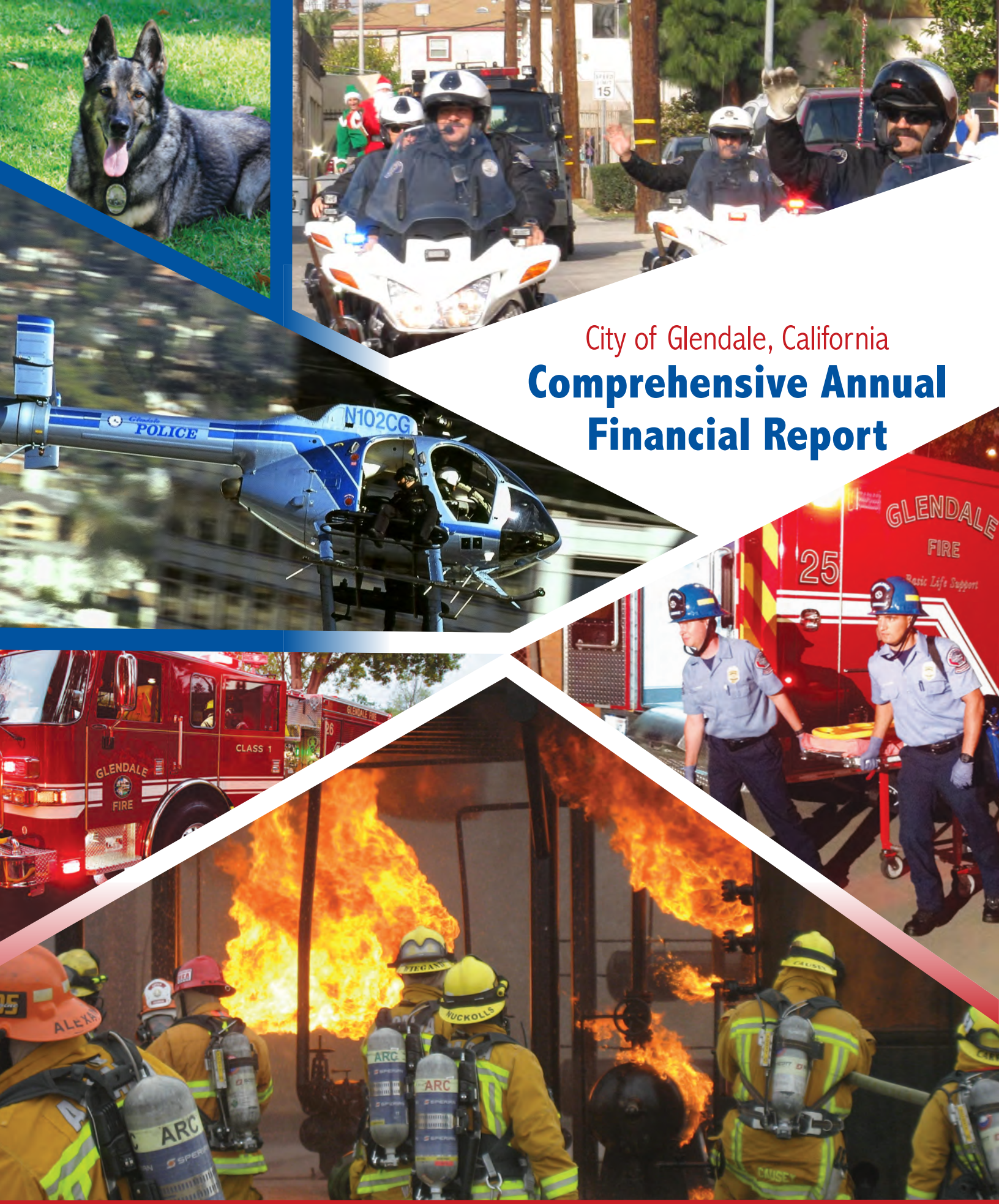

City of Glendale, California

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2018

Each year, the Glendale Police and Fire Departments receive over 100,000 emergency calls. Quite often, these calls involve life or death situations where every second counts. Despite a vast and diverse population, the City of Glendale continues to maintain exceptional levels of safety. In fact, it is no surprise that Glendale Police and Fire strive to be among the fastest responders in emergency situations. And the numbers don't lie. The average fire emergency response time in Glendale last year was 4 minutes and 26 seconds. This year, the Glendale Fire Department is on the scene in an average of 4 minutes and 21 seconds. That's 2 percent faster. The average Glendale Police Department response time this year was 4 minutes and 3 seconds. That is 16 percent faster than last year's average of 4 minutes and 49 seconds. Presently, the sistering agencies continue to join forces and explore new safety and control techniques that can be applied to future emergencies and outbreaks. With an increasing demand for services, this partnership provides opportunities to truly innovate. In Glendale, collaboration is key.

City of Glendale, California

City Council

Zareh Sinanyan
MAYOR

Ara Najarian
COUNCILMEMBER

Paula Devine
COUNCILMEMBER

Vartan Gharpetian
COUNCILMEMBER

Vrej Agajanian
COUNCILMEMBER

City of Glendale, California

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2018

Prepared by the Finance Department - Accounting Section

Robert P. Elliot, CPA, Director of Finance
Michele Flynn, CPA, CIA, CGAP, Assistant Director of Finance

City of Glendale, California

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Introductory Section

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

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

CITY OF GLENDALE, CALIFORNIA
Finance

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Glendale, CA 91206-4975
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glendaleca.gov

November 30, 2018

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

Council Members:

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Glendale (the City) for the fiscal year ended June 30, 2018.

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

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

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

Profile of the City of Glendale

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

Noted for its high quality of life and fiscal stability, Glendale is the fourth largest city in Los Angeles County, encompassing 30.6 square miles and serving over 205,000 residents. The City operates under a council-manager form of government, with a five-member council elected at large to four-year overlapping terms, in addition to an elected City Clerk and City Treasurer. The mayor is elected by the City Council for

a one-year term and is the presiding officer of the Council. The City Council is responsible for passing ordinances, adopting the budget, appointing various boards and commissions, and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

Factors Affecting the Glendale Economy

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

The Local Economy – Continued capital investment is seen throughout the City in the form of business expansion as well as businesses attraction to Glendale's central location, public safety record and robust business environment. Of particular note is the entertainment industry which remains rooted in Southern California, with the Verdugo Region (Glendale/Burbank) particularly known for production (pre & post), animation, visual effects, and digital distribution. Glendale continues to benefit from growth in this sector through companies co-locating with powerhouses Disney and DreamWorks, and hundreds of ancillary production and equipment firms. The implementation of the Glendale Tech Strategy continues to strengthen local tech firms such as Service Titan, Legal Zoom, and Beyond Limits. Also of note are Glendale's regional shopping centers, the Glendale Galleria, Americana at Brand and Brand Boulevard of Cars. Several large development projects either recently completed or underway in Glendale will provide approximately 4,000 new residential units and 210,000 square feet of commercial space. Hotel development and tourism are also on the rise. The Hyatt Place, Hampton Inn, Aloft Hotel and Hotel Louise join top performing hotels like Embassy Suites and Hilton. Such investments by the business community indicate a continued confidence in Glendale. Hotels are supported by strong corporate presence and the three local hospitals. Overall, Glendale's economy is one of the most diverse within the Los Angeles region largely due to a healthy mix of business and industry that operates within its borders.

