	85,992
Total assets and deferred outflows of resources	1,682,793	1,093,734	2,776,527
LIABILITIES			
Current liabilities:			
Accounts payable	16,280	14,251	30,531
Accrued wages and withholding	14,110	4,114	18,224
Interest payable	101	4,082	4,183
Claims payable	16,299	-	16,299
Compensated absences	3,279	-	3,279
Bonds payable	2,319	8,718	11,037
Other debt	232	-	232
Unearned revenues	3,266	-	3,266
Deposits	7,100	3,228	10,328
Total current liabilities	\$ 62,986	\$ 34,393	\$ 97,379

(Continued)

Exhibit A-1
 CITY OF GLENDALE
 Statement of Net Position
 June 30, 2020
 (amounts expressed in thousands)

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Noncurrent liabilities:			
Claims payable	\$ 50,938	\$ -	\$ 50,938
OPEB liability	15,135	-	15,135
Compensated absences	28,720	-	28,720
Landfill postclosure	52,897	-	52,897
Net pension liability	489,369	108,830	598,199
Bonds payable	25,618	220,148	245,766
Other debt	242	-	242
Total noncurrent liabilities	662,919	328,978	991,897
Total liabilities	725,905	363,371	1,089,276
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	12,863	2,457	15,320
Deferred inflows of resources related to OPEB	2,376	-	2,376
Total deferred inflows of resources	15,239	2,457	17,696
Total liabilities and deferred inflows of resources	741,144	365,828	1,106,972
NET POSITION			
Net investment in capital assets	967,835	387,699	1,355,534
Restricted for:			
Air quality improvement	654	-	654
Cable access	3,460	-	3,460
Capital projects	50,856	-	50,856
Carbon emissions	-	7,912	7,912
City Charter - Article XI Sec. 15 general reserve	32,584	-	32,584
Electric public benefit AB1890	7,159	-	7,159
Federal and state grants	8,562	-	8,562
Impact fee funded projects	29,647	-	29,647
Investment-gas/electric commodity	-	794	794
Landscaping district	270	-	270
Low and moderate housing	20,467	-	20,467
Pension stabilization	35,145	-	35,145
Public safety	3,665	-	3,665
SCAQMD emission controls	-	5,669	5,669
State gas tax mandates	11,373	-	11,373
Transportation	37,479	-	37,479
Urban art	8,393	-	8,393
Unrestricted	(275,900)	325,832	49,932
Total net position	\$ 941,649	\$ 727,906	\$ 1,669,555

Exhibit A-2
CITY OF GLENDALE
Statement of Activities
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Net (Expense) Revenue and Changes in Net Position						
	Program Revenues			Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 26,490	\$ 21,202	\$ 83	\$ -	\$ (5,205)	\$ -	\$ (5,205)
Police	104,378	2,130	1,294	-	(100,954)	-	(100,954)
Fire	71,342	11,032	819	315	(59,176)	-	(59,176)
Public works	50,772	19,851	9,656	18,469	(2,796)	-	(2,796)
Transportation	8,539	-	19,738	840	12,039	-	12,039
Housing, health and community development	62,815	9,198	42,604	679	(10,334)	-	(10,334)
Employment programs	8,129	2,435	5,231	-	(463)	-	(463)
Public service	6,175	7,117	-	-	942	-	942
Parks, recreation and community services	23,037	4,598	251	1,019	(17,169)	-	(17,169)
Library	13,955	563	117	-	(13,275)	-	(13,275)
Interest and fiscal charges	783	-	-	-	(783)	-	(783)
Total governmental activities	<u>376,415</u>	<u>78,126</u>	<u>79,793</u>	<u>21,322</u>	<u>(197,174)</u>	<u>-</u>	<u>(197,174)</u>
Business-type activities:							
Electric Fund	211,615	212,009	-	-	-	394	394
Fiber Optic Fund	62	229	-	-	-	167	167
Fire Communication Fund	5,183	4,354	-	-	-	(829)	(829)
Refuse Disposal Fund	24,526	23,415	196	-	-	(915)	(915)
Sewer Fund	20,297	25,088	-	-	-	4,791	4,791
Water Fund	52,596	47,964	-	62	-	(4,570)	(4,570)
Total business-type activities	<u>314,279</u>	<u>313,059</u>	<u>196</u>	<u>62</u>	<u>-</u>	<u>(962)</u>	<u>(962)</u>
Total primary government	<u>\$ 690,694</u>	<u>\$ 391,185</u>	<u>\$ 79,989</u>	<u>\$ 21,384</u>	<u>(197,174)</u>	<u>(962)</u>	<u>(198,136)</u>
General revenues:							
Investment income					4,080	17,008	21,088
Property taxes					65,169	-	65,169
Sales taxes					66,054	-	66,054
Utility users tax					26,455	-	26,455
Other taxes					14,172	-	14,172
Other					2,227	15,101	17,328
Transfers					19,503	(19,503)	-
Total general revenues and transfers					<u>197,660</u>	<u>12,606</u>	<u>210,266</u>
Change in net position					<u>486</u>	<u>11,644</u>	<u>12,130</u>
Net position - beginning, as restated					<u>941,163</u>	<u>716,262</u>	<u>1,657,425</u>
Net position - ending					<u>\$ 941,649</u>	<u>\$ 727,906</u>	<u>\$ 1,669,555</u>

Exhibit B-1
 CITY OF GLENDALE
 Balance Sheet
 Governmental Funds
 June 30, 2020
 (amounts expressed in thousands)

	General Fund	Housing Assistance Fund	Capital Improvement Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Pooled cash and investments	\$ 87,618	\$ 4,756	\$ 33,889	\$ 205,060	\$ 331,323
Restricted cash and investments	35,145	-	-	42,584	77,729
Interest receivable	544	-	-	335	879
Accounts receivable, net	17,252	114	1,700	17,338	36,404
Due from other funds	8,573	-	-	-	8,573
Inventories	287	-	-	-	287
Prepaid items	146	2,853	-	48	3,047
Loans receivable	8,018	-	-	2,004	10,022
Total assets	<u>157,583</u>	<u>7,723</u>	<u>35,589</u>	<u>267,369</u>	<u>468,264</u>
LIABILITIES					
Accounts payable	4,872	51	652	7,191	12,766
Wages and benefits payable	13,168	145	35	1,035	14,383
Due to other funds	-	-	-	8,573	8,573
Unearned revenues	-	333	-	2,933	3,266
Deposits	7,019	-	-	81	7,100
Total liabilities	<u>25,059</u>	<u>529</u>	<u>687</u>	<u>19,813</u>	<u>46,088</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	<u>31</u>	<u>114</u>	<u>-</u>	<u>9,987</u>	<u>10,132</u>
 Total liabilities and deferred inflows of resources	 <u>\$ 25,090</u>	 <u>\$ 643</u>	 <u>\$ 687</u>	 <u>\$ 29,800</u>	 <u>\$ 56,220</u>

(Continued)

Exhibit B-1
 CITY OF GLENDALE
 Balance Sheet
 Governmental Funds
 June 30, 2020
 (amounts expressed in thousands)

	General Fund	Housing Assistance Fund	Capital Improvement Fund	Total Nonmajor Funds	Total Governmental Funds
FUND BALANCES (DEFICITS)					
Nonspendable					
Inventory	\$ 287	\$ -	\$ -	\$ -	\$ 287
Loans receivable	8,018	-	-	-	8,018
Prepaid	146	2,853	-	48	3,047
Restricted					
Air quality improvement	-	-	-	654	654
Cable access	-	-	-	3,460	3,460
Capital projects	-	-	-	50,856	50,856
City Charter - Article XI					
Sec. 15 general reserve	32,584	-	-	-	32,584
Electric public benefit AB1890	-	-	-	7,159	7,159
Federal and state grants	-	4,227	-	4,335	8,562
Impact fee funded projects	-	-	-	29,647	29,647
Landfill postclosure	-	-	-	42,584	42,584
Landscaping district	-	-	-	270	270
Low and moderate housing	-	-	-	13,471	13,471
Pension stabilization	35,145	-	-	-	35,145
Public safety	-	-	-	3,665	3,665
State gas tax mandates	-	-	-	11,373	11,373
Transportation	-	-	-	37,479	37,479
Urban art	-	-	-	8,393	8,393
Committed					
Capital projects	-	-	34,902	2,020	36,922
Debt service	-	-	-	14,148	14,148
Hazardous materials	-	-	-	3,599	3,599
Parking	-	-	-	12,229	12,229
Public safety	-	-	-	768	768
Assigned					
Economic development	1,804	-	-	-	1,804
Quality of life - affordable housing, infrastructure improvements, and other essential services	5,184	-	-	-	5,184
Unassigned	49,325	-	-	(8,589)	40,736
Total fund balances (deficits)	<u>132,493</u>	<u>7,080</u>	<u>34,902</u>	<u>237,569</u>	<u>412,044</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)					
	<u>\$ 157,583</u>	<u>\$ 7,723</u>	<u>\$ 35,589</u>	<u>\$ 267,369</u>	<u>\$ 468,264</u>

Exhibit B-2
CITY OF GLENDALE
Reconciliation of Balance Sheet
to the Statement of Net Position
June 30, 2020
(amounts expressed in thousands)

Fund balances of governmental funds		\$ 412,044
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	\$ 447,259	
Buildings and improvements	232,594	
Equipment	14,203	
Infrastructure	218,398	
Intangible	70	
Construction in progress	<u>45,497</u>	958,021
Long-term debt not included in the governmental funds (due within one year):		
2011 HUD Section 108 loan	(232)	
2019 GMFA lease revenue refunding bonds	<u>(2,319)</u>	(2,551)
Long-term debt not included in the governmental funds (due in more than one year):		
2011 HUD Section 108 loan	(242)	
2019 GMFA lease revenue refunding bonds	<u>(25,618)</u>	(25,860)
Accrued interest payable for the current portion of interest due is not included in the governmental funds:		
2011 HUD Section 108 loan	(5)	
2019 GMFA lease revenue refunding bonds	<u>(96)</u>	(101)
Landfill postclosure liability not included in the governmental funds		(52,897)
Unavailable revenue in the governmental funds is revenue in the statement of activities		10,132
Loans receivable housing long term - non-forgiven portion		6,996
Deferred outflows of resources related to pensions		67,857
Deferred inflows of resources related to pensions		(12,863)
Net pension liability		(489,369)
Deferred outflows of resources related to OPEB		908
Deferred inflows of resources related to OPEB		(2,376)
OPEB Liability		(15,135)
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>86,843</u>
Net position of governmental activities		<u>\$ 941,649</u>

Exhibit C-1
CITY OF GLENDALE
Statement of Revenues, Expenditures and Changes
in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	General Fund	Housing Assistance Fund	Capital Improvement Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 65,169	\$ -	\$ -	\$ -	\$ 65,169
Sales tax	44,771	-	21,283	-	66,054
Utility users tax	26,455	-	-	-	26,455
Other taxes	14,172	-	-	-	14,172
Revenue from other agencies	429	37,412	975	49,038	87,854
Licenses and permits	8,808	-	-	1,389	10,197
Fines and forfeitures	3,215	-	-	1,752	4,967
Charges for services	17,572	-	4,630	25,595	47,797
Use of money and property	4,834	40	-	4,995	9,869
Interfund revenue	19,310	-	-	-	19,310
Miscellaneous revenue	1,758	22	150	819	2,749
Total revenues	206,493	37,474	27,038	83,588	354,593
EXPENDITURES					
Current:					
General government	21,800	-	-	83	21,883
Police	87,920	-	-	1,323	89,243
Fire	59,419	-	21	2,490	61,930
Public works	14,629	-	692	11,813	27,134
Transportation	-	-	-	15,849	15,849
Housing, health and community development	16,068	36,607	418	5,142	58,235
Employment programs	-	-	-	6,988	6,988
Public service	-	-	-	5,860	5,860
Parks, recreation and community services	16,132	-	230	1,474	17,836
Library	10,582	-	3	333	10,918
Debt service:					
Principal retirement	-	-	-	2,052	2,052
Interest	-	-	-	1,173	1,173
Capital outlay	376	-	15,088	35,752	51,216
Total expenditures	226,926	36,607	16,452	90,332	370,317
Excess (deficiency) of revenues over (under) expenditures	(20,433)	867	10,586	(6,744)	(15,724)
OTHER FINANCING SOURCES (USES)					
Transfers in	20,503	-	980	6,275	27,758
Transfers out	(3,695)	-	(4,560)	-	(8,255)
Total other financing sources (uses)	16,808	-	(3,580)	6,275	19,503
Net change in fund balances	(3,625)	867	7,006	(469)	3,779
Fund balances - beginning, as restated	136,118	6,213	27,896	238,038	408,265
Fund balances - ending	\$ 132,493	\$ 7,080	\$ 34,902	\$ 237,569	\$ 412,044

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, 2020
(amounts expressed in thousands)

Net change in fund balances - total governmental funds	\$	3,779
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures		53,949
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation and amortization expenses		(22,098)
Capital contribution are recognized as revenues in the statement of activities		273
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:		
2011 HUD Section 108	\$	222
2019 GMFA lease revenue refunding bonds		<u>1,830</u>
		2,052
Accrued interests:		
2011 HUD Section 108 loan		2
2019 GMFA lease revenue refunding bonds		<u>(96)</u>
		(94)
2019 GMFA lease revenue refunding bonds premium		485
Landfill postclosure liability changed from prior year		(1,323)
Unavailable revenue in the governmental funds are recognized as revenues in the statement of activities		2,633
Loans receivable housing long term changed from prior year		(106)
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		(37,000)
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		84
Change in net position of internal service funds allocated to governmental activities		<u>(2,148)</u>
Change in net position of governmental activities	\$	<u><u>486</u></u>

Exhibit D-1
CITY OF GLENDALE
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
General Fund
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 64,043	\$ 64,043	\$ 65,169	\$ 1,126
Sales tax	51,903	47,334	44,771	(2,563)
Utility users tax	28,162	25,129	26,455	1,326
Other taxes	16,690	15,590	14,172	(1,418)
Revenue from other agencies	204	863	429	(434)
Licenses and permits	10,685	8,821	8,808	(13)
Fines and forfeitures	3,180	3,180	3,215	35
Charges for services	16,470	15,203	17,572	2,369
Use of money and property	6,022	6,022	4,834	(1,188)
Interfund revenue	19,310	19,310	19,310	-
Miscellaneous revenue	4,426	4,704	1,758	(2,946)
Total revenues	<u>221,095</u>	<u>210,199</u>	<u>206,493</u>	<u>(3,706)</u>
EXPENDITURES				
Current:				
City Clerk	1,120	2,202	1,396	806
City Manager	5,949	5,949	5,265	684
City Treasurer	851	851	850	1
Finance	6,177	6,177	5,696	481
Innovation, Performance and Audit	1,370	1,370	1,306	64
Legal	4,389	4,454	4,289	165
Personnel	3,069	3,069	2,998	71
Police	89,023	89,917	87,920	1,997
Fire	62,154	62,234	59,419	2,815
Public Works	15,104	15,832	14,629	1,203
Community Development	21,966	22,554	16,068	6,486
Community Services and Parks	17,900	18,057	16,132	1,925
Library, Arts and Culture	11,005	11,005	10,582	423
Total current	<u>240,077</u>	<u>243,671</u>	<u>226,550</u>	<u>17,121</u>
Capital outlay:				
Police	-	741	376	365
Total expenditures	<u>240,077</u>	<u>244,412</u>	<u>226,926</u>	<u>17,486</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(18,982)</u>	<u>(34,213)</u>	<u>(20,433)</u>	<u>13,780</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	21,427	20,070	20,503	433
Transfers out	(3,239)	(4,521)	(3,695)	826
Total other financing sources (uses)	<u>\$ 18,188</u>	<u>\$ 15,549</u>	<u>\$ 16,808</u>	<u>\$ 1,259</u>

Exhibit D-2
 CITY OF GLENDALE
 Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Housing Assistance Fund
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Revenue from other agencies	\$ 39,229	\$ 39,562	\$ 37,412	\$ (2,150)
Use of money and property	10	10	40	30
Miscellaneous revenue	13	13	22	9
Total revenues	<u>39,252</u>	<u>39,585</u>	<u>37,474</u>	<u>(2,111)</u>
EXPENDITURES				
Current:				
Housing, health and community development	39,378	39,890	36,607	3,283
Total expenditures	<u>\$ 39,378</u>	<u>\$ 39,890</u>	<u>\$ 36,607</u>	<u>\$ 3,283</u>

Exhibit E-1
 CITY OF GLENDALE
 Statement of Net Position
 Proprietary Funds
 June 30, 2020
 (amounts expressed in thousands)

	Business-type Activities					Internal Service Funds
	Sewer Fund	Electric Fund	Water Fund	Total Nonmajor Funds	Total Enterprise Funds	
ASSETS						
Current assets:						
Pooled cash and investments	\$ 35,134	\$ 149,612	\$ 21,704	\$ 42,922	\$ 249,372	\$ 144,138
Cash with fiscal agent	-	2,409	4,312	-	6,721	-
Investment with fiscal agent	-	2,398	-	-	2,398	-
Interest receivable	166	1,440	153	213	1,972	714
Accounts receivable, net	3,845	28,231	8,384	3,560	44,020	3,703
Inventories	-	10,018	-	-	10,018	198
Prepaid items	-	11,460	-	-	11,460	2,164
Total current assets	<u>39,145</u>	<u>205,568</u>	<u>34,553</u>	<u>46,695</u>	<u>325,961</u>	<u>150,917</u>
Noncurrent assets:						
Designated cash and investments	-	124,100	11,300	-	135,400	-
Restricted cash and investments	-	14,375	-	-	14,375	-
Capital assets, not being depreciated	2,415	22,229	13,612	3,545	41,801	2,534
Capital assets, net	<u>180,205</u>	<u>205,339</u>	<u>166,135</u>	<u>10,194</u>	<u>561,873</u>	<u>35,218</u>
Total noncurrent assets	<u>182,620</u>	<u>366,043</u>	<u>191,047</u>	<u>13,739</u>	<u>753,449</u>	<u>37,752</u>
Total assets	<u>221,765</u>	<u>571,611</u>	<u>225,600</u>	<u>60,434</u>	<u>1,079,410</u>	<u>188,669</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions	768	7,736	2,425	2,199	13,128	-
Loss on refunding	-	4,099	-	-	4,099	-
Total deferred outflows of resources	<u>768</u>	<u>11,835</u>	<u>2,425</u>	<u>2,199</u>	<u>17,227</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 222,533</u>	<u>\$ 583,446</u>	<u>\$ 228,025</u>	<u>\$ 62,633</u>	<u>\$ 1,096,637</u>	<u>\$ 188,669</u>

(Continued)

Exhibit E-1
 CITY OF GLENDALE
 Statement of Net Position
 Proprietary Funds
 June 30, 2020
 (amounts expressed in thousands)

	Business-type Activities					
	Sewer Fund	Electric Fund	Water Fund	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 511	\$ 7,627	\$ 4,576	\$ 1,537	\$ 14,251	\$ 3,514
Wages and benefits payable	254	2,376	691	793	4,114	1,980
Interest payable	-	2,800	1,282	-	4,082	-
Claims payable	-	-	-	-	-	16,299
Compensated absences	-	-	-	-	-	3,279
Bonds payable	-	6,592	2,126	-	8,718	-
Deposits	350	2,023	598	257	3,228	-
Total current liabilities	<u>1,115</u>	<u>21,418</u>	<u>9,273</u>	<u>2,587</u>	<u>34,393</u>	<u>25,072</u>
Noncurrent liabilities:						
Claims payable	-	-	-	-	-	50,938
Compensated absences	-	-	-	-	-	28,720
Bonds payable	-	147,496	72,652	-	220,148	-
Net pension liability	5,885	64,601	19,525	18,819	108,830	-
Total noncurrent liabilities	<u>5,885</u>	<u>212,097</u>	<u>92,177</u>	<u>18,819</u>	<u>328,978</u>	<u>79,658</u>
Total liabilities	<u>7,000</u>	<u>233,515</u>	<u>101,450</u>	<u>21,406</u>	<u>363,371</u>	<u>104,730</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions	134	1,243	468	612	2,457	-
Total liabilities and deferred inflows of resources	<u>7,134</u>	<u>234,758</u>	<u>101,918</u>	<u>22,018</u>	<u>365,828</u>	<u>104,730</u>
NET POSITION						
Net investment in capital assets	182,585	82,386	108,989	13,739	387,699	37,752
Restricted for:						
Carbon emissions	-	7,912	-	-	7,912	-
Investment-gas/electric commodity	-	794	-	-	794	-
SCAQMD emission controls	-	5,669	-	-	5,669	-
Unrestricted	32,814	251,927	17,118	26,876	328,735	46,187
Total net position	<u>\$ 215,399</u>	<u>\$ 348,688</u>	<u>\$ 126,107</u>	<u>\$ 40,615</u>	<u>730,809</u>	<u>\$ 83,939</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.

	<u>(2,903)</u>
Total net position of business-type activities	<u>\$ 727,906</u>

Exhibit E-2
CITY OF GLENDALE
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Business-type Activities					
	Sewer Fund	Electric Fund	Water Fund	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 25,088	\$ 212,009	\$ 47,964	\$ 27,998	\$ 313,059	\$ 95,814
Miscellaneous revenue	20	12,984	1,900	52	14,956	98
Total operating revenues	<u>25,108</u>	<u>224,993</u>	<u>49,864</u>	<u>28,050</u>	<u>328,015</u>	<u>95,912</u>
OPERATING EXPENSES						
Maintenance and operation	13,599	178,946	42,194	28,126	262,865	47,513
Claims and settlement	-	-	-	-	-	53,665
Depreciation	3,667	23,846	6,904	1,374	35,791	5,015
Gas depletion	-	939	-	-	939	-
Amortization	2,868	70	16	-	2,954	631
Total operating expenses	<u>20,134</u>	<u>203,801</u>	<u>49,114</u>	<u>29,500</u>	<u>302,549</u>	<u>106,824</u>
Operating income (loss)	<u>4,974</u>	<u>21,192</u>	<u>750</u>	<u>(1,450)</u>	<u>25,466</u>	<u>(10,912)</u>
NONOPERATING REVENUES (EXPENSES)						
Use of money and property	1,424	12,514	1,373	1,843	17,154	6,072
Intergovernmental grants	-	-	-	196	196	30
Capital grants	-	-	62	-	62	-
Interest expense	-	(6,022)	(3,047)	-	(9,069)	-
Total nonoperating revenues (expenses)	<u>1,424</u>	<u>6,492</u>	<u>(1,612)</u>	<u>2,039</u>	<u>8,343</u>	<u>6,102</u>
Income (loss) before transfers	6,398	27,684	(862)	589	33,809	(4,810)
Transfers in	-	1,000	-	-	1,000	-
Transfers out	-	(19,353)	-	(1,150)	(20,503)	-
Change in net position	6,398	9,331	(862)	(561)	14,306	(4,810)
Total net position - beginning, as restated	209,001	339,357	126,969	41,176		88,749
Total net position - ending	<u>\$ 215,399</u>	<u>\$ 348,688</u>	<u>\$ 126,107</u>	<u>\$ 40,615</u>		<u>\$ 83,939</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.

	(2,662)
Changes in net position of business-type activities	<u>\$ 11,644</u>

Exhibit E-3
CITY OF GLENDALE
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds					Internal Service Funds
	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprises Funds	Total Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash receipts from customers	\$ 24,312	\$ 219,565	\$ 48,367	\$ 26,917	\$ 319,161	\$ 98,871
Payments to employees	(3,702)	(36,466)	(10,851)	(12,095)	(63,114)	(23,125)
Payments to suppliers	(10,842)	(138,980)	(29,746)	(15,904)	(195,472)	(68,949)
Net cash provided (used) by operating activities	9,768	44,119	7,770	(1,082)	60,575	6,797
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Amounts paid to other funds	-	-	-	-	-	(196)
Transfers in (out), net	-	(18,353)	-	(1,150)	(19,503)	-
Operating grants received	-	-	-	196	196	30
Loan receivable	-	-	-	26	26	-
Net cash provided (used) by noncapital financing activities	-	(18,353)	-	(928)	(19,281)	(166)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of property, plant, equipment and gas reserves	(5,913)	(7,668)	(6,195)	(4,324)	(24,100)	(7,173)
Capital grants received	-	-	62	-	62	-
Interest paid on long-term debt	-	(7,022)	(3,174)	-	(10,196)	-
Principal payments	-	(5,205)	(1,945)	-	(7,150)	-
Proceeds from sales of capital assets	8	37	9	93	147	271
Net cash provided (used) by capital and related financing activities	(5,905)	(19,858)	(11,243)	(4,231)	(41,237)	(6,902)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	1,405	12,376	1,374	1,766	16,921	6,014
Net cash provided (used) by investing activities	1,405	12,376	1,374	1,766	16,921	6,014
Net increase (decrease) in cash and cash equivalents	5,268	18,284	(2,099)	(4,475)	16,978	5,743
Balances - beginning of year *	29,866	272,212	39,415	47,397	388,890	138,395
Balances - end of the year	\$ 35,134	\$ 290,496	\$ 37,316	\$ 42,922	\$ 405,868	\$144,138

* Beginning cash balance of the Electric Fund was restated due to reclassification of Investment-gas/electric commodity to Restricted cash and investments.

Exhibit E-3
CITY OF GLENDALE
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Business-type Activities - Enterprise Funds					Internal Service Funds
	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprises Funds	Total Enterprise Funds	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating Income	\$ 4,974	\$ 21,192	\$ 750	\$ (1,450)	\$ 25,466	\$ (10,912)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	3,667	23,846	6,904	1,374	35,791	5,015
Amortization	2,868	70	16	-	2,954	631
Depletion	-	939	-	-	939	-
(Increase) Decrease Accounts receivable, net	(522)	(5,044)	(937)	(909)	(7,412)	2,956
(Increase) Decrease Inventories	-	(1,647)	-	-	(1,647)	(8)
(Increase) Decrease Prepaid expenses	-	3,900	-	89	3,989	70
(Increase) Decrease Deferred outflows from pension	282	3,210	1,037	796	5,325	-
Increase (Decrease) Accrued wages payable	40	225	50	106	421	186
Increase (Decrease) Compensated absences	-	-	-	-	-	1,793
Increase (Decrease) Accounts payable	(1,561)	(5,149)	(729)	(1,962)	(9,401)	(2,138)
Increase (Decrease) Deposits	(273)	(384)	(559)	(224)	(1,440)	-
Increase (Decrease) Claims payable	-	-	-	-	-	8,888
Increase (Decrease) Net pension liability	316	3,322	1,319	1,035	5,992	-
Increase (Decrease) Deferred inflows from pension	(23)	(361)	(81)	63	(402)	-
(Increase) Decrease Capital assets adjustment	-	-	-	-	-	316
Net cash provided (used) by operating activities	<u>9,768</u>	<u>44,119</u>	<u>7,770</u>	<u>(1,082)</u>	<u>60,575</u>	<u>6,797</u>
Reconciliation of Statement of Cash Flows to Statement of Net Position:						
Pooled cash and investments	35,134	149,612	21,704	42,922	249,372	144,138
Cash with fiscal agent	-	2,409	4,312	-	6,721	-
Designated cash and investments	-	124,100	11,300	-	135,400	-
Restricted cash and investments	-	14,375	-	-	14,375	-
Cash and cash equivalents at June 30	<u>\$ 35,134</u>	<u>\$ 290,496</u>	<u>\$ 37,316</u>	<u>\$ 42,922</u>	<u>\$ 405,868</u>	<u>\$144,138</u>

Exhibit F-1
 CITY OF GLENDALE
 Statement of Fiduciary Net Position
 June 30, 2020
 (amounts expressed in thousands)

	<u>Glendale Successor Agency Private-Purpose Trust Fund</u>	
ASSETS		
Current assets:		
Cash and investments	\$	65,696
Cash and investments with fiscal agent		5,080
Restricted cash and investments		29
Loans receivable		791
Total current assets		<u>71,596</u>
DEFERRED OUTFLOWS OF RESOURCES		
Loss on refunding		1,149
Total assets and deferred outflows of resources		<u>72,745</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities		22
Interest payable		323
Bonds payable		11,123
Loans payable to the City		8,210
Total current liabilities		<u>19,678</u>
Noncurrent liabilities:		
Bonds payable		52,975
Loans payable to the City		1,812
Total noncurrent liabilities		<u>54,787</u>
Total liabilities		<u>74,465</u>
Net position (deficit) held in trust	\$	<u>(1,720)</u>

Exhibit F-2
 CITY OF GLENDALE
 Statement of Changes in Fiduciary Net Position
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	<u>Glendale Successor Agency Private-Purpose Trust Fund</u>	
ADDITIONS		
Property Tax	\$	19,474
Interest income		1,396
Total additions		<u>20,870</u>
 DEDUCTIONS		
Operating expenses		1,053
Interest and amortization expense on bonds		<u>3,674</u>
Total deductions		<u>4,727</u>
Change in net position		16,143
Net Position - beginning of the year, as restated		<u>(17,863)</u>
Net Position - end of the year	\$	<u>(1,720)</u>

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Notes to the Basic Financial Statements

Notes to the Basic
Financial Statements



CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

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CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

These financial statements present the financial results of the City of Glendale, California (the City) and its component units as required by generally accepted accounting principles in the United States of America. Component units are legally separate entities for which the primary government is financially accountable. The City has two component units: the Glendale Housing Authority (the Housing Authority) and the Glendale Municipal Financing Authority (the Municipal Financing Authority). The City Council serves as the Board of the Housing Authority and the Municipal Financing Authority. Management of the City has operational responsibility for the Housing Authority and the Municipal Financing Authority as these component units are essentially managed in the same manner as other City departments. Also, the Municipal Financing Authority provide financial services entirely to the City. Therefore, these entities are reported as blended component units within the City's comprehensive annual financial report (CAFR). Both the City and its blended component units have a June 30 year-end.

Component Units

The Housing Authority was established by the Glendale City Council in 1975. The Housing Authority administers seven affordable housing program funds on behalf of the City, including (1) the Department of Housing and Urban Development (HUD) Housing Assistance Fund (often called "Section 8"), (2) the HUD HOME Grant Fund, (3) the HUD Continuum of Care Grant Fund, (4) the Affordable Housing Trust Fund that receives density bonus, inclusionary and other local affordable housing funds, (5) the state funded BEGIN Affordable Homeownership Fund, (6) the Low and Moderate Income Housing Asset Fund, and (7) 2011 TABs Housing Fund. The Housing Authority's mission is to provide decent, safe, and sanitary dwellings for low to moderate income families, to preserve existing affordable housing, and to increase the supply and quality of new affordable housing. The Housing Authority's financial data and transactions are included within the special revenue funds, and no separate financial report is issued for the Authority.

The Municipal Financing Authority was established on April 9, 2019, by a joint powers authority between the City of Glendale and the Housing Authority. The stated purpose was to assist in refinancing the 2000 Variable Rate Demand Certificates of Participation under the Financing Authority. On June 25, 2019, the Municipal Financing Authority issued \$24,925 fixed-rate bonds to refinance the 2000 Variable Rate Demand Certificates of Participation. The Municipal Financing Authority's financial data and transactions are included within the Police Building 2019 Lease Revenue Refunding Bonds Fund, and no separate financial report is issued for the Municipal Financing Authority.

The Financing Authority was established on December 7, 1999, by a joint powers authority between the City of Glendale and the former Glendale Redevelopment Agency. The stated purpose was to provide financial assistance to the City in connection with the construction and improvement of a Police Services Building located at west side of Isabel Street between Wilson and Broadway in the City of Glendale. On July 11, 2000, the Financing Authority issued \$64,200 in variable rate demand certificates of participation for the construction of the Police Services Building. On June 25, 2019, the certificates of participation were paid off. On July 24, 2020, the dissolution of the Financing Authority was approved by California Department of Finance. There were no financial transactions for the Financing Authority in FY 2019-20.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City except for the fiduciary fund. The effect of interfund activity has been removed from these statements except for the interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

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

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

The accounts of the City are organized by funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or net position, revenues, and expenditures or expenses, as appropriate. The City reports a total of 69 funds, which are comprised of the General Fund, 1 fiduciary fund, 36 special revenue funds, 1 debt service fund, 9 capital project funds, 6 enterprise funds and 15 internal service funds.

Governmental Fund Types

Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used, current liabilities are assigned to the fund from which they are paid, and the difference between governmental fund assets and deferred outflows, and liabilities and deferred inflows is the fund balance.

The following comprise the City's major governmental funds:

- General Fund: Used to account for all financial resources, except those required to be accounted for in another fund.
- Housing Assistance - Special Revenue Fund: Used to account for monies received and expended by the City under Section 8 of the Federal Housing and Urban Development Act for housing assistance to low and moderate income families.
- Capital Improvement - Capital Project Fund: Used to account for financial resources used for major capital projects of the general government operations. The City has categorized the capital improvement fund as a major fund for public interest reasons. The City believes that this judgmentally determined major fund is particularly important to the financial statements users.

Other governmental funds consist of debt service funds which are used to account for the accumulation and disbursement of financial resources that will be used to make principal and interest payments on long-term debt of the City of Glendale, special revenue funds which account for revenue derived from specific sources as required by law, regulation or commitment, and capital projects funds which are used to account for financial resources used for the acquisition of major capital facilities other than those financed by special revenue and proprietary funds.

Proprietary Fund Types

Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Enterprise funds are used to finance and account for the acquisition, operation, and maintenance of the City's facilities and services which are supported primarily by user charges. The following comprise the City's major enterprise funds:

- Sewer Fund – Used to account for operations and maintenance of the sewer system. This service is primarily contracted with the City of Los Angeles.
- Electric Fund – Used to account for the operations of the City-owned electric utility services.
- Water Fund – Used to account for the operations of the City-owned water utility services.

Other nonmajor enterprise funds consist of Refuse Disposal, Fiber Optic and Fire Communication Funds. The Refuse Disposal Fund is used for the operations of the City-owned refuse collection and disposal services. The Fiber Optic Fund is used for the design and construction of the City-owned fiber-optic network backbone. The Fire Communication Fund is used for the monies received and expended, for the tri-city (Burbank, Glendale, and Pasadena) fire communication operations as the lead City.

Additionally, Internal service funds account for fleet management, technology and wireless equipment management and replacement, building maintenance, compensated absences, retiree health savings plan, other post-employment benefits, and risk management services (including claims for workers' compensation, general liability, medical, dental, vision, and unemployment) provided to other departments or agencies of the government, or to other governments on a cost-reimbursement basis.

Fiduciary Fund Type

The fiduciary fund is used to account for resources held for the benefit of parties outside the City. The City maintains one fiduciary fund, the Glendale Successor Agency Private Purpose Trust Fund.

Since the resources of the fiduciary fund are not available to support the City's programs, it is not reflected in the City's government-wide financial statements. The accounting used for the fiduciary fund is based on the economic measurement focus and the accrual basis of accounting.

Effective February 1, 2012, due to AB 1x 26, the dissolution of Redevelopment Agencies throughout California, the activities of the dissolved Glendale Redevelopment Agency are recorded in the Glendale Successor Agency Private Purpose Trust Fund.

Measurement Focus and Basis of Accounting

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon after to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Under the modified accrual basis of accounting, expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, other post employment benefits (OPEB), claims and judgments, are recorded only when payment is due.

Intergovernmental revenues are recognized in the period when all eligibility requirements imposed by the provider are met, and amounts are available.

Licenses and permits, fines and forfeitures, and miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. In the category of use of money and property, property rentals are recorded as revenue when received in cash. However, since investment earnings are measurable and available, they are recorded as earned.

All property taxes are collected and allocated by the County of Los Angeles to the various taxing entities. Property taxes are determined annually on January 1st and assessed as enforceable liens on real property as of July 1st. Taxes are levied on both secured and unsecured property as it exists on record as of January 1st. The tax levy covers the fiscal period July 1 to June 30. The secured property taxes are due November 1st and February 1st and are delinquent if not paid by December 10th and April 10th, respectively. Property taxes on the unsecured roll are due upon receipt and become delinquent if unpaid on August 31st. Property tax revenues are recognized in the fiscal period for which they are levied and collected.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Fund Balance or Net Position

Pooled Cash and Investments

The City combines the cash and investments of all funds into a pool except for funds required to be held by outside fiscal agents under the provisions of bond indentures. Each fund's portion of the pooled cash and investments is displayed on the governmental funds' balance sheets, the proprietary funds' statement of net position, or the fiduciary fund's statement of net position.

The City values its cash and investments at fair value in the statement of net position and recognizes the corresponding change in the fair value of investments in the year in which the change occurred. The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City manages its pooled idle cash and investments under a formal investment policy that is reviewed by the Investment Committee, adopted by the City Council and follows the guidelines of the State of California Government Code. Individual investments cannot be identified with any single fund because the City may be required to liquidate its investments at any time to cover large outlays required more than normal operating needs.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Interest income from the pooled cash and investments is allocated to all funds, except the Capital Improvement Fund, on a monthly basis based upon the prior month-end cash balance of the fund and as a percentage of the month-end total pooled cash balance.

For purposes of the statement of cash flow of the proprietary fund types, cash and cash equivalents include all pooled cash and investments, restricted cash, designated cash, and cash with fiscal agents with an original maturity of three months or less. The City considers the cash and investments pool to be a demand deposit account where funds may be withdrawn and deposited at any time without prior notice or penalty.

Cash and Investments with Fiscal Agents

The City hired Bank of New York Mellon as its trustee or fiscal agent to oversee the implementation of a bond or trust indenture for the Glendale Municipal Financing Authority 2019 Lease Revenue Bonds, Electric Revenue Bonds and Water Revenue Bonds.

Restricted Cash and Investments

Governmental Activities have \$77,729 in restricted cash and investments as of June 30, 2020. \$35,145 in the General Fund is for the investments for the pension rate stabilization program that is invested in an Internal Revenue Code Section 115 Trust Fund and \$42,584 in the Landfill Postclosure capital project fund is for the post-closure maintenance cost of Scholl Canyon landfill.

Electric Fund has \$14,375 in restricted cash and investments as of June 30, 2020. \$5,669 is for the environmental compliance mandated by South Coast Air Quality Management District (SCAQMD) dedicated to the reduction of emission of nitrogen oxides for the utility boilers/gas turbines, and \$7,912 is for the environmental compliance mandated by the California Air Resources Board (CARB) dedicated to the reduction of carbon emissions and provide educational programs for the improvement of public health in Glendale. \$794 is for investment-gas/electric commodity which represents the City's implementation of a program to purchase and sell options, calls and puts, in natural gas futures contracts at strike prices and allow the City to stabilize the ultimate purchase price of natural gas for the City's power plant and manage its overall exposure to fluctuations in the purchase price of natural gas.

Designated Cash and Investments

The cash reserve policies for the Electric Fund and Water Fund were adopted by the City Council in 2003 and subsequently revised in 2006 to ensure long-term sustainable financial health for electric and water operations. Its provisions call for an annual review of the cash reserves to determine if the recommended levels are sufficient. The currently approved cash reserve levels are \$124,100 for the Electric Fund and \$11,300 for the Water Fund as adopted by the City Council on August 29, 2006. As of June 30, 2020, \$124,100 was designated for the Electric Fund in the following categories: \$57,700 for operating reserve, \$40,400 for contingency reserve; \$10,000 for rate stabilization reserve, and \$16,000 for gas reserve project. As of June 30, 2020, \$11,300 was designated for the Water Fund in the following categories: \$3,800 for operating reserve, \$6,500 for contingency reserve, and \$1,000 for rate stabilization reserve. As part of the Electric and Water cost of service and rate studies conducted in FY 2017-18, the consultants determined the existing cash reserve funding levels are sufficient in the five-year rate plan effective on July 1, 2018. GWP management also reviews the funding level annually and determined that the reserve levels are sufficient for FY 2019-20.

Receivables

Interest Receivable – The City accrues interest earned but not received.

Accounts Receivables – These are comprised primarily of revenues that have been earned but not yet received by the City as of June 30th from individual customers, private entities, and government agencies. This account includes accrued revenues due from other agencies for expenditure driven types of grants whereby the City accrues grant revenues for expenditures or expenses incurred but not yet reimbursed by the grantors. Also, included in this amount are property taxes, sales taxes, to name a few, are earned but not received as of June 30th of each year. In

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

addition, it includes charges for utility and other services provided to customers prior to year-end but not billed as of June 30th because of the billing cycle timing. Management determines the allowance for doubtful accounts by evaluating individual customer accounts. Utility customer closed accounts are written off when deemed uncollectible. Recoveries to utility customer receivables previously written off are recorded when received. For non-utility accounts receivable, delinquent notices are sent out to customers with outstanding balances after 30 days. Outstanding accounts over 60 days are forwarded to a collection agency.

Loans Receivable – The City currently has two types of loans receivable: (1) from Glendale Successor Agency for enforceable obligations with the City after the dissolution of Glendale Redevelopment Agency, and (2) from various Glendale residents and organizations for affordable housing assistance. See Note 4 for more information.

Interfund Transactions

Interfund services provided and used would be treated as revenues and expenditures or expenses if the funds are involved. External organizations to the City's government are accounted for as revenues, referred to as seller funds, and expenditures or expenses, referred to as purchaser funds, in the funds involved. For the fiscal year ended June 30, 2020, the General Fund recorded \$19,310 as interfund revenue for general government services provided to other funds.

Due to/from Other Funds are used when a fund has a temporary cash overdraft. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Transfers in or out are authorized budgetary exchanges of cash between funds.

Inventories and Prepaid Items

Inventories, consisting primarily of construction and maintenance materials as well as tools held by the Electric Fund, are stated at cost, using the weighted average cost method or disposal value. Inventory shown in the General Fund and the Fleet/Equipment Management Fund consists of expendable supplies held for consumption. The consumption method of accounting is used where inventory acquisitions are recorded in inventory accounts initially and charged as expenditures when used. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method, such as insurance, energy purchases, rent, etc.

Capital Assets

Capital assets including land, buildings, improvements, mobile equipment, equipment, intangible, and infrastructure assets (e.g. roads, sidewalks, traffic lights and signals, street lights, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide and respective proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5 or more and an estimated useful life more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Capital outlay is recorded as expenditures of the General Fund, special revenue and capital project funds, and as assets in the government-wide financial statements to the extent the City's capitalization is met. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Building and improvements, infrastructure and equipment assets are depreciated using the straight-line depreciation at the beginning of the following fiscal year over the following estimated useful lives:

Assets	Years
Building and Improvements	
General Structure and Parking Lot Landscaping Improvements	10
Building and Parking Lot Improvements	20
Land Improvements	30
Parks and Wastewater Capacity Upgrades	40
Transmission-Off System	50
Local Sewer System	80
Machinery and Equipment	
Police Patrol Vehicles	3
Computer Systems	5
Passenger Cars, Pickup/Refuse	6
Cargo Vans, Street Sweepers	7
Dump/Tractor/Trailer Trucks	10
Helicopters	20
Emergency Response Engines	20
Intangible	
Wastewater Treatment Plan and Conveyance System Facilities	40
Computer Software	2-8
Infrastructure (non-sewer)	
Traffic Signals	15
Potable-Services	20
Supply-Mains and Wells	25
Supply-Structure Improvements	30
Supply-Springs, Tunnels, and Potable-Hydrants	40
Streets, Paved Streets, Paved Alleys and Sidewalks	50
Potable-Mains	75

In June 2005, the City elected to participate in the Natural Gas Reserve Project through SCPPA and entered into a 25 year Gas Sales Agreement with SCPPA for up to 2,000 MMBtu per day. The project calls for the acquisition and development of gas resources, reserves, fields, wells, and related facilities to provide a long-term supply of natural gas for its participants. The first acquisition was completed on July 1, 2005, with the total cost to the participants at \$306,100. The City's initial share in the project was \$13,178 or 4.26%. Subsequently, capital drilling costs of \$8,986 had been capitalized. As of June 30, 2020, the balance for Natural Gas Reserve Project, net of accumulated natural gas depletion was \$9,185.

Long-term Debt

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt, and other obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary and fiduciary fund statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred. In the governmental funds' statement of revenues, expenditures and changes in fund balances, issuance of debt is recorded as other

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

financing source or use in the respective fund. Issuance costs and payment of principal are reported as debt service expenditures.

Pension

For purposes of measuring the net pension liability and deferred outflows or inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plan's) and additions to or deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable by the benefit terms. Investments are reported at fair value. See Note 8 for more information.

Compensated Absences

The total compensated absences liability for the City is \$31,999 which comprises of liabilities from two internal service funds: Employee Benefits Fund and Retiree Health Savings Plan Benefits Fund.

The City records the expense and liability for its employees' earned but unused accumulated vacation and overtime in the Employee Benefits Fund. As of June 30, 2020, the liability is \$17,269, and the City has \$19,979 available in cash dedicated to this liability in the fund.

The City also provides sick leave conversion benefits through the Retiree Health Savings Plan (RHSP). Employees earn one day of sick leave per month and the unused sick leave hours are converted to a dollar amount and deposited in the employee's RHSP account at retirement or termination with 15 or 20 years of City service, based on the memoranda of understanding agreements between the City and the unions. The account is used to pay healthcare premiums for the retiree and beneficiaries. After the account is exhausted, the retirees can terminate coverage or elect to continue paying from personal funds. The sick leave conversion rates range from \$.025 to \$.033 for each hour of sick leave balance, based on the memoranda of understanding agreements between the City and the unions. The sick leave conversions related expense and liability are recorded in the Retiree Health Savings Plan Benefits Fund. As of June 30, 2020, the actuarial accrued liability is \$14,730, and the City has \$19,185 available in cash dedicated to this liability in the Fund. The actuarial accrued liability of June 30, 2020 is estimated based on most recent actuarial valuation report as of June 30, 2019, and the actual benefit payments made in FY 2019-20, assuming no gains/losses and no changes in methods or assumption.

