

CITY OF PHOENIX,
ARIZONA

Annual Comprehensive Financial Report



FOR FISCAL YEAR ENDED
JUNE 30, 2024

*Building the Phoenix
of Tomorrow*





City of Phoenix

City of Phoenix, Arizona



**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024**

City Council

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Ann O'Brien, District 1

Jim Waring, District 2

Debra Stark, Vice Mayor, District 3

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City of Phoenix

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Introductory section

*The **Introductory Section** includes the City's transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, and the City's organizational chart.*



City of Phoenix



City of Phoenix
FINANCE DEPARTMENT
FINANCIAL ACCOUNTING AND REPORTING DIVISION

December 20, 2024

Honorable Mayor and City Council
City Manager, Citizens and Stakeholders of the City of Phoenix

In accordance with the requirements of the City Charter, I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Phoenix, Arizona (the "City"), for the fiscal year ended June 30, 2024. These financial statements are prepared and presented in conformity with accounting principles generally accepted in the United States of America (GAAP) as prescribed in pronouncements of the Governmental Accounting Standards Board (GASB). To the best of our knowledge and belief, this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management assumes full responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures. To provide a reasonable basis for making these representations, the City has established a comprehensive framework of internal controls that is designed to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the basic financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) beginning on page 7 provides a narrative introduction, overview, and analysis of the basic financial statements. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

Independent Audits

The City Charter requires an annual audit by independent certified public accountants. The City's Audit Committee has selected the independent audit firm of Forvis Mazars, LLP to perform the audit of the City's ACFR for fiscal year 2023-2024. The Independent Auditor's Report on the financial statements of the governmental activities, the business-type activities, discretely presented component units, each major fund and the aggregate remaining funds is included in the financial section of this report.

The City is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Amendments Act of 1996 and U.S. Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Forvis Mazars, LLP was also contracted to perform the single audit of the City's major grant programs. This audit was designed to meet the requirements of the Single Audit Amendments Act of 1996 and related OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Due to the size and complexity of the City's financial systems, the single audit report is issued separately from this ACFR. Copies are available upon request from the City's Finance Department, through the Financial Accounting and Reporting Division on the 9th floor of 251 W. Washington St., Phoenix, AZ, 85003, or on the City's internet site: <https://www.phoenix.gov/financesite/Pages/singleauditindex.aspx>.

City Profile

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets and infrastructure; as well as recreational and cultural activities. The City's five enterprise funds provide aviation, convention, water, wastewater and solid waste disposal services. In addition, standards set by the GASB

regarding the inclusion of certain entities based upon the significance of their operations or financial relationships with the City, require that the activities of the City of Phoenix Employees' Retirement System ("COPERS"), the City of Phoenix Civic Improvement Corporation ("CIC"), the Park Central Community Facilities District ("PCCFD"), the Verdin Community Facilities District ("VCFD"), the Phoenix Housing Financing Corporations ("PHFC"), and the Phoenix Industrial Development Authority ("Phoenix IDA") be included in the reporting entity. The Phoenix IDA also administers the Phoenix Community Development and Investment Corporation, known as PCDIC.

Phoenix is the fifth largest City in the United States, the state capital of Arizona, and the center of the metropolitan area encompassed by Maricopa County. This metropolitan area also includes the cities of Mesa, Glendale, Tempe, Scottsdale, Chandler, Peoria, Goodyear, Tolleson, El Mirage, Surprise, Litchfield Park and Avondale; the towns of Buckeye and Gilbert; and all unincorporated areas of the County. Phoenix is situated 1,117 feet above sea level in the semi-arid Salt River Valley. The area is widely known for its mild winters, having over 300 days of sunshine a year, a variety of outdoor recreation activities, and its proximity to the Grand Canyon National Park.

Phoenix was founded in 1870 as an agricultural community, and in 1881 was incorporated as a City. Phoenix operates under a Council-Manager form of government as provided by its Charter, which was adopted in 1913. Under this organizational structure, the Mayor and Council appoint a city manager to act as the chief operating officer. The Mayor and City Council set policy direction, and the city manager implements those policies in an efficient and effective manner. In 1982, an initiative was passed by the Phoenix voters creating a district system for electing council members, and the number of Council seats was increased from six to eight. The Mayor is elected at-large, while Council members are elected by voters in each of eight separate districts they represent. The Mayor and each Council member have equal voting power.

The City has grown steadily since its inception and has shown especially strong growth since 1950. In 1950, the City occupied 17 square miles with a population of almost 107,000, ranking it 99th among American cities. The 1990 census recorded Phoenix's population at 983,403 and the 2010 census recorded Phoenix's population at 1,447,128. As of June 30, 2024, the City encompassed 519.4 square miles, with the City of Phoenix estimating the population at 1,692,268.

Budgeting Systems and Controls

The City maintains budgetary controls, which are designed to ensure compliance with legal provisions of the annual budget adopted by the City Council. An operating budget is legally adopted by ordinance each fiscal year for the General Fund, Secondary Property Tax Debt Service, City Improvement Debt Service, enterprise funds and several special revenue funds on a modified accrual basis plus encumbrances. The level of legal budget control is by fund, except the General Fund for which the control is by program.

After tentative adoption of the budget, the Council may make changes, but may not increase the budget totals except in those areas exempted by State budget law. The exemptions apply to Federal funds, Arizona Highway User funds, debt service and bond funds. After final adoption, transfers between budget appropriations for non-exempt areas may be made by the City Council. Throughout the budget year, the Council may also appropriate additional general purpose funds by use of a contingency appropriation reserved to cover emergencies or other necessary expenditures as determined by the Council. Supplemental appropriations may be adopted for expenditures exempt from the State expenditure limitation, such as federally-funded programs, provided funds are available. State law requires the City to re-budget (reappropriated) funds for the completion of contracts which were originally budgeted for and encumbered in a previous fiscal year. This law necessitates an additional appropriation ordinance to re-budget funds for contracts not completed by June 30.

Economic Condition and Outlook

Phoenix continues to be one of the fastest-growing cities in the United States to experience economic success. Our focus on revitalizing communities, creating affordable housing, and attracting investment to build wealth among community members has proven successful. Driven by entrepreneurship and producing a wide range of valuable jobs, Phoenix remains a top-notch performer in many major industries including manufacturing, technology, and bioscience healthcare. The City continues to implement policies and standards to remain structurally balanced, maintain or improve current service levels, and attract wealth-generating companies.

Business attraction continues to be a focus to help diversify our economic base by expanding and relocating businesses to Phoenix. Bringing in new industries that produce goods and services locally generates new dollars from outside the local economy, creating a multiplier effect. Recently, the City has focused efforts on supporting

suppliers, and sub-suppliers, that are associated with Taiwan Semiconductor Manufacturing Company (TSMC). This year, JA Solar, one of the world’s largest solar panel manufacturers and six new suppliers to TSMC, selected Phoenix, bringing nearly 700 new jobs to the City. In the past year, the City has worked with 30 companies to locate and create 4,478 new jobs at an average salary of \$68,206 with a capital investment of \$1.4 billion.

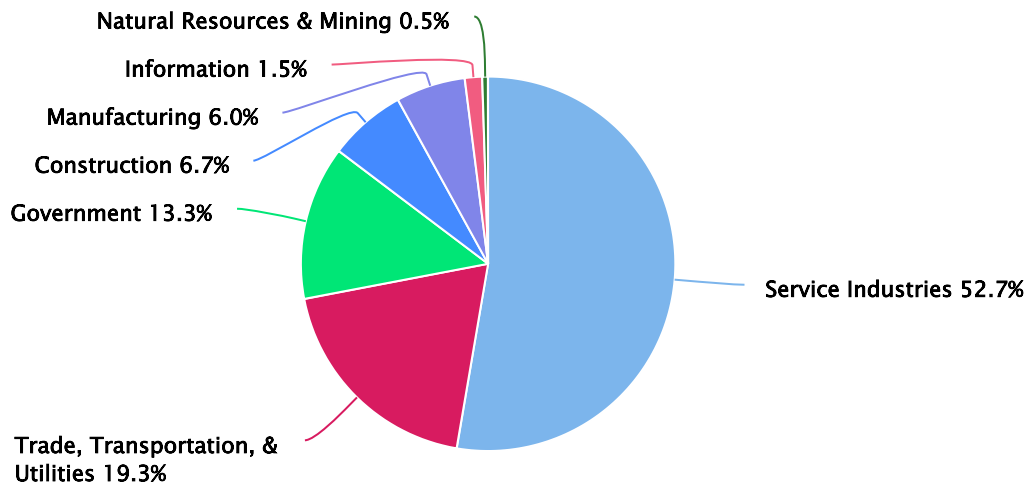
Phoenix Sky Harbor International Airport, the 10th busiest airport in the United States, is America’s Friendliest Airport. It has a \$106 million daily economic impact. On a typical day: more than 1,200 aircraft arrive and depart, more than 135,000 passengers arrive and depart, and more than 1,000 tons of air cargo is handled. Flights at Phoenix Sky Harbor International Airport serve more than 100 domestic and 22 international destinations.

Below are the most up-to-date improvements to Phoenix Sky Harbor International Airport:

- **PHX Sky Train®** -The PHX Sky Train® currently provides a quick, convenient connection between the Airport’s two terminals, economy parking facilities, Valley Metro Light Rail and the Rental Car Center. Construction on Phase 2 of the PHX Sky Train® was completed in December 2022 and serves over 35,000 passengers daily.
- **Terminal 3 New Concourse** - The Airport is currently in the planning stages to build a second north concourse at Terminal 3, just east of the existing north concourse. The Airport received environmental approval in October 2023.
- **New Crossfield Taxiway Design** – Design for a new crossfield taxiway was procured in 2022. The new taxiway, to be named Taxiway Uniform, will be located on the west side of the airport, and will connect Taxiway Charlie on the north to Taxiway Delta on the south. A portion of this project will be paid for using Bipartisan Infrastructure Law grant funds. The Airport received environmental approval in October 2023.

Phoenix is continuing to invest in its workforce and is working diligently to improve the City’s competitive position by developing the future workforce, engaging with and repositioning the current workforce. The City works to leverage resources, services and information with our Phoenix Business and Workforce Development Board, our Universities, Community Colleges and adult education partners to develop and access talent pipelines to meet the workforce needs of business and industry. The Phoenix area’s manufacturing workforce is much more concentrated in high technology than other areas in the United States. According to U.S. Bureau of Labor Statistics, the primary employment sectors and their share of total employment in Phoenix is presented in the graph below:

Employment Sectors



Major employers of the Phoenix metropolitan area include Banner Health, State of Arizona, Amazon.com, Inc., Walmart Inc., Arizona State University, University of Arizona, Fry’s Food Stores, City of Phoenix, HonorHealth, Wells Fargo & Company and US Postal Service. The top ten property taxpayers, based on limited net assessed valuation, are Arizona Public Service Company, Salt River Project (T & D), Southwest Gas Corporation, Esplanade Owner L.P., Biltmore Center Owner L.L.C., Esplanade Owner L.L.C., Biltmore Shopping Center Partners, Viola Lordsmeer L.P.,

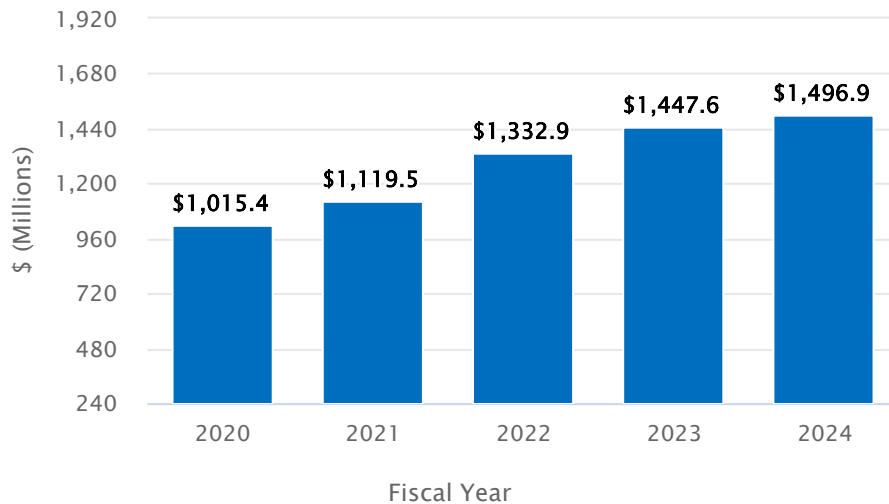
Aligned Data Centers Phoenix Propco L.L.C. and Epic Apollo L.L.C. These taxpayers make up 6.4% of the total limited net assessed valuation.

According to the Greater Phoenix Blue Chip Economic Forecast, retail sales in the Phoenix area grew by an average of 7.6% per year from 2012 through 2022, and grew 2.8% in 2023. This growth was supported by gains in personal income averaging 6.5% annually from 2012 through 2022, and grew 5.4% in 2023. The Greater Phoenix Blue Chip Economic Forecast estimates a 3.3% increase in retail sales and a 5.2% increase in personal income in 2024.

In fiscal year 2015-16, the primary assessed valuation and the secondary assessed valuation were combined into a single valuation of \$10.6 billion. Between fiscal years 2015-16 and 2023-24, the assessed valuation increased by 53.8% to \$16.3 billion. The assessed valuation increased another 5.5% to \$17.2 billion for fiscal year 2024-25. City total property tax rate (primary and secondary) for fiscal year 2024-25 was set to \$2.08 per \$100 assessed valuation.

The City of Phoenix maintains strong credit ratings. The Subordinated Excise Tax Revenue Bonds were upgraded by Moody's Investor Service ("Moody's) to Aa1 with a stable outlook. The rating upgrade reflects the City's solid financial performance, and strong and diverse economy, which is expected to continue to support growth in pledged revenues and provide strong coverage of new and outstanding debt. Additionally, in conjunction with an update to the US Cities and Counties Methodology, Moody's raised its financial strength rating on the State of Arizona Distribution Revenue Bonds, to Aa1, with a stable outlook. These ratings reflect the efforts of the elected officials and City Management whose decisions ensure the City maintains a strong financial position. Finances remain in a healthy position, supported by prudent budget management and revenue growth driven by the City's strong economy.

City Excise Taxes



As indicated above, City excise taxes, consisting primarily of City sales taxes, increased from \$1,447.6 million in fiscal year 2022-23 to \$1,496.9 million in fiscal year 2023-24. This is an increase of \$49.3 million, or 3.4%. The largest increases in these taxes were generated from strong growth in retail, commercial rental, and construction contracting - see Table 7 for additional information.

Long-Term Financial Planning

The City's financial planning process is primarily driven by the budget process. This process includes the annual operating budget, which is prepared on a modified zero-base budgeting process. This includes an annual base budget for each City department that is subjected to a detailed technical review and is adjusted for base reductions or supplementals (budget additions) based on revenue and expenditure forecasts. City departments are required to review their budgets after the third month of the fiscal year (3+9), and information is updated after the seventh month of the fiscal year (7+5). The budget process also includes input from the departments, the City Manager's Office, City Council, and citizens including numerous community budget hearings. The City Council formally adopts the budget for the following year in mid-June.

As part of the annual budget process, departments also submit five-year capital plans for review and approval based on available funding. The capital plans are updated annually and approved by the City Council and serve as the primary drivers of the long-term financial planning process. As part of this process, revenue forecasts of property tax revenues, excise taxes, and user fees related to enterprise funds are updated annually in order to determine the long-term funding availability.

The enterprise departments routinely update their long-range capital and financial plans. This process has been very valuable in determining the rates necessary to support the enterprise funds and their capital programs and in identifying industry trends. The process has allowed the enterprise departments to adjust their capital spending and operations accordingly.

Major Initiatives

The City of Phoenix adopted a strategic plan to help guide decision-making at all levels of the organization and focus the City's efforts on its core businesses that facilitate the City's mission: to improve the quality of life in Phoenix through efficient delivery of outstanding public services. A representation of fiscal year 2023-2024 accomplishments is featured below.

Economic Development and Education – Successful Hosting of the 2024 NCAA Men's Basketball Final Four – The City of Phoenix played a pivotal role in hosting the 2024 NCAA Men's Basketball Final Four. The event generated hundreds of millions of dollars in economic activity. In addition to the economic impact, the City contributed to the success of the event in several unique ways. Fire staff worked with local Federal Bureau of Investigation (FBI) partners to develop a curriculum and process to certify over 150 members as Joint Hazard Awareness Team members. These members represent the surrounding public safety region and now serve to support major large-scale events such as the Super Bowl and the Final Four. The Information Technology Services Network Team established an emergency contact number, allowing Emergency Operations an around-the-clock contact resource from the Enterprise Network Support team. The new contact number improves staff's ability to respond to network outages and provides up-to-date information on the City network during high priority events, such as the Final Four.

Continued Attraction of Diverse Economic Development Opportunities – This year, Community and Economic Development (CED) staff assisted 22 companies to locate in Phoenix, creating 5,525 new jobs, with a capital expenditure of \$29.3 billion and a total of 7.9 million square-feet. Notable locates included the TSMC Second Fab announcement, multiple food innovation companies, and four additional semiconductor suppliers, including FM Industries, MA-Tek, Organo, and DNS Screen. In addition, CED staff assistance was provided to many small businesses and retailers throughout the city, with the most notable project occurring in January, when Council approved a development agreement for Laveen Town Center by Vestar, which will encompass an approximately 375,000 square-foot town center along the Loop 202 corridor. Overall, unemployment remained low, and jobs, as well as workforce, continued to relocate to Phoenix.

Financial Excellence – Voter Approval of the 2023 GO Bond Program – For the first time since 2006, Phoenix residents were asked to approve a new General Obligation (GO) Bond Program. The Program totals \$500 million and was overwhelmingly approved by voters in November 2023. Staff from the City Manager's Office, Budget and Research, Finance, City Clerk, Information Technology Services, Communications, Public Works, and Citywide departments provided key support during the GO Bond process. Staff completed a Capital Needs Study and staffed over 40 committee meetings. Extensive planning and communication with over 70 committee members was required to successfully execute all meetings. All throughout the process, staff ensured that residents had access to information in English and Spanish about meetings, proposed projects, and ways to engage and provide input. A dedicated website was developed, hybrid meeting formats were utilized to ensure that community members could participate in person or virtually, and a dedicated GOPHX tool was created with information on projects included in the Capital Needs Study. Staff developed and analyzed bonding needs, authorized the 2023 GO Bond Program, created proposition language with input from Bloomberg Associates and the City Council, and created data sets and language for the informational pamphlet.

Infrastructure – Funding and Building Fire Stations – In 2023-2024, Fire staff completed two fire station remodeling efforts to mitigate sleep deprivation issues. Fire Station 38 completed eight dorm room remodels over five months totaling 1,100 square feet. Fire Station 41 completed a remodel in 13 dorms totaling 1,330 square feet. The 2023 GO Bond Program includes four new fire stations in Phoenix. Planning and implementation efforts are underway to prepare for the relocation of Fire Stations 7, 13, and 15. Fire Station 51 will be built near the TSMC plant and the growing region of North Phoenix. This year, Fire staff also successfully purchased over \$15 million of fire vehicles

and technical equipment to replace the aging fleet and reduce out-of-service time. Staff ordered 38 fire vehicles, including engines, ladders, ambulances, and trucks. In October 2023, Fire staff held a Fire Station 62 groundbreaking event with numerous community leaders and partners in attendance.

Innovation and Efficiency – Increased Payment Ordinance Thresholds – City Council approved two significant changes to City Code. The payment ordinance threshold was raised to \$32,000 (from \$8,600), and the formal competitive procurement threshold was raised to \$250,000 (from \$100,000). These actions will allow for easier and increased opportunities for small and local business entities to do business with the City, while also streamlining procurements processes and increasing overall efficiency in City operations.

Neighborhoods and Livability – Enhancing Neighborhood Revitalization Efforts – The Neighborhood Services Department (NSD) funded eight nonprofit agencies, including Chicanos Por La Casa, Child Crisis Arizona, 1N10, Boys and Girls Club of the Valley, and Homeless Youth Connect, for a total of \$240,000, to provide the City's low- and moderate-income community youth and senior services, as well as support services for people with disabilities. In addition, NSD made a \$7 million investment of Community Development Block Grant (CDBG) funds to support the Housing Department's rehabilitation of the Foothills Village and Pine Towers affordable housing communities. This CDBG investment will support the revitalization of this aging affordable housing community and support continued affordability of the 356 units at these locations. NSD also awarded \$4.6 million over four years to help vulnerable residents in the city increase the energy efficiency of their homes through Bipartisan Infrastructure Law (BIL) Weatherization Assistance Program (WAP) Enhancement and Innovation funds. These funds will be utilized to improve the health of communities historically and disproportionately negatively impacted by high energy costs.

Public Safety – Continued Police Stabilization Efforts – This year, the Police Department is on track to have police recruit hires exceed attrition for the first time since 2019. This accomplishment is the result of increased officer pay, retention payments, hiring incentives, and the Classification and Compensation Study approved by City Council. These efforts will help the department pursue the Council-approved goal of 3,125 filled sworn positions.

Social Service Delivery – Creation of New Beds to Address Homelessness – The Office of Homeless Solutions significantly increased bed capacity for unsheltered individuals. There have been seven temporary projects opened in 2023-24 to provide an additional 482 new beds, adding to the existing 592 beds created in 2022-23. The new projects which opened in 2023 included 20 beds at Lutheran Social Services, 50 beds at St. Vincent de Paul Temporary Hotel Shelter, 50 beds at Mercy House Temporary Hotel Shelter, 102 beds at A New Leaf Temporary Hotel Shelter, 140 beds at Community Bridges Rio Fresco II, 60 beds at Central Arizona Shelter Services Temporary Haven Shelter, and temporary increased capacity at Washington Street Shelter by 60 beds. These additional temporary lodging units will provide safe, indoor respite as well as appropriate services to help individuals end their homelessness.

Sustainability – Expand Water Conservation – The City reasserted its commitment to reducing the City's own water use through the establishment of the Drought and Shortage Response Team (DSRT), with an executive committee and a working group with members from multiple departments. The goal of DSRT in 2023 was to begin implementation of four goals: reduce/remove non-functional turf, practice more efficient water use, replace less efficient water fixtures in City buildings, and increase the cycles of concentration for water used in City-owned cooling towers. In addition, Water Resources staff worked with the Planning and Development Department to draft the Desert City Development Policy, a development policy that would incorporate stipulations for new development to reflect policies relating to sustainable water use. These include stipulations for third-party certification such as Environmental Protection Agency's WaterSense for residential development, restrictions on the use of turf, and additional scrutiny of large water users. While the initial implementation will be in the form of zoning stipulations, these will evolve into changes to codes and ordinances that govern new development, including the Zoning Ordinance and the Phoenix City Construction Code. The City Council passed the sustainable Desert City Development Policy in June 2023. In 2023, the Water Resources staff was awarded over \$3.1 million in grants from the Arizona Water Infrastructure Finance Authority (WIFA) for turf removal and fixture retrofit programs for customers in 2024. In total, staff applied for over \$14 million in grants from State and Federal sources.

Technology – Update City Manager's Performance Dashboard – The City Manager's Performance Dashboard marked its one-year anniversary. More than 14,000 unique visitors have explored the dashboard, with more than 47,000 page views. The most frequented pages are Public Safety, Neighborhoods and Livability, and Transportation and Infrastructure. Marketing efforts have increased traffic, including a global What Works Cities webinar featuring the City of Phoenix that aligns with a 147 percent increase in pageviews. The dashboard was a finalist in the International Data Corporation (IDC) Smart Cities North America Awards. Phoenix is also mentoring other cities in creating a similar performance tool. Staff is currently working on surveys to gather input from the public on the dashboard.

Awards and Recognition

What Works Cities Certification, Platinum - Phoenix has been awarded the Bloomberg Philanthropies What Works Cities Certification at the Platinum Level – the highest recognition available – for establishing exceptional data capabilities to inform policy decision-making, allocate funding, improve services, evaluate program effectiveness, and engage residents. Phoenix is one of 74 cities that have achieved the What Works Cities Certification distinction and more than 160 cities have submitted applications since the launch of the program in 2017. Prior to advancing to the Platinum Level, Phoenix was certified at both the Silver and Gold Levels. The What Works Cities Certification Standard measures a city's use of data based on 43 criteria. A city that achieves 68-84 percent is recognized as Gold and 85 percent or more is recognized to reach Platinum. Phoenix joins 12 newly Certified cities, six other currently Certified cities that have achieved a higher Certification level, and four cities being re-certified. A notable example of Phoenix's use of data includes instituting data governance across departments through its City Manager's Performance Dashboard and continuous community engagement to inform key policies, including the City's climate action plan, contributing to the average Phoenix resident using approximately 34 percent less water today than the average resident in 1990.

2022 Digital Cities Survey Winner - Phoenix has annually been ranked in the top ten. The 22nd annual Digital Cities Survey strives to recognize cities utilizing technology to strengthen cybersecurity, enhance transparency and digital equity, and more. Phoenix launched the new City Manager's Performance Dashboard (CMPR). This online tool provides the public with comprehensive, easy-to-understand information about the many services and programs offered by the City of Phoenix. The redesign includes more than 130 key performance indicators that measure the city's health and identifies potential areas for improvement allowing the city to make more informed decisions. Access the dashboard on the Phoenix.gov/CityManager page. In addition, Phoenix worked to enhance digital tools to help residents access city services. The myPHX311 app (Phoenix.gov/App) and website portal allows residents to access many city services directly on their phone. Furthermore, Phoenix continues to make updates to the Open Data portal (PhoenixOpenData.com) which promotes transparency in government and accountability to residents by providing important datasets that can be viewed by everyone. Recent updates to map and geographic information system (GIS) online portals (Phoenix.gov/imap) allow the public to view street restrictions, city-owned properties for sale, and the Planning and Development Department's current and proposed zones, permit activities, and much more.

Public Works Project of the Year in Environmental for More than \$75 Million - The project, "Northwest Phoenix Water and Wastewater Development," encompasses the planning, design, and construction of the necessary infrastructure required to bring new businesses, like TSMC, and future industrial, commercial and residential development to the Biscuit Flat area of Phoenix. The same project also won the APWA National Award for the Public Works Project of the Year in Environmental for More than \$75 million. This is the only project from Arizona that has won both the state and national APWA award in 2023.

2023 National Award of Merit – The Housing Department is the recipient of a National Association of Housing and Redevelopment Officials (NAHRO) Award of Merit for Soluna in the Affordable Housing Category and for the COVID Reopening Plan for Senior Housing under the Resident and Client Services Category. NAHRO will acknowledge the Housing Department at an invitation-only reception on October 5, in conjunction with the 2023 National Conference and Exhibition in New Orleans. The Housing Department has also been named a NAHRO Award of Excellence nominee with judging results to be announced before the April 2024 Washington Conference where recipients will be honored. Soluna, the first housing development completed as part of the Edison-Eastlake Choice Neighborhoods Implementation Grant program represents a \$41.4 million investment and consists of 177 units of new mixed-income and affordable housing with a design that incorporates energy efficiency, resident amenities, community spaces, and a public art plaza. Construction was completed in Spring 2022, and fully rented in November 2022.

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 for its annual comprehensive financial report for the fiscal year ended June 30, 2023. 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, the City published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received this award continuously since 1976. The ACFR for the fiscal year ended June 30, 2024 is being submitted to GFOA for consideration of Certificate of Achievement indicating the City's commitment in continuing to meet program requirements.

The GFOA also awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Phoenix Aviation Enterprise Fund for its annual comprehensive financial report for the fiscal year ended June 30, 2023. This was the eighth consecutive year the Aviation Enterprise Fund has achieved this honor.

The component unit financial report for COPERS for the year ended June 30, 2023 was also awarded a GFOA Certificate of Achievement. COPERS has received this award each year since 1985.

Further, the GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City for its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2023. The Outstanding Achievement award is a prestigious national award recognizing conformance with the highest standards for preparation of local government popular reports. PAFR content has to conform to program standards of creativity, presentation, understanding and reader appeal.

Acknowledgments

I want to thank the staff of the Finance Department for their efforts in preparing this report and all City departments for their cooperation and assistance throughout the past year. I also want to thank the City Manager and his staff, and the Mayor and City Council in providing leadership and taking necessary actions to continue a standard of financial excellence for the City.

Respectfully submitted,

Kathleen Gitkin

Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Phoenix
Arizona**

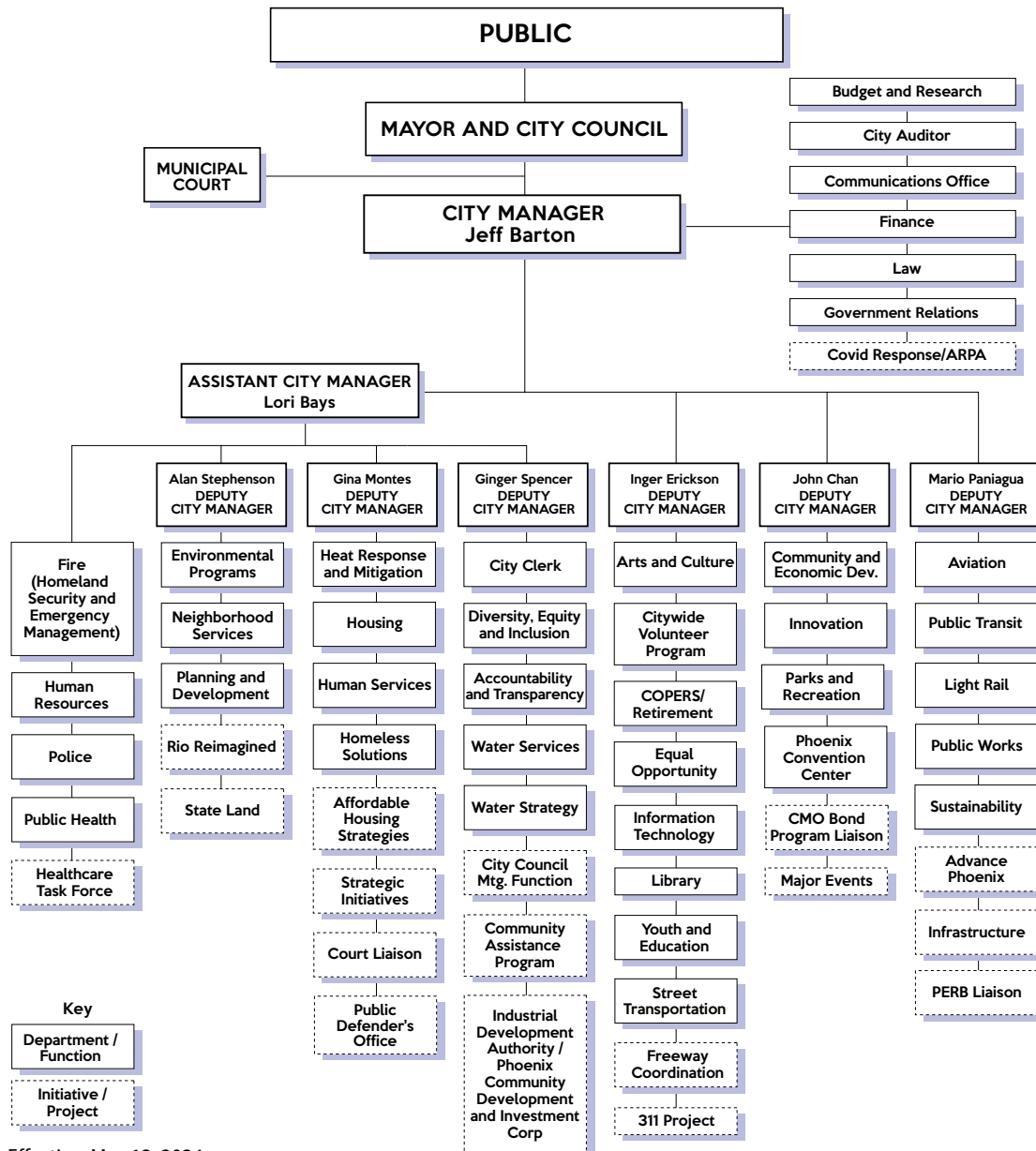
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF PHOENIX ORGANIZATIONAL CHART



**City of Phoenix
Council Members
and District Boundaries**



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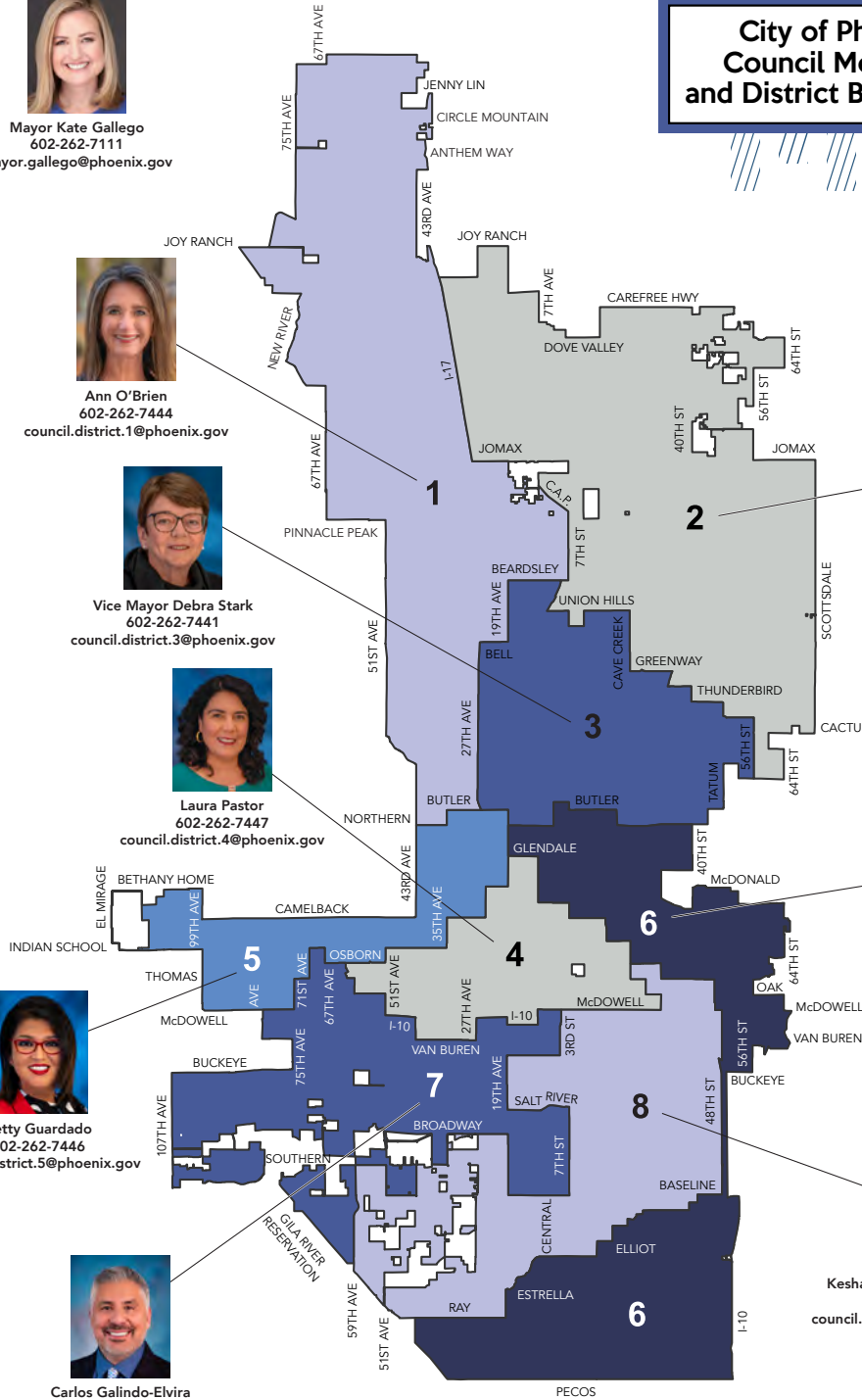
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City of Phoenix



Financial section

*The **Financial Section** includes the Independent Auditor's Report, Management's Discussion and Analysis, Basic Financial Statements, and Other Supplementary Information.*



City of Phoenix

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Independent Auditor's Report

Honorable Mayor and Members of the City Council
City of Phoenix, Arizona
Phoenix, Arizona

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Phoenix, Arizona (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the transit special revenue fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Phoenix Industrial Development Authority (IDA), a discretely presented component unit, which represents 32%, 57%, and 16%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of the Regional Wireless Cooperative, a joint use agreement of the City, which represents less than 1% of the assets and total revenues and 1% of net position of the governmental activities of the City. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for IDA and the joint use activity related to the Regional Wireless Cooperative is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Forvis Mazars, LLP is an independent member of Forvis Mazars Global Limited

Honorable Mayor and Members of the City Council
City of Phoenix, Arizona

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Honorable Mayor and Members of the City Council
City of Phoenix, Arizona

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section, nonmajor governmental funds budgetary schedules, enterprise funds budget and actual schedules, the statistical section, and the other supporting schedules section but does not include the financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Forvis Mazars, LLP

Dallas, Texas
December 20, 2024



City of Phoenix



Financial Section
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**MANAGEMENT'S
DISCUSSION AND
ANALYSIS**

(required supplementary information)



City of Phoenix

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**(Unaudited)**

As management of the City of Phoenix, Arizona, we offer the following narrative overview and analysis of the financial activities of the City of Phoenix, Arizona (the City) for the fiscal year ended June 30, 2024. Readers are encouraged to consider this overview and analysis in combination with the traditional letter of transmittal that can be found in the Introductory Section of this report.

FINANCIAL HIGHLIGHTS

- On the Government-Wide Financial Statements, total assets plus deferred outflows of the City exceeded its total liabilities plus deferred inflows at the close of the fiscal year by \$10.4 billion (net position), which represents an increase of \$1.4 billion, or 15.2%, as compared to fiscal year 2022-23. The increase in net position for Governmental Activities is primarily the result of an increase in state shared and excise tax revenues. The increase in net position for Business-Type Activities is attributable to increased revenues from all Enterprise Funds. Specifically, the Aviation Enterprise Fund experienced increased levels of passenger enplanements due to events such as the World Series in October 2023 and the NCAA® Men's Final Four in April 2024 held in the Phoenix metropolitan area.
- On the Government-Wide Financial Statements, the City's total cash and investments of \$4.3 billion at June 30, 2024 may be used to meet the City's ongoing obligations to citizens and creditors.
- State shared revenue, such as state income and sales taxes, increased by \$142.9 million, or 17.9%, as compared to fiscal year 2022-23. These monies represent additional resources that the City can use to enhance services to residents. See Table 6 for more information about Intergovernmental Revenues by Source - Governmental Funds.
- At the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$2.4 billion, an increase of \$288.1 million from last fiscal year. Approximately 38.1% of the total governmental fund balance amount, or \$896.5 million, is designated by the City as committed, assigned and unassigned. The remaining 61.9%, or \$1.5 billion, is designated as non-spendable or restricted. See Note 3 for a detailed description of fund balance classifications per GASB Statement No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City Basic Financial Statements. The Basic Financial Statements are comprised of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Financial Statements. This report also contains other supplementary information in addition to the Basic Financial Statements themselves. Detail regarding the Basic Financial Statements follows.

1) Basic Financial Statements - Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the City finances, in a manner similar to a private-sector business. They are presented in Exhibits A-1 and A-2 beginning on page 22 of this report. Summarized versions of these Exhibits are included in this MD&A.

The *Statement of Net Position*, Exhibit A-1, presents information on all of the City assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the components as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in the City financial position.

The *Statement of Activities*, Exhibit A-2, presents information showing how the City net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This is the accrual basis of accounting. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Both the Statement of Net Position and the Statement of Activities divide the 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 cost through user fees and charges (*Business-Type Activities*). The Governmental Activities of the City include general government, criminal justice, public safety, transportation, community enrichment, community development and environmental services. The Business-Type Activities of the City include aviation, Phoenix convention center, water services, wastewater services and solid waste. In addition,

financial information is also presented for the City's discretely presented component units, which are the Phoenix Housing Finance Corporations and the Phoenix Industrial Development Authority. See Note 1 on page 49 for further discussion on the financial reporting entity.

Government-Wide Financial Statement Analysis

The following tables, graphs and analysis discuss the financial position and changes to the financial position for the City as a whole as of and for the year ended June 30, 2024.

Net Position. As noted above, net position may serve over time as a useful indicator of a government's financial position. The City's net position, the amount by which assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources, was \$10.4 billion at the close of the fiscal year.

The largest portion of the City's net position, \$8.7 billion, reflects its net investment in capital assets, e.g., land, buildings, improvements, equipment, and infrastructure, less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The following table summarizes Exhibit A-1, the detailed Statement of Net Position.

City of Phoenix
Net Position
as of June 30
(in thousands)

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 5,530,514	\$ 4,979,437	\$ 4,130,103	\$ 3,801,974	\$ 9,660,617	\$ 8,781,411
Capital, lease, and subscription assets	6,095,805	5,801,754	8,363,151	8,339,615	14,458,956	14,141,369
Total assets	11,626,319	10,781,191	12,493,254	12,141,589	24,119,573	22,922,780
Deferred outflows of resources	978,945	806,233	101,940	107,107	1,080,885	913,340
Other liabilities	947,758	931,731	722,697	894,034	1,670,455	1,825,765
Long-term liabilities						
outstanding	6,723,459	6,635,103	5,806,553	5,669,607	12,530,012	12,304,710
Total liabilities	7,671,217	7,566,834	6,529,250	6,563,641	14,200,467	14,130,475
Deferred inflows of resources	280,580	310,304	279,428	333,586	560,008	643,890
Net position:						
Net investment in capital						
assets	4,797,695	4,367,046	3,858,886	3,692,473	8,656,581	8,059,519
Restricted	1,640,273	1,693,107	403,392	330,788	2,043,665	2,023,895
Unrestricted	(1,784,501)	(2,349,867)	1,524,238	1,328,208	(260,263)	(1,021,659)
Total net position	\$ 4,653,467	\$ 3,710,286	\$ 5,786,516	\$ 5,351,469	\$ 10,439,983	\$ 9,061,755

The *restricted* portion of the City's net position, \$2.0 billion, represents resources that are subject to external restrictions on how they may be used. Such restrictions include debt service payments, development impact fees restricted to growth-related projects, other capital projects and required reserves. The long-term liability associated with pensions and OPEB (\$5.4 billion) are included in the remaining balance, or the *unrestricted net position*, resulting in a deficit of \$260.3 million. The City's balance of \$4.3 billion in cash and investments, as shown on Exhibit A-1, may be used to meet current and ongoing obligations.

At the end of the fiscal year, the City had positive balances in all three categories of net position (1-net investment in capital assets, 2-restricted and 3-unrestricted), for Business-Type Activities, but both the government as a whole and Governmental-Type Activities had a deficit balance in unrestricted.

Capital, Lease and Subscription Assets. The City's capital, lease, and subscription assets for the fiscal year ended June 30, 2024, totaled \$14.5 billion, net of accumulated depreciation. This represents an increase from the prior fiscal year of \$317.6 million, which includes an increase of \$294.1 million for Governmental Activities and an increase of \$23.5 million for Business-Type Activities. Major additions to capital assets during the fiscal year included the following:

- Various street and storm sewer projects throughout the City valued at \$162.5 million.
- Water and wastewater distribution and collection facilities projects valued at \$116.3 million.
- New and replacement water and sewer mains throughout the City valued at \$94.9 million.
- Improvements to parks and trailheads throughout the City valued at \$44.9 million.
- 100 West Washington renovations valued at \$38.3 million.
- Aviation runway and taxiway construction valued at \$33.6 million.

The following table provides a listing of the capital, lease, and subscription assets, net of accumulated depreciation.

City of Phoenix
Capital, Lease, and Subscription Assets
(net of depreciation)
as of June 30
(in thousands)

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 1,313,417	\$ 1,313,747	\$ 692,362	\$ 692,036	\$ 2,005,779	\$ 2,005,783
Artwork	7,927	7,927	13,292	12,090	21,219	20,017
Construction-in-Progress	910,229	572,479	2,033,996	1,725,780	2,944,225	2,298,259
Buildings	830,839	864,984	1,829,532	1,924,275	2,660,371	2,789,259
Improvements	277,846	306,894	1,111,499	1,214,498	1,389,345	1,521,392
Infrastructure	2,294,143	2,258,276	1,901,599	1,911,109	4,195,742	4,169,385
Equipment	404,357	411,535	715,127	781,235	1,119,484	1,192,770
Intangible Assets	11,024	12,831	65,744	78,592	76,768	91,423
Right-to-Use Lease Assets	15,896	17,781	-	-	15,896	17,781
Right-to-Use Subscription Assets	30,127	35,300	-	-	30,127	35,300
Total	\$ 6,095,805	\$ 5,801,754	\$ 8,363,151	\$ 8,339,615	\$ 14,458,956	\$ 14,141,369

Additional information regarding the City's capital, lease, and subscription assets can be found in Note 9 of the financial statements.

Financial Obligations. The City's total financial obligations increased by \$225.3 million, or 1.8%. This was primarily due to an increase in the net pension liability during fiscal year 2023-24. For additional information about the City's financial obligations, see Note 10.

General obligation bonds are backed by the full faith and credit of the City. Under the provisions of the Arizona Constitution, outstanding general obligation bonded debt for combined water, sewer, light, parks, open space preserves, playgrounds, recreational facilities, public safety, law enforcement, fire emergency, streets and transportation may not exceed 20% of a City's full cash net assessed valuation, nor may outstanding general obligation bonded debt for all other purposes exceed 6% of a City's full cash net assessed valuation. The general obligation bonds long-term balance was \$569.1 million, net of discounts/premiums and the City's available debt margin at June 30, 2024 was \$2.1 billion in the 6% capacity and \$6.5 billion in the 20% capacity. Additional information regarding the debt limitations and capacities can be found in Note 12 to the financial statements and also in Table 15 in the statistical section.

The City entered into certain agreements with the City of Phoenix Civic Improvement Corporation (the "CIC") an affiliated nonprofit corporation, for the construction and acquisition of certain facilities and equipment which resulted in \$6.0 billion of municipal corporation obligations net of discounts/premiums. Under the terms of these agreements, the CIC issued bonds to finance the facilities and equipment, and the City agreed to make lease and purchase payments sufficient to pay principal and interest on the outstanding obligations. The City also pays all expenses of operating and maintaining the facilities and equipment. In fiscal year 2024, the CIC issued \$381.6 million in new debt. Proceeds of the bonds refunded \$200.0 million outstanding under a Revolving Credit Agreement with the remaining proceeds used to pay costs of various improvements to the Wastewater System.

The following table illustrates the financial obligations of the City.

City of Phoenix
Financial Obligations
as of June 30
(in thousands)

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
General obligation bonds, net	\$ 569,062	\$ 680,972	\$ -	\$ -	\$ 569,062	\$ 680,972
Loans from direct borrowings	-	-	6,554	8,338	6,554	8,338
Municipal corporation obligations, net	562,562	619,079	5,413,602	5,275,520	5,976,164	5,894,599
Community facilities districts, net	27,160	27,915	-	-	27,160	27,915
Insurance claims payable	223,058	218,354	-	-	223,058	218,354
Compensated absences	206,051	169,256	25,212	20,925	231,263	190,181
Landfill closure/Post-closure costs	-	-	17,384	16,986	17,384	16,986
Pollution remediation	30	3,282	1,125	1,400	1,155	4,682
Arbitrage liability	6,941	1,625	4,942	8	11,883	1,633
Lease / subscription liability	48,320	54,774	-	-	48,320	54,774
Net pension liability	4,982,912	4,751,864	310,475	316,068	5,293,387	5,067,932
Net OPEB liability	97,363	107,982	27,259	30,362	124,622	138,344
Total	\$ 6,723,459	\$ 6,635,103	\$ 5,806,553	\$ 5,669,607	\$ 12,530,012	\$ 12,304,710

Further detail pertaining to the City's financial obligations is available in Note 10 to the financial statements.

Changes in Net Position. Detail of the following summarized information can be found in Exhibit A-2, the Statement of Activities.

City of Phoenix
Changes in Net Position
For the year ended June 30, 2024
(in thousands)

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 530,456	\$ 556,910	\$ 1,795,259	\$ 1,640,401	\$ 2,325,715	\$ 2,197,311
Grants and contributions						
Operating	601,670	628,062	-	68,065	601,670	696,127
Capital	256,134	312,924	148,719	141,985	404,853	454,909
General revenues						
Excise taxes	1,496,945	1,447,634	-	-	1,496,945	1,447,634
Other taxes	338,882	327,492	-	-	338,882	327,492
Grants/contributions not restricted to specific programs	838,435	687,048	-	-	838,435	687,048
Other	305,987	112,647	52,535	87,537	358,522	200,184
Total revenues	<u>4,368,509</u>	<u>4,072,717</u>	<u>1,996,513</u>	<u>1,937,988</u>	<u>6,365,022</u>	<u>6,010,705</u>
Expenses						
General government	194,616	226,765	-	-	194,616	226,765
Criminal justice	41,485	43,078	-	-	41,485	43,078
Public safety	1,582,485	1,410,810	-	-	1,582,485	1,410,810
Transportation	667,627	660,716	-	-	667,627	660,716
Community enrichment	449,437	451,584	-	-	449,437	451,584
Community development	340,979	285,857	-	-	340,979	285,857
Environmental services	42,883	43,017	-	-	42,883	43,017
Interest on long-term debt	48,332	46,762	-	-	48,332	46,762
Aviation	-	-	642,225	602,290	642,225	602,290
Phoenix convention center	-	-	111,397	103,358	111,397	103,358
Water services	-	-	471,296	414,218	471,296	414,218
Wastewater services	-	-	201,179	177,807	201,179	177,807
Solid waste	-	-	192,853	186,439	192,853	186,439
Total expenses	<u>3,367,844</u>	<u>3,168,589</u>	<u>1,618,950</u>	<u>1,484,112</u>	<u>4,986,794</u>	<u>4,652,701</u>
Increase in net position before transfers	1,000,665	904,128	377,563	453,876	1,378,228	1,358,004
Transfers - internal activities	(57,484)	(61,379)	57,484	61,379	-	-
Increase in net position	<u>943,181</u>	<u>842,749</u>	<u>435,047</u>	<u>515,255</u>	<u>1,378,228</u>	<u>1,358,004</u>
Net Position - July 1	<u>3,710,286</u>	<u>2,867,537</u>	<u>5,351,469</u>	<u>4,836,214</u>	<u>9,061,755</u>	<u>7,703,751</u>
Net Position - June 30	<u>\$ 4,653,467</u>	<u>\$ 3,710,286</u>	<u>\$ 5,786,516</u>	<u>\$ 5,351,469</u>	<u>\$ 10,439,983</u>	<u>\$ 9,061,755</u>

As shown on the previous page, Total Government net position increased by \$1.4 billion, or 15.2%, as compared to fiscal year 2022-23. Governmental Activities accounted for \$943.2 million, or 68.4%, of the increase and Business-Type Activities accounted for \$435.0 million, or 31.6%. The increase in net position for Governmental Activities is primarily the result of an increase in state shared and excise tax revenues, and a gain recorded in transportation program revenues related to the City's investment for the Valley Metro Rail Inc. in fiscal year 2023-24. The increase in net position for Business-Type Activities is primarily attributable to increased revenues from the Aviation and Water Enterprise Funds, which experienced increased levels of passenger enplanements and water production, respectively. The Phoenix metropolitan area hosted the World Series in October 2023 and the NCAA® Men's Final Four in April 2024, which were also factors in both Governmental and Business-Type Activities revenue increases.

The total revenues for Governmental Activities increased \$295.8 million, or 7.3%, as compared to fiscal year 2022-23. Excise and other tax revenues increased by \$60.7 million, or 3.4%. This is a direct result of increased levels of retail sales, commercial rental, construction contracting, utilities & telecommunications, and residential rental activities during fiscal year 2023-24. Another Governmental Activities revenue that saw a significant increase during fiscal year 2023-24 was the state shared revenue, which increased by \$142.9 million, or 17.9%, as compared to fiscal year 2022-23, and is reported in the Grants and Contributions Not Restricted to Specific Programs line on Statement of Activities in Exhibit A-2. The largest increase of state shared revenue was the state income tax. For additional information, see Table 6 and 7 related to Intergovernmental Revenues by Source and City Transaction Privilege Taxes by Category, respectively.

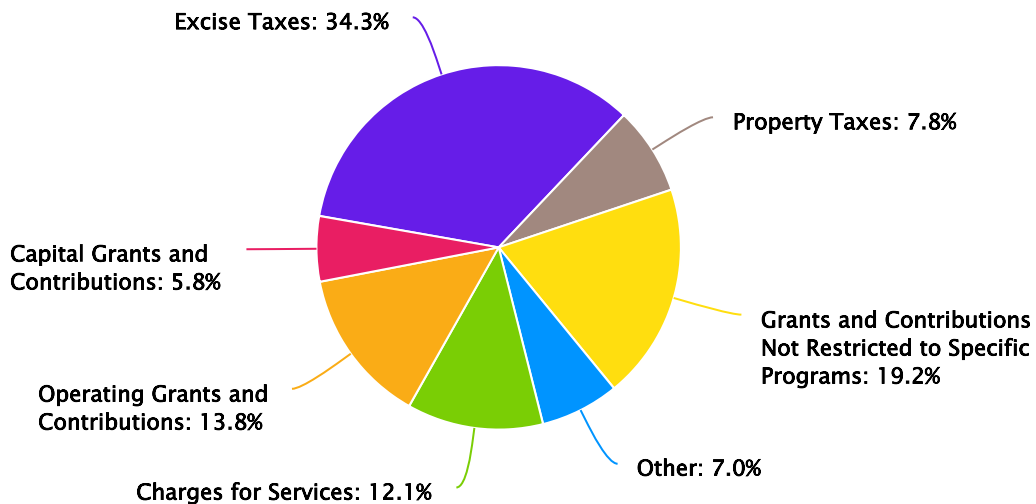
The total expenses for Governmental Activities increased by \$199.3 million, or 6.3%, as compared to fiscal year 2022-23. The program that experienced the largest increase in operating expenses was Public Safety, which increased by \$171.7 million, or 12.2%, as compared to fiscal year 2022-23. This increase is attributable to higher personnel costs associated with additional hiring, as well as a rise in pension expenses. The program with the second largest increase in operating expenses was Community Development, which increased by \$55.1 million, or 19.3%, as compared to fiscal year 2022-23. This increase is due to higher housing assistance payments, blight elimination, and personnel costs.

The Business-Type Activities' total revenue increased by \$58.5 million, or 3.0%, as compared to fiscal year 2022-23. This overall increase was led by the Aviation and Water Enterprise Funds. The Aviation Enterprise Fund's revenue increase is the direct result of both passengers and airlines paying fees to use the airport facilities. The overall increase in the number of passenger enplanements of 3.7 million, or 7.8%, in fiscal year 2023-24 gave rise to more fees being collected from both passengers and airlines. The Water Enterprise Fund's operating revenues increased primarily due to higher water sales stemming from two revenue rate increases of 6.5% during fiscal year 2023-24.

The Business-Type Activities' total expenses increased by \$134.8 million, or 9.1%, as compared to fiscal year 2022-23. This increase was primarily driven by the higher expenses for both the Water and Wastewater Enterprise Funds, which experienced increases to operating expenses associated with higher levels of water production and wastewater treatment costs, respectively.

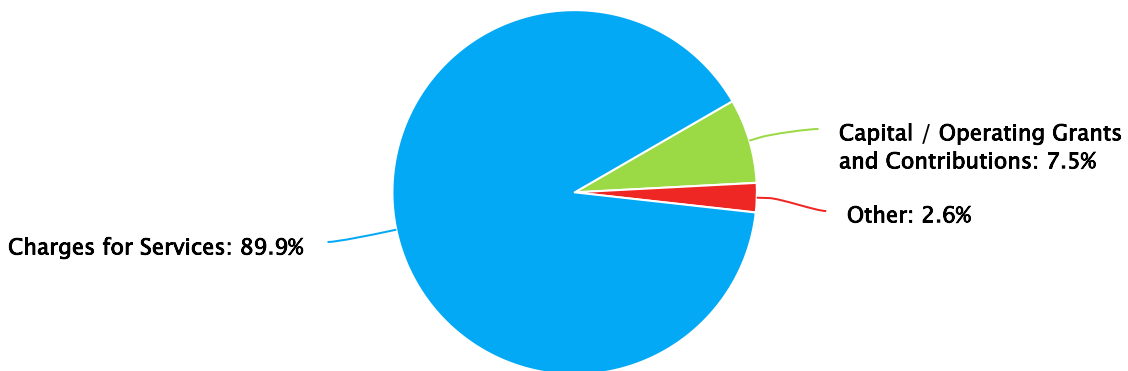
The sources of the revenues shown previously are portrayed in the following charts by percentage for the Governmental Activities and then the Business-Type Activities.

Revenues by Source – Governmental Activities
Fiscal Year Ended June 30, 2024



As shown above, excise taxes, which include City sales and franchise taxes, are the largest source of revenue for the Governmental Activities comprising 34.3% of the total. Additional information about tax revenues is presented in Table 5 of the Statistical Section.

Revenues by Source – Business Type Activities
Fiscal Year Ended June 30, 2024



As shown in this chart, charges for services account for the majority of the Business-Type Activities revenues, which is to be expected for these types of activities.

2) Basic Financial Statements - Fund Financial Statements

The Fund Financial Statements are presented in Exhibits B-1 through B-13 beginning on page 30 of this report. 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 activities. All funds of the City can be divided into three categories:

Governmental Funds (Exhibits B-1 through B-8), Enterprise Funds (Exhibits B-9 through B-11) and Fiduciary Funds (Exhibits B-12 and B-13).

Governmental Funds. *Governmental Funds* are used to account for essentially the same functions reported as *Governmental Activities* in the Government-Wide Financial Statements. However, unlike the Government-Wide Financial Statements, which are on a full accrual basis, 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, which is the modified accrual basis of accounting. Both the Governmental Funds Balance Sheet (Exhibit B-1) and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit B-3) provide a reconciliation (Exhibits B-2 and B-4, respectively) to the *Governmental Activities* portion of the Government-Wide Financial Statements.

The City maintains twenty-five individual Governmental Funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Transit Special Revenue Fund, and the General Obligation/Secondary Property Tax Debt Service Fund which are considered to be major funds under Governmental Accounting Standards Board (GASB) Statement No. 34. Data from the other twenty-two Governmental Funds are combined into a single, aggregated presentation as Non-major Governmental Funds. Individual fund data for each of these non-major Governmental Funds is found in Exhibits C-1 and C-2.

The City adopts an annual appropriated budget for all City funds. A Budgetary Comparison Statement has been provided for the General Fund (Exhibit B-5) and the budgetary components of the Transit Special Revenue Fund (Exhibits B-6 through B-8) to demonstrate compliance with this budget.

Enterprise Funds. *Enterprise Funds* are a type of proprietary fund, and are the only type of proprietary fund currently maintained by the City. Enterprise Funds are used to report the same functions presented as *Business-Type Activities* in the Government-Wide Financial Statements. Enterprise Funds are used to account for the operation of Sky Harbor International Airport and two regional airports, Phoenix Convention Center, the water system, the wastewater system and solid waste disposal.

Enterprise Fund Financial Statements provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Enterprise Fund Financial Statements (Exhibits B-9 through B-11 beginning on page 38) provide separate information for each of the five Enterprise Funds noted above as all are considered to be major funds of the City.

Fund Financial Statement Analysis

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related budgetary and legal requirements. The following is a brief discussion of financial highlights from the Fund Financial Statements.

Governmental Funds. The focus of the Governmental Fund Financial Statements (Exhibits B-1 through B-8 beginning on page 30) is to provide information on near-term inflows, outflows and balances of spendable resources (modified accrual basis). All major Governmental Funds are presented separately on these financial statements, while the nonmajor funds are combined into a single column. Combining statements for the nonmajor funds can be found in Exhibits C-1 and C-2.

The following table summarizes information found in Exhibits B-1 and B-3.

City of Phoenix
Changes in Governmental Fund Balances
Fiscal Year Ended June 30, 2024
(in thousands)

	Fund Balances June 30, 2023	Net Change in Fund Balances	Fund Balances June 30, 2024
General Fund	\$ 434,304	\$ 221,046	\$ 655,350
Transit Special Revenue Fund	493,185	(35,103)	458,082
G.O./Secondary Property Tax	7,256	990	8,246
Nonmajor Governmental	1,131,237	101,185	1,232,422
Total	<u>\$ 2,065,982</u>	<u>\$ 288,118</u>	<u>\$ 2,354,100</u>
Total Nonspendable	35,355	3,197	38,552
Spendable - Restricted	1,494,417	(75,330)	1,419,087
Spendable - Committed, Assigned, Unassigned	536,210	360,251	896,461
Total Governmental Fund Balances	<u>\$ 2,065,982</u>	<u>\$ 288,118</u>	<u>\$ 2,354,100</u>

Note: See Exhibit B-1 and Note 3 for detailed information on fund balances.

As shown in the above table, at the end of the fiscal year, the City's governmental funds reported combined ending fund balances of \$2.4 billion, an increase of \$288.1 million, or 13.9% from last fiscal year. Of the total governmental funds combined ending balances, approximately 98.4% of this amount, or \$2.3 billion, constitutes *total spendable balance*. Of the spendable amount, there is \$896.5 million available at the City's discretion and has been categorized as committed, assigned or unassigned. The remaining \$1.5 billion, or 61.9%, is designated as non-spendable or restricted. Examples of fund balance restrictions include: Public Transit Operations, Debt Service and Road Maintenance and Construction. Non-spendable funds include inventory and prepaid items.

The General Fund is the main operating fund of the City and accounts for many of the major functions of the government including general government, criminal justice, public safety, transportation, community enrichment, community development and environmental services. As presented in the table above, General Fund balance increased by \$221.0 million, or 50.9%. This increase in fund balance was primarily due to increases in state income taxes and investment income.

The fund balance for the nonmajor governmental funds increased by \$101.2 million, or 8.9%, in fiscal year 2023-24. The Transit Capital Projects Fund accounts for the majority of this increase. The fund balance increased by \$156.0 million, or 68.8%, due to a change in revenue allocation between the Transit Capital Projects Fund and the Transit Special Revenue Fund.

Governments have an option of including the budgetary comparison statements for the general fund and major special revenue funds as either part of the Fund Financial Statements within the Basic Financial Statements, or as required supplementary information (RSI) after the Notes to the Financial Statements. The City has chosen to present the General Fund budgetary statement (Exhibit B-5), and the budgetary components of the Transit Special Revenue Fund (Exhibits B-6 through B-8) in the Basic Financial Statements.

The following table summarizes Exhibit B-5.

**City of Phoenix General Fund
Budgetary Comparison Statement
Fiscal Year Ended June 30, 2024
(in thousands)**

	Final Amended Budget	Actuals	Variance Positive (Negative)
Revenues	\$ 444,293	\$ 486,948	\$ 42,655
Expenditures and Encumbrances	2,028,668	1,844,878	183,790
Deficiency of Revenues Under Expenditures and Encumbrances	(1,584,375)	(1,357,930)	226,445
Other Financing Sources	1,380,312	1,428,553	48,241
Net Change in Fund Balance	<u>\$ (204,063)</u>	<u>70,623</u>	<u>\$ 274,686</u>
Fund Balance July 1		222,931	
Fund Balance June 30		<u>\$ 293,554</u>	

The total actual revenues in the General Fund were more than 9.6% of the final amended budget and total expenditures were less than the final amended budget. The final amended general fund expenditure budget of \$2.0 billion includes \$73.2 million of contingency, of which \$19.5 million was utilized. The actual general fund budgetary expenditures for the fiscal year ended June 30, 2024, were \$1.8 billion which is \$183.8 million less than the amended budget (see Exhibit B-5). The actual general fund expenditures reflect department efficiencies and cost control during the fiscal year.

Enterprise Funds. The Enterprise Fund Financial Statements (Exhibits B-9 through B-11) are prepared and presented using the same accounting basis and measurement focus as the Government-Wide Financial Statements, but in more detail. The following table summarizes Exhibits B-9 and B-10.

**City of Phoenix
Changes in Enterprise Fund Net Position
Fiscal Year Ended June 30, 2024
(in thousands)**

	Net Position July 1, 2023	Change in Net Position	Net Position June 30, 2024
Aviation	\$ 1,982,959	\$ 128,025	\$ 2,110,984
Phoenix Convention Center	16,244	41,068	57,312
Water System	1,849,946	174,493	2,024,439
Wastewater	1,389,875	77,739	1,467,614
Solid Waste	112,445	13,722	126,167
Total	<u>\$ 5,351,469</u>	<u>\$ 435,047</u>	<u>\$ 5,786,516</u>

As shown in the table, net position for the Enterprise Funds increased in total by \$435.0 million during the fiscal year. The increases were due to increased revenues and contributions of capital assets. The Aviation net position increased by \$128.0 million, or 6.5%, due to an increase in passenger enplanements from events held in the Phoenix metropolitan area during the fiscal year, such as the NCAA® Men's Final Four, which was held in April 2024. The net position for the Phoenix Convention Center increased by \$41.1 million, or 252.8%, due to an increase in operating revenues from higher levels of event bookings and the fan experience for the NCAA® Men's Final Four, as compared to the prior fiscal year. The increase in net position for both the Water System and Wastewater Enterprise Funds were attributable to strong revenues from operations, as well as intergovernmental revenue from the State of Arizona for public infrastructure projects. The Solid Waste Enterprise Fund net position increased during fiscal year 2023-24 due to more residences served and from the service fee increase that went into effect in January 2023.

3) **Basic Financial Statements - Notes to the 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 Basic Financial Statements can be found beginning on page 49 of this report. Additionally, governments are required to disclose certain information about employee pension funds. The City has provided this information in Note 20 to the financial statements and the required supplemental information.

ECONOMIC FACTORS

- The City's population as of June 2015 was 1,528,115. As of June 2024, the City has an estimated population of 1,692,268. This population growth represents a 10.7% increase over this ten-year span.
- The fiscal year 2024-25 assessed valuation increased 5.7% to \$17.2 billion.
- According to the Greater Phoenix Blue Chip Economic Forecast, retail sales in the Phoenix area grew by an average of 7.6% per year from 2012 through 2022, and grew 2.8% in 2023. This growth was supported by gains in personal income averaging 6.5% annually from 2012 through 2022, and grew 5.4% in 2023. The Greater Phoenix Blue Chip Economic Forecast estimates a 3.3% increase in retail sales and a 5.2% increase in personal income in 2024.
- The City of Phoenix maintains strong credit ratings. Moody's Investor Service upgraded the Subordinated Excise Tax Revenue Bonds and the State Distribution Revenue Bonds to Aa1, with a stable outlook. These ratings reflect the efforts of the elected officials and City Management to maintain a strong financial position.

REQUESTS FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the City of Phoenix's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, City of Phoenix, Calvin C. Goode Municipal Building, Ninth Floor, 251 W. Washington Street, Phoenix, Arizona, 85003.