Economic Development Highlights – The City focuses on collaborative strategies to create jobs, generate revenue, and improve the quality of life for residents, the business community, and visitors of Glendale. Throughout the years, the City has encouraged economic development through proactive efforts to target and attract businesses; improve Class A office vacancies; provide support to existing businesses through concierge services; create a workforce development program that is operated by the Verdugo Jobs Center; promote City-wide branding and marketing efforts; and adopt strategic planning methods. Economic Development accomplishments for FY 2017-18 were focused around three main goals:

1. **Asset Management:** Glendale actively employs ways to provide additional value of City assets through proactive, profitability-focused management practices. The priority was to achieve the highest and best use of City facilities through an effective asset management strategy. Accomplishments include:

    - Concluded negotiations for a new lease for the Verdugo Jobs Center offices.

    - Advanced the Arts & Entertainment District through enhanced activities, such as the Summer of Soccer World Cup viewing parties, beautification efforts on Artsakh Avenue, and Request for Proposals seeking urban design firms.

    - Continued proposed Armenian American Museum and Cultural Center negotiations and redesign of the Central Park Block.

2. **Business Attraction:** The City is committed to attracting business and investment to Glendale in an effort to create a diverse economy. This is done through Business Concierge services and fast-track permitting, broker relationships, site selection assistance, utility consultation, and connecting potential businesses with resource marketing campaigns and support. The priorities were to establish an 18-Hour City and the furtherance of the Tech Strategic Plan. Accomplishments in business attraction include:

   - Further developed broker relationships through events, such as the Brokers Reception held at Nestle.

   - Implemented Glendale Tech Strategy, and received City Council authorization to release a Request for Proposals for an accelerator program.

   - Successfully hosted the second Glendale Tech Week in October 2017, including generating $25,000 in a prize package for a Pitchfest in an effort to support local entrepreneurs.

   - Created more jobs and generated sales tax through public investment of the following: Antaeus Theatre Company, Service Titan, Laemmle Theatre and Lofts, Hyatt Place, and the Brewyard.

   - Continued to build on the 18-hour city and quality of life by adding new businesses such as: John Sparr Tavern, Cauldron Ice Cream, 85ºC Bakery Cafe, Gold's Gym, Electric Pussycat Lounge, Heritage Eatery, It's Boba Time, Menchies, Mix N'Match Burger, Museum of Selfies, Nespresso Boutique, Plate and Petal, Rolling Factory, See's Candies, Tesla, The Void, Warby Parker.

3. **Business Services:** Recognizing that a majority of job growth in any community is generated by the businesses already located there, Glendale focuses on services to businesses to propel economic growth. Harnessing the power of the thousands of businesses in the City and the nearly 100,000 employees, the City's priority was to strengthen neighborhood districts and the businesses within them. Accomplishments related to this effort include:

   - Introduced GRIT, the Glendale Relationship Initiation Team, to gauge satisfaction in doing business with the City, County, and the State. More than 100 businesses were visited.

   - Assisted nearly 3,000 current and expanding businesses with resources to further drive business in the community.

   - Hosted first Executives in Innovation Roundtable on June 11, 2018, attracting top leadership from companies in Glendale.

   - Introduced the Meet Me In Montrose campaign as a way to drive more customers to this quaint shopping district in North Glendale.

   - Supported neighborhoods through collaborative projects, such as the installation of the Rancho and Foothill monument signs.

Employment – According to the data obtained from the California State Department of Finance Demographic Research Unit, the 2018 population for the City of Glendale is 205,536. The Glendale labor force includes 103,900 residents in 2018 (16 years of age or over), according to the Employment Development Department Labor Market Information Division (EDD-LMID). Census data also shows that there are 29,153 businesses located in Glendale (2017).

According to Census data, occupational employment data shows the following results based on 2012-2016 American Consumer Survey (ACS) Five-Year Estimates: 40,770 people in Glendale were employed in management, business, arts, or science occupations (the single largest group) with median annual earnings of $66,294; 24,253 were employed in sales and office occupations (second largest) with median annual earnings of $40,632; and 15,942 were employed in service occupations (the third largest group) with median annual earnings of $29,542. Median household income for Glendale residents recorded at $56,069, and the poverty rate was 14.7%, according to ACS. The information provided below includes additional employment statistics pertaining to the City of Glendale and the surrounding region.

- **Unemployment Levels** – In December 2007, at the start of the Great Recession, the Glendale unemployment rate was 4.8%; by the (reported) end of the Recession in June 2010, the rate had peaked to 10.1% and declined to 8.1% in June 2013, demonstrating the recovery period following the Recession. The Glendale unemployment rate again measured 4.8% in June 2018, equaling its pre-recession level.

- **Industry Employment Status** – According to Dunn & Bradstreet, by employment, the top six Glendale industries in 2017 were: Healthcare with 17,075 employed earning an average salary of $46,016 and recording a Location Quotient (LQ) for the industry of 1.35. An industry recording an LQ of 1.00 or more, demonstrates a local concentration of the industry located in the City of Glendale that is equal to or higher than the national average. The Retail industry recorded 15,241 employed earning an average salary of $36,935 and an LQ of 1.35, while Professional Services recorded 8,564 employed with an average salary of $102,863 and an LQ of 1.07. The fourth industry is Public Administration and Education with 11,333 employed earning an average salary of $67,828 and an LQ of 0.66; Information Based Industries with 5,563 employed earning an average salary of $120,937 and an LQ of 1.67; and Eating and Drinking with 6,965 employed earning an average salary of $22,461 and an LQ of 0.96.

- **Large Employers** – DreamWorks Animation, Walt Disney Imagineering, Glendale Adventist, and Glendale Memorial Medical Center remained among the City's largest employers in FY 2017-18.