Changes in the City's compensated absences liability as of June 30, 2020 were as follows:

Balance at June 30, 2019	Benefits earned	Usage	Balance at June 30, 2020	Due within One Year
\$ 30,429	4,564	2,994	31,999	3,279

For the governmental activities, compensated absences are primarily liquidated by the respective internal service funds.

Other Post Employment Benefits (OPEB)

The City's defined benefit OPEB plan, City of Glendale Retiree Benefits Plan (Plan), provides OPEB for all permanent full-time general and public safety employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City and governed by the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. See Note 9 for more information.

Unearned Revenue

The unearned revenue liability reports amounts received in advance of providing goods or services. When the goods or services are provided, this account balance is reduced, and revenue is recognized.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Property Held for Resale

Land and buildings acquired for future sale to developers have been capitalized and are shown as real property held for resale in the accompanying financial statements. Property held for resale is carried at the lower of cost or net realizable value (realizable value less cost to sell).

Fund Balance

Fund balance classifications for governmental fund types comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. In the fund financial statements, the governmental funds may report nonspendable, restricted, committed, assigned, and unassigned fund balances to show the level of constraint governing the use of the funds.

- Nonspendable fund balances cannot be spent because they are in a nonspendable form, or are required to be maintained intact.
- Restricted fund balances are restricted for specific purposes by third parties or enabling legislation.
- Committed fund balances include amounts that can be used only for specific purposes determined by the formal action through a resolution of the City Council, as they are the highest level of decision-making authority. Council must have at least a 3 to 2 vote to pass a resolution for the specific purpose. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment.
- Assigned fund balances comprise amounts intended to be used by the City for specific purposes but are not restricted or committed. The City Council, in the City's most recently adopted budget resolutions, has delegated the authority to assign fund balances to the City Manager or his/her designee. The financial policies of the City are also updated to reflect this delegation of authority.
- Unassigned fund balances are residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories and include all deficit amounts in all other governmental funds.

When both restricted and unrestricted resources are available for an incurred expenditure, it is the City's policy to spend restricted resources first then unrestricted resources as necessary. When unrestricted resources are available for incurred expenditures, it is the City's policy to use committed amounts first, followed by assigned amounts, and then unassigned amounts.

Net Position

The net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, and deferred outflows of resources, and is reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets, excluding unspent debt proceeds. The net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation externally adopted by the citizens of the City or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then the unrestricted resources as they are needed.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

The government-wide statement of net position reports \$264,089 of restricted net position, of which \$53,051 is restricted by enabling legislation. The City Charter Article XI Section 15 requires \$32,584 in restricted net position to be set aside to meet the legal demands against the treasury during the beginning of the new budget period prior to the receipt of ad valorem taxes. Pursuant to redevelopment laws of the State of California, \$20,467 is restricted for low and moderate housing.

Deferred Outflows and Inflows of Resources

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources or expenses until then. For current or advance refunding resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debts (i.e., deferred charges) is reported as a deferred outflow of resources and amortized to interest expense based on the straight line method over the remaining life of the old debt or the life of the new debt, whichever is shorter. When the City makes the pension contributions and OPEB payments after the measurement date, the City reports deferred outflows of resources. When there is an increase in pension and OPEB expense arising from the recognition of change in assumptions and differences between expected and actual expense on pension plan investments, the City reports a deferred outflow of resources until the increase is recognized in expense. The City's deferred outflows of resources as of June 30, 2020 is \$85,992, which consists of \$4,099 loss on refunding, \$80,985 related to pensions, and \$908 related to OPEB.

In addition to liabilities, the statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources or revenues until then. When there is a decrease in pension and OPEB expense arising from the recognition of changes in assumptions and differences between expected and actual experience, and difference between projected and actual earnings on pension plan investments, the City reports a deferred inflow of resources until the decrease is recognized in expense. The City's deferred inflows of resources as of June 30, 2020 is \$17,696, which consists of \$15,320 related to pensions, and \$2,376 related to OPEB. When a receivable is recorded in governmental fund financial statements but the revenue is not available, the City reports a deferred inflow of resources until the revenue becomes available. The City has recorded deferred inflows of resources – unavailable revenues of \$31 in the General Fund, \$114 in the Housing Assistance Fund, and \$9,987 in the nonmajor governmental funds.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The City Council is required to adopt an annual budget for the general, debt service, special revenue, enterprise, and internal service fund types. The City Council annually adopts the capital improvement program for the capital projects funds. The City of Glendale budget presents the Capital Improvement Projects on a ten-year plan basis, with the "Future Years" column representing a cumulative five-year projection. The City Council only approves and authorizes one year of the Capital Improvement Projects. Unspent Capital Improvement Projects in the prior years' budget is carried forward into the new fiscal year. Therefore, an annual budget comparison on multi-year projects is impractical.

All proprietary fund types are accounted for on a cost of service method (net income); therefore, budget comparisons are impractical. Also, the City is not legally mandated to report the results of operations for these enterprise and internal service fund types on a budget comparison basis, and so budgetary data related to these funds have not been presented.

The City utilizes an "encumbrance system." Under this procedure, encumbrance accounting is used to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Encumbrances outstanding at year-end do not constitute expenditures or liabilities and appropriations in the General Fund lapse at the end of the year. Therefore, encumbrances are not reserved for commitments made, and

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

budget carryovers may be submitted for the remaining encumbrance. All commitments incurred in the General Fund will be paid with the new budget and approved budget carryovers in the following year, and open capital project appropriations carry over to the next year.

The City, in establishing the budgetary data reflected in the basic financial statements and supplementary information, utilizes the following procedures:

- The City Charter requires that the City Manager submits to the City Council a proposed budget for the coming year on or before June 1st. The operating budget includes both the sources and types of funds for the proposed expenditures.
- In May or June, a public hearing is conducted to obtain citizen input, with the final budget being adopted no later than July 1st.
- The budget is amended during the fiscal year to reflect all transfers and amendments.
- The level of appropriated budgetary control is at the fund level except for the General Fund, which is at the department level. The appropriation may exist across different categories including, salary and fringe benefits, maintenance and operation, and capital outlay. There is no limit as to how much can be shifted between categories as long as the total appropriation does not exceed what Council approved at the department level for General Fund and the fund level for all other funds.
- No funds over expended their appropriations as of June 30, 2020.

NOTE 3 – CASH AND INVESTMENTS

Governmental and business-type activities:

Cash and investments as of June 30, 2020 consist of the following:

Investments	\$ 838,727
Cash and investments with fiscal agents	9,119
	<u>847,846</u>
Cash held in financial institutions	113,609
Total	<u>\$ 961,455</u>

The following amounts are reflected in the government-wide statement of net position:

Pooled cash and investments	\$ 724,832
Restricted cash and investments	92,104
Cash and investments with fiscal agents	9,119
Designated cash and investments	135,400
Total	<u>\$ 961,455</u>

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Authorized Investments

Allowable investments for the portfolio of the City of Glendale are limited by California State Government Code Sections 53600 et seq. They are further restricted by the City Treasurer's investment strategy. Percentages of Investment Participation and percentages of Maximum Participation apply at the time of purchase. Purchase transactions may not exceed \$10,000, nor exceed five-year maturities. Exceptions can only be approved by the City Council. The City Treasurer may invest or deposit in the following types of investments:

	<u>Maximum Maturity</u>	<u>Maximum Investment Participation</u>	<u>Maximum Investment Exposure</u>
U.S. Treasury Notes	5 years	100%	None
Federal Agencies Securities	5 years	100%	None
State of California and California Local Agencies Obligation of Other States	N/A	15%	5% per issuer
	N/A	10%	5% per issuer
Medium Term Notes	5 years	30%	5% per issuer
Commercial Paper (A1, P1, F1 min. rating)	270 days	25%	10% per issuer
Bankers' Acceptances (A1, P1, F1 min. rating)	180 days	30%	10% per bank
Time Deposits (FDIC Insured)	1 year	10%	5% per issuer
Negotiable Certificates of Deposit (A1, P1, F1 min. rating)	1 year	30%	5% per issuer
Local Agency Investment Fund (State Pool)	N/A	LAIF maximum (\$65,000 per account) *	None
Money Market Mutual Funds	90 days	20%	10% per mutual fund
Los Angeles County Treasury Pool	N/A	10%	None

* Effective January 1, 2020, the State Treasurer's office increased the Local Agency Investment Fund's deposit limit for regular accounts to \$75,000 from the current \$65,000.

Investments Authorized by Debt Agreements

The provisions of debt agreements, rather than the general provisions of the California Government Code or the City's investment policy, govern investments of debt proceeds and reserve funds held by fiscal bond agents. Permitted investments are specified in related trust agreements.

No maximum percentage of the related debt issue or maximum investment in one issuer is specified.

Interest Rate Risk

Interest rate risk is the risk that fluctuations in market rates may adversely affect the fair value of an investment. The longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. The City manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments, and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

CITY OF GLENDALE

Notes to the Basic Financial Statements
 Fiscal Year Ended June 30, 2020
 (in thousands)

Governmental and business-type activities:

	Total	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Commercial Paper	\$ 14,926	14,926	-	-	-
Federal Agency Term Notes	108,516	28,253	30,683	49,580	-
Federal Agency Callable Bonds	20,041	5,045	-	14,996	-
Medium Term Notes	218,338	51,560	40,390	126,388	-
Obligations of Other States	65,248	11,531	25,304	28,413	-
State and Municipal Bonds	46,860	7,496	11,248	28,116	-
State Investment Pool	148,727	148,727	-	-	-
Los Angeles County Pool	31,132	31,132	-	-	-
U.S. Treasury Notes	71,806	27,162	20,425	24,219	-
Money Market Accounts	70,000	70,000	-	-	-
Held by Other Financial Institutions:					
Federal Agency Term Notes	4,188	4,188	-	-	-
U.S. Treasury Notes	2,000	2,000	-	-	-
Money Market Accounts	1,800	1,800	-	-	-
Section 115 Trust Fund:					
Money Market Accounts	1,503	1,503	-	-	-
Money Market Mutual Funds	33,642	33,642	-	-	-
Held by Fiscal Agents:					
Money Market Accounts	6,721	6,721	-	-	-
Guaranteed Investment Contracts	2,398	-	-	-	2,398
	<u>\$ 847,846</u>	<u>445,686</u>	<u>128,050</u>	<u>271,712</u>	<u>2,398</u>

Credit Risks

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City purchases investments only in the most risk-adverse instruments, such as Aaa rated government securities, Aaa, Aa or A rated corporate securities, A1, P1, F1 rated commercial paper, negotiable certificates of deposit, and banker's acceptance securities. Investments in State of California and California Local Agencies must be rated "A" or better by a nationally recognized rating service. The City's Investment Policy requires the City to sell medium-term notes with a credit rating below S&P's and Fitch's BBB grade or Moody's Baa2 unless the City Council approves the City Treasurer's recommendation that the security should be retained.

CITY OF GLENDALE

Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2020
(in thousands)

Governmental and business-type activities:

	Total	Moody's Rating as of June 30, 2020							
		A1	A3	Aa1	Aa2	Aa3	Aaa	P1	Unrated
Commercial Paper	\$ 14,926	-	-	-	-	-	-	14,926	-
Federal Agency Term Notes	108,516	-	-	-	-	-	108,516	-	-
Federal Agency Callable Bonds	20,041	-	-	-	-	-	20,041	-	-
Medium Term Notes	218,338	23,317	10,281	43,131	60,798	29,944	50,867	-	-
Obligations of Other States	65,248	-	-	19,200	8,250	-	17,352	-	20,446
State and Municipal Bonds	46,860	-	-	15,711	17,630	1,602	489	-	11,428
State Investment Pool	148,727	-	-	-	-	-	-	-	148,727
Los Angeles County Pool	31,132	-	-	-	-	-	-	-	31,132
U.S. Treasury Notes	71,806	-	-	-	-	-	71,806	-	-
Money Market Accounts	70,000	-	-	-	-	-	70,000	-	-
Held by Other Financial Institutions:									
Federal Agency Term Notes	4,188	-	-	-	-	-	4,188	-	-
U.S. Treasury Notes	2,000	-	-	-	-	-	2,000	-	-
Money Market Accounts	1,800	-	-	-	-	-	1,385	-	415
Section 115 Trust Fund:									
Money Market Accounts	1,503	-	-	-	-	-	-	1,503	-
Money Market Mutual Funds	33,642	-	-	-	-	-	-	33,642	-
Held by Fiscal Agents:									
Money Market Accounts	6,721	-	-	-	-	-	6,721	-	-
Guaranteed Investment Contracts	2,398	-	-	-	-	-	-	-	2,398
	<u>\$ 847,846</u>	<u>23,317</u>	<u>10,281</u>	<u>78,042</u>	<u>86,678</u>	<u>31,546</u>	<u>353,365</u>	<u>50,071</u>	<u>214,546</u>

Concentration Risk

The investment policy of the City limits the amounts that may be invested in any one issuer to 5%, 10% per bank for bankers' acceptances, 10% per issuer for commercial paper, or 10% per fund for money market mutual fund. This limit excludes investments in U.S. treasury securities, federal agencies securities, Local Agency Investment Fund and Los Angeles County Pool.

Investments in any one issuer that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
FHLB	Federal Agency Callable Bonds	\$ 9,990
	Federal Agency Term Notes	<u>77,429</u>
	Total	<u>\$ 87,419</u>

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, a government agency will not be able to recover its deposits or will not be able to recover investment securities that are in possession of an outside party. All of a depositor's accounts at an insured depository institution, including non-interest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250 for each deposit insurance ownership category. The amounts of deposits are collateralized under California law. The Code requires that a financial institution secures deposits made by state or local governmental

CITY OF GLENDALE

Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2020
(in thousands)

units by pledging securities in an undivided collateral pool held by a depository regulated under state law unless waived by the governmental unit.

The custodial risk for investments is also twofold. An investment trade transaction occurs between a government agency and counterparty, such as a broker or a dealer. Counterparty risk is the risk that in the event of the failure of a brokerage or dealer to deliver securities after government agency has made payment. The City of Glendale prevents counterparty risk by requiring all trade transactions to be done on a delivery versus payment arrangement.

A government agency uses an independent third-party custodian or safe-keeper to domicile the securities in its portfolio. The City of Glendale uses Bank of America as its third-party safekeeping servicer, and prevents custodial or safekeeping risk by having all securities purchased and owned by the City of Glendale registered in the name of the City, separated from other client securities portfolios, and segregated from securities owned by the bank.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investment in this pool is reported in the accompanying financial statements at fair value based upon the City's pro-rata share of the amortized cost basis provided by LAIF for the entire LAIF portfolio, in relation to the amortized cost of that portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not registered with the Securities and Exchange Commission (SEC) and is not rated.

Investment in Los Angeles County Pool

The City is a voluntary participant in the Los Angeles County Pooled Investment Fund (LACPIF) that is regulated by California Government Code Section 27136 and managed by the Los Angeles County Treasurer. The City's investment in this Pool is reported in the accompanying financial statements of net position and prepared using the accrual basis of accounting. Investments are reported at fair value. The cash flow needs of the participants are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of participants. The balance available for withdrawal is based on the accounting records maintained by LACPIF. LACPIF is not registered with the Securities and Exchange Commission (SEC) and is not rated.

Investment in Internal Revenue Code Section 115 Trust Fund

The City reviewed the City's obligation to fund the pension obligations and determined that it served the City's interests to pre-fund those benefits. In July 2017, the City Council approved and adopted the funding for a Pension Rate Stabilization Program IRC Section 115 Trust for \$26,500. The Pension Stabilization Trust is a tax-qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to pre-fund pension obligations. The Plan Discretionary Trustee is U.S. Bank and U.S. Bank has delegated investment management responsibilities to High Mark Capital Management, and Public Agencies Retirement Services (PARS) is the Trust Administrator. The City elected the 'Moderate HighMark Plus' investment approach with a blended investment objective strategy. The primary objective is to provide current income with capital appreciation as secondary objective. The asset target allocations for this objective was 3% cash source, 50% equity and 47% fixed income. In March 2020, the City switched to a "Moderately Conservative HighMark Plus" investment approach with target allocations of 5% cash source, 30% equity and 65% fixed income.

In December 2019, the City Council approved and adopted an additional funding of \$5,500 into the Pension Rate Stabilization Program Trust Fund account held at U.S. Bank. The City elected the 'Conservative HighMark Plus' investment plan for the additional deposit with a target asset allocation of 5% cash source, 15% equity and 80% fixed income.

The City's Section 115 trust fund account is reported as restricted assets and fund balance in the General Fund. The value of the trust as of June 30, 2020 was \$35,145 of which all was placed in cash, money market and money market mutual fund accounts.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Fair Value Measurement

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Deposits and withdrawals in governmental investment pools, such as LAIF and LACPIF are made on the basis of \$1 and not fair value. Accordingly, the City's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2019. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The City's treasury pools asset market prices are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.

For investments classified within Level 2 of the fair value hierarchy, the City's custodians generally uses a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads and benchmark securities, among others.

The City does not have any investments that are measured using Level 3 inputs.

As of June 30, 2020, the City has the following fair value measurements:

	Balance at June 30, 2020	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Commercial Paper	\$ 14,926	-	14,926	-
Federal Agency Term Notes	108,516	-	108,516	-
Federal Agency Callable Bonds	20,041	-	20,041	-
Medium Term Notes	218,338	-	218,338	-
Obligations of Other States	65,248	-	65,248	-
State and Municipal Bonds	46,860	-	46,860	-
U.S. Treasury Notes	71,806	-	71,806	-
Held by Other Financial Institutions:				
Federal Agency Term Notes	4,188	-	4,188	-
U.S. Treasury Notes	2,000	-	2,000	-
Section 115 Trust Fund:				
Money Market Mutual Funds	33,642	33,642	-	-
Total investments by fair value level	<u>585,565</u>	<u>33,642</u>	<u>551,923</u>	<u>-</u>
Investments measured at amortized costs or not subject to fair value hierarchy:				
Los Angeles County Pool	31,132			
State Investment Pool	148,727			
Money Market Accounts	70,000			
Held by Other Financial Institutions:				
Money Market Accounts	1,800			
Section 115 Trust Fund:				
Money Market Accounts	1,503			
Held by Fiscal Agents:				
Money Market Accounts	6,721			
Guaranteed Investment Contracts	<u>2,398</u>			
Total investments measured at amortized costs or not subject to fair value hierarchy	<u>262,281</u>			
	<u>\$ 847,846</u>			

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 4 – LOANS RECEIVABLE

Verdugo Fire Communications

The Verdugo Fire Communications Center (Verdugo Fire) is a regional dispatch center that was established by the cities of Burbank, Glendale, and Pasadena. Verdugo Fire received a grant in June 2011 to implement WestNet Inc.'s First-In Fire Station Alerting System. At the time of the grant purchase, all but four (City of Alhambra, City of Burbank, City of Montebello, and Burbank-Glendale-Pasadena Airport Authority) of Verdugo Fire's dispatch agencies chose to buy into the WestNet Inc. station alerting system. Due to Verdugo Fire's CAD upgrade project, the technology needed to connect the fire station alerting systems in each of Verdugo Fire's agencies will change and the four agencies need to implement a fire station alerting system to be compatible with Verdugo Fire. City of Montebello upgraded to use WestNet Inc's station alerting system. Three Agencies (City of Alhambra, City of Burbank, and Burbank-Glendale-Pasadena Airport Authority), however, elected to purchase the Phoenix G2 Fire Station Alerting System from US Digital Designs Inc. (USDD). As Verdugo Fire currently does not use USDD's fire station alerting system, Verdugo Fire procured the necessary hardware and software from USDD and Northrop Grumman's interface to be able to connect to the three Agencies. As it was the decision of the three Agencies to use USDD's fire station alerting solution and not the solution Verdugo Fire already has in place for its other agencies, it was agreed upon by the Tri-City Fire Chief's and each of the three Agencies, that Verdugo Fire would only be responsible for a portion of the cost of the USDD equipment and Northrop Grumman's interface needed in the dispatch center to connect to the three Agencies' respective fire stations. In May 2019, Verdugo Fire executed a loan agreement with the City of Alhambra, City of Burbank, and Burbank-Glendale-Pasadena Airport Authority for the purchase of USDD's station alerting system. The loan receivable amount was estimated to be \$46, with agreed upon terms of no loan fee or accruing interest, and is required to be repaid within the first quarter of FY 2019-20. As of June 30, 2020, the loan has been received in full.

Successor Agency

In February 2012, the Dissolution Act (Assembly Bill x1 26; amended by AB 1484 in June 2012 and SB 107 in September 2015) dissolved California redevelopment agencies and directed their wind-down activities. In Glendale, the City chose to serve as the Glendale Successor Agency ("Agency"). This action impacted the reporting entity of the City of Glendale that had previously reported the redevelopment agency within it and as a blended component unit. Commencing on February 1, 2012, the assets and activities of the dissolved redevelopment agency were reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City. The transfer of the assets and liabilities of the former redevelopment agency from governmental funds of the City to the fiduciary fund was reported in the governmental funds as an extraordinary loss (gain) in its financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Since February 2012, the Agency has completed a series of reports, audits and reviews, and approvals with approval from the Oversight Board and state Department of Finance ("DOF"). These have included two detailed Due Diligence Reviews to determine unobligated fund balances available for transfer to the affected taxing entities. Once the excess funds were distributed to the taxing entities, Glendale received a Finding of Completion (FOC) in May 2013. Following the FOC, Glendale needed to address its real property assets. Thus, Glendale prepared a Long Range Property Management Plan (LRPMP) which was approved by DOF on April 16, 2014. On May 24, 2016, the DOF approved a revision to Glendale's LRPMP to reflect the property at 300 E. Broadway as government use.

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Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

With the passage of Senate Bill 107, the requirement to prepare biannual payment schedules known as Recognized Obligation Payment Schedules (ROPS) was replaced with an annual ROPS.

As of June 30, 2020, \$2,986 was recorded as loan payment. The reinstated loan amount is \$8,018, which includes \$160 of interest accrued in FY 2019-20.

Low & Moderate Income Housing Asset Fund

The Department of Finance is requiring the City to transfer 20% of the Glendale Successor Agency loan receivable to Low & Moderate Income Housing Asset Fund. \$747 was recorded as loan payment in FY 2019-20 to the Low and Moderate Income Housing Asset Fund. As of June 30, 2020, the reinstated loan amount is \$2,004 which includes \$41 of capitalized interest for FY 2019-20.

Housing

The Housing Authority has offered various housing loans to the residents of the City to create and maintain affordable housing for low and moderate income households. Four different types of housing loans are currently or were formerly funded from Community Development Block Grant (CDBG grant), HOME grant, Low and Moderate Income Housing Asset Fund (LMIHA) program income, and Building Equity and Growth in Neighborhoods Grant (BEGIN grant) funds. Certain Housing Authority loans will be forgiven or restructured when all requirements are met. Because of the uncertainty of collectability, the City has established a policy not to record forgivable and contingent loans on the financial statements. The non-forgivable loans are recorded on the financial statements.

- *Single Family Home Rehabilitation Loan*

The program was funded by the CDBG grant, HOME grant, and LMIHA. It provided funds for moderate rehabilitation of owner-occupied homes for low and moderate income households. The deferred payment loan is interest-bearing with simple interest rates ranging from 0% to 4% annually for up to 10 years, and with a loan amount up to \$25. Generally, the loan is repaid at the time of sale or transfer of the property and is secured by a deed of trust on the property. This program was eliminated in February 2012; however, there are existing loans receivable. As of June 30, 2020, \$1,366 is outstanding, which is recorded in governmental activities in the government-wide financial statement.

- *First Time Home Buyer Loan*

The program is funded by the HOME grant, LMIHA, and BEGIN grant, and has two categories.

Down Payment Assistance – Resale Homes Purchase. The program provided funds for down payment and affordability gap assistance for the purchase of a resale home by a low or moderate income first time home buyer household. Loan terms varied from 30 to 45 years and required either a 5% simple annual interest rate paid monthly, or a 0% simple annual interest rate with no monthly payments. All loans are second mortgage deferred payment and forgivable up to \$75. If the property is sold, transferred, or no longer owner-occupied before the term expires, the borrower must repay the original principal amount plus an appreciation share. This program was eliminated in February 2012; however, there are existing loans receivable. As of June 30, 2020, \$2,999 is outstanding. As of June 30, 2020, the non-forgivable amount is \$0.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Down Payment Assistance – New Construction Homes Purchase. For new construction units, the amount of the loan is based on the amount of the affordability gap. The loan is secured by a deed of trust on the property and affordable housing covenants. Loans fall into two types. One type is the deferred payment forgivable loan with a loan term of 30 to 45 years; the loan is forgiven at the end of the loan term. If the property is sold, transferred, or no longer owner-occupied before the term expires, the borrower must repay the original principal amount plus an appreciation share. A small set of loans funded through the American Dream Down Payment Assistance Program are forgiven at a set percentage of the principal amount each year. A second type of loan is a deferred payment loan with resale restrictions. This includes the most recent HOME funded loans that are subject to resale restrictions and must be resold to low-income home buyers if sold before the end of the term. As of June 30, 2020, the forgivable loan amount at the end of the term is \$12,962, and is not recorded on the financial statements. The Doran Gardens project loans funded through the BEGIN grant are deferred loans and are to be repaid at the end of the 30-year term. As of June 30, 2020, the non-forgivable amount is \$5,630 and is recorded in governmental activities in the government-wide financial statement.

- *New Construction and Acquisition/Rehabilitation Rental Development Loan*

The program is funded by the HOME grant and LMIHA and provides funds for new construction, acquisition or rehabilitation of affordable rental housing. Loan terms and loan underwriting requirements are negotiated with the developer on a project-by-project basis. The loan is secured by a deed of trust and affordable housing covenants on the property. Loans provide gap assistance to make housing units affordable to low and moderate income households, and units must be rented at an affordable rent. Leveraging of funds with other sources and contribution of developer equity is required. Loans may be second mortgage deferred payment loans, which require loan principal plus interest to be repaid at the end of the loan term, and residual receipt payments are required on some deferred loans. Also, loans may be permanent financing first mortgage loans at below-market interest rates, and monthly amortized payments are required. Such loans would be provided when credit conditions or loan costs are not feasible for the project. As of June 30, 2020, the amount of forgivable or contingent loans is \$103,915, which is not recorded on the financial statements.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 5 – INTERFUND TRANSACTIONS

The composition of interfund balances consists of due to/from other funds, advances to/from other funds, and transfers. Due to/from other funds are temporary cash overdrafts between funds. Advances to/from other funds represent an interfund loan extending beyond one year and some advances are formal lending agreements between funds.

Due to/from other funds as of June 30, 2020 consist of the following:

Due to General Fund from:

Nonmajor governmental funds \$ 8,573

The City reports transfers between many of its funds. The sum of all transfers presented in the following table agrees with the sum of interfund transfers presented in the government-wide, governmental and proprietary fund financial statements. Transfers are used to (1) subsidize the activities of other funds and (2) move revenues from the fund that budget requires to collect them to the fund that budget requires to expend them.

	<u>Amount</u>	<u>Purpose</u>
Transfers to General Fund from:		
Electric Fund	\$ 19,353	Fund General Fund operations per Charter
Refuse Disposal Fund	1,150	Fund General Fund operations
	<u>20,503</u>	
Transfers to Capital Improvement Fund from:		
General Fund	980	Fund capital improvement projects
Transfers to nonmajor governmental funds from:		
General Fund	85	Fund Nutritional Meals Grant matching
General Fund	63	Fund CicLAVia Project
General Fund	67	Fund DNA Capacity Enhancement
General Fund	1,500	Fund debt service payments
Capital Improvement Fund	4,560	Fund Scholl Canyon Landfill reserve
	<u>6,275</u>	
Transfers to Electric Fund from:		
General Fund	1,000	Fund Electric Bus Pilot Program
Total Interfund Transfers	<u>\$ 28,758</u>	

CITY OF GLENDALE

Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2020
(in thousands)

NOTE 6 – CAPITAL ASSETS

Capital asset for Governmental activities for the year ended June 30, 2020 was as follows:

	Balance at July 1	Increases	Decreases	Reclass	Balance at June 30*
Capital assets, not being depreciated:					
Land	\$ 422,904	24,355	-	-	447,259
Construction in progress	44,342	26,924	(365)	(22,870)	48,031
Total assets not being depreciated	467,246	51,279	(365)	(22,870)	495,290
Depreciable capital assets:					
Building and improvements	419,110	716	(4)	4,121	423,943
Machinery and equipment	132,839	8,100	(4,995)	2,527**	138,471
Infrastructure	327,433	1,140	-	16,209	344,782
Total other capital assets at cost	879,382	9,956	(4,999)	22,857	907,196
Amortizable intangible assets:					
Intangible assets	6,979	143	-	-	7,122***
Less accumulated depreciation:					
Building and improvements	180,478	10,614	-	-	191,092
Machinery and equipment	92,453	7,651	(5,063)	(13)	95,028
Infrastructure	117,828	8,554	-	-	126,382
Total accumulated depreciation	390,759	26,819	(5,063)	(13)	412,502
Less amortization:					
Intangible assets	408	925	-	-	1,333
Total assets being depreciated and amortized, net	495,194	(17,645)	64	22,870	500,483
Governmental activities capital assets, net	\$ 962,440	33,634	(301)	-	995,773

*71,984 of buildings, improvements, machinery, equipment, construction in progress and intangible assets from internal service funds are included in governmental activities. \$34,232 of accumulated depreciation and amortization from internal service funds are included in governmental activities.

**Includes \$13 of machinery and equipment that was transferred to the business activities.

***\$7,122 of intangible assets is software.

Depreciation and amortization expense was charged to functions of the City's governmental activities for the year ended June 30, 2020 as follows:

Depreciation and amortization	
General Government	\$ 3,359
Police	2,170
Fire	910
Public Works	16,136
Parks, Recreation and Community Services	2,928
Library	1,235
Housing, Health and Community Development	1,006
Total depreciation and amortization expense	\$ <u>27,744</u>

CITY OF GLENDALE

Notes to the Basic Financial Statements
 Fiscal Year Ended June 30, 2020
 (in thousands)

Capital asset for Business-type activities for the year ended June 30, 2020 was as follows:

	Balance at July 1	Increases	Decreases	Reclass	Adjustments*	Balance at June 30
Capital assets, not being depreciated:						
Land	\$ 9,557	-	-	-	-	9,557
Construction in progress	64,258	12,103	-	(44,117)	-	32,244
Total assets not being depreciated	73,815	12,103	-	(44,117)	-	41,801
Depreciable capital assets:						
Building and improvements	278,290	2,896	-	28,565	-	309,751
Machinery and equipment	586,228	6,075	(18,139)	11,653	(1,704)*	584,113
Infrastructure	158,445	-	-	3,896	-	162,341
Total other capital assets at cost	1,022,963	8,971	(18,139)	44,114	(1,704)	1,056,205
Depletable capital assets:						
Natural gas reserve	22,161	2	-	-	-	22,163
Amortizable intangible assets:						
Intangible assets	109,736	3,009	-	16	-	112,761
Less accumulated depreciation:						
Building and improvements	111,093	6,499	-	-	-	117,592
Machinery and equipment	374,118	25,625	(18,139)	13	(1,036)*	380,581
Infrastructure	59,214	3,667	-	-	-	62,881
Total accumulated depreciation	544,425	35,791	(18,139)	13	(1,036)	561,054
Less accumulated natural gas depletion:						
Natural gas reserve	12,039	939	-	-	-	12,978
Less amortization:						
Intangible assets	52,270	2,954	-	-	-	55,224
Total assets being depreciated, depleted, and amortized, net	546,126	(27,702)	-	44,117	(668)	561,873
Business-type activities capital assets, net	\$ 619,941	(15,599)	-	-	(668)	603,674

*Transformers asset adjustment from FY18-19. See additional details at Note 18.

Depreciation, depletion and amortization expense was charged to functions of the City's business-type activities for the year ended June 30, 2020 as follows:

Depreciation	
Sewer	\$ 3,667
Electric	23,846
Water	6,904
Refuse Disposal	1,240
Fire Communication	134
Total depreciation expense	35,791
Depletion - Electric	939
Amortization – Electric, Water, & Sewer	2,954
Total depreciation, depletion, and amortization expense	\$ 39,684

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 7 – LONG-TERM DEBT

The City's long-term debt as of June 30, 2020 consists of the following:

	Issuance Amount	Balance at July 1	Additions	Retirements	Balance at June 30	Due within one year
Governmental Activities:						
2011 HUD Section 108 Loan	\$ 2,000	696	-	222	474	232
Bonds payable:						
GMFA 2019 lease revenue refunding bonds	24,925	24,925	-	1,830	23,095	1,835
GMFA 2019 lease revenue bonds premium	-	5,327	-	485	4,842	484
Total Governmental activities	\$ 26,925	30,948	-	2,537	28,411	2,551

	Issuance Amount	Balance at July 1	Additions	Retirements	Balance at June 30	Due within one year
Business-type activities:						
Bonds payable:						
Electric revenue bonds, 2013 refunding series	\$ 20,510	17,700	-	1,010	16,690	1,055
Electric revenue bonds, 2013 series	60,000	54,980	-	1,235	53,745	1,300
Electric revenue bonds, 2016 refunding series	72,615	67,140	-	2,960	64,180	3,105
Electric revenue bonds premium	-	20,604	-	1,131	19,473	1,132
Water revenue bonds, 2008 series	50,000	40,970	-	1,470	39,500	1,525
Water revenue bonds, 2012 series	35,000	34,150	-	475	33,675	515
Water revenue bonds premium	-	1,689	-	86	1,603	86
Total Business-type activities	\$ 238,125	237,233	-	8,367	228,866	8,718

Governmental Activities:

The City has outstanding long-term debt for governmental activities of \$28,411, of which \$474 is a direct borrowing, and no direct placements related to governmental activities as of June 30, 2020. The City also has no outstanding or unused line of credit related to long-term debt of governmental activities as of June 30, 2020.

The City of Glendale Municipal Financing Authority***Glendale Municipal Financing Authority (GMFA) 2019 Lease Revenue Refunding Bonds***

The GMFA 2019 Lease Revenue Refunding Bonds were issued pursuant to a resolution adopted by the City Council and Joint Exercise of Powers Agreement with the Glendale Housing Authority to establish the Glendale Municipal Financing Authority on April 9, 2019 and a resolution adopted by the City Council authorizing GMFA to issue bonds to refinance the City's 2000 Variable Rate Certificates of Participation on April 16, 2019.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

The City of Glendale Municipal Financing Authority issued \$24,925 in lease revenue bonds on June 25, 2019 to refinance the existing lease relating to the City's outstanding Variable Rate Demand Certificates of Participation (2000 Police Building Project). The bond proceeds were deposited in an escrow account and were used to refund and redeem all of the outstanding COPs on June 25, 2019 at a redemption price equal to 100% of the principal amount plus accrued interest up to the redemption date. There was no difference between the reacquisition price of the refunding bonds and the net carrying amount of the refunded bonds. The refunding also resulted in cash flow savings of \$3,710 which is the difference between the cash flows required to service the old COPs and the cash flows required to service the new 2019 bonds.

The GMFA does not require the trustee to establish and maintain a reserve fund for the bonds. The bonds mature in regularly increasing amounts ranging from \$1,835 to \$2,850 annually from FY 2020-21 to FY 2029-30. The bonds are not subject to optional redemption prior to their respective stated maturities.

The bonds are payable and secured from the revenues pledged under the Indenture of Trust, dated June 1, 2019. Pursuant to a Site Lease, dated June 1, 2019, by and between the GMFA and the City, the City has leased the Police building to GMFA. GMFA has subleased the Police building back to the City under the Lease Agreement, dated June 1, 2019, by and between the City and GMFA. The revenues consist primarily of lease payments to be made by the City under the terms of the Lease Agreement. The annual lease payments from the City are to be made at a rate sufficient to meet the debt service requirements of the outstanding bond indebtedness on the leased property.

The bonds payable contains a provision that Glendale Municipal Financing Authority will not pledge to collateral any assets owned by the City, but the Lease Agreement permits the Glendale Municipal Financing Authority and its Trustee to take possession of and re-lease the Police Building in the event of a default by the City. The governmental activities bonds payable has no remedy of acceleration of any lease payments which has not come due and payable in accordance with the Lease Agreement. The governmental activities bonds payable contains an event of default that changes the timing of repayment of outstanding principal and interest to become immediately due if the City is unable to make payment.

The City of Glendale Housing Authority

HUD Section 108 Loan (Series 2011-A)

Section 108 Loan of \$2,000 was used to acquire and rehabilitate an Emergency Shelter and Homeless Access Center at 1948 Gardena Avenue, Glendale for the S.H. Ho Hope and Compassion Center, a non-profit organization. HUD administers the Section 108 Loan Guarantee program, and the program's purpose is to fill funding gaps on major community / economic development projects throughout the country. The Section 108 Loan Guarantee program was created as part of the original Housing and Community Development Act of 1974. Section 108 obligations are permanently financed through underwritten public offerings. This was the City's second time receiving a Section 108 loan. The City received the loan in November 2011. The term of the loan is ten years with an interest rate of 2.56% and the total interest is \$210.

The City has pledged current and future CDBG funds as principal security for the loan. The principal amounts range from \$232 to \$242 annually from FY 2020-21 to FY 2021-22. The Section 108 loan payment is budgeted as a CDBG project each year based on the payment schedule.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

The governmental activities HUD Section 108 guaranteed loan contain a provision that the City obtain as collateral a sole first priority lien on the real property S.H. Ho Hope and Compassion Center used as a homeless shelter. The guaranteed loan also contains a subjective acceleration clause that allows the HUD Secretary to accelerate payment with respect to principal amount subject to optional redemption. The guaranteed loan contains an event of default that all rights, title and interest of the City in the loan shall vest immediately to HUD Secretary for use in making payment and changes the timing of repayment of outstanding amounts to become immediately due if the City is unable to make payment.

Business-type Activities:

The City has outstanding long-term debt for business activities of \$228,866, has no direct borrowings, and no direct placements related to business-type activities as of June 30, 2020. The City also has no outstanding or unused line of credit related to long-term debt of business-type activities as of June 30, 2020. The business-type activities bonds payable contains a provision that none of the electric utility and water utility assets owned by the City will be sold or leased if the City is unable to satisfy the debt service requirement. The business-type activities bonds payable contains a provision that, in an event of default, the owners of 25% in aggregate Bond Obligations of Bonds then outstanding, may call a meeting of the bond owners for the purpose of electing a bond owners' committee. The business-type activities bonds payable contain a subjective acceleration clause that allows the bond owners' committee to accelerate payment of the entire principal and interest amounts to become immediately due in an event of default by the City, with the exception of Water Revenue Bonds, 2008 Series that have bond insurance with Assured Guaranty Municipal Corporation to guarantee scheduled payments of principal and interest on the 2008 Bonds when due, as set forth in the bond insurance policy.

Enterprise Fund – Electric utility

Electric Revenue Bonds, 2013 Refunding Series

The Electric utility of Glendale Water & Power issued \$20,510 in revenue bonds in March 2013 to provide funds to refund all of the City's outstanding Electric Revenue Bonds, 2003 Series and pay cost of issuance. The bond proceeds were deposited in an escrow account and were used to refund the Electric Revenue Bonds, 2003 Series through a legal defeasance.

The current refunding resulted in the recognition of a deferred loss on refunding of \$95 as of June 30, 2020, and is being amortized through FY 2031-32. The refunding also resulted in cash flow savings of \$3,699 which is the difference between the cash flows required from the prior debt service and the cash flows required for the new refunding debt service. As of June 30, 2020, the reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of \$4,807 on parity with other Electric revenue bonds. The 2013 Refunding Bonds mature in regularly increasing amounts ranging from \$1,055 to \$1,805 annually from FY 2020-21 to FY 2031-32. Outstanding principal balance at June 30, 2020 was \$16,690.

The 2013 Refunding Bonds have an optional redemption on and after February 1, 2024.

Electric Revenue Bonds, 2013 Series

The Electric utility of Glendale Water & Power issued \$60,000 in revenue bonds in December 2013 to finance the costs of acquisition and construction of certain improvements to the City's electric public utility including the rebuilding of Grandview substation and other reliability improvements to the distribution system.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

The terms of the 2013 Bonds indenture require the trustee to establish and maintain a parity reserve fund. The parity reserve fund means, as of any date on which it is calculated with respect to any issue of Parity Lien Bonds, the least of (a) 10% of the principal amount of said Parity Lien Bonds, (b) the maximum annual debt service for the current or any subsequent year on all Parity Lien Bonds or (c) 125% of the average annual debt service on all Parity Lien Bonds. The 2013 Bonds mature in regularly increasing amounts ranging from \$1,300 to \$3,795 annually from FY 2020-21 to FY 2042-43. Outstanding principal balance at June 30, 2020 was \$53,745.

The 2013 Bonds have an optional redemption on and after February 1, 2024. The 2013 Bonds maturing on February 1, 2039 and February 1, 2043 are subject to mandatory sinking fund redemption from mandatory sinking account payments set aside in the Parity Obligation Payment Fund.

Electric Revenue Bonds, 2016 Refunding Series

The Electric utility of Glendale Water & Power issued \$72,615 in revenue bonds in May 2016 to provide moneys for the refunding of all of the City's outstanding Electric Revenue Bonds, 2006 Refunding Series, a portion of the City's outstanding Electric Revenue Bonds, 2008 Series, and paying the costs of issuance of the 2016 Bonds. The bond proceeds were deposited in an escrow account and were used to refund the Electric Revenue Bonds, 2006 Refunding Series and a portion of the outstanding Electric Revenue Bonds, 2008 Series through a legal defeasance.

The advance refunding resulted in the recognition of a deferred loss on refunding of \$4,004 as of June 30, 2020, and is being amortized through FY 2037-38. The refunding also resulted in cash flow savings of \$13,026 which is the difference between the cash flows required from the prior debt service and the cash flows required for the new refunding debt service. The terms of the 2016 Refunding Bonds indenture require the trustee to establish and maintain a parity reserve fund. The parity reserve fund means, as of any date on which it is calculated with respect to any issue of Parity Lien Bonds, the least of (a) 10% of the principal amount of said Parity Lien Bonds, (b) the maximum annual debt service for the current or any subsequent year on all Parity Lien Bonds or (c) 125% of the average annual debt service on all Parity Lien Bonds. The 2016 Refunding Bonds mature in regularly increasing amounts ranging from \$2,700 to \$4,715 annually from FY 2020-21 to FY 2037-38. Outstanding principal balance at June 30, 2020 was \$64,180.

The 2016 Refunding Bonds have an optional redemption on and after February 1, 2027. The 2016 Refunding Bonds maturing on February 1, 2038 are subject to mandatory sinking fund redemption from mandatory sinking account payments set aside in the Parity Obligation Payment Fund.

The Electric utility has pledged future electric customer revenues, net of specified operating expenses, to pay the remaining total principal and interest on the Electric revenue bonds of \$205,753 through FY 2042-43. The bonds are payable solely from Electric utility's net income and are expected to require the net income to be at least equal to 1.10 times the amount of the annual debt services as they become due each fiscal year. The rates to be charged for services furnished by the Electric utility should incorporate the debt service requirements to provide revenues sufficient to pay, as the principal and interest become due. Total debt service paid and total net available revenues for debt service coverage for FY 2019-20 were \$12,071 and \$56,423, respectively.

Enterprise Fund – Water utility

Water Revenue Bonds, 2008 Series

The Water utility of Glendale Water & Power issued \$50,000 in revenue bonds in February 2008 to finance the costs of acquisition and construction of certain improvements to the City's water public utility including Chevy Chase 968 reservoir and pump station replacement, Grandview pump station third unit upgrade, Verdugo-Metro pump station upgrade and main cleaning, lining and replacement projects.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

As of June 30, 2020, the reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of \$2,932. The 2008 bonds mature in regularly increasing amounts ranging from \$1,525 to \$3,060 annually from FY 2020-21 to FY 2037-38. Outstanding principal balance at June 30, 2020 was \$39,500.

The 2008 Bonds have an optional redemption on and after February 1, 2019. The 2008 Bonds maturing on February 1, 2032 and February 1, 2038 are subject to mandatory sinking fund redemption from mandatory sinking account payments set aside in the Parity Obligation Payment Fund.

Water Revenue Bonds, 2012 Series

The Water utility of Glendale Water & Power issued \$35,000 in revenue bonds in December 2012 to finance the costs of certain improvements to the City's water public utility including construction and development of Rockhaven Well, construction of a new energy and asset management system, Supervisory Control and Data Administration (SCADA), Glorietta Well improvements and pump station and water quality improvements.

As of June 30, 2020, the reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of \$1,380. The bonds mature in regularly increasing amounts ranging from \$515 to \$4,945 annually from FY 2020-21 to FY 2041-42. Outstanding principal balance as of June 30, 2020 was \$33,675.

The 2012 Bonds have an optional redemption on and after February 1, 2023. The 2012 Bonds maturing on February 1, 2042 are subject to mandatory sinking fund redemption from mandatory sinking account payments set aside in the Parity Obligation Payment Fund.

The Water utility has pledged future water customer revenues, net of specified operating expenses, to pay the remaining total principal and interest on the Water revenue bonds of \$114,331 through FY 2041-42. The bonds are payable solely from Water utility's net revenues and is expected to require the net revenues to be at least equal to 1.25 times the amount of the annual debt services as they become due each fiscal year. The rates to be charged for services furnished by the Water utility should incorporate the debt service requirements to provide revenues sufficient to pay, as the principal and interest become due. Total debt service paid and total net available revenues for debt service coverage for FY 2019-20 were \$5,079 and \$8,562, respectively.