City of Phoenix



Financial Section
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**BASIC FINANCIAL
STATEMENTS -
Government-Wide
Financial Statements**



City of Phoenix



City of Phoenix

Government-Wide Financial Statements
Exhibit A-1
Statement of Net Position

June 30, 2024

(in thousands)

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Phoenix Housing Finance Corporations	Phoenix Industrial Development Authority
ASSETS					
Cash and Cash Equivalents	\$ 223,034	\$ 135,485	\$ 358,519	\$ 17,251	\$ 5,780
Cash Deposits	1,169	10	1,179	5,309	-
Cash and Securities with Fiscal Agents/Trustees	204,100	-	204,100	104	-
Investments	2,186,236	1,569,352	3,755,588	-	-
Receivables, Net of Allowances	447,091	185,816	632,907	15,090	673
Prepaid Items	767	12,822	13,589	452	42
Inventories	37,785	27,209	64,994	-	-
Restricted Assets	-	1,244,224	1,244,224	-	1,938
Investment in Joint Use Agreements	2,136,446	494,023	2,630,469	-	-
Net OPEB Asset	67,286	5,221	72,507	-	-
Leases Receivable	206,278	284,744	491,022	-	-
Partnerships Receivable	20,322	-	20,322	-	-
Other Noncurrent Assets	-	171,197	171,197	-	29,414
Capital, Lease, and Subscription Assets					
Non-depreciable and Non-amortized	2,778,278	2,739,650	5,517,928	7,769	-
Depreciable and Amortized, net	3,317,527	5,623,501	8,941,028	32,717	-
Total Assets	11,626,319	12,493,254	24,119,573	78,692	37,847
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Loss on Refunding	6,725	55,160	61,885	-	-
Pension Related	968,557	46,443	1,015,000	-	-
OPEB Related	3,663	337	4,000	-	-
Total Deferred Outflows of Resources	978,945	101,940	1,080,885	-	-

The accompanying notes are an integral part of these financial statements

Government-Wide Financial Statements

Exhibit A-1

Statement of Net Position

(Continued)

June 30, 2024

(in thousands)

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Phoenix Housing Finance Corporations	Phoenix Industrial Development Authority
LIABILITIES					
Accounts Payable	308,578	109,435	418,013	1,645	123
Reimbursement Agreement to City	-	-	-	2,349	-
Trust Liabilities and Deposits	80,381	39	80,420	362	-
Advance Payments	178,248	23,112	201,360	142	-
Liabilities Payable from Restricted Assets	6,941	51,455	58,396	-	-
Short-Term Obligations	200,000	200,000	400,000	-	-
Matured Bonds Payable	153,900	211,669	365,569	-	-
Interest Payable	26,651	126,987	153,638	3,853	-
Noncurrent Liabilities					
Due Within One Year					
Insurance Claims Payable	56,014	-	56,014	-	-
Accrued Compensated Absences	24,097	3,134	27,231	-	-
Pollution Remediation	30	75	105	-	-
Accrued Landfill Closure and Postclosure Care Costs	-	1,665	1,665	-	-
General Obligation Bonds	99,430	-	99,430	-	-
Loans from Direct Borrowings	-	1,369	1,369	-	-
Municipal Corporation Obligations	42,070	193,402	235,472	-	-
Community Facilities Districts	790	-	790	-	-
Lease / Subscription Liability	5,243	-	5,243	-	-
Due in More Than One Year					
Insurance Claims Payable	167,044	-	167,044	-	-
Accrued Compensated Absences	181,954	22,078	204,032	-	-
Pollution Remediation	-	1,050	1,050	-	-
Accrued Landfill Closure and Postclosure Care Costs	-	15,719	15,719	-	-
General Obligation Bonds, net	469,632	-	469,632	-	-
Loans from Direct Borrowings, net	-	5,185	5,185	-	-
Municipal Corporation Obligations, net	520,492	5,220,200	5,740,692	-	-
Community Facilities Districts, net	26,370	-	26,370	-	-
Notes Payable	-	-	-	43,833	-
Arbitrage Liability	-	4,942	4,942	-	-
Lease / Subscription Liability	43,077	-	43,077	-	-
Unearned Rental Income	-	-	-	-	2,848
Net Pension Liability	4,982,912	310,475	5,293,387	-	-
Net OPEB Liability	97,363	27,259	124,622	-	-
Total Liabilities	<u>7,671,217</u>	<u>6,529,250</u>	<u>14,200,467</u>	<u>52,184</u>	<u>2,971</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Gain on Refunding	4,543	9,922	14,465	-	-
Service Concession Arrangement	19,646	-	19,646	-	-
Pension Related	4,024	177	4,201	-	-
OPEB Related	10,711	1,171	11,882	-	-
Leases Related	189,609	268,158	457,767	-	-
Partnerships Related	52,047	-	52,047	-	-
Total Deferred Inflows of Resources	<u>280,580</u>	<u>279,428</u>	<u>560,008</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net Investment in Capital Assets	4,797,695	3,858,886	8,656,581	(4,681)	2,880
Restricted For:					
Capital Projects	354,856	-	354,856	-	-
Debt Service	170,476	5,763	176,239	-	-
Passenger Facility Charges	-	174,966	174,966	-	-
Customer Facility Charges	-	67,362	67,362	-	-
Public Transit Operations	457,411	-	457,411	-	-
OPEB	67,286	5,221	72,507	-	-
Voter Approved/Legislative	265,716	-	265,716	-	-
Other	324,528	150,080	474,608	-	4,595
Unrestricted (Deficit)	(1,784,501)	1,524,238	(260,263)	31,189	27,401
Total Net Position	<u>\$ 4,653,467</u>	<u>\$ 5,786,516</u>	<u>\$ 10,439,983</u>	<u>\$ 26,508</u>	<u>\$ 34,876</u>

The accompanying notes are an integral part of these financial statements

Government-Wide Financial Statements
Exhibit A-2
Statement of Activities

For the Fiscal Year Ended June 30, 2024

(in thousands)

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 194,616	\$ 18,493	\$ 4,329	\$ -
Criminal Justice	41,485	13,040	-	-
Public Safety	1,582,485	93,453	21,198	-
Transportation	667,627	270,865	278,854	218,838
Community Enrichment	449,437	17,013	118,205	10,379
Community Development	340,979	117,507	176,540	26,917
Environmental Services	42,883	85	2,544	-
Interest on Long-Term Debt	48,332	-	-	-
Total Governmental Activities	<u>3,367,844</u>	<u>530,456</u>	<u>601,670</u>	<u>256,134</u>
Business-Type Activities				
Aviation	642,225	702,996	-	28,359
Phoenix Convention Center	111,397	58,259	-	-
Water Services	471,296	576,124	-	83,009
Wastewater Services	201,179	247,651	-	37,351
Solid Waste	192,853	210,229	-	-
Total Business-Type Activities	<u>1,618,950</u>	<u>1,795,259</u>	<u>-</u>	<u>148,719</u>
Total Primary Government	<u>\$ 4,986,794</u>	<u>\$ 2,325,715</u>	<u>\$ 601,670</u>	<u>\$ 404,853</u>
Component Units:				
Phoenix Housing Finance Corporations	\$ 15,981	\$ 13,327	\$ -	\$ -
Phoenix Industrial Development Authority	\$ 6,517	\$ 2,116	\$ -	\$ -
General Revenues (Expenses)				
Taxes				
Excise Taxes				
Property Taxes, Levied for General Purposes				
Property Taxes, Levied for Debt Service				
Grants and Contributions Not Restricted to Specific Programs				
Investment Earnings, Net				
Other and Miscellaneous Income				
Transfers - Internal Activities				
Total General Revenues and Transfers				
Change in Net Position				
Net Position - July 1				
Net Position - June 30				

The accompanying notes are an integral part of these financial statements

Exhibit A-2
(Continued)

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business- type Activities	Total	Phoenix Housing Finance Corporations	Phoenix Industrial Development Authority
\$ (171,794)	\$ -	\$ (171,794)		
(28,445)	-	(28,445)		
(1,467,834)	-	(1,467,834)		
100,930	-	100,930		
(303,840)	-	(303,840)		
(20,015)	-	(20,015)		
(40,254)	-	(40,254)		
(48,332)	-	(48,332)		
<u>(1,979,584)</u>	<u>-</u>	<u>(1,979,584)</u>		
-	89,130	89,130		
-	(53,138)	(53,138)		
-	187,837	187,837		
-	83,823	83,823		
-	17,376	17,376		
-	325,028	325,028		
\$ <u>(1,979,584)</u>	\$ <u>325,028</u>	\$ <u>(1,654,556)</u>		
			\$ <u>(2,654)</u>	\$ <u>(4,401)</u>
1,496,945	-	1,496,945	-	-
207,292	-	207,292	-	-
131,590	-	131,590	-	-
838,435	-	838,435	-	-
211,629	37,668	249,297	126	2,129
94,358	14,867	109,225	8,279	32
(57,484)	57,484	-	-	-
<u>2,922,765</u>	<u>110,019</u>	<u>3,032,784</u>	<u>8,405</u>	<u>2,161</u>
943,181	435,047	1,378,228	5,751	(2,240)
3,710,286	5,351,469	9,061,755	20,757	37,116
\$ <u>4,653,467</u>	\$ <u>5,786,516</u>	\$ <u>10,439,983</u>	\$ <u>26,508</u>	\$ <u>34,876</u>

The accompanying notes are an integral part of these financial statements



City of Phoenix



Financial Section
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**BASIC FINANCIAL
STATEMENTS - Fund
Financial Statements**



City of Phoenix



City of Phoenix

Fund Financial Statements
Exhibit B-1
Governmental Funds
Balance Sheet

June 30, 2024

(in thousands)

	General	Transit Special Revenue	General Obligation/ Secondary Property Tax	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 80,935	\$ 39,022	\$ -	\$ 103,077	\$ 223,034
Cash Deposits	1,047	-	-	122	1,169
Cash and Securities with Fiscal Agents/Trustees	9,205	-	118,136	76,759	204,100
Investments	560,371	341,260	6,351	1,278,254	2,186,236
Due from Other Funds	-	76,890	-	21,807	98,697
Receivables, Net of Allowance					
Accounts Receivable	62,112	1,500	-	7,249	70,861
Taxes Receivable	190,181	-	1,894	21	192,096
Delinquent Taxes Receivable	3,782	-	2,526	-	6,308
Intergovernmental	33,400	50,471	-	83,846	167,717
Accrued Interest	222	-	1	261	484
Notes Receivable	-	-	-	9,625	9,625
Leases Receivable	4,156	386	-	201,736	206,278
Partnerships Receivable	20,322	-	-	-	20,322
Prepaid Items	409	358	-	-	767
Inventories	37,472	313	-	-	37,785
Total Assets	1,003,614	510,200	128,908	1,782,757	3,425,479
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	-	-	-	-	-
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Due to Other Funds	676	-	-	98,021	98,697
Accounts Payable	176,889	51,619	-	80,070	308,578
Trust Liabilities and Deposits	7,297	42	-	73,042	80,381
Matured Bonds Payable	-	-	102,280	51,620	153,900
Interest Payable	-	-	15,856	10,795	26,651
Arbitrage Liability	-	-	-	6,941	6,941
Advance Payments	136,417	-	-	44,943	181,360
Total Liabilities	321,279	51,661	118,136	365,432	856,508
DEFERRED INFLOWS OF RESOURCES					
Delinquent Property Taxes	3,782	-	2,526	-	6,308
Leases Related	4,249	457	-	184,903	189,609
Partnerships Related	18,954	-	-	-	18,954
Total Deferred Inflows of Resources	26,985	457	2,526	184,903	214,871
Fund Balances					
Non-Spendable					
Inventories	37,472	313	-	-	37,785
Prepaid Items	409	358	-	-	767
Restricted	52,733	457,411	8,246	900,697	1,419,087
Committed	-	-	-	150,452	150,452
Assigned	211,586	-	-	253,788	465,374
Unassigned (Deficit)	353,150	-	-	(72,515)	280,635
Total Fund Balances	655,350	458,082	8,246	1,232,422	2,354,100
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,003,614	\$ 510,200	\$ 128,908	\$ 1,782,757	\$ 3,425,479

The accompanying notes are an integral part of these financial statements

Fund Financial Statements**Exhibit B-2****Governmental Funds****Reconciliation of the Balance Sheet to the Statement of Net Position**

June 30, 2024

(in thousands)

Fund balances - total governmental funds balance sheet		\$ 2,354,100
Amounts reported for governmental activities in the statement of net position are different because:		
Capital, lease, and subscription assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital, lease, and subscription assets	9,497,265	
Accumulated depreciation and amortization	<u>(3,401,460)</u>	
		6,095,805
The investment in joint use agreements are not a financial resource and, therefore, are not reported in the funds.		
Valley Metro Rail Inc.	2,106,399	
Regional Wireless Cooperative	<u>30,047</u>	
		2,136,446
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Net OPEB asset		67,286
A portion of advance payments and delinquent property taxes receivable reported in governmental activities are not available to pay for current period expenditures and, therefore, are not recognized in the funds.		9,420
Deferred outflows of resources are not available to pay for current period expenditures and, therefore, are excluded from the funds		
Deferred outflows of resources from the refunding of bonds.	6,725	
Deferred outflows of resources from pensions.	968,557	
Deferred outflows of resources from OPEB.	<u>3,663</u>	
		978,945
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Bonds, loans and notes payable	(1,158,784)	
Pollution remediation	(30)	
Compensated absences	(206,051)	
Insurance claims payable	(223,058)	
Lease / subscription liability	(48,320)	
Net pension liability	(4,982,912)	
Net OPEB liability	<u>(97,363)</u>	
		(6,716,518)
Other liabilities in governmental activities reported as short-term obligations and considered to be financial resources, but, are not reported in the governmental funds due to the intent to convert the obligations into long-term debt.		(200,000)
Deferred inflows of resources are not due and payable in the current period and accordingly are not reported in the funds.		
Deferred inflows of resources from the refunding of bonds.	(4,543)	
Deferred inflows of resources from service concession arrangements.	(19,646)	
Deferred inflows of resources from partnership arrangements.	(33,093)	
Deferred inflows of resources from pensions.	(4,024)	
Deferred inflows of resources from OPEB.	<u>(10,711)</u>	
		(72,017)
Net position of governmental activities - statement of net position		<u>\$ 4,653,467</u>

The accompanying notes are an integral part of these financial statements

Fund Financial Statements
Exhibit B-3
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2024

(in thousands)

	General	Transit Special Revenue	General Obligation/ Secondary Property Tax	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
City Taxes	\$ 1,013,026	\$ 376,179	\$ 131,014	\$ 314,133	\$ 1,834,352
Licenses and Permits	18,127	-	-	113	18,240
Intergovernmental	783,179	121,492	3,467	784,076	1,692,214
Charges for Services	112,755	22,861	-	121,798	257,414
Fines and Forfeitures	3,466	-	-	51	3,517
Parks and Recreation	-	-	-	1,665	1,665
Special Assessments	-	-	-	849	849
Investment Income	201,132	5,009	501	4,987	211,629
Interest Income from Leases	213	39	-	6,790	7,042
Dwelling Rentals	-	-	-	4,546	4,546
Other	38,047	10,367	-	37,828	86,242
Total Revenues	2,169,945	535,947	134,982	1,276,836	4,117,710
EXPENDITURES					
Current					
General Government	143,589	-	-	5,682	149,271
Criminal Justice	43,298	-	-	1,526	44,824
Public Safety	1,189,455	-	-	251,603	1,441,058
Transportation	23,582	308,125	-	101,180	432,887
Community Enrichment	227,354	-	-	152,542	379,896
Community Development	36,717	-	-	286,439	323,156
Environmental Services	22,455	-	-	4,867	27,322
Capital Outlay	110,135	253,496	-	385,719	749,350
Debt Service					
Principal	5,268	-	102,280	52,809	160,357
Interest	1,558	-	31,712	29,297	62,567
Arbitrage Rebate and Fiscal Agent Fees	-	-	-	16	16
Other	-	-	-	1,404	1,404
Total Expenditures	1,803,411	561,621	133,992	1,273,084	3,772,108
Excess (Deficiency) of Revenues Over Expenditures	366,534	(25,674)	990	3,752	345,602
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	32,711	-	-	131,726	164,437
Transfers to Other Funds	(178,199)	(9,429)	-	(34,293)	(221,921)
Total Other Financing Sources and (Uses)	(145,488)	(9,429)	-	97,433	(57,484)
Net Change in Fund Balances	221,046	(35,103)	990	101,185	288,118
FUND BALANCES, JULY 1	434,304	493,185	7,256	1,131,237	2,065,982
FUND BALANCES, JUNE 30	\$ 655,350	\$ 458,082	\$ 8,246	\$ 1,232,422	\$ 2,354,100

The accompanying notes are an integral part of these financial statements

Fund Financial Statements**Exhibit B-4****Governmental Funds****Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities**

For the Fiscal Year Ended June 30, 2024

(in thousands)

Net change in fund balances - total governmental funds	\$ 288,118
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital acquisitions and contributed assets (\$534,606) exceeded depreciation and amortization (\$246,115) and loss on disposals of capital assets (\$1,535) in the current period.	290,026
The City's share of increase in net position from the investment in joint ventures is not reflected in the fund financial statements.	239,415
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	8,493
Bond proceeds and notes provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond, lease, and subscription principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal payments, bond issuances, refunding transactions - net	153,900
Amortization of bond premium/discount and deferred gain/loss on refundings	15,658
Principal payments of leases and subscriptions	6,454
Some expenses reported in the statement of activities (do)/do not require the use of current financial resources and, therefore, (are)/are not reported as expenditures, or reductions in expenditures, in governmental funds.	
Compensated absences	(36,795)
Insurance claims	(4,704)
Pollution remediation	3,252
Pensions	(23,802)
OPEB	3,166
Change in net position of governmental activities - statement of activities	<u>\$ 943,181</u>

The accompanying notes are an integral part of these financial statements

Fund Financial Statements
General Fund
Budgetary Comparison Statement
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit B-5

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
City Taxes	\$ 209,061	\$ 209,061	\$ 208,641	\$ (420)
Contributions/Donations	-	-	11	11
Licenses and Permits	13,140	13,140	15,245	2,105
Intergovernmental	87,539	87,539	85,913	(1,626)
Charges for Services	92,268	92,268	106,322	14,054
Fines and Forfeitures	7,674	7,674	8,467	793
Rentals	5,935	5,935	6,412	477
Interest	14,825	14,825	34,249	19,424
Miscellaneous	13,851	13,851	21,647	7,796
Total Revenues	<u>444,293</u>	<u>444,293</u>	<u>486,907</u>	<u>42,614</u>
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
General Government	234,477	234,477	215,807	18,670
Criminal Justice	45,265	45,265	43,661	1,604
Public Safety	1,222,556	1,222,556	1,219,860	2,696
Transportation	25,473	25,473	25,006	467
Community Enrichment	227,767	228,167	220,464	7,703
Community Development	39,424	39,424	37,484	1,940
Environmental Services	38,527	38,527	29,084	9,443
Capital Outlay	121,932	121,532	34,061	87,471
Contingency	73,247	73,247	19,451	53,796
Total Expenditures and Encumbrances	<u>2,028,668</u>	<u>2,028,668</u>	<u>1,844,878</u>	<u>183,790</u>
Deficiency of Revenues Under Expenditures and Encumbrances	(1,584,375)	(1,584,375)	(1,357,971)	226,404
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Staff and Administrative	60,004	60,004	65,510	5,506
In-Lieu Property Taxes	30,240	30,240	29,330	(910)
Excise Taxes and Other	1,338,274	1,338,274	1,366,603	28,329
Community Reinvestment Fund	2,064	2,064	2,064	-
Wastewater Fund	-	-	133	133
Transfers to Other Funds				
Aviation Fund	(189)	(189)	(372)	(183)
City Improvement Debt Service Fund	(129)	(129)	(129)	-
Development Services Special Revenue Fund	-	-	(86)	(86)
Federal Operating Trust Grants Special Revenue Fund	-	-	(626)	(626)
Other Restricted Special Revenue Fund	(24,305)	(24,305)	(24,984)	(679)
Capital Reserve Funds	(14,009)	(14,009)	(14,158)	(149)
Infrastructure Repayment Agreement Trust	(14,095)	(14,095)	(3,132)	10,963
Recovery of Prior Years Expenditures	2,457	2,457	8,400	5,943
Total Other Financing Sources (Uses)	<u>1,380,312</u>	<u>1,380,312</u>	<u>1,428,553</u>	<u>48,241</u>
Net Change in Fund Balance	<u>\$ (204,063)</u>	<u>\$ (204,063)</u>	<u>70,582</u>	<u>\$ 274,645</u>
Fund Balance, July 1			222,931	
Fund Balance, June 30			<u>\$ 293,513</u>	

The accompanying notes are an integral part of these financial statements

Fund Financial Statements
Transit - Other Agency Special Revenue Fund
Budgetary Comparison Statement

Exhibit B-6

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		Positive (Negative)
	REVENUES			
Intergovernmental	\$ 82,475	\$ 82,475	\$ 74,299	\$ (8,176)
Charges for Services	41	41	198	157
Interest	(88)	(88)	(131)	(43)
Miscellaneous	-	-	(54)	(54)
Total Revenues	82,428	82,428	74,312	(8,116)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Transportation	61,925	61,925	65,636	(3,711)
Capital	17,839	17,839	6,036	11,803
Total Expenditures and Encumbrances	79,764	79,764	71,672	8,092
Excess of Revenues Over Expenditures and Encumbrances	2,664	2,664	2,640	(24)
OTHER FINANCING SOURCES				
Recovery of Prior Years Expenditures	-	-	5	5
Total Other Financing Sources	-	-	5	5
Net Change in Fund Balance	\$ 2,664	\$ 2,664	2,645	\$ (19)
Fund Balance (Deficit), July 1			(4,892)	
Fund Balance (Deficit), June 30			\$ (2,247)	

The accompanying notes are an integral part of these financial statements

Fund Financial Statements
Exhibit B-7
Transit - Federal Transit Grants Special Revenue Fund
Budgetary Comparison Statement

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
				Positive (Negative)
REVENUES				
Intergovernmental	\$ 136,908	\$ 136,908	\$ 45,688	\$ (91,220)
Miscellaneous	-	-	-	-
Total Revenues	136,908	136,908	45,688	(91,220)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Transportation	21,578	21,578	33,693	(12,115)
Capital	115,330	115,330	33,570	81,760
Total Expenditures and Encumbrances	136,908	136,908	67,263	69,645
Deficiency of Revenues Over Expenditures and Encumbrances	-	-	(21,575)	(21,575)
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds				
Other Restricted Special Revenue Fund	-	-	(56)	(56)
Recovery of Prior Years Expenditures	-	-	28	28
Total Other Financing Sources	-	-	(28)	(28)
Net Change in Fund Balance	\$ -	\$ -	(21,603)	\$ (21,603)
Fund Balance (Deficit), July 1			(58)	
Fund Balance (Deficit), June 30			\$ (21,661)	

The accompanying notes are an integral part of these financial statements

Fund Financial Statements

Exhibit B-8

Transportation Tax 2050 Special Revenue Fund**Budgetary Comparison Statement**

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
				Positive (Negative)
REVENUES				
Intergovernmental	\$ 78	\$ 78	\$ 31	\$ (47)
Charges for Services	27,480	27,480	26,731	(749)
Rentals	63	63	122	59
Interest	4,920	4,920	21,046	16,126
Miscellaneous	4,950	4,950	5,965	1,015
Total Revenues	37,491	37,491	53,895	16,404
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Transportation	250,370	250,370	209,631	40,739
Capital	454,661	423,196	83,661	339,535
Contingency	4,000	4,000	-	4,000
Total Expenditures and Encumbrances	709,031	677,566	293,292	384,274
Deficiency of Revenues Over Expenditures and Encumbrances	(671,540)	(640,075)	(239,397)	400,678
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Excise Tax Special Revenue Fund	364,773	364,773	376,179	11,406
Transfers to Other Funds				
General Fund				
Staff and Administrative	(1,228)	(1,228)	(1,551)	(323)
Capital Projects Fund	-	-	(115,173)	(115,173)
Other Restricted Special Revenue Fund	(717)	(717)	(150)	567
City Improvement Debt Service Fund	(8,210)	(8,210)	(8,629)	(419)
Infrastructure Repayment Agreement Trust	(1,211)	(1,211)	(649)	562
Recovery of Prior Years Expenditures	1,274	1,274	7,302	6,028
Total Other Financing Sources (Uses)	354,681	354,681	257,329	(97,352)
Net Change in Fund Balance	\$ (316,859)	\$ (285,394)	17,932	\$ 303,326
Fund Balance, July 1			433,887	
Fund Balance, June 30			\$ 451,819	

The accompanying notes are an integral part of these financial statements

**Fund Financial Statements
Enterprise Funds
Statement of Net Position
June 30, 2024
(in thousands)**
Exhibit B-9

	Aviation	Phoenix Convention Center
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 72,411	\$ 15,679
Investments	815,113	162,284
Receivables, Net of Allowances	59,348	197
Prepaid Items	-	-
Cash Deposits	10	-
Inventories, at Average Cost	3,761	320
Total Unrestricted Current Assets	950,643	178,480
Restricted Assets		
Cash and Cash Equivalents	12,041	475
Cash Deposits	-	4,593
Cash and Securities with Fiscal Agents/Trustees	190,307	29,224
Investments	221,244	15,678
Receivables, Net of Allowances	31,560	38
Total Restricted Current Assets	455,152	50,008
Total Current Assets	1,405,795	228,488
Noncurrent Assets		
Capital Assets, Net of Accumulated Depreciation	3,122,828	533,561
Investment in Joint Use Agreement	-	-
Restricted Cash with Fiscal Agents/Trustees	171,197	-
Leases Receivable	228,045	11,676
Net OPEB Asset	1,481	298
Total Noncurrent Assets	3,523,551	545,535
Total Assets	4,929,346	774,023
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Loss on Refunding Bonds	34,601	3,367
Pension Related	-	4,357
OPEB Related	96	19
Total Deferred Outflows of Resources	34,697	7,743
LIABILITIES		
Current Liabilities Payable from Current Assets		
Accounts Payable	43,973	3,792
Trust Liabilities and Deposits	39	-
Advance Payments	23,112	-
Accrued Landfill Postclosure Care Costs	-	-
Current Portion of Pollution Remediation	75	-
Current Portion of Accrued Compensated Absences	1,082	212
Total Current Liabilities Payable from Current Assets	68,281	4,004
Current Liabilities Payable from Restricted Assets		
Accounts Payable	14,980	-
Trust Liabilities and Deposits	-	4,591
Arbitrage Liability	3,777	-
Short-Term Obligations	-	-
Matured Bonds Payable	69,450	8,749
Interest Payable	52,112	18,026
Current Portion of Loans from Direct Borrowings	-	-
Current Portion of Municipal Corporation Obligations	72,760	15,757
Accrued Landfill Closure Costs	-	-
Total Current Liabilities Payable from Restricted Assets	213,079	47,123
Total Current Liabilities	281,360	51,127
Noncurrent Liabilities		
Loans from Direct Borrowings	-	-
Municipal Corporation Obligations, net	2,293,666	630,185
Arbitrage Liability	-	-
Pollution Remediation	1,050	-
Accrued Landfill Closure and Postclosure Care Costs	-	-
Accrued Compensated Absences	7,647	1,498
Net Pension Liability	-	29,124
Net OPEB Liability	7,709	1,634
Total Noncurrent Liabilities	2,310,072	662,441
Total Liabilities	2,591,432	713,568
DEFERRED INFLOWS OF RESOURCES		
Deferred Gain on Refunding Bonds	8,239	-
Pension Related	-	17
OPEB Related	332	67
Leases Related	253,056	10,802
Total Deferred Inflows of Resources	261,627	10,886
NET POSITION		
Net Investment in Capital Assets	1,030,997	(109,013)
Restricted for Debt Service	3,314	2,449
Restricted from Passenger Facility Charges	174,966	-
Restricted from Customer Facility Charges	67,362	-
Restricted from Enabling Legislation for Capital Projects	-	-
Restricted for OPEB	1,481	298
Unrestricted (Deficit)	832,864	163,578
Total Net Position	\$ 2,110,984	\$ 57,312

The accompanying notes are an integral part of these financial statements

Exhibit B-9
(Continued)

Water System		Wastewater		Solid Waste		Total	
\$	17,488	\$	26,846	\$	3,061	\$	135,485
	267,956		278,841		45,158		1,569,352
	80,202		64,652		22,334		226,733
	12,822		-		-		12,822
	-		-		-		10
	19,163		2,663		1,302		27,209
	397,631		373,002		71,855		1,971,611
	11,875		6,702		1,536		32,629
	5,577		186		122		10,478
	108,512		72,691		7,818		408,552
	251,915		243,152		28,956		760,945
	22		-		-		31,620
	377,901		322,731		38,432		1,244,224
	775,532		695,733		110,287		3,215,835
	3,173,119		1,347,376		186,267		8,363,151
	176,029		317,994		-		494,023
	-		-		-		171,197
	-		168		3,938		243,827
	1,857		585		1,000		5,221
	3,351,005		1,666,123		191,205		9,277,419
	4,126,537		2,361,856		301,492		12,493,254
	17,094		-		98		55,160
	27,692		-		14,394		46,443
	120		37		65		337
	44,906		37		14,557		101,940
	40,735		14,387		6,548		109,435
	-		-		-		39
	-		-		-		23,112
	-		-		1,665		1,665
	-		-		-		75
	1,118		242		480		3,134
	41,853		14,629		8,693		137,460
	8,789		12,671		261		36,701
	5,637		186		122		10,536
	-		-		-		3,777
	200,000		-		-		200,000
	75,100		51,715		6,655		211,669
	33,708		21,978		1,163		126,987
	278		941		150		1,369
	71,725		25,155		8,005		193,402
	-		-		441		441
	395,237		112,646		16,797		784,882
	437,090		127,275		25,490		922,342
	1,188		3,997		-		5,185
	1,502,001		755,925		38,423		5,220,200
	2,831		1,040		1,071		4,942
	-		-		-		1,050
	-		-		15,719		15,719
	7,914		1,703		3,316		22,078
	185,126		-		96,225		310,475
	9,812		2,858		5,246		27,259
	1,708,872		765,523		160,000		5,606,908
	2,145,962		892,798		185,490		6,529,250
	520		1,163		-		9,922
	105		-		55		177
	417		131		224		1,171
	-		187		4,113		268,158
	1,042		1,481		4,392		279,428
	1,726,973		1,056,832		153,097		3,858,886
	-		-		-		5,763
	-		-		-		174,966
	-		-		-		67,362
	129,911		20,169		-		150,080
	1,857		585		1,000		5,221
	165,698		390,028		(27,930)		1,524,238
\$	2,024,439	\$	1,467,614	\$	126,167	\$	5,786,516

The accompanying notes are an integral part of these financial statements

Fund Financial Statements
Exhibit B-10
Enterprise Funds
Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Aviation	Phoenix Convention Center
Operating Revenues		
Aeronautical Fees	232,378	-
Sales	-	-
Rentals	153,693	14,491
Sewer Service Charges	-	-
Sanitation and Landfill Fees	-	-
Concessions	-	21,314
Other	167,041	22,454
Total Operating Revenues	553,112	58,259
Operating Expenses		
Administration and Engineering	-	28,180
Operation and Maintenance	324,133	19,047
Promotion	-	4,054
Depreciation and Amortization	213,898	24,494
Staff and Administrative	15,052	3,524
Other	-	2,970
Total Operating Expenses	553,083	82,269
Operating Income (Loss)	29	(24,010)
Non-Operating Revenues (Expenses)		
Passenger Facility Charges	96,391	-
Rental Car Customer Facility Charges	52,942	-
Investment Income (Loss)	25,305	5,100
Interest Income from Leases	9,015	380
Loss on Lease Cancellation	(4,052)	-
Utility Easement	9,349	-
Interest on Capital Debt	(89,142)	(29,083)
Equity Interest in Joint Use Agreement Operating Loss	-	-
Gain (Loss) on Disposal of Capital Assets	551	(45)
Total Non-Operating Revenues (Expenses)	100,359	(23,648)
Net Income (Loss) Before Contributions and Transfers	100,388	(47,658)
Capital Contributions	28,359	-
Transfers from Other Funds	372	89,192
Transfers to Other Funds	(1,094)	(466)
Change in Net Position	128,025	41,068
Net Position, July 1	1,982,959	16,244
Net Position, June 30	\$ 2,110,984	\$ 57,312

The accompanying notes are an integral part of these financial statements

Exhibit B-10

(Continued)

Water System	Wastewater	Solid Waste	Total
-	-	-	232,378
448,977	-	-	448,977
-	-	-	168,184
-	185,715	-	185,715
-	-	198,702	198,702
-	-	-	21,314
127,147	61,936	11,079	389,657
576,124	247,651	209,781	1,644,927
32,206	15,559	20,999	96,944
237,098	80,201	136,290	796,769
-	-	-	4,054
109,726	43,792	15,468	407,378
13,337	6,510	11,166	49,589
-	-	7,891	10,861
392,367	146,062	191,814	1,365,595
183,757	101,589	17,967	279,332
-	-	-	96,391
-	-	-	52,942
4,494	4,545	(1,776)	37,668
-	8	167	9,570
-	-	-	(4,052)
-	-	-	9,349
(58,027)	(31,899)	(1,039)	(209,190)
(11,659)	(22,736)	-	(34,395)
(9,243)	(482)	448	(8,771)
(74,435)	(50,564)	(2,200)	(50,488)
109,322	51,025	15,767	228,844
83,009	37,351	-	148,719
2	2	-	89,568
(17,840)	(10,639)	(2,045)	(32,084)
174,493	77,739	13,722	435,047
1,849,946	1,389,875	112,445	5,351,469
\$ 2,024,439	\$ 1,467,614	\$ 126,167	\$ 5,786,516

The accompanying notes are an integral part of these financial statements

Fund Financial Statements
Enterprise Funds
Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit B-11

	Aviation	Phoenix Convention Center
Cash Flows from Operating Activities		
Receipts from Customers	\$ 541,476	\$ 58,430
Payments to Suppliers	(211,173)	(33,330)
Payments to Employees	(93,012)	(22,219)
Payment of Staff and Administrative Expenses	(15,052)	(3,524)
Net Cash Provided (Used) by Operating Activities	222,239	(643)
Cash Flows from Noncapital Financing Activities		
Noncapital Grants	64,948	-
Transfers from Other Funds	372	89,192
Transfers to Other Funds	(1,094)	(466)
Net Cash Provided (Used) by Noncapital Financing Activities	64,226	88,726
Cash Flows from Capital and Related Financing Activities		
Proceeds from Capital Debt	-	-
Principal Paid on Capital Debt	(58,525)	(7,968)
Interest Paid on Capital Debt	(103,354)	(34,239)
Acquisition and Construction of Capital Assets	(90,630)	(4,825)
Proceeds from Sales of Capital Assets	655	-
Passenger Facility Charges	95,425	-
Customer Facility Charges	52,568	-
Interest Income from Leases	9,015	380
Capital Contributions	30,621	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(64,225)	(46,652)
Cash Flows from Investing Activities		
Purchases of Investment Securities	(336,434)	(60,113)
Proceeds from Sale and Maturities of Investment Securities	349,683	59,634
Net Activity for Short-Term Investments	(245,259)	(45,341)
Interest on Investments	25,258	5,067
Contributions to Joint Use Agreement	-	-
Net Cash Provided (Used) by Investing Activities	(206,752)	(40,753)
Net Increase (Decrease) in Cash and Cash Equivalents	15,488	678
Cash and Cash Equivalents, July 1	430,478	49,293
Cash and Cash Equivalents, June 30	<u>\$ 445,966</u>	<u>\$ 49,971</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ 29	\$ (24,010)
Adjustments		
Depreciation and Amortization	213,898	24,494
Deferred Outflows - Pension and OPEB	923	(318)
Deferred Inflows - Pension and OPEB	(63)	(581)
Deferred Inflows - Leases	-	(371)
Change in Assets and Liabilities		
Receivables	(6,563)	125
Allowance for Doubtful Accounts	1,143	28
Leases Receivable	(4,201)	63
Prepaid Items	-	-
Inventories	(311)	(7)
Accounts Payable	19,157	(134)
Net OPEB Asset	(118)	-
Trust Liabilities and Deposits	-	326
Arbitrage	-	-
Advance Payments	(2,015)	-
Pollution Remediation	(75)	-
Accrued Compensated Absences	1,282	389
Accrued Landfill Closure and Postclosure Care Costs	-	-
Net Pension Liability	-	(391)
Net OPEB Liability	(847)	(256)
Net Cash Provided (Used) by Operating Activities	<u>\$ 222,239</u>	<u>\$ (643)</u>
Noncash Capital and Financing Activities		
Bond Capital Appreciation	\$ -	\$ (1,826)
Amortization of Deferred Gains/Losses of Bond Refundings	4,005	187
Contribution of Assets	-	-
Unrealized Gain (Losses) on Investments	(17,643)	(1,489)
Accounts Payable Related to Capital Asset Additions	14,980	-
Total Noncash Capital and Financing Activities	<u>\$ 1,342</u>	<u>\$ (3,128)</u>
Cash and Cash Equivalents		
Unrestricted		
Cash and Cash Equivalents	\$ 72,411	\$ 15,679
Cash Deposits	10	-
Total Unrestricted	72,421	15,679
Restricted		
Cash and Cash Equivalents	12,041	475
Current Cash and Securities with Fiscal Agents/Trustees	190,307	29,224
Noncurrent Cash and Securities with Fiscal Agents/Trustees	171,197	-
Cash Deposits	-	4,593
Total Restricted	373,545	34,292
	<u>\$ 445,966</u>	<u>\$ 49,971</u>

The accompanying notes are an integral part of these financial statements

Exhibit B-11
(Continued)

Water System	Wastewater	Solid Waste	Total
\$ 567,589	\$ 251,325	\$ 207,946	\$ 1,626,766
(137,487)	(76,277)	(103,352)	(561,619)
(131,633)	(23,929)	(72,417)	(343,210)
(13,337)	(6,510)	(11,166)	(49,589)
285,132	144,609	21,011	672,348
-	-	-	64,948
2	2	-	89,568
(17,840)	(10,639)	(2,045)	(32,084)
(17,838)	(10,637)	(2,045)	122,432
-	202,375	-	202,375
(71,487)	(49,277)	(12,265)	(199,522)
(82,677)	(26,430)	(2,616)	(249,316)
(192,902)	(64,495)	(29,950)	(382,802)
176	31	167	1,029
-	-	-	95,425
-	-	-	52,568
-	8	662	10,065
34,883	17,382	-	82,886
(312,007)	79,594	(44,002)	(387,292)
(609,046)	(599,415)	(78,562)	(1,683,570)
684,092	460,957	97,599	1,651,965
(72,538)	(48,844)	(1,147)	(413,129)
7,315	4,545	(705)	41,480
(5,324)	(35,314)	-	(40,638)
4,499	(218,071)	17,185	(443,892)
(40,214)	(4,505)	(7,851)	(36,404)
183,666	110,930	20,388	794,755
\$ 143,452	\$ 106,425	\$ 12,537	\$ 758,351
\$ 183,757	\$ 101,589	\$ 17,967	\$ 279,332
109,726	43,792	15,468	407,378
(2,294)	347	(711)	(2,053)
(3,660)	(16)	(1,975)	(6,295)
-	(13)	-	(384)
(8,597)	2,965	(2,661)	(14,731)
1,311	773	807	4,062
-	-	13	(4,125)
(3,715)	-	-	(3,715)
(939)	(28)	516	(769)
8,887	(4,415)	(4,853)	18,642
(177)	(77)	(83)	(455)
(1,248)	(50)	5	(967)
2,822	-	-	2,822
-	-	-	(2,015)
-	(200)	-	(275)
1,399	319	897	4,286
-	-	330	330
(1,160)	-	(4,042)	(5,593)
(980)	(377)	(667)	(3,127)
\$ 285,132	\$ 144,609	\$ 21,011	\$ 672,348
\$ -	\$ -	\$ -	\$ (1,826)
886	282	(98)	5,262
48,126	19,969	-	68,095
(14,725)	(10,342)	(3,814)	(48,013)
8,789	12,672	261	36,702
\$ 43,076	\$ 22,581	\$ (3,651)	\$ 60,220
\$ 17,489	\$ 26,846	\$ 3,061	\$ 135,486
-	-	-	10
17,489	26,846	3,061	135,496
11,874	6,702	1,536	32,628
108,512	72,691	7,818	408,552
-	-	-	171,197
5,577	186	122	10,478
125,963	79,579	9,476	622,855
\$ 143,452	\$ 106,425	\$ 12,537	\$ 758,351

The accompanying notes are an integral part of these financial statements

Fund Financial Statements
Exhibit B-12
Fiduciary Funds
Statement of Fiduciary Net Position

June 30, 2024

(in thousands)

	Pension and Other Employee Benefit Trusts
ASSETS	
Cash and Cash Equivalents	\$ 193,327
Investments	
Treasurer's Pooled Investments	303
Temporary Investments	110,225
Fixed Income	630,477
Domestic Equities	1,594,983
International Equities	637,672
Real Return	266,971
Absolute Return	98,983
Real Estate	497,403
Receivables	
Accounts Receivable	72,989
Contributions Receivable	18,173
Interest and Dividends	5,220
Prepaid Items	5,615
Other	1,990
Total Assets	4,134,331
DEFERRED OUTFLOWS OF RESOURCES	
Total Deferred Outflows of Resources	-
LIABILITIES	
Accounts Payable	149,771
Claims Payable	34,804
Total Liabilities	184,575
DEFERRED INFLOWS OF RESOURCES	
Total Deferred Inflows of Resources	-
NET POSITION	
Restricted for Pensions	3,615,814
Restricted for Other Employee Benefits	333,942
Total Restricted for Pension and Other Employee Benefits	\$ 3,949,756

The accompanying notes are an integral part of these financial statements

Fund Financial Statements**Exhibit B-13****Fiduciary Funds****Statement of Changes in Fiduciary Net Position**

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Pension and Other Employee Benefit Trusts
ADDITIONS	
Contributions	
City of Phoenix	\$ 408,623
Employees	119,051
Other	10,735
Total Contributions	<u>538,409</u>
Investment Income	
Net Increase in Fair Value of Investments	239,201
Interest	45,028
Dividends	11,991
Other	4,991
Investment Income	<u>301,211</u>
Less: Investment Expense	<u>16,347</u>
Total Net Investment Income	<u>284,864</u>
Total Additions	<u>823,273</u>
DEDUCTIONS	
Benefit Payments	547,608
Refunds of Contributions	4,000
Inter-System Transfers	128
Other	28,964
Total Deductions	<u>580,700</u>
Net Increase	242,573
Net Position Restricted for Pension and Other Employee Benefits	
Beginning of Year, July 1	\$ 3,707,183
End of Year, June 30	<u>\$ 3,949,756</u>

The accompanying notes are an integral part of these financial statements



City of Phoenix



Financial Section
.....

**NOTES TO THE FINANCIAL
STATEMENTS**

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



AN INDEX TO THE NOTES FOLLOWS:

1	Summary of Significant Accounting Policies
2	Budget Basis of Accounting
3	Fund Balances
4	Property Tax
5	Cash and Investments
6	Receivables
7	Interfund Transactions
8	Restricted Assets and Liabilities Payable from Restricted Assets
9	Capital, Lease and Subscription Assets
10	Financial Obligations
11	Refunded, Refinanced and Defeased Obligations
12	Legal Debt Margin
13	Risk Management
14	Leases and Subscription-Based Information Technology Arrangements
15	Contractual and Other Commitments
16	Contingent Liabilities
17	Tax Abatements
18	Joint Use and Partnership Agreements
19	Deferred Compensation and Defined Contribution Plans
20	Pension Plans
21	Other Postemployment Benefits
22	Subsequent Events

The City of Phoenix (the "City") was incorporated on February 25, 1881. On October 11, 1913, voters ratified a City Charter providing for a Council-Manager form of government. The government of the City of Phoenix is operated by authority of its charter, as limited by the state legislature.

1. **Summary of Significant Accounting Policies**

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The City's other significant accounting policies are described below:

a) **Reporting Entity**

The accompanying financial statements include the City and all of its component units, collectively referred to as "the financial reporting entity". In accordance with GASB Statement No. 14 and GASB Statement No. 61, the component units discussed below have been included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

Fiduciary Component Unit

City of Phoenix Employees' Retirement System ("COPERS")

All full-time general employees participate in COPERS, which is governed by a nine-member Retirement Board (the "Board"). Four statutory Board members are members of City management. Three Board members are elected from and by the COPERS' active members. One Board member is a citizen and one is a retiree. Tier 1 employees contribute 5%, Tier 2 and Tier 3 employees contribute a maximum 11% of their covered compensation, with the City funding all remaining costs based on actuarial valuations. COPERS is reported in the accompanying financial statements as an employee pension trust fiduciary fund. Separate financial statements for COPERS can be obtained through COPERS' administrative office at 200 W. Washington Street, 10th Floor, Phoenix, Arizona, 85003 or on-line at <https://www.phoenix.gov/copers/pension-plan-reports>.

Component Units - Blended

City of Phoenix Civic Improvement Corporation ("CIC")

The CIC was organized under the laws of the State of Arizona to assist the City in the acquisition and financing of municipal projects and facilities. The corporation is governed by a self-perpetuating board of directors, who are responsible for approving the corporation's bond sales. Bond sales must also be ratified by the Mayor and City Council. Although the CIC is legally separate from the City, the corporation is reported as if it were part of the primary government, using the blending method, because its sole purpose is to finance and construct public facilities for the City. Separate financial statements for the CIC can be obtained from the City's Finance Department, through the Financial Accounting and Reporting Division at 251 W. Washington Street, 9th floor, Phoenix, Arizona, 85003.

Park Central Community Facilities District ("PCCFD")

The PCCFD was formed by petition to the City Council in August 2018. Its purpose is to provide public infrastructure within its boundaries in the Phoenix midtown area for development of a multi-use residential, commercial and retail project known as "Park Central." PCCFD is governed by a Board of Directors consisting of the Mayor and City Council of the City of Phoenix, plus two members designated by the largest landowner within the PCCFD. The Board of Directors may issue bonds and levy special assessments upon property within the PCCFD to repay the bonds. Any bonds issued by the PCCFD are payable solely from amounts collected pursuant to the special assessments and are not an obligation of the City. For financial reporting purposes, transactions are blended as part of the operations for the City's governmental funds because the City has operational responsibility for the component unit.

Verdin Community Facilities District ("VCFD")

The VCFD was formed by petition to the City Council in April 2023. Its purpose is to provide public infrastructure within its boundaries in the North Phoenix area for development of a master-planned residential community project known as "Verdin." VCFD is governed by a Board of Directors consisting of the Mayor and City Council of the City of Phoenix. The Board of Directors may issue bonds and levy ad valorem property taxes within the Verdin CFD to repay the bonds. Any bonds issued by the VCFD are payable solely from amounts collected pursuant to the ad valorem property taxes and are not an obligation of the City. For financial reporting purposes, transactions are blended as part of the

operations for the City's governmental funds because the City has operational responsibility for the component unit.

Component Units - Discretely Presented

Phoenix Housing Finance Corporations ("PHFC")

The PHFC are individual nonprofit corporations which were incorporated under the laws of the State of Arizona. The corporations were created to act as instrumentalities of the City to aid in the development and financing of various housing projects for low income persons. City management appoints the nonself-perpetuating Board of Directors and approves amendments to the Articles of Incorporation and Bylaws. Although the corporations are legally separate from the City, governmental accounting standards require the corporations to be reported as a discretely presented component unit of the City for financial reporting purposes because of the City's accountability via the appointment of the board members. Separate financial statements for the corporations can be obtained from the City's Finance Department, through the Financial Accounting and Reporting Division at 251 W. Washington Street, 9th floor, Phoenix, Arizona, 85003.

Phoenix Industrial Development Authority ("Phoenix IDA")

The Phoenix IDA is a nonprofit corporation designated a political subdivision of the State of Arizona. The Phoenix IDA was established on July 7, 1981 in order to exercise its broad statutory powers, including the power to issue conduit revenue bonds to finance "projects" as such term is defined by the Arizona Revised Statutes, §35-701(7). All bonds issued by Phoenix IDA are special, limited obligations of the Phoenix IDA, payable solely from revenues generated by the project being financed, and do not constitute debt of, a loan of, or credit by, the Phoenix IDA. The Phoenix IDA charges administration fees to bond applicants and uses such fees to cover its administration costs and to support its ongoing community and economic development programs in Arizona. The Phoenix IDA is a special-purpose governmental entity engaged in business type activities. The City Council of the City of Phoenix elects the board of directors for Phoenix IDA and may remove a director at any time, with or without cause. Upon future dissolution, all funds held by the Phoenix IDA and title to its property will revert to the City. Although the Phoenix IDA is legally separate from the City, governmental accounting standards require the Phoenix IDA to be reported as a discretely presented component unit of the City for financial reporting purposes because of the City Council's relationship to the Phoenix IDA. Separate financial statements for the Phoenix IDA can be obtained from the City's Finance Department, through the Phoenix IDA at 2201 E. Camelback Rd., Ste. 405B, Phoenix, Arizona, 85016.

b) **Jointly Governed Organizations**

Valley Metro Regional Public Transportation Authority (the "Authority")

The Authority is a voluntary association of local governments, including Phoenix, Tempe, Scottsdale, Glendale, Mesa and Maricopa County. Its purpose is to create a regional public transportation plan for Maricopa County. The Board of Directors consists of the mayors of those cities and a member of the County Board of Supervisors.

Arizona Municipal Water Users Association ("AMWUA")

AMWUA is a nonprofit corporation established and funded by cities in Maricopa County for the development of an urban water policy and to represent the cities' interests before the Arizona legislature. In addition, AMWUA contracts with the cities jointly using the 91st Avenue Wastewater Treatment Plant to perform certain accounting, administrative and support services.

Phoenix-Mesa Gateway Airport ("PMGA")

PMGA is a nonprofit corporation established and funded by the City of Phoenix, City of Mesa, Towns of Gilbert and Queen Creek, and the Gila River Indian Community. The purpose of the entity is the redevelopment of Williams Air Force Base that was closed in September 1993 to become PMGA. The Board of Directors consists of the mayors for the respective municipalities and the governor of the tribal community. The City of Phoenix contributed \$1.3 million per year (inception to date \$28.6 million) to the PMGA operating and capital budget. The City's participation as a member government ended on June 30, 2024.

c) **Basic Financial Statements**

The basic financial statements constitute the core of the financial section of the City's Annual Comprehensive Financial Report (ACFR). The basic financial statements include the government-wide financial statements, fund financial statements, and the accompanying notes to these financial statements. The government-wide financial statements (statement of net position and statement of activities) report on the City and its component units as a whole, excluding fiduciary activities. Governmental activities, which normally are supported by

taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements. The City does not utilize any internal service funds.

Interdepartmental services performed by one department for another are credited to the performing department and charged to the receiving department to reflect the accurate costs of programs. The rates used are intended to reflect full costs in accordance with generally accepted cost accounting principles.

The government-wide statement of net position reports all financial and capital resources of the government (excluding fiduciary funds). It is displayed in a format of assets plus deferred outflows of resources less liabilities plus deferred inflows of resources equals net position, with the assets and liabilities shown in order of their relative liquidity. Net position is required to be displayed in three components: 1) Net investment in capital assets, 2) restricted and 3) unrestricted. Net investment in capital assets, are capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Restricted net position is subject to constraints that are: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or law or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net position not otherwise classified as restricted, are shown as unrestricted. Generally, the City would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Commitments or assignments of net position imposed by the reporting government, whether by administrative policy or legislative actions of the reporting government, are not shown on the governmentwide financial statements.

The government-wide statement of activities demonstrates the degree to which the direct expenses of the various functions and segments of the City are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt shared by multiple functions is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, investment income and other revenues not identifiable with particular functions or segments are included as general revenues. The general revenues support the net costs of the functions and segments not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although the model sets forth minimum criteria for determination of major funds (a percentage of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), it also gives governments the option of displaying other funds as major funds. The City has opted to add some funds as major funds because of outstanding debt or community focus. Nonmajor funds are combined in a single column on the fund financial statements and are detailed in combining statements included as supplementary information after the basic financial statements.

The governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. This is the traditional basis of accounting for governmental funds. This presentation is deemed most appropriate to 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the City's actual revenues and expenditures conform to the annual budget. Since the governmental fund financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following the fund statements. These reconciliations explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

The proprietary (enterprise) funds and fiduciary funds financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial

statements. Therefore, most lines for the total enterprise funds on the proprietary fund financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the enterprise funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds may be eliminated in the consolidation for the government-wide financial statements but are included in the fund columns in the proprietary fund financial statements.

d) **Fund Accounting**

The City uses funds to report its financial position and the results of its operations. Fund accounting segregates funds according to their intended purpose and is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which includes assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures/expenses. The City uses the following fund categories, further divided by fund type:

Governmental Funds

Governmental funds are those through which most of the governmental functions of the City are financed. The measurement focus is based upon determination of changes in financial position rather than upon net income determination. The City reports the following major governmental funds:

General Fund

The General Fund is the primary operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund will always be considered a major fund in the basic financial statements.

Transit Special Revenue Fund

The Transit Fund is the only special revenue fund that is presented as a major fund in the basic financial statements. It is used to account for federal grant operating funds, regional Public Transportation Assistance funds, and Transportation 2050 excise tax revenues and the City's local matching funds. Expenditures are for the administrative and operating costs of the public transit system.

General Obligation/Secondary Property Tax Debt Service Fund

The General Obligation/Secondary Property Tax Fund is the only debt service fund that is presented as a major fund in the basic financial statements and has been designated as a major fund by the City. It is used to account for debt service on all various purpose general obligation bonds. Funding is provided by the City's secondary property tax revenues, which may be used only for debt service.

The City has the following nonmajor governmental funds:

Special Revenue Funds

Eight nonmajor special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted, committed or assigned for specified purposes.

Capital Projects Funds

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

Debt Service Funds

Four nonmajor debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term obligation principal and interest.

Proprietary Funds

Proprietary funds are used to account for the City's ongoing organizations and activities, which are similar to those often found in the private sector and where cost recovery and the determination of operating income is useful or necessary for sound fiscal management. The measurement focus is based upon determination of operating income, changes in net position, financial position and cash flows.

Enterprise Funds

Enterprise funds are used to account for operations that provide services to the general public for a fee. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for an activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges, or 3) it is the policy of the City to establish activity fees or charges to recover the cost of providing services, including capital costs. The City has five enterprise funds, which are all presented as major funds in the basic financial statements and are used to account for the operation of the City's Sky Harbor International Airport and two regional airports, Phoenix Convention Center, water system, wastewater system and solid waste disposal system.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements since they are not assets of the City available to support City programs.

Pension and Other Employee Benefit Trust Funds

Pension Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other post employment benefit plans, or other employee benefit plans. The City has two pension trust funds to account for the activities of the City of Phoenix Employees' Retirement System and the Excess Benefit Arrangement.

Employee Benefit Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of post employment benefit plans (other than pensions) or other employee benefit plans. The City has four other employee benefit trust funds to account for the activities of the Health Care Benefits, Retiree Rate Stabilization, Medical Expense Reimbursement Program (MERP) and Long-Term Disability (LTD).

e) **Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus whereby only current assets plus deferred outflows of resources and current liabilities plus deferred inflows of resources are generally included on the balance sheet. Statements of revenues, expenditures and changes in fund balance present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net fund balance.

Proprietary funds and fiduciary funds are accounted for on a flow of economic resources measurement focus whereby all assets plus deferred outflows of resources and liabilities plus deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Statements of revenues, expenses and changes in net position present increases (i.e., revenues) and decreases (i.e., expenses) in net position for proprietary funds. Statements of changes in fiduciary net position present additions and deductions in net position held in trust for pension and other employee benefits for fiduciary funds.

The modified accrual basis of accounting is used by governmental funds. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days after year-end.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Revenues susceptible to accrual include property tax, transaction privilege tax, highway user tax, state shared sales tax, vehicle license tax, and interest earned on investments. Licenses and permits, charges for services, fines and forfeitures, parks and recreation charges and miscellaneous revenues are recorded when received in cash since they are generally not measurable until actually received.

The accrual basis of accounting is followed for all enterprise funds and trust funds, whereby revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized when incurred. Employee contributions to the trust funds are recognized as revenue in the period in which employee services are performed and the contributions are therefore earned. Employer contributions are recognized at the same time, as the City is formally committed to contribute the actuarially determined amount each year. Benefit payments received the first of each month by retirees are recognized as an expense of the prior month; and refunds are recognized as expenses when paid out, in accordance with the terms of the plans.

Enterprise 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 fund's principal ongoing operations. Operating expenses for enterprise 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 items.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to the purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

f) **Budget and Budgetary Accounting**

An operating budget is legally adopted by ordinance each fiscal year for the General Fund, all special revenue funds, Secondary Property Tax Debt Service Fund, City Improvement Debt Service Fund and all enterprise funds on a modified accrual basis plus encumbrances. Due to the number of individual special revenue funds, the Transit, Development Services, Grants, and Public Housing special revenue funds include two or more budgeted funds with similar purposes for GAAP financial statement presentation. The level of legal budgetary control is by fund, except for the General Fund, for which the control is by program (i.e., related activities performed by one or more departments, such as public safety or community enrichment). For the applicable level of control, the budget can be amended only by City Council action subject to state law limitations. Transfers of sums within any specific appropriation may be made, but require the City Manager's approval. The General Fund, Development Services Fund, Transportation Tax 2050 Fund, and several enterprise funds include an appropriation for contingencies. Expenditures may be made from these appropriations only with City Council approval. Unexpended appropriations, including those encumbered, lapse at fiscal year end. Since all expenditures must be covered by an appropriation, the City reappropriates outstanding encumbrances. For 2023-24, no reappropriation adjustments were required.

Expenditure Limitation

Since fiscal year 1982-83, the City has been subject to an annual expenditure limitation imposed by the Arizona Constitution. This limitation is based upon the City's actual 1979-80 expenditures adjusted annually for subsequent growth in population and inflation. The 2023-24 expenditure limit supplied by the Economic Estimates Commission was \$1.9 billion. The City increased this limit to \$11.6 billion to adjust for additional voter-approved modifications, as follows:

- The Constitution exempts certain expenditures from the limitation. The principal exemptions for the City of Phoenix are payments for debt service and other long-term obligations, as well as expenditures of federal funds and certain state-shared revenues. Exemptions associated with revenues not expended in the year of receipt may be carried forward and used in later years. The 1979-80 expenditure base may also be adjusted for the transfer of functions between governmental jurisdictions.
- The Constitution provides four processes, all requiring voter approval, to modify the expenditure limitation:
 1. A four-year home rule option.
 2. A permanent adjustment to the 1979-80 base.
 3. A one-time override for the following fiscal year.
 4. An accumulation for pay-as-you-go capital expenditures.

Phoenix voters have approved four-year home rule options on a regular basis since the implementation of the expenditure limitation. The current home rule option which was approved in 2020 allows the City Council, after hearings are held for each council district, to establish the annual budget as the limit. This four-year home rule option will be in effect through 2024-25. Previously established exclusions for pay-as-you-go capital projects continue to apply.

Budget Calendar

Each year the City Manager issues a budget calendar giving specific completion dates for various phases of the budget process. Both the City Charter and State Statutes are followed by completing each step by the earlier of the two legal “deadlines”, described below:

Action	City Charter	State Statutes
Post notice on the official City website if there will be an increase in either the primary or the secondary property tax rate, even if the combined tax rate is a decrease.	No requirement	60 days prior to Tax Levy Adoption
City Manager’s proposed budget for ensuing year presented to the Mayor and City Council.	On or before the first Tuesday in June or a date designated by the City Council.	No provision
Publish general summary of budget and notice of public hearing that must be held prior to adoption of tentative budget ordinances and five-year Capital Improvement Program by resolution.	Publish in newspaper of general circulation at least two weeks prior to first public hearing.	No provision
Public hearing immediately followed by adoption of tentative budget ordinances with or without amendment.	On or before the last day of June	On or before the third Monday in July
Publish truth-in-taxation notice twice in a newspaper of general circulation (when required).	No requirement	First, at least 14 but not more than 20 days before required public hearing; then at least seven days but not more than 10 days before required hearing
Publish summary of tentatively adopted budget and notice of public hearing which must precede final adoption.	No provision	Once a week for two consecutive weeks following tentative adoption
Post a complete copy of the tentatively adopted budget on the City’s website and provide copies to libraries and City Clerk.	No requirement	No later than 7 business days after the estimates of Revenue and Expenses are initially presented before the City Council

Action	City Charter	State Statutes
Post notice of intent on the official City website and distribute notice through the City's social media accounts if there will be an increase in either the primary or secondary property tax rate.	No requirement	At least 15 days prior to Tax Levy Adoption
Public hearing on budget plus property tax levy or truth-in-taxation hearing (when required) immediately followed by adoption of final budget ordinances.	No provision	Public hearing on or before the 14th day before the tax levy is adopted and no later than the first Monday in August
Post a complete copy of the adopted final budget on the City's website.	No requirement	No later than seven days after adoption
Public hearing and property tax levy adoption.	No later than the last regular Council meeting in July	No sooner than fourteen days following initial public hearing and no later than the third Monday in August

Final adoption of the budget is by ordinance. Differences between the basis of accounting used for budgetary purposes and that used for reporting in accordance with GAAP are discussed in Note 2.

g) **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

h) **Pooled Cash and Investments**

The City's cash resources are combined to form a cash and investment pool managed by the City Treasurer. Excluded from this pool are the investments of COPERS and certain other legally restricted funds. COPERS' investments are managed by thirty-seven professional fund managers and are held by a plan custodian who is COPERS' agent. Interest earned by the pool is distributed monthly to individual funds based on daily equity in the pool.

The City's cash and cash equivalents are considered to be cash in bank, cash on hand, and short-term investments with original maturities of 90 days or less from the date of acquisition.

The City's investments are stated at fair value. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

i) **Inventories**

Inventories consist of expendable supplies held for consumption. Inventories in governmental funds are primarily accounted for on the consumption method and are stated at average cost. Enterprise fund inventories are stated at average cost. An amount equal to the inventories in the governmental funds is shown as non-spendable fund balance as it is not available for future expenditure.

j) **Capital, Lease, and Subscription Assets**

All capital assets, whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. The City has chosen not to apply the

modified approach to any networks or subsystems of infrastructure assets. No long-term capital assets or depreciation are shown in the governmental fund financial statements.

Public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the City) has both depreciable and non-depreciable components. Non-depreciable infrastructure consists of sub-grade preparation. According to the Streets Department engineers, subgrade preparation, which is necessary for the initial construction of a street, will not have to be replaced in order to maintain the streets at an acceptable level. Therefore, the sub-grade preparation is treated as a permanent improvement.

The largest category of intangible assets in the City is software which includes both externally acquired and internally developed software packages. Other intangible assets include water rights, studies, master plans, and manuals.

Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. All artwork, land and non-depreciable infrastructure is capitalized. Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. See Note 9 for presentation of capital additions capitalized. 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. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Lease assets are initially recorded as the sum of 1) the amount of the initial measurement of the lease liability, 2) lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, 3) initial direct costs that are ancillary charges necessary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or useful life of the underlying asset.

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Depreciable capital, lease, and subscription assets are depreciated or amortized using the straight-line method over the following estimated useful lives or lease/subscription agreement:

Buildings and improvements	5 to 50 years
Motor vehicles and motorized equipment	3 to 25 years
Furniture, machinery and equipment	5 to 25 years
General government infrastructure	6 to 100 years
Mains, hydrants, meters and service connections	5 to 50 years
Intangible assets	5 to 50 years
Lease assets	9 to 15 years
Subscription assets	2 to 11 years

Gain or loss is recognized when assets are retired from service or are otherwise disposed of. Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation).

k) **Lease Receivable**

The City, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow

of resources should be measured as the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

l) **Partnership Receivable**

The City, as transferor, recognizes a partnership receivable and a deferred inflow of resources at the commencement of the partnership, with certain exceptions. The partnership receivable is measured at the present value of the lease payments expected to be received during the partnership. The deferred inflow of resources should be measured as the value of the partnership receivable in addition to any payments received at or before the commencement of the partnership that relate to future periods.

m) **Advance Payments**

Certain governmental and enterprise funds report a liability, advance payments, in connection with resources that have been received, but not yet earned, primarily related to federal grants received in advance, where eligible expenditures have not been incurred as of year-end.

n) **Compensated Absences**

Vacation and compensatory time benefits are accrued as liabilities as employees earn the benefits to the extent that they meet both of the following criteria: 1) the City's obligation is attributable to employees' services already rendered; and 2) it is probable that the City will compensate the employees for the benefits through paid time off or some other means, such as cash payments.

Sick leave benefits are accrued as a liability as the benefits are earned by employees, but only to the extent that it is probable that the City will compensate the employees through cash payments conditioned on the employees' retirement. Unused sick leave hours not eligible for such cash payment is treated as additional service time in the calculation of postemployment benefits. For the government-wide financial statements, as well as the enterprise fund financial statements, outstanding compensated absences are recorded as a liability.

o) **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans as described in Note 20 and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

p) **Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB asset/liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position of the City's defined other postemployment benefit plans, as described in Note 21, and addition to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, the Plans recognize benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

q) **Long-Term Obligations**

In the government-wide financial statements, and in the enterprise fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method. Bond liabilities are reported net of unamortized bond premiums or discounts in the financial statements. In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the period in which the bonds are issued. Bond issuance costs are expensed as incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

r) **Fund Deficits**

The Police and Fire Protection Capital Projects Fund and Transit Capital Projects Fund reported deficits of \$1.1 million and \$70.6 million, respectively. Deficits sometimes occur in the capital projects funds which are recovered through future bond sales and/or the award of federal grants.

s) **Interfund Transactions**

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

t) **Statements of Cash Flows**

For purposes of the statements of cash flows, all highly liquid investments (including restricted assets) with original maturities of 90 days or less when purchased are considered to be cash equivalents. Under the provisions of GASB Statement No. 9, the trust funds are not required to present a statement of cash flows.

u) **Reclassifications**

Certain reclassifications have been made to the fiscal year 2023 financial statements to conform to the fiscal year 2024 presentation. The reclassifications had no effect on the changes in net position/fund balance.

v) **New Accounting Pronouncements**

New Accounting Pronouncements Adopted in 2024:

GASB Statement No. 100, ***Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62***, improves the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, comparable information for decision-making and will result in greater consistency in application in practice. Accounting changes, as defined in this standard, include in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity. The City has implemented this Statement in fiscal year 2024.

The adoption of this standard had no impact on beginning net position or fund balance.

Pronouncements Issued But Not Yet Effective:

GASB has issued the following pronouncements that may affect future financial position, changes in financial position, cash flows, or financial presentation of the City upon implementation. The City has not fully determined the effect these pronouncements will have on the City's financial statements:

GASB Statement No.	GASB Accounting Standard	Effective Fiscal Year
101	<i>Compensated Absences</i>	2025
102	<i>Certain Risk Disclosures</i>	2025
103	<i>Financial Reporting Model Improvements</i>	2026
104	<i>Disclosure of Certain Capital Assets</i>	2026

2. Budget Basis of Accounting

The City's budget is adopted on a basis other than GAAP. The Budgetary Comparison Statements for the General Fund (Exhibit B-5) and the Transit Special Revenue Funds (Exhibits B-6 through B-8) are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget and GAAP bases are:

	Budget	GAAP
Encumbrances	The equivalent of expenditures	Not recognized
Grant Revenues	Recognized on a modified cash basis	Recognized on the modified accrual basis
Investment Income	Unrealized gain or loss on investments not recognized	Unrealized gain or loss on investments recognized
Staff and Administrative Costs	Interfund transfers	Reimbursable expenses

Subfunds without legally adopted budgets (and, therefore, not included in the budgetary balances) are reported for GAAP. In addition, certain revenues, expenditures and transfers not recognized in the budgetary year are accrued for GAAP purposes.

Adjustments necessary to convert the change in fund balance for the fiscal year ended June 30, 2024 on the budget basis to the GAAP basis are as follows (in thousands):

**Excess (Deficiency) of Sources of Financial Resources
Over (Under) Uses of Financial Resources**

	General Fund	Transit Special Revenue Fund*
Budget basis	\$ 70,623	\$ (1,026)
Entity differences - amounts not budgeted	(34,813)	(1,442)
Advance payments not recognized for budget purposes (net of reversals of prior year accruals)	50,173	(626)
Accrued expenditures not recognized for budget purposes (net of reversals of prior year accruals)	4,449	12,793
Unrealized gain or loss on investments	151,136	(15,915)
Encumbrances at June 30 recognized as expenditures for budget purposes	(20,522)	(28,887)
GAAP basis	<u>\$ 221,046</u>	<u>\$ (35,103)</u>

Adjustments necessary to convert the fund balances at June 30, 2024 on the budget basis to the GAAP basis are as follows (in thousands):

Fund Balances at June 30

	<u>General Fund</u>	<u>Transit Special Revenue Fund*</u>
Budget basis	\$ 293,554	\$ 427,911
Entity differences - amounts not budgeted	327,925	(2,008)
Advance payments not recognized for budget purposes	(121,126)	(12,366)
Accrued expenditures not recognized for budget purposes	(36,174)	(41,055)
Unrealized gain or loss on investments	71,113	(16,752)
Encumbrances at June 30 recognized as expenditures for budget purposes	120,058	102,352
GAAP basis	<u>\$ 655,350</u>	<u>\$ 458,082</u>

*Transit Special Revenue Fund consists of Exhibits B-6 through B-8

3. Fund Balances

Fund balances are classified as Nonspendable, Restricted, Committed, Assigned and Unassigned based on the extent to which the City is bound to observe constraints imposed on the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted - The fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors through debt covenants, grantors, contributors, or laws or regulation of other governments or it’s imposed by law through enabling legislation.

Committed - The committed fund balance includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of City Council. Those committed amounts cannot be used for other purposes unless City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. City Council may assign fund balance through approval of budget appropriations. The City Manager or his designees i.e., department heads, deputy city managers, etc., are authorized by City Charter to assign fund balance in carrying out the administration of the City.

Unassigned - Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and does not have a specific purpose. In the governmental funds, if expenditures incurred exceeded the amounts restricted, committed or assigned, the fund may report a negative unassigned fund balance.

Generally, the City would first apply restricted resources, then committed, assigned and unassigned resources when an expense is incurred for purposes for which more than one classification of fund balance is available.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented in the following table:

	General	Transit Special Revenue	General Obligation/ Secondary Property Taxes	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances (in thousands):					
Nonspendable:					
Inventory / Prepaid	\$ 37,881	\$ 671	\$ -	\$ -	\$ 38,552
Spendable:					
Restricted for:					
Capital Construction	-	-	-	332,645	332,645
Debt Service	-	-	8,246	8,330	16,576
Public Transit Operations	-	456,343	-	-	456,343
Road Maintenance and Construction	-	-	-	189,444	189,444
Public Parks and Preserves	-	-	-	144,904	144,904
Insurance Claims	52,733	1,068	-	-	53,801
Low Income Housing Programs	-	-	-	51,253	51,253
Court Operations	-	-	-	4,924	4,924
Police and Fire Personnel	-	-	-	102,449	102,449
Other	-	-	-	66,748	66,748
Committed to:					
Debt Service	-	-	-	103,521	103,521
Capital Construction	-	-	-	31,772	31,772
Public Safety Pension	-	-	-	15,159	15,159
Assigned to:					
Capital Construction	-	-	-	31,634	31,634
Insurance	123,994	-	-	-	123,994
Development Services	-	-	-	95,457	95,457
Low Income Housing Programs	-	-	-	14,384	14,384
Pension Reserve	47,606	-	-	-	47,606
Other	39,986	-	-	112,313	152,299
Unassigned (Deficit)	353,150	-	-	(72,515)	280,635
Total fund balances	\$ 655,350	\$ 458,082	\$ 8,246	\$ 1,232,422	\$ 2,354,100

4. Property Tax
Levy, Assessment and Collection

Arizona’s property tax system provides for two separate tax systems:

- a) A primary system for taxes levied to pay current operation and maintenance expenses.
- b) A secondary system for taxes levied to pay principal and interest on bonded indebtedness as well as for the determination of the maximum permissible bonded indebtedness.

Prior to fiscal year 2015-16, Arizona had a dual valuation property tax system. Specific provisions were made under each system to determine the full cash and limited values of the property, the basis of assessment, and the maximum annual tax levies on certain types of property and by certain taxing authorities. Primary property taxes were levied against the limited property value (LPV), and secondary property taxes were levied against the full cash value (FCV) of the property. Under the primary system, the LPV could generally only increase by 10% annually, while the FCV had no limitation on the annual increase.

In 2012, voters approved Proposition 117, which replaced Arizona’s dual valuation tax system. Also known as the Property Tax Assessed Valuation Amendment, Proposition 117 amended the Arizona Constitution by limiting the annual increase in the LPV and by eliminating the use of FCV to calculate secondary property taxes. Beginning in fiscal year 2015-16, the amendment caps the value at no greater than 5% above the previous year, plus new construction, and establishes a single LPV for both the primary and secondary systems. The LPV is used to calculate primary net assessed valuations (PNAV) also referred to as limited net assessed valuation (LNAV), which is used to calculate both the primary and secondary levies. Both primary and secondary property taxes are levied against the LPV of locally-assessed real property, including residential, commercial, industrial, agricultural and unimproved property. The amendment did not change the methodology used by county assessors to calculate primary values and property owners may still appeal valuations to their county assessor. The amendment did not impose limits on the rate at which primary property taxes may be assessed and does not materially adversely affect the City’s ability to levy and collect property taxes. The City of Phoenix LNAV for tax year 2024 (fiscal year 2024-25) is \$17.2 billion.