Fastest Growing Occupations – Current EDD projections indicate that through 2024 the fastest growing occupations in Los Angeles County will include:

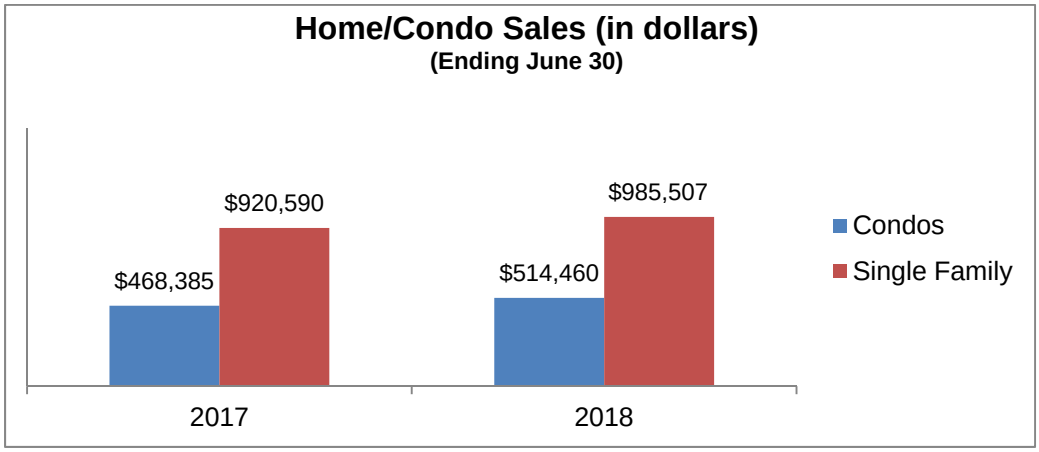
1. Personal Care Aides
2. Statisticians
3. Reinforcing Iron and Rebar Workers
4. Brickmasons and Blockmasons
5. Helpers-Brickmasons, Blockmasons, Stonemasons, and Tile and Marble Setters
6. Cooks, Restaurant
7. Nurse Practitioners
8. Floor Layers, Except Carpet, Wood, and Hard Tiles
9. Home Health Aides
10. Web Developers
11. Operations Research Analysts
12. Occupational Therapy Assistants
13. Law Teachers, Postsecondary
14. Massage Therapists
15. Roofers
16. Physical Therapist Aides
17. Biomedical Engineers
18. Helpers-Painters, Paperhangers, Plasterers, and Stucco Masons
19. Combined Food Preparation and Serving Workers, Including Fast Food
20. Marriage and Family Therapists

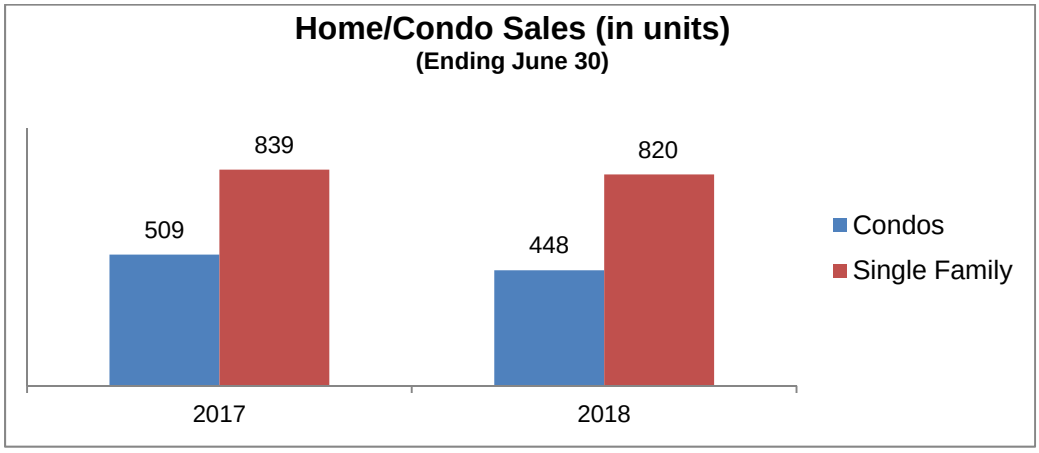
Trends – The EDD-LMID also reports that industry employment, which includes self-employment, private household workers, farm, and nonfarm employment in Los Angeles County, is expected to reach 5,063,300 by 2024, an increase of 12.7% over the 10-year projections period. 12 of 13 nonfarm industry sectors are projected to grow between 2014 and 2024.

Total non-farm employment is projected to grow by nearly 535,700 jobs by 2024, with 75% of all projected nonfarm job growth concentrated in three industry sectors: (1) Educational services (private), health care, and social assistance, (2) Leisure and hospitality, and (3) Professional and business services. Educational services (private), health care, and social assistance is projected to add the most jobs (208,800) and is expected to be the fastest growing at 29%. Leisure and hospitality is projected to add 110,300 jobs, led by a growth of 88,900 jobs in restaurants and other eating places. Professional and business services is projected to add 81,200 jobs with more than half the growth expected to occur in the professional, scientific, and technical services sector (41,700).

Occupational employment forecasts approximately 608,000 new jobs from industry growth and more than 1 million job openings from replacement needs for a combined total of approximately 1.6 million job openings. The top three occupations with the most job openings are personal care aides; combined food preparation and serving workers, including fast food; and retail salespersons. These occupations have median wages ranging from $9.64 to $11.19 per hour and require no formal educational credential. Higher-skilled occupations, requiring a bachelor's degree or higher, include registered nurses, management analysts, accountants and auditors. 20% of the overall fastest growing occupations are in construction and extraction. Occupations range from helpers such as painters, paperhangers, plasterers, and stucco masons that require no formal educational credential and earn a median annual wage of $19,688 to law teachers, postsecondary that require a doctoral or professional degree and earn a median annual wage of $134,887.

Housing – Based on the "2017 Annual Report" issued by the Los Angeles Office of the Assessor, Glendale experienced a net taxable property value increase of 6.1%, which was slightly more than the increase experienced countywide at 6.0%. According to the City's property tax consultant, HdL, Glendale's housing market fell in sales volume (number of units sold) and showed an increase in an average home price of $985,507 in FY 2017-18, compared to $920,590 in FY 2016-17. The condominium sales also showed a decline in sales volume and an increase in an average price of $514,460 for FY 2017-18, compared to $468,385 for FY 2016-17.





Local Government Finance

The southland's slow economic recovery, legal challenges to the long-standing and charter-mandated General Fund Transfer from Glendale Water & Power, escalating pension rates, and the State's imprudent efforts to address its budget deficit by claiming for itself billions of dollars in repayments owed to cities by their own Redevelopment Agencies, have all combined to make these past few years some of the most difficult for budgeting in recent history. However, the managers and staff from each department, as well as the City Council, have pressed on. In spite of the difficulty involved in preparing this budget, they have approached challenges in a professional and constructive manner. The City's focus clearly remains on developing a structurally balanced financial plan that best serves the needs of the diverse community. Through the vision of the Glendale City Council, the City is able to balance new growth while preserving a rich and honored heritage.