Legal Debt Margins

Under the City Charter, the total bonded debt of the city shall at no time exceed 15% of the net assessed value of all real and personal property within the City limits ("debt limit"). General obligation debt is debt secured by the City's property tax revenues. As of June 30, 2020, the City's net assessed value of taxable property was \$26,890,638 and has no general obligation debt.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Annual Debt Service Requirement Schedule

The annual debt service requirement schedule for governmental and business-type activities is as follows:

Governmental Activities

Fiscal Year	GMFA 2019 Lease Revenue Refunding Bonds		Section 108 Loan (HUD 2011 Series)	
	Interest	Principal	Interest	Principal
2021	\$ 1,155	1,835	9	232
2022	1,063	1,930	3	242
2023	967	2,025	-	-
2024	865	2,125	-	-
2025	759	2,230	-	-
2026-2030	2,005	12,950	-	-
	<u>\$ 6,814</u>	<u>23,095</u>	<u>12</u>	<u>474</u>

Business-type Activities

Fiscal Year	Electric Revenue Bonds		Water Revenue Bonds	
	Interest	Principal	Interest	Principal
2021	\$ 6,611	5,460	3,039	2,040
2022	6,339	5,710	2,948	2,135
2023	6,047	5,995	2,853	2,225
2024	5,741	6,300	2,749	2,325
2025	5,420	6,600	2,639	2,430
2026-2030	21,703	38,185	11,551	13,835
2031-2035	12,831	29,975	8,662	17,140
2036-2040	5,569	25,540	5,542	21,320
2041-2044	877	10,850	1,173	9,725
	<u>\$ 71,138</u>	<u>134,615</u>	<u>41,156</u>	<u>73,175</u>

Fiscal Year	Total Governmental Activities		Total Business-type Activities		Total Debt Service
	Interest	Principal	Interest	Principal	
2021	\$ 1,164	2,067	9,650	7,500	20,381
2022	1,066	2,172	9,287	7,845	20,370
2023	967	2,025	8,900	8,220	20,112
2024	865	2,125	8,490	8,625	20,105
2025	759	2,230	8,059	9,030	20,078
2026-2030	2,005	12,950	33,254	52,020	100,229
2031-2035	-	-	21,493	47,115	68,608
2036-2040	-	-	11,111	46,860	57,971
2041-2044	-	-	2,050	20,575	22,625
	<u>\$ 6,826</u>	<u>23,569</u>	<u>112,294</u>	<u>207,790</u>	<u>350,479</u>

CITY OF GLENDALE

Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2020
(in thousands)

NOTE 8 – PENSION PLANS

California Public Employees' Retirement System

General Information about the Pension Plans

Plan Description

All eligible employees participate in the City's agent multiple employer defined benefit pension plans, either Safety (police and fire sworn members) or Miscellaneous (all other members), administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website at <http://www.calpers.ca.gov>.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 for Classic members and age 52 for PEPRA members, with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The death benefit is as follows:

If eligible to retire, the Pre-retirement Option 2W Death Benefit; or the Basic Death Benefit of a refund of contributions, plus interest; and up to six months' pay (one month's salary rate for each year of current service to a maximum of six months); and 1959 Survivor Benefit Program Level 4* (may not be payable if the Special Death Benefit is elected).

If not eligible to retire, the Basic Death Benefit of a refund of contributions, plus interest; and up to six months' pay (one month's salary rate for each year of current service to a maximum of six months); and 1959 Survivor Benefit Program Level 4* (may not be payable if the Special Death Benefit is elected).

**1959 Survivor Benefit Program Level 4 may not be applicable if there is no eligible Spouse/Registered Domestic Partner and an unmarried eligible dependent child under age 22. An eligible surviving spouse/registered domestic partner may be entitled to the 1959 Survivor Benefit Program Level 4 benefits as long as they have care of an eligible child (unmarried dependent child of the member living with the member in a parent-child relationship, while under age 22) or the surviving spouse/registered domestic partner is at least age 62 (age 60 at Level 4 and under the Indexed Level). An eligible surviving spouse/registered domestic partner may remarry and continue to receive the allowance.*

CITY OF GLENDALE

Notes to the Basic Financial Statements
 Fiscal Year Ended June 30, 2020
 (in thousands)

The Plans' provisions and benefits in effect at the measurement date ended June 30, 2019, are summarized as follows, which remain the same for FY 2019-20.

Hire date	Miscellaneous		
	Prior to January 1, 2011	Between January 1, 2011 and December 31, 2012	On or after January 1, 2013
Benefit formula	2.5% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55+	50-63+	52-67+
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.426% to 2.418%	1.0% to 2.5%

Hire date	Safety		
	Prior to January 1, 2011	Between January 1, 2011 and December 31, 2012	On or after January 1, 2013
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55+	50-55+	50-57+
Monthly benefits, as a % of eligible compensation	3.0%	2.4% to 3.0%	2.0% to 2.7%

Employees Covered

At the measurement date ended June 30, 2019, the following employees were covered by the benefit terms:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	1,763	617
Inactive employees entitled to but not yet receiving benefits	1,836	99
Active employees	1,457	384
Total	5,056	1,100

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Starting for FY 2017-18, the contribution for the unfunded liability is a fixed amount, rather than a rate of the payroll. The City converts the fixed amount into a rate based on the payroll, and combines it with the normal cost rate to calculate the total employer contribution rate.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

At the measurement date ended June 30, 2019, for the Miscellaneous Plan, the normal cost rate is 8.599%, the amount for the unfunded liability is \$20,296, and the prepayment amount for the unfunded liability is \$19,586. The City chose the prepayment option to pay the \$19,586 in July 2018, instead of paying 1/12th of \$20,296 on a monthly basis. For FY 2018-19, the City calculates the rate for the unfunded liability to be 20.613%.

The City's Miscellaneous Plan member contribution rates and employer contribution rates for FY 2018-19, including the employees' cost sharing toward the employer rates, are shown in the table below:

Miscellaneous Plan						
Employee Group	CalPERS Membership	Retirement Formula	Member Contribution Rate	Employer Contribution Rate		
				Employees' Cost Sharing	City Portion	Total
Council Member	Classic (1st Tier)	2.5% @ 55	8.00%	3.00%	26.212%	29.212%
	Classic (2nd Tier)	2.0% @ 55	7.00%	3.00%	26.212%	29.212%
	PEPRA (3rd Tier)	2.0% @ 62	5.75%	3.00%	26.212%	29.212%
Executive	Classic (1st Tier)	2.5% @ 55	8.00%	4.00%	25.212%	29.212%
	Classic (2nd Tier)	2.0% @ 55	7.00%	4.00%	25.212%	29.212%
	PEPRA (3rd Tier)	2.0% @ 62	5.75%	4.00%	25.212%	29.212%
GCEA	Classic (1st Tier)	2.5% @ 55	12.00%	0.00%*	25.212%	25.212%
	Classic (2nd Tier)	2.0% @ 55	11.00%	0.00%*	25.212%	25.212%
	PEPRA (3rd Tier)	2.0% @ 62	9.75%	0.00%*	25.212%	25.212%
IBEW	Classic (1st Tier)	2.5% @ 55	8.00%	3.00%	26.212%	29.212%
	Classic (2nd Tier)	2.0% @ 55	7.00%	3.00%	26.212%	29.212%
	PEPRA (3rd Tier)	2.0% @ 62	5.75%	3.00%	26.212%	29.212%
GMA	Classic (1st Tier)	2.5% @ 55	12.00%	0.00%**	25.212%	25.212%
	Classic (2nd Tier)	2.0% @ 55	11.00%	0.00%**	25.212%	25.212%
	PEPRA (3rd Tier)	2.0% @ 62	9.75%	0.00%**	25.212%	25.212%

GCEA - Glendale City Employee Association

IBEW - International Brotherhood of Electrical Workers

GMA - Glendale Management Association

*Effective May 2013, GCEA members' cost sharing rate (3%-4%) became part of their member contribution rate.

**Effective November 2018, GMA members' cost sharing rate (4%) became part of their member contribution rate.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

At the measurement date ended June 30, 2019, for the Safety Plan, the normal cost rate is 19.589%, the amount for the unfunded liability is \$15,858, and the prepayment amount for the unfunded liability is \$15,304. The City chose the prepayment option to pay the \$15,304 in July 2018, instead of paying 1/12th of \$15,858 on a monthly basis. For FY 2018-19, the City calculates the rate for the unfunded liability to be 29.068%.

The City's Safety Plan member contribution rates and employer contribution rates for FY 2018-19, including the employees' cost sharing toward the employer rates, are shown in the table below:

Safety Plan						
Employee Group	CalPERS Membership	Retirement Formula	Member Contribution Rate	Employer Contribution Rate		
				Employees' Cost Sharing	City Portion	Total
Executive - Fire	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	44.657%	48.657%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	44.657%	48.657%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	4.00%	44.657%	48.657%
Executive - Police	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	44.657%	48.657%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	44.657%	48.657%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	4.00%	44.657%	48.657%
GMA - Fire	Classic (1st Tier)	3.0% @ 50	13.00%	0.00%*	44.657%	44.657%
	Classic (2nd Tier)	3.0% @ 55	13.00%	0.00%*	44.657%	44.657%
	PEPRA (3rd Tier)	2.7% @ 57	14.75%	0.00%*	44.657%	44.657%
GMA - Police	Classic (1st Tier)	3.0% @ 50	12.50%	0.00%*	45.157%	45.157%
	Classic (2nd Tier)	3.0% @ 55	12.50%	0.00%*	45.157%	45.157%
	PEPRA (3rd Tier)	2.7% @ 57	14.25%	0.00%*	45.157%	45.157%
GFFA	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	44.657%	48.657%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	44.657%	48.657%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	3.50%	45.157%	48.657%
GPOA	Classic (1st Tier)	3.0% @ 50	9.00%	3.50%	45.157%	48.657%
	Classic (2nd Tier)	3.0% @ 55	9.00%	3.50%	45.157%	48.657%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	1.75%	46.907%	48.657%

GMA - Glendale Management Association

GFFA - Glendale Fire Fighter Association

GPOA - Glendale Police Officer Association

*Effective November 2018, GMA members' cost sharing rate (3.5%-4%) became part of their member contribution rate.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

At the measurement date ended June 30, 2020, for the Miscellaneous Plan, the normal cost rate is 9.535%, the amount for the unfunded liability is \$24,048, and the prepayment amount for the unfunded liability is \$23,221. The City chose the prepayment option to pay the \$23,221 in July 2019, instead of paying 1/12th of \$24,048 on a monthly basis. For FY 2019-20, the City calculates the rate for the unfunded liability to be 23.455%.

The City's Miscellaneous Plan member contribution rates and employer contribution rates for FY 2019-20, including the employees' cost sharing toward the employer rates, are shown in the table below:

Miscellaneous Plan						
Employee Group	CalPERS Membership	Retirement Formula	Member Contribution Rate	Employer Contribution Rate		
				Employees' Cost Sharing	City Portion	Total
Council Member	Classic (1st Tier)	2.5% @ 55	8.00%	3.00%	29.990%	32.990%
	Classic (2nd Tier)	2.0% @ 55	7.00%	3.00%	29.990%	32.990%
	PEPRA (3rd Tier)	2.0% @ 62	6.50%	3.00%	29.990%	32.990%
Executive	Classic (1st Tier)	2.5% @ 55	8.00%	4.00%	28.990%	32.990%
	Classic (2nd Tier)	2.0% @ 55	7.00%	4.00%	28.990%	32.990%
	PEPRA (3rd Tier)	2.0% @ 62	6.50%	4.00%	28.990%	32.990%
GCEA	Classic (1st Tier)	2.5% @ 55	12.00%	0.00%*	28.990%	28.990%
	Classic (2nd Tier)	2.0% @ 55	11.00%	0.00%*	28.990%	28.990%
	PEPRA (3rd Tier)	2.0% @ 62	10.50%	0.00%*	28.990%	28.990%
IBEW	Classic (1st Tier)	2.5% @ 55	8.00%	3.00%	29.990%	32.990%
	Classic (2nd Tier)	2.0% @ 55	7.00%	3.00%	29.990%	32.990%
	PEPRA (3rd Tier)	2.0% @ 62	6.50%	3.00%	29.990%	32.990%
GMA	Classic (1st Tier)	2.5% @ 55	12.00%	0.00%**	28.990%	28.990%
	Classic (2nd Tier)	2.0% @ 55	11.00%	0.00%**	28.990%	28.990%
	PEPRA (3rd Tier)	2.0% @ 62	10.50%	0.00%**	28.990%	28.990%

GCEA - Glendale City Employee Association

IBEW - International Brotherhood of Electrical Workers

GMA - Glendale Management Association

*Effective May 2013, GCEA members' cost sharing rate (3%-4%) became part of their member contribution rate.

**Effective November 2018, GMA members' cost sharing rate (4%) became part of their member contribution rate.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

At the measurement date ended June 30, 2020, for the Safety Plan, the normal cost rate is 20.582%, the amount for the unfunded liability is \$18,515, and the prepayment amount for the unfunded liability is \$17,878. The City chose the prepayment option to pay the \$17,878 in July 2019, instead of paying 1/12th of \$18,515 on a monthly basis. For FY 2019-20, the City calculates the rate for the unfunded liability to be 34.189%.

The City's Safety Plan member contribution rates and employer contribution rates for FY 2019-20, including the employees' cost sharing toward the employer rates, are shown in the table below:

Safety Plan						
Employee Group	CalPERS Membership	Retirement Formula	Member Contribution Rate	Employer Contribution Rate		
				Employees' Cost Sharing	City Portion	Total
Executive - Fire	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	50.771%	54.771%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	50.771%	54.771%
	PEPRA (3rd Tier)	2.7% @ 57	11.50%	4.00%	50.771%	54.771%
Executive - Police	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	50.771%	54.771%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	50.771%	54.771%
	PEPRA (3rd Tier)	2.7% @ 57	11.50%	4.00%	50.771%	54.771%
GMA - Fire	Classic (1st Tier)	3.0% @ 50	13.00%	0.00%*	50.771%	50.771%
	Classic (2nd Tier)	3.0% @ 55	13.00%	0.00%*	50.771%	50.771%
	PEPRA (3rd Tier)	2.7% @ 57	15.50%	0.00%*	50.771%	50.771%
GMA - Police	Classic (1st Tier)	3.0% @ 50	12.50%	0.00%*	51.271%	51.271%
	Classic (2nd Tier)	3.0% @ 55	12.50%	0.00%*	51.271%	51.271%
	PEPRA (3rd Tier)	2.7% @ 57	15.00%	0.00%*	51.271%	51.271%
GFFA	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	50.771%	54.771%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	50.771%	54.771%
	PEPRA (3rd Tier)	2.7% @ 57	11.50%	3.50%	51.271%	54.771%
GPOA	Classic (1st Tier)	3.0% @ 50	9.00%	3.50%	51.271%	54.771%
	Classic (2nd Tier)	3.0% @ 55	9.00%	3.50%	51.271%	54.771%
	PEPRA (3rd Tier)	2.7% @ 57	11.50%	1.75%	53.021%	54.771%

GMA - Glendale Management Association

GFFA - Glendale Fire Fighter Association

GPOA - Glendale Police Officer Association

*Effective November 2018, GMA members' cost sharing rate (3.5%-4%) became part of their member contribution rate.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

At the measurement date ended June 30, 2019, as shown in the rates tables, in addition to the required member contributions, the City employees also contribute a portion of the required employer contribution, based on bargaining units' MOUs. The employees' cost sharing in the table below include the cost sharing that belong to the member contribution: \$3,263 for the Miscellaneous Plan, and \$161 for the Safety Plan. The breakdown of the required employer contribution between the City portion and the employee portion is as follows:

Plan	Annual Required Employer Contribution	City Contribution	Employees' Cost Sharing
Miscellaneous	\$ 27,791	24,078	3,713
Safety			
Police	14,962	13,955	1,007
Fire	10,525	9,682	843
Total Safety	25,487	23,637	1,850
Total	\$ 53,278	47,715	5,563

At the measurement date ended June 30, 2020, as shown in the rates tables, in addition to the required member contributions, the City employees also contribute a portion of the required employer contribution, based on bargaining units' MOUs. The employees' cost sharing in the table below include the cost sharing that belong to the member contribution: \$3,389 for the Miscellaneous Plan, and \$170 for the Safety Plan. The breakdown of the required employer contribution between the City portion and the employee cost sharing is as follows:

Plan	Annual Required Employer Contribution	City Contribution	Employees' Cost Sharing
Miscellaneous	\$ 32,629	28,789	3,840
Safety			
Police	16,654	15,683	971
Fire	11,987	11,129	858
Total Safety	28,641	26,812	1,829
Total	\$ 61,270	55,601	5,669

Net Pension Liability

The City's net pension liability for each plan was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018.

Actuarial Assumptions

The June 30, 2018 valuation was rolled forward to measure the June 30, 2019 total pension liability, based on the following actuarial methods and assumptions:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increase	Varies by Entry Age and Service
Mortality rate table	Derived using CalPERS' Membership Data for all Funds
Post retirement benefit increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

CITY OF GLENDALE

Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2020
(in thousands)

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' assets classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

<u>Asset Class*</u>	<u>Assumed Target Allocation</u>	<u>Real Return Years 1-10 **</u>	<u>Real Return Years 11+ ***</u>
Global equity	50.00%	4.80%	5.98%
Fixed income	28.00%	1.00%	2.62%
Inflation assets	-	0.77%	1.81%
Private equity	8.00%	6.30%	7.23%
Real assets	13.00%	3.75%	4.93%
Liquidity	1.00%	-	(0.92%)
Total	100.00%		

*In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

**An expected inflation of 2.00% used for this period.

***An expected inflation of 2.92% used for this period.

Discount Rates

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Changes in the Net Pension Liability

The changes in the Net Pension Liability measured as of June 30, 2019 for each plan is as follows:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) – (b)
Balance at June 30, 2019	\$ 1,130,610	841,415	289,195
Changes in the year:			
Service cost	16,372	-	16,372
Interest on the total pension liability	80,133	-	80,133
Changes of assumptions	-	-	-
Differences between actual and expected experience	10,478	-	10,478
Net plan to plan resource movement	-	-	-
Contribution from the employer	-	24,992	(24,992)
Contribution from the employees	-	10,176	(10,176)
Net investment income	-	54,849	(54,849)
Benefit payments, including refunds of employee contributions	(57,071)	(57,071)	-
Administrative expense	-	(600)	600
Other miscellaneous income/(expense)	-	2	(2)
Net changes	<u>49,912</u>	<u>32,348</u>	<u>17,564</u>
Balance at June 30, 2020	<u>\$ 1,180,522</u>	<u>873,763</u>	<u>306,759</u>

Safety Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) – (b)
Balance at June 30, 2019	\$ 852,631	574,068	278,563
Changes in the year:			
Service cost	15,196	-	15,196
Interest on the total pension liability	60,331	-	60,331
Changes of assumptions	-	-	-
Differences between actual and expected experience	4,900	-	4,900
Net plan to plan resource movement	-	-	-
Contribution from the employer	-	25,371	(25,371)
Contribution from the employees	-	5,008	(5,008)
Net investment income	-	37,580	(37,580)
Benefit payments, including refunds of employee contributions	(42,663)	(42,663)	-
Administrative expense	-	(410)	410
Other miscellaneous income/(expense)	-	1	(1)
Net changes	<u>37,764</u>	<u>24,887</u>	<u>12,877</u>
Balance at June 30, 2020	<u>890,395</u>	<u>598,955</u>	<u>291,440</u>
Total for both plans at June 30, 2020	<u>\$ 2,070,917</u>	<u>1,472,718</u>	<u>598,199</u>

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of each Plan, calculated using the discount rate of 7.15%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 463,494	413,533	877,027
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 306,759	291,440	598,199
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 177,466	191,312	368,778

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2020, the City reported net pension liability, deferred outflows of resources and deferred inflows of resources for both Miscellaneous and Safety Plans as follows:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Governmental activities:				
Miscellaneous plan	\$ 197,929	23,755	4,234	36,320
Safety plan	291,440	44,102	8,629	46,007
Total Governmental activities	489,369	67,857	12,863	82,327
Business-type activities:				
Miscellaneous plan	108,830	13,128	2,457	20,382
Total	\$ 598,199	80,985	15,320	102,729

For the governmental activities, the net pension liability is primarily liquidated by the General Fund and Special Revenues Funds in prior years.

Miscellaneous Plan:

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 29,240	-
Changes of assumptions	-	2,271
Differences between expected and actual experience	7,643	-
Net differences between projected and actual earnings on plan investments	-	4,420
Total	\$ 36,883	6,691

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

The amount of \$29,240 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized as pension expense as follows:

<u>Year ending June 30,</u>	<u>Amounts</u>
2021	\$ 5,017
2022	(4,268)
2023	(680)
2024	883
Total	<u>\$ 952</u>

Safety Plan:

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 28,471	-
Changes of assumptions	11,926	1,797
Differences between expected and actual experience	3,705	4,079
Net differences between projected and actual earnings on plan investments	-	2,753
Total	<u>\$ 44,102</u>	<u>8,629</u>

The amount of \$28,471 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows/(inflows) of resources related to pensions will be recognized as pension expense as follows:

<u>Year ending June 30,</u>	<u>Amounts</u>
2021	\$ 11,633
2022	(5,479)
2023	129
2024	719
Total	<u>\$ 7,002</u>

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Supplemental Retirement Plan

In May 2012, in an effort to substantially reduce staffing levels to address a projected \$15,400 General Fund shortfall for FY 2012-13, the City contracted with Public Agency Retirement Services (PARS) to offer an early retirement incentive plan to provide supplemental retirement benefit payments to eligible employees in addition to the benefit payments the employees will receive from the California Public Employees' Retirement System (CalPERS). To be eligible to participate in the plan, the employees must have been a Glendale City Employee Association (GCEA) or Glendale Management Association (GMA) employee, be at least 50 years of age as of September 1, 2012, and have a minimum 5 years of CalPERS service credit. The employees needed to resign from the City by August 31, 2012. The plan offered 5% of the employees' final pay, which the employees could choose various options to receive the payment, such as unmodified lifetime monthly payment, or higher fixed monthly payment for a fixed number of years. There were 122 employees who participated in the plan.

In October 2012, the City provided the same early retirement incentive plan to the employees represented by International Brotherhood of Electrical Workers Association (IBEW), and also offered an extension of the incentive program to employees represented by GCEA and GMA. The same parameters were applied for the extension of the incentive program, with the exception of the retirement eligibility date and date of separation advancing to October 31, 2012. There were 30 additional employees participating in the second phase. The plan is closed. As of June 30, 2020, there are three remaining participants and the liability is not material. Therefore, the liability is not reported in the accompanying financial statements. During the fiscal year, the City paid \$45 to PARS.

Public Agency Retirement Services (PARS)

The PARS Trust, created in 1991, is a trust arrangement established to provide economies of scale and efficiencies of administration to public agencies that adopt it to hold the assets of their agency retirement plans maintained for the benefit of their employees. The Omnibus Budget Reconciliation Act of 1990 (OBRA 90) amended the Internal Revenue Code to mandate that employees of public agencies, who are not members of their employer's existing retirement system as of January 1, 1992, be covered under Social Security or an alternate plan. The PARS ARS Plan satisfies the OBRA 90 Federal Requirements. It is intended that this plan and the trust established to hold the assets of the plan shall be qualified under Section 401(a) and tax-exempt under Section 501(a) of the Internal Revenue Code of 1986, as amended, and meet the requirements of California Government Code Sections 53215 through 53224 providing how pension trusts must be established by public agencies. Through PARS, agencies have the ability to design and control retirement plans according to their own specific needs, including specific collective bargaining requirements. The City adopted the PARS ARS Plan, effective September 1, 1999 as an alternate plan to Social Security for the hourly employees who are not eligible for participation in the City's CalPERS retirement plan.

Any City hourly employee who is not eligible to enroll in the CalPERS retirement plan is enrolled in PARS-ARS instead of social security. After completing 1,000 work hours within a fiscal year, hourly employees are eligible to enroll in CalPERS retirement plan. For each pay period, employees contribute 6.2%, and the City contributes 1.3% of employee earnings into employees' PARS account. Both contributions are made on pre-tax basis. For FY 2019-20, PARS payments were \$72 and \$15 for employee portion and employer portion, respectively. Since the plan is a 401(a) Defined Contribution, there is no unfunded liability to the City. A participant in the PARS ARS Plan (or their beneficiary in the event of death) becomes eligible to receive their funds when one of the following events occurs: Separation of Employment, Retirement, Permanent and Total Disability, or change of employment status to a position covered by another retirement system. For active employees, if there are no contributions into their PARS ARS account for two years, they may be eligible for a distribution of their account.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 9 – Other Post Employment Benefits Than Pensions (OPEB)**Plan Description**

The City's defined benefit OPEB plan, City of Glendale Retiree Benefits Plan (Plan), provides OPEB for all permanent full-time general and public safety employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City and governed by the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

The City provides Medicare Part A reimbursements to retirees and their spouses if the retirees were hired in the City prior to April 1, 1986, and ineligible for premium-free Medicare Part A.

The City also provides cash subsidy for medical insurance premiums to three groups of retirees: (1) retirees who retired before July 1, 2001, and the length of the subsidy was pre-determined based on the retirees' sick leave balances at the time of retirement. The subsidy is capped by the actual premium, and the unreduced city-paid amount continues to surviving spouses if the retirees die prior to the pre-determined payment period; (2) retirees who retired before June 1, 2016 with a minimum of 10 years of City service, enroll in a City sponsored medical plan and meet the annual income requirement. The eligibility and subsidy amount are evaluated on an annual basis. This is a lifetime subsidy for the eligible retirees except it will discontinue at age 65 for the retirees with enhanced pension benefits. The benefit will continue to surviving spouses, if applicable; (3) the surviving spouses and dependents of deceased retirees if the retirees retired before June 1, 2008 and enrolled in Anthem Blue Cross PPO at the time of the death, and the length of subsidy is two years.

The City also provides cash subsidy for medical insurance premium to surviving spouses and dependents of active non-safety employees who pass away during their employment with the City. The subsidy is two years for the City Council, the Executives and the GMA employees, regardless of the medical insurance plans enrolled at the time of the death. The subsidy is two years for GCEA and IBEW employees if enrolled in Anthem Blue Cross PPO at the time of the death. The subsidy is two years for GCEA and IBEW employees if enrolled in HMO plans at the time of the death and if the employees' death is a result of injuries incurred in the performance of his/her assigned duties. At the same time, the City provides cash subsidy for dental insurance premium to surviving spouses and dependents of active safety employees who pass away during their employment with the City. The subsidy continues until the spouses turn 65 and the children turn 26 (if applicable).

The above benefits offered to retirees are no longer available to new entrants because of the restriction of the retirement dates. Benefits payments made by the City for the year ended June 30, 2020 were \$423.

Employees Covered by Benefit Terms

At June 30, 2019, the most recent valuation date, the following current and former employees were covered by the benefit terms under the Plan:

Inactive employees or beneficiaries currently receiving benefit payments	82
Inactive employees entitled to but not yet receiving benefit payments	186
Active employees	1,423
Total	<u>1,691</u>

Total OPEB Liability

The City's total OPEB liability of \$15,135 was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2019. A summary of principal assumptions and methods used to determine the total OPEB liability is shown below.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date	June 30, 2019
Measurement date	June 30, 2019
Discount rate	3.50%
General inflation	2.75% annually
Medicare Part A trend	3.75% annually (inflation + 1%) Not related to health care trend
Medical Trend	Non-Medicare – 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 Medicare – 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076

The discount rate was based on the Bond Buyer 20-Bond GO index.

Mortality information was derived from data collected during 1997 to 2015 CalPERS Experience Study. Post-retirement mortality was projected fully generational using Society of Actuaries (SOA) Scale MP-2019.

Changes in the Total OPEB Liability

The changes in the total OPEB liability measured as of June 30, 2019 is as follows:

		<u>Total OPEB Liability</u>
Balance at June 30, 2019	\$	15,214
Changes in the year:		
Service cost		44
Interest		582
Assumption changes		543
Actual vs. expected experience		(772)
Benefit payments		(476)
Net changes		<u>(79)</u>
Balance at June 30, 2020	\$	<u>15,135</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

		<u>2.50%</u>	<u>3.50%</u>	<u>4.50%</u>
Total OPEB Liability	\$	17,426	15,135	13,277

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease (Trend -1%)	Current Healthcare Cost Trend Rates	1% Increase (Trend +1%)
Total OPEB Liability	\$ 15,006	15,135	15,285

Non-Medicare trend rate of 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076. Medicare trend rate of 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of \$339. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB payments made subsequent to the measurement date	\$ 423	-
Changes of assumptions	485	1,686
Differences between expected and actual experience	-	690
Total	<u>\$ 908</u>	<u>2,376</u>

The amount of \$423 reported as deferred outflows of resources related to OPEB payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2021.

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,	Amounts
2021	\$ (287)
2022	(287)
2023	(287)
2024	(287)
2025	(287)
Thereafter	(456)
Total	<u>\$ (1,891)</u>

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 10 – NET DEFICITS OF INDIVIDUAL FUNDS

As of June 30, 2020, the following funds have negative fund balances or net position:

Governmental funds:

Special revenue funds:

CDBG Fund	\$	231
Continuum of Care Grant Fund		108
Emergency Solutions Grant Fund		147
Glendale Youth Alliance Fund		20
Grant Fund		605
Measure M Subregional Fund		4,027
Measure H Fund		9
Measure W Local Return Fund		236
PW Special Grants Fund		36
Measure R Regional Return Fund		2,039
Police Special Grants Fund		33

Capital projects funds:

CIP Reimbursement Fund	\$	1,050
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Proprietary funds:

Internal service funds:

Unemployment Insurance Fund	\$	100
Compensation Insurance Fund		6,496

The CDBG Fund, Continuum of Care Grant Fund, Emergency Solutions Grant Fund, Glendale Youth Alliance Fund, Grant Fund, Measure M Subregional Fund, Measure H Fund, Measure W Local Return Fund, PW Special Grants Fund, Measure R Regional Return Fund, Police Special Grant Fund and CIP Reimbursement Fund are reimbursement type funds. The City requests reimbursement of actual expenditures. As such, there will always be a timing difference between revenues and expenditures resulting in a deficit, as revenues do not represent available resources.

Unemployment Insurance Fund – The deficit was due to the unexpected higher unemployment claims from COVID-19. The City will increase the future premiums to eliminate the deficit.

Compensation Insurance Fund – The City will continue to increase the future premiums to eliminate the deficit.

CITY OF GLENDALE

Notes to the Basic Financial Statements
 Fiscal Year Ended June 30, 2020
 (in thousands)

NOTE 11 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City retains risks for the following types of liabilities: workers' compensation, unemployment insurance, general auto, dental, medical and vision as well as public liability through separate internal service funds. The City purchased several commercial insurance policies from third-party insurance companies for errors and omissions of its officers and employees, and destruction of assets as well as excess workers' compensation and general public liability claims. The City also purchases property, aviation, employee dishonesty, cyber, DNA lab E & O and fine art insurance. There were no significant settlements or reductions in insurance coverage from settlements for the past three years. The insurance schedule for FY 2019-20 is as follows:

Insurance Type	Program Limits	Deductible/SIR (self-insured retention)
Excess Liability Insurance	\$ 52,000	\$2,000 SIR per occurrence
E & O Employment Practices	2,000	\$250 SIR non-safety; \$500 SIR safety
Excess Workers' Comp Employer's Liability Insurance	Statutory	\$2,000 SIR per occurrence
Property Insurance (GWP)	400,000	Various deductibles
Property Insurance (Non-GWP)	504,600	\$25 property, \$100 flood damage
Aviation Insurance (Police Helicopter)	50,000	Various deductibles
Employee Dishonesty – Crime Policy, Excess Crime	6,000	\$2,000 Single Loss Limit
Cyber Insurance	5,000	\$150
DNA Lab – E & O	2,000	\$10 Each claim
Art Policy (Fine Arts)	3,000	\$1 Each Claim

Operating funds are charged a premium and the internal service funds recognize the corresponding revenue. Claims expenses are recorded in the internal service funds. Premiums are evaluated periodically and increases are charged to the operating funds to reflect recent trends in actual claims experience and to provide sufficient reserve for catastrophic losses.

Claims payable liability has been established in these funds based on estimates of incurred but not reported and litigated claims. Management believes that provisions for claims at June 30, 2020 are adequate to cover the cost of claims incurred to date. However, such liabilities are, by necessity, based upon estimates and there can be no assurance that the ultimate cost will not exceed such estimates. A reconciliation of the changes in the aggregate liabilities for Liability Insurance Fund, Compensation Insurance Fund and Medical Insurance Fund for claims for the current fiscal and the prior fiscal year are as follows:

Fiscal Year	Beginning Balance	Claims and Charges	Claim Payments	Ending Balance	Due within One Year
2018-19	\$ 53,268	46,706	41,626	58,348	16,485
2019-20	\$ 58,348	52,930	44,041	67,237	16,299

The City has numerous claims and pending legal proceedings that generally involve accidents regarding its citizens on City property and employment issues. These proceedings are, in the opinion of management, ordinary routine matters incidental to the normal business conducted by the City. In the opinion of management, such proceedings are substantially covered by insurance, and the ultimate disposition of such proceedings are not expected to have a material adverse effect on the City's financial position, results of operations, or cash flows.

For the governmental activities, claims payable is primarily liquidated by the respective internal service funds.

CITY OF GLENDALE

Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2020
(in thousands)

NOTE 12 – CONTINGENT LIABILITIES AND COMMITMENTS

Power Purchase Agreements

The City first participated in the Boulder Canyon Project for electric service from the Hoover Power Plant in 1937 for a term of 50 years, which expired on May 31, 1987. In January 1987, the City renewed the contract with the United States Bureau of Reclamation providing for the advancement of funds for the Hoover Upgrading Project and Western Area Power Administration for the purchase of power from the project. The renewed contract is for a term of 30 years from 1987 to 2017. In September 2016, the Boulder Canyon Project agreement was amended and restated to extend the term through September 30, 2067. The City is entitled to 20.198 megawatts.

In August 2003, the City entered into a 25-year contract, cancelable after 20 years, with PPM Energy, Inc. for the purchase of 9 megawatts of capacity from wind-powered resources in California. The City began taking delivery of the energy on September 1, 2003.

In June 2005, the City entered into a 25-year power sales agreement with the Southern California Public Power Authority (SCPPA) for the Ormat Geothermal Energy Project for purchase of up to 3 megawatts of the project electric energy. The project began commercial operation in January 2006.

In October 2006, the City entered into a 16-year contract with PPM Energy, Inc. for the purchase of 10 megawatts of capacity from wind-powered resources in Wyoming. The City began taking delivery of the energy under WSPP master agreement from July 1, 2006 through September 30, 2006. The contract term started on October 1, 2006.

In November 2007, City Council approved a power purchase agreement with SCPPA for the purchase of 20 megawatts of renewable energy from Pebble Springs Wind Generation Facility for a term of 18-years. The project began commercial operation in January 2009.

In September 2014, the City entered into a 25-year contract with Skylar Resources LP for the procurement of 50 megawatts of firmed renewable solar. At least fifty percent of 50 megawatts/hour is guaranteed by the seller to qualify as Portfolio Content Category 1 (PCC1) renewable energy on an annual basis. In November 2015, the transaction was bifurcated into 2 separate renewable energy transactions, one with a term of December 1, 2015 through December 31, 2019, and the other with a term of January 1, 2020 through November 20, 2040. The 4-year transaction was subsequently novated to Morgan Stanley Capital Group. The City began taking delivery of the energy on December 2015. In June 2017, the 21-year contract with Skylar was terminated and replaced concurrently with a new power purchase agreement with a higher percentage of renewable and zero-carbon energy. Under the new agreement, Skylar is obligated to deliver at least 55% PCC1 renewable and 20% zero-carbon energy.

In February 2020, City Council approved a power purchase agreement with SCPPA for the purchase of 3 megawatts of renewable energy from Whitegrass No. 1 Geothermal Energy Project for a term of 25-years. The project began commercial operation in April 2020.

In February 2020, City Council approved a power purchase agreement with SCPPA for the purchase of 12.5 megawatts of renewable energy from Star Peak Geothermal Energy Project for a term of 24-years. The project is expected to begin commercial operation in April 2021.

In December 2019, SCPPA, on behalf of Glendale and the Los Angeles Department of Water and Power, signed a 25-year power purchase agreement with 68SF 8ME, LLC for the purchase of renewable solar energy, battery energy storage system capacity, and environmental attribute rights from the Eland I Solar and Storage Center. The facility will be developed in Kern County, California. The energy will be delivered at Barren Ridge, and Glendale must negotiate for the delivery of the energy with the Los Angeles Department of Water and Power. Glendale has a 12.5% entitlement interest in the total capacity, energy, storage and environmental attribute rights produced by the Facility, or 25 MW of renewable solar energy and 18.75 MW/75 MWh of battery storage capacity. The anticipated commercial operation date is in 2023.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Landfill Postclosure Care

Pursuant to Assembly Bill 2448 and the regulations established by the California Integrated Waste Management Board (Board), landfill operators are required to submit an initial cost estimate of postclosure maintenance and to establish a financial mechanism to demonstrate the availability of funding to conduct postclosure maintenance activities. The City selected a trust fund as the financial mechanism and the Board approved this. The City Treasurer was designated as the trustee to ensure that the City set aside annual required deposits. The City subcontracts with Los Angeles County Sanitation District (Sanitation District) to operate Scholl Canyon and as part of this contract, the County is responsible for the closure cost of Scholl Canyon. The City is responsible for the postclosure maintenance cost of Scholl Canyon. According to Los Angeles County Sanitation District's records, the permitted capacity filled between August 18, 1989 and July 10, 2019 was 12.24 million tons. The permitted capacity filled between July 11, 2019 and July 10, 2020 was 0.45 million tons. The total permitted capacity as of August 18, 1989 remains 14.75 million tons. Therefore, the City has 2.06 million tons unfilled capacity remaining. Using an inflation factor from the Sanitation Districts of 1.018, the total estimated care postclosure cost is \$61,484. Using the data above, the amount of \$52,897 is recognized as a long-term liability on the Statement of Net Position. Accordingly, the portion of the estimated total obligation for landfill postclosure costs that has not been recognized in the financial statements is \$8,587. The City records the annual provision for the required landfill deposits as restricted cash in the Landfill Postclosure Fund. At the end of June 30, 2020, the City has set aside \$42,584 of this in the Landfill Postclosure Fund. The total current cost of landfill postclosure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

General Fund Transfer and Electric Rates Litigation

The City is nearing completion of two consolidated cases regarding its 2013 electric rates and transfer from the Electric Fund to the General Fund, which were filed in the Los Angeles Superior Court in 2014 (together, the "2014 Lawsuit"). In July 2018, the Glendale Coalition for a Better Government filed a petition for writ of mandate challenging the City's adopted 2018 electric rates on similar grounds ("2018 Lawsuit"). The 2018 Lawsuit has been dismissed without prejudice and the statute of limitations tolled until there is a final non-appealable judgment in the 2014 Lawsuit. On October 13, 2020, the City received a favorable ruling in the 2014 Lawsuit resulting in a determination that the City will not have to make any refunds of electric rate revenues or general fund transfers. That decision may be appealed.

The 2014 Lawsuit challenged the City's electric rate plan which includes transfers of electric revenue from the Glendale Water & Power Electric Fund to the General Fund (the "GFT"). The City Charter provides that the City may transfer 25% of electric operating revenues to the General Fund. The City has made the GFT under the authority of its City Charter since it was approved in 1921, although not recently for the fully authorized 25%.

The 2013 electric rates were challenged primarily on the grounds they violated Proposition 26, in that they constituted a "tax" because they included the GFT. The trial court concluded that the 2013 electric rates violated Proposition 26 and ordered that the City credit ratepayers for the GFT in the cumulative amount of the transfer beginning with FY 2013-14, plus interest. The trial court ordered that credits for any subsequent years would accrue. The trial court has also issued a writ of mandate commanding the City to cease to include the GFT in the electric rates charged to consumers unless and until a majority of the Glendale electorate approves the tax in the rates. The City appealed that decision.

While the appeal was pending, the California Supreme Court decided *Citizens for Fair REU Rates v. City of Redding* (2018) 6 Cal.5th 1, which upheld a similar transfer the City of Redding imposed on its electric utility. *Redding's* key holding was that rates do not violate Proposition 26 if total projected rate revenue does not exceed all permissible service costs or if non-rate revenue, such as wholesale revenue, rental income or interest, is sufficient to cover the GFT. In the Glendale case, the appellate court reversed the trial court and remanded the judgments to the trial court. Among other things, the appellate court – relying on *Redding* - found that any invalid "tax" in the 2013 rates was not necessarily equivalent to the GFT but instead existed only to the extent that rate revenues exceed lawful expenses of the utility.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

The appellate court also found that to the extent the City maintained a "tax" - in the proportion of excess revenues to costs - prior to Propositions 26's adoption in 2010, and it could continue to maintain said "tax" at the same rate going forward. The appellate court reversed the portion of the trial court's judgement declaring the 2013 rates invalid and requiring rebates in the amount of the annual transfers, and remanded the cases to the trial court to make certain factual determinations regarding the amount of the tax, if any.

On August 6, August 20, and October 8, 2020, the trial court held the remand trial. The trial court found that the City's 2013 rates did not increase the tax implicit in the electric rates beyond that grandfathered in 2006 and therefore no monetary refunds are warranted. First, the court found the 2006 grandfathered tax implicit in rates was 9.42%, not 10.66%. Second, the court considered what rate the City imposed in 2013. The court also found that the City intended the rate increase to substantially increase its reserves, which were depleted at the time.

Third, the court agreed with the City that it could use its non-rate miscellaneous revenue from rents and grants to partially fund the GFT under *Redding*. Using staff's projections for the utility's net income, the court found the implicit tax was never projected to exceed approximately 8% over each of the five years the 2013 rates would be in place. The 2013 rates therefore did not exceed the amount grandfathered from 2006 of 9.42% and therefore the court would not order the credits it had previously.

In sum, rather than being required to refund some \$20 million over five years (e.g., some \$100 million), the trial court ordered no monetary remedy whatsoever. The trial court will likely enter a final judgment in December, at which point petitioners will be able to appeal.

The appellate court and trial court rulings should have a positive impact on the 2018 Lawsuit because the City did not project total retail rate revenue to exceed the cost of service in the 2018 electric rate making, even after deducting the GFT. However, the City must await a final, non-appealable judgment in this case before the City can seek to have the 2018 case dismissed.

Complete assurances cannot be given that the General Fund Transfer will be permitted in the future, or that any amount of the prior GFT will not be subject to rebate. However, the appellate and trial court rulings in the 2014 Lawsuit put the City in a very strong legal position going forward to defend the past and future transfers.

Uncertainty Disclosure

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of an outbreak of a new strain of coronavirus (the "COVID-19 outbreak") and the risks that are posed to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic based on the rapid increase in exposure globally.

The City's operations are heavily dependent on the ability to raise sales taxes, property taxes and transient occupancy taxes and assess developer fees and construction permits. Additionally, access to grants and contracts from federal, state, and local governments may decrease or may not be available depending on appropriations. The outbreak may have a continued material adverse impact on economic and market conditions, triggering a period of global economic slowdown. This situation is expected to depress the tax bases and other areas in which the City receives revenue during FY 2020-21. The outbreak could also have other potential impacts, including disruptions or restrictions on employees' ability to work, although all the operations have remained solid so far. As such, this may hinder the ability for the City to meet the needs of its constituents. The City cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time; however, if the pandemic continues, it may have a material effect on the City's results of future operations and financial position in FY 2020-21.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 13 – JOINTLY GOVERNED ORGANIZATIONS

Joint Power Agreement for Interagency Communications Interoperability System Authority

The Interagency Communications Interoperability System Authority (ICI System) was created through a Joint Power Agreement in 2003. The City is an active governance member of the ICI System Authority. Other governance member jurisdictions include the cities of Beverly Hills, Burbank, Culver City, Montebello, Pasadena, Pomona, Santa Monica, the Interoperability Network of South Bay (INSB) JPA, and the ComNet JPA of the San Gabriel Valley. The goal of the ICI System is to enable all regional emergency resources to communicate with one another. The ICI System Authority supports more than 60 Fire and Police agencies and 30 9-1-1 Dispatch Centers in the region by providing their primary mission critical communications, all of which are seamlessly networked through a System Master Site housed in Glendale. With more than 22,000 local government radios affiliated to the network, the ICI System is one of the largest in the nation.

Joint Power Agreement for The California Community Housing Agency

The California Community Housing Agency (CalCHA) is a joint power agency created in January 2019 to provide housing for low and moderate income households. CalCHA issues tax-exempt government bonds to acquire existing market-rate apartment complexes. CalCHA generally targets Class A apartment complexes valued at \$100,000 or greater, similar to market-rate projects recently constructed in Glendale's Downtown Specific Plan. Once owned by CalCHA, these complexes are converted to income and rent-restricted units for low and moderate income households. CalCHA is able to competitively bid on these market rate projects due in large part to their tax-exempt status and below market-rate financing costs.

In Glendale, CalCHA's program would generally address households with incomes ranging from \$44 (1-person household at 60% AMI) to \$135 (5-person household at 120% AMI). Under CalCHA's program, no existing tenants are displaced. As market-rate units naturally turnover, they are re-leased to low and moderate income households with income and rent restrictions for the life of the bonds. The restricted rents would be capped at no more than 35% of the applicable percentage of AMI (i.e. 60%, 80%, 100% and 120%). Additionally, annual rent increases would be capped at no more than 4%. This is less than the rent increases under AB1482, the recently adopted State tenant protection legislation. The bonds issued by CalCHA to acquire properties in Glendale do not affect the City's bonding capacity nor is the City or Housing Authority responsible in any way for the debt service of the bond.