Separate tax rates are set for primary and secondary. The primary property tax levies are limited to a 2% increase annually plus levies attributable to assessed valuation added as a result of growth and annexation. In addition, levies may be increased by an amount equal to payments made during the year by the City pursuant to involuntary tort judgments. Secondary property tax levies are limited to annual general obligation debt service plus a reasonable delinquency factor and may also include new money issuances and defeasances.

The City Council adopts the annual primary and secondary tax levies not later than the last regularly scheduled meeting in July. The City’s property tax is levied each year on or before the third Monday in August. The basis of this levy is the LPV as determined by the Maricopa County Assessor. For locally assessed property, the LPV is determined as of January 1 of the year preceding the tax year, known as the valuation year. For utilities and other centrally valued properties, the LPV is determined as of January 1 of the tax year. The City has a legal enforceable claim to the property when the property tax is levied. The County collects all property taxes on behalf of the City and all other tax levying jurisdictions within the County.

Property taxes receivable for the year were as follows (in thousands):

	2023 Levy			Prior Levies	Total
	Primary	Secondary	Total		
Property Taxes Receivable, July 1	\$ -	\$ -	\$ -	\$ 6,652	\$ 6,652
Current Tax Levy	209,026	132,416	341,442	-	341,442
Adjustment by County Assessor	(509)	(179)	(688)	(1,872)	(2,560)
	208,517	132,237	340,754	4,780	345,534
Less: Collections, net	(204,582)	(129,787)	(334,369)	(3,205)	(337,574)
Property Taxes Receivable, June 30	\$ 3,935	\$ 2,450	\$ 6,385	\$ 1,575	\$ 7,960

In fiscal year 2023-24, current property tax collections were \$334.4 million, or 97.9% of the tax levy, and were recognized as revenue when received. At fiscal year end, the delinquent property tax expected to be collected within 60 days was recognized as revenue and recorded as a receivable for the governmental funds. As delinquent payments are received in fiscal year 2024-25, the receivable will be credited until the full amount has been satisfied. Any additional collections will be credited to revenue. Property tax revenues on the government-wide statements are recognized, net of estimated uncollectible amounts, in the period for which the taxes are levied. The year end balance in the General Obligation/Secondary Property Tax Debt Service Fund must be used for future debt service payments. Any year that total primary tax collections,

excluding delinquent collections, exceed the primary tax levy, the excess amount must be deducted from the maximum levy of the following year.

Taxes Due and Payable

Property taxes are due and payable at the office of the County Treasurer in two equal installments on October 1 and March 1 following the levy date, and become delinquent the first business day of November and May, respectively. Interest at 16% per annum attaches on the first and second installments following their delinquent dates. Interest on delinquent taxes is retained by the County. The County Treasurer remits to the City on the 15th day of each month all monies collected the previous month on property taxes due the City.

Delinquent Taxes - Sales and Redemption

Public auctions for sale of delinquent real estate taxes are held in the office of the County Treasurer in February following the May 1 date upon which the second half taxes become delinquent. Tax bills are sold to the highest bidder who offers to pay the accumulated amount of tax and to charge thereon the lowest rate of interest. The maximum amount of interest provided by law is 16% per annum. The purchaser is given a Certificate of Purchase issued by the County Treasurer. Five years from the date of sale, the holder of a Certificate of Purchase, which has not been redeemed, may demand of the County Treasurer a County Treasurer's Deed. However, at the end of three full years, a holder of a Certificate may institute a quiet title action. If the suit is successful, the Court will instruct the County Treasurer to issue a County Treasurer's Deed. Redemption may be made by the owner or any interested party by payment in full of all accumulated charges at any time before issuance of the tax deed.

5. Cash and Investments

Cash and cash equivalents, excluding cash with fiscal agents, at June 30, 2024, was comprised of the following (in thousands):

	Total
Cash in Bank	\$ 43,595
Cash on Hand	145
Short-Term Pooled Investments	371,135
Short-Term Non-Pooled Investments	192,632
Total Cash and Cash Equivalents	<u>\$ 607,507</u>

A summary of cash and cash equivalents by fund follows (in thousands):

Primary Government	
Unrestricted	
General Fund	\$ 80,935
Transit Special Revenue Fund	39,022
Non-Major Governmental Funds	103,078
Enterprise Funds	
Aviation	72,411
Phoenix Convention Center	15,679
Water System	17,488
Wastewater	26,846
Solid Waste	3,061
Total Unrestricted	<u>358,520</u>
Restricted	
Enterprise Funds	
Aviation	12,041
Phoenix Convention Center	475
Water System	11,875
Wastewater	6,702
Solid Waste	1,536
Total Restricted	<u>32,629</u>
Total Primary Government	391,149
Component Unit - PHFC	17,251
Component Unit - Phoenix IDA	5,780
Fiduciary Funds	
Employee Pension Trust	165,433
Employee Benefit Trust	27,894
Total Reporting Entity	<u>\$ 607,507</u>

Deposits

Cash deposits are subject to custodial risk. Custodial risk is the risk that in the event of a bank failure, the City's deposits may not be returned. The City's deposits were entirely covered by federal depository insurance or by collateral held by the City's agent in the City's name at fiscal year end. There were two days during fiscal year 2024 that had undercollateralized deposit liabilities. The carrying amount of the City's deposits at June 30, 2024 was \$40.9 million and the bank ledger balance was \$63.6 million.

Cash with fiscal agents and trustees are subject to custodial risk. The City's contracts with the fiscal agents and trustees call for these deposits to be fully covered by collateral held in the fiscal agents' and trustees' trust departments but not in the City's name. Each trust department pledges a pool of collateral against all trust deposits it holds. The carrying amount of the City's cash with fiscal agents and trustees and the bank ledger balance at June 30, 2024 was \$783.9 million. Securities with fiscal agents and trustees are not subject to custodial risk.

Investments

The City Charter and ordinances authorize the City to invest in U.S. Treasury securities, securities guaranteed, insured or backed by the full faith and credit of the U.S. Government, U.S. Government agency securities, Government Sponsored Enterprise (GSE) Backed Securities (MBS), GSE Collateralized Mortgage Obligations (CMO), GSE Commercial Mortgaged Back Securities (CMBS), repurchase agreements, commercial paper, money market accounts, certificates of deposit, the State Treasurer's Local Government Investment Pool "LGIP", highly rated securities issued or guaranteed by any state or political subdivision thereof rated in the highest short-term or second highest long-term category and investment grade corporate bonds, debentures, notes and other evidence of indebtedness issued or guaranteed by a solvent U.S. corporation which are not in default as to principal or interest. Investments are carried at fair value. It is the City's policy generally to hold investments until maturity.

In addition to the types of investments described above, the LTD and MERP Trusts' assets are invested in separate, externally managed portfolios, mutual funds and commingled funds. These externally managed portfolios and funds consist of investments in U.S. equities, non-U.S. equities, core fixed income, real return securities, marketable alternatives, and real estate.

In addition to the types of investments described above, COPERS is also authorized to invest in certain types of common stocks, real property, and investment derivative instruments, which include swaps, forwards, options on swaps, and options on forwards. The City Charter as of July 1, 2013 was revised due to the passage by Phoenix Voters of Proposition 202 which removed investment limitations from the Retirement Law contained in Chapter XXIV. The City of Phoenix Employees' Retirement Systems (COPERS) Board now exercises the Prudent Investor Rule. The Retirement Board has a duty to invest and manage the assets of the Retirement Plan solely in the interests of the members and beneficiaries of the Retirement Plan.

Rebates

Senate bill 1306 requires local governments to disclose the amount of any reward, discount, incentive or other financial consideration received as a result of credit card payments made to a vendor for goods or services. In fiscal year 2024, the City has recorded approximately \$1.0 million in rebates related to its single use account program.

Total investments at June 30, 2024, stated at fair value, were \$8.4 billion. The following summarizes those amounts, which exclude investments held and reported separately by COPERS and other fiduciary funds on the following page, reported in "Investments" in the accompanying financial statements (in thousands):

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
City Investments		
Pooled Investments		
Repurchase Agreements Collateralized by U.S. Treasury Securities	153,597	0.010
U.S. Treasury Securities	2,826,647	1.341
U.S. Government Agency Securities		
Housing and Urban Development	2,660	0.086
FFCB Notes	102,367	2.728
FNMA Notes	78,768	1.893
FHLMC Notes	124,459	2.371
FHLB Notes	528,404	2.489
Total U.S. Government Agency Securities	<u>836,658</u>	2.437
Pre-Refunded Municipal Securities	19,943	1.123
Certificates of Deposit	95,912	0.008
Commercial Paper	74,208	0.194
Mortgage Backed Securities		
GNMA	14,084	3.106
FNMA/FHLMC CMO/MBS/CMBS	77,145	2.406
Total Mortgage Backed Securities	<u>91,229</u>	2.514
Total Pooled Investments	<u>4,098,194</u>	1.477
Less: Joint Venture Pooled Investments	(81,700)	
Less: Short-Term Pooled Investments	<u>(371,135)</u>	
Net Pooled Investments	3,645,359	
Non-Pooled Investments		
Repurchase Agreements Collateralized by U.S. Treasury Securities	27,507	0.060
U.S. Treasury Securities	721,122	44.010
U.S. Government Agency Securities - FFCB Notes	1,997	1.380
U.S. Government Agency Securities - FHLB Notes	187,972	5.910
Pre-Refunded Municipal Securities	15	3.000
Total Non-Pooled Investments	<u>938,613</u>	35.072
Less: Short-Term Non-Pooled Investments	<u>(27,637)</u>	
Net Non-Pooled Investments	910,976	
Total City Investments	<u>\$ 4,556,335</u>	
Primary Government Investments	4,516,533	
Fiduciary Fund Internal Investments	39,802	
Total City Investments	<u>\$ 4,556,335</u>	

	Credit Quality Rating	Fair Value	Weighted Average Maturity (Years)
COPERS Investments			
Fixed Income Investments			
Derivatives	Not Rated	\$ 9	1.675
Total Derivatives		9	
U. S. Treasury Securities	AAA	39,763	1.748
U. S. Treasury Securities	B	40	4.173
U. S. Treasury Securities	Not Rated	17,574	2.055
Total U. S. Treasury Securities		57,377	
U.S. Government Agency Securities	AAA	237	1.403
U.S. Government Agency Securities	BBB	290	2.000
U.S. Government Agency Securities	Not Rated	243	2.663
Total U.S. Government Agency Securities		770	
Mortgage Backed Securities	AAA	2,428	20.252
Mortgage Backed Securities	AA	180	14.066
Mortgage Backed Securities	B	202	14.301
Mortgage Backed Securities	Not Rated	15,334	24.002
Total Mortgage Backed Securities		18,144	
Asset Backed Securities	AAA	6,138	6.533
Asset Backed Securities	AA	1,995	9.976
Asset Backed Securities	A	2,525	0.000
Asset Backed Securities	BBB	1,723	5.255
Asset Backed Securities	BB	284	6.562
Asset Backed Securities	B	1,749	5.595
Asset Backed Securities	CC	189	1.874
Asset Backed Securities	Not Rated	23,054	7.038
Total Asset Backed Securities		37,657	
Municipal Bonds	AA	1,057	3.390
Municipal Bonds	A	462	2.340
Total Municipal Bonds		1,519	
Corporate Bonds	AAA	16,487	5.050
Corporate Bonds	AA	8,313	4.044
Corporate Bonds	A	29,468	3.963
Corporate Bonds	BBB	25,799	3.083
Corporate Bonds	BB	13,981	4.643
Corporate Bonds	B	27,815	4.473
Corporate Bonds	CCC	20,080	4.212
Corporate Bonds	CC	1,860	8.582
Corporate Bonds	C	116	1.874
Corporate Bonds	Not Rated	184,936	4.305
Total Corporate Bonds		328,855	
International Bonds	AA	713	2.734
International Bonds	A	587	3.667
International Bonds	BBB	893	2.801
International Bonds	B	412	3.685
International Bonds	Not Rated	84,369	10.263
Total International Bonds		86,974	
Total Fixed Income Investments		531,305	
Temporary Investments from Securities Lending		110,225	
Domestic Equities:			
Common Stocks		998,612	
Private Equity		463,615	
Real Estate		482,226	
Total Domestic Equities		1,944,453	
Global Commingled		236,478	
International Equities		572,622	
Hedge Funds		98,983	
Total COPERS Investments		3,494,066	
Excess Benefit Arrangement (Fiduciary Fund Internal Investment)		154	
Total Pension Investments		\$ 3,494,220	
Fiduciary Fund External Investments			
Employee Benefit Trusts			
Bond Mutual Funds			
Doubleline Core Total Return	Not Rated	\$ 14,915	7.270
PIMCO Total Return	Not Rated	14,954	9.870
Vanguard Total Bond Market Index	Not Rated	29,804	8.500
Total Bond Mutual Funds		59,673	
Stock Mutual Funds	Not Rated	228,300	
Real Estate	Not Rated	15,177	
Total Fiduciary Fund External Investments		303,150	
Fiduciary Fund Internal Investments		39,648	
Total Employee Benefit Trusts Investments		\$ 342,798	

A summary of investments by fund follows (in thousands):

	<u>Fair Value</u>
Primary Government	
Unrestricted	
General Fund	\$ 560,371
Transit Special Revenue Fund	341,260
General Obligation/Secondary Property Tax	6,351
Non-Major Governmental Funds	1,278,253
Enterprise Funds	
Aviation	815,113
Phoenix Convention Center	162,285
Water System	267,956
Wastewater	278,841
Solid Waste	45,158
Total Unrestricted	<u>3,755,588</u>
Restricted	
Enterprise Funds	
Aviation	221,244
Phoenix Convention Center	15,678
Water System	251,915
Wastewater	243,152
Solid Waste	28,956
Total Restricted	<u>760,945</u>
Total Primary Government	4,516,533
Fiduciary Funds	
Employee Pension Trust	3,494,219
Employee Benefit Trust	342,798
Total Reporting Entity	<u>\$ 8,353,550</u>

Fair Value Hierarchy

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 fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2024 (in thousands):

Investments by Fair Value Level	Fair Value Measurement Using			
	June 30, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury securities	\$ 3,728,873	\$ 15,743	\$ 3,713,130	\$ -
U.S. Government agency obligations	1,026,627	-	1,026,627	-
U.S. Government agency MBS/CMO	91,229	-	91,229	-
Municipal bonds	19,958	-	19,958	-
Commercial paper	74,208	-	74,208	-
Total investments, including those classified as, cash equivalents by fair value level	\$ 4,940,895	\$ 15,743	\$ 4,925,152	\$ -

U.S. Government securities totaling \$15.7 million in fiscal year 2024 are classified in Level 1 of the fair value hierarchy and are valued using quoted prices in active markets.

U.S. Government securities totaling \$3.7 billion, U.S. Government agency obligations totaling \$1.0 billion, U.S. Government agency MBS/CMO totaling \$91.2 million, municipal bonds totaling \$20.0 million and commercial paper totaling \$74.2 million in fiscal year 2024 are classified in Level 2 of the fair value hierarchy and are valued using matrix pricing techniques maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. These prices are obtained from a pricing source.

For the LTD and MERP Trusts, Bond Mutual Funds totaling \$59.7 million and Stock Mutual Funds totaling \$242.5 million classified in Level 1 of the fair value hierarchy in fiscal year 2024 are valued using quoted prices in active markets. Stock Mutual Funds totaling \$996 thousand classified in Level 2 of the fair value hierarchy in fiscal year 2024 are valued using other significant observable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of COPERS as of June 30, 2024 (in thousands):

Investments by Fair Value Level	June 30, 2024	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic Equities	\$ 998,612	\$ 359,282	\$ -	\$ 639,330
International Equities	572,622	151,667	-	420,955
Fixed Income				
Derivatives	9	14	(5)	-
US government and agency	58,148	57,378	770	-
Mortgage backed - residential	18,144	-	18,144	-
Asset backed	37,657	-	37,657	-
Municipal bonds	1,519	-	1,519	-
Corporate bonds	328,855	-	192,481	136,374
Foreign	86,973	-	4,820	82,153
Total fixed income securities	531,305	57,392	255,386	218,527
Temporary Investments from Securities Lending	8,384	8,384	-	-
Subtotal	2,110,923	\$ 576,725	\$ 255,386	\$ 1,278,812
Investments measured at the net asset value (NAV)				
Private Equity	463,615			
Hedge Funds	98,983			
Global Commingled	236,478			
Real Estate Funds	482,226			
Total Investments Measured at NAV	1,281,302			
Cash Equivalents in Securities Lending	101,841			
Total investments and cash equivalents by fair value level	\$ 3,494,066			

Certain investments are reported at the net asset values calculated by the investment manager. These investments at June 30, 2024, detailed in the following table, are subject to capital calls and specific redemption terms:

	June 30, 2024 (in thousands)	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge Funds	\$ 98,983	\$ -	Quarterly	90 Days
Global Commingled	236,478	-	Monthly	30 Days
Private Equity	463,615	485,620	Quarterly	0-90 Days
Real Estate Funds	482,226	149,065	Quarterly	0-90 Days

Alternative investments measured at NAV include private equity funds, hedge funds, real estate, opportunistic and global fixed income. Below is a description of the various investment strategies:

- COPERS has one private equity fund manager that focuses on limited partnership arrangements.
- COPERS invests in four direct hedge funds which all have a global macro strategy.
- COPERS' portfolio consists of one commingled fixed income fund and five fixed income separate accounts. These accounts have a core-plus strategy.
- COPERS has two global commingled funds. One fund which has a global large cap growth mandate and the second fund which has a large cap value mandate.
- COPERS' real estate investments consist of three core real estate funds and 18 non-core real estate partnerships. The core funds permit redemptions with a 90-day notice, the non-core fund investments have a limited liquidity and redemptions are restricted.

Debt and equity securities categorized as Level 1 are valued based on prices quoted in active markets for those debts and securities. Debt and equity securities categorized as Level 2 are valued using matrix pricing techniques maintained by the various pricing vendors for these securities. Matrix pricing is used to value securities based on the relationship to benchmark quoted prices. Investment derivative instruments categorized as Level 2 are valued using market approaches that consider, as applicable, benchmark interest rates or foreign exchange rates. Mortgage-backed securities categorized as Level 2 are valued using discounted cash flow techniques. Debt and equity securities categorized as Level 3 are debt and securities whose stated market price is unobservable by the marketplace, many of these securities are priced by the issuers or industry groups for these securities. Collateralized debt obligations categorized as Level 3 are valued using consensus pricing. The fair value of international equity funds and related short-term investments classified as Level 3 represent the value of unit positions in funds that are not publicly traded on an exchange. Fair value of these securities can be impacted by redemption restrictions imposed by the fund managers.

Interest Rate Risk

In order to limit interest rate risk, the City's investment policy limits maturities as follows:

U.S. Treasury Securities	5 year final maturity
Securities guaranteed, insured, or backed by the full faith and credit of the U.S. Government	5 year final maturity
U.S. Government Agency Securities	5 year final maturity
Repurchase Agreements	60 days
Municipal Obligations	5 years for long-term issuances
Money Market Mutual Funds	90 days
Commercial Paper	270 days
Corporate Debt	5 year final maturity

For Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMO), the maximum weighted average life using current Public Securities Association (PSA) prepayment assumptions shall be twelve years at the time of purchase for MBS and five years at the time of purchase for CMO. For CMBS designated as “green”, the final maturity is less than ten years.

For the LTD and MERP Trusts, investment activity has been delegated from the Trust funds’ Boards to professionally managed mutual funds to diversify the composition of the Trusts’ assets. The bond funds, as of June 30, 2024, have weighted average maturities ranging from 7.3 to 9.9 years.

The decision making responsibility for COPERS’ investment activity has been delegated from the COPERS Board to professional fund managers in order to diversify the composition of the fund’s investments and to allow for more active management of the portfolio. COPERS’ contract with Western Asset Management Company (“Western”) directs them to maintain an average weighted duration of portfolio security holdings including futures and options positions within +/- 20% of the Barclays Capital US Aggregate Index. COPERS’ contract with Longfellow Investment Management (“Longfellow”) specifies a weighted average duration of +/- 20% of the Barclays Capital US Aggregate Index. The contracts with Brigade and DDJ Capital Management require a weighted average duration of +/- two years of the Barclays Capital US Aggregate Index.

Credit Risk

The City’s investment policy limits its purchase of investments to the top ratings issued by nationally recognized statistical rating organizations such as Standard & Poor’s “S&P” and Moody’s Investors Service “Moody’s”. The portfolio is primarily invested in securities issued by the U.S. Treasury or by U.S. Government Agency Securities which are rated Aaa by Moody’s and AA+ by S&P. Repurchase agreements are collateralized by U.S. Treasuries at 102%. In addition, the portfolio is invested in pre-refunded or escrowed to maturity municipal securities for which the payment of interest, and ultimately the repayment of the principal, is backed by U.S. Treasury Securities, U.S. Government Agencies or cash. Municipal securities must have a short-term minimum rating of A1 by S&P and P1 by Moody’s and a long-term uninsured rating of A+ by S&P and A1 by Moody’s. Money market mutual funds must have a current minimum money market rating of AAAM by S&P and Aaa by Moody’s. For commercial paper, an Issuer’s program must have a minimum rating of “A1” by S&P and “P1” by Moody’s. The issuing corporation must be organized and operating in the United States and have a minimum long-term debt rating of “A+” by S&P and “A1” by Moody’s. Programs rated by only one of the agencies are ineligible. Corporate debt securities must have a long-term minimum rating of AAA by S&P and Aaa by Moody’s.

Credit risk for the City’s LTD and MERP trusts is mitigated by portfolio diversification inherent in the asset allocation strategy approved by the trust funds’ boards. Assets are invested in mutual funds which do not receive a credit quality rating from a national rating agency and can be sold at any time.

COPERS currently has two managers responsible for fixed income investments. Longfellow and Western are active bond managers. As part of their portfolios, Longfellow and Western may enter into futures, options, and swaps contracts for hedging purposes and/or as a part of the overall portfolio strategy and will be incidental to its securities trading activities for the account. COPERS also invests in index funds SSgA U.S. Aggregate Bond Index and SSgA U.S. TIPS.

Concentration of Credit Risk

Investments in any one issuer, excluding U.S. governments, that represent 5% or more of total City investments are as follows (in thousands):

Issuer	Fair Value
FHLB	\$ 716,376

The LTD and MERP Trusts have allocated 20% of their total assets to core fixed income mutual funds which have mandates to be well diversified over a broad range of various issuers.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates may adversely affect the fair value of an investment or a deposit. COPERS’ investment in foreign fixed income is managed by Longfellow and Western Asset. The managers’ report dollar and non-dollar denominated holdings and provide for direct ownership

of the underlying security. Dollar and non-dollar denominated holdings accounted for 99.99% and 0.01%, respectively, of the foreign fixed income investments at June 30, 2024.

Securities Lending

State statutes and City Charter do not prohibit COPERS from participating in securities lending transactions, and COPERS has, via a Securities Lending Authorization Agreement effective May 6, 2015, authorized Bank of New York Mellon ("BNY") to lend its securities to broker-dealers and banks pursuant to a form of loan agreement.

During 2024, BNY lent, on behalf of COPERS, certain securities held by BNY as custodian and received cash (United States and foreign currency), securities issued or guaranteed by the United States government and irrevocable letters of credit as collateral. BNY did not have the ability to pledge or sell collateral securities delivered absent a borrower default. Borrowers were required to deliver collateral for each loan equal to: (i) in the case of loaned securities denominated in United States dollars or whose primary trading market was located in the United States or sovereign debt issued by foreign governments, 102% of the fair value of the loaned securities; and (ii) in the case of loaned securities not denominated in United States dollars or whose primary trading market was not located in the United States, 105% of the fair value of the loaned securities.

During 2024, COPERS and the borrowers maintained the right to terminate all securities lending transactions on demand. The cash collateral received on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders, in a liquidity pool and a duration pool. As of June 30, 2024, the collateral pool had a weighted average maturity (WAM) of 3 days and a weighted average life (WAL) of 68 days. Because the loans were terminable at will, their duration did not generally match the duration of the investments made with cash collateral.

6. Receivables

Receivables at June 30, 2024 are stated net of the allowance for doubtful accounts, and are summarized as follows (in thousands):

	Accounts	Taxes	Interest	Intergov- ernmental ⁽¹⁾	Notes	Leases ⁽²⁾	Partner- ships ⁽³⁾	Total
Unrestricted								
Governmental Activities								
General Fund	\$ 62,112	\$ 193,963	\$ 222	\$ 33,400	\$ -	\$ 4,156	\$ 20,322	\$ 314,175
Transit Special Revenue	1,500	-	-	50,471	-	386	-	52,357
G.O./Secondary Property Tax	-	4,420	1	-	-	-	-	4,421
Nonmajor	7,249	21	261	83,846	9,625	201,736	-	302,738
	70,861	198,404	484	167,717	9,625	206,278	20,322	673,691
Business-Type Activities								
Aviation	18,616	-	-	-	-	268,777	-	287,393
Phoenix Convention Center	120	-	-	-	-	11,753	-	11,873
Water System	78,897	-	-	1,305	-	-	-	80,202
Wastewater	51,039	-	-	13,604	-	177	-	64,820
Solid Waste	22,232	-	-	4	-	4,036	-	26,272
	170,904	-	-	14,913	-	284,743	-	470,560
Subtotal	241,765	198,404	484	182,630	9,625	491,021	20,322	1,144,251
Restricted								
Business-Type Activities								
Aviation	17,251	-	54	14,255	-	-	-	31,560
Phoenix Convention Center	-	-	38	-	-	-	-	38
Water System	-	-	22	-	-	-	-	22
	17,251	-	114	14,255	-	-	-	31,620
Total	\$ 259,016	\$ 198,404	\$ 598	\$ 196,885	\$ 9,625	\$ 491,021	\$ 20,322	\$ 1,175,871

(1) Intergovernmental Receivables include monies due from other governmental entities for grants as well as for sales of water, wastewater, and solid waste products and services for the enterprise funds.

(2) Includes both current and noncurrent amounts for lease receivables.

(3) Includes receivables from public-public and public-private partnerships.

The following is a summary of the allowance for doubtful accounts for all funds at June 30, 2024 (in thousands):

	Allowance for Doubtful Accounts		
	Accounts	Taxes	Total
Governmental			
General Fund	\$ 25,718	\$ 3,631	\$ 29,349
Transit Special Revenue Fund	504	-	504
Nonmajor	1,612	-	1,612
Business-Type			
Aviation	2,179	-	2,179
Phoenix Convention Center	27	-	27
Water System	7,195	-	7,195
Wastewater	4,345	-	4,345
Solid Waste	4,621	-	4,621
	<u>\$ 46,201</u>	<u>\$ 3,631</u>	<u>\$ 49,832</u>

Enterprise fund Accounts Receivable included unbilled charges at June 30, 2024, as follows (in thousands):

Aviation	\$ 12,003
Water System	28,393
Wastewater	9,304
Solid Waste	7,140
	<u>\$ 56,840</u>

Notes Receivable

The City has entered into loan agreements with the Matthew Henson Partnership, LP; Krohn West, LP; Phoenix Central City Revitalization Corp & LLC; Santa Fe Springs Apartments LLC; PERC Frank Luke Addition LLC; PGHC Pine Crest, LLC; PSMHTC Summit LLC; PIBHC Marcos De Niza LLC; PERC II Frank Luke Addition LLC; PERC III Frank Luke Addition LLC; Phoenix Starfish Place Corporation; Soluna II; and Harmony at the Park I for the purpose of financing housing projects. These projects include a mix of affordable housing and market rate units. Payments on these loans are only required to be made from the project's surplus cash flows. Due to the uncertainty of payment, the City is not recognizing a receivable in the Financial Statements and will record all payments as revenue at the time of receipt. The amount of these notes outstanding is \$101.1 million as of June 30, 2024.

The City has entered into various loan agreements with third parties related to its affordable housing programs. The purpose of these loans is to establish, preserve and rehabilitate public housing, and the terms of these loans are more generous (soft) as compared to regular loan agreements. Payments on these loans are only required to be made from the property's surplus cash flows. Due to the uncertainty of payment, the City is not recognizing a receivable in the Financial Statements and will record all payments as revenue at the time of receipt. The amount of these notes outstanding is \$73.4 million as of June 30, 2024.

The City has also entered into various loan agreements with third parties related to its affordable housing programs that have been recorded as notes receivable within the Public Housing Special Revenue Fund. Under these agreements, the City has either loaned money to nonprofit corporations for the purpose of establishing and/or improving public housing units or to single families providing affordable housing. The loans are secured by an interest in the property being acquired and/or improved. Interest rates range from 0% to 5% with amortization periods up to 40 years. Maturities on the loans are as early as fiscal year ending 2025 and as late as fiscal year ending 2062. As of June 30, 2024 the total amount of the notes outstanding is \$9.6 million. The payments received from these loans are restricted by the Federal Government for affordable housing programs. Therefore, the City records a trust liability within the Public Housing Special Revenue Fund for the outstanding balance of the notes.

7. Interfund Transactions

The following amounts due to other funds or due from other funds are included in the fund financial statements at June 30, 2024 (in thousands):

	Payable Funds		
	General Fund	Nonmajor Governmental	Total
Receivable Funds			
Governmental Funds			
Transit Special Revenue	\$ -	\$ 76,890	\$ 76,890
Nonmajor Governmental	676	21,131	21,807
Total	\$ 676	\$ 98,021	\$ 98,697

Interfund balances at June 30, 2024 are short-term loans to cover temporary cash deficits in various funds. This occasionally occurs prior to bond sales or grant reimbursements.

Net transfers of \$57.5 million from governmental activities to business-type activities on the government-wide statement of activities is primarily the result of the monthly transfer of earmarked excise tax to the Phoenix Convention Center Enterprise Fund. The following interfund transfers are reflected in the fund financial statements for the year ended June 30, 2024 (in thousands):

	Transfers Out	Transfers In
Governmental Funds		
General Fund	\$ 178,199	\$ 32,711
Transit Special Revenue Fund	9,429	-
Nonmajor Governmental	34,293	131,726
Total Governmental Funds	221,921	164,437
Enterprise Funds		
Aviation	1,094	372
Phoenix Convention Center	466	89,192
Water System	17,840	2
Wastewater	10,639	2
Solid Waste	2,045	-
Total Enterprise Funds	32,084	89,568
Total Transfers	\$ 254,005	\$ 254,005

Interfund transfers are primarily used for 1) debt service payments made from a debt service fund, but funded from an operating fund; 2) subsidy transfers from unrestricted general funds; or 3) transfers to move excise tax revenues from the general fund to the Phoenix Convention Center Enterprise Fund.

8. *Restricted Assets and Liabilities Payable from Restricted Assets*

Restricted assets and liabilities payable from restricted assets recorded in the Enterprise Funds at June 30, 2024, are summarized as follows (in thousands):

Restricted Assets	
Cash and Cash Equivalents	\$ 32,628
Cash Deposits	10,478
Cash and Securities with Fiscal Agents/Trustees	408,552
Investments	760,947
Receivables, Net of Allowances	31,618
Total Restricted Assets	<u>\$ 1,244,223</u>
Liabilities Payable from Restricted Assets	
Accounts Payable	\$ 36,701
Trust Liabilities and Deposits	10,536
Accrued Landfill Closure Costs	441
Subtotal	<u>47,678</u>
Arbitrage Liability	3,777
Short-Term Obligations	200,000
Matured Bonds Payable	211,669
Interest Payable	126,987
Current Portion of Loans from Direct Borrowings	1,369
Current Portion of Municipal Corporation Obligations	193,402
Total Liabilities Payable from Restricted Assets	<u>\$ 784,882</u>

9. **Capital, Lease, and Subscription Assets**

A summary of capital, lease, and subscription asset activity for the government-wide financial statements follows (in thousands):

	Balances July 1, 2023	Additions	Deletions	Transfers	Balances June 30, 2024
Governmental activities:					
Non-depreciable assets:					
Land	\$ 1,313,747	\$ 381	\$ (711)	\$ -	\$ 1,313,417
Infrastructure	546,705	-	-	-	546,705
Artwork	7,927	-	-	-	7,927
Construction-in-Progress	572,479	368,617	(4,691)	(26,176)	910,229
Total non-depreciable assets	2,440,858	368,998	(5,402)	(26,176)	2,778,278
Depreciable and amortized assets:					
Buildings	1,790,562	2,152	(2,211)	1,840	1,792,343
Improvements	802,822	318	(4,613)	3,901	802,428
Infrastructure	2,837,058	95,448	-	24,305	2,956,811
Equipment	1,049,769	69,633	(59,189)	36	1,060,249
Intangible Assets	45,676	195	(301)	-	45,570
Right-to-Use Lease Assets	21,224	-	-	-	21,224
Right-to-Use Subscription Assets	40,362	-	-	-	40,362
Total depreciable assets	6,587,473	167,746	(66,314)	30,082	6,718,987
Less accumulated depreciation and amortization for:					
Buildings	(925,578)	(50,446)	14,520	-	(961,504)
Improvements	(495,928)	(31,025)	4,383	(2,012)	(524,582)
Infrastructure	(1,125,487)	(83,886)	-	-	(1,209,373)
Equipment	(638,234)	(71,698)	54,047	(7)	(655,892)
Intangible Assets	(32,845)	(2,002)	301	-	(34,546)
Right-to-Use Lease Assets	(3,443)	(1,885)	-	-	(5,328)
Right-to-Use Subscription Assets	(5,062)	(5,173)	-	-	(10,235)
Total accumulated depreciation and amortization	(3,226,577)	(246,115)	73,251	(2,019)	(3,401,460)
Total depreciable and amortized assets, net	3,360,896	(78,369)	6,937	28,063	3,317,527
Governmental activities, net	\$ 5,801,754	\$ 290,629	\$ 1,535	\$ 1,887	\$ 6,095,805
Business-type activities:					
Non-depreciable assets:					
Land	\$ 692,036	\$ 360	\$ (42)	\$ 8	\$ 692,362
Artwork	12,090	379	-	823	13,292
Construction-in-Progress	1,725,780	324,009	(3,896)	(11,897)	2,033,996
Total non-depreciable assets	2,429,906	324,748	(3,938)	(11,066)	2,739,650
Depreciable and amortized assets:					
Buildings	3,713,393	10,387	(251)	253	3,723,782
Improvements	3,448,783	7,585	(7,002)	3,624	3,452,990
Infrastructure	3,287,636	67,088	-	1,386	3,356,110
Equipment	1,822,121	31,598	(47,692)	1,784	1,807,811
Intangible Assets	230,611	187	(14,255)	219	216,762
Total depreciable assets	12,502,544	116,845	(69,200)	7,266	12,557,455
Less accumulated depreciation and amortization for:					
Buildings	(1,789,118)	(105,383)	251	-	(1,894,250)
Improvements	(2,234,285)	(115,284)	6,066	2,012	(2,341,491)
Infrastructure	(1,376,527)	(77,984)	-	-	(1,454,511)
Equipment	(1,040,886)	(98,786)	47,021	(33)	(1,092,684)
Intangible Assets	(152,019)	(9,942)	10,943	-	(151,018)
Total accumulated depreciation and amortization	(6,592,835)	(407,379)	64,281	1,979	(6,933,954)
Total depreciable and amortized assets, net	5,909,709	(290,534)	(4,919)	9,245	5,623,501
Business-type activities, net	\$ 8,339,615	\$ 34,214	\$ (8,857)	\$ (1,821)	\$ 8,363,151

Phoenix Housing Finance Corporations:

	Balances				Balances	
	July 1, 2023	Additions	Deletions	Transfers	June 30, 2024	
Non-depreciable assets:						
Land	\$ 6,565	\$ 1,795	\$ (934)	\$ -	\$ 7,426	
Construction in Progress	6,676	31	(6,364)	-	343	
Total non-depreciable assets	13,241	1,826	(7,298)	-	7,769	
Depreciable and amortized assets:						
Buildings	25,804	15,968	(5,501)	-	36,271	
Improvements	17,159	236	(52)	-	17,343	
Equipment	67	269	-	-	336	
Intangible Assets	1,545	-	-	-	1,545	
Total depreciable and amortized assets	44,575	16,473	(5,553)	-	55,495	
Less accumulated depreciation and amortization for:						
Buildings	(12,877)	(1,912)	1,884	-	(12,905)	
Improvements	(7,414)	(1,593)	-	-	(9,007)	
Equipment	(51)	(274)	-	-	(325)	
Intangible Assets	(463)	(78)	-	-	(541)	
Total accumulated depreciation and amortization	(20,805)	(3,857)	1,884	-	(22,778)	
Total depreciable and amortized assets, net	23,770	12,616	(3,669)	-	32,717	
Component Units, net	\$ 37,011	\$ 14,442	\$ (10,967)	\$ -	\$ 40,486	

Depreciation expense was charged to governmental functions in the government-wide financial statements for the year ended June 30, 2024 as follows (in thousands):

General Government	\$ 25,629
Criminal Justice	69
Public Safety	36,478
Transportation	125,723
Community Enrichment	38,567
Community Development	8,828
Environmental Services	10,821
	<u>\$ 246,115</u>

Closed Facilities

The Cave Creek Water Reclamation Plant was closed temporarily in fiscal year 2010 and is expected to re-open in fiscal year 2027 due to expected demand increases. Therefore, no impairment loss will be recognized. The carrying value of the assets at June 30, 2024 is \$21.7 million.

10. Financial Obligations Long-Term Obligations

Changes in long-term obligations during fiscal year 2023-24 are summarized as follows (in thousands):

	Balances July 1, 2023	Additions ⁽¹⁾	Reductions ^{(1) (2)}	Balances June 30, 2024	Amounts Due Within One Year
Governmental Activities					
Bonds, Loans and Notes Payable:					
General Obligation Bonds	\$ 647,900	\$ -	\$ 102,280	\$ 545,620	\$ 99,430
Municipal Corporation Obligations	575,155	-	50,865	524,290	42,070
Community Facilities Districts	27,915	-	755	27,160	790
	1,250,970	-	153,900	1,097,070	142,290
Discounts/Premiums	76,996	-	15,282	61,714	-
Total Bonds, Loans and Notes Payable	1,327,966	-	169,182	1,158,784	142,290
Other Liabilities:					
Insurance Claims Payable	218,354	58,143	53,439	223,058	56,014
Accrued Compensated Absences	169,256	206,051	169,256	206,051	24,097
Pollution Remediation	3,282	-	3,252	30	30
Arbitrage	1,625	6,941	1,625	6,941	6,941
Leases	19,034	-	1,497	17,537	1,621
Subscriptions	35,740	-	4,957	30,783	3,622
Net Pension	4,751,864	1,820,327	1,589,279	4,982,912	-
Net OPEB	107,982	41,206	51,825	97,363	-
Total Other Liabilities	5,307,137	2,132,668	1,875,130	5,564,675	92,325
Total Governmental Activities	\$ 6,635,103	\$ 2,132,668	\$ 2,044,312	\$ 6,723,459	\$ 234,615
Business-Type Activities					
Bonds, Loans and Notes Payable:					
Loans from Direct Borrowings	\$ 8,338	\$ -	\$ 1,784	\$ 6,554	\$ 1,369
Municipal Corporation Obligations	4,614,703	381,620	210,484	4,785,839	193,402
	4,623,041	381,620	212,268	4,792,393	194,771
Discounts/Premiums	555,470	20,756	51,983	524,243	-
Cumulative Capital Appreciation on State of AZ					
Distribution Revenue Bonds	105,347	-	1,827	103,520	-
Total Bonds, Loans and Notes Payable	5,283,858	402,376	266,078	5,420,156	194,771
Other liabilities:					
Accrued Compensated Absences	20,925	25,212	20,925	25,212	3,134
Accrued Landfill Closure and Postclosure Care Costs	16,986	1,843	1,445	17,384	1,665
Pollution Remediation	1,400	-	275	1,125	75
Arbitrage	8	4,942	8	4,942	-
Net Pension	316,068	156,018	161,611	310,475	-
Net OPEB	30,362	11,403	14,506	27,259	-
Total Other Liabilities	385,749	199,418	198,770	386,397	4,874
Total Business-Type Activities	\$ 5,669,607	\$ 601,794	\$ 464,848	\$ 5,806,553	\$ 199,645
Component Units					
Phoenix Housing Finance Corporations					
Notes Payable	\$ 41,573	\$ 15,437	\$ 13,177	\$ 43,833	\$ -
Total Component Units	\$ 41,573	\$ 15,437	\$ 13,177	\$ 43,833	\$ -

(1) Included in additions and reductions for bonds, loans and notes are new bond issuances and principal payments.

(2) For the Governmental Activities, Insurance Claims Payable, Compensated Absences and Pollution Remediation are generally liquidated by the General Fund. Net Pension and OPEB Liabilities are generally liquidated by the Enterprise Funds, General Fund and the following Special Revenue Funds: Transit, Municipal Court, Development Services, Grants, Public Housing, Other Restricted, Neighborhood Protection, Public Safety Enhancement and Parks and Preserves.

The amounts reported in the previous table have been reduced by deposits made with the City's fiscal agents for July 1, 2024 maturities, a portion of which is included in restricted assets for the governmental and enterprise funds. These deposits at June 30, 2024, were as follows (in thousands):

	Principal	Interest	Total
Governmental Funds			
General Obligation Bonds	\$ 102,280	\$ 15,856	\$ 118,136
Municipal Corporation Obligations	50,865	10,047	60,912
Community Facilities Districts	755	747	1,502
	<u>153,900</u>	<u>26,650</u>	<u>180,550</u>
Enterprise Funds			
Municipal Corporation Obligations	210,484	126,873	337,357
	<u>210,484</u>	<u>126,873</u>	<u>337,357</u>
	<u>\$ 364,384</u>	<u>\$ 153,523</u>	<u>\$ 517,907</u>

Issues of long-term debt, excluding net deferred gain/losses on refundings of \$47.4 million, were as follows at June 30, 2024 (dollars in thousands):

Issue Date	Purpose	Maturity Dates	Effective Interest Rate	Average Life (Years)	Original Amount	Principal Outstanding ⁽¹⁾	Interest Outstanding ⁽¹⁾	Unamortized Premium (Discount)
General Obligation Bonds								
03/01/04	Various Improvements (3)	7/1/10-28	4.22	16.3	200,000	14,720	1,766	21
10/27/09	Various Improvements Taxable Series 2009A (2)(13)	7/1/20-34	3.42	18.4	280,955	204,265	62,179	-
06/24/14	Refunding	7/1/19-27	2.71	9.5	278,015	30,715	1,320	373
09/13/16	Refunding	7/1/18-27	1.74	9.0	226,215	171,415	18,698	11,377
06/21/17	Refunding	7/1/18-27	1.52	3.4	68,305	6,700	469	333
05/25/22	Refunding	7/1/23-34	2.93	5.9	146,400	117,805	28,582	11,338
	Total General Obligation Bonds				1,199,890	545,620	113,014	23,442
Loans from Direct Borrowings								
08/03/10	Wastewater WIFA	7/1/18-26	2.97	12.0	6,287	1,029	33	-
06/01/11	Wastewater WIFA	7/1/26-29	2.97	16.6	3,909	3,909	412	-
09/14/11	Water WIFA	7/1/24-29	2.97	15.8	1,497	1,466	133	-
04/11/19	Closed Loop Fund, LP	10/15/19-24	0.00	5.0	3,000	150	-	-
	Total Loans from Direct Borrowings				14,693	6,554	578	-

Issue Date	Purpose	Maturity Dates	Effective Interest Rate	Average Life (Years)	Original Amount	Principal Outstanding ⁽¹⁾	Interest Outstanding ⁽¹⁾	Unamortized Premium (Discount)
Municipal Corporation Obligations								
10/06/05	State Distribution Revenue 2005B (3)(10)	7/1/12-44	4.72	28.9	275,362	239,819	342,127	11,729
09/01/10	Airport Rev 2010B (Taxable) (3b)(6b)(11) (12)(13)	7/1/2040	3.67	29.8	21,345	21,345	22,540	-
06/21/12	Excise Tax Revenue Refunding 2012A (4)	7/1/14-25	2.30	6.7	17,510	220	7	3
04/15/14	Wastewater System Refunding (7)	7/1/15-29	3.00	9.4	127,810	54,735	8,477	2,919
12/17/14	Water System Rev Refunding 2014B (5)	7/1/16-29	2.64	9.7	445,085	221,205	29,727	11,576
05/12/15	Excise Tax Rev Refunding 2015A (4)(8)	7/1/17-41	3.56	16.2	319,305	257,120	122,822	23,841
05/12/15	Excise Tax Rev Ref 2015B (Taxable) (4)	7/1/16-35	3.35	10.2	60,895	27,040	6,637	-
12/15/15	Airport Revenue 2015A (Non-AMT)(3d) (6b)(11)	7/1/16-45	3.99	18.6	95,785	80,295	49,597	6,618
12/15/15	Airport Rev Ref 2015B (Non-AMT)(3d) (6b)(11)	7/1/2034	4.08	18.5	18,655	18,655	9,328	1,320
11/16/16	Wastewater System Rev Refunding (7)	7/1/17-35	2.89	11.3	225,325	158,460	51,760	18,676
01/10/17	Water System Rev Refunding 2016 (5)	7/1/17-39	3.59	15.1	375,780	330,960	147,323	32,008
06/01/17	Excise Tax Revenue 2017A (4)	7/1/18-32	2.16	6.8	116,835	40,720	5,889	2,851
06/01/17	Excise Tax Rev Refunding 2017B (4) (8)	7/1/19-29	2.02	6.3	101,895	36,190	4,234	2,133
11/21/17	Airport Revenue 2017A (AMT)(3e)(6a)	7/1/18-47	3.84	18.7	190,930	168,485	118,808	19,535
11/21/17	Airport Rev Ref 2017B (Non-AMT)(3e)(6a)	7/1/21-38	3.23	13.5	173,440	148,275	61,435	17,770
12/21/17	Airport Rev Ref 2017D (Non-AMT)(3c) (6b)(11)	7/1/21-40	3.36	14.2	474,725	407,165	170,838	38,860
06/19/18	Wastewater System Revenue 2018A (7)	7/1/25-43	3.66	17.4	133,270	133,270	69,752	11,469
11/28/18	Airport Revenue 2018 (AMT) (3e) (6a)	7/1/19-48	4.22	19.3	226,180	205,430	152,995	14,681
12/05/19	Rental Car Facility (Taxable) 2019A (3a)(9)	7/1/28-45	3.33	18.4	244,245	244,245	158,492	35,422
12/05/19	Rental Car Facility Ref (Taxable) 2019B (3a)(9)	7/1/20-28	2.60	4.6	60,485	27,100	1,555	-
12/11/19	Airport Revenue 2019A (Non-AMT)(3c) (6b)(11)	7/1/41-49	3.61	25.9	341,095	341,095	326,006	41,964
12/11/19	Airport Revenue 2019B (AMT)(3c)(6b)	7/1/20-49	3.44	19.1	392,005	373,970	264,753	49,749
12/11/19	Airport Rev Refunding (Taxable) 2019C (3c)(6b)	7/1/23-25	2.38	4.6	29,435	10,030	238	-
04/09/20	Water System Revenue 2020A (5)	7/1/30-44	3.14	20.0	165,115	165,115	130,297	36,183
04/09/20	Water System Revenue 2020B (5)(14)	7/1/30-44	3.14	20.0	228,015	228,015	179,934	49,967
08/25/20	Excise Tax Revenue 2020A (4)(8)	7/1/21-45	1.90	12.0	131,595	118,045	49,850	25,517
08/25/20	Excise Tax Revenue (Taxable) 2020B (4)	7/1/21-45	2.39	13.9	150,000	130,485	37,891	-
08/25/20	Excise Tax Rev Refunding (Taxable) 2020C (4)	7/1/23-36	1.58	7.1	116,685	86,790	6,698	-
06/09/21	Water System Revenue 2021A (5)	7/1/26-45	2.45	16.1	250,000	250,000	155,042	61,877
06/09/21	Water System Rev Refunding 2021B (5)	7/1/22-26	0.52	3.5	67,345	33,240	2,513	2,300
06/09/21	Water System Rev Refunding (Taxable) 2021C (5)	7/1/26-44	2.61	15.0	151,280	151,280	47,695	-
08/03/22	Excise Tax Revenue 2022 (4)(8)	7/1/25-47	3.79	16.0	131,650	131,650	92,829	17,258
06/07/23	Airport Rev Refunding 2023 (AMT) (3e) (6a)	7/1/24-32	3.50	5.4	96,540	88,060	20,938	6,357
11/15/23	Wastewater System Revenue 2023 (7)	7/1/28-47	4.64	15.7	381,620	381,620	294,081	19,932
Total Municipal Corporation Obligations					6,337,242	5,310,129	3,143,108	562,515
Community Facilities Districts								
06/27/19	Park Cntrl CFD Spec Assess Revenue (3f)	7/1/21-44	5.73	16.0	30,000	27,160	17,819	-
Total Community Facilities Districts					30,000	27,160	17,819	-
Total Primary Government Bonds					\$ 7,581,825	\$ 5,889,463	\$ 3,274,519	\$ 585,957

- (1) Pledged revenues on all outstanding bonds are at least equal to the remaining principal and interest outstanding. Additional information relating to pledged revenues can be found in the Debt Capacity Statistical Section, Table 17 "Pledged-Revenue Bond Coverage."
- (2) Represents bonds issued as "Qualified Build America Bonds (Direct Pay)" (BABs) for purposes of the American Recovery and Reinvestment Act of 2009 and the Internal Revenue Code of 1986. The City expects to receive semiannual cash subsidy payments in an amount equal to 35% of the interest payable each respective interest payment date.
- (3) Enhanced by a municipal bond insurance policy, a reserve account surety bond, or a debt service reserve fund. The debt service reserve balances were as follows as of June 30, 2024 (in thousands):
- | | |
|--|-----------|
| (a) Airport Rental Car Parity Reserve for Series 2019A, 2019B | \$ 20,545 |
| (b) Junior Lien Airport Debt Service Reserve for Series 2010B | 2,134 |
| (c) Junior Lien Airport Parity Reserve for Series 2015A, 2017D, 2019A, 2019B and 2019C | 95,602 |
| (d) Airport Revenue Refunding Bonds, Series 2015B (Non-AMT) Reserve | 1,866 |
| (e) Senior Lien Airport Parity Reserve for Series 2017A, 2017B, 2018, and 2023 | 51,049 |
| (f) Park Central CFD Special Assessment Bonds Taxable Series 2019 Reserve | 2,251 |
- (4) The City has made a subordinated junior lien pledge on all excise tax obligations.
- (5) The City has made a junior lien pledge of Water System revenues as security.
- (6) The City has pledged net airport revenues as security for these bonds. The net revenues pledged are as follows:
- (a) Senior lien pledge on all outstanding airport obligations.
 - (b) Junior lien pledge on all outstanding airport obligations.
- (7) The City has made a junior lien pledge of Wastewater System revenues as security.
- (8) The City has pledged excise taxes on a subordinated junior lien basis as security; however, a portion of debt service requirements on these obligations are paid from Solid Waste revenues.
- (9) The City has made a first priority pledge of a \$6.00 per day car rental usage fee to be paid by rental car customers arriving at Phoenix Sky Harbor International Airport as security for the bonds.
- (10) The primary source of revenue for loan payments is State of Arizona distributions the City is to receive pursuant to legislation passed in 2003 authorizing up to fifty percent State funding for certain convention center developments in the State. The schedule of State Distributions will be sufficient to make loan payments when due.
- (11) The City has further pledged an irrevocable commitment of 100% of net proceeds of a passenger facility charge for the debt service due on or before July 1, 2026 on these bonds, with the exception of the Series 2015A and 2019A bonds. The Series 2015A bonds have a pledge equivalent to 30% and the Series 2019A bonds have a pledge equivalent to 93% of the principal and interest requirement for debt service due on or before July 1, 2026. The Passenger Facility Charge is currently imposed at the rate of \$4.50 per qualifying enplaned passenger."
- (12) Represents bonds issued as "Recovery Zone Economic Development Bonds" (RZEDB) for purposes of the American Recovery and Reinvestment Act of 2009 and the Internal Revenue Code of 1986. The City expects to receive semiannual cash subsidy payments in an amount equal to 45% of the interest payable each respective interest payment date.
- (13) On March 1, 2013, the federal government announced the implementation of certain automatic budget cuts known as the sequester, which has resulted in a reduction of the federal subsidy by 5.7% (the Sequester Reductions) in FY 2024. However, the City does not expect the Sequester Reductions to have a material adverse effect on its ability to make payments of interest on the BABs and the RZEDB bonds.
- (14) The City has designated this bond series as Sustainability Bonds. The Sustainability Project is intended to advance the purposes of the Sustainability Goals and to generally comport with the "Green Bond Principles," "Social Bond Principles" or the "Sustainability Bond Guidelines" most recently promulgated by the International Capital Market Association (ICMA) in June 2018. The series will not constitute "exempt facility bonds" issued to finance "qualified green building and substantial design projects" within the meaning of Section 142(1) of the Code.

The City has complied with all significant financial covenants of its bonded indebtedness. A brief description of the City's long-term obligations follows.

General Obligation Bonds

As a general rule, the City has given priority to using general obligation bonds for capital programs of general government departments (non-enterprise departments). These include cultural facilities, fire, police, library, parks and recreation, mountain preserves, storm sewers, streets and transportation. The annual debt service on these bonds is paid from secondary property taxes. Under State law, the City's secondary property tax levy can only be used for payment of principal and interest on long-term debt.

Default Provisions

In the event of non-payment of general obligation bond principal and interest, the remedy is specific performance. Specific performance is when a bondholder has the right to ask a judge to order the City to raise secondary property taxes in an amount needed to pay any past or current amounts due. General obligation bonds are not subject to acceleration. Additionally, state statute provides that all general obligation bonds are secured by a lien on all revenues received pursuant to the tax levy. The lien arises automatically without the need for any action or authorization by the City.

Revenue Bonds

In addition to general obligation bonds, under Arizona State law the City is authorized to issue voter-approved highway user revenue and utility revenue bonds. The City currently does not have any outstanding voter-approved highway user revenue or utility revenue bonds.

Loans from Direct Borrowings*Water and Wastewater WIFA*

Effective November 19, 2009, Arizona state legislation was passed that allows a city or town, during fiscal years 2009-10 and 2010-11, to enter into a financial loan repayment agreement with the Water Infrastructure Finance Authority of Arizona (WIFA) without voter approval, if the agreement is financed with funding made available to WIFA under the American Recovery and Reinvestment Act of 2009 (ARRA). The City has entered into various loan agreements with WIFA. Loan proceeds received by the City from WIFA pursuant to the ARRA will be used to fund various capital projects of the Water and Wastewater systems of the City.

Effective September 24, 2022, Arizona state legislation was passed that allows a city or town to enter into a financial loan repayment agreement with WIFA without voter approval, if the pledge of utility revenue under the agreement does not violate any covenants of the utility system. On March 13, 2024, the City entered into three new loan agreements with WIFA. The proceeds from these loans are designated to fund various capital projects of the Water and Wastewater systems of the City. As of June 30, 2024, no loan proceeds had been received by the City. The City anticipates receiving the loan tranches during fiscal year 2025.

If an event of default occurs, WIFA has the right to take any action permitted in the agreement to collect the amounts then due and thereafter to become due on their scheduled payments dates. There are no acceleration provisions in this agreement. Events of default include, but are not limited to, failure to pay any principal and interest amounts due to WIFA when due and failure to perform certain covenants contained in the agreement.

Closed Loop Fund, LP

The City entered into an agreement with Closed Loop Fund, LP on April 11, 2019, for \$3.0 million at 0% interest for the acquisition and fabrication of property, and payment of costs of installation of said property at the City's single stream municipal recycling facility located at the North Gateway Transfer Station. Upon event of default under the agreement, Closed Loop Fund, LP may take possession of said property. Under default, interest would begin accruing at a rate of 2% per annum on the difference between the net income derived from possession of the property and the remaining amount owed. Events of default include, but are not limited to, failure to pay amounts to Closed Loop Fund, LP by the applicable grace period, abandonment or ceasing to operate the property, failure to maintain insurance on the property, and failure to perform certain covenants contained in the agreement. There is no acceleration on this agreement.

Municipal Corporation Obligations

The City has entered into certain agreements with the City of Phoenix Civic Improvement Corporation (the "CIC"), an affiliated nonprofit corporation, for the construction and acquisition of certain facilities and equipment. Under the terms of these agreements, the CIC issued bonds to finance the facilities and equipment, and the City agreed to make lease and purchase payments sufficient to pay principal and interest

on the outstanding obligations. The City also pays all expenses of operating and maintaining the facilities and equipment.

New Issuance

Junior Lien Wastewater System Revenue Bonds, Series 2023

In November 2023, the CIC issued Junior Lien Wastewater System Revenue Bonds, Series 2023, consisting of \$381.6 million in par and \$20.8 million in premium. Proceeds of the bonds refunded \$200.0 million outstanding under a Revolving Credit Agreement with remaining proceeds used to pay costs, or reimburse the City for costs, of various improvements to the Wastewater System. The bonds have an average life of 15.7 years and were sold at an all-in true interest cost of 4.64%.

Default Provisions

In the event of non-payment of CIC bond principal and interest, the remedy is specific performance. Specific performance is when a bondholder has the right to ask a judge to order the City to raise applicable revenue sources for the defaulted bond in an amount needed to pay any past or current amounts due. CIC bonds are not subject to acceleration.

State of Arizona Distribution Revenue Bonds

The State of Arizona Distribution Revenue Bonds were issued through the CIC in October 2005 for the Phoenix Convention Center. The bonds are convertible capital appreciation bonds that converted to current interest bonds on July 1, 2013 and are not refundable. The cumulative capital appreciation is amortized annually through maturity in 2044.

Community Facilities Districts

Park Central Community Facilities District Special Assessment Revenue Bonds, Taxable Series 2019

The Park Central Community Facilities District ("PCCFD") was formed on August 29, 2018, by the Mayor and Council of the City in order to provide public infrastructure within the boundaries of PCCFD for development of a multi-use residential, commercial and retail project known as "Park Central."

Default Provisions

In the event of non-payment of principal and interest, the trustee, US Bank, N.A., is entitled to a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the directors and other officers of the District to make such payment. The Park Central bonds are not subject to acceleration.

Component Units

Various Phoenix Housing Finance Corporations have entered into loan agreements with the City for the purpose of financing housing projects. These projects include a mix of affordable housing and market rate units. The outstanding balance on these loans at June 30, 2024 is \$43.8 million.

The Phoenix IDA issues Private Activity Revenue Bonds that provide capital financing for third parties that are not part of the Phoenix IDA's reporting entity. In addition, no commitments beyond the maintenance of the tax-exempt status of the conduit debt obligation were extended by the Phoenix IDA for any of those bonds. The aggregate amount of all conduit obligations outstanding at June 30, 2024, was \$2.2 billion. The Phoenix IDA has no obligation for the repayment by the borrower.

Debt Service Requirements

Debt service requirements, including principal, interest and reserve contributions are as follows (in thousands):

City of Phoenix Bonds - Governmental Activities								
Fiscal Years	General Obligation		Municipal Corporation Obligations		Community Facilities Districts		Debt Service Total	
	Principal	Interest	Principal	Interest	Principal	Interest		
2025	\$ 99,430	\$ 27,013	\$ 42,070	\$ 18,536	\$ 790	\$ 1,461	\$ 189,300	
2026	108,085	22,280	43,135	17,186	825	1,424	192,935	
2027	108,600	17,013	42,505	15,745	865	1,385	186,113	
2028	42,000	11,584	40,410	14,358	905	1,344	110,601	
2029	28,340	9,727	36,235	13,161	950	1,299	89,712	
2030-2034	159,165	25,397	127,315	51,470	5,655	5,592	374,594	
2035-2039	-	-	85,670	30,419	7,505	3,740	127,334	
2040-2044	-	-	72,560	16,321	9,665	1,574	100,120	
2045-2049	-	-	34,390	2,913	-	-	37,303	
	<u>\$ 545,620</u>	<u>\$ 113,014</u>	<u>\$ 524,290</u>	<u>\$ 180,109</u>	<u>\$ 27,160</u>	<u>\$ 17,819</u>	<u>\$ 1,408,012</u>	
Authorized	\$ 3,437,160							
Unissued	\$ 652,355							
Interest Rates	2.0 - 5.5%							

City of Phoenix Bonds - Business-Type Activities					
Fiscal Years	Loans from Direct Borrowings		Municipal Corporation Obligations		Debt Service Total
	Principal	Interest	Principal	Interest	
2025	\$ 1,369	\$ 190	\$ 193,402	\$ 237,051	\$ 432,012
2026	1,255	154	203,309	227,989	432,707
2027	1,292	117	192,542	218,354	412,305
2028	1,330	78	212,053	209,298	422,759
2029	1,308	39	222,253	199,567	423,167
2030-2034	-	-	969,573	855,542	1,825,115
2035-2039	-	-	1,083,995	607,176	1,691,171
2040-2044	-	-	1,160,427	340,266	1,500,693
2045-2049	-	-	548,285	67,756	616,041
	<u>\$ 6,554</u>	<u>\$ 578</u>	<u>\$ 4,785,839</u>	<u>\$ 2,962,999</u>	<u>\$ 7,755,970</u>

Short-Term Obligations

Changes in short-term obligations during fiscal year 2023-24 are summarized as follows (in thousands):

	Balance, July 1	Additions ⁽¹⁾	Reductions ⁽¹⁾	Balance, June 30
Governmental Activities				
Revolving Credit Facilities				
Transportation 2050 Revolving Credit Facility	\$ 200,000	\$ -	\$ -	\$ 200,000
Total Governmental Activities	\$ 200,000	\$ -	\$ -	\$ 200,000
Business-Type Activities				
Revolving Credit Facilities				
Water Revolving Credit Facility	\$ 200,000	\$ -	\$ -	\$ 200,000
Wastewater Revolving Credit Facility	200,000	-	200,000	-
Total Business-Type Activities	\$ 400,000	\$ -	\$ 200,000	\$ 200,000

(1) Included in additions and reductions are new borrowings and repayments.

Issues of short-term debt were as follows at June 30, 2024 (dollars in thousands):

Purpose	Issuing Bank	Expiration Date	Line of Credit	Amount Outstanding	Unused Line of Credit
Transportation 2050 Revolving Credit Facility	Bank of America, N.A.	06/02/25	\$ 200,000	\$ 200,000	\$ -
Water Revolving Credit Facility	JPMorgan Chase Bank, N.A.	04/25/25	200,000	200,000	-
Wastewater Revolving Credit Facility	JPMorgan Chase Bank, N.A.	04/25/25	200,000	-	200,000
Total Revolving Credit Facilities			\$ 600,000	\$ 400,000	\$ 200,000

A brief description of the City's short-term obligations follows:

Transportation 2050 Revolving Credit Facility

The Revolving Credit Agreement as amended by the First Amendment dated as of May 12, 2023, provides for a five-year loan period with Bank of America, N.A., ending on June 2, 2025, during which the City may borrow, repay and re-borrow amounts, but not exceeding \$200.0 million outstanding in the aggregate at any one time (each a "Loan"). Loans made under the Revolving Credit Agreement are payable solely from a 0.7 percent incremental sales tax increase dedicated for transportation, which is not included in the Excise Taxes pledged as security for the City's outstanding Excise Tax bonds. If any loans under the Revolving Credit Agreement are outstanding on June 2, 2025, the City can, subject to certain conditions, convert the borrowing to a three-year term loan payable in twelve equal quarterly principal installments ending on June 2, 2028.

Upon event of default under the Revolving Credit Agreement, Bank of America, N.A. may terminate its lending commitment. Events of default include, but are not limited to, failure to pay amounts to Bank of America, N.A. by the applicable grace period, failure to perform certain covenants such as issuance of obligations in violation of additional bonds tests, and certain litigation, bankruptcy and insolvency events related to the City. There is no acceleration on this Revolving Credit Agreement.

Water Revolving Credit Facility

The Revolving Credit Agreement provides for a three-year loan period with JPMorgan Chase Bank, N.A., ending on April 25, 2025, during which the City may borrow, repay and re-borrow amounts, but not exceeding \$200.0 million outstanding in the aggregate at any one time (each a "Loan"). Loans made under the Revolving Credit Agreement (such loans, together with any obligations on a parity therewith, the "Junior Subordinate Lien Obligations") are payable from water system revenues pledged to the City of Phoenix Civic Improvement Corporation Junior Lien Water System Revenue Bonds ("Junior Lien Obligations"), but are junior and subordinate to the Junior Lien Obligations. If any loans under the Revolving Credit Agreement are outstanding on April 25, 2025, the City can, subject to certain conditions, convert the borrowing to a three-year term loan payable in twelve equal quarterly principal installments ending on April 25, 2028.

Upon an event of default under the Revolving Credit Agreement, JPMorgan Chase Bank, N.A. may declare all amounts due (collectively, "Payment Obligations") immediately due and payable. Events of default include, but are not limited to, failure to pay amounts to JPMorgan Chase Bank, N.A. by the applicable grace period, failure to perform certain covenants such as issuance of obligations in violation of additional bonds test, sale of the City's water system (the "System") property in violation of applicable covenants, acceleration of other obligations payable from System revenues on any lien in an amount of at least \$5.0 million, certain litigation, bankruptcy and insolvency events related to the System and certain downgrades of Junior Lien Obligations. There is no acceleration on this Revolving Credit Agreement.

Wastewater Revolving Credit Facility

The Revolving Credit Agreement provides for a three-year loan period with JPMorgan Chase Bank, N.A., ending on April 25, 2025, during which the City may borrow, repay and re-borrow amounts, but not exceeding \$200.0 million outstanding in the aggregate at any one time (each a "Loan"). Loans made under the Revolving Credit Agreement (such loans, together with any obligations on a parity therewith, the "Senior Lien Obligations" and the "Junior Subordinate Lien Obligations") are payable from wastewater system revenues pledged to the City of Phoenix Civic Improvement Corporation Junior Lien Wastewater System Revenue Bonds ("Junior Lien Obligations"), but are junior and subordinate to the Junior Lien Obligations. If any loans under the Revolving Credit Agreement are outstanding on April 25, 2025, the City can, subject to certain conditions, convert the borrowing to a three-year term loan payable in twelve equal quarterly principal installments ending on April 25, 2028.

Upon an event of default under the Revolving Credit Agreement, JPMorgan Chase Bank, N.A. may declare all amounts due (collectively, "Payment Obligations") immediately due and payable. Events of default include, but are not limited to, failure to pay amounts to JPMorgan Chase Bank, N.A. by the applicable grace period, failure to perform certain covenants such as issuance of obligations in violation of additional bonds test, sale of the City's wastewater system (the "System") property in violation of applicable covenants, acceleration of other obligations payable from System revenues on any lien in an amount of at least \$5.0 million, certain litigation, bankruptcy and insolvency events related to the System and certain downgrades of Junior Lien Obligations. There is no acceleration on this Revolving Credit Agreement.

Other Financial Obligations**Accrued Landfill Closure and Postclosure Care Costs**

The Solid Waste Enterprise Fund ("Solid Waste") currently operates one landfill, the SR-85 Landfill, and monitors five additional closed landfills. Federal and state regulations require that certain postclosure care costs be incurred to maintain and monitor closed landfills for thirty years after closure to mitigate and prevent future environmental damage. In addition, numerous costs are incurred in the process of closing a landfill. These closure costs include the capping of the landfill with soil, installing such items as drainage and monitoring systems, and remediation of any environmental damage caused by the landfill. These costs are estimated based on what it would cost to perform all closure and postclosure care for the landfills at June 30, 2024 and are subject to change due to inflation, technology changes and applicable legal or regulatory requirements.

Total closure and postclosure care costs for the five closed landfills are currently estimated to be \$116.6 million, including \$104.1 million that has already been paid out and an estimated \$12.5 million that will be paid out in future years as postclosure care efforts continue. The entire unpaid amount has been reported as a liability in the accompanying financial statements.

Total closure and postclosure care costs for the SR-85 Landfill are currently estimated to be \$28.4 million, including \$3.1 million that has already been paid out and an estimated \$25.3 million that will be paid out in future years. \$5.3 million of this has been recorded as a liability on the accompanying financial statements based on the use of approximately 21.0% of the estimated capacity of the landfill.

Of the liabilities discussed above, \$441 thousand is included in liabilities payable from restricted assets.

Certain environmental remediation costs associated with one of the closed landfills are recoverable from third parties. The City has recovered a total of \$29.0 million from third parties. These recoveries are used to reduce remediation expense in the year the recovery is assured. A total of \$5.5 million (which includes recoveries and applicable interest earnings) has been included in restricted assets on the enterprise fund statement of net position. Any postclosure care costs not recovered from third parties will be funded from revenues of the Solid Waste Enterprise Fund.

Pollution Remediation

The City has recorded pollution remediation liabilities in both the Governmental and Business-Type Activities. The liability in the Governmental Activities pertains to a leaking underground storage tank at the Glenrosa Service Center. The situation was identified by the City Public Works Department in 1986. The City created and implemented a corrective action plan which was approved by the Arizona Department of Environmental Quality (ADEQ), to ensure the contamination does not spread. As of June 30, 2024, a majority of the remediation was completed ahead of schedule leaving a total remaining liability of \$30 thousand, and it is estimated that the remediation will be completed in fiscal year 2024-25.

The liability in the Business-Type Activities pertains to leaking underground storage tanks at the Sky Harbor International Airport and Phoenix Goodyear Airport. The tanks at Sky Harbor International Airport were discovered to be leaking in 1988 and the City is implementing a corrective action plan which was approved by the ADEQ to ensure the contamination does not spread. The remediation of a fuel release at Phoenix Goodyear Airport discovered in the 1980's is being implemented as approved by the United States Environmental Protection Agency (US EPA). The total remaining liability for all remediation activities at the City airports as of June 30, 2024 is \$1.1 million and is recorded in the Aviation Enterprise Fund.

11. Refunded, Refinanced and Defeased Obligations

Bonds are refunded to retire all or a portion of an outstanding bond issue. Most typically, refundings are done to refinance at a lower interest rate to reduce overall debt service. Prior to January 2018, certain issues of bonds could have been refunded prior to the call date, known as an advanced refunding. The Tax Cuts and Jobs Act of 2017 prohibits refunding tax-exempt bonds before their call date unless the bonds are refunded with taxable bonds. In most cases an advanced refunding of tax-exempt bonds with taxable bonds would not be financially beneficial. However, there may be circumstances when the benefits of the advanced refunding outweigh the disadvantages of issuing taxable bonds.