This positive indicator reduced unemployment rates aligns with the City's forecasted revenue growth which averages to 9.1% across the key General Fund revenue sources of property and sales taxes. Long-term growth rates for General Fund revenues are projected to grow rather modestly, averaging about 2.8% annually over the next five years. Although Glendale continues to face challenges, such as increased pension costs, a deficit in the Workers' Compensation Fund, and aging infrastructure, the City of Glendale is confident that it will embrace these challenges and move its community forward with a focus on its purpose and goals.

One thing that will affect the Glendale's future finances in a very positive way is the passing of Measure S (The Glendale Quality of Life and Essential Services Protection Measure) on November 6, 2018. The measure is a local sales tax increase of 0.75%, effective April 1, 2019, and is expected to generate approximately $30 million annually for the General Fund.

Long-term Financial Planning

Financial Challenges – Despite the fact that the economy is improving and the economic indicators are all trending positively, the City still faces notable challenges in the coming years. The General Fund remains highly dependent on sales taxes generated, in particular, from automobiles sales. Revenues from auto sales have steadily risen over the past few years following the Great Recession; however, an economic downturn could place that revenue stream in jeopardy. In order to diversify the City's potential revenue stream opportunities, staff and City Council are working diligently to attract new upscale hotels that would generate considerable occupancy tax revenue for the City.

The possible loss of the voter-approved General Fund Transfer (GFT) from Glendale Water & Power's (GWP) electrical operations still looms. Currently at about $20 million per year, the transfer has been a feature of the City's General Fund revenue stream since the 1940s. When established, the water and power utility was meant for helping the City grow, as well as to bring revenue into the City's General Fund. This inflow of funding helped City Councils through the years keep Glendale a low-tax city (i.e. only 13.7 cents on the property tax dollar comes to the City of Glendale; there is no business license tax, etc.). And, although the City Charter allows for a maximum transfer of up to 25% of gross operating revenues from the electrical operations, the GFT has never risen to that level; indeed, the current transfer is at approximately 10% of retail operating revenues.

What does the potential loss of the GFT mean to our organization? For the time being, the City will continue to move forward with the status quo. After having experienced deep cuts across all departments in recent years, this organization is currently running as lean as it ever has. The loss of the transfer would, without doubt, mean cuts directly to the essential programs and services our community depends on day in and day out. Hence, there would be no alternative but to make cuts that would drastically impact the quality of life for our community. Specifically, the City Council would need to consider cuts to Libraries, Parks, Fire, and Police. The effects of these cuts would be experienced in the form of reduced hours at libraries and parks, the closing of libraries and parks, and the contracting out of Police and Fire services with the County of Los Angeles.

Moving forward, the City's continuing challenge is to minimize the negative impact on the community and customers from past restructuring efforts and ensure the City adds ongoing value to the taxpayers. Glendale's vision is accomplished through a combination of the Council's priorities, the City's strategic goals, and key performance indicators. With the FY 2018-19 budget process, Council has reaffirmed the following priorities:

- Fiscal Responsibility
- Exceptional Customer Service
- Economic Vibrancy
- Informed & Engaged Community
- Safe & Healthy Community
- Balanced, Quality Housing
- Community Services & Facilities
- Infrastructure & Mobility
- Arts & Culture
- Sustainability

Cash Management – To obtain flexibility in cash management, the City employs a pooled cash system. Under the City's pooling concept, all available cash is invested daily in various securities, while still maintaining reasonable liquidity to meet maturing obligations and maximizing return through the use of competitive rate comparisons from various investment sources.

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

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

	Fiscal year ended June 30,			
	2018	2017	2016	2015
Cash and investments	$ 815,777,000	765,797,000	682,529,000	567,084,000

Risk Management – The City is self-insured up to $2 million for claims filed under the comprehensive general liability and Workers' Compensation insurance programs. The City purchases excess liability insurance policies for general liability claims to cover losses up to $25 million, and an amount up to statutory limits for the Workers' Compensation program. The City also purchases Property/Casualty, Aviation, Employment Practices, Directors and Officers, Cyber Security, and other smaller insurance policies for specific activities. Insurance coverage and the associated premiums are reviewed annually to ensure the City is properly covered.

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

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

Independent Audit

The City's financial statements have been audited by the firm of Vavrinek, Trine, Day & Company, LLP, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Glendale, California for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Glendale, California's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report. Their unmodified opinion on the City's basic financial statements is included within this report.

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

Award

The Government Finance Officers Association (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City for its comprehensive annual financial report for the past twenty three fiscal years ended June 30, 1995 through June 30, 2017. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