Joint Power Agreement for San Fernando Valley Council of Governments

The San Fernando Valley Council of Governments (SFVCOG) was created through a Joint Power Agreement in 2010. The City is an active member of the SFVCOG. Other member jurisdictions currently participating include the City of Los Angeles with seven board representatives for each City Council district located entirely or partially in the San Fernando Valley, two board representatives from each of the Los Angeles County Supervisorial Districts located entirely or partially in the San Fernando Valley, and one representative each from the Cities of Burbank, Glendale, San Fernando and Santa Clarita. In its official capacity, the SFVCOG acts as a planning sub-region for the Southern California Association of Governments (SCAG) and focuses on promoting better regional coordination of planning and transportation planning efforts in the San Fernando Valley. The SFVCOG also engages in local, regional, state and federal grant development programming for the region.

Joint Power Agreement for Arroyo Verdugo Communities

The Arroyo Verdugo Communities was created through a Joint Power Agreement in 2017. The City is an active member of the Arroyo Verdugo Communities. Other members include City of Burbank, City of La Canada Flintridge, City of Pasadena, City of South Pasadena and County of Los Angeles. The purpose of the creation of the Joint Power Authority is to provide a vehicle for the members to coordinate regional and cooperative planning, primarily in the area of transportation and determining how to prioritize regional transportation projects and allocation of Measure M sub-regional funds and other public monies, including building a more connective transportation system between the member agencies.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Joint Power Agreement for Verdugo Consortium

The City, along with the Cities of Burbank and La Canada Flintridge, established a joint power agreement on December 14, 1999, named the Verdugo Consortium (the Consortium) for the purpose of receiving a Workforce Innovation and Opportunity Act (WIOA) allocation and administering the WIOA program as a single participation jurisdiction. This agreement designates the Arroyo Verdugo Communities Joint Powers Authority (AVCJPA), which consists of one elected official from each of the three cities, to ratify appointments for members of the Verdugo Workforce Development Board. The City, as the Consortium's lead entity, has assumed the overall responsibility for ensuring that the Consortium is compliant with all WIOA program requirements, including the receipt, disbursement, accounting for all WIOA program, and matching funds.

"Take or Pay" Contracts

The City has entered into twelve "Take or Pay" contracts, which require payments to be made whether or not projects are completed or operable, or whether output from such projects is suspended, interrupted or terminated. Such payments represent the City's share of current and long-term obligations. Payment for these obligations is expected to be made from operating revenues received during the year that payment is due. These contracts provide for current and future electric generating capacity and transmission of energy for City residents. Through these contracts, the City purchased approximately 51% of its total energy requirements during FY 2019-20. With a few exceptions, the City is obligated to pay the amortized cost of indebtedness regardless of the ability of the counterparty to provide electricity. The original indebtedness will be amortized by adding the financing costs to purchase energy over the life of the contract. All of these agreements contain "step-up" provisions obligating the City to pay a share of the obligations of any defaulting participant.

- The Intermountain Power Agency (IPA), a subdivision of the State of Utah, was formed in January 1974 to finance the construction of a 1,400 megawatt coal-fired generating plant, consisting of two generating units located near Delta, Utah and associated transmission lines, called the Intermountain Power Project (IPP). The project began uprating of the two generating units in early 2003. When the uprating was finished in March 2004, it increased the capacity of the plant from 1,400 megawatts to 1,800 megawatts. The City through contract is obligated for 30 megawatts or 1.70% of the generation. In addition, the City entered into an "Excess Power Sales Agreement" with the IPA, agent for the Utah Municipal Purchasers and the Cooperative Purchasers, which entitles the City to additional shares that can vary from year to year. As of June 30, 2020, Glendale's excess entitlement share is 0.46%. The City's total obligation from IPP is between 35 and 38 megawatts. The current agreement expires in 2025.

Activities to repower the 1,800 megawatts coal-fired generation facility with 840 megawatts natural gas-fired combined cycle generation commenced in 2019. On July 23, 2019, the City Council approved GWP's recommendation for continued participation in the IPP project which enabled Glendale to retain its 4.166% share of the plant and increase its share of the Southern Transmission System (STS) to 5.29%, providing Glendale 35 megawatts of generation and 128 megawatts of transmission capacity through 2077. The IPP Repowering project also includes the plan to fuel the plant entirely with green hydrogen by 2045, beginning with 30% in 2025.

The City joined the Southern California Public Power Authority (SCPPA) on November 1, 1980. This authority, consisting of the California cities of Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles, Pasadena, Riverside, Vernon, and the Imperial Irrigation District, was formed for the purpose of financing future power resources. The City has entered into eleven projects with SCPPA.

- The first of the SCPPA projects is a 3,810 megawatt nuclear fuel generation plant in Arizona. The Palo Verde (PV) nuclear project consists of 3 units, each having an electric output of approximately 1,270 megawatts. SCPPA has purchased approximately 225 megawatts of capacity and associated energy (approximately 5.91% of total Palo Verde output), of which the City receives 9.9 megawatts or 4.40% of SCPPA's entitlement. As of June 30, 2020, Glendale's share is 4.40%.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

- The second project financed through SCPPA is the Southern Transmission System (STS) that transmits power from the coal-fired IPP to Southern California. The 500 kV DC line is currently rated at 2,400 megawatts. The City's share of the line is 2.27% or approximately 55 megawatts. As of June 30, 2020, Glendale's share is 2.27%.
- The third project financed through SCPPA is the acquisition of 41.80% ownership interest in a coal-fired 497 megawatt unit in San Juan Generating Station, Unit 3 (SJ), located in New Mexico. SCPPA members are entitled to 208 megawatts. The City is obligated for 20 megawatts or 9.80% of the SCPPA entitlement. In July 2015, the City Council authorized the SCPPA to execute, on Glendale's behalf, a set of three agreements that collectively shut down Unit 3 at the coal-fired San Juan Power Plant in New Mexico at the end of December 2017. The termination of operations at San Juan Unit 3 will help GWP achieve California state goals regarding the reduction of greenhouse gas emissions. Under the Mine Reclamation and Plant Decommissioning Agreements, Glendale shares the responsibility for any liability arising from operations after the December 2017 exit date. As such a liability for decommissioning the power plant cannot be determined at this time. As of June 30, 2020, Glendale's share is 9.80%.
- The fourth project financed through SCPPA is Mead-Adelanto Project (MA). The project consists of a 202-mile 500 kV AC transmission line extending between the Adelanto Substation in Southern California and the Marketplace Substation in Nevada, and the development of the Marketplace Substation at the southern Nevada terminus approximately 17 miles southwest of Boulder City, Nevada. The initial transfer capability of the Mead-Adelanto Project is estimated at 1,200 megawatts. SCPPA members in the project are entitled to 815 megawatts. The City is obligated for 90 megawatts or 11.04% of the SCPPA entitlement. As of June 30, 2020, Glendale's share is 11.04%.
- The fifth project financed through SCPPA is Mead-Phoenix Project (MP). The project consists of a 256-mile long 500 kV AC transmission line from the Westwing Substation in the vicinity of Phoenix, Arizona to the Marketplace Substation approximately 17 miles southwest of Boulder City, Nevada with an interconnection to the Mead Substation in southern Nevada. The project consists of three separate components: the Westwing-Mead Component, the Mead Substation Component, and the Mead-Marketplace Component. The City's participation shares in the components range from 11.76% to 22.73%. The Mead-Phoenix Project in conjunction with the Mead-Adelanto Project provides an alternative path for the City's purchases from the Palo Verde Nuclear Generating Station, San Juan Generating Station and Hoover Power Plant. These transmission lines also provide access to the southwest U.S. where economical coal energy is readily available. As of June 30, 2020, Glendale's share is 14.80%.
- The sixth project financed through SCPPA is the Magnolia Power Project (MPP) located on Burbank Water and Power's generation station complex adjacent to Magnolia Boulevard in Burbank, California. The project consists of a combined cycle natural gas-fired generating plant with a nominally rated net base capacity of 242 megawatts. The City is obligated for 40 megawatts or 16.53% of the project's output. As of June 30, 2020, Glendale's generation cost share is 16.53% and indenture cost share is 17.25%.
- The seventh project financed through SCPPA is Natural Gas Prepaid Project (NGPP). In August 2007, the City entered into a 30-year Prepaid Natural Gas Agreement with the SCPPA. The agreement will provide a secure and long-term supply of natural gas up to 3,500 MMBtu per day at a discounted price below a spot market price index. The delivery of natural gas started in July 2008. As of June 30, 2020, Glendale's share is 23.00%.
- The eighth project financed through SCPPA is the Linden Wind Energy Project (LIN) located in Klickitat County in the state of Washington. The facility is a 50 megawatts capacity wind farm. The 25 year power purchase agreement with SCPPA is for the purchase of 10.00% (approximately 5 megawatts) of the capacity of the project. The City has sold its output entitlement share to Los Angeles Department of Water and Power (LADWP) but remains responsible for all the obligations associated with its participation in the Power Sales Agreements in the event LADWP should default. As of June 30, 2020, Glendale's share is 10.00%.

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- The ninth project financed through SCPPA is the Tieton Hydropower Project (THP) located near the town of Tieton in Yakima County, Washington. The Project has a capacity of approximately 14 megawatts. The Project includes a 115 kV transmission line, approximately 22-miles long, connecting the generating station with PacifiCorp's Tieton Substation. The Electric Utility is obligated for approximately 6.8 megawatts or 50.00% of the project's output. As of June 30, 2020, Electric Utility's share is 50.00% (THP).
- The tenth project financed through SCPPA is Windy Point/Windy Flats project (WP) located in Klickitat County in the state of Washington. The Project has a maximum capacity of approximately 262.2 megawatts. The City Council approved a 20 year power purchase agreement with SCPPA for the purchase of approximately 20 megawatts or 7.63% of the renewable energy output from the Project. The City has sold its output entitlement share to Los Angeles Department of Water and Power (LADWP) but remains responsible for all the obligations associated with its participation in the Power Sales Agreements in the event LADWP should default. As of June 30, 2020, Glendale's share is 7.63%.
- The eleventh project financed through SCPPA is the Milford II Wind Project (MIL2) located near Beaver and Millard County, Utah. The Project has a capacity of approximately 102 megawatts. The City Council approved a 20 year power purchase agreement with SCPPA for the purchase of approximately 5 megawatts or 4.90% of the Project's output. The City has sold its output entitlement share to Los Angeles Department of Water and Power (LADWP) but remains responsible for all the obligations associated with its participation in the Power Sales Agreements in the event LADWP should default. As of June 30, 2020, Glendale's share is 4.90%.

Take-or-Pay commitments expire upon contract expiration date or final maturity of outstanding bonds for each project, whichever is later. Final fiscal year contract expirations are as follows:

Project	Contract Expiration Date	Glendale's Share
Intermountain Power Project (IPP)	2027	2.17%
Palo Verde Project (PV)	2030	4.40%
Southern Transmission System (STS)	2027	2.27%
Mead-Adelanto Project (MA)	2030	11.04%
Mead-Phoenix Project (MP)	2030	14.80%
Magnolia Power Project (MPP)	2036	17.25%
Natural Gas Prepaid Project (NGPP)	2035	23.00%
Linden Wind Energy Project (LIN)	2035	10.00%
Tieton Hydropower Project (THP)	2040	50.00%
Windy Point/Windy Flats Project (WP)	2030	7.63%
Milford II Wind Project (MIL2)	2031	4.90%

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Notes to the Basic Financial Statements
 Fiscal Year Ended June 30, 2020
 (in thousands)

A summary of the City’s “Take or Pay” debt service commitment and the final maturity date as of June 30, 2020:

Fiscal Year	IPP	STS	MA	MP	MPP	NGPP	LIN	THP	WP	MIL2	TOTAL
2021	\$ 3,830	1,736	2,049	1,027	2,025	5,066	499	1,131	745	622	18,730
2022	2,337	2,096	300	328	2,411	5,245	934	1,387	1,868	622	17,528
2023	2,296	1,585	300	328	3,897	5,309	934	1,386	1,867	621	18,523
2024	239	1,594	300	328	3,335	5,537	933	1,383	1,866	620	16,135
2025-2029	-	2,914	1,495	1,627	17,095	30,813	5,363	7,208	14,146	3,092	83,753
2030-2034	-	-	595	647	17,913	36,025	3,419	6,139	6,151	1,846	72,735
2035-2039	-	-	-	-	13,964	8,698	1,862	6,118	-	-	30,642
2040-2044	-	-	-	-	-	-	-	2,447	-	-	2,447
Total	\$ 8,702	9,925	5,039	4,285	60,640	96,693	13,944	27,199	26,643	7,423	260,493

In addition to debt service, the City’s entitlement requires the payment for fuel costs, operating and maintenance (O&M), administrative and general (A&G), and other miscellaneous costs associated with the generation and transmission facilities discussed above. These costs do not have a similar structured payment schedule as debt service and vary each year. The costs incurred for fiscal year 2020 and 2019 are as follows:

Fiscal Year	IPP	PV	STS	SJ	MA	MP	MPP	NGPP	LIN	THP	WP	MIL2	Total
2020	\$8,385	2,862	1,239	9	350	213	5,013	1,902	-	2,160	-	-	22,133
2019	\$8,380	2,919	1,058	15	388	111	4,045	3,669	-	1,380	-	-	21,965

NOTE 14 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

In February 2012, the Dissolution Act (Assembly Bill x1 26; amended by AB 1484 in June 2012 and SB 107 in September 2015) dissolved California redevelopment agencies and directed their wind-down activities. In Glendale, the City chose to serve as the Glendale Successor Agency (“Agency”). This action impacted the reporting entity of the City of Glendale that had previously reported the redevelopment agency within it and as a blended component unit. Commencing on February 1, 2012, the assets and activities of the dissolved redevelopment agency were reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City. The transfer of the assets and liabilities of the former redevelopment agency from governmental funds of the City to the fiduciary fund was reported in the governmental funds as an extraordinary loss (gain) in its financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Since February 2012, the Agency has completed a series of reports, audits and reviews, and approvals with approval from the Oversight Board and state Department of Finance (“DOF”). These have included two detailed Due Diligence Reviews to determine unobligated fund balances available for transfer to the affected taxing entities. Once the excess funds were distributed to the taxing entities, Glendale received a Finding of Completion (FOC) in May 2013. Following the FOC, Glendale needed to address its real property assets. Thus, Glendale prepared a Long Range Property Management Plan (LRPMP) which was approved by DOF on April 16, 2014. On May 24, 2016, the DOF approved a revision to Glendale’s LRPMP to reflect the property at 300 E. Broadway as government use.

With the passage of Senate Bill 107, the requirement to prepare biannual payment schedules known as Recognized Obligation Payment Schedules (ROPS) was replaced with an annual ROPS.

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Fiscal Year Ended June 30, 2020

(in thousands)

On February 6, 2013, and again on February 11, 2014, Glendale received approval from its Oversight Board to reinstate its City-Agency loans; however, the DOF refused to approve the Oversight Board's action contending that the Agency had incorrectly calculated the interest earned on the loans. Following unsuccessful efforts to informally resolve the disagreement by meeting and conferring with the DOF, on August 14, 2014, the City and Agency filed suit against the DOF for a determination that the Agency had correctly calculated interest on the loans. On April 16, 2015, the Sacramento Superior Court issued an order and judgment finding for the Agency and City and holding the DOF had abused its discretion when it rejected the Oversight Board's action reinstating the City-Agency loans using the historic Local Agency Investment Fund (LAIF) rates for calculating the interest earned thereon. The Oversight Board subsequently approved a Recognized Obligation Payment Schedule (ROPS) that included the reinstated City-Agency loans using the interest rate calculation recognized by the Court's 2015 order and judgment, but DOF denied the entire balance of the reinstated loans. Following another round of unsuccessful efforts to informally resolve the dispute by meeting and conferring with the DOF, on July 28, 2015, the City and Agency filed another lawsuit against the DOF seeking to overturn the DOF's decision to reject the reinstated loans. On February 18, 2016, the Sacramento Superior Court entered its Judgment granting the City's and Agency's writ and reversing the DOF's decision to deny the reinstated loans as enforceable obligations. The annual loan payment amount is determined by a formula specified in the Dissolution Act.

In 2011, the Agency issued \$50,000 in Subordinate Taxable Tax Allocation Bonds, the proceeds of which were to be deposited with the Trustee pursuant to the Indenture of Trust. The Dissolution Act initially froze all the 2011 Bond Proceeds, including the Agency's \$50,000, but subsequently authorized redevelopment agencies to spend a sliding-scale percentage of the proceeds for housing and non-housing purposes established by the Bonds depending on when the agency bonds were issued. With respect to 2011 Bonds, Glendale is authorized to spend 30% of non-housing bond proceeds (5% immediately and an additional 25% upon approval of the Agency's Last and Final ROPS) and 100% of the housing proceeds. On January 18, 2018, the Oversight Board approved a resolution authorizing a bond expenditure agreement which would transfer bond proceeds to the City and Housing Authority, respectively, in amounts authorized by law subject to the DOF approval of the Agency's Last and Final ROPS. Although the bond expenditure agreement did not specify any amounts and was expressly contingent of the DOF's approval of the Last and Final ROPS, the DOF nonetheless disapproved the Agency's Bond Expenditure Agreement alleging that the Agreement was premature, and that the Agreement would also impermissibly authorize transfer of bond reserves. On January 24, 2018, the Oversight Board approved the ROPS with line items authorizing transfer of 5% of the non-housing bond proceeds and 100% of the housing bond proceeds, but the DOF also disapproved these ROPS line items because DOF disagreed as to how the percentage of "proceeds" should be calculated. The Agency had calculated the percentage based on the commonly understood meaning of what constitutes bond "proceeds," in this case \$50,000, which is the aggregate principal amount delivered to the trustee for application to the payment of costs, deposited into the required reserve account, and transferred to the redevelopment and housing funds. DOF believed that the percentage of "proceeds" should be calculated only after reducing the proceeds by the amount of the required reserves. The Agency and DOF attempts to informally resolve the disagreement over the meaning of "proceeds" were unsuccessful and on June 28, 2018, the City and Agency filed a Petition for Writ of Mandate to overturn the DOF's rejection of the bond transfer agreement and the ROPS line items authorizing transfer of a certain percentages of the bond proceeds. On April 8, 2019, the courts ruled the Successor Agency had correctly calculated the percentage of expendable housing and non-housing bond proceeds. The Ruling also reversed DOF's disapproval of the Bond Expenditure Agreement and ordered DOF to approve the agreement. In FY 2018-19, DOF approved \$10,667 transfer to the City: \$1,976 transfer of 2011 Tax Allocation Bonds non-housing proceeds to the 2011 TABs Project Fund, and \$8,691 of 2011 Tax Allocation Bonds housing proceeds to the 2011 TABs Housing Fund.

On May 17, 2019, DOF ordered the Successor Agency to defease the 2011 Bonds, directing all outstanding bond proceeds (excluding the 25% of non-Housing bond proceeds which is eligible to transfer to the City following the Last & Final) be deposited into an escrow account and be used to pay off the remaining debt service. In April 2020, DOF approved Glendale to proceed with the defeasance as proposed through the Los Angeles County Consolidated Oversight Board Resolution OB 2020-02. In August 2020, the Glendale Successor Agency legally defeased the 2011 Bonds.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Cash and Investments

The Fiduciary fund's cash and investments as of June 30, 2020 consist of the following:

Cash and investments	\$ 65,725
Cash and investments with fiscal agents	5,080
Total	<u>\$ 70,805</u>

The following amounts are reflected in the fiduciary statement of net position:

Cash and investments	\$ 65,696
Restricted cash and investments	29
Cash and investments with fiscal agents	5,080
Total	<u>\$ 70,805</u>

Interest Rate Risk

Interest rate risk is the risk that fluctuations in market rates may adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to the changes in market interest rates. The City manages Successor Agency's investment exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

	Total	Remaining Maturity (in months) <u>12 Months or Less</u>
State Investment Pool	\$ 31,123	31,123
Money Market Accounts Held by Fiscal Agents:	34,602	34,602
Money Market Accounts	5,080	5,080
	<u>\$ 70,805</u>	<u>70,805</u>

Credit Risks

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City invests Successor Agency's investments only in the most risk-adverse instruments, such as Aaa rated government securities, Aaa, Aa, or A rated corporate securities, and A1, P1, F1 rated commercial paper, negotiable certificates of deposit and banker's acceptance securities. The City's Investment Policy requires the City to sell medium term notes with a credit rating below S&P's and Fitch's BBB grade or Moody's Baa2, unless the City Council approves the City Treasurer's recommendation that the security should be retained.

	Total	Moody's Rating as of June 30, 2020		
	Total	Aaa	P1	Unrated
State Investment Pool	\$ 31,123	-	-	31,123
Money Market Accounts Held by Fiscal Agents:	34,602	34,602	-	
Money Market Accounts	5,080	-	5,080	-
	<u>\$ 70,805</u>	<u>34,602</u>	<u>5,080</u>	<u>31,123</u>

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Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Concentration Risk

The investment policy of the City covers the Glendale Successor Agency and limits the amounts that may be invested in any one issuer to 5%, 10% per bank for bankers' acceptances, 10% per issuer for commercial paper or 10% per fund for money market mutual fund. This limit excludes investments in U.S. Treasury securities, federal agencies securities, Local Agency Investment Fund and Los Angeles County Pool.

Investments in any one issuer that represents 10% or more for commercial paper of total Successor Agency investments are as follows:

Issuer	Investment Type	Reported Amount
Goldman	Money Market Accounts	\$ 34,602

Fair Value Measurements

The City categorizes Successor Agency's fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). See note 3 for additional information on the three levels of the fair value hierarchy.

As of June 30, 2020, the Successor Agency has the following fair value measurements:

	Balance at June 30, 2020	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Total investments by fair value level	\$ -	-	-	-
Investments measured at amortized costs or not subject to fair value hierarchy:				
State Investment Pool	31,123			
Money Market Accounts	34,602			
Held by Fiscal Agents:				
Money Market Accounts	<u>5,080</u>			
Total investments measured at amortized costs or not subject to fair value hierarchy	<u>\$ 70,805</u>			

Long-Term Debt

The Glendale Successor Agency's (Fiduciary Fund) bond ratings as of June 30, 2020 are as follows:

Debt Issue	Standard & Poor's (S & P)
2011 GRA subordinate taxable tax allocation bonds	A+
2013 GSA tax allocation bonds, refunding series	A-
2016 GSA tax allocation bonds, refunding series	A-

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Notes to the Basic Financial Statements
Fiscal Year Ended June 30, 2020
(in thousands)

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 is 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, 2020, the Glendale Successor Agency (Agency) had 2 tax-exempt tax allocation bonds and 1 subordinate taxable tax allocation bonds. The Agency engages a consultant to prepare and disseminate continuing disclosure for its 2 tax-exempt tax allocation bonds and 1 subordinate taxable tax allocation bonds. These disclosures are disseminated through the use of Electronic Municipal Market Access (“EMMA”), the Municipal Securities Rulemaking Board’s (“MSRB”) disclosure website. 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.

The Fiduciary fund’s long-term debts as of June 30, 2020 consist of the following:

Fiduciary Activities	Issuance Amount	Balance at July 1	Additions	Retirements	Balance at June 30	Due within one year
Bonds payable:						
2011 GRA Subordinate Taxable Tax Allocation Bonds	\$ 50,000	32,420	-	3,835	28,585	4,125
2013 GSA Tax Allocation Bonds Refunding	44,985	18,520	-	5,910	12,610	6,155
2016 GSA Tax Allocation Bonds Refunding	20,810	20,810	-	-	20,810	-
GRA/GSA Tax Allocation Bonds discount/premium (as restated)	-	2,954	-	861	2,093	843
Loans Payable to the City	40,133	13,554	201	3,733	10,022	8,210
Total Fiduciary Activities	\$ 155,928	88,258	201	14,339	74,120	19,333

The Successor Agency has outstanding long-term debt of \$64,098, and has direct borrowing of \$10,022 with the City, and no direct placements related to fiduciary activities as of June 30, 2020. The Successor Agency also has no outstanding or unused line of credit related to long-term debt of fiduciary activities as of June 30, 2020. The fiduciary activities bonds payable did not contain a provision to pledge as collateral for debt any assets or properties owned by the Successor Agency in the event of default by the Successor Agency. The fiduciary activities bonds payable contain a provision that in an event of default, the majority owners in aggregate principal amount of the Bonds at the time outstanding can accelerate payment of the entire principal and interest amounts to become immediately due if the Successor Agency is unable to make payment, with the exception of Tax Allocation Bonds, 2013 Refunding Series and Subordinate Tax Allocation Bonds, 2016 Refunding Series that have bond insurance with Assured Guaranty Municipal Corporation and Build America Mutual Assurance Company, respectively, these bond insurers may elect at its sole discretion to pay the accelerated principal and interest payments to the extent unpaid by the Successor Agency.

The fiduciary activities bonds payable contain a provision to comply with the requirements of the Redevelopment Law and shall take all actions required to prepare and file the Recognized Obligation Payment Schedules in order for the

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Los Angeles County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to Redevelopment Obligation Retirement Fund all amounts required to enable the Successor Agency to pay timely principal and interest on the 2016 Bonds, 2013 Bonds and 2011 Bonds when due including any amounts due to Bond insurers in respect of the Bond Insurance Policy.

Subordinate Taxable Tax Allocation Bonds, 2011 Series

The former Glendale Redevelopment Agency (the "Agency") issued \$50,000 in 2011 subordinate taxable tax allocation bonds with an average rate of 6.75% for 14 years. The Bonds were issued to finance redevelopment projects and low and moderate income housing activities; to fund the reserve requirement for the Bonds; and to provide for the costs of issuing the Bonds. For the security of the non-housing portion of the Bonds, the Agency grants a first pledge of and lien on all of the subordinate tax revenues consisting of non-housing tax revenues on parity with the pledge and lien which secure any parity debt. For the security of the housing portion of the Bonds, the Agency grants a first pledge of and lien on all of the subordinate tax revenues consisting of housing tax revenues, on parity with the pledge and lien which secures any parity debt. Subordinate tax revenues are pledged to the payment of principal, interest and discounts on the Bonds pursuant to the Indenture until the Bonds are paid, or until moneys are set-aside irrevocably for that purpose. The property tax derived from the former Agency's Central Project Area is pledged to repay these Bonds until they are paid in full. The funds are distributed by the County of Los Angeles semi-annually through the ROPS process, subject to the approval by the Successor Agency's Oversight Board and the DOF. As of June 30, 2020, the principal balance is \$28,585. The bonds mature in amounts ranging from \$4,125 to \$7,210 from FY 2020-21 to FY 2024-25. The reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of \$5,060 as of June 30, 2020.

The 2011 Bonds has no optional redemption prior to maturity. The 2011 Bonds maturing on December 1, 2021 and December 1, 2024 are term bonds and subject to mandatory sinking fund redemption from mandatory sinking account payments.

Tax Allocation Bonds, 2013 Refunding Series

The Glendale Successor Agency (the "GSA") issued \$44,985 in 2013 tax allocation bonds with an average rate of 4.81% for the refunding of the former Glendale Redevelopment Agency's (the "Agency") outstanding Central Glendale Redevelopment Project Tax Allocation Bonds, 2002 Series and the Tax Allocation Bonds, 2003 Refunding Series (the "Prior Bonds"), and to pay the cost of issuance of the 2013 Bonds. The advance refunding of Tax Allocation Bonds, 2002 Series and the Tax Allocation Bonds, 2003 Refunding Series resulted in a difference between the reacquisition price of refunding bonds and the net carrying amount of the refunded bonds. The deferred loss on refunding as of June 30, 2020 for \$391 is recognized and reported in the financial statements as a deferred outflows of resources and is being amortized through FY 2020-22. The refunding also resulted in cash flow savings of \$6,583 which is the difference between the cash flows required to service the prior debt service and the cash flows required to service the new 2013 refunding bonds. The refunding of the 2002 and 2003 Tax Allocation Bonds were approved by the Oversight Board and the DOF, to provide savings until the Refunding Bonds are repaid. The property tax derived from the former Agency's Central Project Area is pledged to repay these Bonds until they are paid in full. The funds are distributed by the County of Los Angeles semi-annually through the ROPS process, subject to the approval by the Successor Agency's Oversight Board and the DOF. As of June 30, 2020, the principal balance is \$12,610. The 2013 Bonds mature in regularly increasing principal amounts ranging from \$6,155 to \$6,455 from FY 2020-21 to FY 2021-22. The reserve requirement of the bond issue is satisfied by a surety bond policy with a face value of \$4,499.

The 2013 Refunding Bonds are not subject to redemption prior to their stated maturities.

Subordinate Tax Allocation Bonds, 2016 Refunding Series

The Glendale Successor Agency (the "GSA") issued \$20,810 in 2016 tax allocation refunding bonds with an average rate of 1.74% to refinance the former Glendale Redevelopment Agency's (the "Agency") outstanding Central Glendale Redevelopment Project Tax Allocation Bonds, 2010 Series. The advance refunding of Tax Allocation Bonds, 2010 Series resulted in a difference between the reacquisition price of refunding bonds and the net carrying

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

amount of the refunded bonds. The deferred loss on refunding as of June 30, 2020 for \$817 is recognized and reported in the financial statements as a deferred outflows of resources and is being amortized through FY 2024-25. The refunding also resulted in cash flow savings of \$5,231 which is the difference between the cash flows required to service the prior debt service and the cash flows required to service the new 2016 refunding bonds. The refunding of the 2010 Tax Allocation Bonds was approved by the Oversight Board and the DOF, to provide savings until the Refunding Bonds are repaid. The property tax derived from the former Agency's Central Project Area is pledged to repay these Bonds until they are paid in full. The funds are distributed by the County of Los Angeles semi-annually through the ROPS process, subject to the approval by the Successor Agency's Oversight Board and the DOF. As of June 30, 2020, the principal balance is \$20,810. The 2016 Bonds mature in regularly increasing principal amounts ranging from \$6,665 to \$7,210 from FY 2022-23 to FY 2024-25. The reserve requirement of the bond issue is satisfied by a surety bond policy with a face value of \$2,081.

The 2016 Refunding Bonds are not subject to redemption prior to their stated maturities.

Loans Payable

On February 6, 2013, and again on February 11, 2014, Glendale received approval from its Oversight Board to reinstate its City-Agency loans; however, the DOF refused to approve the Oversight Board's action contending that the Agency had incorrectly calculated the interest earned on the loans. Following unsuccessful efforts to informally resolve the disagreement by meeting and conferring with the DOF, on August 14, 2014, the City and Agency filed suit against the DOF for a determination that the Agency had correctly calculated interest on the loans. On April 16, 2015, the Sacramento Superior Court issued an order and judgment finding for the Agency and City and holding the DOF had abused its discretion when it rejected the Oversight Board's action reinstating the City-Agency Loans using the historic LAIF rates for calculating the interest earned thereon. The Oversight Board subsequently approved a Recognized Obligation Payment Schedule (ROPS) that included the reinstated City-Agency loans using the interest rate calculation recognized by the Court's 2015 order and judgment, but DOF denied the entire balance of the reinstated loans. Following another round of unsuccessful efforts to informally resolve the dispute by meeting and conferring with the DOF, on July 28, 2015, the City and Agency filed another lawsuit against the DOF seeking to overturn the DOF's decision to reject the reinstated loans. On February 18, 2016, the Sacramento Superior Court entered its Judgment granting the City's and Agency's writ and reversing the DOF's decision to deny the reinstated loans as enforceable obligations. The annual loan payment amount is determined by a formula specified in the Dissolution Act. The DOF has approved, and the County Auditor-Controller has paid Glendale \$3,733 via the ROPS process in FY 2019-20.

Furthermore, 20% of any loan repayment is required to be deducted and recorded to the City's Low and Moderate Income Housing Asset Fund. \$747 was recorded as loan payment in FY 2019-20 to the Low and Moderate Income Housing Asset Fund. As of June 30, 2020, the reinstated loan amount is \$10,022 which includes \$201 of capitalized interest for FY 2019-20.

Glendale Successor Agency annual debt service requirement schedule:

Fiscal Year	Fiduciary Activities				Total Fiduciary Activities		Total Debt Service
	GSA Tax Allocation Bonds		Loans Payable		Interest	Principal	
	Interest	Principal	Interest	Principal			
2021	\$ 3,504	10,280	-	8,210	3,504	18,490	21,994
2022	2,854	10,905	-	906	2,854	11,811	14,665
2023	2,120	12,810	-	906	2,120	13,716	15,836
2024	1,310	13,590	-	-	1,310	13,590	14,900
2025	401	14,420	-	-	401	14,420	14,821
	<u>\$ 10,189</u>	<u>62,005</u>	<u>-</u>	<u>10,022</u>	<u>10,189</u>	<u>72,027</u>	<u>82,216</u>

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

Net Position (Deficits)

\$1,720 deficit in net position is reported in the fiduciary fund as of June 30, 2020. The primary reasons for the deficit are due to the outstanding tax allocation bonds and outstanding Agency loan to the City.

NOTE 15 – PRONOUNCEMENTS ISSUED BUT NOT YET IMPLEMENTED

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the City.

- GASB Statement No. 84 – *Fiduciary Activities*. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement is effective for periods beginning after December 15, 2019.
- GASB Statement No. 87 – *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The statement is effective for periods beginning after June 15, 2021.
- GASB Statement No. 90 – *Majority Equity Interests*—an amendment of GASB Statements No. 14 and No. 61. The objective of this statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The statement is effective for periods beginning after December 15, 2019.
- GASB Statement No. 91 – *Conduit Debt Obligations*. The objective of this statement is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments-extend by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement is effective for periods beginning after December 15, 2021.
- GASB Statement No. 93 – *Replacement of Interbank Offered Rates*. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. The statement, except for paragraphs 11b,13, and 14, is effective for periods beginning after June 15, 2020. The paragraph 11b is effective for periods ending after December 31, 2021. The paragraph 13 and 14 is effective for periods beginning after June 15, 2021.
- GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The statement is effective for periods beginning after June 15, 2022.
- GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. The objective of this statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The statement is effective for periods beginning after June 15, 2022.
- GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. The objective of this statement is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans,

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The statement, except for paragraphs 4 and 5, is effective for periods beginning after June 15, 2021. The paragraph 4 and 5 is effective immediately.

NOTE 16 – IMPLEMENTATION OF PRONOUNCEMENTS

The City has adopted and implemented, where applicable, the following GASB Statements during the year ended June 30, 2020:

- GASB Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The statement is effective immediately.
- GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The objective of this statement is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The statement, except for paragraphs 4 and 5, is effective for periods beginning after June 15, 2021. The paragraph 4 and 5 is effective immediately.

NOTE 17 – SUBSEQUENT EVENT

2011 GRA Subordinate Taxable Tax Allocation Bonds Defeasances

In May 2019, the Department of Finance ordered the Glendale Successor Agency to defease the 2011 Bonds. The defeasance directs the unused bond proceeds be deposited into an escrow account to pay off the remaining debt service payments. In December 2019, the Glendale Successor Agency approved to proceed with this action. In January 2020, the Consolidated Oversight Board approved the action, and in April 2020, the Department of Finance approved the action. On August 14, 2020, Glendale legally defeased the 2011 Bonds, and transferred the remaining \$29,996 bond proceeds to a Trustee for the future debt service payments.

2008 Water Revenue Bonds Refunding

In June 2020, the City Council adopted the Ordinance 5950 and Resolution 20-87 for the issuance and invitation of bids for the purchase of Water Revenue Bonds, 2020 Refunding Series. The Water utility of Glendale Water and Power issued and sold \$36,625 in revenue bonds through competitive sale on July 23, 2020 and closed in August 6, 2020. The purpose of the refunding is to refund the City's outstanding Water Revenue Bonds, 2008 Series and pay for the cost of issuance of the 2020 Water Revenue Bonds.

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

NOTE 18 – RESTATEMENT**General Fund**

A prior period adjustment of \$10,844 was made to increase the beginning fund balance of the General Fund. In prior years, the total Glendale Successor Agency loans receivable was reported in the General Fund only, and the 20% of the loan payments was transferred to the Low & Moderate Income Housing Asset Fund. At the same time, the total loans receivable was also recorded as unavailable revenues in the General Fund.

The restatement of beginning fund balance for the General Fund is summarized as follows:

		June 30, 2019 <u>Previously Stated</u>	Restatement	July 1, 2019 <u>Restated</u>
Loans receivable	\$	13,554	(2,710)	10,844
Unavailable revenues		13,657	<u>(13,554)</u>	103
Fund balance	\$	125,274	10,844	136,118

Low & Moderate Income Housing Asset Fund

A prior period adjustment of \$2,710 was made to increase the beginning fund balance of the Low & Moderate Income Housing Asset Fund. In prior years, the total Glendale Successor Agency loans receivable was reported in the General Fund only, and the 20% of the loan payments was transferred to the Low & Moderate Income Housing Asset Fund.

The restatement of beginning fund balance for the Low & Moderate Income Housing Asset Fund is summarized as follows:

		June 30, 2019 <u>Previously Stated</u>	Restatement	July 1, 2019 <u>Restated</u>
Loans receivable	\$	-	<u>2,710</u>	2,710
Fund balance	\$	11,912	2,710	14,622

Electric Fund and Business-type Activities

A prior period adjustment of \$3,199 was made to increase the beginning net position of the Electric Fund and business-type activities. The migration of the transformer inventory function to the GWP warehouse added transformers to the GWP inventory and reduced the previously capitalized assets in the Electric Fund. Additionally, the City of Glendale recorded prior years' transmission loss credit from the Los Angeles Department of Water & Power (LADWP) for the Intermountain Power Plant losses (IPPLosses), and Intermountain losses (ILosses).

The restatement of beginning net position for the Electric Fund is summarized as follows:

		June 30, 2019 <u>Previously Stated</u>	Restatement	July 1, 2019 <u>Restated</u>
Inventories	\$	6,875	1,484	8,359
Prepaid items		12,977	2,383	15,360
Capital assets, net		211,831	<u>(668)</u>	211,163
Net position	\$	336,158	3,199	339,357

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2020

(in thousands)

The restatement of beginning net position for the business-type activities is summarized as follows:

	<u>June 30, 2019</u> <u>Previously Stated</u>	<u>Restatement</u>	<u>July 1, 2019</u> <u>Restated</u>
Inventories	\$ 6,875	1,484	8,359
Prepaid items	13,066	2,383	15,449
Capital assets, net	546,126	<u>(668)</u>	545,458
Net position	\$ 713,063	3,199	716,262

Glendale Successor Agency Private-Purpose Trust Fund

A prior period adjustment of \$7,106 was made to decrease the beginning net position of the Glendale Successor Agency Private-Purpose Trust Funds. An adjustment to cash with fiscal agent was made due to the reserve requirements of the 2013 Refunding Bonds and 2016 Refunding Bonds which were satisfied by a surety bond policy with a face value of \$6,580 were incorrectly recorded as cash. A net adjustment to deferred bond charges of \$526 was made to reflect the accurate amortization using the straight-line method.

The restatement of beginning net position for the Glendale Successor Agency Private-Purpose Trust Funds is summarized as follows:

	<u>June 30, 2019</u> <u>Previously Stated</u>	<u>Restatement</u>	<u>July 1, 2019</u> <u>Restated</u>
Cash and investment with with fiscal agent	\$ 11,649	(6,580)	5,069
Loss on refunding	1,651	(60)	1,591
GRA/GSA tax allocation bond disc/premium (net)	(2,488)	<u>(466)</u>	(2,954)
Net position	\$ (10,757)	(7,106)	(17,863)

CITY OF GLENDALE

Required Supplementary Information

Last Ten Fiscal Years

(in thousands)

Schedule of Changes in Net Pension Liability and Related Ratios - Miscellaneous Plan

	Fiscal Year		
	2020	2019	2018
Total pension liability			
Service cost	\$ 16,372	15,956	15,513
Interest on the total pension liability	80,133	76,746	74,508
Differences between expected and actual experience	10,478	1,240	(11,313)
Changes of assumptions	-	(6,403)	62,163
Benefit payments, including refunds of employee contributions	(57,071)	(54,969)	(52,599)
Net change in total pension liability	49,912	32,570	88,272
Total pension liability - beginning	1,130,610	1,098,040	1,009,768
Total pension liability - ending (A)	<u>1,180,522</u>	<u>1,130,610</u>	<u>1,098,040</u>
Plan fiduciary net position			
Plan to plan resource movement	-	(2)	2
Contributions from the employer	24,992	22,006	18,558
Contributions from employees	10,176	8,996	8,518
Net investment income	54,849	67,307	82,439
Benefit payments, including refunds of employee contributions	(57,071)	(54,969)	(52,599)
Administrative expense	(600)	(1,249)	(1,101)
Other miscellaneous income/(expense)	2	(2,372)	-
Net change in fiduciary net position	32,348	39,717	55,817
Plan fiduciary net position - beginning	841,415	801,698	745,881
Plan fiduciary net position - ending (B)	<u>873,763</u>	<u>841,415</u>	<u>801,698</u>
Net pension liability - ending (A) - (B)	<u>\$ 306,759</u>	<u>289,195</u>	<u>296,342</u>
Plan fiduciary net position as a percentage of the total pension liability	74.01%	74.42%	73.01%
Covered payroll	\$ 95,277	92,799	90,627
Net pension liability as a percentage of covered payroll	321.97%	311.64%	326.99%
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
 Required Supplementary Information
 Last Ten Fiscal Years
 (in thousands)

Schedule of Changes in Net Pension Liability and Related Ratios - Miscellaneous Plan

	Fiscal Year		
	2017	2016	2015
Total pension liability			
Service cost	\$ 13,413	14,372	14,951
Interest on the total pension liability	73,104	71,411	69,351
Differences between expected and actual experience	(12,487)	(8,835)	-
Changes of assumptions	-	(17,578)	-
Benefit payments, including refunds of employee contributions	(51,297)	(50,059)	(47,552)
Net change in total pension liability	22,733	9,311	36,750
Total pension liability - beginning	987,035	977,724	940,974
Total pension liability - ending (A)	<u>1,009,768</u>	<u>987,035</u>	<u>977,724</u>
Plan fiduciary net position			
Plan to plan resource movement	-	(25)	-
Contributions from the employer	16,517	13,344	14,431
Contributions from employees	8,092	8,142	8,202
Net investment income	3,709	17,215	117,615
Benefit payments, including refunds of employee contributions	(51,297)	(50,059)	(47,552)
Administrative expense	(469)	(881)	-
Other miscellaneous income/(expense)	-	-	-
Net change in fiduciary net position	(23,448)	(12,264)	92,696
Plan fiduciary net position - beginning	769,329	781,593	688,897
Plan fiduciary net position - ending (B)	<u>745,881</u>	<u>769,329</u>	<u>781,593</u>
Net pension liability - ending (A) - (B)	<u>\$ 263,887</u>	<u>217,706</u>	<u>196,131</u>
Plan fiduciary net position as a percentage of the total pension liability	73.87%	77.94%	79.94%
Covered payroll	\$ 86,558	91,786	91,275
Net pension liability as a percentage of covered payroll	304.87%	237.19%	214.88%
Measurement date	June 30, 2016	June 30, 2015	June 30, 2014

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
 Required Supplementary Information
 Last Ten Fiscal Years
 (in thousands)

Schedule of Changes in Net Pension Liability and Related Ratios - Safety Plan

	Fiscal Year		
	2020	2019	2018
Total pension liability			
Service cost	\$ 15,196	14,872	14,641
Interest on the total pension liability	60,331	57,734	56,003
Differences between expected and actual experience	4,900	(3,943)	(7,654)
Changes of assumptions	-	(3,509)	47,703
Benefit payments, including refunds of employee contributions	(42,663)	(40,017)	(38,186)
Net change in total pension liability	37,764	25,137	72,507
Total pension liability - beginning	852,631	827,494	754,987
Total pension liability - ending (A)	<u>890,395</u>	<u>852,631</u>	<u>827,494</u>
Plan fiduciary net position			
Plan to plan resource movement	-	(1)	(2)
Contributions from the employer	25,371	22,548	19,843
Contributions from employees	5,008	4,602	4,305
Net investment income	37,580	45,731	55,289
Benefit payments, including refunds of employee contributions	(42,663)	(40,017)	(38,186)
Administrative expense	(410)	(847)	(743)
Other miscellaneous income/(expense)	1	(1,609)	-
Net change in fiduciary net position	24,887	30,407	40,506
Plan fiduciary net position - beginning	574,068	543,661	503,155
Plan fiduciary net position - ending (B)	<u>598,955</u>	<u>574,068</u>	<u>543,661</u>
Net pension liability - ending (A) - (B)	<u>\$ 291,440</u>	<u>278,563</u>	<u>283,833</u>
Plan fiduciary net position as a percentage of the total pension liability	67.27%	67.33%	65.70%
Covered payroll	\$ 51,155	49,624	48,322
Net pension liability as a percentage of covered payroll	569.72%	561.35%	587.38%
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
 Required Supplementary Information
 Last Ten Fiscal Years
 (in thousands)

Schedule of Changes in Net Pension Liability and Related Ratios - Safety Plan

	Fiscal Year		
	2017	2016	2015
Total pension liability			
Service cost	\$ 12,975	13,038	13,249
Interest on the total pension liability	54,489	52,434	50,558
Differences between expected and actual experience	(3,055)	(5,684)	-
Changes of assumptions	-	(13,128)	-
Benefit payments, including refunds of employee contributions	(36,522)	(34,522)	(32,654)
Net change in total pension liability	27,887	12,138	31,153
Total pension liability - beginning	727,100	714,962	683,809
Total pension liability - ending (A)	<u>754,987</u>	<u>727,100</u>	<u>714,962</u>
Plan fiduciary net position			
Plan to plan resource movement	-	-	-
Contributions from the employer	18,266	16,789	14,887
Contributions from employees	4,517	4,394	4,716
Net investment income	2,584	11,489	77,826
Benefit payments, including refunds of employee contributions	(36,522)	(34,522)	(32,654)
Administrative expense	(314)	(579)	-
Other miscellaneous income/(expense)	-	-	-
Net change in fiduciary net position	(11,469)	(2,429)	64,775
Plan fiduciary net position - beginning	514,624	517,053	452,278
Plan fiduciary net position - ending (B)	<u>503,155</u>	<u>514,624</u>	<u>517,053</u>
Net pension liability - ending (A) - (B)	<u>\$ 251,832</u>	<u>212,476</u>	<u>197,909</u>
Plan fiduciary net position as a percentage of the total pension liability	66.64%	70.78%	72.32%
Covered payroll	\$ 48,245	48,174	47,373
Net pension liability as a percentage of covered payroll	521.99%	441.06%	417.77%
Measurement date	June 30, 2016	June 30, 2015	June 30, 2014

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
 Required Supplementary Information
 Last Ten Fiscal Years
 (in thousands)

Schedule of Plan Contributions - Miscellaneous Plan

	Fiscal Year		
	2020	2019	2018
Actuarially determined contributions	\$ 29,240	27,791	23,741
Contributions in relation to the actuarially determined contribution	(29,240)	(27,791)	(23,741)
Contribution deficiency (excess)	-	-	-
Covered payroll	\$ 99,004	95,277	92,799
Contributions as a percentage of covered payroll	29.534%	29.169%	25.583%

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30th, three years prior to the end of fiscal year in which contribution are reported.