Future principal and interest payments on refunded bonds have been provided through advanced refunding bond issues whereby refunding bonds are issued and the net proceeds, plus any additional resources that may be required, are used to purchase securities issued and guaranteed by the United States government, when available. When U.S. government securities are not available, conventional treasury securities will be purchased. These securities are then deposited in an irrevocable trust under an escrow agreement which states that all proceeds from the trust will be used to fund the principal and interest payments of the previously issued debt being refunded. The trust deposits have been computed so that the securities in the trust, along with future cash flows generated by the securities, will be sufficient to service the previously issued bonds.

Deferred Gains and Losses on Refundings

The deferred and amortized amounts of accounting gains/losses on bond refundings (which are deferred outflows/inflows of resources) at June 30, 2024, are summarized as follows (in thousands):

	Net Deferred Amount July 1	Net Additions (Gains)/Losses	Reductions due to Refundings	Net Amortization Gains/(Losses)	Net Deferred Amount June 30
General Government					
General Obligation	\$ (1,136)	\$ -	\$ -	\$ 50	\$ (1,086)
Civic Improvement Corporation	2,945	-	-	323	3,268
	<u>\$ 1,809</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 373</u>	<u>\$ 2,182</u>
Enterprise Funds					
Civic Improvement Corporation					
Aviation	30,367	-	-	(4,005)	26,362
Convention Center	3,555	-	-	(188)	3,367
Water	17,459	-	-	(885)	16,574
Wastewater	(881)	-	-	(282)	(1,163)
Solid Waste	197	-	-	(99)	98
	<u>\$ 50,697</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,459)</u>	<u>\$ 45,238</u>

12. Legal Debt Margin

As discussed in Note 4, secondary property tax revenues are used to pay principal and interest on general obligation bonded indebtedness. Also discussed in Note 4 are the changes from Proposition 117 that established the use of a single limited property valuation for determining the primary net assessed valuation (LNAV), also referred to as limited net assessed valuation. LNAV is now used to calculate both the primary and secondary property tax levies. Changes from Proposition 117 were effective in fiscal year 2015-16. For that one year, the City's debt limitation was also calculated using the LNAV.

Pursuant to A.R.S. §35-503, which became effective August 6, 2016, the City's debt limitation is based on the full cash net assessed valuation (FCNAV) instead of the PNAV. The FCNAV for tax year 2024 (fiscal year 2024-25) is \$35.3 billion.

Under Arizona law, outstanding general obligation bonded debt for combined water, sewer, light, open space preserves, parks, playgrounds, recreational facilities, public safety, law enforcement, fire emergency, streets and transportation may not exceed 20% of a city's FCNAV. Outstanding general obligation bonded debt for all other purposes may not exceed 6% of a city's FCNAV. The total debt margin available at July 1, 2024 was as follows (in thousands):

Six Percent Bonds	\$ 2,077,405
Twenty Percent Bonds	<u>6,491,181</u>
Total Debt Margin Available	<u>\$ 8,568,586</u>

13. Risk Management

The City maintained a combination of commercial insurance and self-insurance during the year ended June 30, 2024, as described below.

General Fund and Transit Special Revenue Fund

Liability - The City maintained a self-insured retention of \$7.5 million for most public entity liability exposures and a self-insured retention of \$10.0 million for transit operations. Excess liability coverage was purchased for losses that exceed the self-insured retention. Airport operations as well as other specialty liability exposures were covered by specific commercial insurance policies.

Property - The City purchased blanket commercial property and boiler/machinery insurance for City owned buildings and structures. Other specialty property exposures were covered by specific commercial insurance policies.

Workers' Compensation - The City maintained a self-insured retention of \$10.0 million for its workers' compensation exposure. Excess workers' compensation insurance was purchased for losses exceeding the self-insured retention. Since July 1, 2010, contracted transit operators have been required to provide first-dollar liability and workers' compensation coverage. The City's exposure to Phoenix Transit's workers' compensation liability is in the run-off phase.

Fidelity and Surety - The City purchased certain public official bonds and surety bonds as required by state statute or City Charter. In addition, the City purchased coverage through a blanket "Crime" policy and a "Cyber" insurance policy.

Unemployment Compensation Liability was self-insured. Basic life, commuter life, basic AD&D and occupational AD&D insurance were provided through commercial insurance.

Self-insured claims are reported as liabilities in the accompanying financial statements when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. This determination is based on an actuarial analysis of reported claims and estimates of claims incurred but not reported.

With the exception of health, dental and long-term disability, the City reports its self-insurance activities in the General Fund, the Transit Special Revenue Fund (for transit related claims only) and the Government-Wide Statement of Net Position, with the other funds reimbursing the General Fund for their share of the cost of the City's self-insurance program. Settlements have not exceeded coverages for each of the last three fiscal years. At June 30, 2024, claims payable totaled \$223.0 million. Changes in this liability for the last two fiscal years follow (in thousands):

	Year Ended June 30	
	2024	2023
Claims Payable, July 1	\$ 218,354	\$ 204,685
Current Year Claims and Changes in Estimates	58,143	57,483
Claim Payments	(53,439)	(43,814)
Claims Payable, June 30	<u>\$ 223,058</u>	<u>\$ 218,354</u>

Claims that are expected to be paid with expendable available financial resources are accounted for in the General Fund. All other claims are accounted for in the Government-Wide Statement of Net Position. Balances in the Government-Wide Statement of Net Position were as follows (in thousands):

	Year Ended June 30	
	2024	2023
Amounts due within one year	\$ 56,014	\$ 57,879
Amounts due in more than one year	167,044	160,475
	<u>\$ 223,058</u>	<u>\$ 218,354</u>

Of the General Fund fund balance, \$52.7 million is restricted for the payment of claims, \$116.9 million is assigned for payment of claims, \$7.1 million is assigned for payment of insurance premiums and \$1.1 million of the Transit Special Revenue Fund Balance is restricted, as reported in the Fund Financial Statements.

At June 30, 2024, the actuarial liability related to Workers' Compensation was \$141.6 million and is included in the Government-Wide Statement of Net Position. Per the below schedule, the City has sufficient reserve funds to cover all of these liabilities (in thousands):

	Year Ended June 30	
	2024	2023
Actuarial Workers' Compensation Liability	<u>\$ 141,573</u>	<u>\$ 135,620</u>
Reserve Fund Balances:		
General Fund - Restricted - Insurance Claims	52,733	50,362
General Fund - Assigned - Insurance Claims	123,994	117,504
Total Reserve Fund Balances	<u>\$ 176,727</u>	<u>\$ 167,866</u>
Actual Worker's Compensation Expenses - YTD	<u>\$ 33,146</u>	<u>\$ 37,959</u>

Fiduciary Funds

Health and Dental - The City health insurance plans were self-insured through the City of Phoenix Health Care Benefits Trust fiduciary fund. Stop loss coverage was purchased for individual losses exceeding \$1.0 million and aggregate losses exceeding \$278.8 million. Dental coverage was provided through two plans. Active dental PPO was self-insured through the City of Phoenix Health Care Benefits Trust. Active dental HMO and retiree dental HMO and PPO were provided through commercial insurance accounted for in the General Fund.

Long-Term Disability benefits were self-insured through the City of Phoenix Long-Term Disability Trust fiduciary fund. See Note 20 for additional information.

At June 30, 2024, claims payable totaled \$34.8 million. Changes in this liability for the last two fiscal years follow (in thousands):

	Year Ended June 30	
	2024	2023
Claims Payable, July 1	\$ 30,906	\$ 29,827
Current Year Claims and Changes in Estimates	247,839	226,817
Claim Payments	(243,941)	(225,738)
Claims Payable, June 30	<u>\$ 34,804</u>	<u>\$ 30,906</u>

Claims are accounted for in the Health Care Benefits Trust and the Long-Term Disability Trust Fiduciary Funds Statements of Fiduciary Net Position. Claims are expected to be paid with expendable available financial resources. These balances were as follows (in thousands):

	Year Ended June 30	
	2024	2023
Amounts due within one year	<u>\$ 34,804</u>	<u>\$ 30,906</u>

14. **Leases and Subscription-Based Information Technology Arrangements**

Leases

Per GASB Statement No. 87, a lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The City, as a lessee, has entered into lease agreements involving office buildings, warehouses and facility space at a data center. The related obligations are presented in the amounts equal to the present value of lease payments, payable during the remaining lease term. As the lessee, a lease liability and the associated lease asset is recognized on the government-wide Statement of Net Position.

The City has a variety of variable payment clauses, within its lease arrangements, which include contracts with minimum rent components, variable components based on gross sales, and payments dependent on indexes and rates. Components of variable payments that are fixed in substance, are included in the measurement of the lease liability presented in the table below. The City did not incur expenses related to its leasing activities related to residual value guarantees, lease termination penalties or losses due to impairment. As a lessee, there are currently no agreements that include sale-leaseback and lease-leaseback transactions.

As of June 30, 2024, the City had minimum principal and interest payment requirements for its leasing activities, with a remaining term more than one year, as follows (in thousands):

Governmental Activities						
Fiscal Year Ending	Principal		Interest		Total	
June 30						
2025	\$	1,621	\$	626	\$	2,247
2026		1,757		559		2,316
2027		1,902		486		2,388
2028		2,004		407		2,411
2029		2,128		324		2,452
2030-2034		5,720		724		6,444
2035-2037		2,405		117		2,522
	\$	<u>17,537</u>	\$	<u>3,243</u>	\$	<u>20,780</u>

Additionally, as the lessor, the City leases and subleases City-owned properties such as buildings, land, terminal concessions, and advertising space. The related receivables are presented in the Statement of Net Position for the amounts equal to the present value of lease payments expected to be received during the lease term. Revenue recognized under these lease contracts during the year ended June 30, 2024 was \$91.7 million, which includes both lease revenue and interest. This amount includes variable payments not previously included in the measurement of the lease receivable.

The City's variable payments clause within its lease arrangements as the lessor, is similar to the arrangements made as lessee. The City did not incur revenue related to residual value guarantees or lease termination penalties. It also does not currently have agreements that include sale-leaseback and lease-leaseback transactions.

The following are schedules by year of minimum payments to be received under lease contracts that are included in the measurement of the lease receivable as of June 30, 2024 (in thousands):

Governmental Activities					
Fiscal Year Ending June 30	Principal	Interest	Total		
2025	\$ 911	\$ 6,989	\$	7,900	
2026	939	6,956		7,895	
2027	1,010	6,924		7,934	
2028	1,697	6,876		8,573	
2029	1,147	6,840		7,987	
2030-2034	9,407	33,380		42,787	
2035-2039	10,312	31,822		42,134	
2040-2044	661	31,035		31,696	
2045-2049	3,212	30,677		33,889	
2050-2054	3,965	29,969		33,934	
2055-2059	6,577	29,149		35,726	
2060-2064	8,206	27,788		35,994	
2065-2069	7,874	26,561		34,435	
2070-2074	12,819	25,022		37,841	
2075-2079	19,698	22,361		42,059	
2080-2084	29,640	18,368		48,008	
2085-2089	4,398	15,785		20,183	
2090-2094	6,925	14,918		21,843	
2095-2099	10,867	13,376		24,243	
2100-2104	15,830	11,107		26,937	
2105-2109	21,060	7,873		28,933	
2110-2114	12,886	4,967		17,853	
2115-2119	16,237	2,017		18,254	
	<u>\$ 206,278</u>	<u>\$ 410,760</u>	<u>\$</u>	<u>617,038</u>	
Business-Type Activities					
Fiscal Year Ending June 30	Principal	Interest	Total		
2025	\$ 40,916	\$ 8,497	\$	49,413	
2026	40,274	7,171		47,445	
2027	22,500	6,158		28,658	
2028	20,132	5,512		25,644	
2029	20,689	4,847		25,536	
2030-2034	50,843	17,531		68,374	
2035-2039	10,454	13,626		24,080	
2040-2044	12,008	11,793		23,801	
2045-2049	15,763	9,550		25,313	
2050-2054	18,265	6,729		24,994	
2055-2059	14,073	4,125		18,198	
2060-2064	12,300	1,936		14,236	
2065-2069	5,576	469		6,045	
2070-2073	951	54		1,005	
	<u>\$ 284,744</u>	<u>\$ 97,998</u>	<u>\$</u>	<u>382,742</u>	

Excluded Leases - Regulated

The Aviation Department does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g. the U.S. Department of Transportation and the Federal Aviation Administration, between airports and air carriers and other aeronautical users. Regulated leases include the following:

Airline Use Agreements

The Aviation Department has entered into a Letter of Authorization (LOA) with each airline for the use of exclusive space in the terminals. By definition, these LOAs are considered to be regulated leases under GASB 87. Each LOA includes a provision that either party may terminate the agreement with 30 days' written notice. The Airlines currently have exclusive use of 113,868 sq ft in Terminal 3 and 531,755 sq ft in Terminal 4. This represents 26% of the total building space. The rental rate for the exclusive space is computed on a cost reimbursement rate. The revenue recognized for exclusive use of terminal space during the year ended June 30, 2024 was \$115.8 million.

In addition to the exclusive use space, the Aviation Department recognized revenue from the Airlines on a usage basis for common use gates, baggage fees and landing fees. The revenue recognized for these usage-based fees during the year ended June 30, 2024 was \$84.6 million.

Due to the variable nature of the above revenues from year to year, expected future minimum payments are indeterminable.

Airline Hangar Buildings

The Aviation Department has entered into lease agreements with American Airlines and Southwest Airlines for use of two large maintenance hangars located on the east side of the airport. The lease with American Airlines began in October 1986 and will end in September 2026. The lease with Southwest Airlines began in August 1992 and will end in July 2047. These contracts include periodic rate adjustments based on CPI. The revenue recognized for these Hangar contracts during the year ended June 30, 2024 was \$2.8 million.

Future Minimum lease payments are as follows (in thousands):

Fiscal Year	Principal
2025	\$1,793
2026	1,793
2027	1,193
2028	993
2029	993
2030-2034	3,963
2035-2039	3,910
2040-2044	3,910
2045-2047	2,053
Total	\$20,601

Fixed Based Operators

The Aviation Department has entered into several contracts with Fixed Base Operators (FBO) for the lease of certain airport land and buildings. An FBO is a commercial enterprise that provides aeronautical services such as fueling, aircraft parking and storage to the general aviation community, and therefore is considered to be a regulated lease. These contracts have various start dates ranging from 1998 to 2021 and end dates ranging from 2028 to 2061. The revenue recognized for these FBO contracts during the year ended June 30, 2024 was \$1.3 million.

Future Minimum lease payments are as follows (in thousands):

Fiscal Year	Principal
2025	\$1,038
2026	1,038
2027	1,039
2028	1,281
2029	929
2030-2034	4,220
2035-2039	4,220
2040-2044	4,220
2045-2049	3,634
2050-2054	1,226
2055-2059	1,038
2060-2061	381
Total	\$24,264

Excluded Leases - Other

The Housing Department entered into leases with housing facilities that are, in turn, subleased to low income and elderly tenants for a period of 12 months or less. In addition to the leases being 12 months or less, the Housing Assistance Payment (HAP) contracts include language that abates the minimum rent component in the event of a failed inspection. Expenses recognized under lease contracts during the fiscal year ended June 30, 2024 was \$123.0 million.

The Aviation Department entered into leases with five rental car companies for space in the Consolidated Rental Car Center (RCC). Contracts with Avis, Enterprise and Hertz began in July 2017 and will end in June 2029, while contracts with Fox and SIXT began in January 2018 and will end in December 2027. The terms of the contracts include a minimum rent component and a variable component based on gross sales. The RCC contracts include language that abates the minimum rent component in the event of a significant drop in passenger traffic at the Airport. Due to this contractual provision, the rent on these contracts has been deemed to not be fixed in substance. Revenue recognized under these lease contracts during the year ended June 30, 2024 was \$63.7 million.

Subscription-Based Information Technology Arrangements

Per GASB Statement No. 96, a subscription-based information technology arrangement (SBITA) is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The measurement of the subscription liabilities is based on the present value of lease payments expected to be paid during the subscription term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, and residual value guarantee payments that are fixed in substance.

As of June 30, 2024, the City had minimum principal and interest payment requirements for its subscription activities, with a remaining term more than one year, as follows (in thousands):

Governmental Activities			
Fiscal Year Ending June 30	Principal	Interest	Total
2025	\$ 3,622	\$ 1,020	\$ 4,642
2026	3,681	881	4,562
2027	3,544	748	4,292
2028	3,147	626	3,773
2029	3,275	504	3,779
2030-2033	13,514	757	14,271
	<u>\$ 30,783</u>	<u>\$ 4,536</u>	<u>\$ 35,319</u>

15. Contractual and Other Commitments
Public Transit

The City provides public transit service through the following private contractors: Transdev Services, Inc., First Transit Inc. and MV Transportation Service. In addition, the City purchases fixed route bus service from the Regional Public Transportation Authority "RPTA" and light rail service from Valley Metro Rail "VMRI." The services provided by these contractors, the expiration dates of the current agreements and the estimated contract amount to be provided by the City through June 30, 2024 are as follows (in thousands):

Contractor	Type of Service	Expiration Date	Estimated Annual Subsidy
MV Transportation Service	Dial-a-Ride	June 30, 2027	\$ 21,402
First Transit Inc.	Fixed Route Bus Service	June 30, 2025	51,431
Transdev Services, Inc.	Fixed Route Bus Service	June 30, 2025	119,075
Valley Metro Rail	Light Rail Service	June 30, 2025	60,376
Regional Public Transportation Authority	Fixed Route Bus Service	June 30, 2026	12,760
			<u>\$ 265,044</u>

Approximately 24.9% of the total net transit costs, excluding light rail service, will be reimbursed to the City by adjacent communities and the RPTA. In addition, the City will apply for funding to support daily operations from the Department of Transportation, Federal Transit Administration. This grant is expected to fund approximately 4.0% of the total transit costs for fiscal 2024-25. The City has been the designated recipient for these grants since 1975.

Other Contracts

The City's enterprise funds have entered into various construction contracts and these commitments have not been recorded in the accompanying financial statements. Only the currently payable portions of these contracts have been included in accounts payable in the accompanying financial statements. The following funds have remaining commitments at June 30, 2024, as follows (in thousands):

Aviation	\$	125,790
Phoenix Convention Center		10,934
Water System		192,993
Wastewater		100,122
Solid Waste		11,085
	\$	<u>440,924</u>

Encumbrances

Governmental fund encumbrances at June 30, 2024, were as follows (in thousands):

General Fund	\$	115,115
Transit Special Revenue Fund		102,291
Non-Major Funds		214,382
	\$	<u>431,788</u>

16. Contingent Liabilities

Pending Litigation

The City is contingently liable in respect to lawsuits and other claims incidental to the ordinary course of its operations. As discussed in Note 13, the City is primarily self-insured, and has accrued a liability for estimated claims outstanding. As with any risk retention program, however, the City is contingently liable with respect to claims beyond those currently accrued. In the opinion of City management, based on the advice of the City Attorney, the outcome of such claims will not have a material adverse effect on the City's financial position, results of operations or liquidity at June 30, 2024.

Sick Leave

Sick leave is generally accumulated at the rate of 15 days per year and can only be taken in the event of illness. Upon retirement, employees may be eligible to convert a portion of their sick leave balance to pay as described below.

Police who have accumulated 900 qualifying hours or more of unused sick leave at the time of normal service retirement are eligible to receive a payment equal to 35% or more (depending on the number of qualifying hours) of their base hourly rate for hours in excess of 450 hours.

Firefighters who have accumulated 900 qualifying hours or more of unused sick leave at the time of normal service retirement (1,260 qualifying hours or more for employees not on a 40 hour per week work schedule) are eligible to receive a payment equal to 35% or more (depending on the number of qualifying hours) of their base hourly rate for hours in excess of 450 hours (630 hours for employees not on a 40 hour per week work schedule).

Supervisory and Professional, Confidential Office and Clerical, Field Unit 1, Field Unit 2, and Field Unit 3 employees who have accumulated 750 qualifying hours or more of unused sick leave at the time of normal service retirement are eligible to receive a payment equal to their base hourly rate for 25% of the hours in excess of 250 hours. Middle management and Executive General City employees who have accumulated

750 qualifying hours or more of accrued or unused sick leave at the time of normal service retirement are eligible to receive a payment up to 20% of their base hourly rate. Sworn Police and Fire Middle Managers and Executives who have accumulated 1,000 qualifying hours or more of accrued or unused sick leave at the time of normal service retirement (1,400 for 56-hour employees) are eligible to receive a payment up to 40% of their base hourly rate of hours in excess of 500 hours (700 for 56-hour employees). Payment percentage is increased by 1% for each full year of service in excess of 20 years to a maximum of 50%.

Sick leave is accrued as a liability as it is earned by the employees if it is probable that the employees will be compensated through cash payments at retirement. Accordingly, a portion of the sick leave accumulated by police, firefighters, and general employees as described above has been accrued as a liability in the accompanying financial statements. The June 30, 2024, actuarial valuation of the sick leave liability was based on the termination payment method and includes other amounts that are directly and incrementally related to those payments such as the City's share of social security, as applicable.

The sick leave benefit balances (both accrued and unaccrued) at June 30 were as follows (in thousands):

	2024
General	\$ 184,942
Police	116,309
Fire	<u>45,913</u>
	347,164
Less: Amounts Accrued as a Liability	<u>(107,752)</u>
	<u>\$ 239,412</u>

Liabilities Under Grants

The City participates in a number of federal and state-assisted grant programs. The audits of these programs for earlier years and the year ended June 30, 2024 have not been completed in all cases; accordingly, final determination of the City's compliance with applicable grant requirements may be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. City management believes any such claims would be immaterial to the City's financial position at June 30, 2024.

17. Tax Abatements

GASB Statement No. 77 defines a tax abatement and requires disclosure about reporting a government's own tax abatement agreements and those agreements entered into by other governments that reduce the reporting government's tax revenues.

As of June 30, 2024, the City of Phoenix provides tax incentives through Government Property Lease Excise Tax (GPLET) authority. Pursuant to Arizona Revised Statutes §42-6201, the State of Arizona established GPLET as a redevelopment tool by reducing a project's operating costs by replacing the real property tax with an excise tax. Under the state statute, an excise tax is established for the building type of use and is calculated on the gross square footage of the building. The excise tax rate can be abated for the first eight years after a certificate of occupancy on the building is issued as long as the property is located within a Central Business District and Redevelopment Area, and increases the value of the property by more than 100%. Pursuant to change adopted in 2010, the use of the excise tax is limited to a maximum of 25 years and requires the land and improvements conveyed to a government entity and leased back for private use. Another program of the City also reimburses certain transaction privilege taxes as a redevelopment tool to initiate economic development.

Below is information relevant to the disclosure of those programs for the year ended June 30, 2024:

City of Phoenix Tax Abatement Disclosure as required by Statement No. 77 of the Governmental Accounting Standards Board		Required Disclosure	
1)	Name of Program	Government Property Lease Excise Tax (GPLET)	Transaction Privilege Tax Reimbursement
2)	Purpose of Program	Redevelopment tool to initiate development by reducing a project's operating costs by replacing the real property tax with an excise tax.	Redevelopment tool to initiate development by reducing a project's public infrastructure development costs by reimbursing the project for a percentage of transaction privilege taxes generated by the project after the revenue is generated and the infrastructure has been constructed and accepted by the City.
3)	Tax Being Abated	Real Property Tax	Transaction Privilege Taxes
4)	Authority under which abatement agreements are entered into	Arizona Revised Statutes (ARS) Title 42, Chapter 6, Article 6, Sections 42-6201, 42-6203, 42-6208, and 42-6209.	City Council approval of development agreements.
5)	Criteria to be eligible to receive abatement	1) Taxes may be abated for a limited period beginning at the time the certificate of occupancy is issued and ending eight years after the certificate of occupancy is issued on a government property improvement.	1) Provide significant new job creation, and capital investment with the development, including the construction of public infrastructure if necessary, that would otherwise not occur.
		2) The improvement is located in a single central business district in the city or town and is subject to a lease or development agreement.	
		3) The government property improvement resulted or will result in an increase in property value of at least 100%.	
6)	How recipients' taxes are reduced	Real Property Tax is replaced by an Excise Tax.	Transaction privilege taxes that are generated by the project are reimbursed to the project based on performance requirements.
7)	How amount of abatement is determined	100% Excise Tax Reduction.	The percentage of taxes reimbursed is determined in the development agreement by the scale of development and/or job creation and the public infrastructure needed.
8)	Provisions for recapturing abated taxes	N/A	N/A
9)	Types of commitments made by the City other than to reduce taxes	N/A	N/A
10)	Gross Dollar Amount, on accrual basis, by which the City's tax revenues were reduced as a result of abatement agreement	2024 (in thousands)	
		\$5,690	\$543

18. Joint Use and Partnership Agreements
Valley Metro Rail, Inc. (VMRI)

The City currently participates with the cities of Tempe, Mesa, Chandler, and Glendale in a joint powers agreement for the design, construction and operation of a light rail transit system. VMRI is the management agency that was incorporated to administer the joint powers agreement between the cities. VMRI has oversight responsibility for the planning, designing, construction and operation of a regional mass transit light rail system. The agreement provides voting rights for members of the representative cities related to strategic initiatives including passage of an annual budget.

The City has an ongoing financial responsibility as a result of the joint powers agreement to participate in the cost to construct and operate the light rail project less any Federal reimbursements and operating fares. The City's share of costs is determined based on the number of rail mileage located within each City, plus dedicated local costs. The equity interest for the City at June 30, 2024, was \$2.1 billion.

Separate financial statements may be obtained from Valley Metro Rail, Inc., 101 N. Central Avenue, Suite 1300, Phoenix, Arizona 85003.

Regional Wireless Cooperative (RWC)

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

The City has an ongoing financial responsibility as a result of the agreement to participate in the cost to construct, operate and maintain the network. The City's share of costs is determined based on the proportionate number of subscriber units in use at the time of assessment. The equity interest for the City at June 30, 2024, was \$30.0 million.

Separate financial statements may be obtained from RWC Director's Office, 200 W. Washington Street, 12th Floor, Phoenix, Arizona 85003.

Wastewater

Phoenix participates with the cities of Glendale, Mesa, Scottsdale and Tempe in the Subregional Operating Group ("SROG") Agreement for the construction, operation and maintenance of jointly used facilities, including the 91st Avenue Wastewater Treatment Plant, the Salt River Outfall Sewer, the Southern Avenue Interceptor and related transportation facilities. As lead agency, the City of Phoenix is responsible for the planning, budgeting, construction, operation and maintenance of the plant. Phoenix provides all management personnel and financing arrangements and accepts federal grants on behalf of the participants. The other participants pay for costs of operation and maintenance based on sewage flows and strengths, and for purchased capacity in plant and related transportation facilities based on approved engineering billing schedules.

The City of Phoenix holds title to the land comprising the plant site and rights of way. The City's investment under the joint use agreement was \$318.0 million at June 30, 2024, and is included in the Wastewater Enterprise Fund financial statements as part of the total wastewater system. The SROG members participate in each facility at varying rates depending on their needs at the time each facility was constructed. The system has no bonded debt outstanding. Summary financial information on the joint use agreement as of and for the fiscal year ended June 30, 2024 is provided below (in thousands).

	<u>2024</u>
Assets	
Pooled Investments	\$ 64,008
Receivables	22,922
Inventories, at average cost	7,286
Capital Assets, Net of Accumulated Depreciation	<u>585,711</u>
Total Assets	679,927
Liabilities	<u>(75,915)</u>
Net Position	<u>\$ 604,012</u>
Total Revenues	\$ 127,335
Total Expenses	(108,203)
Increase in Net Position	<u>\$ 19,132</u>

Separate financial statements for the activity under the joint use agreement can be obtained through the AMWUA office at 3003 N. Central Avenue, Suite 1550, Phoenix, Arizona 85012.

Water

Phoenix participates with the City of Mesa in the Val Vista Water Treatment Plant and Transmission Line agreement for the construction, operation and maintenance of the jointly used facilities. As lead agency, the City of Phoenix is responsible for the planning, budgeting, construction, operation and maintenance of the Plant. Phoenix provides all management personnel and financing arrangements. The City of Mesa pays for costs of operation and maintenance based on flows and purchased capacity, and for purchased capacity in the Plant and related transmission line based on approved engineering billing schedules.

The City's investment under the joint use agreement was \$176.0 million at June 30, 2024, and is included in the Water Enterprise Fund financial statements as part of the total water system. The plant has no bonded debt outstanding. Summary financial information on the joint use agreement as of and for the fiscal year ended June 30, 2024 is provided below (in thousands).

	<u>2024</u>
Assets	
Pooled Investments	\$ 12,892
Receivables	11,267
Inventories, at average cost	2,716
Capital Assets, Net of Accumulated Depreciation	220,755
Total Assets	<u>247,630</u>
Liabilities	(18,395)
Net Position	<u>\$ 229,235</u>
Total Revenues	\$ 43,464
Total Expenses	(50,592)
Capital Contributions	-
Decrease in Net Position	<u>\$ (7,128)</u>

Separate financial statements for the activity under the joint use agreement can be obtained through the City of Phoenix, Finance Department, Financial Accounting and Reporting Division, 251 W. Washington Street, 9th Floor, Phoenix, Arizona 85003.

Public-Private and Public-Public Partnerships

The City has entered into various public-private and public-public partnership agreements that meet the definition of a service concession arrangement in which the operators will operate and maintain the City's assets while providing a public use. The agreements that are currently active extend through 2043. At the end of the agreements, operations will be transferred back to the City. The measurement of the related public-private and public-public partnership (PPP) receivable and liability are based on the present value of future fixed payments expected to be received during the PPP term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any PPP incentives payable to the operator. Based on the length of term of each agreement, incremental borrowing rates of 3.8% to 4.2% were used to measure PPP receivables and liabilities.

Footprint Center Arena

The City entered into an agreement with the Arena Development Limited Partnership under which the operator will manage the multi-purpose arena located at 201 E. Jefferson Street in downtown Phoenix. The venue is home to a variety of sporting and entertainment events. The operator will set and collect all revenues from these events and pay the City a fixed annual amount, as well as a variable amount based on operations. The current agreement between the City and the operator extends through 2042. As of June 30, 2024, the

City recognized a receivable in the amount of \$20.3 million for the fixed annual payments and recognized a deferred inflow of resources in the amount of \$19.0 million, which is being amortized straight-line over the term of the arrangement.

American Family Fields of Phoenix

The City entered into an agreement with the Milwaukee Brewers Baseball Club, Limited Partnership, under which the operator will manage the sports facility located at 3805 N. 53rd Ave. The venue primarily acts as the Milwaukee Brewers' training facility. The operator will renovate, manage, and maintain the sports facility with the City being contractually-obligated to share in the costs for renovations and maintenance. The current agreement between the City and the operator extends through 2043 and includes language that prohibits the Milwaukee Brewers from relocating the team. As part of the agreement, the Milwaukee Brewers were obligated to fund \$41.0 million in the renovation of the sports facility, which was completed in December 2019. As of June 30, 2024, the City recognized a deferred inflow of resources in the amount of \$33.1 million, which is being amortized straight-line over the term of the agreement.

The following is a schedule by year of minimum payments to be received under the City's Public-Private and Public-Public Partnerships that are included in the measurement of the receivable as of June 30, 2024 (in thousands):

Fiscal Years	Principal	Interest	Total
2025	\$ 449	\$ 839	\$ 1,288
2026	506	821	1,327
2027	566	800	1,366
2028	631	776	1,407
2029	699	750	1,449
2030-2034	4,669	3,256	7,925
2035-2039	7,084	2,103	9,187
2040-2043	5,717	484	6,201
	\$ 20,321	\$ 9,829	\$ 30,150

Service Concession Arrangements

On July 18, 2014, the City entered into an agreement with Arizona State University (ASU) to manage and collect revenues from the City's Papago Golf Course. The service concession arrangement is for 30 years and in exchange, ASU made significant course improvements for a total of \$15.7 million. The City will retain ownership of all assets at the end of the agreement. As of June 30, 2024, the City has recorded \$11.9 million as a deferred inflows of resources on the financial statements. The deferred inflows of resources will be amortized and recognized as revenue over the term of the agreement. There are no liabilities associated with this arrangement.

On November 24, 2014, the City entered into an agreement with Grand Canyon University (GCU) to manage and collect revenues from the City's Maryvale Golf Course. The service concession arrangement is for 30 years and in exchange, GCU invested a total of \$11.4 million in course and clubhouse improvements. The City will retain ownership of all assets at the end of the agreement. As of June 30, 2024, the City has recorded \$7.7 million as a deferred inflows of resources on the financial statements. The deferred inflows of resources will be amortized and recognized as revenue over the term of the agreement. There are no liabilities associated with this arrangement.

19. Deferred Compensation and Defined Contribution Plans (DCP)

The City offers eligible employees a DCP created in accordance with the Internal Revenue Code Section 457, which is entirely funded by employee contributions, and a Defined Contribution Plan created in accordance with Internal Revenue Code 401(a), which is funded by both employee and employer contributions. The Plans provide employees with a means to supplement retirement income.

Under Section 457 of the Internal Revenue Code, the DCP allows employees to defer up to \$19,500 of their salaries during calendar year 2024. Enrollment and deferral charges are allowed on an ongoing basis. Compensation deferred under this Plan is generally not available to participants until termination, retirement or a qualified unforeseeable emergency.

Under Section 401(a) of the Internal Revenue Code, the DCP allows employees to make contributions to the Plan by irrevocably electing to defer a percentage of their salary to the Plan. The 2024 annual contribution limit is \$57,000. The City also contributes to the Plan on behalf of eligible employees in an amount equal to a percentage of base annual salary. The City contributed \$55.9 million for the year ended June 30, 2024. Compensation deferred under this Plan is generally not available to participants until termination, retirement or a qualified unforeseeable emergency.

A governing board makes decisions about investment options available within each Plan, but all investment decisions are made by employees. All assets and income earned thereon are held in trust for the exclusive benefit of Plan participants. The Plans are administered by Nationwide Investment Services, which also serves as trustee of the assets.

20. Pension Plans

Substantially all full-time employees and elected officials of the City are covered by one of three contributory pension plans: the City of Phoenix Employees' Retirement System, the Public Safety Personnel Retirement System or the Elected Officials' Retirement Plan.

A summary of pension related items as of and for the year ended June 30, 2024, is presented below (in thousands).

Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Income)
COPERS				
Governmental Activities	\$ 1,221,005	\$ 182,640	\$ 694	\$ 142,993
Business-Type Activities	310,475	46,443	177	36,354
PSPRS - Police	2,502,750	519,866	-	289,714
PSPRS - Fire	1,256,775	265,597	2,161	148,393
EORP	2,382	454	1,169	(597)
Total	\$ 5,293,387	\$ 1,015,000	\$ 4,201	\$ 616,857

City of Phoenix Employees' Retirement System (COPERS)

a) **Plan Description**

The COPERS is a single-employer defined benefit pension plan established by the Phoenix City Charter. Its purpose is to provide retirement, disability retirement and survivor benefits to its members, who are generally full-time civil service employees and appointed officials. The plan can be amended or repealed by a vote of the people.

The general administration, management and operation of COPERS is vested in a nine-member Retirement Board consisting of three elected employee members, four statutory members, a citizen member and a retiree member. The Retirement Board appoints the Retirement Program Administrator and contracts investment counsel and other services necessary to properly administer the Plan.

Employees participate in the plan upon beginning employment with the City. COPERS' membership data is as follows:

	June 30	
	2024	2023
Active Members		
Tier 1	3,545	3,769
Tier 2	509	521
Tier 3	4,712	4,117
Total	8,766	8,407
Deferred Vested Member Counts	1,144	1,149
In Pay Members		
Service Retirees	6,620	6,547
Beneficiaries	1,222	1,226
Disabled Retirees	223	213
Terminated Members with Refunds Due	3,013	-
Total	11,078	7,986
Total Members	20,988	17,542

b) Plan Benefits

Benefits are calculated on the basis of a given rate, final average compensation and service credit.

Tier 1 Pension Benefits: Employees hired prior to July 1, 2013 are eligible for retirement benefits upon meeting one of the following age and service requirements:

- 1) Age 60 years with 10 or more years of credited service.
- 2) Age 62 years with 5 or more years of credited service.
- 3) Any age which added to years of credited service equals 80.

The pension benefit for Tier 1 employees is based on 2% of final average compensation multiplied by the first 32.5 years of service credit, 1% in excess of 32.5 years to 35.5 years, and 0.5% thereafter. Tier 2 and 3 Pension Benefits: Employees hired on or after July 1, 2013 for Tier 2 and January 1, 2016 for Tier 3 are eligible for retirement benefits upon meeting one of the following age and service requirements:

- 1) Age 60 years with 10 or more years of credited service.
- 2) Age 62 years with 5 or more years of credited service.
- 3) Any age which added to years of credited service equals 87.

The pension benefit for Tier 2 employees is based on 2.1% of final average compensation multiplied by years of service credit for those with less than 20 years, 2.15% for 20-24.9 years, 2.2% for 25-29.9 years and 2.3% thereafter.

The pension benefit for Tier 3 employees is based on 1.85% of final average compensation multiplied by years of service credit for those with less than 10 years, 1.9% for 10-19.9 years, 2% for 20-29.9 years and 2.1% thereafter.

A deferred pension is available at age 62 for terminated members with five or more years of service credit who leave their accumulated contributions in the Plan.

A member who becomes permanently disabled for the performance of duty is eligible for a disability benefit if the disability is 1) due to personal injury or disease and the member has ten or more years of service credit or 2) due to injuries sustained on the job, regardless of service credit.

Dependents of deceased members may qualify for survivor benefits if the deceased member had ten or more years of service credit or if the member's death was in the line of duty with the City and compensable under the Workman's Compensation Act of the State of Arizona. Chapter XXIV, Section 25 of the City Charter, specifies the conditions for eligibility of survivor benefits.

A supplemental post-retirement payment and permanent benefit increase (under the Pension Equalization Program) may be provided to Tier 1 and Tier 2 retirees if sufficient reserves are available at the end of the fiscal year. The reserve is funded if the five-year average investment return exceeds 8%.

c) Contributions and Funding Policy

The City contributes an actuarially determined percentage of payroll to COPERS, as required by City Charter, to fully fund benefits for active members and to amortize any unfunded actuarial liability as a level percent of projected member payroll over a closed 15 year period. For the fiscal year ended June 30, 2024, the total contribution rate was 35.24% of compensation. Tier 1 employees contributed 5% of compensation, and beginning January 1, 2016, Tier 2 and Tier 3 employees contributed 11.0% and the City contributed the remainder, which was \$210.7 million for the fiscal year ending June 30, 2024.

d) **Net Pension Liability**

The City's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the same date. The schedule below indicates changes in net pension liability:

Change in Net Pension Liability

(in thousands)

	Total Pension Liability (TPL)	Plan Fiduciary Net Position	Net Pension Liability (NPL)
	(a)	(b)	(a)-(b)
Balances at 6/30/2023	\$ 4,884,162	\$ 3,384,095	\$ 1,500,067
Changes for the year:			
Service cost	89,016	-	89,016
Interest on the total pension liability	335,308	-	335,308
Difference between expected and actual experience of the total pension liability	119,160	-	119,160
Benefit payments, including refunds of employee contributions	(280,352)	(280,352)	-
Contributions - employer	-	210,701	(210,701)
Contributions - employee	-	57,067	(57,067)
Net investment income	-	249,173	(249,173)
Pension plan administrative expense	-	(4,870)	4,870
Net changes	263,132	231,719	31,413
Balances at June 30, 2024	\$ 5,147,294	\$ 3,615,814	\$ 1,531,480

COPERS is reflected as a pension trust fund of the City. Detailed information about the plan's fiduciary net position is available in the separately issued COPERS Annual Comprehensive Financial Report available online at www.phoenix.gov/copers.

e) **Actuarial Assumptions**

Actuarial assumptions used to determine the total pension liability in the June 30, 2024 valuation were based on the results of the actuarial experience study covering the period from July 1, 2014 through June 30, 2019. Those assumptions, applied to all periods included in the measurement, are as follows:

Investment Rate of Return	7.00%
Inflation	2.30%
Salary increase rate	2.80% plus merit component based on service ranging from 4.20% at 1 year of service to 0.00% for members with 15 or more years of service.
COLA (cost of living adjustments)	0.50% through 2024, 1.00% from 2025-2029 and then 1.25%, thereafter.
Administrative expenses	Assumed to be equal to the prior year's amount, increased by 2.50%.

Mortality rates were based on Pub-2010, Amount-Weighted, General mortality tables with adjustments, projected with MP-2019 Ultimate Scale.

Based on the assumption that employee and City contributions to COPERS will continue to follow the established contribution policy and the sufficiency of the Fiduciary Net Position, the long-term expected rate of return on COPERS investments, 7%, was applied as the single rate to all periods of projected benefit payments to determine the total pension liability.

A Single Discount Rate of 7.00% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 7%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	FY 2024	FY 2024	10-Year
	Target	Actual	Expected Real
	Allocation	Allocation	Return
U.S. Equity	16.0%	23.0%	8.1%
Developed Market Equity (Non-U.S.)	9.0%	9.0%	9.0%
Emerging Market Equity	8.0%	8.0%	9.5%
Private Equity	9.0%	8.0%	12.3%
TIPS	6.0%	4.0%	4.5%
Private Debt	10.0%	-%	10.1%
High Yield Bonds	5.0%	5.0%	7.0%
Bank Loans	3.0%	3.0%	6.9%
Emerging Market Bonds	3.0%	2.0%	7.3%
Infrastructure	4.0%	3.0%	7.3%
Natural Resources	4.0%	2.0%	9.6%
Hedge Funds	-%	2.0%	-%
Real Estate	12.0%	13.0%	7.4%
Risk Mitigating Strategies	5.0%	4.0%	3.0%
Short Duration Bonds	6.0%	10.0%	3.8%
Cash	-%	4.0%	2.4%

f) **Sensitivity of Net Pension Liability to the Single Discount Rate Assumption**

The table below presents the net pension liability of the City calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using the discount rate that is 1.0% lower (6.00%) or 1.0% higher (8.00%) than the current rate at June 30, 2024:

Sensitivity of Net Pension Liability to the Single Discount

Rate Assumption

(in thousands)

	1.0% Decrease (6.00%)	Current Single Discount Rate Assumption (7.00%)	1.0% Increase (8.00%)
Net Pension Liability	\$ 2,151,429	\$ 1,531,480	\$ 1,014,348

g) **Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2024, the City recognized pension expense of \$179.3 million. At June 30, 2024 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Schedule of Deferred Inflows and Outflows of Resources

(in thousands)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 133,660	\$ 871
Net difference between projected and actual earnings on pension plan investments	95,421	-
Total	\$ 229,081	\$ 871

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows (in thousands):

Measurement year ended June 30:

2025	\$ 42,609
2026	127,598
2027	36,875
2028	21,128
Thereafter	-
Total	\$ 228,210

Public Safety Personnel Retirement System
a) Plan Description

The Public Safety Personnel Retirement System (“PSPRS”) administers an agent multiple-employer defined benefit retirement system established by Title 38, Chapter 5, Article 4 of the Arizona Revised Statutes that provides retirement benefits, as well as death and disability benefits to public safety employees of certain state and local governments. Authority to make amendments to the plan rests with the Arizona State Legislature. The PSPRS acts as a common investment and administrative agent that is jointly administered by a Board of Trustees and participating local boards.

The City’s PSPRS membership data is as follows:

	June 30, 2023	
	Police	Fire
Retirees and Beneficiaries	2,961	1,292
Inactive, Non-Retired Members	945	279
Active Members	2,210	1,483
Total	6,116	3,054
 Covered Valuation Payroll (in thousands)	 \$ 259,384	 \$ 164,128

b) Plan Benefits

For employees who became a member of the PSPRS on or before December 31, 2011, retirement benefits will commence the first day of month following termination of employment and based upon the following:

Age	Service	Calculation
62	15 years	Average monthly benefit compensation x 50% for the first 20 years of credited service. The benefit is reduced by 4% for each year of credited service under 20 years. A.R.S. §§38-842(7 and 32) and 38-845(A)(1).
Not required	20 years of credited service	Average monthly benefit compensation x 50% for the first 20 years of credited service. A.R.S. §§38-842(7) and 38-845(A).
Not required	20 years of service with less than 20 years of credited service	Average monthly benefit compensation x 50% for the first 20 years of credited service. The benefit is reduced by 4% for each year of credited service under 20 years. A.R.S. §§38-842(7 and 32) and 38-845(A)(1).
Not required	20 to 24.99 years of credited service	Average monthly benefit compensation x 50% for the first 20 years of credited service plus 2% of the average monthly benefit compensation for each year of credited service between 20 and 24.99. A.R.S. §§38-842(7) and 38-845(A)(2).
Not required	25 or more years of credited service	Average monthly benefit compensation x 50% for the first 20 years of credited service plus 2.5% of the average monthly benefit compensation for each year of credited service above 20 years up to a maximum of 80% of the average monthly benefit compensation. A.R.S. §§38-842(7) and 38-845(A)(2).

For employees who became a member of the PSPRS on or after January 1, 2012 through June 30, 2017, retirement benefits will commence the first day of month following termination of employment and based upon the following:

Age	Service	Calculation
52.5	15 years of service	Effective August 9, 2017 pursuant to Senate Bill 1115: Average monthly benefit compensation x credited service x multiplier (below). A.R.S. §§38-842(7 and 32) and 38-845(G).
52.5	25 or more years of service	Average monthly benefit compensation x 62.5% for the first 25 years of credited service plus 2.5% of the average monthly benefit compensation for each year over 25 years of credited service years up to a maximum of 80% of the average monthly benefit compensation. The benefit is reduced by 4% for each year of credited service under 25 years with a pro-rata reduction for any fractional years. A.R.S. §§38-842(7 and 32) and 38-845(G).

Credited Service	Multiplier
15 to 16.99	1.50%
17 to 18.99	1.75%
19 to 21.99	2.00%
22 to 24.99	2.25%
25 or more	2.50%

Permanent benefit increases, as well as death and disability benefits are available in accordance with the Arizona Revised Statutes that govern the System. Inactive members that have at least 10 years of credited service may elect to receive a Deferred Annuity at the age of 62. This lifetime annuity, which is not a retirement benefit, is actuarially equivalent to the member's accumulated contributions in the System plus an equal amount paid by the employer. The Deferred Annuity option is only available to inactive employees who became PSPRS members on or before December 31, 2011.

c) **Contributions and Funding Policy**

The System, for both police and fire personnel, is funded via member contributions of 7.65% of compensation for employees whose membership date began before January 1, 2012. Employees whose membership date was on or after January 1, 2012 have the option of participating in the hybrid plan for non-social security positions with contributions of 10.65%, of which 3% goes toward a defined contribution plan and is matched by the employer. Employees whose membership date was on or after July 1, 2017 have the option of participating in the hybrid plan for non-social security positions with contributions of 12.65%, of which 3% goes toward a defined contribution plan and is matched by the employer. Employer rates are set by an actuarial valuation and expressed as a percent of compensation. For fiscal year ended June 30, 2024, the required employer contribution rates were as follows:

	Police	Fire
Tier 1	81.45%	67.70%
Tier 2	81.45%	67.70%
Tier 3	9.65%	9.98%
Tier 3 Legacy	67.43%	50.91%

However, for fiscal year ended June 30, 2024, the City chose to contribute \$260.1 million and \$136.0 million for Police and Fire, respectively and were based on the following contribution rates:

	Police	Fire
Tier 1	90.88%	74.74%
Tier 2	90.88%	74.74%
Tier 3	9.65%	9.98%
Tier 3 Legacy	76.86%	57.95%

d) **Net Pension Liability**

The City's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the same date. The schedule below indicates changes in net pension liability as of the actuary report dated June 30, 2023 (in thousands):

Change in Net Pension Liability

	POLICE			FIRE		
	Total Pension Liability (TPL) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (NPL) (a)-(b)	Total Pension Liability (TPL) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (NPL) (a)-(b)
Balances at June 30, 2023	<u>\$ 3,998,129</u>	<u>\$ 1,652,104</u>	<u>\$ 2,346,025</u>	<u>\$ 2,173,382</u>	<u>\$ 956,467</u>	<u>\$ 1,216,915</u>
Changes for the Year:						
Service cost	50,051	-	50,051	38,641	-	38,641
Interest on the total pension liability	283,256	-	283,256	154,988	-	154,988
Differences between expected and actual experience	212,929	-	212,929	61,321	-	61,321
Changes of Assumptions	-	-	-	-	-	-
Contributions - employer	-	236,868	(236,868)	-	125,294	(125,294)
Contributions - employee	-	24,586	(24,586)	-	15,086	(15,086)
Net investment income	-	129,063	(129,063)	-	75,271	(75,271)
Benefit payments, including refunds of employee contributions	(228,135)	(228,135)	-	(118,825)	(118,825)	-
Administrative expense	-	(1,012)	1,012	-	(514)	514
Other	-	6	(6)	-	(47)	47
Net changes	<u>318,101</u>	<u>161,376</u>	<u>156,725</u>	<u>136,125</u>	<u>96,265</u>	<u>39,860</u>
Balances at June 30, 2024	<u>\$ 4,316,230</u>	<u>\$ 1,813,480</u>	<u>\$ 2,502,750</u>	<u>\$ 2,309,507</u>	<u>\$ 1,052,732</u>	<u>\$ 1,256,775</u>

The Required Supplementary Information section includes the assumptions for the PSPRS pension. Detailed information about the pension plan's fiduciary net position is available in the separately issued Public Safety Personnel Retirement System Annual Comprehensive Financial Report available online at www.psprs.com.

e) **Actuarial Assumptions**

The actuarial assumptions used to determine the total pension liability in the June 30, 2023 actuarial valuation are as follows:

Methods and Assumptions Used to Determine Total Pension Liability:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value of Assets
Price Inflation	2.50%
Salary Increases	3.25% to 15.00% including inflation
Tiers 1 & 2 Investment Rate of Return	7.20%, net of investment and administrative expenses
Tier 3 Investment Rate of Return	7.00%, net of investment and administrative expenses
Tier 3 Compensation Limit	\$115,868 for 2023. Assumed increases of 2.00% per year.
Retirement Rates	Rates based on a 2023 experience study using actual plan experience.
Mortality Rates	All rates were updated to reflect the PubS-2010 tables. The mortality assumptions sufficiently accommodate future mortality improvements.

Other Information:

Assumed Future Permanent Benefit Increases	The cost-of-living adjustment will be based on the average annual percentage change in the Metropolitan Phoenix-Mesa Consumer Price Index published by the United States Department of Labor, Bureau of Statistics. Assumed that the cost-of-living adjustment will be 1.85% for this valuation.
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The Discount Rate used to measure the Total Pension Liability was 7.20% for Tiers 1 and 2 benefits and 7.00% for Tier 3 benefits. The projection of cash flows used to determine the Discount Rate assumed that plan member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the 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 Pension Plan investments (7.20% for Tiers 1 and 2 benefits and 7.00% for Tier 3 benefits) was applied to all periods of projected benefit payments to determine the Total Pension Liability.

The Long-Term Expected Rate of Return on Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Pension Plan's target asset allocation adopted as of June 30, 2023, as provided by PSPRS, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Public Equity	24.00%	3.98%
International Public Equity	16.00%	4.49%
Global Private Equity	20.00%	7.28%
Other Assets (Capital Appreciation)	7.00%	4.49%
Core Bonds	6.00%	1.90%
Private Credit	20.00%	6.19%
Diversifying Strategies	5.00%	3.68%
Cash - Mellon	2.00%	0.69%
Total	100.00%	

Note - Assumed inflation rate (as provided by PSPRS): 2.70%

f) Sensitivity of the Net Position Liability to Changes in the Discount Rate

The table below presents the net pension liability of both Police and Fire calculated using the discount rate of 7.20% for Tier 1/2 members and 7.00% for Tier 3 members, as well as what the net pension liability would be if it were calculated using the discount rate that is 1.0% lower or 1.0% higher (in thousands):

POLICE			
	1% Decrease (6.20%/6.00%)	Current Discount Rate (7.20%/7.00%)	1% Increase (8.20%/8.00%)
Net Pension Liability	\$ 3,061,691	\$ 2,502,751	\$ 2,044,815

FIRE			
	1% Decrease (6.20%/6.00%)	Current Single Discount Rate (7.20%/7.00%)	1% Increase (8.20%/8.00%)
Net Pension Liability	\$ 1,553,834	\$ 1,256,775	\$ 1,012,048

g) Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, pension expense of \$289.7 million and \$148.4 million were recognized for Police and Fire, respectively. At June 30, 2024, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources were reported (in thousands):

	POLICE		FIRE	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 218,632	\$ -	\$ 95,095	\$ 2,161
Changes in assumptions	26,589	-	25,670	-
Net difference between projected and actual earnings on pension plan investments	14,570	-	8,859	-
Contributions made subsequent to the measurement date	260,075	-	135,973	-
Total	\$ 519,866	\$ -	\$ 265,597	\$ 2,161

Contributions made subsequent to the measurement date are reported as deferred outflows of resources in the Governmental Activities of the Government-Wide Statement of Net Position (Exhibit A-1) and will decrease net pension liability in fiscal year 2025. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows (in thousands):

POLICE		FIRE	
Year Ending June 30	Net Deferred Outflows of Resources	Year Ending June 30	Net Deferred Outflows of Resources
2025	\$ 79,034	2025	\$ 27,603
2026	44,386	2026	18,078
2027	95,575	2027	46,108
2028	40,796	2028	13,048
2029	-	2029	13,866
Thereafter	-	Thereafter	8,760
Total	\$ 259,791	Total	\$ 127,463

Elected Officials' Retirement Plan

The Elected Officials' Retirement Plan (EORP) administers a cost-sharing, multiple-employer defined benefit pension plan that provides retirement, death and disability benefits. The EORP was established by Title 38, Chapter 5, Article 3 of the Arizona Revised Statutes and is administered by the Board of Trustees of PSPRS. At June 30, 2024, the City had 8 covered officials participating in the plan. Covered payroll for the year then ended was \$468 thousand (of \$750.2 million general City covered payroll). Net pension liability for EORP was \$2.4 million as of June 30, 2024 and is reported in the Governmental Activities of the Government-Wide Statement of Net Position (Exhibit A-1). No additional disclosures regarding EORP are provided due to the immateriality to the City's finances as a whole. EORP financial statements are available online at www.psprs.com.

21. Other Postemployment Benefits (OPEB)

The City provides certain postemployment health care benefits for its retirees. Retirees meeting certain qualifications are eligible to participate in the City's health insurance program along with the City's active employees. As of August 1, 2007, separate rates have been established for active and retiree health insurance.

A summary of OPEB related items as of and for the year ended June 30, 2024, is presented below (in thousands).

Plan	Net OPEB Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense (Income)
LTD				
Governmental Activities	\$ (24,132)	\$ 1,178	\$ 5,412	\$ 2,163
Business-Type Activities	(5,221)	255	1,171	475
MERP				
Governmental Activities	97,363	295	-	10,487
Business-Type Activities	27,259	82	-	2,958
PSPRS - Police	(25,994)	1,284	2,926	(1,553)
PSPRS - Fire	(17,049)	902	2,373	(783)
EORP	(111)	4	-	-
Total	\$ 52,115	\$ 4,000	\$ 11,882	\$ 13,747

Long-Term Disability Program
a) Plan Description

The City established the City of Phoenix Long-Term Disability Trust to fund all or a portion of the City's liabilities incurred in providing the benefits as reflected in Administrative Regulation 2.323 City of Phoenix Long-Term Disability Program. The LTD Trust is a single-employer, defined benefit plan. A five-member Board of Trustees has been delegated fiduciary responsibility for the LTD Trust, subject to oversight by the City Council. The LTD Trust issues a separate report that can be obtained through the City of Phoenix, Finance Department, Financial Accounting and Reporting Division, 251 W. Washington Street, 9th Floor, Phoenix, Arizona, 85003.

b) Plan Benefits

Long-term disability (LTD) benefits are available to regular, full-time, benefit-eligible employees who have been employed by the City for at least 12 consecutive months. The program provides income protection of 2/3 of an employee's monthly base salary following a continuous three-month waiting period from the last day worked and the use of all leave accruals. The benefit continues to age 80 for those disabled prior to July 1, 2013 and age 75 for those disabled on or after July 1, 2013. Contributions to the LTD Trust by the City, plus earnings thereon, are the sole source of funding for the LTD program. The City pays 100% of the cost of this benefit.

The number of participants as of June 30, 2023, the effective date of the biennial OPEB valuation, follows:

	Police	Fire	General City	Total
Current Active Employees	2,666	1,748	8,468	12,882
Currently Disabled Employees	15	12	287	314
Total Covered Participants	2,681	1,760	8,755	13,196

c) Contributions

Contributions by the City (plus earnings thereon) are the sole source of funding for the LTD program. The City's Board of Trustees, subject to oversight by the City Council has the authority to establish and amend the contribution requirements of the City and active employees. The Board of Trustees establishes the rates based on an actuarially determined rate recommended by an independent actuary. The actuarial 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. For the year ended June 30, 2024, the City elected to contribute \$1.7 million to the LTD program, even though it is fully funded.

d) Net OPEB Liability/(Asset)

The City's net OPEB liability/(asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of June 30, 2023. The net OPEB liability/(asset) is measured as the total OPEB liability, less the amount of the plan's fiduciary net position. In actuarial terms, this is analogous to the accrued liability less the fair value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations based on the Board's adopted assumptions and methods).

A single discount rate of 6.50% was used to measure the total OPEB liability as of June 30, 2024. This single discount rate was based on an expected rate of return on OPEB plan investments of 6.50%. Based on the stated assumptions and the projection of cash flows, the OPEB plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The schedule below indicates changes in net OPEB liability/(asset):

Change in Net OPEB Liability/(Asset)

(in thousands)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a)-(b)
Balances at June 30, 2023	\$ 51,929	\$ 79,464	\$ (27,535)
Changes for the year:			
Service cost	4,524	-	4,524
Interest on the total OPEB liability	3,367	-	3,367
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(4,776)	(4,776)	-
Employer contributions	-	1,687	(1,687)
Employee contributions	-	-	-
OPEB plan net investment income	-	8,623	(8,623)
OPEB plan administrative expense	-	(590)	590
Other	-	(11)	11
Net change in plan fiduciary net position	3,115	4,933	(1,818)
Balances at June 30, 2024	\$ 55,044	\$ 84,397	\$ (29,353)

e) **Actuarial Assumptions**

The following table summarizes the more significant actuarial methods and assumptions used to calculate total OPEB liability.

Valuation date	6/30/23
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	6.50%
Projected payroll increases	Use Actual Salary Scale
Inflation	2.50%

Mortality rates are based on the sex-distinct employee and annuitant mortality tables described below, including adjustment factors applied to the published tables for each group. Half of active member deaths are assumed to be duty related.

The long-term expected rate of return on LTD investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information. The target allocation and best estimates of rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation
Domestic Equities	35.00%
International Equities	30.00%
Fixed Income	20.00%
Marketable Alternatives	10.00%
Real Estate	5.00%
Total	100.00%

f) **Sensitivity of the Net OPEB Liability/(Asset) to the Single Discount Rate Assumption**

Below is a table providing the sensitivity of the net OPEB liability/(asset) to changes in the discount rate as of June 30, 2024. In particular, the table presents the plan's net OPEB liability/(asset) if it were calculated using a Single Discount Rate that is one-percentage-point lower or one-percentage-point higher than the current Single Discount Rate:

Sensitivity of Net OPEB Liability/(Asset) to the Single

Discount Rate Assumption

(in thousands)

	1% Decrease (5.50%)	Current Single Discount Rate Assumption (6.50%)	1% Increase (7.50%)
Net OPEB Liability (Asset):	\$ (25,721)	\$ (29,353)	\$ (32,625)

g) **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the City recognized a OPEB expense of approximately \$2.6 million. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Schedule of Deferred Inflows and Outflows of Resources

(in thousands)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 183	\$ 2,745
Assumption changes	874	3,838
Net difference between projected and actual earnings on OPEB plan investments	376	-
Total	\$ 1,433	\$ 6,583

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows (in thousands):

Measurement year ended June 30:		
2025	\$	(1,778)
2026		1,528
2027		(2,339)
2028		(1,942)
2029		(380)
Thereafter		(239)
Total	\$	<u>(5,150)</u>

Medical Expense Reimbursement Plan

a) **Plan Description**

Employees eligible to retire in 15 years or less from August 1, 2007, will receive a monthly subsidy from the City's Medical Expense Reimbursement Plan (MERP) when they retire. The MERP is a single-employer, defined other post employment benefit plan.

The purpose of the monthly subsidy is to reimburse retirees for qualified medical expenses. The subsidy varies with length of service or bargaining unit, from \$117 to \$202 per month. Retirees may be eligible for additional subsidies depending on their bargaining unit, retirement date, or enrollment in the City's medical insurance program. Current and future eligible retirees who purchase health insurance through the City's plan will receive an additional subsidy to minimize the impact of unblending health insurance rates for active and retired employees.

The City established the City of Phoenix MERP Trust to fund all or a portion of the City's share of liabilities incurred in providing the benefits as reflected in Administrative Regulation 2.42 - Medical Expense Reimbursement Plan for Retirees and Eligible Surviving Spouses or Qualified Domestic Partners. A five member Board of Trustees has been delegated fiduciary responsibility for the MERP Trust, subject to oversight of the City Council. The City of Phoenix MERP Trust does not issue stand-alone audited financial statements.

b) **Plan Benefits**

The MERP benefit provides an offset to out of pocket healthcare expenses such as premiums, deductibles and co-pays, whether the retiree or survivor elects to purchase coverage through city sponsored retiree plans or other sources. City sponsored health plans are provided to eligible non-Medicare retirees and dependents. There are currently four plans to choose from: United Healthcare (UHC) - Retiree Choice HSA, UHC - Retiree Choice PPO, UHC - Retiree HMO and UHC - Retiree HDHP. The City also sponsors a retiree exchange through UHC to offer individual health plan coverage to Medicare retirees and dependents.

The employees covered by MERP at June 30, 2023, the effective date of the biennial OPEB valuation, are:

	<u>2023</u>
Plan Members Currently Receiving Benefits	10,148
Active Plan Members	1,832
Total Plan Members	<u>11,980</u>

c) Contributions

Contributions by the City (plus earnings thereon) are the sole source of funding for the MERP. The City's Board of Trustees, subject to oversight by the City Council has the authority to establish and amend the contribution requirements of the City and active employees. The Board of Trustees establishes the rates based on an actuarially determined rate recommended by an independent actuary. The actuarial 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. For the year ended June 30, 2024, the City contributed \$15.5 million. Employees are not required to contribute to the MERP.

d) Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023. The net OPEB liability is measured as the total OPEB liability, less the amount of the plan's fiduciary net position. In actuarial terms, this is analogous to the accrued liability less the fair value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations based on the Board's adopted assumptions and methods).

A single discount rate of 6.50% was used to measure the total OPEB liability as of June 30, 2024. This single discount rate was based on an expected rate of return on OPEB plan investments of 6.50%. Based on the stated assumptions and the projection of cash flows, the OPEB plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The schedule below indicates changes in net OPEB liability:

Change in Net OPEB Liability

(in thousands)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 6/30/2023	\$ 347,030	\$ 208,686	\$ 138,344
Changes for the year:			
Service cost	2,967	-	2,967
Interest on the total OPEB liability	21,769	-	21,769
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(27,209)	(27,209)	-
Employer contributions	-	15,541	(15,541)
Employee contributions	-	-	-
OPEB plan net investment income	-	23,582	(23,582)
OPEB plan administrative expense	-	(666)	666
Other	-	-	-
Net change in plan fiduciary net position	(2,473)	11,248	(13,721)
Balances at 6/30/2024	\$ 344,557	\$ 219,934	\$ 124,623

Plan Fiduciary Net Position as a percentage of Total OPEB Liability

63.83%

e) **Actuarial Assumptions**

The following table summarizes the more significant actuarial methods and assumptions used to calculate the total OPEB liability.

Valuation date	6/30/23
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	6.50%
Projected payroll increases	3.50%
Health Care Trend Rates	Rates starting at 7.00% in 2024 grading down to 4.25% in 2039

Mortality rates are based on the sex-distinct employee and annuitant mortality tables described below, including adjustment factors applied to the published tables for each group. 1% of pre-retirement deaths for general employees are assumed to be duty-related and 12% of pre-retirement deaths for safety employees are assumed to be duty-related.

The long-term expected rate of return on the MERP investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information. The target allocation and best estimates of rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation
Domestic Equities	35.00%
International Equities	30.00%
Fixed Income	20.00%
Marketable Alternatives	10.00%
Real Estate	5.00%
Total	100.00%

f) **Sensitivity of the Net OPEB Liability to the Single Discount Rate Assumption**

Below is a table providing the sensitivity of the net OPEB liability to changes in the discount rate as of June 30, 2024. In particular, the table presents the plan's net OPEB liability if it were calculated using a Single Discount Rate that is one-percentage-point lower or one-percentage-point higher than the current Single Discount Rate:

Sensitivity of Net OPEB Liability to the Single Discount

Rate Assumption

(in thousands)

	1% Decrease (5.50%)	Current Single Discount Rate Assumption (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ 157,209	\$ 124,623	\$ 96,789

g) **Sensitivity of the Net OPEB Liability to the Healthcare Cost Trend Rate Assumption**

Below is a table providing the sensitivity of the net OPEB liability to changes in the healthcare cost trend rate as of June 30, 2024. In particular, the table presents the plan's net OPEB liability if it were calculated using a Healthcare Cost Trend Rate that is one-percentage-point lower or one-percentage-point higher than the current Healthcare Cost Trend Rate:

Sensitivity of Net OPEB Liability to the Healthcare Cost

Trend Rate Assumption

(in thousands)

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Net OPEB Liability	\$ 124,414	\$ 124,623	\$ 124,868

h) **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the City recognized an OPEB expense of \$13.4 million. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Schedule of Deferred Inflows and Outflows of Resources

(in thousands)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ 377	\$ -
Total	\$ 377	\$ -

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows (in thousands):

Measurement year ended June 30:

2025	\$ (994)
2026	6,596
2027	(3,142)
2028	(2,083)
Total	\$ 377

i) **MERP Statements as of June 30, 2024**

Statement of Fiduciary Net Position

(in thousands)

	MERP
ASSETS	
Cash and Cash Equivalents	\$ 722
Invesments	
Fixed Income	43,920
Domestic Equities	102,650
International Equities	39,430
Real Return	22,059
Real Estate	11,153
Total Investments	<u>219,212</u>
Total Assets	<u>219,934</u>
LIABILITIES	
Accounts Payable	<u>46</u>
NET POSITION*	
Restricted for Other Employee Benefits	<u>\$ 219,888</u>

Statement of Changes in Fiduciary Net Position

(in thousands)

	MERP
ADDITIONS	
Contributions	
City of Phoenix	\$ 15,541
Investment Income	
Net Increase in Fair Value of Investments	17,329
Interest	6,252
Total Additions	<u>39,122</u>
DEDUCTIONS	
Benefit Payments	27,209
Other	665
Total Deductions	<u>27,874</u>
CHANGE IN FIDUCIARY NET POSITION	11,248
NET POSITION*	
Net Position, Beginning	208,640
Net Position, Ending	<u>\$ 219,888</u>

*Ending Net Position will not agree to the actuary report due to the timing of immaterial accrued expenditures.

PSPRS - OPEB
a) Plan Description

The PSPRS administers an agent multiple-employer defined benefit retirement system established by Title 38, Chapter 5, Article 4 of the Arizona Revised Statutes that provides retirement benefits, as well as death and disability benefits to public safety employees of certain state and local governments. Authority to make amendments to the plan rests with the Arizona State Legislature. The PSPRS acts as a common investment and administrative agent that is jointly administered by a Board of Trustees and participating local boards.

The City's PSPRS membership data is as follows:

	June 30, 2023	
	Police	Fire
Retirees and Beneficiaries	2,961	1,292
Inactive, Non-Retired Members	399	234
Active Members	2,210	1,483
Total	5,570	3,009

b) Plan Benefits

A post-retirement health insurance subsidy is payable on behalf of retired members and survivors who elect coverage provided by the state or participating employer. The monthly amounts cannot exceed:

Member Only		With Dependents		
Not Medicare Eligible	Medicare Eligible	All Not Medicare Eligible	All Medicare Eligible	One with Medicare
\$ 150	\$ 100	\$ 260	\$ 170	\$ 215

c) Contributions

The System has the authority to establish and amend the contribution requirements of the City and active employees. The System establishes rates based on an actuarially determined rate recommended by an independent actuary. 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 an unfunded accrued liability. For the year ended June 30, 2024, there were no required employer contributions due to the System being in a net asset position. Employees are not required to contribute to the OPEB Plan.

d) **Net OPEB Liability/(Asset)**

The City's net OPEB liability/(asset) was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of June 30, 2023. The schedule below indicates changes in net OPEB liability/(asset) as of the actuary report dated June 30, 2024 (in thousands):

Change in Net OPEB Liability/(Asset)

	POLICE			FIRE		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a)-(b)	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a)-(b)
Balances at 6/30/2023	\$ 49,239	\$ 72,041	\$ (22,802)	\$ 26,837	\$ 40,862	\$ (14,025)
Changes for the Year:						
Service cost	878	-	878	567	-	567
Interest on the total OPEB liability	3,471	-	3,471	1,904	-	1,904
Differences between expected and actual experience of the total OPEB liability	(1,943)	-	(1,943)	(2,349)	-	(2,349)
Changes of assumptions	-	-	-	-	-	-
Contributions - employer	-	119	(119)	-	47	(47)
Contributions - employee	-	119	(119)	-	47	(47)
Net investment income (loss)	-	5,406	(5,406)	-	3,074	(3,074)
Benefit payments, including refunds of employee contributions	(3,826)	(3,826)	-	(1,924)	(1,924)	-
OPEB plan administrative expense	-	(45)	45	-	(22)	22
Net changes	(1,420)	1,773	(3,193)	(1,802)	1,222	(3,024)
Balances at 6/30/2024	\$ 47,819	\$ 73,814	\$ (25,995)	\$ 25,035	\$ 42,084	\$ (17,049)

e) Actuarial Assumptions

The following table summarizes the more significant actuarial methods and assumptions used to calculate the the total OPEB liability/(asset).