Acknowledgments

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

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

RESPECTFULLY SUBMITTED,

ROBERT P. ELLIOT, CPA
DIRECTOR OF FINANCE

City of Glendale, California

Officials of the City of Glendale

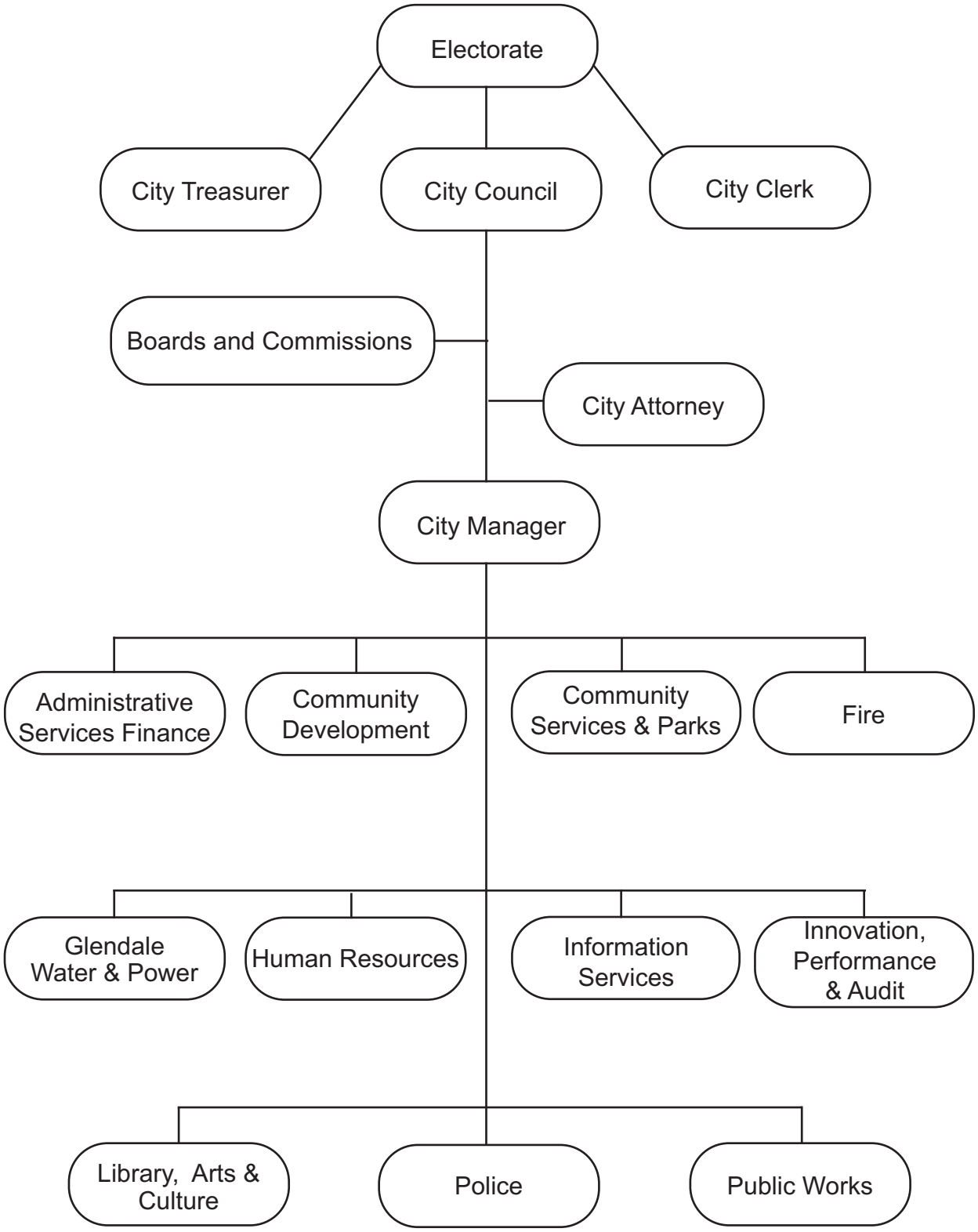
June 30, 2018

Administration and Executive Management Team

City Manager	Yasmin K. Beers
Assistant City Manager	Roubik Golanian
Deputy City Manager	John Takhtalian
Director of Innovation, Performance, & Audit	Elena Bolbolian
Interim Chief Information Officer	Jason Bradford
Director of Community Services & Parks	Onnig Bulanikian
Director of Library, Arts & Culture	Cindy Cleary
Director of Human Resources	Matthew Doyle
Director of Finance	Robert P. Elliot, CPA
Fire Chief	Gregory Fish
City Attorney	Michael J. Garcia
Director of Public Works	Roubik Golanian
City Clerk	Ardashes Kassakhian
Director of Community Development	Philip Lanzafame
Director of Communications & Community Relations	Thomas R. Lorenz
City Treasurer	Rafi Manoukian, CPA
Police Chief	Carl Povilaitis
General Manager of Glendale Water & Power	Stephen Zurn

City of Glendale, California

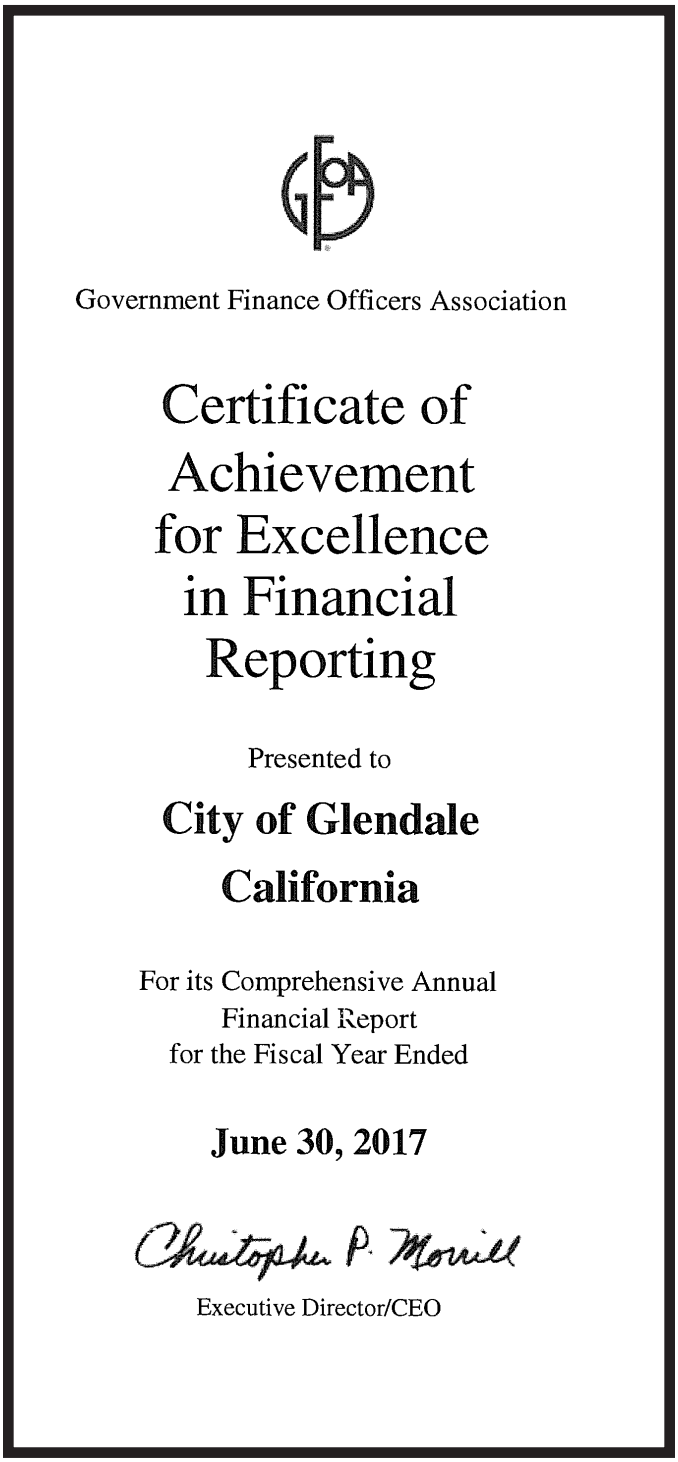
Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Glendale for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the 23rd consecutive year that the City of Glendale has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Glendale

California

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

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Financial Section

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

- Independent Auditors' Report

- Required Supplementary Information-
  Management's Discussion and Analysis (MD & A)

- City's basic financial statement, which includes the following:
  - The Government-wide Financial Statements
  - Fund Financial Statements
  - Notes to the Basic Financial Statements

VAVRINEK, TRINE, DAY & CO., LLP
Certified Public Accountants

VALUE THE *difference*

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Glendale, California (City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

10681 Foothill Blvd., Suite 300, Rancho Cucamonga, CA 91730 P 909.466.4410 F 909.466.4431 W vtdcpa.com

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Housing Assistance Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 18 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, effective July 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and other schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Vavrinek, Trine, Day & Co. LLP

Rancho Cucamonga, California
November 30, 2018

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As management of the City of Glendale (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i – x of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2017-18 by $1,595,079 (net position), which was comprised of net investment in capital assets of $1,327,367, restricted net position of $174,225 and unrestricted net position of $93,487. The unrestricted net position consisted of a negative $195,007 for governmental activities and $288,494 for business-type activities. The negative unrestricted net position for governmental activities was primarily due to the recognition of net pension liability.