Actuarial cost method Entry age normal cost method

Amortization method Level percentage of payroll. Beginning with the 2013 actuarial valuation, new gains or losses are amortized over a fixed 30-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. All changes in liability due to plan amendments (other than golden handshakes) over a 20 year period with no ramp. Changes in actuarial assumptions, or changes in actuarial methodology over a 20-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. Changes in liability due to a golden handshake over a period of 5 years.

Asset valuation method Direct rate smoothing. Beginning with the 2013 actuarial valuation, the market value method was used.

Discount rate 7.25% (net of investment and administrative expenses)

Projected salary increases 3.30% to 14.20%, depending on age, service, and type of employment. Beginning with the 2014 actuarial valuation, 3.20% to 12.20%, depending on age, service, and type of employment. Beginning with the 2017 actuarial valuation, 0.40% to 8.50%, depending on age, service, and type of employment.

Inflation 2.625%

Payroll growth 2.875%

Retirement age 59

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
 Required Supplementary Information
 Last Ten Fiscal Years
 (in thousands)

Schedule of Plan Contributions - Miscellaneous Plan

	Fiscal Year		
	2017	2016	2015
Actuarially determined contributions	\$ 18,972	16,519	13,357
Contributions in relation to the actuarially determined contribution	(18,972)	(16,519)	(13,357)
Contribution deficiency (excess)	-	-	-
Covered payroll	\$ 90,627	86,558	91,786
Contributions as a percentage of covered payroll	20.934%	19.084%	14.552%

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30th, three years prior to the end of fiscal year in which contribution are reported.

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll. Beginning with the 2013 actuarial valuation, new gains or losses are amortized over a fixed 30-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. All changes in liability due to plan amendments (other than golden handshakes) over a 20 year period with no ramp. Changes in actuarial assumptions, or changes in actuarial methodology over a 20-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. Changes in liability due to a golden handshake over a period of 5 years.
Asset valuation method	Direct rate smoothing. Beginning with the 2013 actuarial valuation, the market value method was used.
Discount rate	7.25% (net of investment and administrative expenses)
Projected salary increases	3.30% to 14.20%, depending on age, service, and type of employment. Beginning with the 2014 actuarial valuation, 3.20% to 12.20%, depending on age, service, and type of employment. Beginning with the 2017 actuarial valuation, 0.40% to 8.50%, depending on age, service, and type of employment.
Inflation	2.625%
Payroll growth	2.875%
Retirement age	59

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
 Required Supplementary Information
 Last Ten Fiscal Years
 (in thousands)

Schedule of Plan Contributions - Safety Plan

	Fiscal Year		
	2020	2019	2018
Actuarially determined contributions	\$ 28,471	25,487	22,470
Contributions in relation to the actuarially determined contribution	<u>(28,471)</u>	<u>(25,487)</u>	<u>(22,470)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 52,293	51,155	49,624
Contributions as a percentage of covered payroll	54.445%	49.823%	45.281%

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30th, three years prior to the end of fiscal year in which contribution are reported.

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll. Beginning with the 2013 actuarial valuation, new gains or losses are amortized over a fixed 30-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. All changes in liability due to plan amendments (other than golden handshakes) over a 20 year period with no ramp. Changes in actuarial assumptions, or changes in actuarial methodology over a 20-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. Changes in liability due to a golden handshake over a period of 5 years.
Asset valuation method	Direct rate smoothing. Beginning with the 2013 actuarial valuation, the market value method was used.
Discount rate	7.25% (net of investment and administrative expenses)
Projected salary increases	3.30% to 14.20%, depending on age, service, and type of employment. Beginning with the 2014 actuarial valuation, 3.40% to 20.00%, depending on age, service, and type of employment. Beginning with the 2017 actuarial valuation, 0.97% to 17.00%, depending on age, service, and type of employment.
Inflation	2.625%
Payroll growth	2.875%
Retirement age	54

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
 Required Supplementary Information
 Last Ten Fiscal Years
 (in thousands)

Schedule of Plan Contributions - Safety Plan

	Fiscal Year		
	2017	2016	2015
Actuarially determined contributions	\$ 19,984	18,257	16,772
Contributions in relation to the actuarially determined contribution	(19,984)	(18,257)	(16,772)
Contribution deficiency (excess)	-	-	-
Covered payroll	\$ 48,322	48,245	48,174
Contributions as a percentage of covered payroll	41.356%	37.842%	34.815%

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of June 30th, three years prior to the end of fiscal year in which contribution are reported.

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll. Beginning with the 2013 actuarial valuation, new gains or losses are amortized over a fixed 30-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. All changes in liability due to plan amendments (other than golden handshakes) over a 20 year period with no ramp. Changes in actuarial assumptions, or changes in actuarial methodology over a 20-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. Changes in liability due to a golden handshake over a period of 5 years.
Asset valuation method	Direct rate smoothing. Beginning with the 2013 actuarial valuation, the market value method was
Discount rate	7.25% (net of investment and administrative expenses)
Projected salary increases	3.30% to 14.20%, depending on age, service, and type of employment. Beginning with the 2014 actuarial valuation, 3.40% to 20.00%, depending on age, service, and type of employment. Beginning with the 2017 actuarial valuation, 0.97% to 17.00%, depending on age, service, and type of employment.
Inflation	2.625%
Payroll growth	2.875%
Retirement age	54

Note:

FY 2015 is the first year of implementation of GASB 68; therefore, only six years of data are shown.

CITY OF GLENDALE
Required Supplementary Information
Last Ten Fiscal Years
(in thousands)

Schedule of Changes in Total OPEB Liability and Related Ratios

	Fiscal Year		
	2020	2019	2018
Total OPEB liability			
Service cost	\$ 44	46	57
Interest on the total OPEB liability	582	556	493
Changes of assumptions	543	(619)	(1,790)
Actual vs. expected experience	(772)	-	-
Benefit payments	(476)	(507)	(487)
Net change in total OPEB liability	(79)	(524)	(1,727)
Total OPEB liability - beginning	15,214	15,738	17,465
Total OPEB liability - ending	15,135	15,214	15,738
Covered-employee payroll	\$ 160,653	156,117	150,107
Total OPEB liability as a percentage of covered employee payroll	9.42%	9.75%	10.48%
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017

Note:

FY 2018 is the first year of implementation of GASB 75; therefore, only three years of data is shown.

Nonmajor Governmental Funds

This section of the CAFR provides information on each individual governmental fund, except for those major governmental funds reported in the basic financial statements: General Fund, Housing Assistance Fund and Capital Improvement Fund. This section includes special revenue funds, debt service funds, and capital projects funds.



Exhibit G-1
CITY OF GLENDALE
Combining Governmental Balance Sheet
Nonmajor Governmental Funds
June 30, 2020
(amounts expressed in thousands)

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
ASSETS				
Pooled cash and investments	\$ 96,657	\$ 14,150	\$ 94,253	\$ 205,060
Restricted cash and investments	-	-	42,584	42,584
Interest receivable	130	-	205	335
Accounts receivable, net	13,010	-	4,328	17,338
Prepaid items	48	-	-	48
Loans receivable	2,004	-	-	2,004
Total assets	<u>111,849</u>	<u>14,150</u>	<u>141,370</u>	<u>267,369</u>
LIABILITIES				
Accounts payable	5,491	2	1,698	7,191
Wages and benefits payable	947	-	88	1,035
Due to other funds	5,496	-	3,077	8,573
Unearned revenues	2,919	-	14	2,933
Deposits	69	-	12	81
Total liabilities	<u>14,922</u>	<u>2</u>	<u>4,889</u>	<u>19,813</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	8,936	-	1,051	9,987
Total liabilities and deferred inflows of resources	<u>23,858</u>	<u>2</u>	<u>5,940</u>	<u>29,800</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	48	-	-	48
Restricted				
Air quality improvement	654	-	-	654
Cable access	3,460	-	-	3,460
Capital projects	-	-	50,856	50,856
Electric public benefit AB1890	7,159	-	-	7,159
Federal and state grants	4,335	-	-	4,335
Impact fee funded projects	-	-	29,647	29,647
Landfill postclosure	-	-	42,584	42,584
Landscaping district	270	-	-	270
Low and moderate housing	13,471	-	-	13,471
Public safety	3,665	-	-	3,665
State gas tax mandates	-	-	11,373	11,373
Transportation	37,479	-	-	37,479
Urban art	8,393	-	-	8,393
Committed				
Capital projects	-	-	2,020	2,020
Debt service	-	14,148	-	14,148
Hazardous materials	3,599	-	-	3,599
Parking	12,229	-	-	12,229
Public safety	768	-	-	768
Unassigned	(7,539)	-	(1,050)	(8,589)
Total fund balances (deficits)	<u>87,991</u>	<u>14,148</u>	<u>135,430</u>	<u>237,569</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 111,849</u>	<u>\$ 14,150</u>	<u>\$ 141,370</u>	<u>\$ 267,369</u>

Exhibit G-2
 CITY OF GLENDALE
 Combining Statement of Revenues, Expenditures,
 and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Special revenue funds	Debt service funds	Capital projects funds	Total Nonmajor Governmental Funds
REVENUES				
Revenue from other agencies	\$ 27,703	\$ -	\$ 21,335	\$ 49,038
Licenses and permits	274	-	1,115	1,389
Fines and forfeitures	1,752	-	-	1,752
Charges for services	25,595	-	-	25,595
Use of money and property	1,762	270	2,963	4,995
Miscellaneous revenue	815	-	4	819
Total revenues	<u>57,901</u>	<u>270</u>	<u>25,417</u>	<u>83,588</u>
EXPENDITURES				
Current:				
General government	83	-	-	83
Police	1,318	5	-	1,323
Fire	2,490	-	-	2,490
Public works	9,447	-	2,366	11,813
Transportation	15,849	-	-	15,849
Housing, health and community development	4,941	-	201	5,142
Employment programs	6,988	-	-	6,988
Public service	5,860	-	-	5,860
Parks, recreation and community services	1,353	-	121	1,474
Library	313	-	20	333
Debt service:				
Principal retirement	222	1,830	-	2,052
Interest	14	1,159	-	1,173
Capital outlay	26,235	-	9,517	35,752
Total expenditures	<u>75,113</u>	<u>2,994</u>	<u>12,225</u>	<u>90,332</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,212)</u>	<u>(2,724)</u>	<u>13,192</u>	<u>(6,744)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	215	1,500	4,560	6,275
Total other financing sources (uses)	<u>215</u>	<u>1,500</u>	<u>4,560</u>	<u>6,275</u>
Net change in fund balances	(16,997)	(1,224)	17,752	(469)
Fund balances - beginning, as restated	104,988	15,372	117,678	238,038
Fund balances - ending	<u>\$ 87,991</u>	<u>\$ 14,148</u>	<u>\$ 135,430</u>	<u>\$ 237,569</u>

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue resources that are restricted or committed to expenditures for specified purposes, as required by law or administrative regulation.



SPECIAL REVENUE FUNDS

- 2010 - CDBG Fund - To account for monies received and expended by the City as a participant in the Federal Community Development Block Grant (CDBG) Program.
- 2030 - Home Grant Fund - To account for monies received and expended by the City under the HOME Investment Partnerships Program to strengthen public-private partnerships and to preserve and provide affordable housing.
- 2040 - Continuum of Care Grant Fund - To account for monies received and expended by the City under the Continuum of Care Grant Program to address the homeless needs of the City.
- 2050 - Emergency Solutions Grant Fund - To account for monies received and expended by the City under the Emergency Solutions Grant Program to address the homeless needs of the City.
- 2060 - Workforce Fund - To account for monies received and expended for the federal, state and local-funded job training programs.
- 2090 - Affordable Housing Trust Fund - To account for monies received from inclusionary housing fees in the San Fernando Road Corridor Redevelopment Project Area, from affordable housing density bonus fees and miscellaneous program income, and expended for affordable housing development, monitoring, and administration.
- 2100 - Urban Art Fund - To account for the art fees collected from the City developments that are restricted to support the public art installation and maintenance, in accordance with the City's Urban Art Program Guidelines.
- 2110 - Glendale Youth Alliance Fund - To account for monies received and expended in the youth employment programs.
- 2120 - BEGIN Affordable Homeownership Fund - To account for monies received and expended by the City under the Building Equity and Growth in Neighborhoods (BEGIN) grant to provide down payment assistance or homeowner rehabilitation loans to low and moderate income homebuyers
- 2130 - Low & Moderate Income Housing Asset Fund - To account for monies received and expended for low and moderate income housing activities pursuant to AB1484.
- 2160 - Grant Fund - To account for miscellaneous grant monies received and expended by the City that are not accounted for in other specific grant funds.
- 2190 - Hazardous Disposal Fund - To account for the revenues from hazardous permits and waste disposal fees that are committed to recycle household hazardous waste, in order to divert this waste from landfill.
- 2210 - Parking Fund - To account for the parking revenues collected from the operations of City owned public parking lots and garages that are committed to operate City owned parking structures, public parking lots and the administration of the residential preferential parking program.
- 2220 – Measure M Local Return Fund - To account for monies received from the ½ cent sales tax increase approved in November 2016 by Los Angeles County voters and the related transportation and traffic congestion expenses for the Measure M Local Return Program.
- 2230 - Measure M Sub Regional Fund - To account for monies received from the ½ cent sales tax increase approved in November 2016 by Los Angeles County voters and the related transportation and traffic congestion expenses for Measure M Multi-Year Subregional Programs.
- 2240 - Measure H Fund - To account for monies received from the ¼ cent sales tax increase approved in March 2017 by Los Angeles County voters and the related homeless services and prevention expenses.
- 2250 - 2011 TABs Housing Fund - To account for housing project expenses funded by the Glendale Successor Agency 2011 Tax Allocation Bonds.

- 2260 – Measure W Local Return Fund – To account for monies received from the 2.5 cents per SF of impermeable area Los Angeles County Flood Control District parcel tax for stormwater management.
- 2510 - Air Quality Improvement Fund - To account for monies received from South Coast Air Quality Management District and expended on air pollution reduction.
- 2520 - PW Special Grants Fund - To account for various grants received and expended by the City in the Public Works (PW) department.
- 2530 - San Fernando Landscape District Fund - To account for assessments and expenditures associated with the San Fernando Road Corridor (SFRC) Landscape & Maintenance District Project.
- 2540 - Measure R Local Return Fund - To account for monies received from the ½ cent sales tax increase approved in November 2008 by Los Angeles County voters, and the related transportation and street expenses.
- 2550 - Measure R Regional Return Fund - To account for monies received from the various grants that are funded by the Measure R, which is the ½ cent sales tax increase approved in November 2008 by Los Angeles County voters, and the related transportation and street project expenses.
- 2560 - Transit Prop A Local Return Fund - To account for monies received from a portion of the sales tax via Prop A which is restricted to transportation-related activities.
- 2570 - Transit Prop C Local Return Fund - To account for monies received from a portion of the sales tax via Prop C which is restricted to transportation-related activities.
- 2580 - Transit Utility Fund - To capture the revenues and expenses associated with the operation of fixed route and demand response transit services for reporting to state and federal regulators.
- 2600 - Asset Forfeiture Fund - To account for the proceeds of money or property seized as a result of illegal activity which is restricted to law enforcement uses.
- 2610 - Police Special Grants Fund - To account for various grants received and expended by the City in the Police department.
- 2620 - Supplemental Law Enforcement Fund - To account for monies received from the State of California to provide funding for local agencies for the Citizen's Option for Public Safety Program (COPS).
- 2650 - Fire Grant Fund - To account for grant monies received and expended for fire prevention programs.
- 2660 - Fire Mutual Aid Fund - To account for the reimbursements received from either the Federal government or the State of California that are committed for the City's fire strike team labor costs, fire equipment charges as well as overhead costs incurred by the City in assisting fire incidents outside of the City's jurisdiction.
- 2700 - Nutritional Meals Grant Fund - To account for monies received from Federal assistance programs for senior citizen services.
- 2750 - Library Fund - To account for the various grant monies and donations received from Federal, State and local agencies that are restricted for library services.
- 2800 - Cable Access Fund - To account for the cable access fee that is restricted to provide for resources to broadcast the City Council meetings and other various commissions, forums, etc.
- 2910 - Electric Public Benefit Fund - To account for the fee assessed on the electric customers to fund public benefit programs such as low income projects, research and development and demonstration program as mandated by State of California, AB 1890.

Exhibit H-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Special revenue funds
 June 30, 2020
 (amounts expressed in thousands)

	CDBG Fund	Home Grant Fund	Continuum of Care Grant Fund	Emergency Solutions Grant Fund
ASSETS				
Pooled cash and investments	\$ -	\$ 1,575	\$ -	\$ -
Interest receivable	-	-	-	-
Accounts receivable, net	344	-	385	159
Prepaid items	-	-	48	-
Loans receivable	-	-	-	-
Total assets	<u>344</u>	<u>1,575</u>	<u>433</u>	<u>159</u>
LIABILITIES				
Accounts payable	76	-	41	38
Wages and benefits payable	21	6	27	-
Due to other funds	246	-	365	121
Unearned revenues	-	-	-	-
Deposits	-	-	-	-
Total liabilities	<u>343</u>	<u>6</u>	<u>433</u>	<u>159</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>232</u>	<u>-</u>	<u>108</u>	<u>147</u>
Total liabilities and deferred inflows of resources	<u>575</u>	<u>6</u>	<u>541</u>	<u>306</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	48	-
Restricted				
Air quality improvement	-	-	-	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	-	1,569	-	-
Landscaping district	-	-	-	-
Low and moderate housing	-	-	-	-
Public safety	-	-	-	-
Transportation	-	-	-	-
Urban art	-	-	-	-
Committed				
Hazardous materials	-	-	-	-
Parking	-	-	-	-
Public safety	-	-	-	-
Unassigned	<u>(231)</u>	<u>-</u>	<u>(156)</u>	<u>(147)</u>
Total fund balances (deficits)	<u>(231)</u>	<u>1,569</u>	<u>(108)</u>	<u>(147)</u>
Total liabilities and fund balances (deficits)	<u>\$ 344</u>	<u>\$ 1,575</u>	<u>\$ 433</u>	<u>\$ 159</u>

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Special revenue funds
June 30, 2020
(amounts expressed in thousands)

	Workforce Fund	Affordable Housing Trust Fund	Urban Art Fund	Glendale Youth Alliance Fund
ASSETS				
Pooled cash and investments	\$ 1,672	\$ 2,609	\$ 8,394	\$ -
Interest receivable	-	-	-	-
Accounts receivable, net	1,256	-	-	314
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	<u>2,928</u>	<u>2,609</u>	<u>8,394</u>	<u>314</u>
LIABILITIES				
Accounts payable	452	-	1	4
Wages and benefits payable	143	6	-	134
Due to other funds	-	-	-	196
Unearned revenues	15	-	-	-
Deposits	-	-	-	-
Total liabilities	<u>610</u>	<u>6</u>	<u>1</u>	<u>334</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>911</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>1,521</u>	<u>6</u>	<u>1</u>	<u>334</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	-
Restricted				
Air quality improvement	-	-	-	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	1,407	-	-	-
Landscaping district	-	-	-	-
Low and moderate housing	-	2,603	-	-
Public safety	-	-	-	-
Transportation	-	-	-	-
Urban art	-	-	8,393	-
Committed				
Hazardous materials	-	-	-	-
Parking	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	-	(20)
Total fund balances (deficits)	<u>1,407</u>	<u>2,603</u>	<u>8,393</u>	<u>(20)</u>
Total liabilities and fund balances (deficits)	<u>\$ 2,928</u>	<u>\$ 2,609</u>	<u>\$ 8,394</u>	<u>\$ 314</u>

Exhibit H-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Special revenue funds
 June 30, 2020
 (amounts expressed in thousands)

	BEGIN Affordable Homeownership Fund	Low & Moderate Income Housing Asset Fund	Grant Fund	Hazardous Disposal Fund
ASSETS				
Pooled cash and investments	\$ 18	\$ 7,498	\$ 1,588	\$ 3,507
Interest receivable	-	-	-	17
Accounts receivable, net	-	4	752	821
Prepaid items	-	-	-	-
Loans receivable	-	2,004	-	-
Total assets	<u>18</u>	<u>9,506</u>	<u>2,340</u>	<u>4,345</u>
LIABILITIES				
Accounts payable	-	2	169	81
Wages and benefits payable	-	26	18	88
Due to other funds	-	-	-	-
Unearned revenues	-	-	2,086	577
Deposits	-	-	-	-
Total liabilities	<u>-</u>	<u>28</u>	<u>2,273</u>	<u>746</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	672	-
Total liabilities and deferred inflows of resources	<u>-</u>	<u>28</u>	<u>2,945</u>	<u>746</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	-
Restricted				
Air quality improvement	-	-	-	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	18	-	-	-
Landscaping district	-	-	-	-
Low and moderate housing	-	9,478	-	-
Public safety	-	-	-	-
Transportation	-	-	-	-
Urban art	-	-	-	-
Committed				
Hazardous materials	-	-	-	3,599
Parking	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	(605)	-
Total fund balances (deficits)	<u>18</u>	<u>9,478</u>	<u>(605)</u>	<u>3,599</u>
Total liabilities and fund balances (deficits)	<u>\$ 18</u>	<u>\$ 9,506</u>	<u>\$ 2,340</u>	<u>\$ 4,345</u>

Exhibit H-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Special revenue funds
 June 30, 2020
 (amounts expressed in thousands)

	Parking Fund	Measure M Local Return Fund	Measure M Subregional Fund	Measure H Fund
ASSETS				
Pooled cash and investments	\$ 12,719	\$ 6,785	\$ -	\$ 2
Interest receivable	62	-	-	-
Accounts receivable, net	727	-	4,028	72
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	<u>13,508</u>	<u>6,785</u>	<u>4,028</u>	<u>74</u>
LIABILITIES				
Accounts payable	694	2	1,022	31
Wages and benefits payable	194	77	-	1
Due to other funds	-	-	3,006	42
Unearned revenues	-	-	-	-
Deposits	-	-	-	-
Total liabilities	<u>888</u>	<u>79</u>	<u>4,028</u>	<u>74</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>391</u>	<u>-</u>	<u>4,027</u>	<u>9</u>
Total liabilities and deferred inflows of resources	<u>1,279</u>	<u>79</u>	<u>8,055</u>	<u>83</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	-
Restricted				
Air quality improvement	-	-	-	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	-	-	-	-
Landscaping district	-	-	-	-
Low and moderate housing	-	-	-	-
Public safety	-	-	-	-
Transportation	-	6,706	-	-
Urban art	-	-	-	-
Committed				
Hazardous materials	-	-	-	-
Parking	12,229	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	(4,027)	(9)
Total fund balances (deficits)	<u>12,229</u>	<u>6,706</u>	<u>(4,027)</u>	<u>(9)</u>
Total liabilities and fund balances (deficits)	<u>\$ 13,508</u>	<u>\$ 6,785</u>	<u>\$ 4,028</u>	<u>\$ 74</u>

Exhibit H-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Special revenue funds
 June 30, 2020
 (amounts expressed in thousands)

	2011 TABs Housing Fund	Measure W Local Return Fund	Air Quality Improvement Fund	PW Special Grants Fund
ASSETS				
Pooled cash and investments	\$ 1,390	\$ -	\$ 690	\$ -
Interest receivable	-	-	-	-
Accounts receivable, net	-	-	3	36
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	<u>1,390</u>	<u>-</u>	<u>693</u>	<u>36</u>
LIABILITIES				
Accounts payable	-	-	37	-
Wages and benefits payable	-	8	2	-
Due to other funds	-	228	-	36
Unearned revenues	-	-	-	-
Deposits	-	-	-	-
Total liabilities	<u>-</u>	<u>236</u>	<u>39</u>	<u>36</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	36
Total liabilities and deferred inflows of resources	<u>-</u>	<u>236</u>	<u>39</u>	<u>72</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	-
Restricted				
Air quality improvement	-	-	654	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	-	-	-	-
Landscaping district	-	-	-	-
Low and moderate housing	1,390	-	-	-
Public safety	-	-	-	-
Transportation	-	-	-	-
Urban art	-	-	-	-
Committed				
Hazardous materials	-	-	-	-
Parking	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	(236)	-	(36)
Total fund balances (deficits)	<u>1,390</u>	<u>(236)</u>	<u>654</u>	<u>(36)</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,390</u>	<u>\$ -</u>	<u>\$ 693</u>	<u>\$ 36</u>

Exhibit H-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Special revenue funds
 June 30, 2020
 (amounts expressed in thousands)

	San Fernando Landscape District Fund	Measure R Local Return Fund	Measure R Regional Return Fund	Transit Prop A Local Return Fund
ASSETS				
Pooled cash and investments	\$ 272	\$ 11,151	\$ -	\$ 12,278
Interest receivable	-	-	-	-
Accounts receivable, net	1	-	2,054	171
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	<u>273</u>	<u>11,151</u>	<u>2,054</u>	<u>12,449</u>
LIABILITIES				
Accounts payable	3	584	764	245
Wages and benefits payable	-	-	34	27
Due to other funds	-	-	1,255	-
Unearned revenues	-	-	-	-
Deposits	-	-	-	-
Total liabilities	<u>3</u>	<u>584</u>	<u>2,053</u>	<u>272</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	2,040	17
Total liabilities and deferred inflows of resources	<u>3</u>	<u>584</u>	<u>4,093</u>	<u>289</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	-
Restricted				
Air quality improvement	-	-	-	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	-	-	-	-
Landscaping district	270	-	-	-
Low and moderate housing	-	-	-	-
Public safety	-	-	-	-
Transportation	-	10,567	-	12,160
Urban art	-	-	-	-
Committed				
Hazardous materials	-	-	-	-
Parking	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	(2,039)	-
Total fund balances (deficits)	<u>270</u>	<u>10,567</u>	<u>(2,039)</u>	<u>12,160</u>
Total liabilities and fund balances (deficits)	<u>\$ 273</u>	<u>\$ 11,151</u>	<u>\$ 2,054</u>	<u>\$ 12,449</u>

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Special revenue funds
June 30, 2020
(amounts expressed in thousands)

	Transit Prop C Local Return Fund	Transit Utility Fund	Asset Forfeiture Fund	Police Special Grants Fund
ASSETS				
Pooled cash and investments	\$ 8,251	\$ -	\$ 2,962	\$ 267
Interest receivable	-	-	-	-
Accounts receivable, net	85	-	10	425
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	<u>8,336</u>	<u>-</u>	<u>2,972</u>	<u>692</u>
LIABILITIES				
Accounts payable	263	-	-	40
Wages and benefits payable	19	-	-	45
Due to other funds	-	-	-	-
Unearned revenues	-	-	-	235
Deposits	-	-	-	69
Total liabilities	<u>282</u>	<u>-</u>	<u>-</u>	<u>389</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>8</u>	<u>-</u>	<u>-</u>	<u>336</u>
Total liabilities and deferred inflows of resources	<u>290</u>	<u>-</u>	<u>-</u>	<u>725</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	-
Restricted				
Air quality improvement	-	-	-	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	-	-	-	-
Landscaping district	-	-	-	-
Low and moderate housing	-	-	-	-
Public safety	-	-	2,972	-
Transportation	8,046	-	-	-
Urban art	-	-	-	-
Committed				
Hazardous materials	-	-	-	-
Parking	-	-	-	-
Public safety	-	-	-	-
Unassigned	-	-	-	(33)
Total fund balances (deficits)	<u>8,046</u>	<u>-</u>	<u>2,972</u>	<u>(33)</u>
Total liabilities and fund balances (deficits)	<u>\$ 8,336</u>	<u>\$ -</u>	<u>\$ 2,972</u>	<u>\$ 692</u>

Exhibit H-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Special revenue funds
 June 30, 2020
 (amounts expressed in thousands)

	Supplemental Law Enforcement Fund	Fire Grant Fund	Fire Mutual Aid Fund	Nutritional Meals Grant Fund
ASSETS				
Pooled cash and investments	\$ 679	\$ 28	\$ 765	\$ -
Interest receivable	-	-	-	-
Accounts receivable, net	-	-	3	98
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total assets	679	28	768	98
LIABILITIES				
Accounts payable	-	-	-	81
Wages and benefits payable	14	-	-	10
Due to other funds	-	-	-	1
Unearned revenues	-	-	-	6
Deposits	-	-	-	-
Total liabilities	14	-	-	98
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
Total liabilities and deferred inflows of resources	14	-	-	98
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	-
Restricted				
Air quality improvement	-	-	-	-
Cable access	-	-	-	-
Electric public benefit AB1890	-	-	-	-
Federal and state grants	-	-	-	-
Landscaping district	-	-	-	-
Low and moderate housing	-	-	-	-
Public safety	665	28	-	-
Transportation	-	-	-	-
Urban art	-	-	-	-
Committed				
Hazardous materials	-	-	-	-
Parking	-	-	-	-
Public safety	-	-	768	-
Unassigned	-	-	-	-
Total fund balances (deficits)	665	28	768	-
Total liabilities and fund balances (deficits)	\$ 679	\$ 28	\$ 768	\$ 98

Exhibit H-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Special revenue funds
 June 30, 2020
 (amounts expressed in thousands)

	Library Fund	Cable Access Fund	Electric Public Benefit Fund	Total Nonmajor Special revenue funds
ASSETS				
Pooled cash and investments	\$ 1,340	\$ 3,844	\$ 6,373	\$ 96,657
Interest receivable	-	19	32	130
Accounts receivable, net	6	162	1,094	13,010
Prepaid items	-	-	-	48
Loans receivable	-	-	-	2,004
Total assets	<u>1,346</u>	<u>4,025</u>	<u>7,499</u>	<u>111,849</u>
LIABILITIES				
Accounts payable	1	565	295	5,491
Wages and benefits payable	2	-	45	947
Due to other funds	-	-	-	5,496
Unearned revenues	-	-	-	2,919
Deposits	-	-	-	69
Total liabilities	<u>3</u>	<u>565</u>	<u>340</u>	<u>14,922</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	<u>2</u>	<u>-</u>	<u>-</u>	<u>8,936</u>
Total liabilities and deferred inflows of resources	<u>5</u>	<u>565</u>	<u>340</u>	<u>23,858</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Prepaid	-	-	-	48
Restricted				
Air quality improvement	-	-	-	654
Cable access	-	3,460	-	3,460
Electric public benefit AB1890	-	-	7,159	7,159
Federal and state grants	1,341	-	-	4,335
Landscaping district	-	-	-	270
Low and moderate housing	-	-	-	13,471
Public safety	-	-	-	3,665
Transportation	-	-	-	37,479
Urban art	-	-	-	8,393
Committed				
Hazardous materials	-	-	-	3,599
Parking	-	-	-	12,229
Public safety	-	-	-	768
Unassigned	-	-	-	(7,539)
Total fund balances (deficits)	<u>1,341</u>	<u>3,460</u>	<u>7,159</u>	<u>87,991</u>
Total liabilities and fund balances (deficits)	<u>\$ 1,346</u>	<u>\$ 4,025</u>	<u>\$ 7,499</u>	<u>\$ 111,849</u>

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Special revenue funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	CDBG Fund	Home Grant Fund	Continuum of Care Grant Fund	Emergency Solutions Grant Fund
REVENUES				
Revenue from other agencies	\$ 1,345	\$ 244	\$ 2,213	\$ 105
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	26	-	-
Miscellaneous revenue	-	248	-	-
Total revenues	<u>1,345</u>	<u>518</u>	<u>2,213</u>	<u>105</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	1,067	281	1,925	252
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Debt service:				
Principal retirement	222	-	-	-
Interest	14	-	-	-
Capital outlay:				
Capital outlay	75	-	-	-
Total expenditures	<u>1,378</u>	<u>281</u>	<u>1,925</u>	<u>252</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(33)</u>	<u>237</u>	<u>288</u>	<u>(147)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(33)	237	288	(147)
Fund balances - beginning, as restated	(198)	1,332	(396)	-
Fund balances - ending	<u>\$ (231)</u>	<u>\$ 1,569</u>	<u>\$ (108)</u>	<u>\$ (147)</u>

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Special revenue funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Workforce Fund	Affordable Housing Trust Fund	Urban Art Fund	Glendale Youth Alliance Fund
REVENUES				
Revenue from other agencies	\$ 4,254	\$ -	\$ -	\$ -
Licenses and permits	-	-	274	-
Fines and forfeitures	-	-	-	-
Charges for services	177	72	-	2,257
Use of money and property	6	21	68	-
Miscellaneous revenue	-	1	-	-
Total revenues	<u>4,437</u>	<u>94</u>	<u>342</u>	<u>2,257</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	-	58	-	-
Employment programs	4,620	-	-	2,310
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	79	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Capital outlay	-	-	-	-
Total expenditures	<u>4,620</u>	<u>58</u>	<u>79</u>	<u>2,310</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(183)</u>	<u>36</u>	<u>263</u>	<u>(53)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(183)	36	263	(53)
Fund balances - beginning, as restated	1,590	2,567	8,130	33
Fund balances - ending	<u>\$ 1,407</u>	<u>\$ 2,603</u>	<u>\$ 8,393</u>	<u>\$ (20)</u>

Exhibit H-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	BEGIN Affordable Homeownership Fund	Low & Moderate Income Housing Asset Fund	Grant Fund	Hazardous Disposal Fund
REVENUES				
Revenue from other agencies	\$ -	\$ -	\$ 531	\$ 70
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	1,798
Use of money and property	-	78	3	138
Miscellaneous revenue	7	440	-	-
Total revenues	<u>7</u>	<u>518</u>	<u>534</u>	<u>2,006</u>
EXPENDITURES				
Current:				
General government	-	-	83	-
Police	-	-	-	-
Fire	-	-	-	1,691
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	-	1,062	211	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	818	-
Library	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Capital outlay	-	4,600	798	10
Total expenditures	<u>-</u>	<u>5,662</u>	<u>1,910</u>	<u>1,701</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7</u>	<u>(5,144)</u>	<u>(1,376)</u>	<u>305</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	63	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>63</u>	<u>-</u>
Net change in fund balances	7	(5,144)	(1,313)	305
Fund balances - beginning, as restated	11	14,622	708	3,294
Fund balances - ending	<u>\$ 18</u>	<u>\$ 9,478</u>	<u>\$ (605)</u>	<u>\$ 3,599</u>

Exhibit H-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Parking Fund	Measure M Local Return Fund	Measure M Subregional Fund	Measure H Fund
REVENUES				
Revenue from other agencies	\$ 48	\$ 2,740	\$ -	\$ 190
Licenses and permits	-	-	-	-
Fines and forfeitures	1,536	-	-	-
Charges for services	5,916	-	-	-
Use of money and property	555	61	-	-
Miscellaneous revenue	-	-	-	-
Total revenues	<u>8,055</u>	<u>2,801</u>	<u>-</u>	<u>190</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	8,701	-	-	-
Transportation	-	593	-	-
Housing, health and community development	-	-	-	85
Employment programs	-	-	-	58
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Capital outlay	202	-	4,027	-
Total expenditures	<u>8,903</u>	<u>593</u>	<u>4,027</u>	<u>143</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(848)</u>	<u>2,208</u>	<u>(4,027)</u>	<u>47</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(848)	2,208	(4,027)	47
Fund balances - beginning, as restated	13,077	4,498	-	(56)
Fund balances - ending	<u>\$ 12,229</u>	<u>\$ 6,706</u>	<u>\$ (4,027)</u>	<u>\$ (9)</u>

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Special revenue funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	2011 TABs Housing Fund	Measure W Local Return Fund	Air Quality Improvement Fund	PW Special Grants Fund
REVENUES				
Revenue from other agencies	\$ -	\$ -	\$ 197	\$ -
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	56	-	7	-
Miscellaneous revenue	-	-	-	-
Total revenues	<u>56</u>	<u>-</u>	<u>204</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	236	-	-
Transportation	-	-	185	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Capital outlay	7,600	-	-	-
Total expenditures	<u>7,600</u>	<u>236</u>	<u>185</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,544)</u>	<u>(236)</u>	<u>19</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(7,544)	(236)	19	-
Fund balances - beginning, as restated	8,934	-	635	(36)
Fund balances - ending	<u>\$ 1,390</u>	<u>\$ (236)</u>	<u>\$ 654</u>	<u>\$ (36)</u>

Exhibit H-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	San Fernando Landscape District Fund	Measure R Local Return Fund	Measure R Regional Return Fund	Transit Prop A Local Return Fund
REVENUES				
Revenue from other agencies	\$ -	\$ 2,433	\$ 2,627	\$ 3,917
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	77	-	-	-
Use of money and property	2	90	-	107
Miscellaneous revenue	-	-	-	5
Total revenues	<u>79</u>	<u>2,523</u>	<u>2,627</u>	<u>4,029</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	48	-	462	-
Transportation	-	11	-	3,563
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Capital outlay	-	5,297	2,130	169
Total expenditures	<u>48</u>	<u>5,308</u>	<u>2,592</u>	<u>3,732</u>
Excess (deficiency) of revenues over (under) expenditures	<u>31</u>	<u>(2,785)</u>	<u>35</u>	<u>297</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	31	(2,785)	35	297
Fund balances - beginning, as restated	239	13,352	(2,074)	11,863
Fund balances - ending	<u>\$ 270</u>	<u>\$ 10,567</u>	<u>\$ (2,039)</u>	<u>\$ 12,160</u>

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Special revenue funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Transit Prop C Local Return Fund	Transit Utility Fund	Asset Forfeiture Fund	Police Special Grants Fund
REVENUES				
Revenue from other agencies	\$ 3,249	\$ 956	\$ -	\$ 376
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	216	-
Charges for services	6	7,750	-	100
Use of money and property	71	1	25	-
Miscellaneous revenue	-	-	-	52
Total revenues	<u>3,326</u>	<u>8,707</u>	<u>241</u>	<u>528</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	-	-	59	1,015
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	2,790	8,707	-	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Capital outlay	-	-	-	-
Total expenditures	<u>2,790</u>	<u>8,707</u>	<u>59</u>	<u>1,015</u>
Excess (deficiency) of revenues over (under) expenditures	<u>536</u>	<u>-</u>	<u>182</u>	<u>(487)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	67
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>67</u>
Net change in fund balances	536	-	182	(420)
Fund balances - beginning, as restated	7,510	-	2,790	387
Fund balances - ending	<u>\$ 8,046</u>	<u>\$ -</u>	<u>\$ 2,972</u>	<u>\$ (33)</u>

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Special revenue funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Supplemental Law Enforcement Fund	Fire Grant Fund	Fire Mutual Aid Fund	Nutritional Meals Grant Fund
REVENUES				
Revenue from other agencies	\$ 481	\$ 403	\$ 828	\$ 422
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	5	-	6	-
Miscellaneous revenue	-	-	-	28
Total revenues	<u>486</u>	<u>403</u>	<u>834</u>	<u>450</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Police	244	-	-	-
Fire	-	285	514	-
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	535
Library	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Capital outlay:				
Capital outlay	-	46	-	-
Total expenditures	<u>244</u>	<u>331</u>	<u>514</u>	<u>535</u>
Excess (deficiency) of revenues over (under) expenditures	<u>242</u>	<u>72</u>	<u>320</u>	<u>(85)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	85
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>85</u>
Net change in fund balances	242	72	320	-
Fund balances - beginning, as restated	423	(44)	448	-
Fund balances - ending	<u>\$ 665</u>	<u>\$ 28</u>	<u>\$ 768</u>	<u>\$ -</u>

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
Nonmajor Special revenue funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Library Fund	Cable Access Fund	Electric Public Benefit Fund	Total Nonmajor Special revenue funds
REVENUES				
Revenue from other agencies	\$ 74	\$ -	\$ -	\$ 27,703
Licenses and permits	-	-	-	274
Fines and forfeitures	-	-	-	1,752
Charges for services	56	535	6,851	25,595
Use of money and property	9	162	265	1,762
Miscellaneous revenue	34	-	-	815
Total revenues	<u>173</u>	<u>697</u>	<u>7,116</u>	<u>57,901</u>
EXPENDITURES				
Current:				
General government	-	-	-	83
Police	-	-	-	1,318
Fire	-	-	-	2,490
Public works	-	-	-	9,447
Transportation	-	-	-	15,849
Housing, health and community development	-	-	-	4,941
Employment programs	-	-	-	6,988
Public service	-	-	5,860	5,860
Parks, recreation and community services	-	-	-	1,353
Library	234	-	-	313
Debt service:				
Principal retirement	-	-	-	222
Interest	-	-	-	14
Capital outlay:				
Capital outlay	-	1,281	-	26,235
Total expenditures	<u>234</u>	<u>1,281</u>	<u>5,860</u>	<u>75,113</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(61)</u>	<u>(584)</u>	<u>1,256</u>	<u>(17,212)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	215
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>215</u>
Net change in fund balances	(61)	(584)	1,256	(16,997)
Fund balances - beginning, as restated	1,402	4,044	5,903	104,988
Fund balances - ending	<u>\$ 1,341</u>	<u>\$ 3,460</u>	<u>\$ 7,159</u>	<u>\$ 87,991</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CDBG Fund:				
REVENUES				
Revenue from other agencies	\$ 1,879	\$ 3,054	\$ 1,345	\$ (1,709)
Total revenues	<u>1,879</u>	<u>3,054</u>	<u>1,345</u>	<u>(1,709)</u>
EXPENDITURES				
Current:				
Housing, health and community development	1,289	3,313	1,067	2,246
Total current	<u>1,289</u>	<u>3,313</u>	<u>1,067</u>	<u>2,246</u>
Debt service:				
Principal retirement	225	225	222	3
Interest	15	15	14	1
Capital outlay:				
Capital outlay	350	1,457	75	1,382
Total expenditures	<u>\$ 1,879</u>	<u>\$ 5,010</u>	<u>\$ 1,378</u>	<u>\$ 3,632</u>

Home Grant Fund:

REVENUES				
Revenue from other agencies	\$ 1,213	\$ 1,213	\$ 244	\$ (969)
Use of money and property	-	-	26	26
Miscellaneous revenue	1,057	1,057	248	(809)
Total revenues	<u>2,270</u>	<u>2,270</u>	<u>518</u>	<u>(1,752)</u>
EXPENDITURES				
Current:				
Housing, health and community development	2,270	3,684	281	3,403
Total expenditures	<u>\$ 2,270</u>	<u>\$ 3,684</u>	<u>\$ 281</u>	<u>\$ 3,403</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Continuum of Care Grant Fund:				
REVENUES				
Revenue from other agencies	\$ 2,449	\$ 4,845	\$ 2,213	\$ (2,632)
Total revenues	<u>2,449</u>	<u>4,845</u>	<u>2,213</u>	<u>(2,632)</u>
EXPENDITURES				
Current:				
Housing, health and community development	2,450	5,375	1,925	3,450
Total expenditures	<u>\$ 2,450</u>	<u>\$ 5,375</u>	<u>\$ 1,925</u>	<u>\$ 3,450</u>
Emergency Solutions Grant Fund:				
REVENUES				
Revenue from other agencies	\$ 157	\$ 727	\$ 105	\$ (622)
Total revenues	<u>157</u>	<u>727</u>	<u>105</u>	<u>(622)</u>
EXPENDITURES				
Current:				
Housing, health and community development	157	727	252	475
Total expenditures	<u>\$ 157</u>	<u>\$ 727</u>	<u>\$ 252</u>	<u>\$ 475</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Workforce Fund:				
REVENUES				
Revenue from other agencies	\$ 6,228	\$ 7,218	\$ 4,254	\$ (2,964)
Charges for services	520	520	177	(343)
Use of money and property	-	-	6	6
Total revenues	<u>6,748</u>	<u>7,738</u>	<u>4,437</u>	<u>(3,301)</u>
EXPENDITURES				
Current:				
Employment programs	6,748	10,481	4,620	5,861
Total expenditures	<u>\$ 6,748</u>	<u>\$ 10,481</u>	<u>\$ 4,620</u>	<u>\$ 5,861</u>
Affordable Housing Trust Fund:				
REVENUES				
Charges for services	\$ 193	\$ 193	\$ 72	\$ (121)
Use of money and property	10	10	21	11
Miscellaneous revenue	12	12	1	(11)
Total revenues	<u>215</u>	<u>215</u>	<u>94</u>	<u>(121)</u>
EXPENDITURES				
Current:				
Housing, health and community development	207	207	58	149
Total expenditures	<u>\$ 207</u>	<u>\$ 207</u>	<u>\$ 58</u>	<u>\$ 149</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Urban Art Fund:				
REVENUES				
Licenses and permits	\$ 350	\$ 350	\$ 274	\$ (76)
Use of money and property	50	50	68	18
Total revenues	<u>400</u>	<u>400</u>	<u>342</u>	<u>(58)</u>
EXPENDITURES				
Current:				
Library	269	269	79	190
Total expenditures	<u>\$ 269</u>	<u>\$ 269</u>	<u>\$ 79</u>	<u>\$ 190</u>