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value of Assets
Price Inflation	2.50%
Salary Increases	3.25% to 15.0% including inflation
Tiers 1 & 2 Investment Rate of Return	7.20%, net of investment and administrative expenses
Tier 3 Investment Rate of Return	7.00%, net of investment and administrative expenses
Retirement Age	Rates based on a 2022 experience study using actual plan experience.
Mortality	All rates were updated to reflect the PubS-2010 tables. The mortality assumptions sufficiently accommodate future mortality improvements.
Health Care Trend Rates:	Not applied in the valuation due to the nature of the benefit provided.
Other Information:	
Notes	There were no benefit changes during the year. The latest experience study was conducted as of June 30, 2022.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the OPEB plan's target asset allocation as of June 30, 2023, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Cash - Mellon	2.00%	0.69%
Core Bonds	6.00%	1.90%
Other Assets (Capital Appreciation)	7.00%	4.49%
Diversifying Strategies	5.00%	3.68%
Private Credit	20.00%	6.19%
Global Private Equity	20.00%	7.28%
International Public Equity	16.00%	4.49%
U.S. Public Equity	24.00%	3.98%
Total	100.00%	

* Based on inflation assumption of 2.70%

The Discount Rate used to measure the Total OPEB Liability was 7.20% for Tiers 1 and 2 benefits and 7.00% for Tier 3 benefits.

The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Fiduciary Net Position for Phoenix Police & Fire Departments were projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on OPEB Plan investments (7.20% for Tiers 1 and 2 benefits and 7.00% for Tier 3 benefits) was applied to all periods of projected benefit payments to determine the Total OPEB Liability.

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 7.20% for Tiers 1 and 2 benefits and 7.00% for Tier 3 benefits. The municipal bond rate is 4.13% (based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index). The resulting single discount rate is 7.20% for Tiers 1 and 2 benefits and 7.00% for Tier 3 benefits.

f) **Sensitivity of the Net OPEB Liability/(Asset) to the Single Discount Rate Assumption**

The table below presents the net OPEB liability/(asset) of both Police and Fire calculated using the discount rate of 7.20% for Tier 1 and 2 and 7.00% for Tier 3, as well as what the net OPEB liability/(asset) would be if it were calculated using the discount rate that is 1.0% lower or 1.0% higher than the current rate (in thousands):

POLICE			
	1% Decrease (6.20%/6.00%)	Current Discount Rate (7.20%/7.00%)	1% Increase (8.20%/8.00%)
Net Pension Liability	\$ (20,910)	\$ (25,995)	\$ (30,293)
FIRE			
	1% Decrease (6.20%/6.00%)	Current Single Discount Rate (7.20%/7.00%)	1% Increase (8.20%/8.00%)
Net Pension Liability	\$ (14,390)	\$ (17,049)	\$ (19,306)

g) **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the City recognized a credit to OPEB expense of \$1.6 million for Police and \$783 thousand for Fire. At June 30, 2024 the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	POLICE		FIRE	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,926	\$ 294	\$ 2,373
Changes in assumptions	620	-	250	-
Net difference between projected and actual earnings on OPEB plan investments	545	-	311	-
Contributions made subsequent to the measurement date	119	-	47	-
Total	\$ 1,284	\$ 2,926	\$ 902	\$ 2,373

Amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows (in thousands):

Year Ending June 30	POLICE		Year Ending June 30	FIRE	
		Net Deferred Outflows and Inflows of Resources			Net Deferred Outflows and Inflows of Resources
2024	\$	(1,027)	2024	\$	(359)
2025		(1,664)	2025		(801)
2026		1,388	2026		559
2027		(458)	2027		(315)
2028		-	2028		(268)
Thereafter		-	Thereafter		(336)
Total	\$	(1,761)	Total	\$	(1,520)

Elected Officials' Retirement Plan - OPEB

EORP administers a cost-sharing, multiple-employer defined benefit pension plan that provides retirement, death and disability benefits. The EORP was established by Title 38, Chapter 5, Article 3 of the Arizona Revised Statutes and is administered by the Board of Trustees of PSPRS. Certain retirees are eligible to receive an insurance subsidy. At June 30, 2024, the City had 8 covered officials participating in the plan. Net OPEB asset for EORP was \$111 thousand as of June 30, 2024 and is reported in the Governmental Activities of the Government-Wide Statement of Net Position (Exhibit A-1). No additional disclosures regarding EORP are provided due to the immateriality to the City's finances as a whole. EORP financial statements are available online at www.psprs.com.

Post Employment Health Plan

Employees eligible to retire in more than 15 years from August 1, 2007 who have payroll deductions for City medical insurance coverage are entitled to a \$150 monthly contribution to the employee's Post Employment Health Plan (PEHP) account in lieu of MERP subsidies. PEHP is a single-employer defined contribution plan administered by Nationwide Retirement Solutions. Funds accumulated in the employee's account can be used upon termination of employment for qualified medical expenses.

22. Subsequent Events**Debt Issuances**

On June 26, 2024, the City of Phoenix Civic Improvement Corporation issued \$180.0 million of Subordinated Excise Tax Revenue Bonds, Series 2024. The bonds were issued at an all-in true interest cost of 3.77% and were dated and delivered July 17, 2024.

On July 16, 2024, the City issued \$127.8 million of Various Purpose General Obligation Bonds, Tax-Exempt Series 2024A and \$105.2 million of Various Purpose General Obligation Bonds, Taxable Series 2024B. The bonds were issued at an all-in true interest cost of 3.61% and 4.67%, respectively, and were dated and delivered August 7, 2024.

Bond Rating

On August 28, 2024, in conjunction with an update to the US Cities and Counties Methodology, Moody's announced an upgrade to its financial strength rating on the State Distribution Revenue Bonds to "Aa1" from "Aa2." The credit has a stable outlook.



City of Phoenix



Financial Section
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**REQUIRED
SUPPLEMENTARY
INFORMATION**



City of Phoenix



City of Phoenix

COPERS
Schedule of Changes in Net Pension Liability and Related Ratios
 (in thousands)

	2024	2023	2022	2021
Total Pension Liability				
Service cost	\$ 89,016	\$ 81,561	\$ 79,869	\$ 78,643
Interest on the total pension liability	335,308	324,026	311,636	303,102
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience of the total pension liability	119,160	28,788	52,647	(4,347)
Changes of assumptions	-	-	-	-
Benefit payments, including refunds of employee contributions	(280,352)	(273,504)	(262,660)	(249,713)
Net change in total pension liability	\$ 263,132	\$ 160,871	\$ 181,492	\$ 127,685
Total pension liability - beginning	4,884,162	4,723,291	4,541,799	4,414,114
Total pension liability - ending	<u>\$ 5,147,294</u>	<u>\$ 4,884,162</u>	<u>\$ 4,723,291</u>	<u>\$ 4,541,799</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 210,701	\$ 193,136	\$ 178,319	\$ 357,382
Contributions - employee	57,067	47,749	53,350	40,561
Net investment income (loss)	249,173	175,400	(161,785)	610,554
Benefit payments, including refunds of employee contributions	(280,352)	(273,504)	(262,660)	(249,713)
Pension plan administrative expense	(4,870)	(1,373)	(2,564)	(1,930)
Net change in plan fiduciary net position	\$ 231,719	\$ 141,408	\$ (195,340)	\$ 756,854
Plan fiduciary net position - beginning	3,384,095	3,242,687	3,438,027	2,681,173
Plan fiduciary net position - ending	<u>\$ 3,615,814</u>	<u>\$ 3,384,095</u>	<u>\$ 3,242,687</u>	<u>\$ 3,438,027</u>
Net pension liability	<u>\$ 1,531,480</u>	<u>\$ 1,500,067</u>	<u>\$ 1,480,604</u>	<u>\$ 1,103,772</u>
Plan fiduciary net position as a percentage of the total pension liability				
	70.25%	69.29%	68.65%	75.70%
Covered payroll	\$ 750,171	\$ 653,263	\$ 595,304	\$ 580,451
Net pension liability as a percentage of covered payroll	204.15%	229.63%	248.71%	190.16%

Note - The Single Discount Rate was reduced from 7.25% to 7.00% in the fiscal year 2019-20.

2020	2019	2018	2017	2016	2015
\$ 81,119	\$ 73,255	\$ 73,072	\$ 72,876	\$ 80,757	\$ 75,310
313,397	300,543	293,883	293,258	293,206	266,355
-	-	-	-	(3,229)	-
(77,698)	39,370	(42,785)	429	(76,891)	(31,009)
(62,386)	-	-	2,420	(69,420)	254,870
(242,143)	(237,389)	(227,576)	(223,668)	(216,193)	(204,402)
\$ 12,289	\$ 175,779	\$ 96,594	\$ 145,315	\$ 8,230	\$ 361,124
4,401,825	4,226,046	4,129,452	3,984,137	3,975,907	3,614,784
\$ 4,414,114	\$ 4,401,825	\$ 4,226,046	\$ 4,129,452	\$ 3,984,137	\$ 3,975,908
\$ 175,947	\$ 165,796	\$ 229,006	\$ 152,153	\$ 119,844	\$ 117,092
39,356	35,042	33,340	30,870	29,523	27,861
50,389	142,963	166,514	243,211	9,171	47,148
(242,143)	(237,389)	(227,576)	(223,668)	(216,409)	(204,403)
(2,509)	(793)	(377)	(380)	(234)	(415)
\$ 21,040	\$ 105,619	\$ 200,907	\$ 202,186	\$ (58,105)	\$ (12,717)
2,660,133	2,554,514	2,353,607	2,151,421	2,209,526	2,222,242
\$ 2,681,173	\$ 2,660,133	\$ 2,554,514	\$ 2,353,607	\$ 2,151,421	\$ 2,209,525
\$ 1,732,941	\$ 1,741,692	\$ 1,671,532	\$ 1,775,845	\$ 1,832,716	\$ 1,766,383
60.74%	60.43%	60.45%	57.00%	54.00%	55.57%
\$ 568,089	\$ 561,938	\$ 526,667	\$ 521,295	\$ 473,974	\$ 484,309
305.05%	309.94%	317.38%	340.66%	386.67%	364.72%

COPERS Schedule of Employer Contributions

(in thousands)

Fiscal Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2024	\$ 192,538	\$ 210,701	\$ (18,163)*	\$ 750,171	28.09%
2023	179,616	193,136	(13,520)*	653,263	29.56%
2022	167,843	178,319	(10,476)*	595,304	29.95%
2021	178,090	357,382	(179,292)*	580,451	61.57%
2020	175,947	175,947	-	568,089	30.97%
2019	165,796	165,796	-	561,938	29.50%
2018	159,006	229,006	(70,000)*	526,667	43.48%
2017	152,153	152,153	-	521,295	29.19%
2016	119,844	119,844	-	473,974	25.28%
2015	117,092	117,092	-	484,309	24.18%

*City made additional contributions in fiscal years 2018, 2021, 2022, 2023, and 2024.

NOTES TO THE SCHEDULE OF EMPLOYER CONTRIBUTIONS

Valuation date: June 30, 2022. Actuarially determined contribution rates are calculated based on the actuarial valuation one year prior to the beginning of the current measurement period. The rates for FYE June 30, 2024 were determined based on the June 30, 2022 valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	The UAL as of June 30, 2013 is amortized as a level percentage of payroll over a closed 25-year period. The impact of the September 2013 assumption changes is amortized over a closed 25-year period with a four-year phase-in. The impact of the August 2015 assumption changes is amortized over a closed 25-year period with a four-year phase-in. Future gains and losses are amortized over closed 20-year periods. However, future gains will not be amortized over a shorter period than the remaining period on the amortization of the 2013 UAL.
Asset valuation method	4-Year smoothed fair value; 25% corridor
Salary increases	2.80% plus merit component based on service ranging from 4.20% at 1 year of service to 0.00% for members with 15 or more years of service.
Investment rate of return	7.00%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2014 - 2019.
Mortality	Pub-2010, Amount-Weighted, General mortality tables with adjustments, projected with the MP-2019 Ultimate Scale
Cost-of-living adjustment	0.50% through 2024, 1.00% from 2025-2029, and then 1.25% thereafter.
Other:	None



City of Phoenix

PSPRS - Pension
Schedule of Changes in Net Pension Liability and Related Ratios for Reporting Date ended June 30
 (in thousands)

	Reporting Fiscal Year			
	Measurement Date			
	POLICE			
	2024 2023	2023 2022	2022 2021	2021 2020
Total Pension Liability				
Service Cost	\$ 50,051	\$ 51,950	\$ 51,687	\$ 51,069
Interest on the Total Pension Liability	283,256	274,353	265,180	251,285
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience of the Total Pension Liability	212,929	34,170	23,801	91,331
Changes of assumptions	-	44,315	-	-
Benefit payments, including refunds of employee contributions	(228,135)	(225,952)	(204,565)	(203,329)
Net change in total pension liability	\$ 318,101	\$ 178,836	\$ 136,103	\$ 190,356
Total pension liability - beginning	3,998,129	3,819,293	3,683,190	3,492,834
Total pension liability - ending	<u>\$ 4,316,230</u>	<u>\$ 3,998,129</u>	<u>\$ 3,819,293</u>	<u>\$ 3,683,190</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 236,868	\$ 183,098	\$ 172,800	\$ 167,099
Contributions - employee	24,586	25,362	23,096	22,896
Net investment income	129,063	(69,084)	379,441	17,437
Benefit payments, including refunds of employee contributions	(228,134)	(225,952)	(204,565)	(203,329)
Hall/Parker Settlement	-	-	-	-
Pension Plan Administrative Expense	(1,012)	(1,246)	(1,780)	(1,422)
Other**	5	52	4	(91)
Net change in Plan Fiduciary Net Position	\$ 161,376	\$ (87,770)	\$ 368,996	\$ 2,590
Plan Fiduciary Net Position - Beginning	1,652,104	1,739,874	1,370,878	1,368,288
Adjustment to Beginning of Year		-	-	-
Plan Fiduciary Net Position - Ending	<u>\$ 1,813,480</u>	<u>\$ 1,652,104</u>	<u>\$ 1,739,874</u>	<u>\$ 1,370,878</u>
Net Pension Liability	<u>\$ 2,502,750</u>	<u>\$ 2,346,025</u>	<u>\$ 2,079,419</u>	<u>\$ 2,312,312</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.02%	41.32%	45.55%	37.22%
Covered Payroll	\$ 259,384	\$ 222,342	\$ 229,875	\$ 233,472
Net Pension Liability as a Percentage of Covered Valuation Payroll	964.88%	1055.14%	904.59%	990.40%

* The Single Discount Rate was reduced from 7.40% to 7.30% for Tier 1 in the fiscal year 2019-20.

** Other changes include adjustments for prior year GASB 68 and reserve transfer to/from employer and employee reserves.

The information in this schedule has been determined as of the measurement date 6/30/23 of the City's net pension liability.

Reporting Fiscal Year Measurement Date					
POLICE					
2020* 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
\$ 52,681	\$ 49,601	\$ 58,148	\$ 47,232	\$ 47,490	\$ 50,173
241,526	231,824	217,244	199,120	195,645	170,560
-	-	22,618	171,696	-	38,647
21,415	(906)	1,601	3,644	(42,065)	(13,758)
58,976	-	107,195	100,323	-	211,118
(185,901)	(168,682)	(164,031)	(170,877)	(142,444)	(129,266)
\$ 188,697	\$ 111,837	\$ 242,775	\$ 351,138	\$ 58,626	\$ 327,474
3,304,137	3,192,300	2,949,525	2,598,387	2,539,761	2,212,287
\$ 3,492,834	\$ 3,304,137	\$ 3,192,300	\$ 2,949,525	\$ 2,598,387	\$ 2,539,761
\$ 149,442	\$ 124,618	\$ 113,645	\$ 92,298	\$ 80,311	\$ 78,428
18,525	22,728	31,289	31,061	28,941	27,931
71,707	89,411	139,676	7,019	43,559	146,354
(185,901)	(168,682)	(164,031)	(170,877)	(142,444)	(129,266)
-	(42,201)	-	-	-	-
(1,247)	(1,364)	(1,236)	(1,010)	(1,063)	-
88	(443)	652	411	(842)	(53,122)
\$ 52,614	\$ 24,067	\$ 119,995	\$ (41,098)	\$ 8,462	\$ 70,325
1,315,679	1,291,612	1,171,617	1,212,715	1,204,253	1,133,928
(5)	-	-	-	-	-
\$ 1,368,288	\$ 1,315,679	\$ 1,291,612	\$ 1,171,617	\$ 1,212,715	\$ 1,204,253
\$ 2,124,546	\$ 1,988,458	\$ 1,900,688	\$ 1,777,908	\$ 1,385,672	\$ 1,335,508
39.17%	39.82%	40.46%	39.72%	46.67%	47.42%
\$ 228,846	\$ 221,105	\$ 231,023	\$ 225,236	\$ 215,928	\$ 229,987
928.37%	899.33%	822.73%	789.35%	641.73%	580.69%

PSPRS - Pension
Schedule of Changes in Net Pension Liability and Related Ratios for Reporting Date ended June 30
 (in thousands)

	Reporting Fiscal Year			
	Measurement Date			
	FIRE			
	2024	2023	2022	2021
	2023	2022	2021	2020
Total Pension Liability				
Service Cost	\$ 38,641	\$ 35,322	\$ 32,998	\$ 31,668
Interest on the Total Pension Liability	154,988	149,188	143,726	134,204
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience of the Total Pension Liability	61,321	12,208	2,186	74,975
Changes of assumptions	-	23,529	-	-
Benefit payments, including refunds of employee contributions	(118,825)	(110,412)	(102,431)	(121,050)
Net change in total pension liability	136,125	109,835	76,479	119,797
Total pension liability - beginning	2,173,382	2,063,547	1,987,068	1,867,271
Total pension liability - ending	<u>\$ 2,309,507</u>	<u>\$ 2,173,382</u>	<u>\$ 2,063,547</u>	<u>\$ 1,987,068</u>
Plan Fiduciary Net Position				
Contributions - employer	\$ 125,294	\$ 107,767	\$ 106,126	\$ 90,148
Contributions - employee	15,087	14,300	13,566	12,598
Net investment income	75,270	(39,442)	212,684	9,715
Benefit payments, including refunds of employee contributions	(118,825)	(110,412)	(102,431)	(121,050)
Hall/Parker Settlement	-	-	-	-
Pension Plan Administrative Expense	(514)	(711)	(994)	(793)
Other**	(47)	2	12	12
Net change in Plan Fiduciary Net Position	\$ 96,265	\$ (28,496)	\$ 228,963	\$ (9,370)
Plan Fiduciary Net Position - Beginning	956,467	984,963	756,000	765,370
Adjustment to Beginning of Year	-	-	-	-
Plan Fiduciary Net Position - Ending	<u>\$ 1,052,732</u>	<u>\$ 956,467</u>	<u>\$ 984,963</u>	<u>\$ 756,000</u>
Net Pension Liability	<u>\$ 1,256,775</u>	<u>\$ 1,216,915</u>	<u>\$ 1,078,584</u>	<u>\$ 1,231,068</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	45.58%	44.01%	47.73%	38.05%
Covered Payroll	\$ 164,128	\$ 151,969	\$ 148,348	\$ 139,641
Net Pension Liability as a Percentage of Covered Valuation Payroll	765.73%	800.76%	727.06%	881.60%

* The Single Discount Rate was reduced from 7.40% to 7.30% for Tier 1 in the fiscal year 2019-20.

** Other changes include adjustments for prior year GASB 68 and reserve transfer to/from employer and employee reserves.

The information in this schedule has been determined as of the measurement date 6/30/23 of the City's net pension liability.

Reporting Fiscal Year Measurement Date					
FIRE					
2020* 2019	2019 2018	2018 2017	2017 2016	2016 2015	2015 2014
\$ 32,749	\$ 30,634	\$ 31,155	\$ 25,101	\$ 25,159	\$ 25,964
130,378	123,038	114,721	107,388	106,101	93,775
-	-	9,098	95,865	-	18,125
(7,563)	21,387	5,985	(22,672)	(24,035)	(9,814)
31,021	-	61,290	51,468	-	100,149
(96,862)	(89,735)	(88,133)	(108,988)	(72,612)	(68,945)
89,723	85,324	134,116	148,162	34,613	159,254
1,777,548	1,692,224	1,558,108	1,409,946	1,375,333	1,216,079
<u>\$ 1,867,271</u>	<u>\$ 1,777,548</u>	<u>\$ 1,692,224</u>	<u>\$ 1,558,108</u>	<u>\$ 1,409,946</u>	<u>\$ 1,375,333</u>
\$ 77,142	\$ 73,288	\$ 56,671	\$ 49,932	\$ 43,076	\$ 42,900
11,592	13,413	16,694	16,039	14,250	14,152
39,879	49,178	76,651	3,927	24,513	82,575
(96,862)	(89,735)	(88,133)	(108,988)	(72,612)	(68,945)
-	(21,840)	-	-	-	-
(695)	(751)	(679)	(565)	(599)	-
-	251	11	1,050	(536)	(30,298)
<u>\$ 31,056</u>	<u>\$ 23,804</u>	<u>\$ 61,215</u>	<u>\$ (38,605)</u>	<u>\$ 8,092</u>	<u>\$ 40,384</u>
734,315	710,511	649,296	687,901	679,809	639,425
(1)	-	-	-	-	-
<u>\$ 765,370</u>	<u>\$ 734,315</u>	<u>\$ 710,511</u>	<u>\$ 649,296</u>	<u>\$ 687,901</u>	<u>\$ 679,809</u>
<u>\$ 1,101,901</u>	<u>\$ 1,043,233</u>	<u>\$ 981,713</u>	<u>\$ 908,812</u>	<u>\$ 722,045</u>	<u>\$ 695,524</u>
40.99%	41.31%	41.99%	41.67%	48.79%	49.43%
\$ 135,273	\$ 132,503	\$ 127,530	\$ 124,322	\$ 121,291	\$ 125,639
814.58%	787.33%	769.79%	731.02%	595.30%	553.59%

PSPRS - Pension

		Schedule of Contributions for Measurement Date Ended June 30 - PSPRS				
(in thousands)		Actuarially	Actual	Contribution	Covered	Actual Contribution
Year Ended	June 30	Determined	Contribution ***	Deficiency	Payroll	as a % of Covered
		Contribution	Contribution ***	(Excess)	Valuation Payroll	
Police	2024	\$ -	\$ 260,075	\$ -	\$ -	-%
	2023	189,040	236,868	(47,828)	259,384	91.32%
	2022	154,979	183,098	(28,119)	222,342	82.35%
	2021	153,644	172,800	(19,156)	229,875	75.17%
	2020	167,099	167,099	-	233,472	71.57%
	2019	149,442	149,442	-	228,846	65.30%
	2018	124,618	124,618	-	221,105	56.36%
	2017	113,645	113,645	-	231,023	49.19%
	2016	92,298	92,298	-	225,236	40.98%
	2015	80,311	80,311	-	215,928	37.19%
Fire	2024	\$ -	\$ 135,973	\$ -	\$ -	-%
	2023	102,404	125,294	(22,890)	164,128	76.34%
	2022	96,217	107,767	(11,550)	151,969	70.91%
	2021	89,913	106,126	(16,213)	148,348	71.54%
	2020	90,148	90,148	-	139,641	64.56%
	2019	77,142	77,142	-	135,273	57.03%
	2018	73,288	73,288	-	132,503	55.31%
	2017	56,671	56,671	-	127,530	44.44%
	2016	49,932	49,932	-	124,322	40.16%
	2015	43,076	43,076	-	121,291	35.51%

*** Actual contributions are based on covered payroll at the time of contribution. It is the actuary's understanding that the Employer's practice is to contribute the percent-of-payroll employer contribution rate (or flat dollar amount if there are no active employees) shown in the actuarial valuation report. Because of this understanding, the Actuarially Determined Contributions shown in the Schedule of Employer contributions are the actual contributions made by the Employer in the fiscal year. Actual contributions include any additional contributions made by the Employer as well as Arizona Fire Insurance Premium Tax received by the Employer. In fiscal year 2024, the City chose to contribute more than the actuarially determined amount. Fiscal year 2024 actual contributions represent contributions made subsequent to the measurement date.

NOTES TO SCHEDULE OF CONTRIBUTIONS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE 2023 CONTRIBUTION RATE

Calculation Timing	The Actuarially Determined Contribution is calculated as of June 30 one year prior to the beginning of the fiscal year in which contributions are reported.
Interest Rate	7.30%
Mortality	<p>Healthy Actives: PubS-2010 Employee Mortality Tables, loaded 110% for males and females, projected with future mortality improvements reflected generationally using 75% of scale MP-2020. 100% of active deaths are assumed to be in the line of duty.</p> <p>Healthy Inactives: PubS-2010 Healthy Retiree Mortality Tables, loaded 110% for males and females, projected with future mortality improvements reflected generationally using 75% of scale MP-2020.</p> <p>Beneficiaries: PubS-2010 Survivor mortality, projected with future mortality improvements reflected generally using 75% of scale MP-2020.</p> <p>Disabled Lives: PubS-2010 Disabled Mortality Tables, projected with future mortality improvements reflected generationally using 75% of scale MP-2020.</p> <p>The mortality assumptions sufficiently accommodate anticipated future mortality improvements.</p>
Assumptions	All other assumptions and methods used for determining the Actuarially Determined Contribution can be found in the June 30, 2021 Actuarial Valuation Report prepared by Foster & Foster, Inc.



City of Phoenix

LTD
Schedule of Changes in Net OPEB Liability/(Asset) and Related Ratios

(in thousands)

	2024	2023	2022	2021
<u>Total OPEB liability/(asset)</u>				
Service cost	\$ 4,524	\$ 3,964	\$ 3,867	\$ 3,606
Interest on the total OPEB liability/(asset)	3,367	3,230	3,163	3,193
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	227	-	(2,650)
Changes of assumptions	-	(582)	787	(116)
Benefit payments, including refunds of employee contributions	(4,776)	(5,231)	(4,833)	(4,381)
Net change in total OPEB liability/(asset)	3,115	1,608	2,984	(348)
Total OPEB liability/(asset) - beginning	51,929	50,321	47,337	47,685
Total OPEB liability/(asset) - ending	<u>\$ 55,044</u>	<u>\$ 51,929</u>	<u>\$ 50,321</u>	<u>\$ 47,337</u>
<u>Plan Fiduciary Net Position</u>				
Employer contributions	\$ 1,687	\$ 912	\$ 1,401	\$ -
Employee contributions	-	-	-	-
OPEB plan net investment income (loss)	8,623	6,859	(13,083)	21,612
Benefit payments, including refunds of employee contributions	(4,776)	(5,231)	(4,833)	(4,381)
OPEB plan administrative expense	(590)	(539)	(556)	(456)
Other	(11)	(14)	(13)	29
Net change in plan fiduciary net position	4,933	1,987	(17,084)	16,804
Plan fiduciary net position - beginning	79,464	77,477	94,561	77,757
Plan fiduciary net position - ending	<u>\$ 84,397</u>	<u>\$ 79,464</u>	<u>\$ 77,477</u>	<u>\$ 94,561</u>
Net OPEB liability/(asset) - ending	<u>\$ (29,353)</u>	<u>\$ (27,535)</u>	<u>\$ (27,156)</u>	<u>\$ (47,224)</u>
Plan fiduciary net position as a percentage of total OPEB liability/(asset)	153.33%	153.03%	153.97%	199.76%
Covered payroll	\$ 1,005,338	\$ 980,817	\$ 898,304	\$ 872,987
Net OPEB liability/(asset) as a percentage of covered payroll	(2.92%)	(2.81%)	(3.02%)	(5.41%)

Notes to Schedule:

- Service Cost determined under the Entry Age Normal Method
- June 30, 2022, the assumption change reflects the change in discount rate from 6.75% to 6.50%.

The information in this schedule has been determined as of the measurement date 6/30/24 of the City's net OPEB liability/(asset) and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provisions of GASB 75, only periods of which such information is available are presented.

2020	2019	2018	2017
\$ 3,495	\$ 3,679	\$ 3,554	\$ 3,434
3,087	3,614	3,407	3,226
-	-	-	-
-	(2,778)	-	-
628	(8,013)	-	-
(3,755)	(4,126)	(3,993)	(4,289)
3,455	(7,624)	2,968	2,371
44,230	51,854	48,886	46,515
<u>\$ 47,685</u>	<u>\$ 44,230</u>	<u>\$ 51,854</u>	<u>\$ 48,886</u>
\$ 1,134	\$ 1,758	\$ 1,643	\$ 1,381
-	-	-	-
662	3,983	4,611	8,488
(3,755)	(4,126)	(3,993)	(4,290)
(363)	(380)	(409)	(276)
-	(86)	167	129
(2,322)	1,149	2,019	5,432
80,079	78,930	76,911	71,479
<u>\$ 77,757</u>	<u>\$ 80,079</u>	<u>\$ 78,930</u>	<u>\$ 76,911</u>
<u>\$ (30,072)</u>	<u>\$ (35,849)</u>	<u>\$ (27,076)</u>	<u>\$ (28,025)</u>
163.06%	181.05%	152.23%	157.33%
\$ 858,320	\$ 831,706	\$ 832,952	\$ 804,784
(3.50%)	(4.31%)	(3.25%)	(3.48%)

Schedule of Employer OPEB Contributions - LTD

(in thousands)

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a percentage of Covered Payroll
2024	\$ 3,266	\$ 1,688	\$ 1,578	\$ 1,005,338	0.17%
2023	2,617	912	1,705	980,817	0.09%
2022	1,343	1,401	(58)	898,304	0.16%
2021	1,540	-	1,540	848,384	0.00%
2020	1,163	1,134	29	858,320	0.13%
2019	1,772	1,758	14	831,706	0.21%
2018	1,772	1,643	129	832,952	0.20%
2017	1,514	1,381	133	804,784	0.17%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation date: June 30, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percent of pay, open
Remaining amortization period	30 years
Asset valuation method	Fair Value
Inflation	2.50%
Projected payroll increases	Use actual salary scale
Investment rate of return	6.50%
Health care trend rates	Due to nature of the benefit, health care trend rates are not applicable to the calculation of contribution rates.
Expenses	Investment expenses are paid from investment returns.

Other information:

Notes The assumptions have not been updated since the prior valuation.

The information in this schedule has been determined as of the measurement date 6/30/2024 of the City's net OPEB liability/(asset) and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provisions of GASB 75, only periods of which such information is available are presented.



City of Phoenix

MERP
Schedule of Changes in Net OPEB Liability and Related Ratios

(in thousands)

	2024	2023	2022	2021
<u>Total OPEB liability/(asset)</u>				
Service cost	\$ 2,966	\$ 2,673	\$ 3,495	\$ 3,629
Interest on the total OPEB liability/(asset)	21,769	23,719	24,114	25,249
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(26,599)	-	(6,128)
Changes of assumptions	-	(2,501)	8,185	(12,042)
Benefit payments, including refunds of employee contributions	(27,208)	(27,676)	(27,747)	(27,186)
Net change in total OPEB liability	(2,473)	(30,384)	8,047	(16,478)
Total OPEB liability/(asset) - beginning	347,030	377,414	369,367	385,845
Total OPEB liability/(asset) - ending	<u>\$ 344,557</u>	<u>\$ 347,030</u>	<u>\$ 377,414</u>	<u>\$ 369,367</u>
<u>Plan Fiduciary Net Position</u>				
Employer contributions	\$ 15,541	\$ 19,750	\$ 27,704	\$ 31,004
Employee contributions	-	-	-	-
OPEB plan net investment income (loss)	23,582	17,964	(32,988)	50,174
Benefit payments, including refunds of employee contributions	(27,209)	(27,676)	(27,747)	(27,186)
OPEB plan administrative expense	(666)	(605)	(640)	(606)
Other	-	-	-	1
Net change in plan fiduciary net position	11,248	9,433	(33,671)	53,387
Plan fiduciary net position - beginning	208,686	199,253	232,924	179,537
Plan fiduciary net position - ending	<u>\$ 219,934</u>	<u>\$ 208,686</u>	<u>\$ 199,253</u>	<u>\$ 232,924</u>
Net OPEB liability/(asset) - ending	<u>\$ 124,623</u>	<u>\$ 138,344</u>	<u>\$ 178,161</u>	<u>\$ 136,443</u>
Plan fiduciary net position as a percentage				
of total OPEB liability	63.83%	60.13%	52.79%	63.06%
Covered payroll	\$ 125,255	\$ 170,892	\$ 222,257	\$ 214,741
Net OPEB liability as a percentage				
of covered payroll	99.50%	80.95%	80.16%	63.54%

Notes to Schedule:

- Service Cost determined under the Entry Age Normal Method
- June 30, 2022, the assumption change reflects the change in discount rate from 6.75% to 6.50%.

The information in this schedule has been determined as of the measurement date 6/30/24 of the City's net OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provisions of GASB 75, only periods of which such information is available are presented.

2020	2019	2018	2017
\$ 4,432	\$ 4,282	\$ 4,690	\$ 4,531
25,439	25,141	24,826	24,472
-	19,835	-	-
-	(18,132)	-	-
8,320	(637)	-	-
(27,089)	(25,520)	(24,107)	(23,936)
11,102	4,969	5,409	5,067
374,743	369,774	364,365	359,298
<u>\$ 385,845</u>	<u>\$ 374,743</u>	<u>\$ 369,774</u>	<u>\$ 364,365</u>
\$ 26,987	\$ 24,100	\$ 25,881	\$ 27,863
-	-	-	-
1,460	8,734	9,761	17,188
(27,089)	(25,520)	(24,107)	(23,936)
-	-	-	-
13	(17)	6	-
1,371	7,297	11,541	21,115
178,166	170,869	159,328	138,213
<u>\$ 179,537</u>	<u>\$ 178,166</u>	<u>\$ 170,869</u>	<u>\$ 159,328</u>
<u>\$ 206,308</u>	<u>\$ 196,577</u>	<u>\$ 198,905</u>	<u>\$ 205,037</u>
46.53%	47.54%	46.21%	43.73%
\$ 280,071	\$ 270,600	\$ 329,982	\$ 318,823
73.66%	72.64%	60.28%	64.31%

Schedule of Employer OPEB Contributions - MERP

(in thousands)

Year Ended June 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a percentage of Covered Payroll
2024	\$ 15,541	\$ 15,541	\$ -	\$ 125,255	12.41%
2023	19,750	19,750	-	170,892	11.56%
2022	15,912	27,704	(11,792)	222,257	12.46%
2021	22,753	31,004	(8,251)	214,741	14.44%
2020	21,713	26,987	(5,274)	280,071	9.64%
2019	22,465	24,100	(1,635)	270,600	8.91%
2018	22,465	25,881	(3,416)	329,982	7.84%
2017	27,860	27,863	(3)	318,823	8.74%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation date: June 30, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed
Remaining amortization period	19 years
Asset valuation method	Fair Value
Projected payroll increases	3.50%
Investment rate of return	6.50%
Health care trend rates	Applies only to Duty Related Death Benefits: Rates starting at 7.00% in 2024 grading down to 4.25% in 2039.
Expenses	Investment expenses are paid from investment returns.

Other information:

Notes The assumptions have not been updated since the prior valuation.

The information in this schedule has been determined as of the measurement date 6/30/24 of the City's net OPEB liability/(asset) and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provisions of GASB 75, only periods of which such information is available are presented.



City of Phoenix

PSPRS - OPEB
Schedule of Changes in Net OPEB Liability (Asset) and Related Ratios for Reporting Date ended June 30
 (in thousands)

	Reporting Fiscal Year					
	<i>Measurement Date</i>					
	2024		2023		2022	
	2023		2022		2021	
	<u>Police</u>	<u>Fire</u>	<u>Police</u>	<u>Fire</u>	<u>Police</u>	<u>Fire</u>
<u>Total OPEB Liability</u>						
Service Cost	\$ 878	\$ 567	\$ 1,008	\$ 561	\$ 1,074	\$ 553
Interest on the Total OPEB Liability	3,471	1,904	3,438	1,859	3,530	1,830
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	(1,943)	(2,349)	(356)	228	(2,216)	(54)
Changes of assumptions	-	-	915	248	-	-
Benefit payments, including refunds of employee contributions	(3,826)	(1,924)	(3,695)	(1,933)	(3,485)	(1,943)
Net change in total OPEB liability	\$ (1,420)	\$ (1,802)	\$ 1,310	\$ 963	\$ (1,097)	\$ 386
Total pension liability - beginning	49,239	26,837	47,929	25,874	49,026	25,488
Total pension liability - ending	<u>\$ 47,819</u>	<u>\$ 25,035</u>	<u>\$ 49,239</u>	<u>\$ 26,837</u>	<u>\$ 47,929</u>	<u>\$ 25,874</u>
<u>Plan Fiduciary Net Position</u>						
Contributions - employer	\$ 119	\$ 47	\$ 87	\$ 34	\$ 79	\$ 24
Contributions - employee	119	47	87	34	79	24
Net investment income	5,406	3,074	(3,060)	(1,733)	17,507	9,904
Benefit payments, including refunds of employee contributions	(3,826)	(1,924)	(3,694)	(1,933)	(3,485)	(1,943)
OPEB Plan Administrative Expense	(46)	(22)	(54)	(31)	(72)	(42)
Net change in Plan Fiduciary Net Position	\$ 1,772	\$ 1,222	\$ (6,634)	\$ (3,629)	\$ 14,108	\$ 7,967
Plan Fiduciary Net Position - Beginning	72,041	40,862	78,675	44,491	64,567	36,524
Adjustment to Beginning of Year	-	-	-	-	-	-
Plan Fiduciary Net Position - Ending	<u>\$ 73,813</u>	<u>\$ 42,084</u>	<u>\$ 72,041</u>	<u>\$ 40,862</u>	<u>\$ 78,675</u>	<u>\$ 44,491</u>
Net OPEB Liability/(Asset)	<u>\$ (25,994)</u>	<u>\$ (17,049)</u>	<u>\$ (22,802)</u>	<u>\$ (14,025)</u>	<u>\$ (30,746)</u>	<u>\$ (18,617)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	154.36%	168.10%	146.31%	152.26%	164.15%	171.95%
Covered Payroll	\$ 259,384	\$ 164,128	\$ 222,342	\$ 151,969	\$ 229,875	\$ 148,348
Net OPEB Liability (Asset) as a Percentage of Covered Valuation Payroll	(10.02%)	(10.39%)	(10.26%)	(9.23%)	(13.38%)	(12.55%)

The information in this schedule has been determined as of the measurement date 6/30/23 of the City's net OPEB liability/(asset) and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provisions of GASB 75, only periods of which such information is available are presented.

Reporting Fiscal Year							
Measurement Date							
2021		2020		2019		2018	
2020		2019		2018		2017	
Police	Fire	Police	Fire	Police	Fire	Police	Fire
\$ 1,097	\$ 552	\$ 699	\$ 341	\$ 647	\$ 338	\$ 762	\$ 357
3,507	1,874	3,483	1,783	3,440	1,755	3,708	1,846
-	-	-	-	-	-	26	28
(149)	(761)	(1,332)	461	(632)	(116)	(2,617)	(595)
-	-	425	255	-	-	(1,636)	(774)
(3,440)	(1,895)	(3,257)	(1,763)	(3,253)	(1,766)	(3,014)	(1,735)
\$ 1,015	\$ (230)	\$ 18	\$ 1,077	\$ 202	\$ 211	\$ (2,771)	\$ (873)
48,011	25,718	47,993	24,641	47,791	24,430	50,562	25,303
\$ 49,026	\$ 25,488	\$ 48,011	\$ 25,718	\$ 47,993	\$ 24,641	\$ 47,791	\$ 24,430
\$ 58	\$ 17	\$ 31	\$ 8	\$ -	\$ -	\$ -	\$ -
58	17	31	8	5	1	-	-
835	473	3,548	2,004	4,483	2,529	7,098	4,002
(3,440)	(1,895)	(3,257)	(1,763)	(3,253)	(1,766)	(3,014)	(1,735)
(67)	(37)	(61)	(34)	(68)	(39)	(63)	(36)
\$ (2,556)	\$ (1,425)	\$ 292	\$ 223	\$ 1,167	\$ 725	\$ 4,021	\$ 2,231
67,123	37,949	66,826	37,726	65,659	37,001	61,638	34,770
-	-	5	-	-	-	-	-
\$ 64,567	\$ 36,524	\$ 67,123	\$ 37,949	\$ 66,826	\$ 37,726	\$ 65,659	\$ 37,001
\$ (15,541)	\$ (11,036)	\$ (19,112)	\$ (12,231)	\$ (18,833)	\$ (13,085)	\$ (17,868)	\$ (12,571)
131.70%	143.30%	139.81%	147.56%	139.24%	153.10%	137.39%	151.46%
\$ 233,472	\$ 139,641	\$ 228,846	\$ 135,273	\$ 221,105	\$ 132,503	\$ 231,023	\$ 127,530
(6.66%)	(7.90%)	(8.35%)	(9.04%)	(8.52%)	(9.88%)	(7.73%)	(9.86%)

Schedule of Employer OPEB Contributions - PSPRS

(in thousands)

		Schedule of Contributions for Measurement Date Ended June 30					
(in thousands)		Contributions in Relation to the		Contribution	Actual Contribution		
Year Ended June 30	Actuarially Determined Contribution *	Actuarially Determined Contribution	Deficiency (Excess)	Covered Payroll	as a % of Covered Valuation Payroll		
Police	2024	\$ -	\$ -	\$ -	\$ -	-	
	2023	119	119	-	259,384	0.03%	
	2022	87	87	-	222,342	0.04%	
	2021	79	79	-	229,875	0.03%	
	2020	58	58	-	233,472	0.03%	
	2019	31	31	-	228,846	0.01%	
	2018	-	-	-	221,105	-%	
	2017	-	-	-	231,023	-%	
Fire	2024	\$ -	\$ -	\$ -	-	-%	
	2023	47	47	-	164,128	0.03%	
	2022	34	34	-	151,969	0.02%	
	2021	24	24	-	148,348	0.02%	
	2020	17	17	-	139,641	0.01%	
	2019	8	8	-	135,273	0.01%	
	2018	-	-	-	132,503	-%	
	2017	-	-	-	127,530	-%	

* Actual contributions are based on covered payroll at the time of contribution. It is the actuary's understanding that the Employer's practice is to contribute the percent-of-payroll employer contribution rate (or flat dollar amount if there are no active employees) shown in the actuarial valuation report. Because of this understanding, the Actuarially Determined Contributions shown in the Schedule of Employer contributions are the actual contributions made by the Employer in the fiscal year.

NOTES TO SCHEDULE OF CONTRIBUTIONS
SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS
USED IN THE CALCULATION OF THE 2023 CONTRIBUTION RATE

Calculation Timing	The Actuarially Determined Contribution is calculated as of June 30 one year prior to the beginning of the fiscal year in which contributions are reported.
Interest Rate	7.30%
Mortality	<p>Healthy Actives: PubS-2010 Employee mortality tables, loaded 110% for males and females, projected with future mortality improvements reflected generationally using 75% of scale MP-2020. 100% of active deaths are assumed to be in the line of duty.</p> <p>Healthy Inactives: PubS-2010 Healthy Retiree mortality tables, loaded 110% for males and females, projected with future mortality improvements reflected generationally using 75% of scale MP-2020.</p> <p>Beneficiaries: PubS-2010 Survivor mortality tables, projected with future mortality improvements reflected generationally using 75% of scale MP-2020.</p> <p>Disabled Lives: PubS-2010 Disabled mortality tables, projected with future mortality improvements reflected generationally using 75% of scale MP-2020.</p> <p>The mortality assumptions sufficiently accommodate anticipated future mortality improvements.</p>
Assumptions	All other assumptions and methods used for determining the Actuarially Determined Contribution can be found in the June 30, 2021 Actuarial Valuation Report prepared by Foster & Foster, Inc.

The information in this schedule has been determined as of the measurement date 6/30/23 of the City's net OPEB liability/(asset) and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provisions of GASB 75, only periods of which such information is available are presented.



Financial Section
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**OTHER SUPPLEMENTARY
INFORMATION**

**- Nonmajor
Governmental Funds
- Combining Fund
Financial Statements**

Fund Descriptions -

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Highway User Revenue - to account for the City's share of the Arizona Highway User Revenue Tax. This money is used solely for highway and street improvements.

Municipal Court - to account for revenue received from court award of confiscated property under both the Federal and State Organized Crime Acts, court technology enhancement fees and the City's portion of local Judicial Collection Enhancement Fund monies. These funds are to be spent on additional law enforcement activity and court computer system improvements.

Development Services - to account for development user fees that finance the City's development review and permitting process, and for community reinvestment and impact fees to be used for redevelopment purposes.

Grants - to account for federal and state revenues to be used for community services, including neighborhood and community development, and human resources programs.

Public Housing - to account for rental receipts and expenditures for the administration, management and maintenance of various public housing units. The U.S. Department of Housing and Urban Development exercises indirect control over the activities of the City's housing programs.

Other Restricted - to account for restricted fees for recreation and other programs, donations specified for various city programs, and funds from the opioid settlement.

Neighborhood Protection - to account for all revenues and expenditures associated with the Fire and Police Neighborhood Protection Programs and the Police Block Watch Program, funded by the 0.1% local sales tax rate increase authorized by the voters in 1993.

Public Safety Enhancement - to account for the Fire, Police, and Emergency Management share of a 2.0% increment of the 2.7% privilege license tax on utilities with franchise agreements which became effective May 2005, and the 0.2% public safety expansion sales tax which was implemented in December 2007.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by enterprise funds.

Capital Construction - to account for infrastructure improvements in the public right-of-way, including street and sidewalk modernization and improvement financed by a portion of the utility tax on telecommunications services.

Parks and Preserves - to account for the purchase of state trust lands for the Sonoran Desert Preserve Open Space, and the development and improvement of regional and neighborhood parks financed by funds generated by the desert preserve tax.

Street Improvements - to account for the acquisition of rights-of-way and the improvement, construction and reconstruction of streets and highways within the City.

Police and Fire Protection - to account for the purchase, construction and equipping of public safety buildings and fire stations.

Storm Sewers - to account for the planning, construction, extension and improvement of storm sewer trunk lines and detention basins.

Parks, Recreation and Libraries - to account for the acquisition and development of parks, playgrounds, recreational facilities and public libraries.

Public Housing - to account for the acquisition, construction and modification of public housing complexes and housing for the elderly.

Municipal Buildings and Service Centers - to account for the construction or renovation and equipping of buildings for use by municipal departments, including maintenance and service facilities.

Transit - to account for the purchase, construction, and equipping of facilities and vehicles to provide public transit service.

Sports and Cultural Facilities - to account for the acquisition, construction and improvement of community, cultural and sports facilities.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for and payment of bond principal and interest payable from governmental resources, and special assessment bond principal and interest payable from special assessment levies, when the government is obligated in some manner for the payment. Principal payments are due annually. Interest is due semi-annually.

Sports Facilities - to account for revenues and expenditures earmarked for the downtown sports arena.

City Improvement - to account for debt service on certificates of participation and certain municipal corporation obligations. Funding is provided by transfers from the Excise Tax Special Revenue Fund.

Special Assessment - to account for debt service on special assessment bonds. Funding is provided by special assessments made against the benefiting property owners.

Community Facilities Districts - to account for debt service on special assessment revenue bonds issued by community facilities districts. Although these bonds are not obligations of the City, generally accepted accounting principles indicate that the bonds should be disclosed herein.

**Combining Balance Sheet
Nonmajor Governmental Funds**
 June 30, 2024
 (in thousands)

Exhibit C-1

	Special Revenue Funds				
	Highway User Revenue	Municipal Court	Develop- ment Services	Grants	Public Housing
ASSETS					
Cash and Cash Equivalents	\$ 15,625	\$ 174	\$ 25,685	\$ 3	\$ 8,605
Cash Deposits	-	-	-	-	122
Cash and Securities with Fiscal Agents/Trustees	-	-	-	-	11,502
Investments	175,169	2,666	240,944	26	66,868
Due from Other Funds	-	-	-	676	-
Receivables, Net of Allowance					
Accounts Receivable	110	-	2,003	962	468
Taxes Receivable	-	-	-	-	-
Intergovernmental	16,042	1,570	-	28,156	3,387
Accrued Interest	-	-	-	-	175
Notes Receivable	-	-	-	-	9,625
Leases Receivable	11	-	161,957	-	3,906
Total Assets	<u>206,957</u>	<u>4,410</u>	<u>430,589</u>	<u>29,823</u>	<u>104,658</u>
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	-	-	-	-	-
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Due to Other Funds	-	-	-	164	-
Accounts Payable	11,175	249	5,506	17,043	10,162
Trust Liabilities and Deposits	35,616	-	19,325	32	14,537
Matured Bonds Payable	-	-	-	-	-
Interest Payable	-	-	-	-	-
Arbitrage Liability	-	-	-	-	-
Advance Payments	-	-	10,410	12,584	10,621
Total Liabilities	<u>46,791</u>	<u>249</u>	<u>35,241</u>	<u>29,823</u>	<u>35,320</u>
DEFERRED INFLOWS OF RESOURCES					
Leases Related	12	-	147,908	-	3,701
Total Deferred Inflows of Resources	<u>12</u>	<u>-</u>	<u>147,908</u>	<u>-</u>	<u>3,701</u>
Fund Balances (Deficit)					
Spendable					
Restricted	160,154	4,924	151,983	-	51,253
Committed	-	-	-	-	-
Assigned	-	-	95,457	-	14,384
Unassigned	-	(763)	-	-	-
Total Fund Balances (Deficit)	<u>160,154</u>	<u>4,161</u>	<u>247,440</u>	<u>-</u>	<u>65,637</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 206,957</u>	<u>\$ 4,410</u>	<u>\$ 430,589</u>	<u>\$ 29,823</u>	<u>\$ 104,658</u>

Exhibit C-1
(Continued)

Special Revenue Funds				Capital Projects Funds			
Other Restricted	Neighborhood Protection	Public Safety Enhancement	Total	Capital Construction	Parks and Preserves	Street Improvements	Police and Fire Protection
\$ 18,439	\$ 3,009	\$ 6,775	\$ 78,315	\$ 2,849	\$ 10,715	\$ -	\$ -
-	-	-	122	-	-	-	-
-	-	-	11,502	-	-	-	-
186,369	24,863	68,509	765,414	28,934	141,178	1,592	11,607
-	-	-	676	-	-	17,975	-
462	-	-	4,005	-	-	3,215	-
21	-	-	21	-	-	-	-
935	-	-	50,090	-	-	26,932	-
-	-	-	175	-	-	-	2
-	-	-	9,625	-	-	-	-
35,823	-	-	201,697	-	39	-	-
<u>242,049</u>	<u>27,872</u>	<u>75,284</u>	<u>1,121,642</u>	<u>31,783</u>	<u>151,932</u>	<u>49,714</u>	<u>11,609</u>
-	-	-	-	-	-	-	-
-	-	-	164	-	-	-	11,061
2,723	164	3	47,025	11	6,988	10,534	1,156
569	540	-	70,619	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	538
11,310	-	-	44,925	-	-	-	-
<u>14,602</u>	<u>704</u>	<u>3</u>	<u>162,733</u>	<u>11</u>	<u>6,988</u>	<u>10,534</u>	<u>12,755</u>
33,242	-	-	184,863	-	40	-	-
<u>33,242</u>	<u>-</u>	<u>-</u>	<u>184,863</u>	<u>-</u>	<u>40</u>	<u>-</u>	<u>-</u>
66,748	27,168	75,281	537,511	-	144,904	29,290	-
15,159	-	-	15,159	31,772	-	-	-
112,313	-	-	222,154	-	-	9,890	-
(15)	-	-	(778)	-	-	-	(1,146)
<u>194,205</u>	<u>27,168</u>	<u>75,281</u>	<u>774,046</u>	<u>31,772</u>	<u>144,904</u>	<u>39,180</u>	<u>(1,146)</u>
\$ 242,049	\$ 27,872	\$ 75,284	\$ 1,121,642	\$ 31,783	\$ 151,932	\$ 49,714	\$ 11,609

**Combining Balance Sheet
Nonmajor Governmental Funds**
 June 30, 2024
 (in thousands)

Exhibit C-1
 (Continued)

	Capital Projects Funds				
	Storm Sewers	Parks, Recreation and Libraries	Public Housing	Municipal Buildings and Service Centers	Transit
ASSETS					
Cash and Cash Equivalents	\$ 71	\$ 474	\$ 888	\$ -	\$ -
Cash Deposits	-	-	-	-	-
Cash and Securities with Fiscal Agents/Trustees	-	-	-	-	-
Investments	721	4,797	5,826	192,374	-
Due from Other Funds	-	-	3,156	-	-
Receivables, Net of Allowance					
Accounts Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Intergovernmental	-	-	677	-	6,147
Accrued Interest	-	-	-	84	-
Notes Receivable	-	-	-	-	-
Leases Receivable	-	-	-	-	-
Total Assets	<u>792</u>	<u>5,271</u>	<u>10,547</u>	<u>192,458</u>	<u>6,147</u>
DEFERRED OUTFLOWS OF RESOURCES					
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Due to Other Funds	-	-	-	10,070	76,726
Accounts Payable	-	2,296	750	11,306	-
Trust Liabilities and Deposits	-	423	-	1,800	-
Matured Bonds Payable	-	-	-	-	-
Interest Payable	-	-	-	-	-
Arbitrage Liability	-	-	-	6,403	-
Advance Payments	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>2,719</u>	<u>750</u>	<u>29,579</u>	<u>76,726</u>
DEFERRED INFLOWS OF RESOURCES					
Leases Related	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)					
Spendable					
Restricted	792	2,552	9,797	162,891	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	(12)	(70,579)
Total Fund Balances (Deficit)	<u>792</u>	<u>2,552</u>	<u>9,797</u>	<u>162,879</u>	<u>(70,579)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	<u>\$ 792</u>	<u>\$ 5,271</u>	<u>\$ 10,547</u>	<u>\$ 192,458</u>	<u>\$ 6,147</u>

Exhibit C-1
(Continued)

Capital Projects Funds		Debt Service Funds					Total Non-Major Governmental Funds
Sports and Cultural Facilities	Total	Sports Facilities	City Improvement	Special Assessment	Community Facilities Districts	Total	
\$ 413	\$ 15,410	\$ 9,317	\$ -	\$ 13	\$ 22	\$ 9,352	\$ 103,077
-	-	-	-	-	-	-	122
-	-	-	60,912	1	4,344	65,257	76,759
25,962	412,991	94,204	5,422	-	223	99,849	1,278,254
-	21,131	-	-	-	-	-	21,807
-	3,215	-	-	6	23	29	7,249
-	-	-	-	-	-	-	21
-	33,756	-	-	-	-	-	83,846
-	86	-	-	-	-	-	261
-	-	-	-	-	-	-	9,625
-	39	-	-	-	-	-	201,736
<u>26,375</u>	<u>486,628</u>	<u>103,521</u>	<u>66,334</u>	<u>20</u>	<u>4,612</u>	<u>174,487</u>	<u>1,782,757</u>
-	-	-	-	-	-	-	-
-	97,857	-	-	-	-	-	98,021
1	33,042	-	-	1	2	3	80,070
-	2,223	-	-	-	200	200	73,042
-	-	-	50,865	-	755	51,620	51,620
-	-	-	10,047	1	747	10,795	10,795
-	6,941	-	-	-	-	-	6,941
-	-	-	-	18	-	18	44,943
<u>1</u>	<u>140,063</u>	<u>-</u>	<u>60,912</u>	<u>20</u>	<u>1,704</u>	<u>62,636</u>	<u>365,432</u>
-	40	-	-	-	-	-	184,903
<u>-</u>	<u>40</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,903</u>
4,630	354,856	-	5,422	-	2,908	8,330	900,697
-	31,772	103,521	-	-	-	103,521	150,452
21,744	31,634	-	-	-	-	-	253,788
-	(71,737)	-	-	-	-	-	(72,515)
<u>26,374</u>	<u>346,525</u>	<u>103,521</u>	<u>5,422</u>	<u>-</u>	<u>2,908</u>	<u>111,851</u>	<u>1,232,422</u>
\$ 26,375	\$ 486,628	\$ 103,521	\$ 66,334	\$ 20	\$ 4,612	\$ 174,487	\$ 1,782,757

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Nonmajor Governmental Funds**
Exhibit C-2

 For the Fiscal Year Ended June 30, 2024
 (in thousands)

	Special Revenue Funds				
	Highway User Revenue	Municipal Court	Develop- ment Services	Grants	Public Housing
REVENUES					
City Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	113	-	-	-	-
Intergovernmental	157,357	989	-	222,011	150,957
Charges for Services	12	1,834	110,694	-	-
Fines and Forfeitures	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Special Assessments	-	-	-	-	-
Investment Income (Loss)	128	(240)	(970)	22	1,253
Interest Income from Leases	-	-	5,300	-	157
Dwelling Rentals	-	-	-	-	4,546
Other	322	-	5,925	712	7,278
Total Revenues	157,932	2,583	120,949	222,745	164,191
EXPENDITURES					
Current Operating					
General Government	-	48	-	4,380	-
Criminal Justice	-	1,526	-	-	-
Public Safety	-	2,110	-	19,090	-
Transportation	96,124	-	-	27	-
Community Enrichment	-	-	-	142,037	280
Community Development	-	-	92,905	32,383	155,570
Environmental Services	-	-	-	2,246	-
Capital Outlay	65,676	2,092	33,095	22,375	13,635
Debt Service					
Principal	-	-	-	646	135
Interest	-	-	-	187	37
Arbitrage Rebate and Fiscal Agent Fees	-	-	-	-	-
Other	-	-	-	-	-
Total Expenditures	161,800	5,776	126,000	223,371	169,657
Excess (Deficiency) of Revenues Over Expenditures	(3,868)	(3,193)	(5,051)	(626)	(5,466)
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	7,076	-	-	626	2,501
Transfers to Other Funds	(4,244)	-	(1,981)	-	(693)
Total Other Financing Sources (Uses)	2,832	-	(1,981)	626	1,808
Net Change in Fund Balances	(1,036)	(3,193)	(7,032)	-	(3,658)
FUND BALANCES, JULY 1	161,190	7,354	254,472	-	69,295
FUND BALANCES, JUNE 30	\$ 160,154	\$ 4,161	\$ 247,440	\$ -	\$ 65,637

Exhibit C-2
(Continued)

Special Revenue Funds				Capital Projects Funds			
Other Restricted	Neighborhood Protection	Public Safety Enhancement	Total	Capital Construction	Parks and Preserves	Street Improvements	Police and Fire Protection
\$ 25,582	\$ 55,009	\$ 141,274	\$ 221,865	\$ 7,328	\$ 55,007	\$ -	\$ -
-	-	-	113	-	-	-	-
653	-	-	531,967	-	-	20,845	-
8,351	-	-	120,891	-	-	-	-
51	-	-	51	-	-	-	-
1,665	-	-	1,665	-	-	-	-
-	-	-	-	-	-	-	-
(496)	(641)	(671)	(1,615)	(395)	(669)	71	106
1,331	-	-	6,788	-	2	-	-
-	-	-	4,546	-	-	-	-
13,221	123	-	27,581	-	1	3,613	-
50,358	54,491	140,603	913,852	6,933	54,341	24,529	106
1,145	-	-	5,573	-	-	-	-
-	-	-	1,526	-	-	-	-
37,633	55,135	135,778	249,746	-	-	-	-
4,650	310	-	101,111	69	-	-	-
3,184	-	-	145,501	-	6,602	-	-
4,897	405	-	286,160	-	-	-	-
2,558	-	-	4,804	63	-	-	-
12,422	1,568	492	151,355	9,625	47,507	27,881	17,736
405	-	-	1,186	-	-	-	-
62	-	-	286	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
66,956	57,418	136,270	947,248	9,757	54,109	27,881	17,736
(16,598)	(2,927)	4,333	(33,396)	(2,824)	232	(3,352)	(17,630)
25,956	-	-	36,159	-	-	7,158	7,000
(7,076)	(110)	(3,373)	(17,477)	-	(102)	-	-
18,880	(110)	(3,373)	18,682	-	(102)	7,158	7,000
2,282	(3,037)	960	(14,714)	(2,824)	130	3,806	(10,630)
191,923	30,205	74,321	788,760	34,596	144,774	35,374	9,484
\$ 194,205	\$ 27,168	\$ 75,281	\$ 774,046	\$ 31,772	\$ 144,904	\$ 39,180	\$ (1,146)

**Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Nonmajor Governmental Funds**
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit C-2
(Continued)

	Capital Projects Funds				
	Storm Sewers	Parks, Recreation and Libraries	Public Housing	Municipal Buildings and Service Centers	Transit
REVENUES					
City Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	-	6,354	6,072	-	218,838
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Special Assessments	-	-	-	-	-
Investment Income (Loss)	-	-	(89)	5,983	-
Interest Income from Leases	-	-	-	-	-
Dwelling Rentals	-	-	-	-	-
Other	-	-	-	-	343
Total Revenues	-	6,354	5,983	5,983	219,181
EXPENDITURES					
Current Operating					
General Government	-	-	-	-	-
Criminal Justice	-	-	-	-	-
Public Safety	-	-	-	-	-
Transportation	-	-	-	-	-
Community Enrichment	-	-	-	-	-
Community Development	-	-	-	-	-
Environmental Services	-	-	-	-	-
Capital Outlay	-	6,058	8,502	49,616	63,209
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Arbitrage Rebate and Fiscal Agent Fees	-	-	-	-	-
Other	-	-	-	-	-
Total Expenditures	-	6,058	8,502	49,616	63,209
Excess (Deficiency) of Revenues Over Expenditures	-	296	(2,519)	(43,633)	155,972
OTHER FINANCING SOURCES (USES)					
Transfers from Other Funds	-	-	-	-	-
Transfers to Other Funds	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	-	296	(2,519)	(43,633)	155,972
FUND BALANCES, JULY 1	792	2,256	12,316	206,512	(226,551)
FUND BALANCES, JUNE 30	\$ 792	\$ 2,552	\$ 9,797	\$ 162,879	\$ (70,579)

Exhibit C-2
(Continued)

Capital Projects Funds		Debt Service Funds					Total Non-Major Governmental Funds
Sports and Cultural Facilities	Total	Sports Facilities	City Improvement	Special Assessment	Community Facilities Districts	Total	
\$ -	\$ 62,335	\$ 29,933	\$ -	\$ -	\$ -	\$ 29,933	\$ 314,133
-	-	-	-	-	-	-	113
-	252,109	-	-	-	-	-	784,076
-	-	-	-	-	907	907	121,798
-	-	-	-	-	-	-	51
-	-	-	-	-	-	-	1,665
-	-	-	-	3	846	849	849
1,119	6,126	253	26	1	196	476	4,987
-	2	-	-	-	-	-	6,790
-	-	-	-	-	-	-	4,546
2,137	6,094	3,659	-	-	494	4,153	37,828
3,256	326,666	33,845	26	4	2,443	36,318	1,276,836
-	-	109	-	-	-	109	5,682
-	-	-	-	-	-	-	1,526
-	-	1,857	-	-	-	1,857	251,603
-	69	-	-	-	-	-	101,180
-	6,602	439	-	-	-	439	152,542
-	-	279	-	-	-	279	286,439
-	63	-	-	-	-	-	4,867
2,146	232,280	2,084	-	-	-	2,084	385,719
-	-	-	50,865	3	755	51,623	52,809
-	-	-	27,516	1	1,494	29,011	29,297
-	-	-	13	-	3	16	16
-	-	-	997	9	398	1,404	1,404
2,146	239,014	4,768	79,391	13	2,650	86,822	1,273,084
1,110	87,652	29,077	(79,365)	(9)	(207)	(50,504)	3,752
-	14,158	1,022	80,387	-	-	81,409	131,726
-	(102)	(15,692)	(1,022)	-	-	(16,714)	(34,293)
-	14,056	(14,670)	79,365	-	-	64,695	97,433
1,110	101,708	14,407	-	(9)	(207)	14,191	101,185
25,264	244,817	89,114	5,422	9	3,115	97,660	1,131,237
\$ 26,374	\$ 346,525	\$ 103,521	\$ 5,422	\$ -	\$ 2,908	\$ 111,851	\$ 1,232,422



City of Phoenix



Financial Section
.....