- The City's total net position increased by $40,956. Most of this increase was attributable to an increase in sales taxes and charges for services.

- As of the close of FY 2017-18, the City's governmental funds reported combined ending fund balances of $331,848, an increase of $43,917 in comparison with the prior year. About 12.9% of this total amount, $42,728 was unassigned and available for spending at the government's discretion.

- At the end of FY 2017-18, City Charter Section 15 general reserve of $28,115, and unassigned fund balance of $47,418 for the General Fund totaled $75,533, representing about 35.1% of the original FY 2017-18 budget of $215,043. Due to the Council's decision to participate in the pension rate stabilization program starting FY 2017-18, the minimum General Fund reserve level changes from 30.0% to 25.0% of the annual operating budget, and the targeted General Fund reserve level remains at 35.0% of the annual operating budget.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and

expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, police, fire, public works, transportation, housing, health, and community development, employment programs, public service, parks, recreation, and community services, library, and interest and fiscal charges. The business-type activities of the City include fire communications, sewer, refuse disposal, electric, and water.

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

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

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statement, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 46 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for General Fund, Housing Assistance Fund and Capital Improvement Fund, all of which are considered to be major funds. Data from the other 43 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 26-39 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its refuse disposal, fire communications, sewer, and electric and water utility operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, information services and infrastructure, joint helicopter operation, building maintenance, uninsurable litigation, employee benefits, and various other insurances.

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

The basic proprietary fund financial statements can be found on pages 40-44 of this report.

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

Since the resources of fiduciary fund are not available to support the City's own programs, it is not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be found on pages 45-46 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47-106 of this report.

The combining statements referred to earlier in connection with nonmajor governmental and enterprise funds and internal service funds are presented immediately following the required supplementary information, which can be found on pages 107-111 of this report. Combining and individual fund statements can be found on pages 113-176 of this report.

Government-wide Financial Analysis

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $1,595,079 at the close of the most recent fiscal year.

By far the largest portion of the City's net position (83.3%) reflected its net investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment) less any related debt used to acquire those assets that was still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported as net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

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

		Governmental activities		Business-type activities		Total	
		2018	2017	2018	2017	2018	2017
Current and other assets	$	532,548	513,766	413,756	384,677	946,304	898,443
Capital assets		958,831	956,546	641,740	655,479	1,600,571	1,612,025
Total assets		1,491,379	1,470,312	1,055,496	1,040,156	2,546,875	2,510,468
Deferred outflows of resources		114,414	84,920	32,598	27,580	147,012	112,500
Total assets and deferred outflows of resources		1,605,793	1,555,232	1,088,094	1,067,736	2,693,887	2,622,968
Current liabilities		55,156	81,211	40,060	39,261	95,216	120,472
Noncurrent liabilities		628,775	566,302	348,370	344,023	977,145	910,325
Total liabilities		683,931	647,513	388,430	383,284	1,072,361	1,030,797
Deferred inflows of resources		21,956	23,240	4,491	6,495	26,447	29,735
Total liabilities and deferred inflows of resources		705,887	670,753	392,921	389,779	1,098,808	1,060,532
Net investment in capital assets		926,357	922,498	401,010	409,287	1,327,367	1,331,785
Restricted		168,556	124,491	5,669	5,669	174,225	130,160
Unrestricted		(195,007)	(162,510)	288,494	263,001	93,487	100,491
Total net position	$	899,906	884,479	695,173	677,957	1,595,079	1,562,436

As noted earlier, 10.9% of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $93,487 may be used to meet the government's ongoing obligations to citizens and creditors. Of this total, $288,494 is in business-type activities such as electric, water, and sewer utilities.

Governmental activities. Governmental activities increased the City's net position by $23,740. Key elements of this increase are as follows:

- Sales tax revenue increased by $21,062 (51.3%) during the current fiscal year. The increase is mainly due to the outcome of a sales tax audit conducted by the California Department of Tax and Fee Administration (CDTFA) and closing of a liability account and transferring of the remaining revenues to the General Fund.

  California Department of Tax and Fee Administration (CDTFA – formerly known as Board of Equalization or BOE) transitioned to a new Centralized Revenue Opportunity System (CROS) on May 7, 2018, and due to the enhanced allocation schedule under the new system, tax distributions to local governments will be accelerated going forward. Under traditional method the advances approximated quarterly tax due in four payments consisting of 1st Advance 27%, 2nd Advance 27%, 3rd Advance 36%, and final True-up 10%. Under the new method the future advances will approximate quarterly tax due in three payments consisting of 1st Advance 27%, 2nd Advance 27%, and the final True-up 46%. This change includes the 2nd Quarter 2018 revenues for FY 2017-18.

  Below is the anticipated new allocation schedule:

Sales Period	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Advance/Clean – Up Payments	27%	46%	27%	27%	46%	27%	27%	46%	27%	27%	46%	27%
Clean-Up Dates (Approx.)		2/22			5/23			8/24			11/28	
Remittance Dates (Approx.)	1/24	2/24	3/24	4/24	5/24	6/24	7/24	8/24	9/24	10/24	11/28	12/27

- Charges for services increased by $8,047 (12.3%) compared to prior fiscal year. The increase is mainly driven by $3,768 of cost allocation, $1,066 of landfill tipping fee, $504 of emergency medical response, $209 fire fees and $375 of special fire fees.