Glendale Youth Alliance Fund:				
REVENUES				
Charges for services	\$ 2,482	\$ 2,482	\$ 2,257	\$ (225)
Total revenues	<u>2,482</u>	<u>2,482</u>	<u>2,257</u>	<u>(225)</u>
EXPENDITURES				
Current:				
Employment programs	2,482	2,482	2,310	172
Total expenditures	<u>\$ 2,482</u>	<u>\$ 2,482</u>	<u>\$ 2,310</u>	<u>\$ 172</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
BEGIN Affordable Homeownership Fund:				
REVENUES				
Miscellaneous revenue	\$ 300	\$ 300	\$ 7	\$ (293)
Total revenues	<u>300</u>	<u>300</u>	<u>7</u>	<u>(293)</u>
EXPENDITURES				
Current:				
Housing, health and community development	300	300	-	300
Total expenditures	<u>\$ 300</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 300</u>
Low & Moderate Income Housing Asset Fund:				
REVENUES				
Use of money and property	\$ 25	\$ 25	\$ 78	\$ 53
Miscellaneous revenue	206	206	440	234
Total revenues	<u>231</u>	<u>231</u>	<u>518</u>	<u>287</u>
EXPENDITURES				
Current:				
Housing, health and community development	988	2,783	1,062	1,721
Capital outlay:				
Capital outlay	-	4,600	4,600	-
Total expenditures	<u>988</u>	<u>7,383</u>	<u>5,662</u>	<u>1,721</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	747	747	-	(747)
Total other financing sources (uses)	<u>\$ 747</u>	<u>\$ 747</u>	<u>\$ -</u>	<u>\$ (747)</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Grant Fund:				
REVENUES				
Revenue from other agencies	\$ 1,066	\$ 3,288	\$ 531	\$ (2,757)
Use of money and property	-	-	3	3
Total revenues	<u>1,066</u>	<u>3,288</u>	<u>534</u>	<u>(2,754)</u>
EXPENDITURES				
Current:				
General government	-	148	83	65
Public works	-	2,147	-	2,147
Housing, health and community development	-	3,078	211	2,867
Parks, recreation and community services	1,089	1,674	818	856
Capital outlay:				
Capital outlay	-	-	798	(798)
Total expenditures	<u>1,089</u>	<u>7,047</u>	<u>1,910</u>	<u>5,137</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	63	63	-
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ 63</u>	<u>\$ 63</u>	<u>\$ -</u>
Hazardous Disposal Fund:				
REVENUES				
Revenue from other agencies	\$ -	\$ 15	\$ 70	\$ 55
Charges for services	1,811	1,811	1,798	(13)
Use of money and property	10	10	138	128
Total revenues	<u>1,821</u>	<u>1,836</u>	<u>2,006</u>	<u>170</u>
EXPENDITURES				
Current:				
Fire	1,807	1,807	1,691	116
Capital outlay:				
Capital outlay	-	100	10	90
Total expenditures	<u>\$ 1,807</u>	<u>\$ 1,907</u>	<u>\$ 1,701</u>	<u>\$ 206</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Parking Fund:				
REVENUES				
Revenue from other agencies	\$ -	\$ -	\$ 48	\$ 48
Fines and forfeitures	5,000	5,000	1,536	(3,464)
Charges for services	6,860	6,860	5,916	(944)
Use of money and property	50	50	555	505
Total revenues	<u>11,910</u>	<u>11,910</u>	<u>8,055</u>	<u>(3,855)</u>
EXPENDITURES				
Current:				
Public works	11,757	11,827	8,701	3,126
Capital outlay:				
Capital outlay	1,995	3,223	202	3,021
Total expenditures	<u>\$ 13,752</u>	<u>\$ 15,050</u>	<u>\$ 8,903</u>	<u>\$ 6,147</u>
Measure M Local Return Fund:				
REVENUES				
Revenue from other agencies	\$ 2,750	\$ 2,750	\$ 2,740	\$ (10)
Use of money and property	15	15	61	46
Total revenues	<u>2,765</u>	<u>2,765</u>	<u>2,801</u>	<u>36</u>
EXPENDITURES				
Current:				
Transportation	1,924	5,385	593	4,792
Total expenditures	<u>\$ 1,924</u>	<u>\$ 5,385</u>	<u>\$ 593</u>	<u>\$ 4,792</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Measure M Subregional Fund:				
REVENUES				
Revenue from other agencies	\$ -	\$ 4,426	\$ -	\$ (4,426)
Total revenues	-	4,426	-	(4,426)
EXPENDITURES				
Capital outlay:				
Capital outlay	-	4,426	4,027	399
Total expenditures	\$ -	\$ 4,426	\$ 4,027	\$ 399
Measure H Fund:				
REVENUES				
Revenue from other agencies	\$ 317	\$ 923	\$ 190	\$ (733)
Total revenues	317	923	190	(733)
EXPENDITURES				
Current:				
Housing, health and community development	317	894	85	809
Employment programs	-	100	58	42
Total expenditures	\$ 317	\$ 994	\$ 143	\$ 851

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
2011 TABs Housing Fund:				
REVENUES				
Use of money and property	\$ -	\$ -	\$ 56	\$ 56
Total revenues	-	-	56	56
EXPENDITURES				
Capital outlay:				
Capital outlay	-	7,600	7,600	-
Total expenditures	\$ -	\$ 7,600	\$ 7,600	\$ -
Measure W Local Return Fund:				
REVENUES				
Other taxes	\$ 1,212	\$ 1,212	\$ -	\$ (1,212)
Total revenues	1,212	1,212	-	(1,212)
EXPENDITURES				
Current:				
Public works	582	582	236	346
Capital outlay:				
Capital outlay	630	630	-	630
Total expenditures	\$ 1,212	\$ 1,212	\$ 236	\$ 976

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Air Quality Improvement Fund:				
REVENUES				
Revenue from other agencies	\$ 250	\$ 250	\$ 197	\$ (53)
Charges for services	6	6	-	(6)
Use of money and property	5	5	7	2
Total revenues	<u>261</u>	<u>261</u>	<u>204</u>	<u>(57)</u>
EXPENDITURES				
Current:				
Transportation	<u>349</u>	<u>349</u>	<u>185</u>	<u>164</u>
Total expenditures	<u>\$ 349</u>	<u>\$ 349</u>	<u>\$ 185</u>	<u>\$ 164</u>
PW Special Grants Fund:				
EXPENDITURES				
Capital outlay:				
Capital outlay	-	56	-	56
Total expenditures	<u>\$ -</u>	<u>\$ 56</u>	<u>\$ -</u>	<u>\$ 56</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
San Fernando Landscape District Fund:				
REVENUES				
Charges for services	\$ 90	\$ 90	\$ 77	\$ (13)
Use of money and property	2	2	2	-
Total revenues	<u>92</u>	<u>92</u>	<u>79</u>	<u>(13)</u>
EXPENDITURES				
Current:				
Public works	80	80	48	32
Total expenditures	<u>\$ 80</u>	<u>\$ 80</u>	<u>\$ 48</u>	<u>\$ 32</u>
Measure R Local Return Fund:				
REVENUES				
Revenue from other agencies	\$ 2,500	\$ 2,500	\$ 2,433	\$ (67)
Use of money and property	50	50	90	40
Total revenues	<u>2,550</u>	<u>2,550</u>	<u>2,523</u>	<u>(27)</u>
EXPENDITURES				
Current:				
Transportation	-	31	11	20
Capital outlay:				
Capital outlay	-	11,612	5,297	6,315
Total expenditures	<u>\$ -</u>	<u>\$ 11,643</u>	<u>\$ 5,308</u>	<u>\$ 6,335</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Measure R Regional Return Fund:				
REVENUES				
Revenue from other agencies	\$ -	\$ 3,350	\$ 2,627	\$ (723)
Total revenues	-	3,350	2,627	(723)
EXPENDITURES				
Current:				
Public works	-	-	462	(462)
Capital outlay:				
Capital outlay	-	12,411	2,130	10,281
Total expenditures	\$ -	\$ 12,411	\$ 2,592	\$ 9,819
Transit Prop A Local Return Fund:				
REVENUES				
Revenue from other agencies	\$ 3,900	\$ 3,900	\$ 3,917	\$ 17
Charges for services	100	100	-	(100)
Use of money and property	60	60	107	47
Miscellaneous revenue	-	-	5	5
Total revenues	4,060	4,060	4,029	(31)
EXPENDITURES				
Current:				
Transportation	4,473	4,473	3,563	910
Capital outlay:				
Capital outlay	-	3,909	169	3,740
Total expenditures	\$ 4,473	\$ 8,382	\$ 3,732	\$ 4,650

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Transit Prop C Local Return Fund:				
REVENUES				
Revenue from other agencies	\$ 3,350	\$ 3,350	\$ 3,249	\$ (101)
Charges for services	10	10	6	(4)
Use of money and property	30	30	71	41
Total revenues	<u>3,390</u>	<u>3,390</u>	<u>3,326</u>	<u>(64)</u>
EXPENDITURES				
Current:				
Transportation	4,094	4,475	2,790	1,685
Total expenditures	<u>\$ 4,094</u>	<u>\$ 4,475</u>	<u>\$ 2,790</u>	<u>\$ 1,685</u>
Transit Utility Fund:				
REVENUES				
Revenue from other agencies	\$ 1,219	\$ 1,219	\$ 956	\$ (263)
Charges for services	9,557	9,557	7,750	(1,807)
Use of money and property	5	5	1	(4)
Total revenues	<u>10,781</u>	<u>10,781</u>	<u>8,707</u>	<u>(2,074)</u>
EXPENDITURES				
Current:				
Transportation	10,797	10,797	8,707	2,090
Total expenditures	<u>\$ 10,797</u>	<u>\$ 10,797</u>	<u>\$ 8,707</u>	<u>\$ 2,090</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Asset Forfeiture Fund:				
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ 216	\$ 216
Use of money and property	-	-	25	25
Total revenues	-	-	241	241
EXPENDITURES				
Current:				
Police	536	536	59	477
Total expenditures	\$ 536	\$ 536	\$ 59	\$ 477
Police Special Grants Fund:				
REVENUES				
Revenue from other agencies	\$ 830	\$ 1,474	\$ 376	\$ (1,098)
Charges for services	60	60	100	40
Miscellaneous revenue	30	30	52	22
Total revenues	920	1,564	528	(1,036)
EXPENDITURES				
Current:				
Police	920	4,092	1,015	3,077
Capital outlay:				
Capital outlay	-	227	-	227
Total expenditures	920	4,319	1,015	3,304
OTHER FINANCING SOURCES (USES)				
Transfers in	-	67	67	-
Total other financing sources (uses)	\$ -	\$ 67	\$ 67	\$ -

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Supplemental Law Enforcement Fund:				
REVENUES				
Revenue from other agencies	\$ 300	\$ 300	\$ 481	\$ 181
Use of money and property	-	-	5	5
Total revenues	<u>300</u>	<u>300</u>	<u>486</u>	<u>186</u>
EXPENDITURES				
Current:				
Police	<u>422</u>	<u>422</u>	<u>244</u>	<u>178</u>
Total expenditures	<u>\$ 422</u>	<u>\$ 422</u>	<u>\$ 244</u>	<u>\$ 178</u>
Fire Grant Fund:				
REVENUES				
Revenue from other agencies	\$ -	\$ 317	\$ 403	\$ 86
Total revenues	<u>-</u>	<u>317</u>	<u>403</u>	<u>86</u>
EXPENDITURES				
Current:				
Fire	-	393	285	108
Capital outlay:				
Capital outlay	-	46	46	-
Total expenditures	<u>\$ -</u>	<u>\$ 439</u>	<u>\$ 331</u>	<u>\$ 108</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Fire Mutual Aid Fund:				
REVENUES				
Revenue from other agencies	\$ 750	\$ 750	\$ 828	\$ 78
Use of money and property	-	-	6	6
Total revenues	<u>750</u>	<u>750</u>	<u>834</u>	<u>84</u>
EXPENDITURES				
Current:				
Fire	750	750	514	236
Total expenditures	<u>\$ 750</u>	<u>\$ 750</u>	<u>\$ 514</u>	<u>\$ 236</u>
Nutritional Meals Grant Fund:				
REVENUES				
Revenue from other agencies	\$ 321	\$ 476	\$ 422	\$ (54)
Miscellaneous revenue	44	44	28	(16)
Total revenues	<u>365</u>	<u>520</u>	<u>450</u>	<u>(70)</u>
EXPENDITURES				
Current:				
Parks, recreation and community services	449	559	535	24
Capital outlay:				
Capital outlay	-	46	-	46
Total expenditures	<u>449</u>	<u>605</u>	<u>535</u>	<u>70</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	85	85	85	-
Total other financing sources (uses)	<u>\$ 85</u>	<u>\$ 85</u>	<u>\$ 85</u>	<u>\$ -</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Library Fund:				
REVENUES				
Revenue from other agencies	\$ 79	\$ 117	\$ 74	\$ (43)
Charges for services	93	93	56	(37)
Use of money and property	10	10	9	(1)
Miscellaneous revenue	44	44	34	(10)
Total revenues	<u>226</u>	<u>264</u>	<u>173</u>	<u>(91)</u>
EXPENDITURES				
Current:				
Library	<u>282</u>	<u>501</u>	<u>234</u>	<u>267</u>
Total expenditures	<u>\$ 282</u>	<u>\$ 501</u>	<u>\$ 234</u>	<u>\$ 267</u>
Cable Access Fund:				
REVENUES				
Charges for services	\$ 450	\$ 450	\$ 535	\$ 85
Use of money and property	20	20	162	142
Total revenues	<u>470</u>	<u>470</u>	<u>697</u>	<u>227</u>
EXPENDITURES				
Current:				
General government	15	15	-	15
Capital outlay:				
Capital outlay	<u>175</u>	<u>2,012</u>	<u>1,281</u>	<u>731</u>
Total expenditures	<u>\$ 190</u>	<u>\$ 2,027</u>	<u>\$ 1,281</u>	<u>\$ 746</u>

Exhibit H-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Special revenue funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Electric Public Benefit Fund:				
REVENUES				
Charges for services	\$ 7,481	\$ 7,481	\$ 6,851	\$ (630)
Use of money and property	50	50	265	215
Total revenues	<u>7,531</u>	<u>7,531</u>	<u>7,116</u>	<u>(415)</u>
EXPENDITURES				
Current:				
Public service	9,016	9,016	5,860	3,156
Total expenditures	<u>\$ 9,016</u>	<u>\$ 9,016</u>	<u>\$ 5,860</u>	<u>\$ 3,156</u>

Debt Service Funds

Debt Service Funds are used to account for financial resources that are restricted, committed or assigned to expenditures for principal and interest on general long-term debt of the City of Glendale.



DEBT SERVICE FUND

- 3031 - Police Building 2019 Lease Revenue Refunding Bonds Fund - To accumulate monies for the payment of interest and principal of the 2019 lease revenue refunding bonds. The debt service is financed via lease payments from the City to the Municipal Financing Authority.

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Exhibit I-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Debt service funds
 June 30, 2020
 (amounts expressed in thousands)

Police Building 2019
 Lease Revenue
Refunding Bonds Fund

ASSETS

Pooled cash and investments	\$ 14,150
Total assets	<u>14,150</u>

LIABILITIES

Accounts payable	2
------------------	---

FUND BALANCES (DEFICITS)

Committed	
Debt service	14,148
Total liabilities and fund balances (deficits)	<u>\$ 14,150</u>

Exhibit I-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Debt service funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Police Building 2019 Lease Revenue Refunding Bonds Fund
REVENUES	
Use of money and property	\$ 270
Total revenues	<u>270</u>
EXPENDITURES	
Current:	
Police	5
Debt service:	
Principal retirement	1,830
Interest	1,159
Total expenditures	<u>2,994</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,724)</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	<u>1,500</u>
Total other financing sources (uses)	<u>1,500</u>
Net change in fund balances	(1,224)
Fund balances - beginning	<u>15,372</u>
Fund balances - ending	<u>\$ 14,148</u>

Exhibit I-3
 CITY OF GLENDALE
 Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
 Nonmajor Debt service funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Police Building 2019 Lease Revenue				
Refunding Bonds Fund:				
REVENUES				
Use of money and property	\$ -	\$ 200	\$ 270	\$ 70
Total revenues	-	200	270	70
EXPENDITURES				
Current:				
Police	-	8	5	3
Debt service:				
Principal retirement	-	1,830	1,830	-
Interest	-	1,163	1,159	4
Total expenditures	-	3,001	2,994	7
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,500	1,500	-
Total other financing sources (uses)	\$ -	\$ 1,500	\$ 1,500	\$ -

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Capital Projects Funds

Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays of major capital facilities other than those financed by Proprietary Funds.



CAPITAL PROJECTS FUNDS

- 4020 - State Gas Tax Fund - To account for monies received and expended from state gas tax allocations and Senate Bill 1 for street improvement purposes.
- 4030 - Landfill Postclosure Fund - To account for monies reserved for the post-closure maintenance cost of Scholl Canyon landfill.
- Development Impact Fee Funds:

City Council adopted Ordinance No. 5575 on September 11, 2007, in accordance with California AB1600 later on codified under State Government Code section 66006, allowing the City to impose development impact fees on new residential, commercial, office and industrial developments to mitigate the cost of developing new or rehabilitating existing parks and recreational facilities, developing new libraries and/or adding to existing collections in order to maintain adequate parks and library services for those new residents. The Development Impact Fees are broken down into the following three funds:

- 4050 - Parks Mitigation Fee Fund - To account for the parks revenue collected as impact fees and usage of these funds for allowed projects. In addition, this fund will also be used to guarantee adequate interest accumulation and disbursements of unused funds.
 - 4070 - Library Mitigation Fee Fund - To account for the library revenue collected as impact fees and usage of these funds for allowed projects. In addition, this fund will also be used to guarantee adequate interest accumulation and disbursement of unused funds.
 - 4080 - Parks Quimby Fee Fund - To account for the fees imposed for park or recreational purposes as a condition to the approval of a tentative map or parcel map and usage of these funds for allowed projects. In addition, this fund will also be used to guarantee adequate interest accumulation and disbursements of unused funds.
- 4090 - CIP Reimbursement Fund - To account for monies received and expended for CIP projects that are funded by non-City money, such as grants and joint ventures.
 - 4100 - SF Corridor Tax Share Fund - County of Los Angeles' contribution (passback) to City of Glendale of 60% of County's share of tax increment (pass through) funds from the San Fernando Road Corridor Redevelopment Project Area to be used by the City to construct regional public improvement projects benefiting the County.
 - 4120 – 2011 TABs Projects Fund - To account for capital improvement project expenses funded by the Glendale Successor Agency 2011 Tax Allocation Bonds (non-housing portion).

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Exhibit J-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Capital projects funds
 June 30, 2020
 (amounts expressed in thousands)

	State Gas Tax Fund	Landfill Postclosure Fund	Parks Mitigation Fee Fund	Library Mitigation Fee Fund	Parks Quimby Fee Fund
ASSETS					
Pooled cash and investments	\$ 11,756	\$ -	\$ 27,229	\$ 1,845	\$ 547
Restricted cash and investments	-	42,584	-	-	-
Interest receivable	58	-	135	9	3
Accounts receivable, net	546	-	-	-	-
Total assets	<u>12,360</u>	<u>42,584</u>	<u>27,364</u>	<u>1,854</u>	<u>550</u>
LIABILITIES					
Accounts payable	926	-	71	38	-
Wages and benefits payable	61	-	12	-	-
Due to other funds	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Deposits	-	-	-	-	-
Total liabilities	<u>987</u>	<u>-</u>	<u>83</u>	<u>38</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	-	-	-	-	-
Total liabilities and deferred inflows of resources	<u>987</u>	<u>-</u>	<u>83</u>	<u>38</u>	<u>-</u>
FUND BALANCES (DEFICITS)					
Nonspendable					
Restricted					
Capital projects	-	-	-	-	-
Impact fee funded projects	-	-	27,281	1,816	550
Landfill postclosure	-	42,584	-	-	-
State gas tax mandates	11,373	-	-	-	-
Committed					
Capital projects	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>11,373</u>	<u>42,584</u>	<u>27,281</u>	<u>1,816</u>	<u>550</u>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<u>\$ 12,360</u>	<u>\$ 42,584</u>	<u>\$ 27,364</u>	<u>\$ 1,854</u>	<u>\$ 550</u>

Exhibit J-1
 CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Capital projects funds
 June 30, 2020
 (amounts expressed in thousands)

	CIP Reimbursement Fund	SF Corridor Tax Share Fund	2011 TABs Project Fund	Total Nonmajor Capital Projects Funds
ASSETS				
Pooled cash and investments	\$ -	\$ 50,856	\$ 2,020	\$ 94,253
Restricted cash and investments	-	-	-	42,584
Interest receivable	-	-	-	205
Accounts receivable, net	3,782	-	-	4,328
Total assets	<u>3,782</u>	<u>50,856</u>	<u>2,020</u>	<u>141,370</u>
LIABILITIES				
Accounts payable	663	-	-	1,698
Wages and benefits payable	15	-	-	88
Due to other funds	3,077	-	-	3,077
Unearned revenues	14	-	-	14
Deposits	12	-	-	12
Total liabilities	<u>3,781</u>	<u>-</u>	<u>-</u>	<u>4,889</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	1,051	-	-	1,051
Total liabilities and deferred inflows of resources	<u>4,832</u>	<u>-</u>	<u>-</u>	<u>5,940</u>
FUND BALANCES (DEFICITS)				
Nonspendable				
Restricted				
Capital projects	-	50,856	-	50,856
Impact fee funded projects	-	-	-	29,647
Landfill postclosure	-	-	-	42,584
State gas tax mandates	-	-	-	11,373
Committed				
Capital projects	-	-	2,020	2,020
Unassigned	(1,050)	-	-	(1,050)
Total fund balances (deficits)	<u>(1,050)</u>	<u>50,856</u>	<u>2,020</u>	<u>135,430</u>
Total liabilities, deferred inflow of resources and fund balances (deficits)	<u>\$ 3,782</u>	<u>\$ 50,856</u>	<u>\$ 2,020</u>	<u>\$ 141,370</u>

Exhibit J-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Capital projects funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	State Gas Tax Fund	Landfill Postclosure Fund	Parks Mitigation Fee Fund	Library Mitigation Fee Fund	Parks Quimby Fee Fund
REVENUES					
Revenue from other agencies	\$ 8,219	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	1,035	80	-
Use of money and property	519	738	1,139	74	22
Miscellaneous revenue	-	-	3	1	-
Total revenues	<u>8,738</u>	<u>738</u>	<u>2,177</u>	<u>155</u>	<u>22</u>
EXPENDITURES					
Current:					
Public works	1,889	-	-	-	-
Housing, health and community development	-	-	-	-	-
Parks, recreation and community services	-	-	121	-	-
Library	-	-	-	20	-
Capital outlay	3,949	-	182	52	-
Total expenditures	<u>5,838</u>	<u>-</u>	<u>303</u>	<u>72</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,900</u>	<u>738</u>	<u>1,874</u>	<u>83</u>	<u>22</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	4,560	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>4,560</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,900	5,298	1,874	83	22
Fund balances - beginning	8,473	37,286	25,407	1,733	528
Fund balances - ending	<u>\$ 11,373</u>	<u>\$ 42,584</u>	<u>\$ 27,281</u>	<u>\$ 1,816</u>	<u>\$ 550</u>

Exhibit J-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Fund Balances
 Nonmajor Capital projects funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	CIP Reimbursement Fund	SF Corridor Tax Share Fund	2011 TABs Project Fund	Total Nonmajor Capital Projects Funds
REVENUES				
Revenue from other agencies	\$ 8,281	\$ 4,835	\$ -	\$ 21,335
Licenses and permits	-	-	-	1,115
Use of money and property	-	427	44	2,963
Miscellaneous revenue	-	-	-	4
Total revenues	<u>8,281</u>	<u>5,262</u>	<u>44</u>	<u>25,417</u>
EXPENDITURES				
Current:				
Public works	307	170	-	2,366
Housing, health and community development	192	9	-	201
Parks, recreation and community services	-	-	-	121
Library	-	-	-	20
Capital outlay	5,334	-	-	9,517
Total expenditures	<u>5,833</u>	<u>179</u>	<u>-</u>	<u>12,225</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,448</u>	<u>5,083</u>	<u>44</u>	<u>13,192</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	4,560
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,560</u>
Net change in fund balances	2,448	5,083	44	17,752
Fund balances - beginning	(3,498)	45,773	1,976	117,678
Fund balances - ending	<u>\$ (1,050)</u>	<u>\$ 50,856</u>	<u>\$ 2,020</u>	<u>\$ 135,430</u>

Nonmajor Enterprise Funds

This section of the CAFR provides information on nonmajor enterprise funds, which are used to account for operations that provide goods or services to the general public that are financed primarily by a user charge or where the periodic measurement of net income is deemed appropriate.



NONMAJOR ENTERPRISE FUNDS

- 5300 - Refuse Disposal Fund - To account for operations of the City-owned refuse collection and disposal service.
- 5400 - Fiber Optic Fund - To account for the design and construction of the City-owned fiber-optic network backbone.
- 5800 - Fire Communication Fund - To account for monies received and expended, as the lead city, for the tri-city (Burbank, Glendale and Pasadena) Verdugo Fire Communication operations.

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Exhibit K-1
 CITY OF GLENDALE
 Combining Statement of Net Position
 Nonmajor Enterprise funds
 June 30, 2020
 (amounts expressed in thousands)

	Refuse Disposal Fund	Fiber Optic Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Pooled cash and investments	\$ 35,621	\$ 158	\$ 7,143	\$ 42,922
Interest receivable	177	1	35	213
Accounts receivable, net	3,541	19	-	3,560
Total current assets	<u>39,339</u>	<u>178</u>	<u>7,178</u>	<u>46,695</u>
Noncurrent assets:				
Capital assets, not being depreciated	1,639	-	1,906	3,545
Capital assets, net	8,917	-	1,277	10,194
Total noncurrent assets	<u>10,556</u>	<u>-</u>	<u>3,183</u>	<u>13,739</u>
Total assets	<u>49,895</u>	<u>178</u>	<u>10,361</u>	<u>60,434</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	1,561	12	626	2,199
Total assets and deferred outflows of resources	<u>51,456</u>	<u>190</u>	<u>10,987</u>	<u>62,633</u>
LIABILITIES				
Current liabilities:				
Accounts payable	1,421	-	116	1,537
Wages and benefits payable	563	17	213	793
Deposits	257	-	-	257
Total current liabilities	<u>2,241</u>	<u>17</u>	<u>329</u>	<u>2,587</u>
Noncurrent liabilities:				
Net pension liability	15,148	-	3,671	18,819
Total liabilities	<u>17,389</u>	<u>17</u>	<u>4,000</u>	<u>21,406</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	370	-	242	612
Total liabilities and deferred inflows of resources	<u>17,759</u>	<u>17</u>	<u>4,242</u>	<u>22,018</u>
Net investment in capital assets	10,556	-	3,183	13,739
Unrestricted	23,141	173	3,562	26,876
Total net position	<u>\$ 33,697</u>	<u>\$ 173</u>	<u>\$ 6,745</u>	<u>\$ 40,615</u>

Exhibit K-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Net Position
Nonmajor Enterprise funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Refuse Disposal Fund	Fiber Optic Fund	Fire Communication Fund	Total Nonmajor Enterprise funds
OPERATING REVENUES				
Charges for services	\$ 23,415	\$ 229	\$ 4,354	\$ 27,998
Miscellaneous revenue	52	-	-	52
Total operating revenues	<u>23,467</u>	<u>229</u>	<u>4,354</u>	<u>28,050</u>
OPERATING EXPENSES				
Maintenance and operation	23,069	62	4,995	28,126
Depreciation	1,240	-	134	1,374
Total operating expenses	<u>24,309</u>	<u>62</u>	<u>5,129</u>	<u>29,500</u>
Operating income (loss)	<u>(842)</u>	<u>167</u>	<u>(775)</u>	<u>(1,450)</u>
NONOPERATING REVENUES (EXPENSES)				
Use of money and property	1,541	6	296	1,843
Intergovernmental grants	196	-	-	196
Total nonoperating revenues (expenses)	<u>1,737</u>	<u>6</u>	<u>296</u>	<u>2,039</u>
Income (loss) before transfers	895	173	(479)	589
Transfers out	(1,150)	-	-	(1,150)
Change in net position	<u>(255)</u>	<u>173</u>	<u>(479)</u>	<u>(561)</u>
Total net position - beginning	33,952	-	7,224	41,176
Total net position - ending	<u>\$ 33,697</u>	<u>\$ 173</u>	<u>\$ 6,745</u>	<u>\$ 40,615</u>

Exhibit K-3
CITY OF GLENDALE
Statement of Cash Flows
Nonmajor Enterprise funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Refuse Disposal Fund	Fiber Optic Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 22,353	\$ 211	\$ 4,353	\$ 26,917
Payments to employees	(8,744)	(58)	(3,293)	(12,095)
Payments to suppliers	(14,929)	-	(975)	(15,904)
Net cash provided (used) by operating activities	<u>(1,320)</u>	<u>153</u>	<u>85</u>	<u>(1,082)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in (out)	(1,150)	-	-	(1,150)
Operating grants received	196	-	-	196
Loan receivable	-	-	26	26
Net cash provided (used) by noncapital financing activities	<u>(954)</u>	<u>-</u>	<u>26</u>	<u>(928)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of property, plant, equipment and gas reserves	(2,420)	-	(1,904)	(4,324)
Proceeds from sales of capital assets	93	-	-	93
Net cash provided (used) by capital and related financing activities	<u>(2,327)</u>	<u>-</u>	<u>(1,904)</u>	<u>(4,231)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	1,459	5	302	1,766
Net increase (decrease) in cash and cash equivalents	(3,142)	158	(1,491)	(4,475)
Balances - beginning of year	38,763	-	8,634	47,397
Balances - end of the year	<u>35,621</u>	<u>158</u>	<u>7,143</u>	<u>42,922</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	(842)	167	(775)	(1,450)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,240	-	134	1,374
(Increase) Decrease Accounts receivable, net	(890)	(19)	-	(909)
(Increase) Decrease Prepaid expenses	-	-	89	89
(Increase) Decrease Deferred outflows from pension	802	(12)	6	796
Increase (Decrease) Accrued wages payable	59	17	30	106
Increase (Decrease) Accounts payable	(2,041)	-	79	(1,962)
Increase (Decrease) Deposits	(224)	-	-	(224)
Increase (Decrease) Net pension liability	598	-	437	1,035
Increase (Decrease) Deferred inflows from pension	(22)	-	85	63
Net cash provided (used) by operating activities	<u>\$ (1,320)</u>	<u>\$ 153</u>	<u>\$ 85</u>	<u>\$ (1,082)</u>

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Internal Service Funds

This section of the CAFR provides information on each individual internal service fund. Internal service funds are used by the City to centralize certain services and then allocate the cost of those services to the user departments on a cost reimbursement basis. User fund charges from internal service funds with capital assets typically consist of two components: a maintenance/service component and a capital replacement component. User fund charges from self-insurance internal service funds generally are based on claims experience of the user department.



INTERNAL SERVICE FUNDS

- 6010 - Fleet/Equipment Management Fund - To account for equipment replacement resources which are derived from periodic charges to governmental operations to ensure timely replacement of equipment.
- 6020 - Joint Helicopter Operation Fund - To account for resources and expenses for the operation of the Joint Law Enforcement Air Support Unit between City of Glendale and City of Burbank.
- 6030 - ISD Infrastructure Fund - To account for technological equipment replacement resources which are derived from periodic charges to governmental operations to ensure timely replacement of the technological equipment.
- 6040 - ISD Applications Fund - To account for major ISD Applications resources which are derived from periodic charges to governmental operations to ensure timely replacement of the major application software.
- 6070 - Building Maintenance Fund - To account for maintenance, repairs or services necessary to sustain facility operations at approximately one hundred City owned facilities.
- 6100 - Unemployment Insurance Fund - To finance and account for unemployment claims. Resources are derived from unemployment insurance charges to various City operations. Unemployment claims are reimbursed to the State Employment Department which disburses the unemployment claims.
- 6120 - Liability Insurance Fund - To account for financing and disbursement of City self-insurance funds for uninsurable litigation activities, general liability and auto liability claims. Charges, in lieu of insurance premiums, are made periodically to City operations to provide the self-insurance resources.
- 6140 - Compensation Insurance Fund - To finance and account for the City's workers' compensation claims. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.
- 6150 - Dental Insurance Fund - To finance and account for the City's dental insurance program for its employees. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.
- 6160 - Medical Insurance Fund - To finance and account for the City's medical insurance program for its employees. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.
- 6170 - Vision Insurance Fund - To finance and account for the City's vision insurance program for its employees. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.
- 6400 - Employee Benefits Fund - To account for the resources and the liability for employees' compensated absences (vacation and comp time).
- 6410 - Retiree Health Savings Plan (RHSP) Benefits Fund - To account for the resources and the liability for employees' sick leave conversion under RHSP plan.
- 6420 - Post Employment Benefits Fund - To account for the resources and the liability for all the benefits provided after the employees' separation from the City.
- 6600 - ISD Wireless Fund - To account for the operation of the citywide radio system, including maintenance, replacement and acquisition of equipment.

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Exhibit L-1
 CITY OF GLENDALE
 Combining Statement of Net Position
 Internal service funds
 June 30, 2020
 (amounts expressed in thousands)

	Fleet/Equipment Management Fund	Joint Helicopter Operation Fund	ISD Infrastructure Fund	ISD Applications Fund
ASSETS				
Current assets:				
Pooled cash and investments	\$ 10,205	\$ 4,721	\$ 2,852	\$ 9,197
Interest receivable	51	23	14	43
Accounts receivable, net	75	190	29	183
Inventories	198	-	-	-
Prepaid items	1,617	-	-	-
Total current assets	<u>12,146</u>	<u>4,934</u>	<u>2,895</u>	<u>9,423</u>
Noncurrent assets:				
Capital assets, not being depreciated	251	-	1,671	612
Capital assets, net	18,235	1,297	2,781	5,743
Total noncurrent assets	<u>18,486</u>	<u>1,297</u>	<u>4,452</u>	<u>6,355</u>
Total assets	<u>30,632</u>	<u>6,231</u>	<u>7,347</u>	<u>15,778</u>
LIABILITIES				
Current liabilities:				
Accounts payable	1,151	30	364	163
Wages and benefits payable	351	10	248	169
Claims payable	-	-	-	-
Compensated absences	-	-	-	-
Total current liabilities	<u>1,502</u>	<u>40</u>	<u>612</u>	<u>332</u>
Noncurrent liabilities:				
Claims payable	-	-	-	-
Compensated absences	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,502</u>	<u>40</u>	<u>612</u>	<u>332</u>
NET POSITION				
Net investment in capital assets	18,486	1,297	4,452	6,355
Unrestricted	10,644	4,894	2,283	9,091
Total net position (deficit)	<u>\$ 29,130</u>	<u>\$ 6,191</u>	<u>\$ 6,735</u>	<u>\$ 15,446</u>

Exhibit L-1
 CITY OF GLENDALE
 Combining Statement of Net Position
 Internal service funds
 June 30, 2020
 (amounts expressed in thousands)

	Building Maintenance Fund	Unemployment Insurance Fund	Liability Insurance Fund	Compensation Insurance Fund
ASSETS				
Current assets:				
Pooled cash and investments	\$ 2,880	\$ 126	\$ 23,408	\$ 45,443
Interest receivable	15	1	115	226
Accounts receivable, net	8	3	484	1,199
Inventories	-	-	-	-
Prepaid items	-	-	-	-
Total current assets	<u>2,903</u>	<u>130</u>	<u>24,007</u>	<u>46,868</u>
Noncurrent assets:				
Capital assets, not being depreciated	-	-	-	-
Capital assets, net	9	-	-	3
Total noncurrent assets	<u>9</u>	<u>-</u>	<u>-</u>	<u>3</u>
Total assets	<u>2,912</u>	<u>130</u>	<u>24,007</u>	<u>46,871</u>
LIABILITIES				
Current liabilities:				
Accounts payable	540	230	105	10
Wages and benefits payable	237	-	20	346
Claims payable	-	-	4,487	11,040
Compensated absences	-	-	-	-
Total current liabilities	<u>777</u>	<u>230</u>	<u>4,612</u>	<u>11,396</u>
Noncurrent liabilities:				
Claims payable	-	-	8,967	41,971
Compensated absences	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>8,967</u>	<u>41,971</u>
Total liabilities	<u>777</u>	<u>230</u>	<u>13,579</u>	<u>53,367</u>
NET POSITION				
Net investment in capital assets	9	-	-	3
Unrestricted	2,126	(100)	10,428	(6,499)
Total net position (deficit)	<u>\$ 2,135</u>	<u>\$ (100)</u>	<u>\$ 10,428</u>	<u>\$ (6,496)</u>

Exhibit L-1
 CITY OF GLENDALE
 Combining Statement of Net Position
 Internal service funds
 June 30, 2020
 (amounts expressed in thousands)

	Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund	Employee Benefits Fund
ASSETS				
Current assets:				
Pooled cash and investments	\$ 574	\$ 2,228	\$ 309	\$ 19,979
Interest receivable	3	14	2	98
Accounts receivable, net	46	928	9	307
Inventories	-	-	-	-
Prepaid items	-	547	-	-
Total current assets	<u>623</u>	<u>3,717</u>	<u>320</u>	<u>20,384</u>
Noncurrent assets:				
Capital assets, not being depreciated	-	-	-	-
Capital assets, net	-	-	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>623</u>	<u>3,717</u>	<u>320</u>	<u>20,384</u>
LIABILITIES				
Current liabilities:				
Accounts payable	79	694	13	-
Wages and benefits payable	-	-	-	384
Claims payable	-	772	-	-
Compensated absences	-	-	-	2,216
Total current liabilities	<u>79</u>	<u>1,466</u>	<u>13</u>	<u>2,600</u>
Noncurrent liabilities:				
Claims payable	-	-	-	-
Compensated absences	-	-	-	15,053
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,053</u>
Total liabilities	<u>79</u>	<u>1,466</u>	<u>13</u>	<u>17,653</u>
NET POSITION				
Net investment in capital assets	-	-	-	-
Unrestricted	544	2,251	307	2,731
Total net position (deficit)	<u>\$ 544</u>	<u>\$ 2,251</u>	<u>\$ 307</u>	<u>\$ 2,731</u>

Exhibit L-1
 CITY OF GLENDALE
 Combining Statement of Net Position
 Internal service funds
 June 30, 2020
 (amounts expressed in thousands)

	Retiree Health Savings Plan (RHSP) Benefits Fund	Post Employment Benefits Fund	ISD Wireless Fund	Total Internal service funds
ASSETS				
Current assets:				
Pooled cash and investments	\$ 19,185	\$ 177	\$ 2,854	\$ 144,138
Interest receivable	95	1	13	714
Accounts receivable, net	114	67	61	3,703
Inventories	-	-	-	198
Prepaid items	-	-	-	2,164
Total current assets	<u>19,394</u>	<u>245</u>	<u>2,928</u>	<u>150,917</u>
Noncurrent assets:				
Capital assets, not being depreciated	-	-	-	2,534
Capital assets, net	-	-	7,150	35,218
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>7,150</u>	<u>37,752</u>
Total assets	<u>19,394</u>	<u>245</u>	<u>10,078</u>	<u>188,669</u>
LIABILITIES				
Current liabilities:				
Accounts payable	-	26	109	3,514
Wages and benefits payable	127	-	88	1,980
Claims payable	-	-	-	16,299
Compensated absences	1,063	-	-	3,279
Total current liabilities	<u>1,190</u>	<u>26</u>	<u>197</u>	<u>25,072</u>
Noncurrent liabilities:				
Claims payable	-	-	-	50,938
Compensated absences	13,667	-	-	28,720
Total noncurrent liabilities	<u>13,667</u>	<u>-</u>	<u>-</u>	<u>79,658</u>
Total liabilities	<u>14,857</u>	<u>26</u>	<u>197</u>	<u>104,730</u>
NET POSITION				
Net investment in capital assets	-	-	7,150	37,752
Unrestricted	4,537	219	2,731	46,187
Total net position (deficit)	<u>\$ 4,537</u>	<u>\$ 219</u>	<u>\$ 9,881</u>	<u>\$ 83,939</u>

Exhibit L-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Net Position
 Internal service funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Fleet/Equipment Management Fund	Joint Helicopter Operation Fund	ISD Infrastructure Fund	ISD Applications Fund
OPERATING REVENUES				
Charges for services	\$ 8,820	\$ 1,228	\$ 7,312	\$ 6,292
Miscellaneous revenue	10	-	-	-
Total operating revenues	<u>8,830</u>	<u>1,228</u>	<u>7,312</u>	<u>6,292</u>
OPERATING EXPENSES				
Maintenance and operation	11,111	707	9,352	6,552
Claims and settlement	-	-	-	-
Depreciation	2,517	103	847	-
Amortization	-	-	34	597
Total operating expenses	<u>13,628</u>	<u>810</u>	<u>10,233</u>	<u>7,149</u>
Operating income (loss)	<u>(4,798)</u>	<u>418</u>	<u>(2,921)</u>	<u>(857)</u>
NONOPERATING REVENUES (EXPENSES)				
Use of money and property	608	203	132	380
Intergovernmental grants	-	-	30	-
Total nonoperating revenues (expenses)	<u>608</u>	<u>203</u>	<u>162</u>	<u>380</u>
Income (loss)	<u>(4,190)</u>	<u>621</u>	<u>(2,759)</u>	<u>(477)</u>
Change in net position	<u>(4,190)</u>	<u>621</u>	<u>(2,759)</u>	<u>(477)</u>
Total net position - beginning	<u>33,320</u>	<u>5,570</u>	<u>9,494</u>	<u>15,923</u>
Total net position - ending	<u>\$ 29,130</u>	<u>\$ 6,191</u>	<u>\$ 6,735</u>	<u>\$ 15,446</u>

Exhibit L-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Net Position
 Internal service funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Building Maintenance Fund	Unemployment Insurance Fund	Liability Insurance Fund	Compensation Insurance Fund
OPERATING REVENUES				
Charges for services	\$ 7,185	\$ 52	\$ 7,950	\$ 18,200
Miscellaneous revenue	8	-	12	2
Total operating revenues	<u>7,193</u>	<u>52</u>	<u>7,962</u>	<u>18,202</u>
OPERATING EXPENSES				
Maintenance and operation	8,817	7	1,464	4,014
Claims and settlement	-	284	5,416	17,827
Depreciation	1	-	-	3
Amortization	-	-	-	-
Total operating expenses	<u>8,818</u>	<u>291</u>	<u>6,880</u>	<u>21,844</u>
Operating income (loss)	<u>(1,625)</u>	<u>(239)</u>	<u>1,082</u>	<u>(3,642)</u>
NONOPERATING REVENUES (EXPENSES)				
Use of money and property	121	4	721	1,917
Intergovernmental grants	-	-	-	-
Total nonoperating revenues (expenses)	<u>121</u>	<u>4</u>	<u>721</u>	<u>1,917</u>
Income (loss)	<u>(1,504)</u>	<u>(235)</u>	<u>1,803</u>	<u>(1,725)</u>
Change in net position	<u>(1,504)</u>	<u>(235)</u>	<u>1,803</u>	<u>(1,725)</u>
Total net position - beginning	<u>3,639</u>	<u>135</u>	<u>8,625</u>	<u>(4,771)</u>
Total net position - ending	<u>\$ 2,135</u>	<u>\$ (100)</u>	<u>\$ 10,428</u>	<u>\$ (6,496)</u>

Exhibit L-2
 CITY OF GLENDALE
 Combining Statement of Revenues,
 Expenditures, and Changes in Net Position
 Internal service funds
 For the Year Ended June 30, 2020
 (amounts expressed in thousands)

	Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund	Employee Benefits Fund
OPERATING REVENUES				
Charges for services	\$ 1,314	\$ 23,796	\$ 226	\$ 6,484
Miscellaneous revenue	-	18	-	-
Total operating revenues	<u>1,314</u>	<u>23,814</u>	<u>226</u>	<u>6,484</u>
OPERATING EXPENSES				
Maintenance and operation	69	1,213	20	50
Claims and settlement	1,243	20,798	184	6,461
Depreciation	-	-	-	-
Amortization	-	-	-	-
Total operating expenses	<u>1,312</u>	<u>22,011</u>	<u>204</u>	<u>6,511</u>
Operating income (loss)	<u>2</u>	<u>1,803</u>	<u>22</u>	<u>(27)</u>
NONOPERATING REVENUES (EXPENSES)				
Use of money and property	22	105	12	828
Intergovernmental grants	-	-	-	-
Total nonoperating revenues (expenses)	<u>22</u>	<u>105</u>	<u>12</u>	<u>828</u>
Income (loss)	<u>24</u>	<u>1,908</u>	<u>34</u>	<u>801</u>
Change in net position	24	1,908	34	801
Total net position - beginning	<u>520</u>	<u>343</u>	<u>273</u>	<u>1,930</u>
Total net position - ending	<u>\$ 544</u>	<u>\$ 2,251</u>	<u>\$ 307</u>	<u>\$ 2,731</u>