**OTHER SUPPLEMENTARY
INFORMATION
- Nonmajor
Governmental Funds -
Budgetary Comparison
Schedules**



City of Phoenix

**Schedule of Expenditures and Encumbrances
Budget and Actual - Budget Basis****Exhibit D-1****General Fund**

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budget			Actual			Variance with Final Budget Positive (Negative)
	Originally Adopted	Reallocation Transfers	Final	Expenditures	Encum- brances	Total	
General Government							
Mayor	\$ 2,700	\$ -	\$ 2,700	\$ 2,452	\$ 32	\$ 2,484	\$ 216
City Council	6,854	-	6,854	6,015	374	6,389	465
City Manager	11,109	-	11,109	9,847	148	9,995	1,114
City Auditor	3,682	-	3,682	3,194	141	3,335	347
Information Technology	92,022	-	92,022	69,715	15,233	84,948	7,074
Equal Opportunity	3,486	-	3,486	3,088	14	3,102	384
City Clerk	9,744	-	9,744	7,204	306	7,510	2,234
Human Resources	30,340	-	30,340	26,467	476	26,943	3,397
Law	34,147	-	34,147	30,620	450	31,070	3,077
Budget and Research	4,563	-	4,563	4,257	31	4,288	275
Finance	29,093	-	29,093	27,112	2,202	29,314	(221)
Cable	4,794	-	4,794	4,443	169	4,612	182
Other	1,943	-	1,943	1,765	52	1,817	126
Total General Government	234,477	-	234,477	196,179	19,628	215,807	18,670
Criminal Justice							
Municipal Court	38,970	-	38,970	36,442	728	37,170	1,800
Public Defender	6,295	-	6,295	6,479	12	6,491	(196)
Total Criminal Justice	45,265	-	45,265	42,921	740	43,661	1,604
Public Safety							
Police	741,278	-	741,278	733,614	8,843	742,457	(1,179)
Fire	481,278	-	481,278	467,380	10,023	477,403	3,875
Total Public Safety	1,222,556	-	1,222,556	1,200,994	18,866	1,219,860	2,696
Transportation							
Street Transportation	25,473	-	25,473	24,499	507	25,006	467
Total Transportation	25,473	-	25,473	24,499	507	25,006	467
Community Enrichment							
Parks & Recreation	128,060	-	128,060	119,213	6,014	125,227	2,833
Library	49,528	400	49,928	47,061	2,832	49,893	35
Human Services	40,944	-	40,944	31,610	4,751	36,361	4,583
Other	9,235	-	9,235	8,502	481	8,983	252
Total Community Enrichment	227,767	400	228,167	206,386	14,078	220,464	7,703
Community Development							
Economic Development	9,771	-	9,771	8,526	220	8,746	1,025
Neighborhood Services	20,578	-	20,578	18,266	1,760	20,026	552
Other	9,075	-	9,075	7,517	1,195	8,712	363
Total Community Development	39,424	-	39,424	34,309	3,175	37,484	1,940
Environmental Services							
Public Works	36,023	-	36,023	5,521	21,298	26,819	9,204
Office of Sustainability	715	-	715	684	2	686	29
Other	1,789	-	1,789	1,419	160	1,579	210
Total Environmental Services	38,527	-	38,527	7,624	21,460	29,084	9,443
Capital							
Community Enrichment	7,715	(400)	7,315	1,040	1,930	2,970	4,345
General Government	26,416	-	26,416	2,188	4,388	6,576	19,840
Human Services	2,000	-	2,000	164	3,048	3,212	(1,212)
Municipal Court	7,000	-	7,000	-	-	-	7,000
Non-Departmental	30,000	(150)	29,850	-	-	-	29,850
Public Safety	15,576	-	15,576	336	129	465	15,111
Environmental Services	26,775	150	26,925	13,156	5,168	18,324	8,601
Transportation	6,450	-	6,450	835	1,679	2,514	3,936
Total Capital	121,932	(400)	121,532	17,719	16,342	34,061	87,471
Contingency	73,247	-	73,247	19,451	-	19,451	53,796
Totals	\$ 2,028,668	\$ -	\$ 2,028,668	\$ 1,750,082	\$ 94,796	\$ 1,844,878	\$ 183,790

Budgetary Comparison Schedule
Exhibit D-2
Excise Tax Special Revenue Fund

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
City Taxes	\$ 1,436,757	\$ 1,436,757	\$ 1,491,730	\$ 54,973
Licenses and Permits	3,070	3,070	2,882	(188)
Intergovernmental	696,069	696,069	697,265	1,196
Total Revenues	2,135,896	2,135,896	2,191,877	55,981
OTHER FINANCING USES				
Transfers to Other Funds				
General Fund	(1,338,074)	(1,338,074)	(1,366,603)	(28,529)
Transportation Tax 2050 Special Revenue Fund	(364,773)	(364,773)	(376,179)	(11,406)
Sport Facilities Debt Service Fund	(28,488)	(28,488)	(29,932)	(1,444)
Capital Construction Capital Projects Fund	(5,623)	(5,623)	(7,328)	(1,705)
Park and Preserves Capital Projects Fund	(53,420)	(53,420)	(55,007)	(1,587)
Other Restricted Special Revenue Fund	(20,708)	(20,708)	(22,616)	(1,908)
Police Neighborhood Protection	(37,394)	(37,394)	(38,504)	(1,110)
Block Watch Neighborhood Protection	(2,672)	(2,672)	(2,751)	(79)
Fire Neighborhood Protection	(13,356)	(13,356)	(13,753)	(397)
Police Public Safety Enhancement	(18,504)	(18,504)	(19,380)	(876)
Fire Public Safety Enhancement	(11,341)	(11,341)	(11,878)	(537)
Police Public Safety Expansion	(85,474)	(85,474)	(88,013)	(2,539)
Fire Public Safety Expansion	(21,369)	(21,369)	(22,003)	(634)
City Improvement Debt Service Fund	(48,537)	(48,537)	(48,739)	(202)
Phoenix Convention Center Enterprise Fund	(86,163)	(86,163)	(89,191)	(3,028)
Total Other Financing Uses	(2,135,896)	(2,135,896)	(2,191,877)	(55,981)
Net Change in Fund Balance	\$ -	\$ -	-	\$ -
Fund Balance, July 1			-	
Fund Balance, June 30			\$ -	

Budgetary Comparison Schedule
Highway User Revenue Special Revenue Fund
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit D-3

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Intergovernmental				
Highway User	\$ 157,955	\$ 157,955	\$ 157,356	\$ (599)
Charges for Services	5	5	25	20
Contributions/Donations	-	-	4	4
Licenses and Permits	-	-	113	113
Interest	500	500	6,611	6,111
Miscellaneous	15	15	306	291
Total Revenues	158,475	158,475	164,415	5,940
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Transportation	94,493	94,493	83,253	11,240
Capital	114,864	114,864	75,594	39,270
Total Expenditures and Encumbrances	209,357	209,357	158,847	50,510
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	(50,882)	(50,882)	5,568	56,450
OTHER FINANCING SOURCES (USES)				
Transfers From Other Funds				
Other Restricted Special Revenue Fund	-	-	7,076	7,076
Transfers To Other Funds				
City Improvement Debt Service Fund	(4,475)	(4,475)	(4,244)	231
Recovery of Prior Years Expenditures	901	901	2,190	1,289
Total Other Financing Sources (Uses)	(3,574)	(3,574)	5,022	8,596
Net Change in Fund Balance	\$ (54,456)	\$ (54,456)	10,590	\$ 65,046
Fund Balance, July 1			76,491	
Fund Balance, June 30			\$ 87,081	

Budgetary Comparison Schedule
Municipal Court Awards Special Revenue Fund
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit D-4

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 4,673	\$ 4,673	\$ 1,981	\$ (2,692)
Total Revenues	4,673	4,673	1,981	(2,692)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
General Government	52	52	49	3
Public Safety	4,619	4,619	2,703	1,916
Total Expenditures and Encumbrances	4,671	4,671	2,752	1,919
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	2	2	(771)	(773)
OTHER FINANCING SOURCES				
Recovery of Prior Years Expenditures	19	19	100	81
Total Other Financing Sources	19	19	100	81
Net Change in Fund Balance	<u>\$ 21</u>	<u>\$ 21</u>	(671)	<u>\$ (692)</u>
Fund Balance (Deficit), July 1			(104)	
Fund Balance (Deficit), June 30			<u>\$ (775)</u>	

Budgetary Comparison Schedule
Development Services Special Revenue Fund
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit D-5

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ 84,253	\$ 84,253	\$ 81,779	\$ (2,474)
Miscellaneous	58	58	320	262
Total Revenues	84,311	84,311	82,099	(2,212)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Community Development	87,445	87,895	83,461	4,434
Capital	29,165	31,165	25,148	6,017
Contingency	8,000	8,000	-	8,000
Total Expenditures and Encumbrances	124,610	127,060	108,609	18,451
Deficiency of Revenues Over Expenditures and Encumbrances	(40,299)	(42,749)	(26,510)	16,239
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
General Fund	-	-	86	86
Transfers to Other Funds				
General Fund				
Staff and Administrative	(6,528)	(6,528)	(6,528)	-
Recovery of Prior Years Expenditures	21	21	156	135
Total Other Financing Sources (Uses)	(6,507)	(6,507)	(6,286)	221
Net Change in Fund Balance	\$ (46,806)	\$ (49,256)	(32,796)	\$ 16,460
Fund Balance, July 1			68,650	
Fund Balance, June 30			\$ 35,854	

Budgetary Comparison Schedule
Community Reinvestment Special Revenue Fund
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit D-6

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
City Taxes	\$ 8	\$ 8	\$ -	\$ (8)
Charges for Services	160	160	198	38
Rentals	5,569	5,569	5,735	166
Interest	228	228	992	764
Miscellaneous	5,940	5,940	144	(5,796)
Total Revenues	11,905	11,905	7,069	(4,836)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Community Development	2,291	3,291	2,934	357
Capital	7,924	6,924	3,120	3,804
Total Expenditures and Encumbrances	10,215	10,215	6,054	4,161
Excess of Revenues Over Expenditures and Encumbrances	1,690	1,690	1,015	(675)
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds				
General Fund				
Other	(2,064)	(2,064)	(2,064)	-
Recovery of Prior Years Expenditures	1	1	109	108
Total Other Financing Sources (Uses)	(2,063)	(2,063)	(1,955)	108
Net Change in Fund Balance	<u>\$ (373)</u>	<u>\$ (373)</u>	<u>(940)</u>	<u>\$ (567)</u>
Fund Balance, July 1			22,296	
Fund Balance, June 30			<u>\$ 21,356</u>	

Budgetary Comparison Schedule**Exhibit D-7****Federal Operating Trust Grants Special Revenue Fund**

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 259,820	\$ 259,820	\$ 81,486	\$ (178,334)
Charges for Services	-	-	4	\$ 4
Interest	5	5	89	84
Miscellaneous	29,616	29,616	12,918	(16,698)
Total Revenues	289,441	289,441	94,497	(194,944)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
General Government	93,715	86,253	4,326	81,927
Public Safety	29,469	29,469	22,689	6,780
Transportation	44	44	137	(93)
Community Enrichment	60,184	60,184	67,114	(6,930)
Community Development	38,909	38,909	16,530	22,379
Environmental Services	3,388	3,388	2,183	1,205
Capital	63,761	71,223	9,418	61,805
Total Expenditures and Encumbrances	289,470	289,470	122,397	167,073
Deficiency of Revenues Over Expenditures and Encumbrances	(29)	(29)	(27,900)	(27,871)
OTHER FINANCING SOURCES				
Transfers from Other Funds				
General Fund	-	-	626	626
Recovery of Prior Years Expenditures	29	29	5,892	5,863
Total Other Financing Sources	29	29	6,518	6,489
Net Change in Fund Balance	\$ -	\$ -	(21,382)	\$ (21,382)
Fund Balance, July 1			-	
Fund Balance (Deficit), June 30			\$ (21,382)	

Budgetary Comparison Schedule
Community Development Grants Special Revenue Fund
Exhibit D-8

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 57,524	\$ 57,524	\$ 22,846	\$ (34,678)
Charges for Services	432	432	157	(275)
Rentals	-	-	176	176
Interest	1	1	-	(1)
Miscellaneous	622	622	184	(438)
Total Revenues	58,579	58,579	23,363	(35,216)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
General Government	300	300	278	22
Community Enrichment	1,752	1,752	1,376	376
Community Development	45,639	45,939	19,678	26,261
Capital	10,888	10,588	3,162	7,426
Total Expenditures and Encumbrances	58,579	58,579	24,494	34,085
Deficiency of Revenues Over Expenditures and Encumbrances	-	-	(1,131)	(1,131)
OTHER FINANCING SOURCES				
Recovery of Prior Year Expenditures	-	-	176	176
Total Other Financing Sources	-	-	176	176
Net Change in Fund Balance	\$ -	\$ -	(955)	\$ (955)
Fund Balance (Deficit), July 1			(10)	
Fund Balance (Deficit), June 30			\$ (965)	

Budgetary Comparison Schedule
Human Services Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit D-9

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 69,503	\$ 69,503	\$ 74,592	\$ 5,089
Contributions/Donations	55	55	22	(33)
Interest	104	104	47	(57)
Total Revenues	69,662	69,662	74,661	4,999
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Community Enrichment	69,671	77,711	74,420	3,291
Capital	-	10,000	7,540	2,460
Total Expenditures and Encumbrances	69,671	87,711	81,960	5,751
Deficiency of Revenues Over Expenditures and Encumbrances	(9)	(18,049)	(7,299)	10,750
OTHER FINANCING SOURCES				
Recovery of Prior Years Expenditures	9	9	1,458	1,449
Total Other Financing Sources	9	9	1,458	1,449
Net Change in Fund Balance	\$ -	\$ (18,040)	(5,841)	\$ 12,199
Fund Balance, July 1			-	
Fund Balance (Deficit), June 30			\$ (5,841)	

Budgetary Comparison Schedule
Exhibit D-10
Public Housing Special Revenue Fund

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 178,956	\$ 178,956	\$ 142,138	\$ (36,818)
Contributions/Donations	-	-	2	2
Interest	669	669	1,340	671
Dwelling Rentals	2,617	2,617	2,328	(289)
Miscellaneous	12,577	12,577	9,751	(2,826)
Total Revenues	194,819	194,819	155,559	(39,260)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Community Enrichment	2	2	281	(279)
Community Development	171,353	171,353	146,188	25,165
Capital	38,400	38,400	16,506	21,894
Total Expenditures and Encumbrances	209,755	209,755	162,975	46,780
Deficiency of Revenues Over Expenditures and Encumbrances	(14,936)	(14,936)	(7,416)	7,520
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds				
General Fund				
In-Lieu Property Taxes	(200)	(200)	(122)	78
City Improvement	(571)	(571)	(571)	-
Recovery of Prior Years Expenditures	-	-	681	681
Total Other Financing Sources (Uses)	(771)	(771)	(12)	759
Net Change in Fund Balance	\$ (15,707)	\$ (15,707)	(7,428)	\$ 8,279
Fund Balance, July 1			43,138	
Fund Balance, June 30			\$ 35,710	

Budgetary Comparison Schedule
Public Housing Neighborhood Transformation Grant Special
Revenue Fund

Exhibit D-11

For the Fiscal Year Ended June 30, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 32,535	\$ 32,535	\$ 7,592	\$ (24,943)
Rentals	-	-	174	174
Interest	11	11	187	176
Miscellaneous	371	371	1,036	665
Total Revenues	32,917	32,917	8,989	(23,928)
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Community Enrichment	185	185	-	185
Community Development	5,493	4,005	3,363	642
Capital	27,244	28,732	7,242	21,490
Total Expenditures and Encumbrances	32,922	32,922	10,605	22,317
Deficiency of Revenues Over Expenditures and Encumbrances	(5)	(5)	(1,616)	(1,611)
OTHER FINANCING SOURCES				
Recovery of Prior Year Expenditures	5	5	415	410
Total Other Financing Sources	5	5	415	410
Net Change in Fund Balance	\$ -	\$ -	(1,201)	\$ (1,201)
Fund Balance, July 1			3,744	
Fund Balance, June 30			\$ 2,543	

**Budgetary Comparison Schedule
Sports Facilities Debt Service Fund**
Exhibit D-12

 For the Fiscal Year Ended June 30, 2024
(in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Rentals	\$ 3,659	\$ 3,659	\$ 3,659	\$ -
Interest	305	305	3,468	3,163
Total Revenues	3,964	3,964	7,127	3,163
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
General Government	159	159	109	50
Public Safety	1,857	1,857	1,857	-
Community Enrichment	596	596	592	4
Community Development	194	194	190	4
Capital	2,127	2,127	2,084	43
Contingency	2,500	2,500	-	2,500
Total Expenditures and Encumbrances	7,433	7,433	4,832	2,601
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	(3,469)	(3,469)	2,295	5,764
OTHER FINANCING SOURCES (USES)				
Transfer from Other Funds				
Excise Tax Special Revenue Fund	28,488	28,488	29,932	1,444
Capital Projects Fund	1,022	1,022	1,022	-
Transfers to Other Funds				
General Fund				
Staff and Administrative	(63)	(63)	(89)	(26)
City Improvement Debt Service Fund	(15,691)	(15,691)	(15,692)	(1)
Infrastructure Repayment Agreement Trust	(5)	(5)	-	5
Total Other Financing Sources (Uses)	13,751	13,751	15,173	1,422
Net Change in Fund Balance	\$ 10,282	\$ 10,282	17,468	\$ 7,186
Fund Balance, July 1			86,799	
Fund Balance, June 30			\$ 104,267	

Budgetary Comparison Schedule
Capital Construction Capital Projects Fund
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit D-13

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Interest	\$ 534	\$ 534	\$ 1,146	\$ 612
Total Revenues	534	534	1,146	612
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Transportation	70	70	69	1
Environmental Services	70	70	55	15
Capital	24,792	24,792	10,669	14,123
Total Expenditures and Encumbrances	24,932	24,932	10,793	14,139
Deficiency of Revenues Over Expenditures and Encumbrances	(24,398)	(24,398)	(9,647)	14,751
OTHER FINANCING SOURCES				
Transfer from Other Funds				
Excise Tax Special Revenue Fund	5,623	5,623	7,328	1,705
Recovery of Prior Years Expenditures	143	143	231	88
Total Other Financing Sources	5,766	5,766	7,559	1,793
Net Change in Fund Balance	<u>\$ (18,632)</u>	<u>\$ (18,632)</u>	<u>(2,088)</u>	<u>\$ 16,544</u>
Fund Balance, July 1			27,988	
Fund Balance, June 30			<u>\$ 25,900</u>	

Budgetary Comparison Schedule
Parks and Preserves Capital Projects Fund
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit D-14

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Rentals	\$ 137	\$ 137	\$ 2	\$ (135)
Interest	2,640	2,640	5,585	2,945
Total Revenues	2,777	2,777	5,587	2,810
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Community Enrichment	7,923	7,923	6,638	1,285
Capital	120,293	120,293	79,255	41,038
Total Expenditures and Encumbrances	128,216	128,216	85,893	42,323
Deficiency of Revenues Over Expenditures and Encumbrances	(125,439)	(125,439)	(80,306)	45,133
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Excise Tax Special Revenue Fund	53,420	53,420	55,007	1,587
Transfers to Other Funds				
Other Restricted Special Revenue Fund	-	-	(21)	(21)
Infrastructure Repayment Agreement Trust	(176)	(176)	(81)	95
Recovery of Prior Years Expenditures	-	-	379	379
Total Other Financing Sources (Uses)	53,244	53,244	55,284	2,040
Net Change in Fund Balance	\$ (72,195)	\$ (72,195)	(25,022)	\$ 47,173
Fund Balance, July 1			116,985	
Fund Balance, June 30			\$ 91,963	

Budgetary Comparison Schedule

Exhibit D-15

Other Restricted Special Revenue Funds

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
City Taxes	\$ 3,413	\$ 3,413	\$ 2,967	\$ (446)
Contributions/Donations	700	700	987	287
Licenses and Permits	477	477	25	(452)
Intergovernmental	1,601	1,601	652	(949)
Charges for Services	9,461	9,461	9,186	(275)
Fines and Forfeitures	45	45	51	6
Parks and Recreation	2,293	2,293	2,087	(206)
Rentals	3,969	3,969	4,265	296
Interest	714	714	2,983	2,269
Miscellaneous	11,430	11,430	14,255	2,825
Total Revenues	34,103	34,103	37,458	3,355
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
General Government	3,433	3,433	1,179	2,254
Criminal Justice	2,703	2,703	1,500	1,203
Public Safety	61,629	61,629	38,123	23,506
Transportation	5,223	5,223	4,573	650
Community Enrichment	8,490	8,490	3,397	5,093
Community Development	16,921	16,497	9,505	6,992
Environmental Services	3,484	3,484	2,666	818
Capital	17,059	17,483	5,438	12,045
Total Expenditures and Encumbrances	118,942	118,942	66,381	52,561
Deficiency of Revenues Over Expenditures and Encumbrances	(84,839)	(84,839)	(28,923)	55,916
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Excise Tax Special Revenue Fund	20,708	20,708	22,616	1,908
General Fund - Other	25,011	25,011	24,982	(29)
Police Public Safety Expansion Special Revenue Fund	-	-	3,153	3,153
Transit-Federal Transit Grants Special Revenue Fund	-	-	56	56
Miscellaneous	1,592	1,592	322	(1,270)
Transfers to Other Funds				
General Fund - Staff and Administrative	(1,087)	(1,087)	(522)	565
Highway User Revenue Special Revenue Fund	-	-	(7,076)	(7,076)
Recovery of Prior Years Expenditures	49	49	765	716
Total Other Financing Sources (Uses)	46,273	46,273	44,296	(1,977)
Net Change in Fund Balance	\$ (38,566)	\$ (38,566)	15,373	\$ 53,939
Fund Balance, July 1			207,720	
Fund Balance, June 30			\$ 223,093	

Budgetary Comparison Schedule
Neighborhood Protection Special Revenue Fund
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit D-16

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Interest	\$ 166	\$ 166	\$ 765	\$ 599
Miscellaneous	200	200	123	(77)
Total Revenues	366	366	888	522
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Public Safety	60,547	60,547	55,985	4,562
Total Expenditures and Encumbrances	60,547	60,547	55,985	4,562
Deficiency of Revenues Over Expenditures and Encumbrances	(60,181)	(60,181)	(55,097)	5,084
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Excise Tax Special Revenue Fund	53,422	53,422	55,008	1,586
Transfers to Other Funds				
General Fund				
Staff and Administrative	(726)	(726)	(748)	(22)
Other Restricted Special Revenue Fund	(103)	(103)	(21)	82
Infrastructure Repayment Agreement Trust	(175)	(175)	(89)	86
Recovery of Prior Year Expenditures	-	-	6	6
Total Other Financing Sources (Uses)	52,418	52,418	54,156	1,738
Net Change in Fund Balance	\$ (7,763)	\$ (7,763)	(941)	\$ 6,822
Fund Balance, July 1			25,428	
Fund Balance, June 30			\$ 24,487	

Budgetary Comparison Schedule
Public Safety Enhancement Special Revenue Fund
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit D-17

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Public Safety	37,112	37,112	29,831	7,281
Total Expenditures and Encumbrances	37,112	37,112	29,831	7,281
Deficiency of Revenues Over Expenditures and Encumbrances	(37,112)	(37,112)	(29,831)	7,281
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Excise Tax Special Revenue Fund	29,845	29,845	31,258	1,413
Transfers to Other Funds				
General Fund				
Staff and Administrative	(535)	(535)	(514)	21
Recovery of Prior Year Expenditures	-	-	1	1
Total Other Financing Sources (Uses)	29,310	29,310	30,745	1,435
Net Change in Fund Balance	<u>\$ (7,802)</u>	<u>\$ (7,802)</u>	914	<u>\$ 8,716</u>
Fund Balance, July 1			25,924	
Fund Balance, June 30			<u>\$ 26,838</u>	

Budgetary Comparison Schedule
Public Safety Expansion Special Revenue Fund
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit D-18

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 278	\$ 278	\$ 868	\$ 590
Total Revenues	278	278	868	590
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Public Safety	125,877	125,877	103,737	22,140
Total Expenditures and Encumbrances	125,877	125,877	103,737	22,140
Deficiency of Revenues Over Expenditures and Encumbrances	(125,599)	(125,599)	(102,869)	22,730
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Excise Tax Special Revenue Fund	106,843	106,843	110,016	3,173
Transfers to Other Funds				
General Fund				
Staff and Administrative	(1,639)	(1,639)	(1,709)	(70)
Other Restricted Special Revenue Fund	(205)	(205)	(3,196)	(2,991)
Infrastructure Repayment Agreement Trust	(348)	(348)	(177)	171
Recovery of Prior Year Expenditures	-	-	8	8
Total Other Financing Sources (Uses)	104,651	104,651	104,942	291
Net Change in Fund Balance	<u>\$ (20,948)</u>	<u>\$ (20,948)</u>	2,073	<u>\$ 23,021</u>
Fund Balance, July 1			46,335	
Fund Balance, June 30			<u>\$ 48,408</u>	

Budgetary Comparison Schedule

Exhibit D-19

Golf Courses Special Revenue Fund

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 9,535	\$ 9,535	\$ 12,044	\$ 2,509
Rentals	256	256	607	351
Interest	45	45	243	198
Miscellaneous	294	294	356	62
Total Revenues	10,130	10,130	13,250	3,120
EXPENDITURES AND ENCUMBRANCES				
Current Operating				
Community Enrichment	9,288	10,788	10,057	731
Capital	1,440	1,440	936	504
Total Expenditures and Encumbrances	10,728	12,228	10,993	1,235
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	(598)	(2,098)	2,257	4,355
OTHER FINANCING SOURCES				
Recovery of Prior Year Expenditures	1	1	34	35
Total Other Financing Sources	1	1	34	35
Net Change in Fund Balance	<u>\$ (597)</u>	<u>\$ (2,097)</u>	2,291	<u>\$ 4,390</u>
Fund Balance, July 1			4,945	
Fund Balance, June 30			<u>\$ 7,236</u>	

Budgetary Comparison Schedule
Exhibit D-20
Regional Wireless Cooperative

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 4,353	\$ 4,353	\$ 5,166	\$ 813
Interest	62	62	265	203
Special Assessments	2,741	2,741	1,754	(987)
Total Revenues	7,156	7,156	7,185	29
EXPENDITURES AND ENCUMBRANCES				
Operations	6,881	7,691	5,856	1,835
Total Expenditures and Encumbrances	6,881	7,691	5,856	1,835
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	275	(535)	1,329	1,864
OTHER FINANCING SOURCES				
Recovery of Prior Years Expenditures	6	6	-	(6)
Total Other Financing Sources	6	6	-	(6)
Net Change in Fund Balance	\$ 281	\$ (529)	1,329	\$ 1,858
Fund Balance, July 1			2,394	
Fund Balance, June 30			\$ 3,723	

Budgetary Comparison Schedule
Secondary Property Tax Debt Service Fund
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit D-21

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Property Taxes	\$ 131,092	\$ 131,092	\$ 131,014	\$ (78)
Intergovernmental	3,846	3,846	3,466	(380)
Total Revenues	134,938	134,938	134,480	(458)
EXPENDITURES AND ENCUMBRANCES				
General Obligation Bond Debt Service				
Principal	102,280	102,280	102,280	-
Interest	31,711	31,711	31,711	-
Arbitrage Rebate and Fiscal Agent Fees	-	5	-	5
Other Debt Service Costs	900	900	-	900
Total Expenditures and Encumbrances	134,891	134,896	133,991	905
Excess of Revenues Over Expenditures and Encumbrances	47	42	489	447
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds				
General Obligation Reserve Fund	(47)	(47)	(489)	(442)
Total Other Financing Sources (Uses)	(47)	(47)	(489)	(442)
Net Change in Fund Balance	\$ -	\$ (5)	-	\$ 5
Fund Balance, July 1			100	
Fund Balance, June 30			\$ 100	

Budgetary Comparison Schedule
Exhibit D-22
City Improvement Debt Service Fund

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Interest	\$ -	\$ -	\$ 26	\$ 26
Total Revenues	-	-	26	26
EXPENDITURES AND ENCUMBRANCES				
Lease-Purchase Payments	77,959	80,459	78,381	2,078
Arbitrage Rebate and Fiscal Agent Fees	13	13	13	-
Other	1,000	1,000	997	3
Total Expenditures and Encumbrances	78,972	81,472	79,391	2,081
Deficiency of Revenues Over Expenditures and Encumbrances	(78,972)	(81,472)	(79,365)	2,107
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
General Fund - Library	129	129	129	-
Excise Tax Special Revenue Fund	48,537	48,537	48,739	202
Transportation Tax 2050 Special Revenue Fund	8,210	8,210	8,596	386
Highway User Revenue Special Revenue Fund	4,475	4,475	4,244	(231)
Public Housing Special Revenue Fund	571	571	571	-
Sports Facilities Special Revenue Fund	15,691	15,691	15,692	1
Enterprise Funds	2,381	2,381	2,416	35
Transfers to Other Funds				
Capital Projects Fund	(1,022)	(1,022)	(1,022)	-
Total Other Financing Sources (Uses)	78,972	78,972	79,365	393
Net Change in Fund Balance	\$ -	\$ (2,500)	-	\$ 2,500
Fund Balance, July 1			-	
Fund Balance, June 30			\$ -	



Financial Section

**OTHER SUPPLEMENTARY
INFORMATION -
Enterprise Funds
- Statements and
Schedules**



City of Phoenix

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the government is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government has decided that periodic determination of net income is appropriate for accounting purposes.

Aviation - to account for the operations of Sky Harbor International Airport, Deer Valley Airport and Goodyear Airport.

Phoenix Convention Center - to account for the operations of the Phoenix Convention Center and theatrical facilities.

Water System - to account for the operations of the City's water system, including the Val Vista Water Treatment Plant, a joint-use agreement with the City of Mesa.

Wastewater - to account for the operations of the City's sanitary sewer system, including facilities serving the Sub Regional Operating Group, a joint-use agreement with the Cities of Glendale, Mesa, Scottsdale and Tempe.

Solid Waste - to account for the operations of the City's landfills and its solid waste collection system.

**Aviation Enterprise Fund
Statement of Net Position**
Exhibit E-1

June 30, 2024

(in thousands)

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 72,411
Investments	815,113
Receivables	
Accounts Receivable, Net of Allowance for Doubtful Accounts (\$2,179)	18,616
Leases	40,732
Deposits in Escrow	10
Inventories, at Average Cost	3,761
Total Unrestricted Current Assets	950,643
Restricted Assets	
Debt Service	
Cash with Fiscal Agent/Trustee	121,562
Customer Facility Charge	
Cash with Fiscal Agent/Trustee	68,745
Accounts Receivable	3,753
Capital Projects	
Cash and Cash Equivalents	12,041
Investments	221,244
Receivables	
Interest	54
Intergovernmental	14,255
Passenger Facility Charges	13,498
Total Restricted Current Assets	455,152
Total Current Assets	1,405,795
Noncurrent Assets	
Capital Assets	
Land	577,413
Buildings	2,404,584
Improvements Other Than Buildings	2,051,065
Equipment	1,131,426
Intangibles	37,916
Construction in Progress	105,734
Less: Accumulated Depreciation	(3,185,310)
Total Capital Assets, Net of Accumulated Depreciation	3,122,828
Other Noncurrent Assets	
Restricted Cash with Fiscal Agent/Trustee	171,197
Leases Receivable	228,045
Net OPEB Asset	1,481
Total Noncurrent Assets	3,523,551
Total Assets	4,929,346
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding Bonds	34,601
OPEB Related	96
Total Deferred Outflows of Resources	34,697

Exhibit E-1
(Continued)

<u>LIABILITIES</u>	
Current Liabilities Payable from Current Assets	
Accounts Payable	43,973
Trust Liabilities and Deposits	39
Advance Payments	23,112
Current Portion of Pollution Remediation	75
Current Portion of Accrued Compensated Absences	1,082
Total Current Liabilities Payable from Current Assets	68,281
Current Liabilities Payable from Restricted Assets	
Debt Service	
Matured Bonds Payable	69,450
Interest Payable	52,112
Arbitrage Liability	3,777
Current Portion of Rental Car Facility Revenue Bonds	8,185
Current Portion of Municipal Corporation Obligations	64,575
Capital Projects	
Accounts Payable	14,980
Total Current Liabilities Payable from Restricted Assets	213,079
Total Current Liabilities	281,360
Noncurrent Liabilities	
Rental Car Facility Revenue Bonds, net	298,582
Municipal Corporation Obligations, net	1,995,084
Pollution Remediation	1,050
Accrued Compensated Absences	7,647
Net OPEB Liability	7,709
Total Noncurrent Liabilities	2,310,072
Total Liabilities	2,591,432
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Gain on Refunding Bonds	8,239
OPEB Related	332
Leases Related	253,056
Total Deferred Inflows of Resources	261,627
<u>NET POSITION</u>	
Net Investment in Capital Assets	1,030,997
Restricted for:	
Debt Service	3,314
Passenger Facility Charges	174,966
Customer Facility Charges	67,362
OPEB	1,481
Unrestricted	832,864
Total Net Position	\$ 2,110,984

Aviation Enterprise Fund
Statement of Revenues, Expenses and
Changes in Net Position

Exhibit E-2

For the Fiscal Year Ended June 30, 2024

(in thousands)

Operating Revenues		
Aeronautical Revenue		
Terminal Fees	\$	134,025
Landing Fees		63,102
Air Cargo and Hangar Rentals		10,245
Other		25,006
Non-Aeronautical Revenue		
Parking		136,791
Rental Cars		80,308
Terminal - Food and Beverage		30,781
Terminal - Retail		17,363
Rental Revenue		25,241
Ground Transportation		26,690
Other		3,560
Total Operating Revenues		<u>553,112</u>
Operating Expenses		
Operation and Maintenance		
Personal Services		147,903
Contractual Services		150,363
Supplies		14,210
Equipment/Minor Improvements		11,657
Depreciation		213,898
Staff and Administrative		15,052
Total Operating Expenses		<u>553,083</u>
Operating Income		29
Non-Operating Revenues (Expenses)		
Passenger Facility Charges		96,391
Rental Car Customer Facility Charges		52,942
Investment Income		25,305
Interest Income from Leases		9,015
Loss on Lease Cancellation		(4,052)
Utility Easement		9,349
Interest on Capital Debt		(89,142)
Gain on Disposal of Capital Assets		551
Total Non-Operating Revenues (Expenses)		<u>100,359</u>
Net Income Before Contributions and Transfers		100,388
Capital Contributions		28,359
Transfers from General Fund - Other		372
Transfers to Debt Service Fund		(1,094)
Change in Net Position		<u>128,025</u>
Net Position, July 1		1,982,959
Net Position, June 30	\$	<u><u>2,110,984</u></u>

Exhibit E-3

Aviation Enterprise Fund

Statement of Cash Flows

For the Fiscal Year Ended June 30, 2024

(in thousands)

Cash Flows from Operating Activities	
Receipts from Customers	\$ 541,476
Payments to Suppliers	(211,173)
Payments to Employees	(93,012)
Payment of Staff and Administrative Expenses	(15,052)
Net Cash Provided by Operating Activities	<u>222,239</u>
Cash Flows from Noncapital Financing Activities	
Noncapital Grants	64,948
Transfers from Other Funds	372
Transfers to Other Funds	(1,094)
Net Cash Provided by Noncapital Financing Activities	<u>64,226</u>
Cash Flows from Capital and Related Financing Activities	
Principal Paid on Capital Debt	(58,525)
Interest Paid on Capital Debt	(103,354)
Acquisition and Construction of Capital Assets	(90,630)
Proceeds from Sales of Capital Assets	655
Passenger Facility Charges	95,425
Customer Facility Charges	52,568
Interest Income from Leases	9,015
Capital Contributions	30,621
Net Cash Used by Capital and Related Financing Activities	<u>(64,225)</u>
Cash Flows from Investing Activities	
Purchases of Investment Securities	(336,434)
Proceeds from Sale and Maturities of Investment Securities	349,683
Net Activity for Short-Term Investments	(245,259)
Interest on Investments	25,258
Net Cash Used by Investing Activities	<u>(206,752)</u>
Net Increase in Cash and Cash Equivalents	15,488
Cash and Cash Equivalents, July 1	430,478
Cash and Cash Equivalents, June 30	<u>\$ 445,966</u>
Reconciliation of Operating Income to	
Net Cash Provided by Operating Activities	
Operating Income	29
Adjustments	
Depreciation	213,898
Deferred Outflows - Pension and OPEB	923
Deferred Inflows - Pension and OPEB	(63)
Change in Assets and Liabilities	
Receivables	(6,563)
Allowance for Doubtful Accounts	1,143
Lease Contracts Receivable	(4,201)
Inventories	(311)
Net OPEB Asset	(118)
Accounts Payable	19,157
Advance Payments	(2,015)
Pollution Remediation	(75)
Accrued Compensated Absences	1,282
Net OPEB Liability	(847)
Net Cash Provided by Operating Activities	<u>\$ 222,239</u>
Noncash Capital and Financing Activities	
Amortization of Deferred Gains/Losses of Bond Refundings	4,005
Unrealized Losses on Investments	(17,643)
Accounts Payable Related to Capital Asset Additions	14,980
Total Noncash Capital and Financing Activities	<u>\$ 1,342</u>

Aviation Enterprise Fund
Exhibit E-4
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Budget Basis

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Landing Area	\$ 54,294	\$ 54,294	\$ 56,887	\$ 2,593
Terminal Area	209,616	209,616	204,357	(5,259)
Ground Transportation	206,952	206,952	224,849	17,897
Interest on Investments	11,510	11,510	39,053	27,543
Other	46,136	46,136	82,359	36,223
Total Revenues	528,508	528,508	607,505	78,997
Transfer from Customer Facility Charge Revenues for O&M Expense Reimbursement	-	-	14,631	14,631
Total Revenues and Transfers from CFC	528,508	528,508	622,136	93,628
EXPENDITURES AND ENCUMBRANCES				
Operation and Maintenance				
Personal Services	144,254	144,254	146,882	(2,628)
Contractual Services	170,043	170,043	151,987	18,056
Supplies	17,109	17,109	14,832	2,277
Equipment/Minor Improvements	8,393	8,393	7,997	396
Contingency	25,000	25,000	-	25,000
Total Operating Expenditures	364,799	364,799	321,698	43,101
Net Revenue Available for Revenue Bond Debt Service	163,709	163,709	300,438	136,729
Revenue Bond Debt Service				
Senior Lien Revenue Bond Debt Service				
Principal	25,690	25,690	23,695	1,995
Interest	36,445	36,445	31,819	4,626
Total Senior Lien Revenue Bond Debt Service	62,135	62,135	55,514	6,621
Net Revenue Available for Junior Lien Revenue Bond Debt Service	101,574	101,574	244,924	143,350
Junior Lien Revenue Bond Debt Service				
Principal	18,967	18,967	18,967	-
Interest	22,220	22,220	22,220	-
Total Junior Lien Revenue Bond Debt Service	41,187	41,187	41,187	-
Net Revenue Available After Junior Lien Revenue Bond Debt Service	60,387	60,387	203,737	143,350
Other Expenditures				
Capital Improvement Program	237,893	237,893	93,327	144,566
Total Other Expenditures	237,893	237,893	93,327	144,566
Total Expenditures and Encumbrances	706,014	706,014	511,726	194,288
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	(177,506)	(177,506)	110,410	287,916
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Aviation Capital Fund	18,572	18,572	20	(18,552)
General Fund - Other	189	189	372	183
Transfers to Other Funds				
General Fund				
Staff and Administrative	(13,634)	(13,634)	(15,052)	(1,418)
Debt Service Fund	(1,093)	(1,093)	(1,094)	(1)
Aviation Capital Fund	-	-	(2,438)	(2,438)
Recovery of Prior Years Expenditures	1,795	1,795	7,606	5,811
Total Other Financing Sources (Uses)	5,829	5,829	(10,586)	(16,415)
Net Increase (Decrease) in Fund Balance	\$ (171,677)	\$ (171,677)	99,824	\$ 271,501
FUND BALANCE, JULY 1			654,306	
FUND BALANCE, JUNE 30			<u>\$ 754,130</u>	



City of Phoenix

Phoenix Convention Center Enterprise Fund
Exhibit E-5
Statement of Net Position

June 30, 2024

(in thousands)

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 15,679
Investments	162,284
Accounts Receivable, Net of Allowance for Doubtful Accounts (\$27)	120
Leases Receivable	77
Inventories, at Average Cost	320
Total Unrestricted Current Assets	178,480
Restricted Assets	
Debt Service	
Cash with Fiscal Agent/Trustee	29,224
Capital Projects	
Cash and Cash Equivalents	475
Investments	15,678
Receivables	
Accrued Interest	38
Customer and Other Deposits	4,593
Total Restricted Current Assets	50,008
Total Current Assets	228,488
Noncurrent Assets	
Capital Assets	
Land	29,418
Buildings	921,605
Improvements Other Than Buildings	19,588
Equipment	24,436
Construction in Progress	5,889
Less: Accumulated Depreciation	(467,375)
Total Capital Assets, Net of Accumulated Depreciation	533,561
Other Noncurrent Assets	
Leases Receivable	11,676
Net OPEB Asset	298
Total Noncurrent Assets	545,535
Total Assets	774,023
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding Bonds	3,367
Pension Related	4,357
OPEB Related	19
Total Deferred Outflows of Resources	7,743

Exhibit E-5
(Continued)

LIABILITIES	
Current Liabilities Payable from Current Assets	
Accounts Payable	3,792
Current Portion of Accrued Compensated Absences	212
Total Current Liabilities Payable from Current Assets	4,004
Current Liabilities Payable from Restricted Assets	
Debt Service	
Matured Bonds Payable	8,749
Interest Payable	18,026
Current Portion of Municipal Corporation Obligations	15,757
Customer Deposits	4,591
Total Current Liabilities Payable from Restricted Assets	47,123
Total Current Liabilities	51,127
Noncurrent Liabilities	
Municipal Corporation Obligations, net	630,185
Accrued Compensated Absences	1,498
Net Pension Liability	29,124
Net OPEB Liability	1,634
Total Noncurrent Liabilities	662,441
Total Liabilities	713,568
DEFERRED INFLOWS OF RESOURCES	
Pension Related	17
OPEB Related	67
Leases Related	10,802
Total Deferred Inflows of Resources	10,886
NET POSITION	
Net Investment in Capital Assets	(109,013)
Restricted for:	
Debt Service	2,449
OPEB	298
Unrestricted	163,578
Total Net Position	\$ 57,312

**Phoenix Convention Center Enterprise Fund
Statement of Revenues, Expenses and
Changes in Net Position**
Exhibit E-6

For the Fiscal Year Ended June 30, 2024

(in thousands)

Operating Revenues		
Rental of Facilities and Equipment	\$	14,491
Concessions		21,314
Box Office Services		1,438
Other (1)		21,016
Total Operating Revenues		58,259
Operating Expenses		
Administration		28,180
Operation and Maintenance		19,047
Promotion		4,054
Depreciation		24,494
Staff and Administrative		3,524
Security		2,970
Total Operating Expenses		82,269
Operating Loss		(24,010)
Non-Operating Revenues (Expenses)		
Investment Income		5,100
Interest Income from Leases		380
Interest on Capital Debt		(29,083)
Loss on Disposal of Capital Assets		(45)
Total Non-Operating Revenues (Expenses)		(23,648)
Net Loss Before Transfers		(47,658)
Transfers from Excise Tax Fund		89,192
Transfers to Debt Service Fund		(106)
Transfers to Infrastructure Repayment Agreement Trust Fund		(275)
Transfers to Other Restricted Special Revenue Fund		(85)
Change in Net Position		41,068
Net Position, July 1		16,244
Net Position, June 30	\$	57,312

(1) Other revenues includes payment received from the State of Arizona for debt service on series 2005B bonds.

Phoenix Convention Center Enterprise Fund**Exhibit E-7****Statement of Cash Flows**

For the Fiscal Year Ended June 30, 2024

(in thousands)

Cash Flows from Operating Activities	
Receipts from Customers	\$ 58,430
Payments to Suppliers	(33,330)
Payments to Employees	(22,219)
Payment of Staff and Administrative Expenses	(3,524)
Net Cash Used by Operating Activities	<u>(643)</u>
Cash Flows from Noncapital Financing Activities	
Transfers from Other Funds	89,192
Transfers to Other Funds	(466)
Net Cash Provided by Noncapital Financing Activities	<u>88,726</u>
Cash Flows from Capital and Related Financing Activities	
Principal Paid on Capital Debt	(7,968)
Interest Paid on Capital Debt	(34,239)
Acquisition and Construction of Capital Assets	(4,825)
Interest Income from Leases	380
Net Cash Used by Capital and Related Financing Activities	<u>(46,652)</u>
Cash Flows from Investing Activities	
Purchases of Investment Securities	(60,113)
Proceeds from Sale and Maturities of Investment Securities	59,634
Net Activity for Short-Term Investments	(45,341)
Interest on Investments	5,067
Net Cash Used by Investing Activities	<u>(40,753)</u>
Net Increase in Cash and Cash Equivalents	678
Cash and Cash Equivalents, July 1	49,293
Cash and Cash Equivalents, June 30	<u>\$ 49,971</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating Loss	\$ (24,010)
Adjustments	
Depreciation	24,494
Deferred Outflows - Pension and OPEB	(318)
Deferred Inflows - Pension and OPEB	(581)
Deferred Inflows - Leases	(371)
Change in Assets and Liabilities	
Accounts Receivable	125
Allowance for Doubtful Accounts	28
Leases Receivable	63
Inventories	(7)
Accounts Payable	(134)
Customer Deposits	326
Accrued Compensated Absences	389
Net Pension Liability	(391)
Net OPEB Liability	(256)
Net Cash Used by Operating Activities	<u>(643)</u>
Noncash Capital and Financing Activities	
Bond Capital Appreciation	(1,826)
Amortization of Deferred Gains of Bond Refundings	187
Unrealized Losses on Investments	(1,489)
Total Noncash Capital and Financing Activities	<u>\$ (3,128)</u>

Phoenix Convention Center Enterprise Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Budget Basis

Exhibit E-8

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Rental of Facilities and Equipment	\$ 6,906	\$ 6,906	\$ 6,981	\$ 75
Concessions	16,939	16,939	23,919	6,980
Box Office Services	580	580	759	179
Interest	1,200	1,200	5,968	4,768
Other	1,210	1,210	1,165	(45)
Total Revenues	26,835	26,835	38,792	11,957
EXPENDITURES AND ENCUMBRANCES				
Operations	61,864	61,864	59,219	2,645
Capital Improvement Program	10,617	10,617	7,402	3,215
Lease-Purchase Payments	17,476	17,476	17,475	1
Contingency	3,000	3,000	-	3,000
Total Expenditures and Encumbrances	92,957	92,957	84,096	8,861
Deficiency of Revenues Over Expenditures and Encumbrances	(66,122)	(66,122)	(45,304)	20,818
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Excise Tax Fund	86,163	86,163	89,191	3,028
Transfers to Other Funds				
General Fund				
Staff and Administrative	(3,144)	(3,144)	(3,524)	(380)
Infrastructure Repayment Agreement Trust Fund	(679)	(679)	(275)	404
Debt Service Fund	(106)	(106)	(106)	-
Other Restricted Special Revenue Fund	(465)	(465)	(85)	380
Recovery of Prior Years Expenditures	560	560	860	300
Total Other Financing Sources (Uses)	82,329	82,329	86,061	3,732
Net Increase in Fund Balance	\$ 16,207	\$ 16,207	40,757	\$ 24,550
FUND BALANCE, JULY 1			128,949	
FUND BALANCE, JUNE 30			\$ 169,706	



City of Phoenix

Water System Enterprise Fund
Exhibit E-9
Statement of Net Position

June 30, 2024

(in thousands)

<u>ASSETS</u>	
Current Assets	
Cash and Cash Equivalents	\$ 17,488
Investments	267,956
Receivables	
Accounts Receivable, Net of Allowance for Doubtful Accounts (\$7,195)	78,897
Intergovernmental	1,305
Prepaid Items	12,822
Inventories, at Average Cost	19,163
Total Unrestricted Current Assets	<u>397,631</u>
Restricted Assets	
Debt Service	
Cash with Fiscal Agent	108,512
Capital Projects	
Cash and Cash Equivalents	11,875
Investments	251,915
Receivables	
Interest	22
Customer and Other Deposits	5,577
Total Restricted Current Assets	<u>377,901</u>
Total Current Assets	<u>775,532</u>
Noncurrent Assets	
Capital Assets	
Land	39,898
Buildings	250,889
Improvements Other Than Buildings	984,554
Equipment	346,906
Mains, Hydrants, Meters and Service Connections	2,188,496
Intangibles	143,230
Construction in Progress	1,307,772
Less: Accumulated Depreciation	<u>(2,088,626)</u>
Total Capital Assets, Net of Accumulated Depreciation	3,173,119
Investment in Val Vista Treatment Plant	
Joint Use Agreement	176,029
Net OPEB Asset	1,857
Total Other Assets	<u>177,886</u>
Total Noncurrent Assets	<u>3,351,005</u>
Total Assets	<u>4,126,537</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred Loss on Refunding Bonds	17,094
Pension Related	27,692
OPEB Related	120
Total Deferred Outflows of Resources	<u>44,906</u>

Exhibit E-9
(Continued)

<u>LIABILITIES</u>	
Current Liabilities Payable from Current Assets	
Accounts Payable	40,735
Current Portion of Accrued Compensated Absences	1,118
Total Current Liabilities Payable from Current Assets	41,853
Current Liabilities Payable from Restricted Assets	
Debt Service	
Short-Term Obligations	200,000
Matured Bonds Payable	75,100
Interest Payable	33,708
Current Portion of Loans from Direct Borrowings	278
Current Portion of Municipal Corporation Obligations	71,725
Capital Projects	
Accounts Payable	8,789
Customer and Other Deposits	5,637
Total Current Liabilities Payable from Restricted Assets	395,237
Total Current Liabilities	437,090
Noncurrent Liabilities	
Loans from Direct Borrowings, net	1,188
Municipal Corporation Obligations, net	1,502,001
Arbitrage Liability	2,831
Accrued Compensated Absences	7,914
Net Pension Liability	185,126
Net OPEB Liability	9,812
Total Noncurrent Liabilities	1,708,872
Total Liabilities	2,145,962
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Gain on Refunding Bonds	520
Pension Related	105
OPEB Related	417
Total Deferred Inflows of Resources	1,042
<u>NET POSITION</u>	
Net Investment in Capital Assets	1,726,973
Restricted for:	
Restricted from Enabling Legislation	129,911
OPEB	1,857
Unrestricted	165,698
Total Net Position	\$ 2,024,439

Water System Enterprise Fund
Statement of Revenues, Expenses and
Changes in Net Position

Exhibit E-10

For the Fiscal Year Ended June 30, 2024

(in thousands)

Operating Revenues		
Water Sales	\$	448,977
Environmental Charges		74,487
Other		52,660
Total Operating Revenues		576,124
Operating Expenses		
Administration and Engineering		32,206
Operation and Maintenance		
Customer Service		9,861
Production and Treatment		146,445
Distribution and Centralized Functions		80,792
Depreciation and Amortization		109,726
Staff and Administrative		13,337
Total Operating Expenses		392,367
Operating Income		183,757
Non-Operating Revenues (Expenses)		
Investment Income		4,494
Interest on Capital Debt		(58,027)
Equity Interest in Joint Use Agreement Operating Loss		(11,659)
Loss on Disposal of Capital Assets		(9,243)
Total Non-Operating Revenues (Expenses)		(74,435)
Net Income Before Contributions and Transfers		109,322
Capital Contributions		83,009
Transfers from Special Revenue Fund		2
Transfers to General Fund - In Lieu Property Taxes		(17,638)
Transfers to Debt Service Fund		(202)
Change in Net Position		174,493
Net Position, July 1		1,849,946
Net Position, June 30	\$	2,024,439

Water System Enterprise Fund**Exhibit E-11****Statement of Cash Flows**

For the Fiscal Year Ended June 30, 2024

(in thousands)

Cash Flows from Operating Activities	
Receipts from Customers	\$ 567,589
Payments to Suppliers	(137,487)
Payments to Employees	(131,633)
Payment of Staff and Administrative Expenses	(13,337)
Net Cash Provided by Operating Activities	<u>285,132</u>
Cash Flows from Noncapital Financing Activities	
Operating Transfers from Other Funds	2
Operating Transfers to Other Funds	(17,840)
Net Cash Used by Noncapital Financing Activities	<u>(17,838)</u>
Cash Flows from Capital and Related Financing Activities	
Principal Paid on Capital Debt	(71,487)
Interest Paid on Capital Debt	(82,677)
Acquisition and Construction of Capital Assets	(192,902)
Proceeds from Sales of Capital Assets	176
Capital Contributions	34,883
Net Cash Used by Capital and Related Financing Activities	<u>(312,007)</u>
Cash Flows from Investing Activities	
Purchases of Investment Securities	(609,046)
Proceeds from Sales and Maturities of Investment Securities	684,092
Net Activity for Short-Term Investments	(72,538)
Interest on Investments	7,315
Contributions to Joint Use Agreement	(5,324)
Net Cash Provided by Investing Activities	<u>4,499</u>
Net Decrease in Cash and Cash Equivalents	<u>(40,214)</u>
Cash and Cash Equivalents, July 1	183,666
Cash and Cash Equivalents, June 30	<u>\$ 143,452</u>
Reconciliation of Operating Income to	
Net Cash Provided by Operating Activities	
Operating Income	\$ 183,757
Adjustments	
Depreciation and Amortization	109,726
Deferred Outflows - Pension and OPEB	(2,294)
Deferred Inflows - Pension and OPEB	(3,660)
Change in Assets and Liabilities	
Receivables	(8,597)
Allowance for Doubtful Accounts	1,311
Prepaid Expenses	(3,715)
Inventories	(939)
Net OPEB Asset	(177)
Accounts Payable	8,887
Customer and Other Deposits	(1,248)
Arbitrage	2,822
Accrued Compensated Absences	1,399
Net Pension Liability	(1,160)
Net OPEB Liability	(980)
Net Cash Provided by Operating Activities	<u>\$ 285,132</u>
Noncash Capital and Financing Activities	
Accounts Payable Related to Capital Asset Additions	\$ 8,789
Amortization of Deferred Gains/Losses of Bond Refundings	886
Contributions of Capital Assets	48,126
Unrealized Losses on Investments	(14,725)
Total Noncash Capital and Financing Activities	<u>\$ 43,076</u>

Water System Enterprise Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Budget Basis

Exhibit E-12

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Water Sales	\$ 483,662	\$ 483,662	\$ 448,977	\$ (34,685)
Environmental Charges	78,774	78,774	74,487	(4,287)
Development Occupational Fees	6,200	6,200	5,816	(384)
Water Service Fees	5,001	5,001	2,721	(2,280)
Distribution	889	889	5,769	4,880
Interest	7,256	7,256	19,186	11,930
Other	34,729	34,729	47,922	13,193
Total Revenues	616,511	616,511	604,878	(11,633)
EXPENDITURES AND ENCUMBRANCES				
Operation and Maintenance	313,921	293,921	258,695	35,226
Operation and Maintenance - Val Vista	18,816	18,816	26,182	(7,366)
Total Operating Expenditures and Encumbrances	332,737	312,737	284,877	27,860
Net Revenue Available for Revenue Bond Debt Service	283,774	303,774	320,001	16,227
Junior Lien Revenue Bond Debt Service				
Principal	75,100	75,100	75,100	-
Interest	67,416	67,416	67,416	-
Total Junior Lien Revenue Bond Debt Service	142,516	142,516	142,516	-
Net Revenue Available After Junior Lien Revenue Bond Debt Service	141,258	161,258	177,485	16,227
Other Expenditures and Encumbrances				
Short-term Obligations Interest	4,135	4,135	9,197	(5,062)
Operating Capital Outlay	6,488	6,488	7,388	(900)
Capital Improvement Program	166,256	186,071	162,629	23,442
Total Other Expenditures and Encumbrances	176,879	196,694	179,214	17,480
Total Expenditures and Encumbrances	652,132	651,947	606,607	45,340
Deficiency of Revenues Over Expenditures and Encumbrances	(35,621)	(35,436)	(1,729)	33,707
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Water Capital Fund	-	-	9,559	9,559
Enterprise Fund	-	-	11,939	11,939
Transfers to Other Funds				
General Fund				
Staff and Administrative	(12,808)	(12,808)	(13,337)	(529)
In-Lieu Property Taxes	(17,997)	(17,997)	(17,638)	359
Capital Projects Fund	-	-	(1,063)	(1,063)
Debt Service Fund	(202)	(202)	(202)	-
Recovery of Prior Years Expenditures	2,141	2,141	5,671	3,530
Total Other Financing Sources (Uses)	(28,866)	(28,866)	(5,071)	23,795
Net Decrease in Fund Balance	\$ (64,487)	\$ (64,302)	(6,800)	\$ 57,502
FUND BALANCE, JULY 1			125,652	
FUND BALANCE, JUNE 30			<u>\$ 118,852</u>	

Water System Enterprise Fund
Val Vista Water Treatment Plant
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Budget Basis

Exhibit E-13

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts			Actual Amounts		Variance with
	Original	Final	Budgetary Basis	Final Budget		
				Positive	(Negative)	
REVENUES						
Val Vista Water System	\$ 10,704	\$ 10,704	\$ 12,410	\$ 1,706		
Operating Revenue - Water	18,816	18,816	26,182	7,366		
Interest	(43)	(43)	(37)	6		
Other	-	-	3	3		
Total Revenues	29,477	29,477	38,558	9,081		
EXPENDITURES AND ENCUMBRANCES						
Operation and Maintenance	31,824	31,824	31,774	50		
Capital Outlay						
Operating	-	-	48	(48)		
Capital Improvement Program	3,850	4,035	3,872	163		
Total Expenditures and Encumbrances	35,674	35,859	35,694	165		
Excess (Deficiency) of Revenues Over						
Expenditures and Encumbrances	(6,197)	(6,382)	2,864	9,246		
OTHER FINANCING SOURCES (USES)						
Transfers to Other Funds						
General Fund						
Staff and Administrative	-	-	(1,127)	(1,127)		
Recovery of Prior Years Expenditures	70	70	321	251		
Total Other Financing Sources (Uses)	70	70	(806)	(876)		
Net Increase (Decrease) in Fund Balance	\$ (6,127)	\$ (6,312)	2,058	\$ 8,370		
FUND DEFICIT, JULY 1				(887)		
FUND BALANCE, JUNE 30				1,171		
Members' Contributed Operating Reserve				3,696		
Members' Contributed Replacement Reserve				2,423		
FUND DEFICIT, UNRESERVED			\$	(4,948)		

Note: The deficit unreserved fund balance is primarily due to encumbrances, which are accounted for as uses of financial resources. The participating Val Vista cities are billed (and revenue is recognized) only to the extent of actual expenditures.

Wastewater Enterprise Fund
Exhibit E-14
Statement of Net Position

June 30, 2024

(in thousands)

ASSETS		
Current Assets		
Cash and Cash Equivalents	\$	26,846
Investments		278,841
Receivables		
Accounts Receivable, Net of Allowance for Doubtful Accounts (\$4,345)		51,039
Intergovernmental		13,604
Leases		9
Inventories, at Average Cost		2,663
Total Unrestricted Current Assets		373,002
Restricted Assets		
Debt Service		
Cash with Fiscal Agent		72,691
Capital Projects		
Cash and Cash Equivalents		6,702
Investments		243,152
Customer Deposits and Other Trust Liabilities		186
Total Restricted Current Assets		322,731
Total Current Assets		695,733
Noncurrent Assets		
Capital Assets		
Land		32,293
Buildings		76,541
Improvements Other Than Buildings		331,013
Mains, Hydrants, Meters and Service Connections		1,167,612
Equipment		155,097
Intangibles		30,203
Construction in Progress		562,459
Less: Accumulated Depreciation		(1,007,842)
Total Capital Assets, Net of Accumulated Depreciation		1,347,376
Other Noncurrent Assets		
Investment in SROG Joint Use Agreement		317,994
Leases Receivable		168
Net OPEB Asset		585
Total Noncurrent Assets		1,666,123
Total Assets		2,361,856
DEFERRED OUTFLOWS OF RESOURCES		
OPEB Related		37
Total Deferred Outflows of Resources		37

Exhibit E-14
(Continued)

<u>LIABILITIES</u>	
Current Liabilities Payable from Current Assets	
Accounts Payable	14,387
Current Portion of Accrued Compensated Absences	242
Total Current Liabilities Payable from Current Assets	14,629
Current Liabilities Payable from Restricted Assets	
Debt Service	
Matured Bonds Payable	51,715
Interest Payable	21,978
Current Portion of Loans from Direct Borrowings	941
Current Portion of Municipal Corporation Obligations	25,155
Capital Projects	
Accounts Payable	12,671
Customer Deposits and Other Trust Liabilities	186
Total Current Liabilities Payable from Restricted Assets	112,646
Total Current Liabilities	127,275
Noncurrent Liabilities	
Loans from Direct Borrowings, net	3,997
Municipal Corporation Obligations, net	755,925
Arbitrage Liability	1,040
Accrued Compensated Absences	1,703
Net OPEB Liability	2,858
Total Noncurrent Liabilities	765,523
Total Liabilities	892,798
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Gain on Refunding Bonds	1,163
OPEB Related	131
Leases Related	187
Total Deferred Inflows of Resources	1,481
<u>NET POSITION</u>	
Net Investment in Capital Assets	1,056,832
Restricted for:	
Restricted from Enabling Legislation	20,169
OPEB	585
Unrestricted	390,028
Total Net Position	\$ 1,467,614

**Wastewater Enterprise Fund
Statement of Revenues, Expenses and
Changes in Net Position**
Exhibit E-15

For the Fiscal Year Ended June 30, 2024

(in thousands)

Operating Revenues		
Sewer Service Charges	\$	185,715
Environmental Charges		46,465
Other		15,471
Total Operating Revenues		247,651
Operating Expenses		
Administration		15,559
Operation and Maintenance		
Wastewater Treatment Plants		44,469
Sewer Maintenance and Collections		29,886
Industrial Waste/Pre-Treatment		5,846
Depreciation		43,792
Staff and Administrative		6,510
Total Operating Expenses		146,062
Operating Income		101,589
Non-Operating Revenues (Expenses)		
Investment Income		4,545
Interest Income from Leases		8
Interest on Capital Debt		(31,899)
Equity Interest in Joint Use Agreement Operating Loss		(22,736)
Loss on Disposal of Capital Assets		(482)
Total Non-Operating Revenues (Expenses)		(50,564)
Net Income Before Contributions and Transfers		51,025
Capital Contributions		37,351
Transfers from Special Revenue Fund		2
Transfers to General Fund - In Lieu Property Taxes		(10,498)
Transfers to Debt Service Fund		(141)
Change in Net Position		77,739
Net Position, July 1		1,389,875
Net Position, June 30	\$	1,467,614

Wastewater Enterprise Fund**Exhibit E-16****Statement of Cash Flows**

For the Fiscal Years Ended June 30, 2024

(in thousands)

Cash Flows from Operating Activities		
Receipts from Customers	\$	251,325
Payments to Suppliers		(76,277)
Payments to Employees		(23,929)
Payment of Staff and Administrative Expenses		(6,510)
Net Cash Provided by Operating Activities		<u>144,609</u>
Cash Flows from Noncapital Financing Activities		
Operating Transfers from Other Funds		2
Operating Transfers to Other Funds		(10,639)
Net Cash Used by Noncapital Financing Activities		<u>(10,637)</u>
Cash Flows from Capital and Related Financing Activities		
Proceeds from Capital Debt		202,375
Principal Paid on Capital Debt		(49,277)
Interest Paid on Capital Debt		(26,430)
Acquisition and Construction of Capital Assets		(64,495)
Proceeds from Sales of Capital Assets		31
Interest Income from Leases		8
Capital Contributions		17,382
Net Cash Provided by Capital and Related Financing Activities		<u>79,594</u>
Cash Flows from Investing Activities		
Purchases of Investment Securities		(599,415)
Proceeds from Sale and Maturities of Investment Securities		460,957
Net Activity for Short-Term Investments		(48,844)
Interest on Investments		4,545
Contributions to Joint Use Agreement		(35,314)
Net Cash Used by Investing Activities		<u>(218,071)</u>
Net Decrease in Cash and Cash Equivalents		(4,505)
Cash and Cash Equivalents, July 1		110,930
Cash and Cash Equivalents, June 30	\$	<u>106,425</u>
Reconciliation of Operating Income to		
Net Cash Provided by Operating Activities		
Operating Income	\$	101,589
Adjustments		
Depreciation		43,792
Deferred Outflows - OPEB		347
Deferred Inflows - OPEB		(16)
Deferred Inflows - Leases		(13)
Change in Assets and Liabilities		
Receivables		2,965
Allowance for Doubtful Accounts		773
Inventories		(28)
Net OPEB Asset		(77)
Accounts Payable & Advance Payments		(4,415)
Pollution Remediation		(200)
Customer Deposits		(50)
Accrued Compensated Absences		319
Net OPEB Liability		(377)
Net Cash Provided by Operating Activities	\$	<u>144,609</u>
Noncash Capital and Financing Activities		
Amortization of Deferred Gains/Losses of Bond Refundings	\$	282
Contribution of Capital Assets		19,969
Unrealized Losses on Investments		(10,342)
Accounts Payable Related to Capital Asset Additions		12,672
Total Noncash Capital and Financing Activities	\$	<u>22,581</u>

Wastewater Enterprise Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Budget Basis
Exhibit E-17

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Sewer Service Charges	\$ 193,324	\$ 193,324	\$ 185,720	\$ (7,604)
Environmental Charges	36,636	36,636	46,465	9,829
Development Occupational Fees	6,200	6,200	5,545	(655)
Interest	8,752	8,752	18,990	10,238
Other	9,953	9,953	8,087	(1,866)
Total Revenues	254,865	254,865	264,807	9,942
EXPENDITURES AND ENCUMBRANCES				
Operation and Maintenance	88,257	88,257	72,892	15,365
Operation and Maintenance - SROG	-	-	28,282	(28,282)
Total Operating Expenditures and Encumbrances	88,257	88,257	101,174	(12,917)
Net Revenue Available for Revenue Bond Debt Service	166,608	166,608	163,633	(2,975)
Revenue Bond Debt Service				
Senior Lien Revenue Bond Debt Service				
Principal	19,845	19,845	19,845	-
Interest	992	992	992	-
Total Senior Lien Revenue Bond Debt Service	20,837	20,837	20,837	-
Net Revenue Available for Junior Lien	145,771	145,771	142,796	(2,975)
Revenue Bond Debt Service				
Junior Lien Revenue Bond Debt Service				
Principal	31,869	31,869	31,869	-
Interest	28,665	33,665	30,814	2,851
Total Junior Lien Revenue Bond Debt Service	60,534	65,534	62,683	2,851
Net Revenue Available After Junior Lien	85,237	80,237	80,113	(124)
Revenue Bond Debt Service				
Other Expenditures and Encumbrances				
Short-term Obligations Interest	4,000	4,000	5,279	(1,279)
Operating Capital Outlay	1,218	1,218	1,765	(547)
Capital Improvement Program	139,756	139,756	83,669	56,087
Total Other Expenditures and Encumbrances	144,974	144,974	90,713	54,261
Total Expenditures and Encumbrances	314,602	319,602	275,407	44,195
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	(59,737)	(64,737)	(10,600)	54,137
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds				
Wastewater Capital Fund	-	-	22,216	22,216
Capital Projects Fund	-	-	3,993	3,993
Transfers to Other Funds				
General Fund				
Staff and Administrative	(14,398)	(14,398)	(6,510)	7,888
In-Lieu Property Taxes	(2,588)	(2,588)	(10,365)	(7,777)
Other	-	-	(133)	(133)
Debt Service Fund	(141)	(141)	(141)	-
Recovery of Prior Years Expenditures	884	884	1,378	494
Total Other Financing Sources (Uses)	(16,243)	(16,243)	10,438	26,681
Net Increase (Decrease) in Fund Balance	\$ (75,980)	\$ (80,980)	(162)	\$ 80,818
FUND BALANCE, JULY 1			239,425	
FUND BALANCE, JUNE 30			\$ 239,263	

Wastewater Enterprise Fund

Exhibit E-18

Sub-Regional Operating Group ("SROG")**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual - Budget Basis**

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Multi-City Sewer System	\$ 16,357	\$ 16,357	\$ 21,290	\$ 4,933
Operating Revenue - Wastewater	34,323	34,323	28,282	(6,041)
Sales of By-Products	14,351	14,351	15,987	1,636
Interest	615	615	351	(264)
Other	3,000	3,000	3,844	844
Total Revenues	68,646	68,646	69,754	1,108
EXPENDITURES AND ENCUMBRANCES				
Operation and Maintenance	67,288	67,288	63,374	3,914
Capital Outlay				
Operating	182	182	347	(165)
Capital Improvement Program	5,500	5,500	4,976	524
Total Expenditures and Encumbrances	72,970	72,970	68,697	4,273
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	(4,324)	(4,324)	1,057	5,381
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds				
General Fund				
Staff and Administrative	(2,620)	(2,620)	(3,133)	(513)
Recovery of Prior Years Expenditures	-	-	1,980	1,980
Total Other Financing Sources (Uses)	(2,620)	(2,620)	(1,153)	1,467
Net Decrease in Fund Balance	\$ (6,944)	\$ (6,944)	(96)	\$ 6,848
FUND BALANCE, JULY 1			3,206	
FUND BALANCE, JUNE 30			3,110	
Members' Contributed Replacement Reserve			7,279	
Members' Contributed Operating Reserve			9,215	
FUND DEFICIT, UNRESERVED			<u>\$ (13,384)</u>	

Note: The deficit unreserved fund balance is primarily due to encumbrances, which are accounted for as uses of financial resources. The participating SROG cities are billed (and revenue is recognized) only to the extent of actual expenditures.

Solid Waste Enterprise Fund
Exhibit E-19
Statement of Net Position

June 30, 2024

(in thousands)

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 3,061
Investments	45,158
Receivables	
Accounts Receivable, Net of Allowance for Doubtful Accounts (\$4,621)	22,232
Intergovernmental	4
Leases	98
Inventories	1,302
Total Unrestricted Current Assets	<u>71,855</u>
Restricted Assets	
Debt Service	
Cash with Fiscal Agent/Trustee	7,818
Capital Projects	
Cash and Cash Equivalents	1,536
Investments	28,956
Customer Deposits	122
Total Restricted Current Assets	<u>38,432</u>
Total Current Assets	<u>110,287</u>
Noncurrent Assets	
Capital Assets	
Land	13,340
Buildings	70,164
Improvements Other Than Buildings	66,770
Equipment	163,237
Intangibles	5,413
Construction in Progress	52,143
Less: Accumulated Depreciation	(184,800)
Total Capital Assets, Net of Accumulated Depreciation	<u>186,267</u>
Net OPEB Asset	1,000
Leases Receivable	3,938
Total Noncurrent Assets	<u>191,205</u>
Total Assets	<u>301,492</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding Bonds	98
Pension Related	14,394
OPEB Related	65
Total Deferred Outflows of Resources	<u>14,557</u>

Exhibit E-19
(Continued)

<u>LIABILITIES</u>	
Current Liabilities Payable from Current Assets	
Accounts Payable	6,548
Accrued Landfill Postclosure Care Costs	1,665
Current Portion of Accrued Compensated Absences	480
Total Current Liabilities Payable from Current Assets	8,693
Current Liabilities Payable from Restricted Assets	
Debt Service	
Matured Bonds Payable	6,655
Interest Payable	1,163
Current Portion of Loans from Direct Borrowings	150
Current Portion of Municipal Corporation Obligations	8,005
Capital Projects	
Accounts Payable	261
Accrued Landfill Closure Costs	441
Customer Deposits	122
Total Current Liabilities Payable from Restricted Assets	16,797
Total Current Liabilities	25,490
Noncurrent Liabilities	
Municipal Corporation Obligations, net	38,423
Arbitrage Liability	1,071
Accrued Landfill Closure and Postclosure Care Costs	15,719
Accrued Compensated Absences	3,316
Net Pension Liability	96,225
Net OPEB Liability	5,246
Total Noncurrent Liabilities	160,000
Total Liabilities	185,490
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension Related	55
OPEB Related	224
Leases Related	4,113
Total Deferred Inflows of Resources	4,392
<u>NET POSITION</u>	
Net Investment in Capital Assets	153,097
Restricted for:	
OPEB	1,000
Unrestricted (Deficit)	(27,930)
Total Net Position	\$ 126,167

Solid Waste Enterprise Fund
Statement of Revenues, Expenses and Changes
in Net Position

Exhibit E-20

For the Fiscal Year Ended June 30, 2024

(in thousands)

Operating Revenues		
Solid Waste Service Fees	\$	182,163
Landfill Fees		16,539
Recycling		6,656
Other		4,423
Total Operating Revenues		209,781
Operating Expenses		
Administration		20,999
Solid Waste Collections		83,356
Landfills		
Operations		40,583
Closure and Postclosure Care Costs		1,774
Recycling		10,577
Depreciation		15,468
Staff and Administrative		11,166
Other		7,891
Total Operating Expenses		191,814
Operating Income		17,967
Non-Operating Revenues (Expenses)		
Investment Income (Loss)		(1,776)
Interest Income from Leases		167
Interest on Capital Debt		(1,039)
Gain on Disposal of Capital Assets		448
Total Non-Operating Revenues (Expenses)		(2,200)
Net Income Before Contributions and Transfers		15,767
Transfers to General Fund - In Lieu Property Taxes		(1,205)
Transfers to Debt Service Fund		(840)
Change in Net Position		13,722
Net Position, July 1		112,445
Net Position, June 30	\$	126,167

Solid Waste Enterprise Fund**Exhibit E-21****Statement of Cash Flows**

For the Fiscal Year Ended June 30, 2024

(in thousands)

Cash Flows from Operating Activities	
Receipts from Customers	\$ 207,946
Payments to Suppliers	(103,352)
Payments to Employees	(72,417)
Payment of Staff and Administrative Expenses	(11,166)
Net Cash Provided by Operating Activities	<u>21,011</u>
Cash Flows from Noncapital Financing Activities	
Operating Transfers to Other Funds	(2,045)
Net Cash Used by Noncapital Financing Activities	<u>(2,045)</u>
Cash Flows from Capital and Related Financing Activities	
Principal Paid on Capital Debt	(12,265)
Interest Paid on Capital Debt	(2,616)
Acquisition and Construction of Capital Assets	(29,950)
Proceeds from Sales of Capital Assets	167
Interest Income from Leases	662
Net Cash Used by Capital and Related Financing Activities	<u>(44,002)</u>
Cash Flows from Investing Activities	
Purchases of Investment Securities	(78,562)
Proceeds from Sale and Maturities of Investment Securities	97,599
Net Activity for Short-Term Investments	(1,147)
Interest on Investments	(705)
Net Cash Provided by Investing Activities	<u>17,185</u>
Net Decrease in Cash and Cash Equivalents	<u>(7,851)</u>
Cash and Cash Equivalents, July 1	<u>20,388</u>
Cash and Cash Equivalents, June 30	<u>\$ 12,537</u>
Reconciliation of Operating Income to	
Net Cash Provided by Operating Activities	
Operating Income	\$ 17,967
Adjustments	
Depreciation	15,468
Deferred Outflows - Pension and OPEB	(711)
Deferred Inflows - Pension and OPEB	(1,975)
Change in Assets and Liabilities	
Receivables	(2,661)
Allowance for Doubtful Accounts	807
Lease Contracts Receivable	13
Inventories	516
Net OPEB Asset	(83)
Accounts Payable	(4,853)
Trust Liabilities and Deposits	5
Accrued Compensated Absences	897
Accrued Landfill Closure and Postclosure Care	330
Net Pension Liability	(4,042)
Net OPEB Liability	(667)
Net Cash Provided by Operating Activities	<u>\$ 21,011</u>
Noncash Capital and Financing Activities	
Amortization of Deferred Gains/Losses of Bond Refundings	(98)
Unrealized Losses on Investments	(3,814)
Accounts Payable Related to Capital Asset Additions	261
Total Noncash Capital and Financing Activities	<u>\$ (3,651)</u>

Solid Waste Enterprise Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Budget Basis

Exhibit E-22

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget Positive (Negative)
REVENUES				
Solid Waste Service Fees	\$ 176,655	\$ 176,655	\$ 182,270	\$ 5,615
City Landfill Fees	17,726	17,726	23,088	5,362
Interest	450	450	1,931	1,481
Other	2,364	2,364	4,646	2,282
Total Revenues	197,195	197,195	211,935	14,740
EXPENDITURES AND ENCUMBRANCES				
Operations	174,823	174,823	170,575	4,248
Capital Improvement Program	17,631	17,631	7,189	10,442
Lease-Purchase Payments	8,980	8,980	8,980	-
Loans from Direct Borrowings	600	600	600	-
Total Expenditures and Encumbrances	202,034	202,034	187,344	14,690
Excess (Deficiency) of Revenues Over Expenditures and Encumbrances	(4,839)	(4,839)	24,591	29,430
OTHER FINANCING SOURCES (USES)				
Transfers to Other Funds				
General Fund				
Staff and Administrative	(10,778)	(10,778)	(11,166)	(388)
In-Lieu Property Taxes	(1,176)	(1,176)	(1,205)	(29)
Solid Waste Capital Reserve	(1,250)	(1,250)	(1,352)	(102)
Debt Service Fund	(839)	(839)	(840)	(1)
Recovery of Prior Years Expenditures	322	322	2,936	2,614
Total Other Financing Sources (Uses)	(13,721)	(13,721)	(11,627)	2,094
Net Increase (Decrease) in Fund Balance	\$ (18,560)	\$ (18,560)	12,964	\$ 31,524
FUND BALANCE, JULY 1			41,206	
FUND BALANCE, JUNE 30			\$ 54,170	



Financial Section

**OTHER SUPPLEMENTARY
INFORMATION -
Fiduciary Funds
- Combining Fund
Financial Statements**



City of Phoenix



City of Phoenix

Fiduciary Funds
Exhibit F-1
Combining Statement of Fiduciary Net Position

June 30, 2024

(in thousands)

	Pension and Other Employee Benefit Trusts	
	City of Phoenix Employee Retirement System (COPERS)	Excess Benefit Arrangement
ASSETS		
Cash and Cash Equivalents	\$ 164,995	\$ 438
Investments		
Treasurer's Pooled Investments	-	154
Temporary Investments	110,225	-
Fixed Income	531,305	-
Domestic Equities	1,462,227	-
International Equities	572,622	-
Real Return	236,478	-
Absolute Return	98,983	-
Real Estate	482,226	-
Receivables		
Accounts Receivable	70,983	-
Contributions Receivable	18,163	-
Interest and Dividends	4,941	-
Prepaid Items	-	-
Other	1,990	-
Total Assets	<u>3,755,138</u>	<u>592</u>
DEFERRED OUTFLOWS OF RESOURCES		
Total Deferred Outflows of Resources	-	-
LIABILITIES		
Accounts Payable	139,323	-
Claims Payable	-	-
Total Liabilities	<u>139,323</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES		
Total Deferred Inflows of Resources	-	-
NET POSITION		
Restricted for pension and other employee benefits	<u>\$ 3,615,815</u>	<u>\$ 592</u>

Exhibit F-1
(Continued)

Pension and Other Employee Benefit Trusts					
Health Care Benefits	Medical Expense Reimbursement Plan	Long-Term Disability	Total		
\$ 26,861	\$ 722	\$ 311	\$ 193,327		
-	-	149	303		
-	-	-	110,225		
39,499	43,920	15,753	630,477		
-	102,650	30,106	1,594,983		
-	39,430	25,620	637,672		
-	22,059	8,434	266,971		
-	-	-	98,983		
-	11,153	4,024	497,403		
2,006	-	-	72,989		
10	-	-	18,173		
279	-	-	5,220		
5,615	-	-	5,615		
-	-	-	1,990		
<u>74,270</u>	<u>219,934</u>	<u>84,397</u>	<u>4,134,331</u>		
-	-	-	-		
10,377	46	24	149,770		
34,804	-	-	34,804		
<u>45,181</u>	<u>46</u>	<u>24</u>	<u>184,574</u>		
-	-	-	-		
<u>\$ 29,089</u>	<u>\$ 219,888</u>	<u>\$ 84,373</u>	<u>\$ 3,949,757</u>		

Fund Financial Statements
Exhibit F-2
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Pension and Other Employee Benefit Trusts	
	City of Phoenix Employee Retirement System (COPERS)	Excess Benefit Arrangement
ADDITIONS		
Contributions		
City of Phoenix	\$ 210,701	\$ -
Employees	57,067	-
Other	-	-
Total Contributions	<u>267,768</u>	<u>-</u>
Investment Income		
From Investing Activities		
Net Increase in Fair Value of Investments	214,255	40
Interest	36,673	8
Dividends	9,656	-
Other	4,937	-
Investment Income	<u>265,521</u>	<u>48</u>
Less: Investment Expense	16,347	-
Total Net Investment Income	<u>249,174</u>	<u>48</u>
Total Additions	<u>516,942</u>	<u>48</u>
DEDUCTIONS		
Benefit Payments	276,224	235
Refunds of Contributions	4,000	-
Inter-System Transfers	128	-
Other	4,870	-
Total Deductions	<u>285,222</u>	<u>235</u>
Net Increase (Decrease)	231,720	(187)
Net Position Restricted for Pension and Other Employee		
Benefits		
Beginning of Year, July 1	3,384,095	779
End of Year, June 30	<u>\$ 3,615,815</u>	<u>\$ 592</u>

Exhibit F-2
(Continued)

Pension and Other Employee Benefit Trusts					
Health Care Benefits	Medical Expense Reimbursement Plan	Long-Term Disability	Total		
\$ 180,693	\$ 15,541	\$ 1,688	\$ 408,623		
61,984	-	-	119,051		
10,735	-	-	10,735		
<u>253,412</u>	<u>15,541</u>	<u>1,688</u>	<u>538,409</u>		
1,289	17,329	6,288	239,201		
2,095	6,252	-	45,028		
-	-	2,335	11,991		
-	-	54	4,991		
<u>3,384</u>	<u>23,581</u>	<u>8,677</u>	<u>301,211</u>		
-	-	-	16,347		
<u>3,384</u>	<u>23,581</u>	<u>8,677</u>	<u>284,864</u>		
<u>256,796</u>	<u>39,122</u>	<u>10,365</u>	<u>823,273</u>		
239,110	27,209	4,830	547,608		
-	-	-	4,000		
-	-	-	128		
<u>22,813</u>	<u>665</u>	<u>615</u>	<u>28,963</u>		
<u>261,923</u>	<u>27,874</u>	<u>5,445</u>	<u>580,699</u>		
<u>(5,127)</u>	<u>11,248</u>	<u>4,920</u>	<u>242,574</u>		
34,216	208,640	79,453	3,707,183		
<u>\$ 29,089</u>	<u>\$ 219,888</u>	<u>\$ 84,373</u>	<u>\$ 3,949,757</u>		



City of Phoenix

The cover features a background image of tall green reeds with brown seed heads, partially obscured by a large white circular graphic with a blue border. The text is centered within this circle. The bottom half of the page is a solid dark blue color.