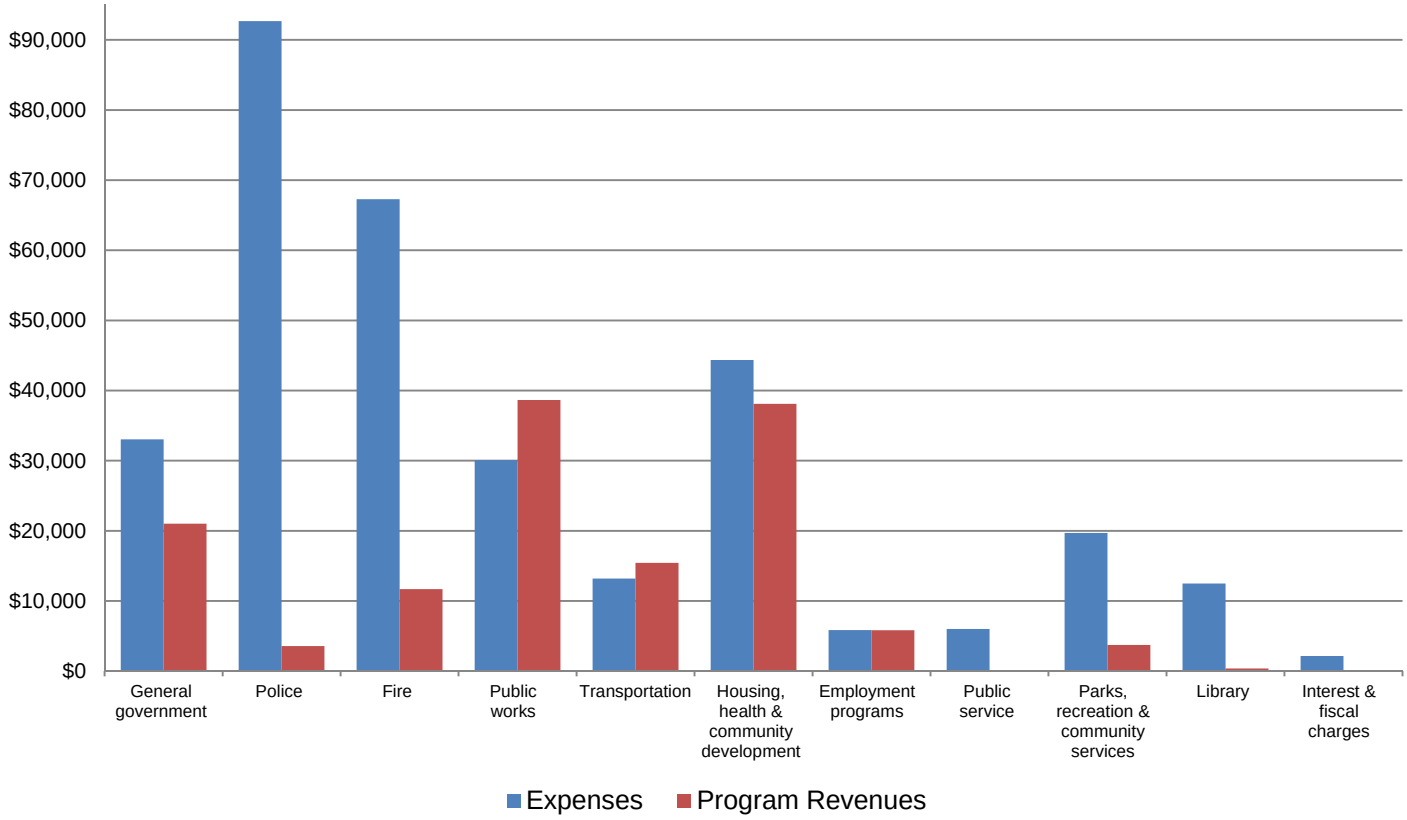
- Compared to prior fiscal year, property tax revenue increased by $3,228 (5.8%). The increase is attributable to the growth in home values and the strong real estate market in the City.

- Other taxes increased by $786 (3.7%) compared to prior fiscal year. The increase is mainly driven by landfill host assessments and transient occupancy tax. The landfill host assessment revenues increased because of the increased tonnage at the landfill. The transient occupancy tax increased because of the improved economy.

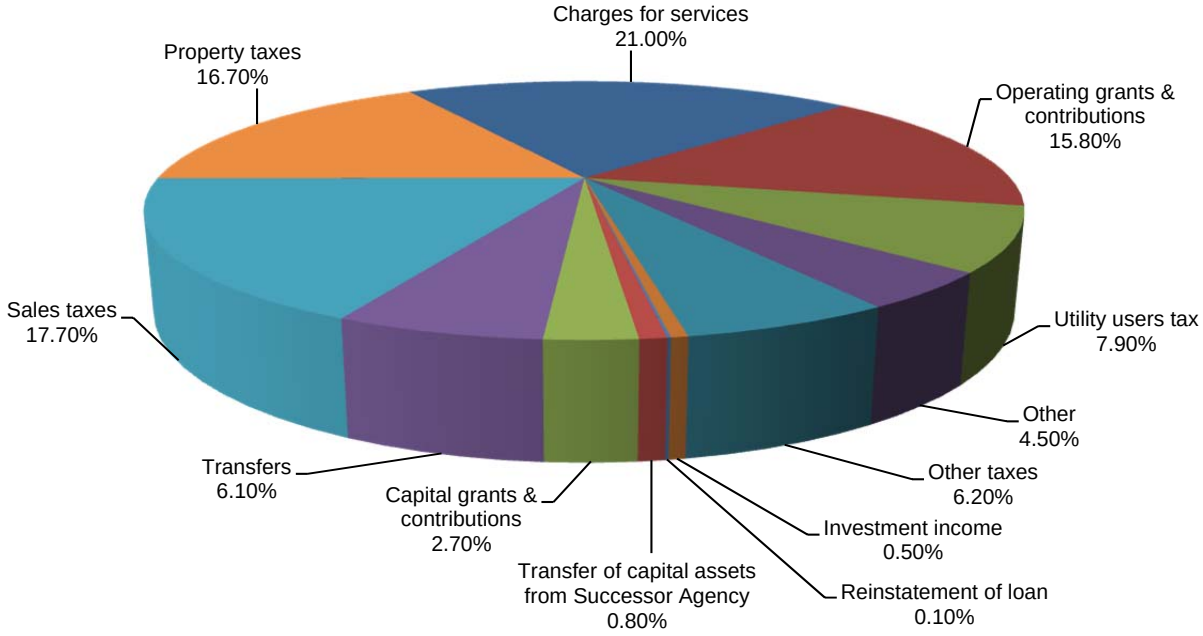
- Capital grants and contributions increased by $671 (7.6%) during the current fiscal year. The City received $1,411 new revenue in FY 2017-18 due to the passage of Senate Bill 1 (SB1) in April 2017. The increase from new revenue is offset by a decrease in the City's reimbursement from grants. The major contributor to the decrease in City's reimbursement from grant is Measure R Regional Grant. The City received $2,294 less in FY 2017-18 compare to FY 2016-17.

- Governmental activities expense increased by $28,933 (9.7%) during the current fiscal year. The increase is mostly driven by $25,592 of pension expenses. The decrease in discount rate from 7.65% in FY 2016-17 to 7.15% in FY 2017-18 is the main contributor to the increase of the pension expenses.