Exhibit L-2
CITY OF GLENDALE
Combining Statement of Revenues,
Expenditures, and Changes in Net Position
Internal service funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Retiree Health Savings Plan (RHSP) Benefits Fund	Post Employment Benefits Fund	ISD Wireless Fund	Total Internal service funds
OPERATING REVENUES				
Charges for services	\$ 1,728	\$ 1,004	\$ 4,223	\$ 95,814
Miscellaneous revenue	47	-	1	98
Total operating revenues	<u>1,775</u>	<u>1,004</u>	<u>4,224</u>	<u>95,912</u>
OPERATING EXPENSES				
Maintenance and operation	19	14	4,104	47,513
Claims and settlement	853	599	-	53,665
Depreciation	-	-	1,544	5,015
Amortization	-	-	-	631
Total operating expenses	<u>872</u>	<u>613</u>	<u>5,648</u>	<u>106,824</u>
Operating income (loss)	<u>903</u>	<u>391</u>	<u>(1,424)</u>	<u>(10,912)</u>
NONOPERATING REVENUES (EXPENSES)				
Use of money and property	801	7	211	6,072
Intergovernmental grants	-	-	-	30
Total nonoperating revenues (expenses)	<u>801</u>	<u>7</u>	<u>211</u>	<u>6,102</u>
Income (loss)	<u>1,704</u>	<u>398</u>	<u>(1,213)</u>	<u>(4,810)</u>
Change in net position	<u>1,704</u>	<u>398</u>	<u>(1,213)</u>	<u>(4,810)</u>
Total net position - beginning	<u>2,833</u>	<u>(179)</u>	<u>11,094</u>	<u>88,749</u>
Total net position - ending	<u>\$ 4,537</u>	<u>\$ 219</u>	<u>\$ 9,881</u>	<u>\$ 83,939</u>

Exhibit L-3
CITY OF GLENDALE
Statement of Cash Flows
Internal service funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Fleet/Equipment Management Fund	Joint Helicopter Operation Fund	ISD Infrastructure Fund	ISD Applications Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 8,763	\$ 1,275	\$ 7,282	\$ 6,108
Payments to employees	(5,189)	(160)	(3,067)	(2,439)
Payments to suppliers	(5,765)	(727)	(6,016)	(4,172)
Net cash provided (used) by operating activities	<u>(2,191)</u>	<u>388</u>	<u>(1,801)</u>	<u>(503)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Amounts paid to other funds	-	-	-	-
Operating grants received	-	-	30	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>30</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of property, plant, equipment and gas reserves	(5,678)	-	(260)	(457)
Proceeds from sales of capital assets	199	11	-	-
Net cash provided (used) by capital and related financing activities	<u>(5,479)</u>	<u>11</u>	<u>(260)</u>	<u>(457)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	443	189	139	381
Net increase (decrease) in cash and cash equivalents	(7,227)	588	(1,892)	(579)
Balances - beginning of year	17,432	4,133	4,744	9,776
Balances - end of the year	<u>10,205</u>	<u>4,721</u>	<u>2,852</u>	<u>9,197</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	(4,798)	418	(2,921)	(857)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	2,517	103	847	-
Amortization	-	-	34	597
(Increase) Decrease Accounts receivable, net	(67)	47	(30)	(184)
(Increase) Decrease Inventories	(8)	-	-	-
(Increase) Decrease Prepaid expenses	(291)	-	-	-
Increase (Decrease) Accrued wages payable	76	1	106	27
Increase (Decrease) Compensated absences	-	-	-	-
Increase (Decrease) Accounts payable	380	(181)	163	(86)
Increase (Decrease) Claims payable	-	-	-	-
(Increase) Decrease Capital assets adjustment	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ (2,191)</u>	<u>\$ 388</u>	<u>\$ (1,801)</u>	<u>\$ (503)</u>

Exhibit L-3
CITY OF GLENDALE
Statement of Cash Flows
Internal service funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Building Maintenance Fund	Unemployment Insurance Fund	Liability Insurance Fund	Compensation Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 7,185	\$ 52	\$ 9,158	\$ 18,149
Payments to employees	(3,597)	-	(291)	(2,436)
Payments to suppliers	(4,771)	(118)	(5,412)	(12,202)
Net cash provided (used) by operating activities	<u>(1,183)</u>	<u>(66)</u>	<u>3,455</u>	<u>3,511</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Amounts paid to other funds	-	-	-	-
Operating grants received	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of property, plant, equipment and gas reserves	-	-	-	-
Proceeds from sales of capital assets	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	125	5	956	1,887
Net increase (decrease) in cash and cash equivalents	(1,058)	(61)	4,411	5,398
Balances - beginning of year	3,938	187	18,997	40,045
Balances - end of the year	<u>2,880</u>	<u>126</u>	<u>23,408</u>	<u>45,443</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	(1,625)	(239)	1,082	(3,642)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1	-	-	3
Amortization	-	-	-	-
(Increase) Decrease Accounts receivable, net	(8)	-	1,196	(53)
(Increase) Decrease Inventories	-	-	-	-
(Increase) Decrease Prepaid expenses	-	-	-	-
Increase (Decrease) Accrued wages payable	23	-	5	(38)
Increase (Decrease) Compensated absences	-	-	-	-
Increase (Decrease) Accounts payable	110	173	(347)	(196)
Increase (Decrease) Claims payable	-	-	1,519	7,437
(Increase) Decrease Capital assets adjustment	316	-	-	-
Net cash provided (used) by operating activities	<u>\$ (1,183)</u>	<u>\$ (66)</u>	<u>\$ 3,455</u>	<u>\$ 3,511</u>

Exhibit L-3
CITY OF GLENDALE
Statement of Cash Flows
Internal service funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund	Employee Benefits Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 1,313	\$ 23,740	\$ 226	\$ 6,517
Payments to employees	-	-	-	(4,736)
Payments to suppliers	(1,234)	(23,928)	(205)	(22)
Net cash provided (used) by operating activities	<u>79</u>	<u>(188)</u>	<u>21</u>	<u>1,759</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Amounts paid to other funds	-	-	-	-
Operating grants received	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of property, plant, equipment and gas reserves	-	-	-	-
Proceeds from sales of capital assets	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	<u>22</u>	<u>102</u>	<u>13</u>	<u>815</u>
Net increase (decrease) in cash and cash equivalents	101	(86)	34	2,574
Balances - beginning of year	473	2,314	275	17,405
Balances - end of the year	<u><u>574</u></u>	<u><u>2,228</u></u>	<u><u>309</u></u>	<u><u>19,979</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	2	1,803	22	(27)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	-	-
Amortization	-	-	-	-
(Increase) Decrease Accounts receivable, net	(1)	(74)	-	32
(Increase) Decrease Inventories	-	-	-	-
(Increase) Decrease Prepaid expenses	-	(43)	-	-
Increase (Decrease) Accrued wages payable	-	-	-	(39)
Increase (Decrease) Compensated absences	-	-	-	1,793
Increase (Decrease) Accounts payable	78	(1,806)	(1)	-
Increase (Decrease) Claims payable	-	(68)	-	-
(Increase) Decrease Capital assets adjustment	-	-	-	-
Net cash provided (used) by operating activities	<u><u>\$ 79</u></u>	<u><u>\$ (188)</u></u>	<u><u>\$ 21</u></u>	<u><u>\$ 1,759</u></u>

Exhibit L-3
CITY OF GLENDALE
Statement of Cash Flows
Internal service funds
For the Year Ended June 30, 2020
(amounts expressed in thousands)

	Retiree Health Savings Plan (RHSP) Benefits Fund	Post Employment Benefits Fund	ISD Wireless Fund	Total Internal service funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	\$ 1,764	\$ 980	\$ 6,359	\$ 98,871
Payments to employees	-	-	(1,210)	(23,125)
Payments to suppliers	(993)	(613)	(2,771)	(68,949)
Net cash provided (used) by operating activities	<u>771</u>	<u>367</u>	<u>2,378</u>	<u>6,797</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Amounts paid to other funds	-	(196)	-	(196)
Operating grants received	-	-	-	30
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>(196)</u>	<u>-</u>	<u>(166)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of property, plant, equipment and gas reserves	-	-	(778)	(7,173)
Proceeds from sales of capital assets	-	-	61	271
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(717)</u>	<u>(6,902)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	793	6	138	6,014
Net increase (decrease) in cash and cash equivalents	1,564	177	1,799	5,743
Balances - beginning of year	17,621	-	1,055	138,395
Balances - end of the year	<u>19,185</u>	<u>177</u>	<u>2,854</u>	<u>144,138</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating Income (loss)	903	391	(1,424)	(10,912)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	1,544	5,015
Amortization	-	-	-	631
(Increase) Decrease Accounts receivable, net	(12)	(24)	2,134	2,956
(Increase) Decrease Inventories	-	-	-	(8)
(Increase) Decrease Prepaid expenses	-	-	404	70
Increase (Decrease) Accrued wages payable	-	-	25	186
Increase (Decrease) Compensated absences	-	-	-	1,793
Increase (Decrease) Accounts payable	(120)	-	(305)	(2,138)
Increase (Decrease) Claims payable	-	-	-	8,888
(Increase) Decrease Capital assets adjustment	-	-	-	316
Net cash provided (used) by operating activities	<u>\$ 771</u>	<u>\$ 367</u>	<u>\$ 2,378</u>	<u>\$ 6,797</u>

Statistical Section (UNAUDITED)

The statistical section provides mostly trend data and nonfinancial information useful in assessing the City's financial condition. Because of the special character of the data presented in the statistical section (i.e., data of prior years, nonfinancial data), the section does not fall within the scope of the independent audit.

- Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.
- Revenue Capacity – These schedules contain information to help the reader assess the City's two most significant local revenue sources, the electric revenue and the property tax.
- Debt Capacity – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.
- Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.
- Operation Information – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Schedule 1

CITY OF GLENDALE

Net Position by Component

Last Ten Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental activities	\$				
Net investment in capital assets	967,835	932,188	926,357	922,498	888,998
Restricted	249,714	175,754	168,556	124,491	110,281
Unrestricted	(275,900) ⁽²⁾	(166,779) ⁽²⁾	(195,007) ⁽²⁾	(162,510) ⁽²⁾	(153,423) ⁽²⁾
Total governmental activities net position	<u>941,649</u>	<u>941,163</u>	<u>899,906</u>	<u>884,479</u>	<u>845,856</u>
Business-type activities:					
Net investment in capital assets	387,699	387,043	401,010	409,287	422,656
Restricted	14,375	5,669	5,669	5,669	5,669
Unrestricted	325,832	320,351	288,494	263,001	222,463
Total business-type activities net position	<u>727,906</u>	<u>713,063</u>	<u>695,173</u>	<u>677,957</u>	<u>650,788</u>
Primary government:					
Net investment in capital assets	1,355,534	1,319,231	1,327,367	1,331,785	1,311,654
Restricted	264,089	181,423	174,225	130,160	115,950
Unrestricted	49,932	153,572	93,487	100,491	69,040
Total primary government net position	<u>\$ 1,669,555</u>	<u>1,654,226</u>	<u>1,595,079</u>	<u>1,562,436</u>	<u>1,496,644</u>

	Fiscal Year				
	2015	2014	2013	2012 ⁽¹⁾	2011
Governmental activities	\$				
Net investment in capital assets	882,741	829,862	816,785	802,729	814,946
Restricted	74,413	73,323	70,047	40,119	53,953
Unrestricted	(315,057) ⁽²⁾	47,188	62,419	104,152	85,930
Total governmental activities net position	<u>642,097</u>	<u>950,373</u>	<u>949,251</u>	<u>947,000</u>	<u>954,829</u>
Business-type activities:					
Net investment in capital assets	437,125	484,467	516,774	545,511	526,011
Restricted	5,669	5,669	5,669	5,669	15,474
Unrestricted	159,220	210,397	159,224	140,283	159,353
Total business-type activities net position	<u>602,014</u>	<u>700,533</u>	<u>681,667</u>	<u>691,463</u>	<u>700,838</u>
Primary government:					
Net investment in capital assets	1,319,866	1,314,329	1,333,559	1,348,240	1,340,957
Restricted	80,082	78,992	75,716	45,788	69,427
Unrestricted	(155,837)	257,585	221,643	244,435	245,283
Total primary government net position	<u>\$ 1,244,111</u>	<u>1,650,906</u>	<u>1,630,918</u>	<u>1,638,463</u>	<u>1,655,667</u>

Notes:

- (1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions were included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.
- (2) From FY2015 to FY2020, the negative unrestricted net position for governmental activities was due to the recognition of net pension liability pursuant to GASB Statement No. 68.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 2

CITY OF GLENDALE

Changes in Net Position

Last Ten Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Expenses					
Governmental activities:					
General government	\$ 26,490	24,272	33,037	29,958	20,335
Police	104,378	92,931	92,679	80,687	72,274
Fire	71,342	65,484	67,285	59,228	51,386
Public works	50,772	40,720	30,072	28,021	31,925
Transportation	8,539	15,863	13,196	14,215	14,367
Housing, health, and community development	62,815	57,379	44,349	41,831	39,860
Employment programs	8,129	7,550	5,848	6,099	5,265
Public service	6,175	6,190	5,999	6,751	6,230
Parks, recreation and community services	23,037	20,204	19,697	18,710	15,889
Library	13,955	12,650	12,485	9,590	8,222
Interest and fiscal charges	783	1,125	2,139	2,763	2,203
Total governmental activities expenses	<u>376,415</u>	<u>344,368</u>	<u>326,786</u>	<u>297,853</u>	<u>267,956</u>
Business-type activities:					
Electric fund	211,615	202,232	188,573	186,772	172,647
Fiber optic fund	62	-	-	-	-
Fire communications fund	5,183	4,286	4,126	3,399	3,149
Refuse disposal fund	24,526	21,566	20,844	19,448	18,518
Sewer fund	20,297	21,448	20,383	16,697	15,327
Water fund	52,596	49,750	48,458	43,400	42,017
Total business-type activities expenses	<u>314,279</u>	<u>299,282</u>	<u>282,384</u>	<u>269,716</u>	<u>251,658</u>
Total primary government expenses	<u>\$ 690,694</u>	<u>643,650</u>	<u>609,170</u>	<u>567,569</u>	<u>519,614</u>

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Position

Last Ten Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 21,202	21,604	20,810	16,601	17,554
Police	2,130	2,185	1,487	1,282	1,229
Fire	11,032	9,313	9,672	8,405	8,242
Public works	19,851	31,712	29,117	23,629	20,732
Transportation	-	6,874	7,115	10,632	9,882
Housing, health, and community development	9,198	1,253	177	118	68
Employment programs	2,435	2,330	1,691	1,711	1,509
Public service	7,117	-	-	-	-
Parks, recreation and community services	4,598	3,346	3,285	2,984	2,999
Library	563	118	138	83	156
Operating grants and contributions	79,793	58,580	55,448	56,317	56,398
Capital grants and contributions	21,322	17,458	9,447	8,776	8,083
Total governmental activities program revenues	<u>179,241</u>	<u>154,773</u>	<u>138,387</u>	<u>130,538</u>	<u>126,852</u>
Business-type activities:					
Charges for services:					
Electric fund	212,009	211,748	218,842	218,686	217,467
Fiber optic fund	229	-	-	-	-
Fire communications fund	4,354	4,225	3,984	3,794	3,515
Refuse disposal fund	23,415	22,727	22,417	22,319	21,769
Sewer fund	25,088	24,892	13,806	13,859	14,273
Water fund	47,964	48,726	50,771	48,601	49,972
Operating grants and contributions	196	200	72	207	54
Capital grants and contributions	62	8	12	61	305
Total business-type activities program revenues	<u>313,317</u>	<u>312,526</u>	<u>309,904</u>	<u>307,527</u>	<u>307,355</u>
Total primary government program revenues	<u>492,558</u>	<u>467,299</u>	<u>448,291</u>	<u>438,065</u>	<u>434,207</u>
Net (Expense) / Revenue					
Governmental activities	(197,174)	(189,595)	(188,399)	(167,315)	(141,104)
Business-type activities	(962)	13,244	27,520	37,811	55,697
Total primary government net expense	<u>\$ (198,136)</u>	<u>(176,351)</u>	<u>(160,879)</u>	<u>(129,504)</u>	<u>(85,407)</u>

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Position

Last Ten Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 65,169	62,323	58,445	55,217	51,709
Sales taxes	66,054	58,692	62,158	41,096	46,651
Utility users tax	26,455	26,655	27,805	28,605	28,662
Other taxes	14,172	22,563	21,784	20,998	20,378
Investment income	4,080	14,626	1,815	1,262	8,456
Other	2,227	14,831	15,748	22,377	25,988
Reinstatement of loans		323	328	206	28,029
Transfers	19,503	20,172	21,312	21,060	19,524
Special items:					
Transfer of bond proceeds from Successor Agency	-	10,667	-	-	-
Transfer of capital assets from Successor Agency	-	-	2,744	15,117	6,729
Elimination of OPEB implied subsidy	-	-	-	-	82,247
Extraordinary gain (loss)	-	-	-	-	26,490
Total governmental activities	<u>197,660</u>	<u>230,852</u>	<u>212,139</u>	<u>205,938</u>	<u>344,863</u>
Business-type activities:					
Investment income	17,008	16,040	1,315	1,859	4,899
Other	15,101	8,778	9,693	8,559	7,702
Transfers	<u>(19,503)</u>	<u>(20,172)</u>	<u>(21,312)</u>	<u>(21,060)</u>	<u>(19,524)</u>
Total business-type activities	<u>12,606</u>	<u>4,646</u>	<u>(10,304)</u>	<u>(10,642)</u>	<u>(6,923)</u>
Total primary government	<u>210,266</u>	<u>235,498</u>	<u>201,835</u>	<u>195,296</u>	<u>337,940</u>
Change in net position					
Governmental activities	486	41,257	23,740	38,623	203,759
Business-type activities	11,644	17,890	17,216	27,169	48,774
Total primary government	<u>\$ 12,130</u>	<u>59,147</u>	<u>40,956</u>	<u>65,792</u>	<u>252,533</u>

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Position

Last Ten Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year				
	2015	(2) 2014	2013	2012 (1)	2011
Expenses					
Governmental activities:					
General government	\$ 47,822	64,776	33,432	22,151	25,700
Police	74,596	71,299	72,997	72,160	69,926
Fire	48,796	47,370	50,880	61,917	57,138
Public works	26,558	41,126	39,349	42,192	41,598
Housing, health, and community development	42,472	38,536	44,534	45,387	69,965
Employment programs	5,557	5,642	6,080	6,197	5,925
Public service	5,895	5,173	4,490	6,369	8,029
Parks, recreation and community services	13,325	12,372	12,326	12,804	16,449
Library	8,392	7,893	8,338	8,209	9,127
Interest and fiscal charges on bonds	1,398	2,553	1,932	10,871	12,696
Total governmental activities expenses	<u>290,033</u>	<u>296,740</u>	<u>274,358</u>	<u>288,257</u>	<u>316,553</u>
Business-type activities:					
Electric fund	187,864	179,322	172,509	200,120	188,569
Fire communications fund	2,965	2,521	3,291	3,528	3,289
Hazardous disposal fund	1,511	1,170	1,709	1,507	1,745
Parking fund	7,702	6,317	7,683	7,674	7,763
Recreation fund	2,584	2,338	2,820	2,754	2,622
Refuse disposal fund	18,519	16,143	19,197	18,794	18,893
Sewer fund	17,421	14,353	14,585	15,148	15,756
Water fund	45,068	42,927	41,862	40,937	35,790
Total business-type activities expenses	<u>283,634</u>	<u>265,091</u>	<u>263,656</u>	<u>290,462</u>	<u>274,427</u>
Total primary government expenses	<u>\$ 573,667</u>	<u>561,831</u>	<u>538,014</u>	<u>578,719</u>	<u>590,980</u>

Notes:

- (1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions were included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.
- (2) Effective FY2015, Recreation, Hazardous Disposal and Parking Funds were reclassified from enterprise funds to special revenue funds.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Position

Last Ten Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year				
	2015	(2) 2014	2013	2012 (1)	2011
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 18,554	17,895	16,249	16,738	17,276
Police	1,087	759	746	758	779
Fire	6,330	2,206	8,327	15,553	13,774
Public works	14,469	19,544	18,647	13,401	11,685
Housing, health, and community development	55	57	67	58	51
Employment programs	1,401	1,486	1,512	1,831	1,631
Parks, recreation and community services	11	11	15	8	13
Library	174	171	170	201	226
Operating grants and contributions	55,415	63,195	59,855	61,877	63,166
Capital grants and contributions	6,969	11,134	17,949	6,103	9,040
Total governmental activities program revenues	<u>111,314</u>	<u>116,458</u>	<u>123,537</u>	<u>116,528</u>	<u>117,641</u>
Business-type activities:					
Charges for services:					
Electric fund	215,956	196,263	173,701	196,007	187,801
Fire communications fund	3,253	3,191	3,288	3,223	3,337
Hazardous disposal fund	1,632	1,598	1,559	1,547	1,530
Parking fund	9,303	8,897	8,699	8,303	7,853
Recreation fund	2,773	2,813	2,645	2,648	2,640
Refuse disposal fund	21,989	21,195	21,704	20,457	20,776
Sewer fund	15,790	15,576	16,143	15,716	14,977
Water fund	47,520	43,069	44,605	41,359	36,637
Operating grants and contributions	120	299	223	96	161
Capital grants and contributions	2,306	796	1,203	6,590	16,238
Total business-type activities program revenues	<u>320,642</u>	<u>293,697</u>	<u>273,770</u>	<u>295,946</u>	<u>291,950</u>
Total primary government program revenues	<u>431,956</u>	<u>410,155</u>	<u>397,307</u>	<u>412,474</u>	<u>409,591</u>
Net (Expense) / Revenue					
Governmental activities	(178,719)	(180,282)	(150,821)	(171,729)	(198,912)
Business-type activities	37,008	28,606	10,114	5,484	17,523
Total primary government net expense	<u>\$ (141,711)</u>	<u>(151,676)</u>	<u>(140,707)</u>	<u>(166,245)</u>	<u>(181,389)</u>

Notes:

- (1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions were included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.
- (2) Effective FY2015, Recreation, Hazardous Disposal and Parking Funds were reclassified from enterprise funds to special revenue funds.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Position

Last Ten Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year				
	2015	2014	2013	2012 ⁽¹⁾	2011
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 50,883	47,623	45,943	59,197	79,714
Sales taxes	36,330	35,408	33,789	31,874	30,030
Utility users tax	27,766	27,018	26,968	26,632	26,802
Other taxes	17,305	15,512	14,594	14,181	13,857
Investment income	1,561	1,776	(85) ⁽²⁾	2,953	4,066
Other	22,766	30,097	13,401	21,370	17,948
Transfers	62,859	23,970	25,299	24,007	26,167
Special items:					
Transfer of capital assets from Successor Agency	22,087	-	-	-	-
Extraordinary gain (loss)	-	-	(6,423)	(16,314)	-
Total governmental activities	<u>241,557</u>	<u>181,404</u>	<u>153,486</u>	<u>163,900</u>	<u>198,584</u>
Business-type activities:					
Investment income	1,915	2,725	231	1,927	2,089
Other	8,593	11,505	8,270	7,221	8,527
Transfers	(62,859)	(23,970)	(25,299)	(24,007)	(26,167)
Total business-type activities	<u>(52,351)</u>	<u>(9,740)</u>	<u>(16,798)</u>	<u>(14,859)</u>	<u>(15,551)</u>
Total primary government	<u>189,206</u>	<u>171,664</u>	<u>136,688</u>	<u>149,041</u>	<u>183,033</u>
Change in net position					
Governmental activities	62,838	1,122	2,665	(7,829)	(328)
Business-type activities	(15,343)	18,866	(6,684)	(9,375)	1,972
Total primary government	<u>\$ 47,495</u>	<u>19,988</u>	<u>(4,019)</u>	<u>(17,204)</u>	<u>1,644</u>

Notes:

- (1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions were included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.
- (2) In FY2013, the negative investment income was due to the net decrease in the fair value of investments pursuant to GASB Statement No. 31.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 3
CITY OF GLENDALE
Fund Balances of Governmental Funds
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
General Fund					
Nonspendable:	\$ 8,451	293	305	267	196
Restricted for:					
City Charter - Article XI					
Sec. 15 general reserve	32,584	30,769	28,115	27,296	24,870
Pension stabilization	35,145	29,426	27,605	-	-
Assigned to:					
Economic development	1,804	2,068	3,530	4,033	4,526
Capital	-	-	97	572	800
Quality of Life -					
affordable housing,					
infrastructure improvements,					
and other essential services	5,184	5,184	-	-	-
Emergency medical services	-	-	-	-	2,000
Unassigned:	49,325	57,534	47,418	60,701	55,954
Total general fund	<u>132,493</u>	<u>125,274</u>	<u>107,070</u>	<u>92,869</u>	<u>88,346</u>
All Other Governmental Funds					
Nonspendable:	2,901	2,756	2,545	2,396	3,197
Restricted for:					
Air quality improvement	654	635	518	425	370
Cable access	3,460	4,044	3,401	2,895	2,434
Capital projects	50,856	45,773	38,884	33,951	29,034
Electric public benefit AB1890	7,159	5,903	5,146	3,962	3,609
Federal and state grants	8,562	8,547	6,854	5,929	5,621
Impact fee funded projects	29,647	27,668	24,565	24,132	26,078
Landfill post closure	42,584	37,286	31,850	29,850	27,850
Landscaping district	270	239	207	172	139
Low and moderate housing	13,471	23,413	12,254	11,175	9,642
Private endowments	-	-	-	-	-
Property held for resale	-	-	981	981	-
Public safety	3,665	3,600	2,594	2,730	1,820
State gas tax mandates	11,373	8,473	4,405	2,257	3,240
Transportation	37,479	37,223	30,324	25,471	22,297
Urban art	8,393	8,130	6,974	6,372	5,275
Youth employment	-	33	44	-	52
Committed to:					
Capital projects	36,922	29,872	23,917	13,405	11,295
Debt service	14,148	15,372	16,429	17,981	19,287
Filming	-	-	945	622	373
Hazardous materials	3,599	3,294	2,885	2,342	2,057
Parking	12,229	13,077	9,638	8,738	7,511
Public safety	768	448	333	206	13
Recreation	-	-	3,775	3,652	3,548
Unassigned:	(8,589)	(6,349)	(4,690)	(4,582)	(9,345)
Total all other governmental funds	<u>\$ 279,551</u>	<u>269,437</u>	<u>224,778</u>	<u>195,062</u>	<u>175,397</u>

Source: City Finance Department

Not covered by independent auditors' report

Schedule 3
CITY OF GLENDALE
Fund Balances of Governmental Funds
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2015	2014	2013	2012 (2)	2011 (1)
General Fund					
Nonspendable:	\$ 2,505	2,584	2,579	558	49,425
Restricted for:					
City Charter - Article XI					
Sec. 15 general reserve	23,433	22,593	22,228	21,156	21,105
Committed to:					
Capital projects	-	7,000	-	-	-
Assigned to:					
Economic development	3,418	-	-	-	117
Capital	800	-	-	-	-
Building maintenance	1,000	-	-	-	-
Unassigned:	40,819	36,480	38,082	37,852	63,408
Total general fund	<u>71,975</u>	<u>68,657</u>	<u>62,889</u>	<u>59,566</u>	<u>134,055</u>
All Other Governmental Funds					
Nonspendable:	3,177	2,212	2,275	2,257	14,459
Restricted for:					
Air quality improvement	293	276	269	214	792
Cable access	1,833	1,237	783	379	862
Capital projects	-	-	-	-	12,856
Electric public benefit AB1890	2,788	1,960	1,308	186	14,435
Federal and state grants	5,129	4,745	4,571	3,395	4,735
Impact fee funded projects	14,227	5,562	5,830	4,457	2,209
Landfill post closure	25,850	23,850	22,350	22,100	24,071
Landscaping district	99	63	48	43	9,419
Low and moderate housing	9,219	9,820	15,605	18,963	286
Private endowments	-	-	-	1,400	1,759
Property held for resale	-	-	-	-	-
Public safety	1,465	1,197	1,127	1,295	-
State gas tax mandates	2,868	7,044	8,539	12,466	22,100
Transportation	19,965	17,019	15,569	12,927	53
Urban art	4,283	2,437	1,893	984	18
Youth employment	4	18	-	52	10,606
Committed to:					
Capital projects	9,374	1,991	2,213	-	-
Debt service	21,522	23,841	31,590	34,087	52,330
Filming	-	-	-	-	-
Hazardous materials	1,646	-	-	-	-
Parking	6,776	-	-	-	-
Public safety	121	116	116	179	170
Recreation	3,602	-	-	-	-
Assigned to:					
Capital projects	-	-	-	8,020	-
Unassigned:	(5,960)	(10,327)	(8,167)	(9,520)	(7,393)
Total all other governmental funds	<u>\$ 128,281</u>	<u>93,061</u>	<u>105,919</u>	<u>113,884</u>	<u>163,767</u>

Notes:

- (1) Effective FY2011, pursuant to GASB Statement No. 54, this schedule has been modified to establish the following classifications: nonspendable, restricted, committed, assigned and unassigned.
- (2) In FY2012, only seven months of the Glendale Redevelopment Agency transactions were included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 4
CITY OF GLENDALE
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years (in thousands)
 (accrual basis of accounting)

	Fiscal Year				
	2020	2019	2018	2017	2016
Revenues:					
Property taxes	\$ 65,169	62,323	58,445	55,217	51,709
Sales tax	66,054	58,692	62,158	41,096	46,651
Utility users tax	26,455	26,655	27,805	28,605	28,662
Other taxes	14,172	22,563	21,784	20,998	20,378
Revenue from other agencies	87,854	79,637	70,304	71,590	61,332
Licenses and permits	10,197	15,029	13,740	14,053	23,263
Fines and forfeitures	4,967	5,562	5,300	5,317	4,299
Charges for services	47,797	43,495	39,962	37,012	35,876
Use of money and property	9,869	26,348	10,166	17,244	11,820
Interfund revenue	19,310	19,448	17,410	13,996	14,950
Miscellaneous revenue	2,749	3,374	4,324	9,235	4,105
Total revenues	354,593	363,126	331,398	314,363	303,045
Expenditures:					
Current:					
General government	21,883	19,905	28,866	29,286	25,767
Police	89,243	87,321	82,573	76,908	73,196
Fire	61,930	61,888	60,176	56,598	53,425
Public works	27,134	25,500	23,544	23,351	28,518
Transportation	15,849	14,760	14,271	13,251	13,341
Housing, health and community development	58,235	57,570	40,979	40,102	39,865
Employment programs	6,988	7,449	5,680	6,254	5,603
Public service	5,860	6,177	5,951	6,720	6,381
Parks, recreation and community services	17,836	16,813	16,643	16,511	14,139
Library	10,918	11,071	11,229	9,660	8,655
Capital outlay	51,216	19,682	16,190	30,208	13,433
Debt service:					
Interest	1,173	769	583	374	268
Principal	2,052	2,197	2,108	2,014	2,981
Bond issuance costs	-	357 (1)	-	-	-
Total expenditures	370,317	331,459	308,793	311,237	285,572
Excess (deficiency) of revenues over (under) expenditures	(15,724)	31,667	22,605	3,126	17,473
Other financing sources (uses):					
Transfers in	27,758	55,053	35,378	32,302	25,165
Transfers out	(8,255)	(34,881)	(14,066)	(11,240)	(5,641)
Refunding bonds issued	-	24,925 (1)	-	-	-
Premium on refunding bonds issued	-	5,327 (1)	-	-	-
Payment to refunded bond escrow agent	-	(29,895) (1)	-	-	-
Total other financing sources (uses)	19,503	20,529	21,312	21,062	19,524
Extraordinary gain (loss)	-	-	-	-	26,490
Special Item - transfer of bond proceeds from Successor Agency	-	10,667	-	-	-
Net change in fund balances	\$ 3,779	62,863	43,917	24,188	63,487
Debt service as a percentage of noncapital expenditures	1.0%	1.0%	0.9%	0.9%	1.2%

Notes:

(1) The variable rate demand certificates of participation (COPs) - 2000 Police building project were refunded on June 25, 2019 with Glendale Municipal Financing Authority 2019 lease revenue refunding bonds.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 4
CITY OF GLENDALE
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years (in thousands)
 (accrual basis of accounting)

	Fiscal Year				
	2015	2014	2013	2012 (1)	2011
Revenues:					
Property taxes	\$ 50,883	47,623	45,943	59,197	79,714
Sales tax	36,330	35,408	33,789	31,874	30,030
Utility users tax	27,766	27,018	26,968	26,632	26,802
Other taxes	17,305	15,512	14,594	14,181	13,857
Revenue from other agencies	69,677	71,755	75,055	62,819	84,204
Licenses and permits	21,592	10,528	10,866	11,409	8,836
Fines and forfeitures	1,413	1,638	1,446	1,683	2,032
Charges for services	21,741	19,393	19,848	25,885	23,174
Use of money and property	5,970	4,996	2,550	5,112	11,084
Interfund revenue	16,577	16,182	14,921	14,902	14,943
Sales of property	-	- (2)	49	52	28
Miscellaneous revenue	6,542	3,577 (2)	6,744	5,211	1,623
Total revenues	275,796	253,630	252,773	258,957	296,327
Expenditures:					
Current:					
General government	27,250	27,187	22,826	19,535	21,327
Community promotion	-	59	111	89	106
Police	71,599	69,623	68,224	66,848	65,000
Fire	47,901	46,848	47,639	56,957	52,750
Public works	20,038	33,310	30,831	32,911	33,935
Transportation	13,780	-	-	-	-
Housing, health and community development	42,464	39,449	44,997	44,186	67,044
Employment programs	5,589	5,808	6,028	6,091	5,794
Public service	5,896	5,325	4,656	6,500	7,970
Parks, recreation and community services	10,451	10,331	9,938	11,957	12,856
Library	8,452	8,143	7,923	8,714	8,322
Capital outlay	16,054	23,930	28,320	19,053	31,236
Debt service:					
Interest	242	806	241	5,124	5,920
Principal	2,973	13,850	3,476	9,971	10,908
Total expenditures	272,689	284,669	275,210	287,936	323,168
Excess (deficiency) of revenues over (under) expenditures	3,107	(31,039)	(22,437)	(28,979)	(26,841)
Other financing sources (uses):					
Issuance of long-term debt	-	-	-	2,002	50,000
Original/Issue discount	-	-	-	-	(2,032)
Cost of issuance	-	-	-	-	(583)
Transfers in	43,650	28,331	29,039	69,415	54,771
Transfers out	(8,219)	(4,382)	(3,740)	(44,863)	(27,529)
Total other financing sources (uses)	35,431	23,949	25,299	26,554	74,627
Extraordinary gain (loss)	-	-	(7,504)	(121,947)	-
Net change in fund balances	\$ 38,538	(7,090)	(4,642)	(124,372)	47,786
Debt service as a percentage of noncapital expenditures	1.3%	5.6%	1.5%	5.7%	5.6%

Notes:

- (1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions were included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.
- (2) Effective FY2014, "Sales of property" is included under "Miscellaneous revenue".

Source: City Finance Department

Not covered by independent auditors' report

Schedule 5
CITY OF GLENDALE
 Electric Revenue by Type of Customers
 Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Electric Fund:					
Number of customers:					
Residential	76,700	76,256	75,589 (3)	74,783	74,176
Commercial	13,114	13,092	13,043	12,967	12,938
Industrial	195	195	196	211	212
Public street and highway lighting	21	21	21	21	21
Total number of customers	90,030	89,564	88,849	87,982	87,347
Megawatt-hour units sold:					
Residential	377,905	371,625	369,703 (3)	372,746	383,783
Commercial	311,633	329,429	337,282	334,185	335,019
Industrial	296,871	316,244	331,859	346,427	362,867
Public street and highway lighting	9,236	9,207	9,205	9,247	9,182
Total retail megawatt-hour sales	995,645	1,026,505	1,048,049	1,062,605	1,090,851
Sales to other utilities	466,894	464,482	404,785 (2)	521,782	461,124 (1)
Wholesale	-	-	-	-	- (1)
Total megawatt-hour sales	1,462,539	1,490,987	1,452,834	1,584,387	1,551,975
Revenue from energy sales:					
Residential	\$ 78,324,752	72,591,228 (4)	74,609,549 (3)	73,139,123	73,924,071
Commercial	62,349,778	63,254,909 (4)	66,961,824	64,986,543	64,213,540
Industrial	52,868,718	54,120,104 (4)	59,813,317	60,766,034	63,310,702
Public street and highway lighting	6,277	5,809	6,366	6,401	6,413
Sales to other utilities	18,459,341	21,775,844 (4)	17,451,139 (2)	19,788,257	16,012,599 (1)
Wholesale	-	-	-	-	- (1)
Total energy sales	\$ 212,008,866	211,747,894	218,842,195	218,686,358	217,467,325

Notes:

- (1) Effective FY2016, wholesale and sales to other utilities have been combined into one account.
- (2) Reductions in the purchases and sales of MWHs correlates to the decrease in wholesale revenue and sales to other utility revenue and fluctuations in wholesale sales volume and revenue were due to changing market demand and price volatility.
- (3) In FY2018, there was an increase in customers due to recently completed residential developments. Even though megawatt-hour sales decreased, due to weather, conservation and solar installations, revenue has increased due to a 2% rate increase effective July 1, 2017.
- (4) In FY2019, reduction in retail energy sales revenues was due to weather, conservation and solar installations. Reduction of retail revenues were partially offset by increase in sales to other utilities due to higher volume.

Source: Glendale Water & Power Department

Not covered by independent auditors' report

Schedule 5
CITY OF GLENDALE
 Electric Revenue by Type of Customers
 Last Ten Fiscal Years

	Fiscal Year				
	2015	2014	2013	2012	2011
Electric Fund:					
Number of customers:					
Residential	73,678	72,975	72,625	72,220	72,030
Commercial	12,869	12,801	12,769	12,898	12,698
Industrial	214	218	217	222	216
Street lights	21	18	18	18	18
Total number of customers	86,782	86,012	85,629	85,358	84,962
Megawatt-hour units sold:					
Residential	372,426	352,861	393,136	368,237	357,604
Commercial	337,388	327,660	335,404	319,478	305,908
Industrial	361,719	370,321	389,872	397,144	377,698
Public street and highway lighting	8,543	8,530	9,284	9,335	9,240
Total retail megawatt-hour sales	1,080,076	1,059,372	1,127,696	1,094,194	1,050,450
Sales to other utilities	512,846	351,348	61,407 (1)	493,511	487,753
Wholesale	173,938	331,831	235,847 (1)	404,319	396,933
Total megawatt-hour sales	1,766,860	1,742,551	1,424,950	1,992,024	1,935,136
Revenue from energy sales:					
Residential	\$ 67,754,324	59,905,509	58,412,020	54,282,734	53,557,580
Commercial	61,746,578	55,750,676	51,393,589	49,217,022	47,557,202
Industrial	59,626,227	52,437,492	49,396,516	50,624,670	49,084,732
Public street and highway lighting	3,465	6,145	9,553	7,010	4,288
Sales to other utilities	19,041,456	13,032,317	1,686,183 (1)	23,049,142	17,437,568
Wholesale	7,783,689	15,130,477	12,802,646 (1)	18,826,834	20,159,819
Total energy sales	\$ 215,955,739	196,262,616	173,700,508	196,007,412	187,801,189

Notes:

(1) In FY2013, reductions in the purchases and sales of MWHs correlates to the decrease in wholesale revenue and sales to other utility revenue.

Source: Glendale Water & Power Department

Not covered by independent auditors' report

Schedule 6

CITY OF GLENDALE

Electric Rates (Dollars per Kilowatt Hour)

Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Customer class:					
Residential	\$ 0.2073	0.1953	0.2018	0.1962	0.1926
Commercial	0.2001	0.1920	0.1985	0.1945	0.1917
Industrial	0.1781	0.1711	0.1802	0.1754	0.1745
Lighting	0.0007	0.0006	0.0007	0.0007	0.0007

	Fiscal Year				
	2015	2014	2013	2012	2011
Customer class:					
Residential	\$ 0.1819	0.1693	0.1486	0.1474	0.1498
Commercial	0.1830	0.1696	0.1532	0.1541	0.1555
Industrial	0.1648	0.1412	0.1267	0.1275	0.1300
Lighting	0.0004	0.0006	0.0010	0.0008	0.0005

- These are the average rates for the indicated customer classes, including energy cost adjustment charge.
- On August 13, 2013, the City Council approved an 8% system average rate increase effective September 13, 2013. The City Council also approved electric rates to become effective July 1 of each of the 4 successive years in the amounts of 7%, 5%, 2%, and 2%. The rate plan puts the Electric Utility on the path to restored financial health by generating positive annual net income by fiscal year ending June 30, 2016, supporting a bond issue of \$60 million.
- On June 12, 2018, the City of Glendale adopted a five-year rate plan (covering FY2019 through FY2023) with annual base rate revenue adjustments of 0%, 0.5%, 1%, 1%, and 1%. Under the new rate plan, electric rates for commercial customers will generally decrease, while residential rates will generally increase to align with the cost of serving each customer class.

Source: Glendale Water & Power Department

Not covered by independent auditors' report

Schedule 7

CITY OF GLENDALE

Principal Electric Payer Groups

Current Year and Nine Years Ago

Electric Payer Groups	Fiscal Year 2020			Fiscal Year 2011		
	Electric Charges	Rank	Percentage of Total City Electric Charges	Electric Charges	Rank	Percentage of Total City Electric Charges
Entertainment Industry	\$ 9,231,804	1	4.35%	\$ 8,863,178	2	4.72%
Hospitals/Medical Facilities	8,738,743	2	4.12%	9,435,683	1	5.02%
High-Rise Buildings	8,595,042	3	4.05%	4,337,477	5	2.31%
Retail Stores/Malls	8,234,130	4	3.88%	8,307,301	3	4.42%
Government Agencies	5,969,901	5	2.82%	7,322,147	4	3.90%
Manufacturing	5,769,095	6	2.72%	3,057,781	8	1.63%
Grocery Stores	2,570,720	7	1.21%	3,709,789	7	1.98%
Schools/Colleges	1,713,812	8	0.81%	4,175,168	6	2.22%
Hotels/Motels	1,336,197	9	0.63%	1,269,811	10	0.68%
Utilities	1,053,696	10	0.50%	1,295,980	9	0.69%
	<u>\$ 53,213,140</u>		<u>25.09%</u>	<u>\$ 51,774,315</u>		<u>27.57%</u>

Individual customer's information is not public record and cannot be released without customer's permission. Therefore, top ten electric payer group is presented instead of top ten customers.

Source: Glendale Water & Power Department

Not covered by independent auditors' report

Schedule 8

CITY OF GLENDALE

Assessed Value and Actual Value of Taxable Property

Last Ten Fiscal Years (in thousands)

<u>Fiscal Year</u>	<u>Residential Property</u> (1)	<u>Commercial Property</u> (1)	<u>Industrial Property</u> (1)	<u>Other Property</u> (1)
2011	\$ 15,706,014	\$ 4,574,190	\$ 777,581	\$ 2,379,814
2012	16,233,512	4,785,127	761,299	2,047,080
2013	16,484,941	4,914,713	792,069	2,098,219
2014	17,201,465	5,110,372	794,497	2,158,685
2015	18,011,191	5,478,688	793,977	2,303,967
2016	19,174,809	5,654,668	819,354	2,382,344
2017	20,120,531	5,931,797	834,016	2,523,204
2018	21,469,246	6,378,762	956,811	2,578,659
2019	22,854,771	6,489,934	984,484	2,521,480
2020	24,415,216	6,845,332	1,023,080	2,611,284

<u>Fiscal Year</u>	<u>Less: Tax-Exempt Property</u> (2)	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u> (3)(4)
2011	\$ 544,780	\$ 22,892,818	\$ 0.27303
2012	538,972	23,288,046	0.27112
2013	788,151	23,501,791	0.27241
2014	761,935	24,503,084	0.13096
2015	803,077	25,784,746	0.13108
2016	807,012	27,224,163	0.13128
2017	687,939	28,721,609	0.13152
2018	915,228	30,468,250	0.13097
2019	1,015,009	31,835,660	0.13238 (5)
2020	935,632	33,959,280	0.13217

In 1978, the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Notes:

- (1) "Assessed" values are reflected.
- (2) Both the Homeowners' Exemption and Exempt Use Code categories are reflected.
- (3) Total Direct Tax Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.
- (4) In FY2011, as a result of moving all data to a different database/system, HdL's revenue calculations were revised and refined, resulting in changes to prior year total direct rates. Nevertheless, HdL encourages users of its data to leave prior year data unchanged on their schedules.
- (5) Total Direct Tax Rate for FY2019 revised.

Source: HdL Coren & Cone

Not covered by independent auditors' report

Schedule 9

CITY OF GLENDALE

Direct and Overlapping Property Tax Rates (Rate Per \$100 of Taxable Value)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City's Share of 1% Levy Per Prop 13</u>	<u>Redevelopment Rate</u>	<u>Total Direct Tax Rate</u> (1)
2011	0.13573	1.00370	0.27303
2012	0.13573	1.00370	0.27112
2013	0.13573	N/A (2)	0.27241
2014	0.13573	N/A	0.13096
2015	0.13573	N/A	0.13108
2016	0.13573	N/A	0.13128
2017	0.13573	N/A	0.13152
2018	0.13573	N/A	0.13097
2019	0.13573	N/A	0.13238
2020	0.13573	N/A	0.13217

Direct & Overlapping Rates

<u>Fiscal Year</u>	<u>Basic Levy</u>	<u>Glendale Community College</u>	<u>Glendale Unified School District</u>	<u>La Canada Unified School District</u>
2011	1.00000	0.02344	0.03541	0.07329
2012	1.00000	0.02452	0.04551	0.07086
2013	1.00000	0.02466	0.04395	0.06974
2014	1.00000	0.02341	0.03917	0.06722
2015	1.00000	0.02220	0.05974	0.06477
2016	1.00000	0.02123	0.05062	0.06173
2017	1.00000	0.02119	0.05699	0.06105
2018	1.00000	0.03489	0.05285	0.05913
2019	1.00000	0.03245	0.05045	0.05792
2020	1.00000	0.02581	0.04838	0.05516

- In 1978, California voters passed Proposition 13 which set the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.
- City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.
- Redevelopment rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.