Financial Section
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**OTHER SUPPLEMENTARY
INFORMATION -
Component Units
- Phoenix Housing
Financing Corporations
- Combining Financial
Statements**



City of Phoenix



City of Phoenix

**Phoenix Housing Finance Corporations
(Discretely Presented Component Units)
Combining Statement of Net Position
June 30, 2024
(in thousands)**

Exhibit G-1

	Phoenix Housing Finance Corporation	City of Phoenix Municipal Housing Corporation	Phoenix Central City Revitalization Corporation & LLCs ⁽¹⁾	Phoenix South Mountain Housing Corporation	Phoenix South Mountain Housing Transformation Corporation & PSMHTC Summit, LLC	Phoenix Green Housing Corporation and PGHC Pine Crest, LLC ⁽²⁾	Phoenix East Revitalization Corporation
ASSETS							
Cash and Cash Equivalents	\$ -	\$ -	\$ 3,110	\$ -	\$ 1,654	\$ 1,214	\$ 1,055
Cash Deposits	-	-	702	-	1,110	2,372	-
Cash and Securities with Fiscal Agents/Trustees	6	-	-	64	-	-	-
Receivables, Net of Allowances	4,559	15	4,628	3,206	840	14	-
Prepaid Items	-	-	178	-	26	45	-
Capital Assets, at Cost							
Non-depreciable	-	-	3,959	-	1,150	860	-
Depreciable (net)	-	-	18,631	-	5,422	2,244	-
Total Assets	4,565	15	31,208	3,270	10,202	6,749	1,055
DEFERRED OUTFLOWS OF RESOURCES							
Total Deferred Outflows of Resources	-	-	-	-	-	-	-
LIABILITIES							
Accounts Payable	-	15	701	-	199	239	-
Reimbursement Agreement to City	-	-	2,349	-	-	-	-
Trust Liabilities and Deposits	-	-	205	-	49	42	-
Advance Payments	-	-	99	-	20	4	-
Liabilities Payable from Restricted Assets	-	-	-	-	-	-	-
Interest Payable	-	-	2,165	-	411	214	-
Noncurrent Liabilities							
Due in More Than One Year							
Notes Payable to City Instrumentality	-	-	-	-	-	-	-
Notes Payable to City	-	-	28,481	-	5,532	2,260	-
Total Liabilities	-	15	34,000	-	6,211	2,759	-
DEFERRED INFLOWS OF RESOURCES							
Total Deferred Inflows of Resources	-	-	-	-	-	-	-
NET POSITION (DEFICIT)							
Net Investment in Capital Assets	-	-	(8,240)	-	1,040	844	-
Unrestricted	4,565	-	5,448	3,270	2,951	3,146	1,055
Total Net Position (Deficit)	\$ 4,565	\$ -	\$ (2,792)	\$ 3,270	\$ 3,991	\$ 3,990	\$ 1,055

(1) Phoenix Central City Revitalization Corporation owns PCCR Park Lee, LLC and Santa Fe Springs Apartments, LLC. They are combined for financial statement reporting on Exhibits G-1 and G-2.

(2) The yearend for PGHC Pine Crest, LLC is December 31st.

Exhibit G-1
(Continued)

Phoenix East Revitalization Corporation (II)	Phoenix East Revitalization Corporation (III)	Phoenix Inner Beltway Housing Corporation	Phoenix Residential Investment Development Effort	Phoenix Starfish Place Corporation	Phoenix Housing Development Corporation	Washington Manor Housing Corporation	Pine Towers Housing Corporation	Total
\$ 51	\$ 1,471	\$ -	\$ 2,734	\$ 225	\$ 4,840	\$ 417	\$ 480	\$ 17,251
-	-	-	22	97	-	903	103	5,309
-	-	-	-	-	34	-	-	104
750	18	47	-	3	972	22	16	15,090
-	-	-	19	22	-	7	155	452
-	-	-	151	1,055	-	82	512	7,769
-	-	-	1,957	1,235	-	21	3,207	32,717
801	1,489	47	4,883	2,637	5,846	1,452	4,473	78,692
-	-	-	-	-	-	-	-	-
-	-	-	332	10	62	62	25	1,645
-	-	-	-	-	-	-	-	2,349
-	-	-	5	3	-	26	32	362
-	-	-	1	1	-	3	14	142
-	-	-	-	-	-	-	-	-
-	-	-	1,063	-	-	-	-	3,853
-	-	-	-	465	-	-	-	465
-	-	-	3,600	2,945	-	550	-	43,368
-	-	-	5,001	3,424	62	641	71	52,184
-	-	-	-	-	-	-	-	-
-	-	-	(1,492)	(655)	-	103	3,719	(4,681)
801	1,489	47	1,374	(132)	5,784	708	683	31,189
\$ 801	\$ 1,489	\$ 47	\$ (118)	\$ (787)	\$ 5,784	\$ 811	\$ 4,402	\$ 26,508

**Phoenix Housing Finance Corporations
(Discretely Presented Component Units)
Combining Statement of Revenues, Expenses and Changes in Net Position**
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit G-2

	Phoenix Housing Finance Corporation	City of Phoenix Municipal Housing Corporation	Phoenix Central City Revitalization Corporation & LLCs ⁽¹⁾	Phoenix South Mountain Housing Corporation	Phoenix South Mountain Housing Transformation Corporation & PSMHTC Summit, LLC	Phoenix Green Housing Corporation and PGHC Pine Crest, LLC ⁽²⁾	Phoenix East Revitalization Corporation
Revenues							
Rental Income	\$ -	\$ -	\$ 4,178	\$ -	\$ 1,567	\$ 2,256	\$ -
Vending Income	-	-	-	-	-	-	-
Total Revenues	-	-	4,178	-	1,567	2,256	-
Operating Expenses							
Salaries	-	-	907	-	398	431	-
Temporary Labor	-	-	-	-	-	-	-
Advertising	-	-	24	-	19	5	-
Maintenance	-	-	1,644	-	598	636	-
Administrative Costs	-	-	360	-	116	143	-
Utilities	-	-	751	-	376	376	-
Insurance	-	-	59	-	40	100	-
Interest Expense	-	-	103	-	45	90	-
Other	33	15	229	4	164	109	-
Depreciation	-	-	1,103	-	696	89	-
Total Operating Expenses	33	15	5,180	4	2,452	1,979	-
Non-Operating Revenues (Expenses)							
Other Income	-	15	758	-	-	2,804	-
Interest Income	-	-	-	88	-	-	-
Contribution from City of Phoenix	173	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	(59)	-
Total Non-Operating Revenues (Expenses)	173	15	758	88	-	2,745	-
Change in Net Position	140	-	(244)	84	(885)	3,022	-
Net Position (Deficit), July 1	4,425	-	(2,548)	3,186	4,876	968	1,055
Net Position (Deficit), June 30	\$ 4,565	\$ -	\$ (2,792)	\$ 3,270	\$ 3,991	\$ 3,990	\$ 1,055

(1) Phoenix Central City Revitalization Corporation owns PCCR Park Lee, LLC and Santa Fe Springs Apartments, LLC. They are combined for financial statement reporting on Exhibits G-1 and G-2.

(2) The yearend for PGHC Pine Crest, LLC is December 31st.

Exhibit G-2
(Continued)

Phoenix East Revitalization Corporation (II)	Phoenix East Revitalization Corporation (III)	Phoenix Inner Beltway Housing Corporation	Phoenix Residential Investment Development Effort	Phoenix Starfish Place Corporation	Phoenix Housing Development Corporation	Washington Manor Housing Corporation	Pine Towers Housing Corporation	Total
\$ -	\$ -	\$ -	\$ 2,949	\$ 68	\$ -	\$ 960	\$ 1,324	\$ 13,302
-	-	-	12	-	-	7	6	25
-	-	-	2,961	68	-	967	1,330	13,327
-	-	-	683	124	-	171	72	2,786
-	-	-	-	-	-	62	-	62
-	-	-	18	1	-	4	2	73
-	-	-	1,140	95	-	291	255	4,659
-	-	-	272	13	-	87	237	1,228
-	-	-	801	75	-	187	193	2,759
-	-	-	132	23	-	-	88	442
-	-	-	82	-	-	-	-	320
-	169	-	127	-	-	107	6	963
-	-	-	226	95	-	76	404	2,689
-	169	-	3,481	426	-	985	1,257	15,981
-	18	-	2,545	4	1,724	40	5	7,913
-	-	-	38	-	-	-	-	126
-	-	-	-	372	-	-	-	545
-	-	-	(120)	-	-	-	-	(179)
-	18	-	2,463	376	1,724	40	5	8,405
-	(151)	-	1,943	18	1,724	22	78	5,751
801	1,640	47	(2,061)	(805)	4,060	789	4,324	20,757
\$ 801	\$ 1,489	\$ 47	\$ (118)	\$ (787)	\$ 5,784	\$ 811	\$ 4,402	\$ 26,508



City of Phoenix



Statistical
section



City of Phoenix



Statistical Section
.....

FINANCIAL TRENDS

*These schedules contain trend information
to show how the City's financial
performance and position have changed
over time.*



City of Phoenix



City of Phoenix

Net Position by Component
Table 1

Last Ten Fiscal Years

(accrual basis of accounting)

(in thousands)

	Fiscal Year		
	2024	2023	2022
GOVERNMENTAL ACTIVITIES			
Net Investment in Capital Assets	\$ 4,797,695	\$ 4,367,046	\$ 3,984,584
Restricted	1,640,273	1,693,107	1,458,949
Unrestricted (Deficit)	(1,784,501)	(2,349,867)	(2,575,996)
Total Governmental Activities Net Position	\$ 4,653,467	\$ 3,710,286	\$ 2,867,537
BUSINESS-TYPE ACTIVITIES			
Net Investment in Capital Assets	\$ 3,858,886	\$ 3,692,473	\$ 3,592,530
Restricted	403,392	330,788	290,321
Unrestricted	1,524,238	1,328,208	953,363
Total Business-Type Activities Net Position	\$ 5,786,516	\$ 5,351,469	\$ 4,836,214
PRIMARY GOVERNMENT			
Net Investment in Capital Assets	\$ 8,656,581	\$ 8,059,519	\$ 7,577,114
Restricted	2,043,665	2,023,895	1,749,270
Unrestricted (Deficit)	(260,263)	(1,021,659)	(1,622,633)
Total Primary Government Net Position	\$ 10,439,983	\$ 9,061,755	\$ 7,703,751

Table 1
(Continued)

		Fiscal Year											
		2021	2020	2019	2018	2017	2016	2015					
\$	3,384,939	\$	3,333,084	\$	3,242,655	\$	3,084,874	\$	2,809,418	\$	2,788,275	\$	2,653,697
	1,249,610		1,069,053		1,079,339		1,047,298		920,847		763,630		830,425
	(2,420,747)		(2,814,774)		(2,766,124)		(2,883,831)		(2,408,807)		(2,084,298)		(1,691,553)
\$	2,213,802	\$	1,587,363	\$	1,555,870	\$	1,248,341	\$	1,321,458	\$	1,467,607	\$	1,792,569
\$	3,346,870	\$	3,448,793	\$	3,488,654	\$	3,288,066	\$	2,972,041	\$	2,803,361	\$	2,782,282
	438,450		404,598		519,638		524,637		486,857		462,115		441,896
	601,380		340,416		114,947		169,406		458,696		489,530		519,802
\$	4,386,700	\$	4,193,807	\$	4,123,239	\$	3,982,109	\$	3,917,594	\$	3,755,006	\$	3,743,980
\$	6,731,809	\$	6,781,877	\$	6,731,309	\$	6,372,940	\$	5,781,459	\$	5,591,636	\$	5,435,979
	1,688,060		1,473,651		1,598,977		1,571,935		1,407,704		1,225,745		1,272,321
	(1,819,367)		(2,474,358)		(2,651,177)		(2,714,425)		(1,950,111)		(1,594,768)		(1,171,751)
\$	6,600,502	\$	5,781,170	\$	5,679,109	\$	5,230,450	\$	5,239,052	\$	5,222,613	\$	5,536,549

Changes in Net Position
Table 2

Last Ten Fiscal Years

(accrual basis of accounting)

(in thousands)

	Fiscal Year		
	2024	2023	2022
Expenses			
Governmental Activities			
General Government	\$ 194,616	\$ 226,765	\$ 258,138
Criminal Justice	41,485	43,078	38,261
Public Safety	1,582,485	1,410,810	1,284,353
Transportation	667,627	660,716	748,459
Community Enrichment	449,437	451,584	465,542
Community Development	340,979	285,857	262,627
Environmental Services	42,883	43,017	75,371
Interest on Long-Term Debt	48,332	46,762	50,328
Total Governmental Activities Expenses	3,367,844	3,168,589	3,183,079
Business-Type Activities			
Aviation	642,225	602,290	539,372
Phoenix Convention Center	111,397	103,358	98,624
Water Services	471,296	414,218	422,543
Wastewater Services	201,179	177,807	172,121
Solid Waste	192,853	186,439	171,221
Total Business-Type Activities Expenses	1,618,950	1,484,112	1,403,881
Total Primary Government Expenses	\$ 4,986,794	\$ 4,652,701	\$ 4,586,960

Table 2
(Continued)

							Fiscal Year	
2021	2020	2019	2018	2017	2016	2015		
\$ 171,106	\$ 111,422	\$ 88,160	\$ 100,307	\$ 98,541	\$ 111,801	\$ 99,320		
36,812	36,050	38,297	35,040	34,045	35,198	34,242		
1,367,004	1,340,379	1,278,856	1,200,523	1,347,829	1,025,401	914,215		
427,982	574,139	540,551	523,946	373,455	399,228	398,925		
419,047	324,553	307,406	289,183	276,991	570,183	245,795		
259,183	251,207	211,547	225,386	218,463	200,762	215,931		
59,224	52,369	22,362	39,113	32,960	49,050	48,293		
53,532	53,629	57,014	67,523	77,073	84,893	83,796		
2,793,890	2,743,748	2,544,193	2,481,021	2,459,357	2,476,516	2,040,517		
576,657	547,590	518,462	514,271	496,131	504,304	482,915		
88,530	103,983	103,138	105,703	103,248	107,133	105,458		
373,006	421,541	410,636	406,501	333,706	359,703	336,445		
176,062	174,259	170,273	172,461	177,185	170,440	171,250		
133,843	126,301	148,061	146,589	146,910	141,129	150,625		
1,348,098	1,373,674	1,350,570	1,345,525	1,257,180	1,282,709	1,246,693		
\$ 4,141,988	\$ 4,117,422	\$ 3,894,763	\$ 3,826,546	\$ 3,716,537	\$ 3,759,225	\$ 3,287,210		

Changes in Net Position

 Last Ten Fiscal Years
 (accrual basis of accounting)
 (in thousands)

Table 2
 (Continued)

	Fiscal Year		
	2024	2023	2022
Program Revenue			
Governmental Activities			
Charges for Services:			
General Government	\$ 18,493	\$ 17,150	\$ 17,321
Criminal Justice	13,040	15,936	17,547
Public Safety	93,453	85,370	78,363
Transportation	270,865	301,416	332,866
Community Enrichment	17,013	20,598	12,082
Community Development	117,507	116,388	122,070
Environmental Services	85	52	80
Operating Grants and Contributions	601,670	628,062	695,334
Capital Grants and Contributions	256,134	312,924	403,681
Total Governmental Activities Program Revenue	1,388,260	1,497,896	1,679,344
Business-Type Activities			
Charges for Services:			
Aviation	702,996	626,139	525,220
Phoenix Convention Center	58,259	53,319	45,556
Water Services	576,124	490,556	469,835
Wastewater Services	247,651	268,652	224,819
Solid Waste	210,229	201,735	199,550
Grants and Contributions	148,719	210,050	284,760
Total Business-Type Activities Program Revenue	1,943,978	1,850,451	1,749,740
Total Primary Government Program Revenue	\$ 3,332,238	\$ 3,348,347	\$ 3,429,084
Net (Expense)/Revenue			
Governmental Activities	\$ (1,979,584)	\$ (1,670,693)	\$ (1,503,735)
Business-Type Activities	325,028	366,339	345,859
Total Primary Government Net Expense	\$ (1,654,556)	\$ (1,304,354)	\$ (1,157,876)

Table 2
(Continued)

		Fiscal Year											
		2021	2020	2019	2018	2017	2016	2015					
\$	17,077	\$	18,395	\$	22,012	\$	20,491	\$	19,784	\$	18,387	\$	18,159
	23,970		14,239		22,232		15,684		14,583		15,813		18,336
	59,862		70,309		70,377		69,201		69,671		68,167		71,381
	10,484		30,552		39,226		36,181		35,083		36,331		37,907
	8,936		9,696		11,208		9,448		9,708		11,016		10,737
	97,406		94,086		95,974		83,925		74,490		68,396		58,599
	74		49		64		40		22		134		478
	689,564		472,089		407,132		407,429		396,866		355,750		361,919
	350,544		169,586		134,985		177,863		96,058		94,379		82,285
	1,257,917		879,001		803,210		820,262		716,265		668,373		659,801
	378,553		451,157		520,951		506,988		403,766		380,533		385,806
	27,114		43,040		47,381		44,743		40,568		42,840		42,759
	467,576		425,390		382,915		413,263		398,263		378,378		358,760
	216,830		213,562		209,415		207,747		198,945		193,727		185,974
	185,699		154,685		148,728		149,023		150,346		146,799		147,536
	226,844		80,209		99,914		95,356		204,212		138,162		144,654
	1,502,616		1,368,043		1,409,304		1,417,120		1,396,100		1,280,439		1,265,489
\$	2,760,533	\$	2,247,044	\$	2,212,514	\$	2,237,382	\$	2,112,365	\$	1,948,812	\$	1,925,290
\$	(1,535,973)	\$	(1,864,747)	\$	(1,740,983)	\$	(1,660,759)	\$	(1,743,092)	\$	(1,808,143)	\$	(1,380,716)
	154,518		(5,631)		58,734		71,595		138,920		(2,270)		18,796
\$	(1,381,455)	\$	(1,870,378)	\$	(1,682,249)	\$	(1,589,164)	\$	(1,604,172)	\$	(1,810,413)	\$	(1,361,920)

Changes in Net Position

 Last Ten Fiscal Years
 (accrual basis of accounting)
 (in thousands)

Table 2
 (Continued)

	Fiscal Year		
	2024	2023	2022
General Revenues and Other Changes in Net Position			
Governmental Activities			
Taxes	\$ 1,835,827	\$ 1,775,126	\$ 1,645,122
Grants and Contributions Not Restricted	838,435	687,048	553,265
Investment Earnings, Net	211,629	32,214	(82,226)
Miscellaneous	94,358	80,433	90,230
Sale Proceeds from DPHC to City for Debt Repayment	-	-	-
Transfers - Internal Activities	(57,484)	(61,379)	(48,921)
Total Governmental Activities	2,922,765	2,513,442	2,157,470
Business-Type Activities			
Investment Earnings, Net	37,668	77,046	43,900
Miscellaneous	14,867	10,491	10,834
Transfers - Internal Activities	57,484	61,379	48,921
Total Business-Type Activities	110,019	148,916	103,655
Total Primary Government	3,032,784	2,662,358	2,261,125
Change in Net Position (Deficit)			
Governmental Activities	943,181	842,749	653,735
Business-Type Activities	435,047	515,255	449,514
Total Primary Government	\$ 1,378,228	\$ 1,358,004	\$ 1,103,249

Table 2
(Continued)

		Fiscal Year											
		2021	2020	2019	2018	2017	2016	2015					
\$	1,409,082	\$	1,288,430	\$	1,261,469	\$	1,165,415	\$	1,116,831	\$	1,009,824	\$	955,091
	654,429		483,036		437,427		434,985		406,084		376,017		376,923
	(6,861)		33,833		41,942		9,190		6,355		11,932		7,419
	130,504		117,512		76,255		118,620		85,994		82,607		82,321
	-		-		265,000		-		-		-		-
	(24,742)		(26,571)		(33,581)		(25,547)		(18,321)		(24,631)		(25,080)
	2,162,412		1,896,240		2,048,512		1,702,663		1,596,943		1,455,749		1,396,674
	13,633		49,628		48,815		9,062		5,347		16,097		9,864
	-		-		-		-		-		-		-
	24,742		26,571		33,581		25,547		18,321		24,631		25,080
	38,375		76,199		82,396		34,609		23,668		40,728		34,944
	2,200,787		1,972,439		2,130,908		1,737,272		1,620,611		1,496,477		1,431,618
	626,439		31,493		307,529		41,904		(146,149)		(352,394)		15,958
	192,893		70,568		141,130		106,204		162,588		38,458		53,740
\$	819,332	\$	102,061	\$	448,659	\$	148,108	\$	16,439	\$	(313,936)	\$	69,698

Fund Balances of Governmental Funds
Table 3

Last Ten Fiscal Years

(modified accrual basis of accounting)

(in thousands)

	Fiscal Year			
	2024	2023	2022	2021
General Fund				
Non-Spendable	\$ 37,881	\$ 34,609	\$ 28,596	\$ 21,876
Spendable				
Restricted	52,733	50,362	49,526	49,942
Assigned	211,586	208,190	159,263	136,559
Unassigned	353,150	141,143	201,757	374,772
Total General Fund	655,350	434,304	439,142	583,149
All Other Governmental Funds				
Non-Spendable	671	746	832	794
Spendable				
Restricted	1,366,354	1,444,055	1,228,610	1,016,336
Committed	150,452	139,017	119,342	92,496
Assigned	253,788	274,423	170,193	156,470
Unassigned	(72,515)	(226,563)	(221,449)	(116,188)
Total All Other Governmental Funds	1,698,750	1,631,678	1,297,528	1,149,908
Total Fund Balances of Governmental Funds	\$ 2,354,100	\$ 2,065,982	\$ 1,736,670	\$ 1,733,057

Table 3
(Continued)

Fiscal Year						
2020	2019	2018	2017	2016	2015	
\$ 17,240	\$ 17,134	\$ 16,175	\$ 13,706	\$ 13,498	\$ 14,224	
49,878	48,920	47,774	49,024	62,047	61,564	
107,216	97,461	79,144	51,510	48,715	41,338	
255,782	243,541	216,572	241,712	227,227	210,286	
430,116	407,056	359,665	355,952	351,487	327,412	
789	801	954	5,235	5,386	5,394	
857,174	813,308	812,860	871,823	701,583	768,861	
93,538	81,575	72,032	55,304	38,803	27,005	
147,631	157,235	156,061	153,146	141,007	132,902	
(56,177)	(14,701)	(10,666)	(15,581)	(11,117)	(33,082)	
1,042,955	1,038,218	1,031,241	1,069,927	875,662	901,080	
\$ 1,473,071	\$ 1,445,274	\$ 1,390,906	\$ 1,425,879	\$ 1,227,149	\$ 1,228,492	

Changes in Fund Balances of Governmental Funds
Table 4

Last Ten Fiscal Years

(modified accrual basis of accounting)

(in thousands)

	Fiscal Year			
	2024	2023	2022	2021
Revenues				
City Taxes (see Table 5)	\$ 1,834,352	\$ 1,774,833	\$ 1,645,068	\$ 1,410,625
Licenses and Permits	18,240	16,922	17,159	16,926
Intergovernmental (see Table 6)	1,692,214	1,628,004	1,628,465	1,632,857
Charges for Services	257,414	247,124	238,364	178,652
Fines and Forfeitures	3,517	5,773	7,317	14,098
Parks and Recreation	1,665	1,470	1,018	141
Special Assessments	849	2,053	8	2
Investment Income (Loss)	211,629	32,214	(82,226)	(6,861)
Interest Income from Leases	7,042	6,618	4,782	-
Dwelling Rentals	4,546	4,678	5,557	6,978
Other	86,242	72,931	85,746	130,642
Total Revenues	4,117,710	3,792,620	3,551,258	3,384,060
Expenditures				
General Government	149,271	134,675	159,254	129,098
Criminal Justice	44,824	43,993	41,003	37,626
Public Safety	1,441,058	1,314,145	1,172,208	1,099,800
Transportation	432,887	389,258	350,263	328,235
Community Enrichment	379,896	365,364	346,409	304,346
Community Development	323,156	269,330	235,112	244,928
Environmental Services	27,322	22,029	46,722	28,798
Debt Service:				
Principal	160,357	213,468	168,998	117,917
Interest	62,567	65,410	61,747	62,569
Bond Issuance Costs	-	-	565	1,368
Other	1,420	2,151	2,905	3,759
Capital	749,350	733,353	974,816	957,579
Leases/Subscriptions	-	2,238	21,224	-
Total Expenditures	3,772,108	3,555,414	3,581,226	3,316,023
Excess (Deficiency) of Revenues Over Expenditures	\$ 345,602	\$ 237,206	\$ (29,968)	\$ 68,037

Table 4
(Continued)

Fiscal Year						
2020	2019	2018	2017	2016	2015	
\$ 1,287,094	\$ 1,261,164	\$ 1,165,539	\$ 1,116,077	\$ 1,009,918	\$ 955,818	
18,271	21,871	20,125	19,275	18,209	17,602	
1,111,832	948,743	996,708	885,972	814,134	821,127	
197,396	208,584	192,338	183,619	173,372	169,276	
11,374	19,087	12,349	11,285	12,106	14,222	
1,130	1,815	1,715	1,865	6,919	7,393	
10	9	11	14	13	29	
33,832	41,942	9,190	6,355	11,932	7,419	
-	-	-	-	-	-	
8,140	8,720	8,057	7,825	7,077	7,104	
117,432	76,318	115,954	86,022	82,546	82,604	
2,786,511	2,588,253	2,521,986	2,318,309	2,136,226	2,082,594	
92,079	69,693	75,317	71,173	78,973	78,182	
36,883	35,762	34,285	33,884	32,406	32,403	
1,075,342	996,765	959,741	897,590	858,297	826,488	
367,735	367,586	308,118	266,745	253,265	263,509	
234,441	224,326	220,198	216,310	505,522	194,428	
224,352	192,766	201,031	193,900	175,956	189,580	
31,347	12,250	10,624	12,839	12,002	16,853	
173,201	155,902	133,784	149,208	130,974	116,008	
68,517	73,746	87,932	89,040	95,401	94,163	
32	1,062	461	2,326	491	470	
164	1,205	1,204	1,207	1,225	29	
626,858	399,218	498,717	303,398	274,864	254,647	
-	-	-	-	-	-	
2,930,951	2,530,281	2,531,412	2,237,620	2,419,376	2,066,760	
\$ (144,440)	\$ 57,972	\$ (9,426)	\$ 80,689	\$ (283,150)	\$ 15,834	

Changes in Fund Balances of Governmental Funds

 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 (in thousands)

Table 4
 (Continued)

	Fiscal Year			
	2024	2023	2022	2021
Other Financing Sources (Uses)				
Transfers From Other Funds	\$ 164,437	\$ 239,181	\$ 244,932	\$ 205,364
Transfers to Other Funds	(221,921)	(300,559)	(293,853)	(230,106)
Proceeds from Leases / Subscriptions	-	2,238	21,224	-
Issuance of Debt:				
General Obligation and Revenue Bonds	-	131,650	-	-
Premium on General Obligation and Revenue Bonds	-	19,596	17,176	-
Certificates of Participation and Municipal Corporation Obligations	-	-	-	231,595
Premium on Certificates of Participation and Municipal Corporation Obligations	-	-	-	25,324
Special Assessment Bonds	-	-	-	-
Refunding Bonds	-	-	146,400	116,685
Proceeds from Loans	-	-	60,000	-
Proceeds from Refinancing	-	-	-	-
Financed Purchases	-	-	-	-
Deposit to Refunding Escrow	-	-	(162,298)	(156,913)
Total Other Financing Sources and Uses	(57,484)	92,106	33,581	191,949
Net Change in Fund Balances	\$ 288,118	\$ 329,312	\$ 3,613	\$ 259,986
Debt Service as a Percentage of Noncapital Expenditures (1)	6.9%	8.9%	7.3%	6.3%

(1) Calculated by taking debt service principal and interest expenditures divided by total expenditures minus capitalized expenditures (capital acquisitions from Exhibit B-4)

Table 4
(Continued)

Fiscal Year						
2020	2019	2018	2017	2016	2015	
\$ 181,208	\$ 176,282	\$ 162,292	\$ 166,530	\$ 160,614	\$ 123,046	
(207,779)	(209,863)	(187,839)	(184,851)	(185,245)	(148,126)	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	67,930	-	-	
-	-	-	116,835	-	-	
-	-	-	28,978	-	10	
-	29,977	-	-	-	-	
-	-	-	362,585	-	60,945	
200,000	-	-	-	-	-	
-	-	-	-	306,438	-	
(1,192)	-	-	-	-	-	
-	-	-	(439,966)	-	(60,604)	
172,237	(3,604)	(25,547)	118,041	281,807	(24,729)	
\$ 27,797	\$ (54,368)	\$ (34,973)	\$ 198,730	\$ (1,343)	\$ (8,895)	
9.4%	10.2%	10.0%	11.6%	10.0%	11.4%	

Tax Revenues by Source - Governmental Funds (1)
Table 5

Last Ten Fiscal Years

(modified accrual basis of accounting)

(in thousands)

	Fiscal Year			
	2024	2023	2022	2021
General Property Taxes				
Primary - Operating	\$ 206,393	\$ 201,050	\$ 192,215	\$ 182,043
Secondary - Debt Service	131,014	126,149	119,974	115,069
Total General Property Taxes	337,407	327,199	312,189	297,112
City Sales and Franchise Taxes				
General Government Purposes:				
Privilege License Tax and Fees	624,149	604,770	559,962	469,424
Utility and Franchise Tax	113,660	101,629	97,984	96,026
Earmarked for:				
Sports Facilities	29,932	32,000	27,040	13,991
Convention Center	89,192	92,516	77,786	54,331
Neighborhood Protection	55,009	53,147	49,174	40,940
Public Safety Enhancement	31,258	30,097	26,537	24,476
Public Safety Expansion	110,016	106,294	98,347	81,880
Parks & Preserves	55,007	53,148	49,173	40,940
Capital Construction	7,328	6,292	6,209	7,030
Transit	376,179	362,473	335,608	279,349
Total City Sales and Franchise Taxes	1,491,730	1,442,366	1,327,820	1,108,387
Access to Care Tax	-	-	-	-
Special Taxing District	2,967	3,142	2,856	3,115
Salt River Project In-Lieu Taxes	2,248	2,126	2,203	2,011
Total City Taxes	\$ 1,834,352	\$ 1,774,833	\$ 1,645,068	\$ 1,410,625

(1) Includes general, special revenue and debt service funds.

Table 5
(Continued)

		Fiscal Year									
		2020	2019	2018	2017	2016	2015				
\$	170,209	\$	162,129	\$	154,560	\$	146,121	\$	141,310	\$	138,242
	107,555		101,652		95,435		91,021		50,484		49,567
	277,764		263,781		249,995		237,142		191,794		187,809
	416,399		402,238		366,280		355,904		351,148		324,006
	90,229		93,776		93,791		90,780		90,845		107,386
	17,449		20,732		19,979		18,435		17,874		17,062
	55,266		61,200		52,730		49,051		46,501		46,402
	36,233		35,073		31,684		30,172		28,706		29,881
	23,978		26,138		25,976		25,238		25,391		25,068
	72,464		70,033		63,188		60,167		57,350		59,760
	36,233		35,073		31,683		30,173		28,705		29,882
	8,548		8,812		9,574		11,064		12,875		14,281
	247,593		239,418		216,165		203,201		154,628		110,347
	1,004,392		992,493		911,050		874,185		814,023		764,075
	-		-		-		-		-		31
	2,880		2,903		2,440		2,735		2,438		2,308
	2,058		1,987		2,054		2,015		1,663		1,595
\$	1,287,094	\$	1,261,164	\$	1,165,539	\$	1,116,077	\$	1,009,918	\$	955,818

Intergovernmental Revenues by Source - Governmental Funds (1)
Table 6

Last Ten Fiscal Years

(modified accrual basis of accounting)

(in thousands)

	Fiscal Year			
	2024	2023	2022	2021
State Shared Revenue				
Highway User Tax	\$ 157,357	\$ 152,748	\$ 155,466	\$ 146,188
State Sales Tax	261,511	254,006	240,387	204,104
State Income Tax	435,754	308,183	213,294	240,237
Vehicle License Tax	83,823	80,593	78,695	79,769
Local Transportation Assistance	4,067	4,067	4,053	4,220
Total State Shared Revenue	942,512	799,597	691,895	674,518
Federal Grants	378,283	441,107	570,619	581,124
Other Intergovernmental Revenue	371,419	387,300	365,951	377,215
Total Intergovernmental Revenues	\$ 1,692,214	\$ 1,628,004	\$ 1,628,465	\$ 1,632,857

(1) Includes general, special revenue, capital projects and debt service funds.

Table 6
(Continued)

Fiscal Year						
2020	2019	2018	2017	2016	2015	
\$ 135,983	\$ 138,864	\$ 131,355	\$ 126,058	\$ 116,682	\$ 111,748	
171,926	165,066	155,998	143,975	137,544	132,218	
214,697	196,918	200,035	191,225	174,234	175,184	
70,484	70,210	66,784	61,586	59,801	55,293	
4,220	4,220	4,366	4,242	4,356	4,334	
597,310	575,278	558,538	527,086	492,617	478,777	
339,453	254,653	217,976	250,217	256,853	234,616	
175,069	118,812	220,194	108,669	64,664	107,734	
\$ 1,111,832	\$ 948,743	\$ 996,708	\$ 885,972	\$ 814,134	\$ 821,127	



City of Phoenix



Statistical Section

REVENUE CAPACITY

*These schedules present information
on the City's sales tax and property tax
collections.*



City of Phoenix



City of Phoenix

City Transaction Privilege Taxes by Category
Table 7

Last Ten Fiscal Years

(in thousands)

Category	Fiscal Year			
	2024	2023	2022	2021
Retail (2) (3)	\$ 624,074	\$ 596,044	\$ 573,660	\$ 495,479
Retail Food Sales (1)	-	-	-	-
Utilities & Telecommunications	112,014	103,283	98,706	98,490
Construction Contracting (2)	142,966	132,951	120,146	95,965
Commercial Rental	114,034	98,648	90,249	88,285
Restaurants & Bars	125,997	122,779	108,867	81,354
Hotel/Motel Lodging	73,247	75,155	62,238	31,898
Tangible Personal Property Rental	65,307	75,882	51,888	39,760
Apartment/Residential Rental	86,304	81,194	70,139	59,323
Motor Vehicle Rental	16,213	15,561	14,723	7,935
Amusements	18,833	15,151	12,510	4,118
Advertising	2,006	3,103	2,826	2,480
Job Printing	2,681	2,521	2,301	1,961
Mining, Timbering, Extraction	-	2	25	-
Publishing	300	194	222	78
Transportation	31	42	320	979
Use Tax (2)	40,677	54,863	55,562	49,788
Jet Fuel	874	922	731	780
Total	\$ 1,425,558	\$ 1,378,295	\$ 1,265,113	\$ 1,058,673

Source: City of Phoenix Finance Department, Revenue Management Division

(1) Effective April 1, 2015, the Phoenix City Council approved an ordinance to amend the City of Phoenix Tax Code providing for the taxation of the sale of food for home consumption under the retail and use tax business classifications. The tax rate was reduced to 0% from 1%.

(2) Effective January 1, 2016, the City of Phoenix implemented a multi-level tax rate impacting the Retail, Use Tax and Construction Contracting categories. The current rates for 2024-2025 sales are as follows: Retail, Use Tax (Level 1 at 2.30% for first amount equal to or less than \$13,886 for a single item. Level 2 at 2.00% for amounts greater than \$13,886 for a single item) and Construction Contracting (Contracts accepted January 1, 2016 to current at 2.30%. Pre-2016 contracts at 2.00%).

(3) Retail includes taxes collected from Medical and Adult Use Marijuana sales due to the passage of Proposition 203 and 207, which passed on November 2, 2010 and November 3, 2020, respectively.

Table 7
(Continued)

Fiscal Year					
2020	2019	2018	2017	2016	2015
\$ 416,153	\$ 379,510	\$ 357,069	\$ 325,641	\$ 300,177	\$ 267,260
3	36	(3)	15	409	24,792
98,533	102,031	105,289	100,131	109,107	109,857
87,560	77,296	58,113	49,117	43,201	45,279
76,915	79,341	75,161	70,001	63,945	58,919
83,530	90,114	85,132	76,848	71,828	63,645
42,975	52,049	47,118	43,262	42,611	39,501
39,805	39,506	32,632	27,165	21,334	19,406
54,064	49,320	45,405	39,310	37,451	32,589
9,463	10,296	13,427	16,109	19,751	18,618
8,013	9,923	9,149	8,595	7,861	7,065
1,934	2,588	2,258	2,110	2,312	2,689
1,948	2,749	2,327	2,207	2,136	2,171
-	-	-	-	-	-
101	308	494	565	554	523
131	72	15	8	5	7
44,415	46,166	38,026	35,449	31,089	32,071
691	815	1,210	3,092	2,971	3,105
\$ 966,234	\$ 942,120	\$ 872,822	\$ 799,625	\$ 756,742	\$ 727,497

Direct and Overlapping Sales Tax Rates
Table 8

Last Ten Fiscal Years

Category (1)	As of June 30			
	2024	2023	2022	2021
City Rates				
Retail (3)	2.30/2.00%	2.30/2.00%	2.30/2.00%	2.30/2.00%
Utilities	2.70	2.70	2.70	2.70
Telecommunications	4.70	4.70	4.70	4.70
Construction Contracting (3)	2.30/2.00	2.30/2.00	2.30/2.00	2.30/2.00
Commercial Rental	2.40	2.40	2.40	2.40
Restaurants & Bars	2.30	2.30	2.30	2.30
Hotel/Motel Lodging	5.30	5.30	5.30	5.30
Tangible Personal Property Rental	2.30	2.30	2.30	2.30
Apartment/Residential Rental	2.30	2.30	2.30	2.30
Motor Vehicle Rental	4.30	4.30	4.30	4.30
Amusements	2.30	2.30	2.30	2.30
Advertising	0.50	0.50	0.50	0.50
Job Printing	2.30	2.30	2.30	2.30
Mining	0.10	0.10	0.10	0.10
Timbering/Extraction	2.30	2.30	2.30	2.30
Publishing	2.30	2.30	2.30	2.30
Transportation	2.30	2.30	2.30	2.30
Use Tax (3)	2.30/2.00	2.30/2.00	2.30/2.00	2.30/2.00
Jet Fuel (2)	0.73	0.73	0.73	0.73
County Rates				
Commercial Rental	0.50%	0.50%	0.50%	0.50%
Hotel/Motel Lodging	1.77	1.77	1.77	1.77
All Others	0.70	0.70	0.70	0.70
Mining/Timbering/Extraction	0.44	0.44	0.44	0.44
Jet Fuel (2)	0.31	0.31	0.31	0.31

(1) Excludes State Rates.

(2) Rate shown as cents per gallon.

(3) Effective January 1, 2016, the City of Phoenix implemented a multi-level tax rate impacting the Retail, Use Tax and Construction Contracting categories. The current rates for 2024-2025 sales are as follows: Retail, Use Tax (Level 1 at 2.30% for first amount equal to or less than \$13,886 for a single item. Level 2 at 2.00% for amounts greater than \$13,886 for a single item) and Construction Contracting (Contracts accepted January 1, 2016 to current at 2.30%. Pre-2016 contracts at 2.00%).

Source: City of Phoenix Finance Department, Revenue Management Division

Table 8
(Continued)

As of June 30					
2020	2019	2018	2017	2016	2015
2.30/2.00%	2.30/2.00%	2.30/2.00%	2.30/2.00%	2.30/2.00%	2.00%
2.70	2.70	2.70	2.70	2.70	2.70
4.70	4.70	4.70	4.70	4.70	4.70
2.30/2.00	2.30/2.00	2.30/2.00	2.30/2.00	2.30/2.00	2.00
2.40	2.40	2.40	2.40	2.40	2.10
2.30	2.30	2.30	2.30	2.30	2.00
5.30	5.30	5.30	5.30	5.30	5.00
2.30	2.30	2.30	2.30	2.30	2.00
2.30	2.30	2.30	2.30	2.30	2.00
4.30	4.30	4.30	4.30	4.30	4.00
2.30	2.30	2.30	2.30	2.30	2.00
0.50	0.50	0.50	0.50	0.50	0.50
2.30	2.30	2.30	2.30	2.30	2.00
0.10	0.10	0.10	0.10	0.10	-
2.30	2.30	2.30	2.30	2.30	-
2.30	2.30	2.30	2.30	2.30	2.00
2.30	2.30	2.30	2.30	2.30	2.00
2.30/2.00	2.30/2.00	2.30/2.00	2.30/2.00	2.30/2.00	2.00
0.73	0.73	0.73	0.73	0.73	0.73
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
1.77	1.77	1.77	1.77	1.77	1.77
0.70	0.70	0.70	0.70	0.70	0.70
0.44	0.44	0.44	0.44	0.44	-
0.31	0.31	0.31	0.31	0.31	0.31

City Transaction Privilege Taxpayers - By Category
 Current Fiscal Year and Nine Years Ago

Table 9

Category	2024			
	Average Monthly Taxpayers	Percentage of Total Payers	Sales Tax Paid (thousands)	Percentage of Total Sales Tax
Retail	75,449	31.45%	\$ 624,074	43.78%
Utilities & Telecommunications	1,449	0.61	112,014	7.86
Construction Contracting	9,636	4.02	142,966	10.03
Commercial Rental	23,856	9.95	114,034	8.00
Restaurants & Bars	7,277	3.03	125,997	8.84
Hotel/Motel Lodging	5,265	2.19	73,247	5.14
Tangible Personal Property Rental	8,445	3.52	65,307	4.58
Apartment/Residential Rental	53,086	22.13	86,304	6.05
Motor Vehicle Rental	620	0.26	16,213	1.14
Amusements	1,114	0.47	18,833	1.32
Advertising	705	0.29	2,006	0.14
Job Printing	802	0.33	2,681	0.19
Mining, Timbering, Extraction	75	0.03	-	-
Publishing	250	0.11	300	0.02
Transportation	482	0.20	31	-
Use Tax	51,300	21.38	40,677	2.85
Jet Fuel	79	0.03	874	0.06
Total	239,890	100.00%	\$ 1,425,558	100.00%

Source: City of Phoenix Finance Department, Revenue Management Division

Table 9
(Continued)

2015			
Average Monthly Taxpayers	Percentage of Total Payers	Sales Tax Paid (thousands)	Percentage of Total Sales Tax
22,700	39.39%	\$ 292,052	40.14%
423	0.73	109,857	15.10
9,500	16.48	45,279	6.22
8,098	14.05	58,919	8.10
3,261	5.66	63,645	8.75
258	0.45	39,501	5.43
1,109	1.92	19,406	2.67
8,010	13.90	32,589	4.48
35	0.06	18,618	2.56
251	0.44	7,065	0.97
232	0.40	2,689	0.37
334	0.58	2,171	0.30
-	-	-	-
83	0.14	523	0.07
17	0.03	7	-
3,306	5.74	32,071	4.41
20	0.03	3,105	0.43
<u>57,637</u>	<u>100.00%</u>	<u>\$ 727,497</u>	<u>100.00%</u>

City Property Tax Levies and Collections
Table 10

Last Ten Fiscal Years

(in thousands)

Fiscal Year Ended June 30,	Collected within the Fiscal Year of the Levy			Total Collections to Date		
	Tax Levy	Amount	% of Levy	Collections In Subsequent Years ⁽¹⁾	Amount	% of Levy
2024	\$ 341,442	\$ 334,369	97.93%	\$ -	\$ 334,369	97.93%
2023	327,315	322,611	98.56	3,670	326,281	99.68
2022	313,719	308,466	98.33	4,028	312,494	99.61
2021	296,508	292,525	98.66	3,681	296,206	99.90
2020	281,597	273,728	97.21	5,505	279,233	99.16
2019	265,405	260,408	98.12	2,966	263,374	99.23
2018	253,182	248,097	97.99	3,149	251,246	99.24
2017	238,313	235,000	98.61	2,747	237,747	99.76
2016	192,502	189,460	98.42	2,149	191,609	99.54
2015	189,852	185,764	97.85	2,069	187,833	98.94

(1) Amount is the difference between collections to date (from County reports) and the amount collected in the year of the levy.

Source: Maricopa County, Arizona Treasurer's Office



City of Phoenix

Property Tax Rates and Levies - Direct and Overlapping Governments
Table 11

Last Ten Fiscal Years

(in thousands)

	City of Phoenix			Maricopa County	Flood Control	Central	Maricopa County Library District	
	Primary	Secondary	Total			Arizona		
						Water Conservation District		
Tax Rates per \$100 of Limited Net Assessed Valuation (1)								
2024-25	\$ 1.27	\$ 0.81	\$ 2.08	\$ 1.16	\$ 0.15	\$ 0.14	\$ 0.05	
2023-24	1.29	0.81	2.10	1.20	0.15	0.14	0.05	
2022-23	1.30	0.81	2.11	1.25	0.16	0.14	0.05	
2021-22	1.31	0.81	2.12	1.35	0.18	0.14	0.06	
2020-21	1.31	0.82	2.13	1.40	0.18	0.14	0.06	
2019-20	1.31	0.82	2.13	1.40	0.18	0.14	0.06	
2018-19	1.32	0.82	2.14	1.40	0.18	0.14	0.06	
2017-18	1.34	0.82	2.16	1.40	0.18	0.14	0.06	
2016-17	1.34	0.83	2.17	1.40	0.18	0.14	0.06	
2015-16	1.34	0.48	1.82	1.36	0.16	0.14	0.06	
Tax Levies (1)								
2024-25	\$ 217,597	\$ 139,948	\$ 357,545	\$ 199,255	\$ 23,340	\$ 23,744	\$ 8,080	
2023-24	209,026	132,416	341,442	195,900	22,987	22,896	7,937	
2022-23	201,207	126,108	327,315	193,213	22,734	21,834	7,823	
2021-22	193,225	120,494	313,719	199,205	24,435	20,772	8,229	
2020-21	181,767	114,741	296,508	195,050	22,972	19,540	7,741	
2019-20	172,626	108,971	281,597	185,241	21,699	18,426	7,352	
2018-19	163,218	102,187	265,405	173,708	20,337	17,385	6,894	
2017-18	156,586	96,596	253,182	164,205	19,058	16,402	6,517	
2016-17	146,711	91,602	238,313	153,849	17,767	15,401	6,106	
2015-16	141,880	50,622	192,502	143,943	15,126	14,866	5,881	

(1) Beginning in fiscal year 2016 (tax year 2015), primary and secondary levies are based on a single valuation, the Limited Net Assessed Valuation. See Note 4 to the financial statements. Fiscal years prior to 2016 use either the Primary Net Assessed Valuation or the Secondary Net Assessed Valuation, as applicable.

(2) Tax rates between the various elementary and high school districts within the City vary. The rates shown on this table are for Phoenix Elementary District No. 1 and Phoenix Union High School District. Tax levies for elementary and high school districts equal the total levy of all overlapping school districts within the City.

Source: Maricopa County Finance Department

Table 11
(Continued)

Volunteer Fire District Assistance	Maricopa Special Health Care District	School Districts					Elementary and High School ⁽²⁾	Total
		Education Equalization	Community College	East Valley Inst. of Technology	Western Maricopa Education Center			
\$ 0.01	\$ 0.27	\$ -	\$ 1.10	\$ 0.05	\$ 0.18	\$ 9.09	\$ 14.28	
0.01	0.27	-	1.14	0.05	0.18	9.54	14.83	
0.01	0.25	-	1.19	0.05	0.15	9.63	14.99	
0.01	0.30	0.43	1.23	0.05	0.16	9.61	15.64	
0.01	0.30	0.44	1.29	0.05	0.17	10.42	16.59	
0.01	0.33	0.46	1.33	0.05	0.16	11.12	17.37	
0.01	0.29	0.47	1.38	0.05	0.15	11.64	17.91	
0.01	0.29	0.49	1.41	0.05	0.18	12.03	18.40	
0.01	0.31	0.50	1.47	0.05	0.08	12.29	18.66	
0.01	0.30	0.51	1.49	0.05	0.07	12.15	18.12	
\$ 1,375	\$ 45,813	\$ -	\$ 189,903	\$ 1,181	\$ 14,577	\$ 1,218,006	\$ 2,082,819	
1,317	44,177	-	185,229	1,131	13,591	1,193,841	2,030,448	
1,270	38,540	-	184,245	1,079	10,979	1,164,888	1,973,920	
1,273	43,959	63,250	181,414	1,040	10,709	1,130,076	1,998,081	
1,253	42,410	61,775	179,345	990	10,556	1,092,762	1,930,902	
1,256	44,072	60,096	175,668	941	9,945	1,083,175	1,889,468	
1,327	36,468	58,874	170,547	891	8,457	1,043,971	1,804,264	
1,196	33,418	57,113	165,225	844	9,568	995,271	1,721,999	
1,230	33,529	55,113	160,899	800	4,267	957,588	1,644,862	
1,227	31,953	53,456	158,021	767	3,402	914,751	1,535,895	

Property Tax Levies
Table 12

Applicable to Phoenix Property Owners

(in thousands)

	2024-25 Levies								
	Limited Net Assessed Valuation ⁽¹⁾			Primary Tax Rate Per \$100	Total		Total		Total Phoenix Tax Levy
	Total	Within Phoenix			Phoenix Primary Tax Levy	Secondary Tax Rate Per \$100	Phoenix Secondary Tax Levy	Total Phoenix Tax Levy	
		Percent	Amount						
City of Phoenix	\$ 17,190,476	100.00%	\$ 17,190,476	\$ 1.2658	\$ 217,597	\$ 0.8141	\$ 139,948	\$ 357,545	
Maricopa County	58,328,686	29.47	17,190,476	1.1591	199,255	-	-	199,255	
Flood Control	53,876,587	29.47	15,877,430	-	-	0.1470	23,340	23,340	
Central Arizona Water Conservation District	57,548,877	29.47	16,959,654	-	-	0.1400	23,744	23,744	
Maricopa County Library District	58,328,686	29.47	17,190,476	-	-	0.0470	8,080	8,080	
Volunteer Fire District Assistance	58,328,686	29.47	17,190,476	-	-	0.0080	1,375	1,375	
East Valley Institute of Technology	28,325,407	8.34	2,362,860	-	-	0.0500	1,181	1,181	
West Maricopa Education Center	22,530,836	35.45	7,987,495	-	-	0.1825	14,577	14,577	
Maricopa Special Health Care District	57,548,877	29.87	17,190,476	-	-	0.2665	45,813	45,813	
State of Arizona	88,425,611	19.44	17,190,476	-	-	-	-	-	
School Districts									
Maricopa County Community College District	58,328,686	29.47	17,190,476	1.0486	180,259	0.0561	9,644	189,903	
High School Districts									
Phoenix Union	6,827,276	96.35	6,577,853	1.7414	114,547	2.5845	170,005	284,552	
Glendale Union	2,097,748	78.02	1,636,652	1.6348	26,756	1.8221	29,821	56,577	
Tempe Union	4,742,511	28.96	1,373,554	1.6968	23,306	0.6660	9,148	32,454	
Tolleson Union	1,928,261	48.75	940,022	1.8913	17,779	2.8081	26,397	44,176	
Agua Fria Union	2,450,770	0.01	278	2.0288	6	1.2241	3	9	
Total High School Districts								417,768	
Elementary School Districts									
No. 1 Phoenix	917,013	100.00	917,013	1.6354	14,997	3.1285	28,689	43,686	
No. 2 Riverside	511,925	98.05	501,959	1.2757	6,403	2.2080	11,083	17,486	
No. 3 Tempe	2,026,991	13.58	275,249	1.6293	4,485	2.4184	6,657	11,142	
No. 5 Isaac	185,569	100.00	185,569	2.6877	4,988	5.2313	9,708	14,696	
No. 6 Washington	1,680,072	97.42	1,636,652	1.8154	29,712	2.4354	39,859	69,571	
No. 7 Wilson	147,533	100.00	147,533	1.6382	2,417	2.7804	4,102	6,519	
No. 8 Osborn	568,105	99.96	567,888	1.6629	9,443	2.2356	12,696	22,139	
No. 14 Creighton	603,956	87.45	528,159	1.7266	9,119	2.6465	13,978	23,097	
No. 17 Tolleson	294,963	18.98	55,988	1.7530	981	2.2769	1,275	2,256	
No. 21 Murphy	132,663	100.00	132,663	1.7342	2,301	2.2362	2,967	5,268	
No. 28 Kyrene	2,715,520	40.45	1,098,305	1.6667	18,305	1.7159	18,846	37,151	
No. 31 Balsz	405,062	93.89	380,318	1.7189	6,537	1.6135	6,136	12,673	
No. 38 Madison	1,317,975	100.00	1,317,975	1.7130	22,577	2.0501	27,020	49,597	
No. 40 Glendale	417,676	<0.01	-	1.6311	-	4.3802	-	-	
No. 45 Fowler	511,663	87.95	450,013	1.6753	7,539	1.4513	6,531	14,070	
No. 48 Scottsdale (Unified)	7,025,019	14.08	989,307	2.2289	22,051	1.0215	10,106	32,157	
No. 59 Laveen	361,823	86.54	313,107	1.8912	5,921	5.0213	15,722	21,643	
No. 62 Union	125,810	97.76	122,992	2.0023	2,463	2.5571	3,145	5,608	
No. 65 Littleton	442,942	16.62	73,632	1.6669	1,227	2.7400	2,018	3,245	
No. 66 Roosevelt	869,011	98.91	859,558	1.7671	15,189	4.3787	37,637	52,826	
No. 68 Alhambra	448,434	82.04	367,904	1.7373	6,392	4.0676	14,965	21,357	
No. 69 Paradise Valley (Unified)	4,655,224	70.42	3,278,373	3.3160	108,711	2.0011	65,604	174,315	
No. 79 Litchfield	1,677,502	0.02	278	1.7514	5	1.2441	3	8	
No. 83 Cartwright	358,207	100.00	358,207	2.0150	7,218	6.4005	22,927	30,145	
No. 92 Pendergast	552,883	42.94	237,397	1.6855	4,001	3.7139	8,817	12,818	
No. 93 Cave Creek (Unified)	2,731,901	13.46	367,825	1.3319	4,899	0.1336	491	5,390	
No. 97 Deer Valley (Unified)	3,607,813	56.17	2,026,575	3.2695	66,259	2.2262	45,116	111,375	
Total Elementary School Districts								800,238	
Total All School Districts								1,407,909	
Total Levies Applicable to Phoenix								\$ 2,082,819	

(1) Beginning in fiscal year 2016 (tax year 2015), primary and secondary levies are based on a single valuation. See Note 4 to the financial statements.

Sources: Maricopa County Finance Department and the State of Arizona

Property Tax Levies

Table 12

Applicable to Phoenix Property Owners

(Continued)

(in thousands)

	2023-24 Levies								
	Limited Net Assessed Valuation ⁽¹⁾			Primary Tax Rate Per \$100	Total Phoenix		Total Phoenix		Total Phoenix Tax Levy
	Total	Within Phoenix			Primary Tax Levy	Secondary Tax Rate Per \$100	Secondary Tax Levy	Total Secondary Tax Levy	
		Percent	Amount	Amount					
City of Phoenix	\$ 16,265,333	100.00%	\$ 16,265,333	\$ 1.2851	\$ 209,026	\$ 0.8141	\$ 132,416	\$ 341,442	
Maricopa County	54,722,310	29.72	16,265,333	1.2044	195,900	-	-	195,900	
Flood Control	50,354,573	29.72	14,965,379	-	-	0.1536	22,987	22,987	
Central Arizona Water Conservation District	55,027,365	29.72	16,354,133	-	-	0.1400	22,896	22,896	
Maricopa County Library District	54,722,310	29.72	16,265,333	-	-	0.0488	7,937	7,937	
Volunteer Fire District Assistance	54,722,310	29.72	16,265,333	-	-	0.0081	1,317	1,317	
East Valley Institute of Technology	26,795,539	8.44	2,261,871	-	-	0.0500	1,131	1,131	
West Maricopa Education Center	20,761,536	36.23	7,521,345	-	-	0.1807	13,591	13,591	
Maricopa Special Health Care District	55,027,365	29.56	16,265,333	-	-	0.2716	44,177	44,177	
State of Arizona	83,026,530	19.59	16,265,333	-	-	-	-	-	
School Districts									
Maricopa County Community College District	54,722,310	29.72	16,265,333	1.0791	175,519	0.0597	9,710	185,229	
High School Districts									
Phoenix Union	6,473,623	96.31	6,234,987	2.6800	167,098	1.8178	113,340	280,438	
Glendale Union	1,981,643	78.40	1,553,638	2.0378	31,660	1.5624	24,274	55,934	
Tempe Union	4,582,133	28.90	1,324,402	1.7028	22,552	0.7244	9,594	32,146	
Tolleson Union	1,741,235	48.51	844,591	1.6858	14,238	3.6269	30,632	44,870	
Agua Fria Union	2,100,141	0.02	330	2.1109	7	1.2088	4	11	
Total High School Districts								413,399	
Elementary School Districts									
No. 1 Phoenix	894,446	100.00	894,446	3.0944	27,678	1.9439	17,387	45,065	
No. 2 Riverside	492,745	97.86	482,216	1.2909	6,225	1.8760	9,046	15,271	
No. 3 Tempe	1,954,706	13.79	269,494	2.4185	6,518	1.9336	5,211	11,729	
No. 5 Isaac	178,968	100.00	178,968	5.3378	9,553	2.7146	4,858	14,411	
No. 6 Washington	1,595,597	97.37	1,553,638	2.1912	34,043	2.2024	34,217	68,260	
No. 7 Wilson	123,231	100.00	123,231	3.2926	4,058	1.5922	1,962	6,020	
No. 8 Osborn	546,454	99.95	546,177	1.7962	9,810	2.0069	10,961	20,771	
No. 14 Creighton	561,441	87.23	489,747	1.9359	9,481	2.6695	13,074	22,555	
No. 17 Tolleson	276,967	16.82	46,575	1.9090	889	2.3635	1,101	1,990	
No. 21 Murphy	130,130	100.00	130,130	1.6881	2,197	1.9785	2,575	4,772	
No. 28 Kyrene	2,627,428	40.15	1,054,908	1.7491	18,451	1.7708	18,680	37,131	
No. 31 Balsz	388,394	93.91	364,743	1.8049	6,583	1.7477	6,375	12,958	
No. 38 Madison	1,289,479	100.00	1,289,479	1.7083	22,028	2.0560	26,512	48,540	
No. 40 Glendale	386,047	<0.01	-	1.8569	-	3.3197	-	-	
No. 45 Fowler	487,409	88.84	432,999	1.7365	7,519	1.5010	6,499	14,018	
No. 48 Scottsdale (Unified)	6,708,327	13.97	937,471	2.4454	22,925	0.9312	8,730	31,655	
No. 59 Laveen	332,934	86.04	286,455	1.9668	5,634	5.1658	14,798	20,432	
No. 62 Union	103,501	97.08	100,480	1.8384	1,847	2.5141	2,526	4,373	
No. 65 Littleton	386,274	17.14	66,192	1.8192	1,204	2.9023	1,921	3,125	
No. 66 Roosevelt	823,677	98.92	814,801	3.5992	29,326	2.5725	20,961	50,287	
No. 68 Alhambra	388,744	80.16	311,611	1.7314	5,395	4.6193	14,394	19,789	
No. 69 Paradise Valley (Unified)	4,439,569	70.36	3,123,769	3.5061	109,522	1.9932	62,263	171,785	
No. 79 Litchfield	1,445,259	0.02	330	1.6910	6	1.3158	4	10	
No. 83 Cartwright	322,983	100.00	322,983	3.7603	12,145	5.6826	18,354	30,499	
No. 92 Pendergast	487,085	40.72	198,346	1.7761	3,523	3.9021	7,740	11,263	
No. 93 Cave Creek (Unified)	2,590,065	13.65	353,616	1.3614	4,814	0.1382	489	5,303	
No. 97 Deer Valley (Unified)	3,400,364	55.56	1,889,280	3.4052	64,334	2.3340	44,096	108,430	
Total Elementary School Districts								780,442	
Total All School Districts								1,379,070	
Total Levies Applicable to Phoenix								\$ 2,030,448	

Primary Net Assessed Valuation and Estimated True Valuation
Table 13

Last Ten Fiscal Years

(dollars in thousands except for per capita amounts)

Fiscal Year	Secondary Tax Rate		Limited Net Assessed Valuation by Classification ⁽¹⁾				Total
			Commercial/ Utilities/ Industrial	Residential	Rural and Other		
2024-25	\$	0.81	\$ 6,499,945	\$ 10,302,040	\$ 388,491	\$	17,190,476
2023-24		0.81	6,283,934	9,641,818	339,587		16,265,339
2022-23		0.81	6,105,703	9,053,200	331,629		15,490,532
2021-22		0.81	5,971,432	8,464,971	364,474		14,800,877
2020-21		0.82	5,650,658	7,965,353	307,175		13,923,186
2019-20		0.82	5,459,356	7,444,157	319,504		13,223,017
2018-19		0.82	5,159,914	6,938,819	301,043		12,399,776
2017-18		0.82	4,922,316	6,491,721	307,348		11,721,385
2016-17		0.83	4,642,740	6,062,572	276,839		10,982,151
2015-16		0.48	4,579,070	5,701,785	296,177		10,577,032

Source: Maricopa County Finance Department

For further information on population changes that affect the Assessed Valuation per Capita Actual and Uninflated amounts, see Table 21.

(1) Beginning in fiscal year 2016 (tax year 2015), primary and secondary levies are based on a single valuation, the Primary Net Assessed Valuation, also referred to as the Limited Net Assessed Valuation. See Note 4 to the financial statements. Fiscal years prior to 2016 use the Secondary Net Assessed Valuation.

Table 13
(Continued)

Assessed Valuation Per Capita				
Percent Change in Net Valuation	Actual	Uninflated	Estimated True Valuation	
5.69%	\$ 10,158	\$ 5,745	\$ 174,381,971	
5.00	9,670	5,650	164,038,643	
4.66	9,348	5,804	154,984,009	
6.30	8,955	5,958	146,033,864	
5.30	8,511	5,794	138,096,772	
6.64	8,229	5,689	129,817,493	
5.79	7,756	5,474	121,702,906	
6.73	7,422	5,355	116,338,740	
3.83	7,013	5,153	110,159,434	
(2.23)	6,922	5,121	105,206,669	

Principal Property Taxpayers
Table 14

Current Year and Nine Years Ago

(in thousands)

Taxpayer	2023-24			2014-15		
	Limited Net Assessed Valuation ⁽¹⁾	Ranking	As a Percent of Total City	Secondary Net Assessed Valuation ⁽¹⁾	Ranking	As a Percent of Total City
Arizona Public Service Company	\$ 541,477	1	3.33%	\$ 375,403	1	3.47%
Salt River Project (T & D)	128,959	2	0.79			
Southwest Gas Corporation	115,275	3	0.71	76,802	2	0.71
Esplanade Owner LP	51,347	4	0.32			
Biltmore Center Owner LLC	42,069	5	0.26			
Esplanade Owner LLC	33,614	6	0.21			
Biltmore Shopping Center Partners	31,279	7	0.19			
Viola Lordsmeer LP	30,988	8	0.19			
Aligned Data Centers Phoenix Propco LLC	30,870	9	0.19			
Epic Apollo LLC	29,495	10	0.18			
Century Link (Qwest Communications)				61,626	3	0.57
AT&T Inc				38,524	4	0.36
Host Kierland LP				35,350	5	0.33
Metropolitan Life Insurance Company				25,631	6	0.24
Target Corporation				23,781	7	0.22
Hub Properties Trust				21,125	8	0.20
Cole of Phoenix AZ II LLC				21,104	9	0.20
Phoenix Plaza PT LLC				20,981	10	0.19
Total	\$ 1,035,373		6.37%	\$ 700,327		6.49%
City Total Limited Net Assessed Valuation	<u>\$ 16,265,339</u>					
City Total Secondary Net Assessed Valuation				<u>\$ 10,818,634</u>		

Sources:

Maricopa County Assessor
 Arizona Department of Revenue
 City of Phoenix Finance Department

(1) Beginning in fiscal year 2016 (tax year 2015), primary and secondary levies are based on a single valuation, the Limited Net Assessed Valuation. See Note 4 to the financial statements. Fiscal years prior to 2016 used the Secondary Net Assessed Valuation.