Notes:

- (1) Total Direct Tax Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.
- (2) Effective FY2013, due to the dissolution of the Glendale Redevelopment Agency (GRA) on February 1, 2012, the redevelopment rate is not applicable going forward.

Source: HdL Coren & Cone

Not covered by independent auditors' report

(Continued)

Schedule 9

CITY OF GLENDALE

Direct and Overlapping Property Tax Rates (Rate Per \$100 of Taxable Value)

Last Ten Fiscal Years

Direct & Overlapping Rates				
<u>Fiscal Year</u>	<u>LACC District Debt Service 2008, 2012 Series F</u>	<u>LACC District</u>	<u>LAUSD Measure K 2010 Series Ky</u>	<u>LAUSD</u>
2011	0.00000	0.04031	0.00000	0.18696
2012	0.00000	0.03530	0.00000	0.16819
2013	0.01119	0.03756	0.00001	0.17560
2014	0.00000	0.04454	N/A	0.14644
2015	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A
2019	N/A	N/A	N/A	N/A
2020	N/A	N/A	N/A	N/A

Direct & Overlapping Rates				
<u>Fiscal Year</u>	<u>Metropolitan Water District</u>	<u>Pasadena Community College District Debt Service 2002, 2006 Series D</u>	<u>Pasadena Community College District</u>	<u>Total Direct & Overlapping Tax Rates</u>
2011	0.00370	0.00000	0.01986	1.38297
2012	0.00370	0.00000	0.01956	1.36763
2013	0.00350	0.00225	0.01830	1.38676
2014	0.00350	N/A	0.01899	1.34327
2015	0.00350	N/A	0.01032	1.16053
2016	0.00350	N/A	0.00872	1.14580
2017	0.00350	N/A	0.00885	1.15158
2018	0.00350	N/A	0.00819	1.15856
2019	0.00350	N/A	0.00767	1.15200
2020	0.00350	N/A	0.00721	1.14006

- In 1978, California voters passed Proposition 13 which set the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.
- City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.
- RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.

Source: HdL Coren & Cone

Not covered by independent auditors' report

Schedule 10

CITY OF GLENDALE

Principal Property Tax Payers

Current Year and Nine Years Ago (in thousands)

Taxpayer	Fiscal Year 2020			Fiscal Year 2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Walt Disney World Company	\$ 640,086	1	1.88%	\$ 389,250	3	1.70%
Glendale Mall Associates LLC	615,709	2	1.81%			
Americana at Brand LLC	232,433	3	0.68%	391,105	2	1.71%
CP IV Glendale LLC	208,017	4	0.61%			
La Hana Ow LLC Lessor	199,317	5	0.59%			
GPI 500 Brand Limited	189,255	6	0.56%			
DWF V 655 North Central LLC	186,232	7	0.55%			
120 W Wilson Avenue Apartments LP	185,595	8	0.55%			
Omni 700 Brand LP	176,475	9	0.52%			
Glendale Successor Agency Lessor	164,368	10	0.48%			
GGP Homart II				444,946	1	1.94%
Glendale Adventist Medical Center				214,726	4	0.94%
PR Glendale Plaza Office California LLC				174,734	5	0.76%
Wells Reit Glendale California LLC				162,694	6	0.71%
DreamWorks Animation LLC				133,134	7	0.58%
SPUSV5 500 Brand LP				110,737	8	0.48%
Metropolitan Life Insurance Company				110,320	9	0.48%
Legacy Partners II Glendale N Brand LLC				103,800	10	0.45%
	<u>\$ 2,797,487</u>		<u>8.23%</u>	<u>\$ 2,235,446</u>		<u>9.75%</u>

Source: HdL Coren & Cone

Not covered by independent auditors' report

CITY OF GLENDALE

Property Tax Levies and Collections

Last Ten Fiscal Years (in thousands)

City							
Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy			Total Collections to Date (1)		
		Amount	Percentage of Levy	Collections in Subsequent Years (5)	Amount	Percentage of Levy	
2011	\$ 24,737	\$ 23,811	96%	\$ 620	\$ 24,431	99%	
2012	25,402	24,726	97%	554	25,280	100%	
2013	24,839	25,612	103% (2)	528	26,140	105%	
2014	26,846	26,823	100%	197	27,020	101%	
2015	27,703	27,227	98%	160	27,387	99%	
2016	29,323	28,789	98%	(44) (3)	28,745	98%	
2017	31,075	30,455 (4)	98%	372 (4)	30,827	99%	
2018	33,511	32,932	98%	268	33,200	99%	
2019	34,905	33,902	97%	315	34,217	98%	
2020	36,611	35,324	96%	-	35,324	96%	

Redevelopment Agency/Successor Agency							
Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy			Total Collections to Date (1)		
		Amount	Percentage of Levy	Collections in Subsequent Years (5)	Amount	Percentage of Levy	
2011	\$ 39,048	\$ 37,801	97%	\$ 265	\$ 38,066	97%	
2012	37,958	16,643 (6)	44%	-	16,643	44%	
2013	-	42,203 (7)	-	-	42,203	-	
2014	-	20,039 (7)	-	-	20,039	-	
2015	-	10,709 (7)	-	-	10,709	-	
2016	-	22,457 (7)	-	-	22,457	-	
2017	-	16,407 (7)	-	-	16,407	-	
2018	-	28,290 (7)	-	-	28,290	-	
2019	-	19,542 (7)	-	-	19,542	-	
2020	-	19,474 (7)	-	-	19,474	-	

Notes:

- (1) Education Revenue Augmentation Fund (ERAF) III payment to State, ERAF in lieu of Vehicle License Fee, SB211 Proposition Share for Central Project, supplemental property tax, and property tax penalty are excluded from property tax collections when compared to property tax levied in this schedule.
- (2) The amount collected during this fiscal year exceeded the Levy amount, which was mainly due to property tax (tax increment) collection timing for a few huge parcels in the Central Project Area.
- (3) The negative collection is due to refunds to property owners for overpayment in prior years, which mainly resulted from lower property values.
- (4) Revised since FY2017 CAFR release, due to updated numbers.
- (5) Delinquent taxes should be reported by levy year rather than by collection year. [GASB-S44: 21c; 2005 GAAFR, page 307].
- (6) This amount only includes Property Tax Increment collections from July 2011 through January 2012 due to ABx1 26 - Redevelopment Agencies Dissolution effective February 1, 2012.
- (7) Effective February 1, 2012, the Property Tax receipts from the County of LA to pay the former Redevelopment Agency's obligations are recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

Sources:

- (I) County of Los Angeles Department of Auditor-Controller
- (II) City Finance Department

Not covered by independent auditors' report

CITY OF GLENDALE

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (in thousands)

Governmental Activities

Fiscal Year	Certificates of Participation (COPs)	Capital Leases	HUD Section 108 (2002-A)	HUD Section 108 (2011-A)	Loans Payable	Residential Development Loan Program (RDLP)	2019 GMFA Lease Revenue Bonds	Total Government Activities
2011	\$ 52,400	7,121	470	-	-	4,643	-	64,634
2012	50,700	5,302	240	2,000	-	4,643	-	62,885
2013	48,900	3,405	-	1,839	-	4,643	-	58,787
2014	41,195	1,426	-	1,669	-	-	-	44,290
2015	38,400	757	-	1,491	-	-	-	40,648
2016	35,605	514	-	1,305	-	-	-	37,424
2017	33,785	262	-	1,111	-	-	-	35,158
2018	31,880	- (3)	-	908	594	-	-	33,382
2019	- (6)	-	-	696	- (5)	-	30,252 (6)	30,948
2020	-	-	-	474	-	-	27,937	28,411

Business-type Activities

Fiscal Year	2003 Electric Revenue Bond	2006 Electric Revenue Bond	2008 Electric Revenue Bond	2013 Electric Refunding Bond	2013 Electric Revenue Bond
2011	\$ 25,718	32,481	61,516	-	-
2012	24,811	31,371	61,459	-	-
2013	- (1)	31,484	61,403	24,276 (1)	-
2014	-	30,106	61,342	24,042	64,490
2015	-	28,726	61,284	23,841	63,766
2016	-	- (2)	1,880 (2)	23,640	62,565
2017	-	-	1,880	22,539	61,307
2018	-	-	- (4)	21,403	60,020
2019	-	-	-	20,227	58,688
2020	-	-	-	19,017	57,296

Business-type Activities

Fiscal Year	2016 Electric Refunding Bond	2008 Water Revenue Bond	2012 Water Revenue Bond	Total Business-type Activities
2011	\$ -	51,722	-	171,437
2012	-	51,657	-	169,298
2013	-	50,418	35,617	203,198
2014	-	49,138	35,595	264,713
2015	-	47,829	35,575	261,021
2016	89,303 (2)	46,479	35,554	259,421
2017	87,085	45,089	35,533	253,433
2018	85,127	43,655	35,096	245,301
2019	81,509	42,170	34,639	237,233
2020	77,775	40,635	34,143	228,866

Notes:

- (1) In FY2013, the 2003 Electric Revenue Bond was refunded by 2013 Electric Refunding Bond.
- (2) In FY2016, the 2006 Electric Revenue Bond and the majority of 2008 Electric Revenue Bond were refunded by 2016 Electric Refunding Bond.
- (3) In FY2018, the 2009 fire equipment lease from Wells Fargo was paid in full.
- (4) In FY2018, the 2008 Electric Revenue Bond was fully redeemed.
- (5) In FY2019, the Parking Access and Revenue Control System (PARCS) loan was paid in full.
- (6) In FY2019, the COPs were refunded on June 25, 2019 with Glendale Municipal Financing Authority 2019 Lease Revenue Refunding Bonds.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 12

CITY OF GLENDALE

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (in thousands)

Fiscal Year	Government Activities	Business-type Activities	Total Primary Government	Total Personal Income	Percentage of Personal Income	Population	Per Capita
2011	\$ 64,634	171,437	236,071	5,390,591	4.38%	192	1.227
2012	62,885	169,298	232,183	5,731,457	4.05%	193	1.205
2013	58,787	203,198	261,985	5,782,449	4.53%	194	1.353
2014	44,290	264,713	309,003	5,736,724	5.39%	196	1.577
2015	40,648	261,021	301,669	5,758,750	5.24%	199	1.515
2016	37,424	259,421	296,845	5,726,902	5.18%	202	1.470
2017	35,158	253,433	288,591	5,883,577	4.91%	202	1.430
2018	33,382	245,301	278,683	6,241,717	4.46%	206	1.353
2019	30,948	237,233	268,181	6,584,347	4.07%	206	1.302
2020	28,411	228,866	257,277	6,992,958	3.68%	205	1.255

For Successor Agency debt by types:

Fiscal Year	Fiduciary Activities				
	2002 GRA Tax Allocation Bond	2003 GRA Tax Allocation Bond	2010 GRA Tax Allocation Bond	2011 GRA Tax Allocation Bond	2013 GRA Tax Allocation Bond
2011	\$ 33,008	40,758	26,644	50,000	-
2012	30,583	37,708	26,667	47,967	-
2013	28,078	34,563	26,691	46,528	-
2014	-	-	26,563	44,883	49,062
2015	-	-	26,312	43,163	43,020
2016	-	-	- (1)	40,713	37,376
2017	-	-	-	38,119	31,577
2018	-	-	-	34,964	25,564
2019	-	-	-	31,549	19,335
2020	-	-	-	27,924	13,380

Fiscal Year	Fiduciary Activities			
	2016 GRA Tax Allocation Bond	Low & Mod Loans Payable	Loans Payable	Total
2011	\$ -	7,991	-	158,401
2012	-	5,171	-	148,096
2013	-	2,254	-	138,114
2014	-	-	13,613	134,121
2015	-	-	12,104	124,599
2016	24,742 (1)	-	40,133	142,964
2017	24,279	-	27,828	121,803
2018	23,816	-	23,271	107,615
2019	23,354	-	13,554	87,792
2020	22,794	-	10,022	74,120

Due to the dissolution of the Glendale Redevelopment Agency (GRA) on February 1, 2012, all of the GRA's debt have been moved to Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

Notes:

(1) In FY2016, the 2010 GRA Tax Allocation Bond was refunded by 2016 GRA Tax Allocation Bond.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 13

CITY OF GLENDALE

Direct and Overlapping Governmental Activities Debt

As of June 30, 2020 (in thousands)

	Gross Bonded Debt Balance	Percentage Applicable to Glendale	Amount Applicable to Glendale
Direct debt:			
Section 108 (Series 2011-A)	\$ 474	100%	\$ 474
Bonds Payable	27,937	100%	27,937
Total direct debt			<u>28,411</u>
Overlapping debt:			
Metropolitan Water District	18,152	2.150%	390
Glendale CCD DS 2002 Series C	5,336	89.219%	4,761
Glendale CCD 2002, 2011 Series E	3,325	89.219%	2,966
Glendale CCD DS 2002, 2013 Series F	12,245	89.219%	10,925
Glendale CCD DS 2014 REF Bonds	22,265	89.219%	19,865
Glendale CCD DS 2016 Series A	109,075	89.219%	97,316
Pasadena CCD DS 2014 REF Series A	12,405	0.082%	10
Pasadena CCD DS 2016 REF Series A	54,045	0.082%	44
Glendale USD DS 2010 REF Bonds	1,870	89.219%	1,668
Glendale USD DS 2010 REF Bonds Series B	3,590	89.219%	3,203
Glendale USD DS 2011 Series A Bonds	1,439	89.219%	1,283
Glendale USD DS 2011 REF Bonds	7,285	89.219%	6,500
Glendale USD DS 2011 Series A1 CREB	4,300	89.219%	3,836
Glendale USD DS 2012 Refund Bonds	32,770	89.219%	29,237
Glendale USD DS 2015 Ref Bonds Series A	17,020	89.219%	15,185
Glendale USD DS 2011 Series C	84,831	89.219%	75,685
Glendale USD DS 2011 Series D	60,155	89.219%	53,670
Glendale USD DS 2018 REF BONDS	107,880	89.219%	96,249
La Canada USD DS 1995 SD	471	0.971%	5
La Canada USD DS 1999 Series A	1,320	0.971%	13
La Canada USD DS 2011 Refund Bond	1,725	0.971%	17
La Canada USD DS 2017 Refund Bond	73,905	0.971%	718
Total overlapping debt			<u>423,546</u>
Total direct and overlapping debt			<u>\$ 451,957</u>

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city.

The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Sources:

- (I) City Finance Department
- (II) HdL Coren & Cone

Not covered by independent auditors' report

CITY OF GLENDALE

Legal Debt Margin Information

Last Ten Fiscal Years (in thousands)

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value		\$ <u>26,890,638</u> (1)
Debt limit (15% of assessed value)		4,033,596 (2)
Less debt applicable to limit		-
Legal debt margin		\$ <u>4,033,596</u>

	<u>Fiscal Year</u>				
	<u>2020</u> (1)	<u>2019</u> (1)	<u>2018</u> (1)	<u>2017</u> (1)	<u>2016</u> (1)
Debt limit	\$ 4,033,596	3,821,387	3,636,704	3,442,765	3,251,258
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 4,033,596</u>	<u>3,821,387</u>	<u>3,636,704</u>	<u>3,442,765</u>	<u>3,251,258</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

	<u>Fiscal Year</u>				
	<u>2015</u> (1)	<u>2014</u> (1)	<u>2013</u> (1)	<u>2012</u> (1)	<u>2011</u>
Debt limit	\$ 3,085,271	2,945,332	2,829,443	2,809,769	3,433,923
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,872</u>
Legal debt margin	<u>\$ 3,085,271</u>	<u>2,945,332</u>	<u>2,829,443</u>	<u>2,809,769</u>	<u>3,286,051</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	4.31%

Notes:

- (1) As a result of ABx1 26, the Net Assessed Value calculation does not include the assessed valuations for the former Glendale Redevelopment Agency's project areas (Central District: \$4,316,749; San Fernando Corr. District: \$2,751,892). Accordingly, the debt associated with the Glendale Redevelopment Agency became obligations of the Successor Agency, which is a separate legal entity. As such, this debt will no longer be included in the Legal Debt Margin calculation.
- (2) Under City Charter, the total bonded debt of the city shall at no time exceed a total of 15 percent of the assessed valuation of all property taxable for city purposes.

Sources:

- (I) City Finance Department
- (II) HdL Coren & Cone

Not covered by independent auditors' report

CITY OF GLENDALE

Pledged-Revenue Coverage

Last Ten Fiscal Years (in thousands)

Electric Revenue Bonds							
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
2011	\$ 191,153	\$ 159,806 (1)	\$ 31,347	\$ 1,905	\$ 5,576	4.19	
2012	199,462	174,000	25,462	1,965	5,488	3.42	
2013	177,565	144,645	32,920	2,020	5,372	4.45	
2014	203,633	162,800	40,833	1,290	6,706	5.11	
2015	219,861 (3)	154,053 (2)	65,808	1,920	8,498	6.32	
2016	223,319	143,915	79,404	2,460	7,960	7.62	
2017	222,756	154,554	68,202	3,445	6,508	6.85	
2018	223,940	157,718	66,222	5,130	7,446	5.27	
2019	227,063	173,729	53,334	4,995	7,210	4.37	
2020	235,369	178,946	56,423	5,205	6,866	4.67	

Water Revenue Bonds							
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	
				Principal	Interest		
2011	\$ 39,166	\$ 29,128 (1)	\$ 10,038	\$ -	\$ 2,310	4.35	
2012	43,237	34,823	8,414	-	2,310	3.64	
2013	47,205	35,797	11,408	1,175	2,970	2.75	
2014	45,666 (4)	40,611	5,055	1,210	3,658	1.04	
2015	51,094 (3)	36,694 (2)	14,400	1,245	3,463	3.06	
2016	52,218	34,271	17,947	1,285	3,426	3.81	
2017	50,430	34,109	16,321	1,325	3,387	3.46	
2018	52,797	39,820	12,977	1,785	3,334	2.54	
2019	51,688	40,661	11,027	1,855	3,262	2.15	
2020	50,756	42,194	8,562	1,945	3,134	1.69	

Notes:

- (1) From FY2011-FY2014, depreciation expenses are excluded in calculating the debt service coverage ratio.
- (2) Effective FY2015, depreciation, gas depletion, transfers, and interest expense are excluded in calculating debt service coverage ratio.
- (3) Effective FY2015, revenues available for debt service include charges for services, miscellaneous revenues, and use of money and property, and exclude customer paid revenues.
- (4) This amount is net of \$3.4 million fireline refund resulted from over charging customers in the prior years.

Source: City Finance Department

Not covered by independent auditors' report

CITY OF GLENDALE

Pledged-Revenue Coverage

Last Ten Fiscal Years (in thousands)

Tax Allocation Bonds recorded in Fiduciary Fund (1)							
<u>Fiscal Year</u>	<u>Property Tax Increment</u>		<u>Less: Operating Expenses (2)</u>		<u>Net Available Revenue</u>		<u>Coverage</u>
	Principal	Interest			Principal	Interest	
2011	\$ 22,693 (3)	\$ 8,296 (3)	\$ 14,397	\$ 4,995	\$ 5,201		1.41
2012	25,237 (4)	4,538 (5)	20,699	5,425	8,839		1.45
2013	27,456 (4)	4,275 (5)	23,181	7,330	8,091		1.50
2014	27,678 (4)	2,998 (5)	24,680	7,795	6,477		1.73
2015	31,937 (4)	3,410 (5)	28,527	7,095	7,636		1.94
2016	35,493 (4)	4,557 (5)	30,936	7,985	6,439		2.14
2017	33,814 (4)	4,869 (5)	28,946	7,995	5,778		2.10
2018	38,608 (4)	5,426 (5)	33,182	8,770	5,145		2.38
2019	42,695 (4)	5,712 (5)	36,983	9,245	4,656		2.66
2020	41,672 (4)	5,845 (5)	35,827	9,745	4,093		2.59

Notes:

- (1) Due to the dissolution of the Glendale Redevelopment Agency (GRA) on February 1, 2012, all of the GRA's debt have been moved to Glendale Successor Agency Private Purpose Fiduciary Fund.
- (2) The amounts in this column exclude depreciation expenses for all ten years.
- (3) In FY2011, the Property Tax Increment and Operating Expenses were restated to reflect the "SERAF" transfer of \$2.3 million.
- (4) This is the gross amount of former Tax Increment that was available to the Successor Agency from the Central Glendale Redevelopment Project.
- (5) Tax sharing and administrative costs for the Central Glendale Redevelopment Project.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 16

CITY OF GLENDALE

Demographic and Economic Statistics

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u> (I)	<u>Per Capita Personal Income</u> (II)	<u>Total Personal Income</u>	<u>Median Age</u> (II)
2011	192,473	\$ 28,007	\$ 5,390,591,311	40.0
2012	192,654	29,750	5,731,456,500	40.6
2013	193,652	29,860	5,782,448,720	41.0
2014	195,799	29,269	5,730,840,931	41.1
2015	199,182	28,912	5,758,749,984	40.7
2016	201,668	28,351	5,717,489,468	41.0
2017	201,748	29,163	5,883,576,924	41.2
2018	205,536	30,368	6,241,717,248	41.0
2019	206,283	31,919	6,584,347,077	41.2
2020	205,331	34,057	6,992,957,867	41.8

<u>Fiscal Year</u>	<u>Percent High School Graduate or Higher</u> (II)	<u>Percent Bachelor's Degree or Higher</u> (II)	<u>School Enrollment</u> (III)	<u>Unemployment Rate</u> (II)
2011	84.4%	37.2%	48,582	11.1%
2012	85.2%	38.8%	48,146	10.7%
2013	85.1%	39.0%	47,892	8.1%
2014	84.6%	38.3%	48,488	6.6%
2015	84.4%	38.2%	45,723	8.0%
2016	84.2%	37.9%	46,180	6.5%
2017	84.4%	37.9%	45,671	5.1%
2018	85.1%	39.0%	45,720	4.8%
2019	85.9%	39.6%	44,112	4.4%
2020	86.6%	39.4%	43,011	4.1%

Sources:

- (I) Population data are based on data obtained from the California State Department of Finance Demographic Research Unit, Population Estimates for California Cities, January 1 of every year (E-1).
- (II) Data are based on information provided by HdL Coren & Cone on calendar year basis. For example, fiscal year 2020 data is from calendar year 2019.
- (III) Enrollment data are based on Glendale Unified School District and Glendale Community College District school attendance reports.

Not covered by independent auditors' report

Schedule 17

CITY OF GLENDALE

Principal Employers

Current Year and Nine Years Ago

Employer	2020			2011		
	Employees (1)	Rank	Percentage of Total City Employment (5)	Employees (1)	Rank	Percentage of Total City Employment (5)
Glendale Unified School District (2)	2,571	1	2.65%	1,886	3	2.63%
Glendale Adventist Med Center (3)	2,414	2	2.48%	2,234	1	3.11%
Glendale Community College (3)	2,269	3	2.33%	1,406	5	1.96%
City of Glendale	2,049	4	2.11%	2,122	2	2.95%
Dream Works Animation Skg Inc/NBC Universal	1,836	5	1.89%			
Glenair Inc	1,587	6	1.63%			
Dignity Health - Glendale Memorial Hospital (4)	1,028	7	1.06%	1,463	4	2.04%
USC Verdugo Hills Hospital	821	8	0.84%	707	10	0.98%
Service Titan	723	9	0.74%			
Age of Learning	600	10	0.62%			
Nestle Company				1,269	6	1.77%
Walt Disney Imagineering				1,025	7	1.43%
Diagnostic Laboratories				931	8	1.30%
Carney Education Services				720	9	1.00%

Starting in FY2012, companies that have requested a confidentiality waiver from the state to block the release of employment data are not included.

Notes:

- (1) Both actual full-time and hourly employees are included.
- (2) Includes part time and per diem.
- (3) Includes permanent full time employees only.
- (4) In FY2019, Glendale Memorial Hospital renamed to Dignity Health Glendale Memorial Hospital.
- (5) In FY2020, the percentage of total employment is calculated using a baseline of 97,200 workers employed in Glendale, data provided by EDD. In FY2011, the percentage of total employment was calculated using a baseline of 71,837 workers employed in Glendale.

Sources:

- (1) FY2020 data, with the exception of the City of Glendale, Age of Learning and Service Titan data, is from MuniServices LLC. FY2020 City of Glendale, Age of Learning and Service Titan data is from the City of Glendale.

Not covered by independent auditors' report

CITY OF GLENDALEAuthorized Salaried Positions by Department
Last Ten Fiscal Years

	Fiscal Year				
	2020	2019	2018	2017	2016
Department:					
Administrative Services - Finance (1)	36.35	37.35	36.35	38.27	37.27
City Attorney	20.00	20.00	18.31	18.31	18.21
City Clerk	6.00	6.00	6.00	6.30	6.30
City Treasurer	5.00	5.00	5.00	5.00	5.00
Community Development	124.45	119.45	118.64	119.09	118.19
Community Services & Parks	98.20	98.25	100.25	100.33	98.38
Fire					
Sworn	166.00	166.00	166.00	164.00	164.00
Civilians	46.00	45.00	43.00	45.00	44.00
Glendale Water & Power	319.00	321.50	327.50	328.50	326.00
Human Resources	22.95	22.90	23.90	23.90	23.85
Information Services	41.00	42.00	42.00	42.00	42.00
Innovation, Performance & Audit	6.00	6.00	6.00 (2)	-	-
Library, Arts & Culture	46.00	47.00	47.00	47.00	47.00
Management Services	23.00	23.25	21.75	22.00	22.00
Police					
Sworn	242.50	243.50	243.50	243.10	243.10
Civilians	96.00	97.50	97.50	96.50	96.50
Public Works					
Sworn	0.50	0.50	0.50	0.90	0.90
Civilians	285.05	289.80	283.80	283.80	282.30
Total	<u>1,584.00</u>	<u>1,591.00</u>	<u>1,587.00</u>	<u>1,584.00</u>	<u>1,575.00</u>

Notes:

- (1) Administrative Services Department includes data for Purchasing.
- (2) In FY2018, the Innovation, Performance & Audit Department was created.

Source: City's Budget book.

Not covered by independent auditors' report

CITY OF GLENDALEAuthorized Salaried Positions by Department
Last Ten Fiscal Years

	Fiscal Year				
	2015	2014	2013	2012	2011 (2)
Department:					
Administrative Services - Finance (1)	30.27	35.27	31.05	34.05	35.05
City Attorney	17.21	18.26	18.16	20.16	20.16
City Clerk	6.00	7.00	7.00	10.00	10.00
City Treasurer	5.00	5.00	5.00	5.00	5.00
Community Development	90.54	100.10 (7)	98.24	135.99 (3)	-
Community Planning	-	-	-	-	85.01
Community Redevelopment & Housing	-	-	-	-	50.48
Community Services & Parks	97.38	105.37	107.70 (5)	158.38	165.05
Fire					
Sworn	163.00	157.00	168.00	177.00	179.00
Civilians	42.00	42.00	43.25	47.00	46.00
Glendale Water & Power	312.00	315.00	330.00	415.50	408.00
Human Resources	18.85	20.85	20.85	27.85	28.00
Information Services	40.00	50.00	47.75	52.00	50.00
Library, Arts & Culture	45.00	50.00	50.00	59.00	61.00
Management Services	30.70	31.20	27.00	32.82 (4)	30.00
Police					
Sworn	241.10	252.60	252.60	253.60	255.10
Civilians	99.00	99.00	99.00	105.00	107.00
Public Works					
Sworn	0.90	0.90	0.90	0.90	0.90
Civilians	281.05	298.45	297.50	339.75	353.25
Total	<u>1,520.00</u> (8)	<u>1,588.00</u>	<u>1,604.00</u> (6)	<u>1,874.00</u>	<u>1,889.00</u>

Notes:

- (1) Administrative Services Department includes data for Purchasing.
- (2) Effective FY2011, central support staff (e.g. Administrative Services, City Attorney, Human Resources) that were charged to other funds were shifted back to their home departments and included in the citywide cost allocation plan. The data in FY2011 reflects realignment and renaming of Planning, Development Services, Parks, Recreation and Community Services, and Community Development and Housing.
- (3) The data in FY2012 reflects the renaming of Community Planning and Community Redevelopment and Housing into Community Development.
- (4) Effective FY2012, the position count in Management Services includes the five (5) Councilmembers.
- (5) Effective FY2013, the position count in Community Services & Parks includes three (3) unclassified budgeted positions.
- (6) The FY2013 position count was adjusted per balancing strategies.
- (7) Effective FY2014, the position count in Community Development includes one (1) unclassified budgeted position.
- (8) The FY2015 position count was adjusted to reflect revised position counts after retirement/separation incentive.

Source: City's Budget book.

Not covered by independent auditors' report

Schedule 19
CITY OF GLENDALE
 Operations Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2020	2019	2018	2017	2016
Police:					
Physical arrests	4,174	4,549	4,749	4,751	5,555
Parking violations	61,813 (10)	70,320	72,553 (5)	63,644	63,137
Traffic violations	14,979 (10)	17,521	17,508 (6)	20,533 (2)	14,776
Fire:					
Emergency responses	20,085	19,424	19,728	19,420	19,574
Fires extinguished (11)	577	500	639	293	539
Refuse collection:					
Refuse collected (tons per day)	231	221	222	217	201
Recyclables collected (tons per day)	23	21	22 (7)	27	30
Inert waste recycling (tons per year)					
Public Works	9,930 (12)	1,718	1,814 (8)	2,337	2,663
Glendale Water and Power	2,024 (13)	386 (9)	460	478	443
Other public works:					
Street resurfacing (miles) (3)	4 (14)	9.74	4.35	7.51	5.28
Street reconstructing (miles) (3)	-	-	-	-	-
Potholes repaired (square feet per year) (4)	13,100	15,739	8,897	10,227	9,923
Wastewater:					
Average daily sewage treatment (millions of gallons)	13	13	13	13	13 (1)

Notes:

- (1) Since FY2016, the reduction in average daily sewage treatment from previous years was due to water conservation efforts.
- (2) In FY2017, law enforcement was provided electronic citation books, which made the process of entering citations in the system more efficient.
- (3) The City generally focuses on street resurfacing rather than street reconstructing, due to the time consuming and cost prohibitive nature of reconstructing, since it involves building from the ground up. The City has only resorted to reconstructing on rare occasions over the past decade, which showcases the durable quality of the streets of Glendale. The amount of street resurfacing is also contingent upon various factors, including level of staffing, weather, and other citywide street improvement projects, such as paving, curb, and gutter maintenance.
- (4) The "square feet of potholes repaired" is contingent upon various factors, including level of staffing, weather, and other citywide street improvement projects, such as paving, curb, and gutter maintenance.
- (5) In FY2018, increased downtown, special, and scofflaw parking enforcements, in particular enforcements of night time parking around Glendale Community College, have generated more citations.
- (6) In FY2018, low staffing combined with reprioritizations to assist school enforcement and to address more citizen complaints have led to a decrease in citations of traffic violations.
- (7) Since FY2018, foreign markets made the recyclable processing market more strict by only accepting materials that meet strict grade and cleanliness standards. As a result, more of Glendale's recyclables have been thrown away causing a decrease in diversion.
- (8) Since FY2018, the Public Works Department is taking inert waste to the same location that processes bulky item debris. As a result, Public Works' inert material recycling is more difficult to track separately.
- (9) In FY2019, the reduction in inert waste recycling by Glendale Water and Power can be attributed to less severe water main breaks. Even though the City observed more water main breaks this year, the size, scope and magnitude of failures has decreased.
- (10) In FY2020, in response to COVID, there was a decrease in parking and traffic violations. The City Council directed staff to temporarily modify the parking policy in an effort to reduce the financial burden on residents and local businesses. At the same time, the safer at home order resulted in fewer traffic violations.
- (11) In FY2020, the Fire Department has updated its counting methodology of fires extinguished with a newly defined set of fire codes, applicable to prior years as well.
- (12) In FY2020, 17,635 tons of inert debris were collected from Public Works Engineering projects, and 7,705 tons of this debris were diverted and not dumped in a Class 3 landfill.
- (13) In FY2020, Glendale Water and Power picked up large loads of dirt from Doran Street, which significantly increased inert waste recycling.
- (14) In FY2020, less street resurfacing occurred, due to the COVID-19 pandemic, which delayed project advertising, awards and contractors' work.

Sources: Various city departments

Not covered by independent auditors' report

Schedule 19
CITY OF GLENDALE
 Operations Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2020	2019	2018	2017	2016
Electric:					
Average daily consumption (MWH)	2,728	2,812	2,871	2,911	2,980
Electricity generated (MWH)	665,666	667,475	826,830	876,062	914,556
Electricity purchased (MWH)	874,367	942,543	739,880	834,432	768,632
Electricity sold - Retail (MWH)	995,644	1,026,505	1,048,049	1,062,605	1,090,851
Electricity sold - Wholesale (MWH)	466,894	464,482	404,785	521,782	461,124
Peak demand (MW)	288	332	344	293 (2)	332
Water:					
Average daily consumption (millions of gallons)	21	21	21	21	20
Water mains breaks	16	20	11	3	14
Water purchased (AF)	14,465	14,184	16,177	14,111	13,992
Water sold (AF)	23,827	23,171	24,074	23,396	22,927
Transit:					
Total route miles (1)	760,445	760,585	761,251	747,108	746,026
Passengers	1,040,034 (6)	1,411,254	1,504,383 (3)	1,703,360	1,828,547
Parks and recreation:					
Athletic field permits issued	5,673 (7)	8,627	8,331	7,755	6,523
Community center admissions	27,237 (8)	52,477 (5)	3,888 (4)	5,294	5,555
Library:					
Volumes in collections	522,429	515,101	521,739	520,708	521,247
Total volumes borrowed	2,997,171 (9)	1,554,077	1,067,667	921,163	1,000,355

Notes:

- (1) Route miles vary every year depending on the day of the week holiday service operates.
- (2) Revised number based on updated information.
- (3) Since FY2018, decreased ridership is due to increased car ownership and usage of alternative transportation methods.
- (4) In FY2018, the total number of pass members has decreased. Although there was a decrease in the number of pass members, the overall number of visits by all pass members is only slightly less than last year.
- (5) In FY2019, the method of counting community center admissions was changed to capture each single visit separately.
- (6) In FY2020, ridership has been on a general decline in the region; however, the steep decline is due to the impacts of the COVID-19 pandemic.
- (7) In FY2020, the amount of athletic field permits issued has decreased due to the COVID-19 pandemic.
- (8) In FY2020, March 13th was the last day visits were recorded, due to the COVID-19 pandemic. All community buildings and programs were closed.
- (9) In FY2020, total volumes borrowed increased dramatically, due to implementation of unlimited auto-renewals.

Sources: Various city departments

Not covered by independent auditors' report

Schedule 19
CITY OF GLENDALE
 Operations Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2015	2014	2013	2012	2011
Police:					
Physical arrests	5,515	5,768	5,886	5,829	5,652
Parking violations	69,376	71,958	72,879	74,572	81,843
Traffic violations	15,747	20,076	17,197	18,566	25,667
Fire:					
Emergency responses	18,798	17,825	17,253	16,591	15,447
Fires extinguished (5)	574	620	568	632	571
Refuse collection:					
Refuse collected (tons per day)	195	188	185	184 (3)	195
Recyclables collected (tons per day)	30	30	29	29	31
Inert waste recycling (tons per year)					
Brand Park landfill	-	- (4)	3,607	3,545	2,500 (1)
Public Works	2,182	2,923	-	-	-
Glendale Water and Power	1,281	1,829	-	-	-
Other public works:					
Street resurfacing (miles)	19.99	8.96	6.60 (2)	5.85 (2)	5.56 (2)
Street reconstructing (miles)	0.30	-	-	0.68	0.70
Potholes repaired (square feet per year)	14,553	10,909	16,592	21,962	21,012
Wastewater:					
Average daily sewage treatment (millions of gallons)	15	15	15	15	20

Notes:

- (1) In FY2011, some departments diverted inert wastes to an outside recycling company instead of using the Brand Park Landfill.
- (2) Between FY2011 and FY2013, more street resurfacing was done in an effort to take advantage of the low street resurfacing costs due to the economic downturn.
- (3) In FY2012, the reduction in tonnage of refuse collected was due to a regional economic slowdown and free recycling programs offered to residential and commercial customers.
- (4) Effective FY2014, each department contracted out to private haulers to dispose of citywide inert wastes after the official closing of the Brand Park Landfill.
- (5) In FY2020, the Fire Department has updated its counting methodology of fires extinguished with a newly defined set of fire codes, applicable to prior years as well.

Sources: Various city departments

Not covered by independent auditors' report

Schedule 19
CITY OF GLENDALE
 Operations Indicators by Function/Program
 Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2015	2014	2013	2012	2011
Electric:					
Average daily consumption (MWH)	2,959	2,907	3,090	2,998	2,878
Electricity generated (MWH)	918,314	905,560	794,248	846,637	928,682
Electricity purchased (MWH)	1,131,229	999,932	769,224 (3)	1,289,843	1,195,972
Electricity sold - Retail (MWH)	1,080,077	1,061,028	1,127,696	1,094,194	1,050,450
Electricity sold - Wholesale (MWH)	686,784	683,179	297,254 (3)	897,830	884,686
Peak demand (MW)	337	317	311	316	336
Water:					
Average daily consumption (millions of gallons)	23	24	25	23	21
Water mains breaks	12	20	10	14	10
Water purchased (AF)	17,045	20,341	18,761	17,319	16,959
Water sold (AF)	25,175	26,049	29,003	26,809	24,796
Transit:					
Total route miles (1)	741,287	735,827	731,036	822,432	880,655
Passengers	1,884,454	1,727,931	1,888,016	2,543,532	2,724,121
Parks and recreation:					
Athletic field permits issued	3,485 (4)	682	614	682 (2)	917
Community center admissions	5,643 (5)	3,891	3,425	3,194	2,360
Library:					
Volumes in collections	521,389	571,942	619,871	643,598	688,818
Total volumes borrowed	1,310,873 (6)	1,069,695	1,114,987	1,179,964	1,290,945

Notes:

- (1) Route miles vary every year depending on the day of the week holiday service operates.
- (2) In FY2012, practices and games were covered under the same permit which covered multiple facilities and multiple days/weeks/months of use. Prior to FY2012, separate permits were issued for practices and games.
- (3) In FY2013, reductions in electricity purchased and sold correlates to the decrease in wholesale revenue and sales to other utility revenue.
- (4) Since March 2015, Community Services and Parks upgraded the permitting and registration system. Permits issued prior to March 2015 may contain multiple field reservations on one permit. Beginning March 2015, individual permits were issued for each field reservation, which resulted in a significant increase in the number of permits issued between FY2015 and FY2019.
- (5) In FY2015, the increase in community center admissions may be attributed to a system upgrade that required scanning of activity cards for admission. As a result, all patrons were required to obtain new scannable activity cards. The new system allowed for improved tracking of activity card sales and renewals, in addition to increasing controls over community center admissions.
- (6) Estimates were used for unavailable data from May 18, 2015 to June 30, 2015. In FY2015, reshelves, which are books that were removed from the shelf by the patron, and then found elsewhere in the library, were counted in the total volumes borrowed. In prior years, reshelves were not included in the count.

Sources: Various city departments

Not covered by independent auditors' report

CITY OF GLENDALE

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2020	2019	2018	2017	2016
Police:					
Stations (1)	3	3	3	3	3
Patrol units	64	64	64	64	64
Helicopters (4)	1	1.5	1.5	2	2
Motorcycles	54	54 (5)	25	25	25
Fire:					
Stations	9	9	9	9	9
Refuse collection:					
Collection trucks (2)	49 (6)	51 (6)	47	47	47
Other public works:					
Streets (miles)	377	365	365	365	365
Traffic signals	239	238	235	235	234
Parks and recreation:					
Open space acres	5,034	5,034	5,034	5,034	5,034
Developed parkland acres	286	286	286	286 (3)	286
Parks and other facilities	44	44	44	44 (3)	43
Community centers	4	4	4	4	4
Baseball/softball diamonds	16	16	16	16	16
Soccer/football fields	3	3	3	3	3
Golf course	1	1	1	1	1
Community pool	1	1	1	1	1

Notes:

- (1) There is one main facility located at 131 N. Isabel and one substation located in the Glendale Galleria. In FY2015, the Montrose Substation was added.
- (2) This number does not include the small bin trucks or light duty vehicles.
- (3) In FY2017, the Central Park project was completed, which increased the park count to 44. However, its acreage is combined with Adult Recreational Center, so the total acreage for Parks and Facilities remained the same.
- (4) In FY2020, the helicopter purchased in 1998 was retired from operation and used only for parts, leaving two helicopters shared between City of Burbank and City of Glendale for the operation of the Joint Law Enforcement Air Support Unit. In August 2017, the oldest helicopter not in service was sold. Effective FY2015, four helicopters were shared between the two cities. From FY2007-2014, three helicopters were shared between the two cities .
- (5) The increase is due to 21 new purchases and 8 motorcycles on reserve that were not reported in prior years.
- (6) In FY2019, the City acquired new collection trucks, this count has been revised since last year to reflect an accurate count of collection trucks. In FY2020, the City disposed of several old collection trucks.

Sources: Various city departments

Not covered by independent auditors' report

Schedule 20

CITY OF GLENDALE

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2020	2019	2018	2017	2016
Library:					
Branches	8	8	8	8	8
Electric:					
Number of electric meters	90,030	89,564	88,849	87,982	87,347
Number of streetlights	11,349	11,323	11,317	11,258	11,225
Grayson power plant capacity (MW)	260	260	260	260	260
Water:					
Number of water meters	34,350	34,205	34,181	34,135	34,086
Water mains (miles)	393	404	395	384	398
Fire hydrants	3,242	3,226	3,215	3,201	3,177
Storage capacity (millions of gallons)	184	184	184	184	184
Wastewater:					
Storm catch basin (1)	4,364 (3)	3,827	3,827	3,686	3,686
Sanitary sewers (miles)	361	361 (2)	360	360	360
LAGWRP Treatment capacity (millions of gallons)	20	20	20	20	20
Transit:					
Buses	34	34	34	34	34

Notes:

- (1) This number includes the Los Angeles County and Caltrans storm drains within the City boundaries.
- (2) In FY2019, an additional mile of sewer was added due to the Chevy Chase Sewer Diversion Project.
- (3) In FY2020, the increase is due to an updated stormwater dataset. The dataset was created by merging the City's 20 year-old dataset with LA County's dataset, followed by a review of over 350 set of storm drain plans.

Sources: Various city departments

Not covered by independent auditors' report

CITY OF GLENDALE

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2015	2014	2013	2012	2011
Police:					
Stations (1)	3	2	2	2	2
Patrol units	63	61	62	74	70
Helicopters (2)	2	1.5	1.5	1.5	1.5
Motorcycles	25	24	27	23	25
Fire:					
Stations	9	9	9	9	9
Refuse collection:					
Collection trucks (3)	48	49	50	48	50
Other public works:					
Streets (miles)	365	365	365	365	365
Traffic signals	234	234	234	234	233
Parks and recreation:					
Open space acres	5,034	5,034	5,034	5,034	5,034
Developed parkland acres	286	286 (6)	286 (5)	282	281
Parks and other facilities	43	43 (6)	42 (5)	41 (4)	39
Community centers	4	4	4	4 (4)	8
Baseball/softball diamonds	16	16	16	16	16
Soccer/football fields	3	3	3	3	3
Golf course	1	1	1	1	1
Community pool	1	1	1	1	1

Notes:

- (1) There is one main facility located at 131 N. Isabel and one substation located in the Glendale Galleria. In FY2015, the Montrose Substation was added.
- (2) Effective FY2015, four helicopters were shared by City of Glendale and City of Burbank for the operation of the Joint Law Enforcement Air Support Unit. From FY2007-2014, three helicopters were shared between the two cities.
- (3) This number does not include the small bin trucks or light duty vehicles.
- (4) Beginning FY2012, community buildings are not separately accounted for as community centers. Instead, they are included in the parks and facilities count as part of the park in which they reside.
- (5) In FY2013, the Glendale Narrows Riverwalk Park project was completed, which increased the park count to 42, and park acreage by 3.94 acres (285.56 in total acres).
- (6) In FY2014, the Maryland Avenue Park project was completed, which increased the park count to 43, and park acreage by 0.48 acres (286.04 in total acres).

Sources: Various city departments

Not covered by independent auditors' report

Schedule 20

CITY OF GLENDALE

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2015	2014	2013	2012	2011
Library:					
Branches	8	8	8	8	8
Electric:					
Number of electric meters	86,782	86,012	85,629	85,358	84,962
Number of streetlights	11,207	11,192	10,740	10,735	10,725
Grayson power plant capacity (MW)	260	260	260	260	260
Water:					
Number of water meters	33,976	33,900	33,801	33,744	33,374
Water mains (miles)	398	397	397	397	397
Fire hydrants	3,164	3,149	3,146	3,134	3,134
Storage capacity (millions of gallons)	184	184	184	184	184
Wastewater:					
Storm catch basin (1)	3,686	3,686	3,686	3,686	3,686
Sanitary sewers (miles)	360	360	360	360	360
LAGWRP Treatment capacity (millions of gallons)	20	20	20	20	20
Transit:					
Buses	34	34	34	34	34

Notes:

(1) This number includes the Los Angeles County and Caltrans storm drains within the City boundaries.

Sources: Various city departments

Not covered by independent auditors' report

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2020

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