Statistical Section

DEBT CAPACITY

These schedules present information regarding the City's current levels of outstanding debt and the City's capacity to issue additional debt.



City of Phoenix



City of Phoenix

Legal Debt Margin - General Obligation Bonds
Table 15

Last Ten Fiscal Years

(in thousands)

	Fiscal Year			
	2024-25	2023-24	2022-23	2021-22
6% Limitation				
Legal Debt Limitation	\$ 2,115,205	\$ 1,736,343	\$ 1,382,707	\$ 1,306,853
General Obligation Bonds Outstanding (1)	30,965	53,965	76,825	91,715
Less: Assets held in Restricted Redemption Funds (3)	-	-	-	-
Debt Limit Reduction from Refunding (4)	6,835	11,911	14,780	14,595
Subtotal	37,800	65,876	91,605	106,310
Total Debt Margin Available	\$ 2,077,405	\$ 1,670,467	\$ 1,291,102	\$ 1,200,543
Total Net Debt Applicable to the 6% Limit				
as a percentage of 6% Debt Limit	1.79%	3.79%	6.63%	8.13%
20% Limitation				
Legal Debt Limitation	\$ 7,050,684	\$ 5,787,809	\$ 4,609,023	\$ 4,356,176
General Obligation Bonds Outstanding (1)	514,655	593,935	738,570	827,190
Debt Limit Reduction from Refunding (4)	44,848	46,983	47,632	32,899
Subtotal	559,503	640,918	786,202	860,089
Total Debt Margin Available	\$ 6,491,181	\$ 5,146,891	\$ 3,822,821	\$ 3,496,087
Total Net Debt Applicable to the 20% Limit				
as a percentage of 20% Debt Limit	7.94%	11.07%	17.06%	19.74%
Full Cash Net Assessed Valuation	\$ 35,253,420	\$ 28,939,043	\$ 23,045,115	\$ 21,780,881

(1) Under the provisions of the Arizona Constitution, outstanding general obligation bonded debt for combined water, sewer, light, parks, open space preserves, playgrounds, recreational facilities, public safety, law enforcement, fire emergency, streets and transportation may not exceed 20% of the city's full cash net assessed valuation, nor may outstanding general obligation bonded debt for all other purposes exceed 6% of the city's full net assessed valuation.

(2) In 2015-16, as a result of Proposition 117, the debt limitation was based on the Primary Net Assessed Valuation. Prior years were based in Secondary Net Assessed Valuation now referred to as Full Cash Net Assessed Valuation. Legislation passed in 2016 changed the basis back to Full Cash Net Assessed Valuation starting in fiscal year 2016-17. See Note 4 to the financial statements for an explanation on Proposition 117.

(3) Beginning in FY 2016-17, Assets held in Restricted Redemption Funds will no longer be used in the calculation of the 6% Legal Debt Limitation.

(4) Per A.R.S. Section 35-473.01.I, refunding bonds issued on or after August 6, 2016 may cause a reduction in available debt limits based on the nature of the refunded bonds (each, a "Debt Limit Reduction from Refunding"). If the principal amount of the refunded bonds is greater than the principal amount of the bonds that are refunding them and net premium is used to fund the escrow, then the difference in principal amounts will constitute a Debt Limit Reduction from Refunding.

Table 15
(Continued)

Fiscal Year						
2020-21	2019-20	2018-19	2017-18	2016-17 ⁽²⁾	2015-16 ⁽²⁾	
\$ 1,193,383	\$ 1,091,621	\$ 999,953	\$ 921,981	\$ 840,535	\$ 634,622	
113,510	145,925	172,680	207,115	274,835	323,260	
-	-	-	-	-	181,730	
14,628	14,727	17,715	19,355	-	-	
128,138	160,652	190,395	226,470	274,835	141,530	
\$ 1,065,245	\$ 930,969	\$ 809,558	\$ 695,511	\$ 565,700	\$ 493,092	
10.74%	14.72%	19.04%	24.56%	32.70%	22.30%	
\$ 3,977,943	\$ 3,638,736	\$ 3,333,175	\$ 3,073,271	\$ 2,801,784	\$ 2,115,406	
890,365	939,125	977,105	994,290	1,061,880	1,104,837	
33,261	34,545	36,102	37,915	-	-	
923,626	973,670	1,013,207	1,032,205	1,061,880	1,104,837	
\$ 3,054,317	\$ 2,665,066	\$ 2,319,968	\$ 2,041,066	\$ 1,739,904	\$ 1,010,569	
23.22%	26.76%	30.40%	33.59%	37.90%	52.23%	
\$ 19,889,714	\$ 18,193,681	\$ 16,665,875	\$ 15,366,354	\$ 14,008,919	\$ 10,577,032	

**Ratio of Debt Service Expenditures for General Bonded Debt
to General Governmental Operating Expenditures - Budget Basis**
Table 16

 Last Ten Fiscal Years
(in thousands)

	Total Debt Service		Total General Governmental Operating Expenditures⁽¹⁾		Ratio of Debt Service to General Governmental Operating Expenditures
2023-24	\$	216,046	\$	3,543,453	6.1%
2022-23		281,028		3,269,057	8.6
2021-22		233,024		3,062,950	7.6
2020-21		184,421		2,802,951	6.6
2019-20		241,914		2,597,121	9.3
2018-19		230,724		2,480,223	9.3
2017-18		213,683		2,261,519	9.4
2016-17		230,590		2,225,748	10.4
2015-16		219,326		2,046,050	10.7
2014-15		210,428		1,911,760	11.0

(1) Includes all funds other than the enterprise funds. See Exhibit H-1.



City of Phoenix

Pledged-Revenue Bond Coverage (1)
Table 17

Last Ten Fiscal Years

(in thousands)

Fiscal Year Ended June 30,	Airport Revenue Bonds ⁽²⁾						Rental Car Facility Charge Revenue Bonds ⁽⁴⁾			
	Operating Revenues	Less: Operating Expenses	Net Operating Revenues	Principal	Interest	Coverage	Customer Facility Charge Revenues	Principal	Interest	Coverage
2024	\$ 622,136	\$ 321,698	\$ 300,438	\$ 42,662	\$ 54,039	3.11	\$ 52,527	\$ 7,995	\$ 12,545	2.56
2023 ⁽³⁾	524,308	301,735	222,573	442	6,565	31.76	48,058	7,825	12,720	2.34
2022 ⁽³⁾	449,805	278,986	170,819	-	3,035	56.28	59,454	7,655	12,885	2.89
2021 ⁽³⁾	304,431	242,138	62,293	6,020	2,448	7.36	34,435	7,500	13,043	1.68
2020	368,898	259,866	109,032	30,071	38,210	1.60	40,583	2,410	11,610	2.89
2019	410,375	257,345	153,030	23,797	38,095	2.47	50,851	10,990	10,284	2.39
2018	401,197	249,613	151,584	29,759	31,356	2.48	48,765	10,370	10,903	2.29
2017	370,841	245,116	125,725	26,310	28,420	2.30	46,882	9,795	11,478	2.20
2016	360,163	230,236	129,927	24,581	28,156	2.46	46,969	9,255	12,022	2.21
2015	354,221	226,165	128,056	22,870	27,466	2.54	45,698	8,750	12,527	2.15

Fiscal Year Ended June 30,	Excise Tax Revenue Bonds ⁽⁵⁾				Transit Excise Tax Revenue Bonds ⁽⁶⁾				Community Facilities District Assessment Bonds ⁽⁷⁾			
	Excise Tax Revenues	Principal	Interest	Coverage	Transit Excise Tax Revenues	Principal	Interest	Coverage	Assessment Collections/ Project Revenues	Principal	Interest	Coverage
2024	\$ 1,595,667	\$ 61,825	\$ 35,589	16.38	\$ 214,959	\$ -	\$ -	-	\$ 2,443	\$ 755	\$ 1,494	1.09
2023	1,432,513	60,995	37,138	14.60	207,127	-	-	-	3,076	725	1,526	1.37
2022	1,252,223	38,389	33,197	17.49	191,777	-	-	-	1,971	695	1,557	0.88
2021	1,112,310	50,130	33,760	13.26	159,627	-	-	-	1,241	665	1,586	0.55
2020	1,001,305	53,400	32,471	11.66	141,482	67,275	3,264	2.01	972	-	-	-
2019	976,954	52,975	34,677	11.15	136,674	61,060	6,117	2.03	-	-	-	-
2018	925,893	39,355	44,450	11.05	123,318	55,205	8,775	1.93	-	-	-	-
2017	887,212	41,855	40,718	10.74	115,910	49,865	11,071	1.90	-	-	-	-
2016	858,716	38,285	44,146	10.42	112,254	37,145	12,807	2.25	-	-	-	-
2015	844,389	34,865	36,511	11.83	110,347	32,775	14,416	2.34	-	-	-	-

(1) Includes bonds issued by the City of Phoenix as well as the City of Phoenix Civic Improvement Corporation. Pledged-revenue coverage is calculated using budgetary basis operating revenues net of operating expenses. Actual budgetary amounts are obtained from Special Revenue Fund Budgetary Comparison Schedules and Enterprise Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Budget Basis.

(2) Excludes defeasance of Airport Bonds Series 2008B and 2008D (AMT) on June 29, 2018.

(3) The Airport Revenue Bonds principal and interest payments in fiscal years 2021, 2022, and 2023 represent the amounts not covered by the CARES Act Grant.

(4) Includes Customer Facility Charge (CFC) receipts deposited into the Trustee-held Revenue Fund only. Revenues are derived primarily from daily usage fees paid by rental car customers arriving at Phoenix Sky Harbor International Airport. Effective January 1, 2009, the CFC is \$6.00 per transaction day. The \$6.00 CFC rate is considered Pledged Revenues and is required to be deposited into the Trustee-held Revenue Fund. In Fiscal Years 2009 through 2020 \$4.50 of the \$6.00 Pledged Rate was considered Pledged Revenues. The City was not required to deposit the CFC receipts generated by the additional \$1.50 into the Trustee-held Revenue. In Fiscal Years 2009 through 2020, the City opted to deposit the entire \$6.00 CFC into the Trustee-held Revenue Fund. The Pledged Revenues must be used to fund various accounts established under the Bond Indenture, including the debt service fund.

(5) Debt service on some Excise Tax Bonds are paid from solid waste revenues, but only pledged excise tax revenues are included in this table.

Pledged-Revenue Bond Coverage (1)

Last Ten Fiscal Years

(in thousands)

Table 17

(Continued)

Fiscal Year Ended June 30,	Special Assessment Bonds ⁽⁸⁾				Wastewater Revenue Bonds					
	Special Assessment Collections	Principal	Interest	Coverage	Operating Revenues	Less: Operating Expenses	Net Operating Revenue	Principal	Interest	Coverage
2024	\$ -	\$ -	\$ -	-	\$ 266,185	\$ 101,174	\$ 165,011	\$ 51,714	\$ 31,806	1.98
2023	-	-	-	-	241,867	91,360	150,507	49,277	27,468	1.96
2022	-	-	-	-	242,837	85,617	157,220	47,007	24,362	2.20
2021	-	-	-	-	227,870	81,235	146,635	44,827	26,547	2.05
2020	9	16	1	0.54	226,717	78,753	147,964	42,778	28,597	2.07
2019	10	17	2	0.53	219,198	80,831	138,367	42,899	30,850	1.88
2018	11	19	3	0.50	215,580	78,753	136,827	42,052	26,971	1.98
2017	14	18	4	0.64	205,748	74,591	131,157	39,485	29,704	1.90
2016	13	19	5	0.54	199,761	66,817	132,944	36,568	32,626	1.92
2015	29	18	7	1.16	190,815	65,799	125,016	22,612	33,679	2.22

Fiscal Year Ended June 30,	Water Revenue Bonds					
	Operating Revenues	Less: Operating Expenses	Net Operating Revenue	Principal	Interest	Coverage
2024	\$ 623,246	\$ 290,469	\$ 332,777	\$ 75,100	\$ 67,416	2.34
2023	504,507	260,065	244,442	71,487	76,388	1.65
2022	495,345	230,171	265,174	58,020	73,733	2.01
2021	496,694	221,644	275,050	64,972	68,851	2.06
2020	458,761	211,527	247,234	62,025	58,736	2.05
2019	406,217	205,280	200,937	58,678	54,325	1.78
2018	441,468	193,018	248,450	52,976	56,861	2.26
2017	420,471	168,119	252,352	47,690	59,339	2.36
2016	399,709	168,304	231,405	34,344	62,058	2.40
2015	371,591	159,505	212,086	55,042	51,493	1.99

(6) The City has pledged 100% of a 0.4% increase in the City's privilege license (sales) tax rate approved by the City of Phoenix voters on March 14, 2000 to be used for expanded bus service, the construction of a light rail system and other transportation improvements. On August 25, 2015, voters approved a new comprehensive transportation plan and funding tax proposal that increased the existing tax rate dedicated for transportation. The dedicated sales tax rate was increased from the previous 0.4% transit sales tax rate to 0.7% and became effective January 1, 2016, with a sunset date of December 31, 2050. Only the revenue collected from the original 0.4% transit sales tax is currently pledged to the Transit Excise Tax Bonds.

(7) The City issued Park Central Community Facilities District Special Assessment Revenue Bonds, Taxable Series 2019 on June 27, 2019. In Fiscal Year 2020, the Interest payments totaling \$1,603,304 were funded with Capitalized Interest held in the Debt Service Expense Fund. The first interest payment on these bonds was made on January 1, 2020.

(8) Coverage ratio is less than 1.0 due to prepayment of assessments that are currently in fund balance.

Ratio of Outstanding Debt by Type
Table 18

Last Ten Fiscal Years

(in thousands, except per capita)

Fiscal Year	Governmental Activities									Total Governmental Activities
	General Obligation Bonds	Loans from Direct Borrowings	Municipal Corporation Bonds	Special Assessment Bonds	Community Facilities Districts ⁽¹⁾	Leases/ Subscriptions ⁽²⁾	Financed Purchases ⁽²⁾	Premiums/ (Discounts)		
2024	\$ 545,620	\$ -	\$ 524,290	\$ -	\$ 27,160	\$ 48,320	\$ -	\$ 61,714	\$ 1,207,104	
2023	647,900	-	575,155	-	27,915	54,774	-	76,996	1,382,740	
2022	815,395	-	488,750	-	28,640	20,413	-	77,826	1,431,024	
2021	918,575	-	509,205	-	29,335	-	1,166	80,594	1,538,875	
2020	1,002,860	40,940	303,235	44	30,000	-	2,307	74,823	1,454,209	
2019	1,071,685	40,940	407,595	60	30,000	-	3,424	93,366	1,647,070	
2018	1,129,145	305,940	506,020	77	-	-	4,516	115,000	2,060,698	
2017	1,178,330	305,940	590,600	96	-	-	5,586	139,710	2,220,262	
2016	1,305,320	305,940	563,630	114	-	-	6,633	65,478	2,247,115	
2015	1,371,620	-	628,285	133	-	-	-	80,287	2,080,325	

Fiscal Year	Business-Type Activities					Total		
	General Obligation Bonds	Loans from Direct Borrowings	Municipal Corporation Bonds	Premiums/ (Discounts)	Total Business-Type Activities	Total Primary Government	Total Debt as a Percentage of Personal Income ⁽³⁾	Total Debt Per Capita ⁽³⁾
2024	\$ -	\$ 6,554	\$ 4,889,359	\$ 524,243	\$ 5,420,156	\$ 6,627,260	6.3%	\$ 3,916
2023	-	8,338	4,720,050	555,470	5,283,858	6,666,598	6.4	3,963
2022	-	10,087	4,948,325	611,243	5,569,655	7,000,679	6.8	4,225
2021	330	11,804	5,127,085	669,014	5,808,233	7,347,108	7.7	4,507
2020	1,015	13,488	4,998,006	642,199	5,654,708	7,108,917	8.4	4,346
2019	13,365	14,991	3,900,400	418,690	4,347,446	5,994,516	7.8	3,731
2018	20,640	13,014	3,843,625	442,932	4,320,211	6,380,909	8.6	3,991
2017	23,075	14,007	3,783,345	339,184	4,159,611	6,379,873	9.4	4,040
2016	31,395	14,971	3,996,090	282,330	4,324,786	6,571,901	9.6	4,197
2015	56,477	15,908	4,029,790	299,001	4,401,176	6,481,501	10.1	4,242

(1) Community Facilities District bonds are not backed by pledged revenues of any City of Phoenix bond credits. Payments on Community Facilities District bonds are payable from assessments on properties within the district.

(2) Leases, Subscriptions and Financed Purchases are not backed by pledged revenues of any City of Phoenix bond credits. Payments are subject to annual expenditure appropriation of the applicable fund.

(3) See Table 21 for personal income and population data. Per Capita Income is not available for calendar year 2023 or 2024, therefore, 2022 calendar year per capita income was used.

Governmental & Business-Type Activities Debt per Capita**Table 19**

Last Ten Fiscal Years

(in thousands)

Fiscal Year	General Obligation Bonded Debt			As a Percentage of Valuation of Property ⁽¹⁾	Debt Secured by Revenues other than Property Tax ⁽²⁾	Premiums/ (Discounts)	Net Direct Bonded Debt	Net Direct Bonded Debt Per Capita
	Governmental Activities	Business- Type Activities	Total					
2023-24	\$ 545,620	\$ -	\$ 545,620	3.2%	\$ 828,260	\$ 95,046	\$ 1,468,926	\$ 868
2022-23	647,900	-	647,900	4.0	890,085	114,269	1,652,254	982
2021-22	815,395	-	815,395	5.3	819,430	119,441	1,754,266	1,059
2020-21	918,575	330	918,905	6.2	859,000	126,938	1,904,843	1,168
2019-20	1,002,860	1,015	1,003,875	7.2	662,321	112,239	1,778,435	1,087
2018-19	1,071,685	13,365	1,085,050	8.2	784,129	135,224	2,004,403	1,247
2017-18	1,129,145	20,640	1,149,785	9.3	1,164,273	161,733	2,475,791	1,549
2016-17	1,178,330	23,075	1,201,405	10.2	1,259,923	191,602	2,652,930	1,680
2015-16	1,305,320	31,395	1,336,715	12.2	1,250,922	117,574	2,705,211	1,728
2014-15	1,371,620	56,477	1,428,097	13.5	1,013,798	137,197	2,579,092	1,688

(1) Percentage of Valuation of Property only includes property tax supported bonded debt.

(2) Includes Loans from Direct Borrowings, Certificates of Participation, Municipal Corporation Obligations, Special Assessment Bonds, Leases and Financed Purchases issued under the general credit of the City which includes the General Obligation and Excise Tax credits.

Direct and Overlapping Bonded Debt
Table 20

June 30, 2024

(in thousands)

	<u>Direct Debt</u>		
Direct Debt - City of Phoenix Governmental Activities (1)			
General Obligation Bonds			
6% Limitation Various Purpose			\$ 30,965
20% Limitation Various Purpose			514,655
Total General Obligation Bonds			<u>545,620</u>
Other Obligations			
Municipal Corporation Obligations			524,290
Community Facilities Districts			27,160
Leases/Subscriptions			48,320
Total Other Obligations			<u>599,770</u>
Total Direct Debt			<u>1,145,390</u>
Discounts/Premiums			61,714
Total Governmental Activities			<u>\$ 1,207,104</u>
		Valuation Percent	
	Bonded Debt	to City	Overlapping Debt
Overlapping Debt (2)			
Maricopa County Community College District	\$ 135,585	29.47%	\$ 39,957
High School Districts			
Phoenix Union	280,510	96.35	270,271
Glendale Union	163,965	78.02	127,925
Tempe Union	107,905	28.96	31,249
Tolleson Union	214,300	48.75	104,471
Agua Fria Union	107,525	0.01	11
Elementary School Districts			
No. 1 Phoenix	80,500	100.00	80,500
No. 2 Riverside	49,440	98.05	48,476
No. 3 Tempe	141,985	13.58	19,282
No. 6 Washington	110,475	97.37	107,570
No. 7 Wilson	2,255	100.00	2,255
No. 8 Osborn	37,900	99.96	37,885
No. 14 Creighton	59,695	87.45	52,203
No. 17 Tolleson	18,780	18.98	3,564
No. 28 Kyrene	180,475	40.45	73,002
No. 31 Balsz	33,275	93.89	31,242
No. 38 Madison	116,265	100.00	116,265
No. 40 Glendale	46,630	<0.01	-
No. 45 Fowler	2,985	87.95	2,625
No. 48 Scottsdale (Unified)	265,741	14.08	37,416
No. 59 Laveen	17,025	86.54	14,733
No. 62 Union	9,840	97.76	9,620
No. 65 Littleton	44,665	16.62	7,423
No. 66 Roosevelt	87,890	98.91	86,932
No. 68 Alhambra	35,970	82.04	29,510
No. 69 Paradise Valley (Unified)	208,250	70.42	146,650
No. 79 Litchfield	30,250	0.02	6
No. 83 Cartwright	56,320	100.00	56,320
No. 92 Pendergast	56,075	42.94	24,079
No. 93 Cave Creek (Unified)	21,895	13.46	2,947
No. 97 Deer Valley (Unified)	176,750	56.17	99,280
Total Overlapping Debt	<u>\$ 2,901,121</u>		<u>1,663,669</u>
Net Direct and Overlapping Bonded Debt			<u>\$ 2,870,773</u>

(1) Net of cash with fiscal agent for July 1, 2024 maturities.

(2) Source: Prior year Arizona Department of Administration (ADOA) Report of Bond Indebtedness Fiscal Year 2023, General Obligation Bonds outstanding, not including discounts/premiums, as of 6/30/24. The ADOA Report of Bond Indebtedness Fiscal Year 2024 is not available until December 2024.



Statistical Section

**ECONOMIC AND
DEMOGRAPHIC
INFORMATION**

These schedules offer economic and demographic indicators to show the environment within which the City's financial activities take place.



City of Phoenix

Demographic Statistics

Table 21

June 30, 2024

Fiscal Year	Population (June 30)	Personal Income (in thousands)	Per Capita Income ⁽¹⁾	Median Age	Elementary & High School Enrollment	Unemployment Rate
2024	1,692,268	\$ 104,649,853	\$ 61,840 ⁽²⁾	37.1	⁽²⁾ 265,035	3.3%
2023	1,682,053	104,018,158	61,840 ⁽²⁾	37.1	⁽²⁾ 270,257	3.5%
2022	1,657,035	102,471,044	61,840 ⁽²⁾	37.1	⁽²⁾ 273,319	3.3%
2021	1,630,195	95,053,410	58,308	36.9	270,013	6.8%
2020	1,635,879	84,821,962	51,851	36.6	280,023	10.3%
2019	1,606,815	77,231,563	48,065	36.4	269,226	4.9%
2018	1,598,736	74,403,575	46,539	35.8	277,104	4.7%
2017	1,579,253	67,694,680	42,865	35.6	278,622	5.0%
2016	1,565,896	68,316,911	43,628	36.1	276,832	5.8%
2015	1,528,115	64,321,417	42,092	35.7	271,089	6.6%

(1) Calendar Year

(2) Amount and age not yet available for calendar years 2023 and 2024, therefore, 2022 calendar year per capita income and median age was used. Data was updated per source as of November 16, 2023, and December 7, 2023, respectively.

Source: City of Phoenix Planning and Development Services Department
U.S Department of Commerce, Bureau of Economic Analysis
Arizona Department of Education
Arizona Department of Economic Security

Principal Employers
Table 22

Current Year and Nine Years Ago

Employer ⁽¹⁾	2024			2015		
	Employees ⁽¹⁾	Rank	Percentage of Total City Employment ⁽²⁾	Employees ⁽¹⁾	Rank	Percentage of Total City Employment ⁽²⁾
Banner Health	46,602	1	1.90%	35,406	2	1.91%
State of Arizona	41,531	2	1.69%	50,816	1	2.74%
Amazon.com Inc	40,000	3	1.63%			
Walmart Inc	37,648	4	1.54%	32,373	3	1.75%
Arizona State University	37,402	5	1.53%	12,676	8	0.68%
University of Arizona	23,439	6	0.96%			
Fry's Food Stores	21,000	7	0.86%	17,286	4	0.93%
City of Phoenix	15,018	8	0.61%	14,585	5	0.79%
HonorHealth	14,801	9	0.60%			
Wells Fargo & Co	13,000	10	0.53%	14,480	6	0.78%
US Postal Service	13,000	10	0.53%			
Maricopa County				13,567	7	0.73%
Dignity Health				12,100	9	0.65%
Intel Corp				11,760	10	0.63%

Source: Phoenix Business Journal Book of Lists

(1) Top employers in the State of Arizona. Employee count is inclusive of all Arizona employees.

(2) City Employment is the Phoenix-Mesa-Scottsdale MSA total nonfarm employment, seasonally adjusted.



Statistical Section

OPERATING INFORMATION

These schedules contain services and infrastructure data to show how the City's financial information relates to the services the City provides and the activities it performs.



City of Phoenix



City of Phoenix

Statistical Profile
Table 23

Last Ten Fiscal Years

	2024	2023	2022	2021
AREA (square miles)	519.4	519.3	519.9	519.9
POPULATION AND DWELLING UNITS (1)				
City of Phoenix	1,692,268	1,682,053	1,657,035	1,630,195
Maricopa County (Metro Phoenix) (2)	4,665,020	4,665,020	4,586,431	4,507,419
Number of Dwelling Units (City)	671,351	658,481	650,236	640,714
CITY EMPLOYEES (3)				
Governmental:				
General Government	1,011	1,030	932	896
Criminal Justice	272	273	284	267
Public Safety	5,945	5,814	5,858	5,856
Transportation	689	662	676	701
Environmental Services	436	415	396	408
Community Enrichment	1,263	1,207	1,397	1,099
Community Development	799	760	740	729
Total Governmental Employees	10,415	10,161	10,283	9,956
Public Enterprise:				
Aviation	837	793	771	751
Phoenix Convention Center	176	163	192	143
Water Services	1,076	1,057	1,013	1,043
Wastewater Services	286	275	260	275
Solid Waste	578	598	554	574
Total Public Enterprise Employees	2,953	2,886	2,790	2,786
Total Full-Time Employees	13,368	13,047	13,073	12,742
Governmental Employees per 1,000 Population	6.2	6.0	6.2	6.0
PUBLIC SAFETY				
Police Protection				
Police Precincts	7	7	7	7
Police Employees (Authorized, Sworn)	3,271	3,271	3,270	3,271
Dispatched Calls for Service	597,321	611,846	665,652	655,503
Total Calls for 911/Crimestop	1,699,788	1,761,310	1,815,096	1,844,861
Fire Protection				
Fire Stations	59	59	59	59
Fire Employees	2,421	2,366	2,281	2,121
Total Calls for Service	228,040	233,651	243,635	217,992
COMMUNITY ENRICHMENT				
Libraries				
Number	17	17	17	17
Total Stock (in thousands)	4,540	4,478	4,524	4,287
Circulation (in thousands) (4)	10,266	9,364	8,453	6,833
Parks And Recreation				
Number of Playgrounds	296	296	296	283
City Parks (number of acres)	48,425	45,085	45,085	45,146

(1) Source: City of Phoenix Planning and Development Services Department. Derived from data from the 2010 Census, the 2020 Census, the Arizona State Demographer's Office, the Maricopa Association of Governments, and the Arizona Commerce Authority.

(2) Maricopa County population not yet available for 2024, therefore, the July 1, 2023 county population was used.

(3) City-wide actual full time employees. Public Safety also includes authorized full-time positions.

(4) Fiscal year 2021 circulation reduced due to branch closures. Only curbside services available due to COVID-19.

Table 23
(Continued)

2020	2019	2018	2017	2016	2015
519.7	519.7	519.5	519.5	519.4	519.4
1,635,879	1,606,815	1,598,736	1,579,253	1,565,896	1,528,115
4,436,704	4,374,730	4,229,000	4,221,684	4,152,807	4,078,062
632,236	625,641	618,923	613,463	609,405	603,259
873	866	880	900	879	819
271	257	255	254	249	253
5,977	5,981	5,856	5,775	5,642	5,530
730	699	677	703	650	645
399	399	394	394	370	377
1,101	1,090	1,071	1,080	1,045	1,051
706	698	703	712	685	682
10,057	9,990	9,836	9,818	9,520	9,357
777	793	815	784	748	732
178	180	186	187	187	181
1,036	1,043	1,025	1,029	978	931
271	263	281	292	288	278
581	574	543	533	549	549
2,843	2,853	2,850	2,825	2,750	2,671
12,900	12,843	12,686	12,643	12,270	12,028
6.1	6.2	6.2	6.2	6.1	6.1
7	7	7	7	7	7
3,271	3,274	3,272	3,272	3,269	3,268
680,834	680,037	682,689	691,346	671,456	655,874
2,007,520	2,023,811	2,061,535	2,287,694	2,354,398	2,238,368
59	58	58	58	58	58
2,074	2,055	1,995	1,997	1,979	1,944
212,988	206,969	212,869	212,259	204,669	186,594
17	17	17	17	17	17
3,409	3,800	3,500	1,837	1,908	1,854
8,529	11,500	11,303	12,096	12,901	10,549
279	268	268	268	256	256
45,636	45,636	45,313	45,313	45,313	45,313

Statistical Profile
 Last Ten Fiscal Years

Table 23
 (Continued)

	2024	2023	2022	2021
TRANSPORTATION				
Public Transit Ridership				
Bus (in thousands) (5)	17,060	16,427	16,876	15,122
Dial-a-Ride (in thousands)	315	297	285	274
Light Rail (in thousands) (6)	6,309	5,728	5,102	4,032
Traffic Control And Lighting				
Signalized Intersections	1,268	1,183	1,182	1,162
Street Lights in Use	97,546	97,444	96,937	96,828
Streets				
Miles of Streets	4,897	4,870	4,863	4,858
Miles Resurfaced and Sealed:				
Major/Collector Streets	65	97	122	139
Local Streets	246	307	213	445
COMMUNITY DEVELOPMENT				
Construction Permits (7)				
Number of Permits Issued	43,386	47,737	49,719	47,977
Market Value (in thousands)	6,944,662	8,899,236	9,277,267	6,858,336
AVIATION				
Scheduled Airlines Served	23	22	22	20
Aircraft Traffic Movements (in thousands)	1,075	956	778	751
Passengers Enplaned/Deplaned (in thousands)	50,698	47,037	43,939	26,780
PHOENIX CONVENTION CENTER				
Number of Conventions (8)	68	68	62	3
WATER SERVICES				
Production (billion gallons)	104.8	96.2	100.2	106.2
Average Daily Production (million gallons)	287.0	268.9	274.5	290.9
Miles of Water Mains	7,158	7,130	7,027	7,027
Number of Accounts	447,852	443,463	442,287	433,023
WASTEWATER SERVICES				
Miles of Sewer Lines	5,055	5,037	4,985	4,954
Number of Accounts	430,019	423,122	415,840	421,521
SOLID WASTE COLLECTION SERVICES				
Residences Served	424,210	420,586	417,182	413,826
City Disposal (tons)	605,443	613,149	626,381	631,870
Total Disposal (tons)	971,092	974,563	1,003,944	986,352
Total Recycling (tons)	113,616	119,420	124,985	128,788
GOLF				
Rounds of Golf Played	306,912	291,762	280,867	274,725
Acres of Golf Courses Maintained	622	622	622	622

(5) Reported bus boardings were lower than actual boardings due to COVID-19. Rear-door boardings were in effect throughout fiscal year 2021, and fareboxes were not being used. Front door boarding and use of fareboxes resumed on October 11, 2021.

(6) Ridership data represents passenger boardings in the City of Phoenix only and does not include boardings in other cities.

(7) Construction permits include plumbing, electrical and mechanical permits, which are excluded from Table 13.

(8) The majority of convention events were cancelled starting in March 2020 due to COVID-19. The first convention post-COVID-19 was in June 2021.

Table 23
(Continued)

2020	2019	2018	2017	2016	2015
27,837	34,523	35,365	33,725	34,615	38,329
302	349	339	330	371	356
8,008	9,822	10,318	10,864	9,850	9,039
1,153	1,148	1,135	1,140	1,130	1,106
94,886	95,600	95,600	91,449	90,927	95,592
4,863	4,863	4,863	4,857	4,857	4,857
57	74	79	86	107	3
359	318	263	387	122	129
43,330	44,246	44,533	42,698	42,384	37,527
5,635,054	4,707,133	4,104,288	3,655,744	3,937,700	3,013,043
20	23	21	19	19	19
932	974	925	923	927	894
34,726	45,531	44,340	43,533	44,158	43,000
72	61	57	62	59	49
97.5	94.9	102.7	97.8	97.6	93.4
266.3	260.7	281.4	268.1	266.8	255.8
7,007	6,980	6,967	6,888	6,882	6,883
429,739	425,492	421,226	423,569	416,303	418,995
4,896	4,906	4,890	4,847	4,846	4,841
417,633	413,967	414,559	410,952	406,967	402,495
410,177	408,264	405,009	402,504	400,549	402,012
637,804	613,421	596,161	623,032	589,033	586,789
978,032	938,906	861,177	943,347	896,255	883,119
123,722	119,944	120,113	119,517	114,319	113,990
215,306	191,807	170,480	200,405	223,266	221,267
622	622	622	622	622	622



City of Phoenix



Statistical Section
.....

**OTHER SUPPORTING
SCHEDULES**



City of Phoenix



City of Phoenix

Summary of Operating Funds - Budget Basis
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit H-1

	Resources					
	Fund Balances July 1	Revenues	Recoveries	Fund Transfers		Total
				From	To	
General Purpose Funds						
General Fund	\$ 222,931	\$ 486,907	\$ 8,400	\$ 1,463,640	\$ (43,487)	\$ 2,138,391
Excise Tax	-	2,191,877	-	-	(2,191,877)	-
Total General Purpose Funds	222,931	2,678,784	8,400	1,463,640	(2,235,364)	2,138,391
Federal Funds						
Transit - Federal Grants	(58)	45,688	28	-	(56)	45,602
Grants						
Human Services	-	74,661	1,458	-	-	76,119
Community Development	(10)	23,363	176	-	-	23,529
Federal Operating Trust	-	94,497	5,892	626	-	101,015
Public Housing Neighborhood Transformation	3,744	8,989	415	-	-	13,148
Total Federal Funds	3,676	247,198	7,969	626	(56)	259,413
Other Special Revenue and Debt Service Funds						
Highway User Revenue	76,491	164,415	2,190	7,076	(4,244)	245,928
Transportation Tax 2050	433,887	53,895	7,302	376,179	(126,152)	745,111
Transit - Other Agency	(4,892)	74,312	5	-	-	69,425
Municipal Court Awards	(104)	1,981	100	-	-	1,977
Parks and Preserves	116,985	5,587	379	55,007	(102)	177,856
Development Services	68,650	82,099	156	86	(6,528)	144,463
Community Reinvestment	22,296	7,069	109	-	(2,064)	27,410
Public Housing	43,138	155,559	681	-	(693)	198,685
Sports Facilities	86,799	7,127	-	30,954	(15,781)	109,099
Capital Construction	27,988	1,146	231	7,328	-	36,693
Other Restricted	207,720	37,458	765	51,129	(7,598)	289,474
Neighborhood Protection	25,428	888	6	55,008	(858)	80,472
Public Safety Enhancement	25,924	-	1	31,258	(514)	56,669
Public Safety Expansion	46,335	868	8	110,016	(5,082)	152,145
Golf Courses	4,945	13,250	34	-	-	18,229
Secondary Property Tax Debt Service	100	134,480	-	-	(489)	134,091
City Improvement	-	26	-	80,387	(1,022)	79,391
Regional Wireless Cooperative	2,394	7,185	-	-	-	9,579
Total Other Funds	1,184,084	747,345	11,967	804,428	(171,127)	2,576,697
Enterprise Funds						
Aviation	654,306	622,136	7,606	392	(18,584)	1,265,856
Phoenix Convention Center	128,949	38,792	860	89,191	(3,990)	253,802
Water System	125,652	604,878	5,671	21,498	(32,240)	725,459
Water System - Val Vista	(887)	38,558	321	-	(1,127)	36,865
Wastewater	239,425	264,807	1,378	26,209	(17,149)	514,670
Wastewater - SROG	3,206	69,754	1,980	-	(3,133)	71,807
Solid Waste	41,206	211,935	2,936	-	(14,563)	241,514
Total Enterprise Funds	1,191,857	1,850,860	20,752	137,290	(90,786)	3,109,973
Total Operating Funds	\$ 2,602,548	\$ 5,524,187	\$ 49,088	2,405,984	(2,497,333)	\$ 8,084,474
Other Transfers - Non-budgeted Funds				139,076	(47,727)	
				\$ 2,545,060	\$ (2,545,060)	

(1) Includes operating capital outlay and utility repayment agreements.

Exhibit H-1
(Continued)

Expenditures and Encumbrances						Fund Balances June 30
Current Operating ⁽¹⁾	Capital Impr. Program	Debt Service	Lease- Purchase	Total		
\$ 1,810,817	\$ 34,061	\$ -	\$ -	\$ 1,844,878	\$	293,513
-	-	-	-	-		-
1,810,817	34,061	-	-	1,844,878		293,513
33,665	33,570	-	-	67,235		(21,633)
74,420	7,540	-	-	81,960		(5,841)
21,332	3,162	-	-	24,494		(965)
112,979	9,418	-	-	122,397		(21,382)
3,363	7,242	-	-	10,605		2,543
245,759	60,932	-	-	306,691		(47,278)
83,253	75,594	-	-	158,847		87,081
209,631	83,661	-	-	293,292		451,819
65,636	6,036	-	-	71,672		(2,247)
2,752	-	-	-	2,752		(775)
6,638	79,255	-	-	85,893		91,963
83,461	25,148	-	-	108,609		35,854
2,934	3,120	-	-	6,054		21,356
146,469	16,506	-	-	162,975		35,710
2,748	2,084	-	-	4,832		104,267
124	10,669	-	-	10,793		25,900
60,943	5,438	-	-	66,381		223,093
55,985	-	-	-	55,985		24,487
29,831	-	-	-	29,831		26,838
103,737	-	-	-	103,737		48,408
10,057	936	-	-	10,993		7,236
-	-	133,991	-	133,991		100
-	-	1,010	78,381	79,391		-
5,856	-	-	-	5,856		3,723
870,055	308,447	135,001	78,381	1,391,884		1,184,813
321,698	93,327	96,701	-	511,726		754,130
59,219	7,402	-	17,475	84,096		169,706
292,265	162,629	151,713	-	606,607		118,852
31,822	3,872	-	-	35,694		1,171
102,939	83,669	88,799	-	275,407		239,263
63,721	4,976	-	-	68,697		3,110
170,575	7,189	600	8,980	187,344		54,170
1,042,239	363,064	337,813	26,455	1,769,571		1,340,402
\$ 3,968,870	\$ 766,504	\$ 472,814	\$ 104,836	\$ 5,313,024	\$	2,771,450

Summary of Capital Projects Funds Budget Basis
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit H-2

	Resources					Recovery of Prior Years Expenditures
	Beginning Balances, July 1	Current Revenue			Other	
		Grants	Interest			
General Government						
100 W Washington	\$ 43,496	\$ -	\$ 8,158	\$ (4,365)	\$ 649	
2001 Bond Program	(189)	-	-	-	-	
2006 Bond Program	1,245	-	391	-	-	
Badging System	24,456	-	1,184	(959)	4,964	
General Government Lease Purchase	15,461	-	723	(539)	772	
Mega V Lease Purchase	575	-	1,034	(1,079)	-	
Regional Wireless	1,141	-	38	(496)	2	
SAP/HANA Upgrade	1,132	-	61	-	-	
Sports Facilities Capital Reserve	20,904	-	1,119	-	-	
Time and Labor System	8,137	-	-	-	-	
Trunked Radio System	179	-	-	-	-	
	<u>116,537</u>	<u>-</u>	<u>12,708</u>	<u>(7,438)</u>	<u>6,387</u>	
Public Safety						
1988 Bond Program	27	-	-	-	-	
2001 Bond Program	(566)	-	-	-	-	
2006 Bond Program	(7,042)	-	-	-	-	
2023 Bond Program	-	-	-	-	-	
Aerial Fleet Capital Reserve Fund	(377)	-	-	-	2,015	
Impact Fees	18,842	-	1,003	4,739	-	
Other Cities Reimbursement - 800Mhz	289	-	-	-	-	
	<u>11,173</u>	<u>-</u>	<u>1,003</u>	<u>4,739</u>	<u>2,015</u>	
Transportation						
1988 Bond Program	849	-	-	-	-	
2001 Bond Program	(532)	-	-	-	-	
2004 CIC Transit LRT Revenue Bonds	67	-	-	-	-	
2006 Bond Program	6,701	-	-	-	-	
2023 Bond Program	-	-	-	-	-	
AHUR Capital Reserve	9,170	-	348	68	-	
American Rec. & Reinv. Act of 2009	(1)	-	-	-	-	
Federal Aid - Street Transportation	(13,003)	14,288	-	-	3,457	
Federal Transportation Administration Grants	(233,341)	45,001	-	-	-	
Impact Fees	50,214	-	1,613	14,957	2,510	
Northwest Valley Transportation Infrastructure	(5,087)	6,536	-	-	-	
Paradise Ridge Flood Control	19,000	-	-	-	-	
State Aid - Street Transportation	406	1,391	-	-	24	
Streets Developer Reimbursement	(3,782)	(1,370)	-	3,546	18	
	<u>(169,339)</u>	<u>65,846</u>	<u>1,961</u>	<u>18,571</u>	<u>6,009</u>	
Public Works						
2001 Bond Program	317	-	-	-	-	
2006 Bond Program	(720)	-	-	-	-	
Capital Replacement Fund	6,428	-	43	-	-	
Impact Fees	14,745	-	562	2,144	-	
	<u>20,770</u>	<u>-</u>	<u>605</u>	<u>2,144</u>	<u>-</u>	
Community Enrichment						
1988 Bond Program	419	-	-	-	-	
2001 Bond Program	2,548	-	-	-	-	
2006 Bond Program	760	-	-	-	-	
2023 Bond Program	-	-	-	-	-	
Impact Fees	33,571	-	1,429	6,901	-	
Parks & Rec Grants	(295)	6,354	-	-	-	
Parks and Rec Dept Capital Gifts	35	-	-	-	-	
	<u>37,038</u>	<u>6,354</u>	<u>1,429</u>	<u>6,901</u>	<u>-</u>	
Community Development						
1989 Bond Program	2	-	-	-	-	
2001 Bond Program	1,326	-	-	-	-	
2006 Bond Program	(929)	-	-	-	-	
2023 Bond Program	-	-	-	-	-	
830 E Jefferson Remodel	(13)	-	-	-	-	
Federal Modernization Grants	914	6,071	204	-	21	
Impact Fees	2,614	-	32	(33)	-	
	<u>\$ 3,914</u>	<u>\$ 6,071</u>	<u>\$ 236</u>	<u>\$ (33)</u>	<u>\$ 21</u>	

Exhibit H-2
(Continued)

Bonds Sold	Fund Transfers To(From)	Total Resources	Uses		Ending Balances, June 30	Bonds Available for Sale
			Expenditures and Encumbrances			
\$ -	\$ -	\$ 47,938	\$ (22,053)	\$ -	\$ 25,885	\$ -
-	-	(189)	-	-	(189)	615
-	-	1,636	(195)	-	1,441	4,790
-	-	29,645	(619)	-	29,026	-
-	-	16,417	(2,782)	-	13,635	-
-	-	530	-	-	530	-
-	-	685	-	-	685	-
-	-	1,193	(1,031)	-	162	-
-	-	22,023	-	-	22,023	-
-	-	8,137	(101)	-	8,036	-
-	-	179	-	-	179	-
-	-	128,194	(26,781)	-	101,413	5,405
-	-	27	-	-	27	-
-	-	(566)	-	-	(566)	1,915
-	-	(7,042)	-	-	(7,042)	36,700
-	-	-	(5,523)	-	(5,523)	177,115
-	7,000	8,638	(7,979)	-	659	-
-	4	24,588	(964)	-	23,624	-
-	-	289	-	-	289	-
-	7,004	25,934	(14,466)	-	11,468	215,730
-	-	849	-	-	849	1,000
-	-	(532)	-	-	(532)	2,225
-	-	67	-	-	67	-
-	-	6,701	-	-	6,701	23,865
-	-	-	(2)	-	(2)	81,500
-	-	9,586	(158)	-	9,428	-
-	-	(1)	-	-	(1)	-
-	-	4,742	(6,718)	-	(1,976)	-
-	115,173	(73,167)	(119)	-	(73,286)	-
-	-	69,294	(347)	-	68,947	-
-	7,158	8,607	(10,640)	-	(2,033)	-
-	-	19,000	-	-	19,000	-
-	-	1,821	(772)	-	1,049	-
-	-	(1,588)	(3,150)	-	(4,738)	-
-	122,331	45,379	(21,906)	-	23,473	108,590
-	-	317	-	-	317	305
-	-	(720)	-	-	(720)	9,669
-	-	6,471	(1,290)	-	5,181	-
-	-	17,451	(1,245)	-	16,206	-
-	-	23,519	(2,535)	-	20,984	9,974
-	-	419	-	-	419	-
-	-	2,548	-	-	2,548	7,400
-	-	760	-	-	760	26,056
-	-	-	(103)	-	(103)	178,385
-	4	41,905	(9,821)	-	32,084	-
-	-	6,059	(3,758)	-	2,301	-
-	-	35	-	-	35	-
-	4	51,726	(13,682)	-	38,044	211,841
-	-	2	-	-	2	-
-	-	1,326	-	-	1,326	3,150
-	-	(929)	-	-	(929)	34,665
-	-	-	(132)	-	(132)	63,000
-	-	(13)	-	-	(13)	-
-	-	7,210	(4,788)	-	2,422	-
-	(13)	2,600	-	-	2,600	-
\$ -	\$ (13)	\$ 10,196	\$ (4,920)	\$ -	\$ 5,276	\$ 100,815

Summary of Capital Projects Funds Budget Basis
 For the Fiscal Year Ended June 30, 2024
 (in thousands)

Exhibit H-2
 (Continued)

	Resources					Recovery of Prior Years Expenditures
	Beginning Balances, July 1	Current Revenue				
		Grants	Interest	Other		
Aviation						
2020 CFC Bond	\$ 6,234	\$ -	\$ 352	\$ (429)	\$	35
Airport Facilities Improvement Grants	(40,533)	16,980	-	-		211
Airport Revenue Bonds	3,109	-	4,216	(2,871)		27,861
CFC Trustee-Improvement Reserves/Surplus	48,507	-	2,987	52,658		-
City Improvement Aviation Bonds	170,563	-	2	-		-
Passenger Facility Charges	125,553	-	6,144	96,384		102
Transportation Security Admin Grant	1	-	-	(1)		-
	<u>313,434</u>	<u>16,980</u>	<u>13,701</u>	<u>145,741</u>		<u>28,209</u>
Phoenix Convention Center						
CC Expansion Series B	11,806	25,499	1,582	(1)		-
Lease Purchase	(1)	-	-	1		-
	<u>11,805</u>	<u>25,499</u>	<u>1,582</u>	<u>-</u>		<u>-</u>
Water System						
CIC Water Bonds	11,721	-	2,831	(2,831)		7,587
NW Valley Water Infrastructure	17,435	2,867	-	-		-
Impact Fees	89,003	-	4,166	22,576		-
Water Imp Dist Proj-Prop Owner	(15)	-	-	-		-
Special Water Improvement	100,010	-	-	-		-
Val Vista - Other Agencies' Participation	(1,698)	-	-	1,034		89
	<u>216,456</u>	<u>2,867</u>	<u>6,997</u>	<u>20,779</u>		<u>7,676</u>
Wastewater						
CIC Wastewater Bonds	(82,384)	-	1,329	(1,041)		1,957
NW Valley Wastewater Inf	31,787	-	-	7,462		-
Impact Fees	38,234	-	1,209	11,784		-
Special Wastewater Improvement	53,000	-	-	-		-
SROG - Other Agencies' Participation	(28,498)	-	-	23,944		249
	<u>12,139</u>	<u>-</u>	<u>2,538</u>	<u>42,149</u>		<u>2,206</u>
Solid Waste						
End Use Reserve	15,677	-	603	-		-
Solid - Mega IV	129	-	131	-		-
Solid Waste Capital Grants	-	160	-	-		-
Solid Waste Disposal CIC Bonds Prin/Int	4	-	-	-		-
Solid Waste Remediation Funds	5,472	-	209	-		4
SWD Equipment Facilities Bonds	18,623	-	987	(1,071)		9
	<u>39,905</u>	<u>160</u>	<u>1,930</u>	<u>(1,071)</u>		<u>13</u>
	<u>\$ 613,832</u>	<u>\$ 123,777</u>	<u>\$ 44,690</u>	<u>\$ 232,482</u>	<u>\$</u>	<u>52,536</u>

Exhibit H-2
(Continued)

Bonds Sold	Fund Transfers To(From)	Total Resources	Uses		Ending Balances, June 30	Bonds Available for Sale
			Expenditures and Encumbrances			
\$ -	\$ (5,653)	\$ 539	\$ (2,030)	\$ (1,491)	\$ -	
-	6,506	(16,836)	(250,513)	(267,349)	-	
-	509	32,824	(335,244)	(302,420)	-	
-	(13,588)	90,564	(20,556)	70,008	-	
-	(20)	170,545	(174)	170,371	-	
-	1,077	229,260	(72,341)	156,919	-	
-	-	-	-	-	-	
-	(11,169)	506,896	(680,858)	(173,962)	-	
-	-	38,886	(25,499)	13,387	-	
-	-	-	-	-	-	
-	-	38,886	(25,499)	13,387	-	
-	1,048	20,356	(158,939)	(138,583)	-	
-	(9,559)	10,743	-	10,743	-	
-	(11,937)	103,808	(5,901)	97,907	-	
-	15	-	-	-	-	
-	-	100,010	-	100,010	-	
-	-	(575)	(2,935)	(3,510)	-	
-	(20,433)	234,342	(167,775)	66,567	-	
200,865	(4,055)	116,671	(140,842)	(24,171)	-	
-	(14,458)	24,791	-	24,791	-	
-	(7,694)	43,533	(9,481)	34,052	-	
-	-	53,000	-	53,000	-	
-	-	(4,305)	(29,664)	(33,969)	-	
200,865	(26,207)	233,690	(179,987)	53,703	-	
-	1,352	17,632	-	17,632	-	
-	-	260	-	260	-	
-	(160)	-	-	-	-	
-	-	4	-	4	-	
-	-	5,685	(191)	5,494	-	
-	160	18,708	(10,293)	8,415	-	
-	1,352	42,289	(10,484)	31,805	-	
\$ 200,865	\$ 72,869	\$ 1,341,051	\$ (1,148,893)	\$ 192,158	\$ 652,355	

**Capital Improvement Program
Expenditures and Encumbrances**
Exhibit H-3

For the Fiscal Years Ended June 30, 2024 and 2023

(in thousands)

	Operating Funds ⁽¹⁾		Capital Funds		Totals	
	2024	2023	2024	2023	2024	2023
General Government						
Information Technology	\$ 10,820	\$ 8,752	\$ 101	\$ -	\$ 10,921	\$ 8,752
Regional Wireless	-	-	-	1	-	1
Finance Projects	-	-	1,031	1,501	1,031	1,501
	<u>10,820</u>	<u>8,752</u>	<u>1,132</u>	<u>1,502</u>	<u>11,952</u>	<u>10,254</u>
Public Safety						
Fire Protection	1,953	1,951	6,273	21,539	8,226	23,490
Police Protection	-	-	10,732	12,655	10,732	12,655
	<u>1,953</u>	<u>1,951</u>	<u>17,005</u>	<u>34,194</u>	<u>18,958</u>	<u>36,145</u>
Transportation						
Street Transportation and Drainage	125,322	133,991	23,032	12,893	148,354	146,884
Transit	86,068	48,162	119	582	86,187	48,744
	<u>211,390</u>	<u>182,153</u>	<u>23,151</u>	<u>13,475</u>	<u>234,541</u>	<u>195,628</u>
Public Works						
Facilities Management	20,558	24,158	24,487	115,523	45,045	139,681
	<u>20,558</u>	<u>24,158</u>	<u>24,487</u>	<u>115,523</u>	<u>45,045</u>	<u>139,681</u>
Community Enrichment						
Arts and Cultural Facilities	1,765	517	13	126	1,778	643
Libraries	1,722	1,521	-	-	1,722	1,521
Parks and Mountain Preserves	84,015	36,789	13,583	4,208	97,598	40,997
	<u>87,502</u>	<u>38,827</u>	<u>13,596</u>	<u>4,334</u>	<u>101,098</u>	<u>43,161</u>
Community Development						
Economic/Downtown Development	6,071	25,327	-	-	6,071	25,327
Human Services	12,934	14,654	-	-	12,934	14,654
Historic Preservation	24,686	3,201	-	-	24,686	3,201
Housing / HOPE VI	30,544	19,304	4,920	11,898	35,464	31,202
Neighborhood Development	495	3,613	-	-	495	3,613
	<u>74,730</u>	<u>66,099</u>	<u>4,920</u>	<u>11,898</u>	<u>79,650</u>	<u>77,997</u>
Aviation	92,395	38,593	680,859	174,016	773,254	212,609
Convention Center	7,251	1,008	25,499	24,999	32,750	26,007
Water System	165,211	115,561	167,774	34,894	332,985	150,455
Wastewater	87,905	44,184	179,986	105,368	267,891	149,552
Solid Waste	6,788	14,644	10,484	8,584	17,272	23,228
	<u>\$ 766,503</u>	<u>\$ 535,930</u>	<u>\$ 1,148,893</u>	<u>\$ 528,787</u>	<u>\$ 1,915,396</u>	<u>\$ 1,064,717</u>

(1) The amounts reported on this exhibit are by program, not by funding source. For the enterprise operating funds, funding for capital improvement program expenditures for the fiscal year ended June 30, 2024 as reported in the accompanying budgetary financial statements were as follows:

Aviation	\$ 93,327
Convention Center	7,402
Water	162,629
Water - Val Vista	3,872
Wastewater	83,669
Wastewater - SROG	4,976
Solid Waste	7,189
	<u>\$ 363,064</u>

Transfers To/From Other Funds
For the Fiscal Year Ended June 30, 2024
(in thousands)

Exhibit H-4

	General Fund	Special Revenue	Debt Service	Capital Projects	Enterprise Funds	Totals
Transfers From						
General Fund	\$ -	\$ 25,609 ⁽¹⁾	\$ 48,868 ⁽³⁾	\$ 14,158 ⁽⁴⁾	\$ 89,564	\$ 178,199
Special Revenue						
Transit	649	151 ⁽²⁾	8,629 ⁽³⁾	-	-	9,429
Highway User Revenue	-	-	4,244 ⁽³⁾	-	-	4,244
Development Services	1,977	-	-	-	4 ⁽⁵⁾	1,981
Public Housing	122	-	571 ⁽³⁾	-	-	693
Other Restricted	-	7,076 ⁽²⁾	-	-	-	7,076
Neighborhood Protection	89	21 ⁽²⁾	-	-	-	110
Public Safety Enhancement	177	3,196 ⁽²⁾	-	-	-	3,373
Total Special Revenue	3,014	10,444	13,444	-	4	26,906
Debt Service						
Sports Facilities	-	-	15,692 ⁽³⁾	-	-	15,692
City Improvement	-	-	1,022 ⁽³⁾	-	-	1,022
Total Debt Service	-	-	16,714	-	-	16,714
Capital Projects						
Parks and Preserves	81	21 ⁽²⁾	-	-	-	102
Total Capital Projects	81	21	-	-	-	102
Enterprise						
Aviation	-	-	1,094 ⁽³⁾	-	-	1,094
Phoenix Convention Center	275	85 ⁽²⁾	106 ⁽³⁾	-	-	466
Water System	17,638	-	202 ⁽³⁾	-	-	17,840
Wastewater	10,498	-	141 ⁽³⁾	-	-	10,639
Solid Waste	1,205	-	840 ⁽³⁾	-	-	2,045
Total Enterprise	29,616	85	2,383	-	-	32,084
Totals	\$ 32,711	\$ 36,159	\$ 81,409	\$ 14,158	\$ 89,568	\$ 254,005

(1) Other Restricted, Grants, and Public Housing

(2) Other Restricted and Highway User Revenue

(3) City Improvement

(4) Police & Fire Protection and Street Improvements

(5) Water and Wastewater

Budgetary Transfers - Budget Basis
Exhibit H-5

For the Fiscal Year Ended June 30, 2024

(in thousands)

	Transfers to					
	General Fund			Total General Fund	Special Revenue	
	Staff and Administrative	In-Lieu Property Taxes	Other Transfers		Neighborhood Protection	Transportation Tax 2050
Transfers from						
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Revenue Funds						
Excise Tax	-	-	1,366,603	1,366,603	55,008	376,179
Highway User Revenue	-	-	-	-	-	-
Federal Transit Grants	-	-	-	-	-	-
Transportation Tax 2050	1,551	-	-	1,551	-	-
Development Services	6,528	-	-	6,528	-	-
Community Reinvestment	-	-	2,064	2,064	-	-
Public Housing	-	122	-	122	-	-
Parks and Preserves	-	-	-	-	-	-
Other Restricted	522	-	-	522	-	-
Neighborhood Protection	748	-	-	748	-	-
Public Safety Enhancement	514	-	-	514	-	-
Public Safety Expansion	1,709	-	-	1,709	-	-
Total Special Revenue	11,572	122	1,368,667	1,380,361	55,008	376,179
Debt Service Funds						
Sports Facilities	89	-	-	89	-	-
Secondary Property Tax	-	-	-	-	-	-
City Improvement	-	-	-	-	-	-
Total Debt Service	89	-	-	89	-	-
Enterprise Funds						
Aviation	15,052	-	-	15,052	-	-
Phoenix Convention Center	3,524	-	-	3,524	-	-
Water System	13,337	17,638	-	30,975	-	-
Water System - Val Vista	1,127	-	-	1,127	-	-
Wastewater	6,510	10,365	133	17,008	-	-
Wastewater - SROG	3,133	-	-	3,133	-	-
Solid Waste	11,166	1,205	-	12,371	-	-
Total Enterprise	53,849	29,208	133	83,190	-	-
Other Funds not Budgeted						
Water Capital	-	-	-	-	-	-
Aviation Capital	-	-	-	-	-	-
Wastewater Capital	-	-	-	-	-	-
Total Other Funds not Budgeted	-	-	-	-	-	-
Totals	\$ 65,510	\$ 29,330	\$ 1,368,800	\$ 1,463,640	\$ 55,008	\$ 376,179

(1) Transfer to Other Restricted Special Revenue Funds (\$24,984), Federal Operating Trust Grants Special Revenue Fund (\$626), and Development Services Special Revenue Fund (\$86)

(2) Transfer to Capital Construction (\$7,328), Parks and Preserves (\$55,007), Public Safety Enhancement (\$31,258), Public Safety Expansion (\$110,016), and Other Restricted Special Revenue Funds (\$22,616)

(3) Transfer to Other Restricted Special Revenue Fund

(4) Transfer to Highway User Special Revenue Fund

(5) Transfer to Municipal Buildings and Service Centers Capital Project Fund

(6) Transfer to City Improvement Debt Service Fund

(7) Transfer to City Improvement Debt Service Fund (\$48,739) and Sports Facilities Debt Service Fund (\$29,932)

(8) Transfer to Aviation Enterprise Fund

Exhibit H-5
(Continued)

Transfers to							Totals
Funds		Enterprise Funds		Funds Not Budgeted			
Other	Debt Service Funds	Phoenix Convention Center	Other	Infrastructure Repayment Agreement	Other		
\$ 25,696 ⁽¹⁾	\$ 129 ⁽⁶⁾	\$ -	\$ 372 ⁽⁸⁾	\$ 3,132	\$ 14,158 ⁽¹¹⁾	\$ 43,487	
226,225 ⁽²⁾	78,671 ⁽⁷⁾	89,191	-	-	-	2,191,877	
-	4,244 ⁽⁶⁾	-	-	-	-	4,244	
56 ⁽³⁾	-	-	-	-	-	56	
150 ⁽³⁾	8,629 ⁽⁶⁾	-	-	649	115,173 ⁽¹²⁾	126,152	
-	-	-	-	-	-	6,528	
-	-	-	-	-	-	2,064	
-	571 ⁽⁶⁾	-	-	-	-	693	
21 ⁽³⁾	-	-	-	81	-	102	
7,076 ⁽⁴⁾	-	-	-	-	-	7,598	
21 ⁽³⁾	-	-	-	89	-	858	
-	-	-	-	-	-	514	
3,196 ⁽³⁾	-	-	-	177	-	5,082	
236,745	92,115	89,191	-	996	115,173	2,345,768	
-	15,692 ⁽⁶⁾	-	-	-	-	15,781	
-	-	-	-	-	489 ⁽¹³⁾	489	
1,022 ⁽⁵⁾	-	-	-	-	-	1,022	
1,022	15,692	-	-	-	489	17,292	
-	1,094 ⁽⁶⁾	-	-	-	2,438 ⁽¹⁴⁾	18,584	
85 ⁽³⁾	106 ⁽⁶⁾	-	-	275	-	3,990	
-	202 ⁽⁶⁾	-	-	-	1,063 ⁽¹⁵⁾	32,240	
-	-	-	-	-	-	1,127	
-	141 ⁽⁶⁾	-	-	-	-	17,149	
-	-	-	-	-	-	3,133	
-	840 ⁽⁶⁾	-	-	-	1,352 ⁽¹⁶⁾	14,563	
85	2,383	-	-	275	4,853	90,786	
-	-	-	21,498 ⁽⁹⁾	-	-	21,498	
-	-	-	20 ⁽⁸⁾	-	-	20	
-	-	-	26,209 ⁽¹⁰⁾	-	-	26,209	
-	-	-	47,727	-	-	47,727	
\$ 263,548	\$ 110,319	\$ 89,191	\$ 48,099	\$ 4,403	\$ 134,673	\$ 2,545,060	

(9) Transfer to Water Services Enterprise Fund

(10) Transfer to Wastewater Enterprise Fund

(11) Transfer to Street Improvements Capital Project Fund (\$7,158) and Aerial Fleet Capital Reserve Fund (\$7,000)

(12) Transfer to Transit Capital Fund

(13) Transfer to General Obligation Reserve Fund

(14) Transfer to Aviation Capital Fund

(15) Transfer to Water Capital Fund

(16) Transfer to Solid Waste Capital Reserve Fund

Bonds and Other Debt Payable
Exhibit H-6

June 30, 2024

(in thousands)

	Authorized	Sold	Unsold	Retired/ Refunded/ Defeased	Capital Appreciation	Outstanding at June 30, 2024 ⁽¹⁾			
						Total	Payable from		City Revenues/ Other ⁽²⁾
							General Property Taxes		
General Obligation Bonds									
6% Limitation									
Various Purpose	\$ 985,290	\$ 702,070	\$ 283,220	\$ 671,105	\$ -	\$ 30,965	\$ 30,965	\$ -	\$ -
Solid Waste	32,815	32,815	-	32,815	-	-	-	-	-
20% Limitation									
Various Purpose	2,451,870	2,082,735	369,135	1,568,080	-	514,655	514,655	-	-
Airport	30,435	30,435	-	30,435	-	-	-	-	-
Sanitary Sewers	72,200	72,200	-	72,200	-	-	-	-	-
Water	112,949	112,949	-	112,949	-	-	-	-	-
Total General Obligation Bonds	3,685,559	3,033,204	652,355	2,487,584	-	545,620	545,620	-	-
Loans from Direct Borrowings									
Wastewater WIFA	17,591	17,591	-	12,653	-	4,938	-	4,938	-
Water WIFA	6,520	6,520	-	5,054	-	1,466	-	1,466	-
Closed Loop	3,000	3,000	-	2,850	-	150	-	150	-
Total Loans from Direct Borrowings	27,111	27,111	-	20,557	-	6,554	-	6,554	-
Total General Obligation and Loans from Direct Borrowings	3,712,670	3,060,315	652,355	2,508,141	-	552,174	545,620	6,554	-
Municipal Corporation Obligations									
General Government	2,318,606	2,318,606	-	1,794,316	-	524,290	-	524,290	-
Enterprise	11,577,706	11,577,706	-	6,791,867	103,520	4,889,359	-	4,889,359	-
Total Municipal Corporation Obligations	13,896,312	13,896,312	-	8,586,183	103,520	5,413,649	-	5,413,649	-
Subtotal	17,608,982	16,956,627	652,355	11,094,324	103,520	5,965,823	545,620	5,420,203	-
Community Facilities Districts	30,000	30,000	-	2,840	-	27,160	-	27,160	-
Totals	\$ 17,638,982	\$ 16,986,627	\$ 652,355	\$ 11,097,164	\$ 103,520	\$ 5,992,983	\$ 545,620	\$ 5,447,363	\$ -

(1) Net of July 1, 2024 payments deposited with the City's fiscal agent. Balances have not been reduced for amount held in the general obligation reserve fund. General obligation reserve fund balance totaled \$10.3 million on June 30, 2024.

(2) These bonds are supported by City enterprise revenues, excise taxes, special revenues, special assessments and community facilities districts revenues and/or assessments.

Debt Service Requirements**Exhibit H-7****General Obligation Bonds Limited to Six Percent of Assessed Valuation (1)**

June 30, 2024

(in thousands)

Fiscal Year	General Government ⁽²⁾			Total 6% Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2024-25	\$ 30,965	\$ 1,548	\$ 32,513	\$ 30,965	\$ 1,548	\$ 32,513
	\$ 30,965	\$ 1,548	\$ 32,513	\$ 30,965	\$ 1,548	\$ 32,513

(1) Various purpose general obligation bonds are limited to 6% of assessed valuation, except for bonds issued for water, sewer, artificial light, open space preserves, parks, playgrounds, recreational facilities, public safety, law enforcement, fire and emergency services facilities, and street and transportation facilities, which are limited to 20% of assessed valuation (see Exhibit H-8).

(2) Includes all property tax supported various purpose general obligation bonds limited to 6% of assessed valuation.

Debt Service Requirements
Exhibit H-8
General Obligation Bonds Limited to
Twenty Percent of Assessed Valuation (1)

June 30, 2024

(in thousands)

Fiscal Year	General Government ⁽²⁾			Total 20% Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2024-25	\$ 68,465	\$ 25,464	\$ 93,929	\$ 68,465	\$ 25,464	\$ 93,929
2025-26	108,085	22,280	130,365	108,085	22,280	130,365
2026-27	108,600	17,013	125,613	108,600	17,013	125,613
2027-28	42,000	11,584	53,584	42,000	11,584	53,584
2028-29	28,340	9,727	38,067	28,340	9,727	38,067
2029-30	29,445	8,256	37,701	29,445	8,256	37,701
2030-31	30,590	6,728	37,318	30,590	6,728	37,318
2031-32	31,785	5,141	36,926	31,785	5,141	36,926
2032-33	33,025	3,493	36,518	33,025	3,493	36,518
2033-34	34,320	1,780	36,100	34,320	1,780	36,100
	<u>\$ 514,655</u>	<u>\$ 111,466</u>	<u>\$ 626,121</u>	<u>\$ 514,655</u>	<u>\$ 111,466</u>	<u>\$ 626,121</u>

(1) Various purpose bonds limited to 20% of assessed valuation are those issued for water, sewer, artificial light, open space preserves, parks, playgrounds, recreational facilities, public safety, law enforcement, fire and emergency services facilities, and streets and transportation facilities. Other general obligation bonds are limited to 6% of assessed valuation (see Exhibit H-7).

(2) Includes all property tax supported various purpose general obligation bonds limited to 20% of assessed valuation.

Debt Service Requirements
By Type of Security to Bondholders
and By General Purpose of Assets Acquired

Exhibit H-9

June 30, 2024

(in thousands)

Fiscal Year	General Obligation / General Government ⁽¹⁾		
	Principal	Interest	Total
2024-25	\$ 99,430	\$ 27,013	\$ 126,443
2025-26	108,085	22,280	130,365
2026-27	108,600	17,013	125,613
2027-28	42,000	11,584	53,584
2028-29	28,340	9,727	38,067
2029-30	29,445	8,256	37,701
2030-31	30,590	6,728	37,318
2031-32	31,785	5,141	36,926
2032-33	33,025	3,492	36,517
2033-34	34,320	1,780	36,100
	<u>\$ 545,620</u>	<u>\$ 113,014</u>	<u>\$ 658,634</u>

(1) Includes all general government property tax supported various purpose general obligation bonds.

Bond Ratings
Exhibit H-10

Description	Rating ^{(1) (2)}		
	Moody's	S & P	Fitch ⁽³⁾
General Obligation	Aa1	AA+	AAA
Senior Lien Excise Tax Revenue (4)	Aa2	AAA	AA+
Subordinated Excise Tax Revenue (4)	Aa1	AAA	AA+
Senior Lien Airport Revenue (4)	Aa2	AA-	-
Junior Lien Airport Revenue (4)	Aa3	A+	-
Senior Lien Wastewater System Revenue (4)	Aa2	AAA	-
Junior Lien Wastewater System Revenue (4)	Aa2	AAA	-
Junior Lien Water System Revenue (4)	Aa2	AAA	-
Rental Car Facility Charge Revenue Bonds (4)	A3	A	-
State of AZ Distribution Revenue Bonds (Convention Center) (4)	Aa1	AA	-
Transit Excise Tax Revenue Bonds (Light Rail) (4)	Aa2	AA	-

(1) The ratings are subject to change at any time.

(2) Represents underlying rating.

(3) Fitch Ratings assigns a single Issuer Default Rating for all General Fund credits. Fitch has rated the General Obligation Bonds, Series 2017, 2022 and 2024, and the Subordinated Excise Tax Revenue Bonds, Series 2017, 2020, 2022 and 2024.

(4) Issued by the City of Phoenix Civic Improvement Corporation.



City of Phoenix



FOR FISCAL YEAR ENDED
JUNE 30, 2024

*Building
the Phoenix
of Tomorrow*