Expenses and Program Revenues – Governmental Activities



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



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

	Governmental activities		Business-type activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	$ 73,492	65,445	309,820	307,259	383,312	372,704
Operating grants and contributions	55,448	56,317	72	207	55,520	56,524
Capital grants and contributions	9,447	8,776	12	61	9,459	8,837
General revenues:						
Taxes:						
Property taxes	58,445	55,217	-	-	58,445	55,217
Sales taxes	62,158	41,096	-	-	62,158	41,096
Utility users tax	27,805	28,605	-	-	27,805	28,605
Other taxes	21,784	20,998	-	-	21,784	20,998
Investment income	1,815	1,262	1,315	1,859	3,130	3,121
Other	15,748	22,377	9,693	8,559	25,441	30,936
Reinstatement of loans	328	206	-	-	328	206
Total revenues	326,470	300,299	320,912	317,945	647,382	618,244
Expenses:						
General government	33,037	29,958	-	-	33,037	29,958
Police	92,679	80,687	-	-	92,679	80,687
Fire	67,285	59,228	-	-	67,285	59,228
Public works	30,072	28,021	-	-	30,072	28,021
Transportation	13,196	14,215	-	-	13,196	14,215
Housing, health and community development	44,349	41,831	-	-	44,349	41,831
Employment program	5,848	6,099	-	-	5,848	6,099
Public service	5,999	6,751	-	-	5,999	6,751
Parks, recreation and community services	19,697	18,710	-	-	19,697	18,710
Library	12,485	9,590	-	-	12,485	9,590
Interest and fiscal charges	2,139	2,763	-	-	2,139	2,763
Fire communications	-	-	4,126	3,399	4,126	3,399
Sewer	-	-	20,383	16,697	20,383	16,697
Refuse disposal	-	-	20,844	19,448	20,844	19,448
Electric	-	-	188,573	186,772	188,573	186,772
Water	-	-	48,458	43,400	48,458	43,400
Total expenses	326,786	297,853	282,384	269,716	609,170	567,569
Excess before transfers and special item	(316)	2,446	38,528	48,229	38,212	50,675
Transfers	21,312	21,060	(21,312)	(21,060)	-	-
Special item: Transfer of capital assets from Successor Agency	2,744	15,117	-	-	2,744	15,117
Change in net position	23,740	38,623	17,216	27,169	40,956	65,792
Net position – Beginning of the year, as restated (Note 19)	876,166	845,856	677,957	650,788	1,554,123	1,496,644
Net position – End of the year	$ 899,906	884,479	695,173	677,957	1,595,079	1,562,436

Business-type activities. Business-type activities net position increased by $17,216. Key elements of this increase are as follows:

- Charges for services increased by $2,561 (0.8%) during the current fiscal year. The slight increase was primarily due to Water Fund's higher retail revenues reflecting its last phase of 4% rate increase with higher water consumption and putting the Water utility on its continued path to financial recovery. Electric Fund, Sewer Fund, Refuse Fund and Fire Communication Fund's charges for services remain stable compared to prior fiscal year.

- Operating and capital grants and contributions decreased by $184 (68.7%) during the current fiscal year. The decrease was primarily due to receiving less grant reimbursements compared to prior fiscal year as a result of full completion of the Enhanced Reduction/Coagulation/Filtration (RCF) Testing project funded by MWD in removing chromium 6 from drinking water, less grant reimbursements from CalRecycle to install recycling containers and less grant reimbursements from State of California for the Verdugo Communications Center residual funds.

- Investment income decreased by $544 (29.3%) during the current fiscal year as a result of a decline in the fair market value of investments.

- Other revenues increased by $1,134 (13.2%) during the current fiscal year. The increase was primarily due to higher miscellaneous revenue in Electric Fund as a result of increased collections on delinquent customer accounts and increased customer-paid revenues for mixed-use residential developments in the City.

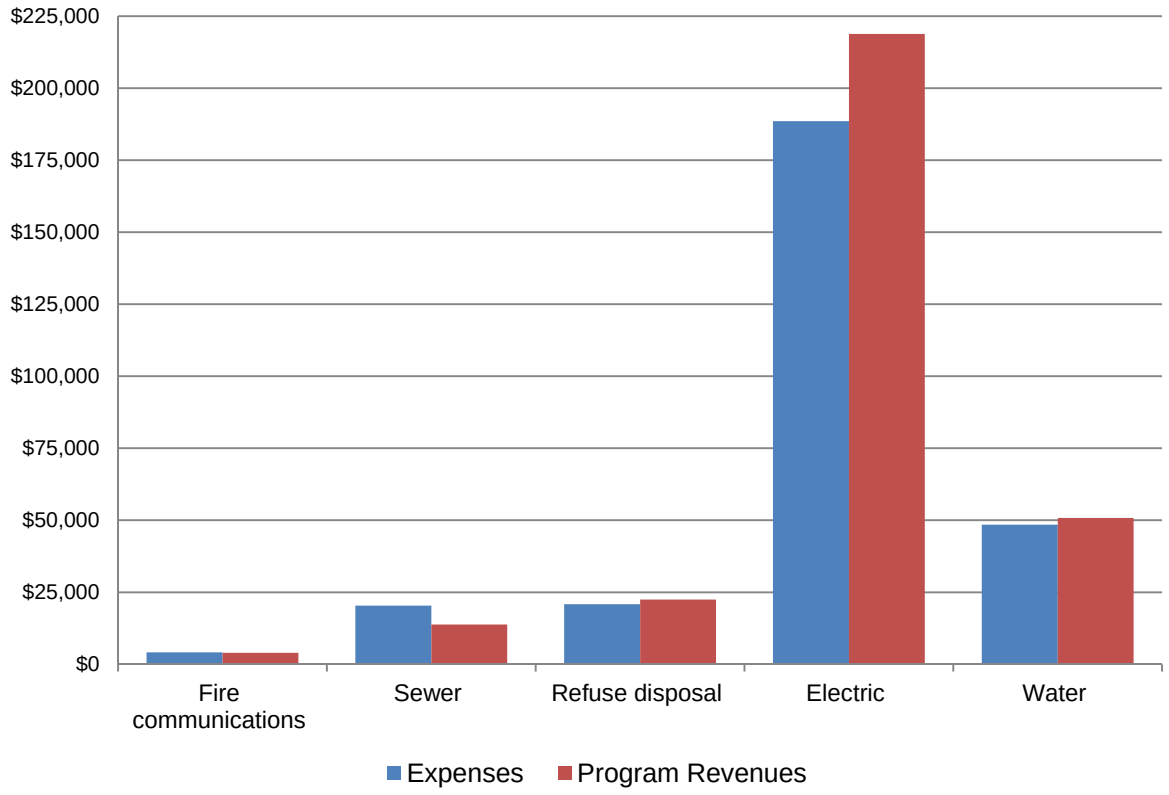
- Sewer Fund expense increased by $3,686 (22.1%) during the current fiscal year. The increase was mainly due to higher cost allocation charges and increased pension expenses as a result of a decrease in discount rate.

- Electric Fund expenses increased by $1,801 (1.0%) during the current fiscal year. The slight increase was mainly due to higher transmission & distribution and customer services expenses due to increased operation & maintenance activities, which offset the decrease in production expenses as a result of lower purchased power activity.

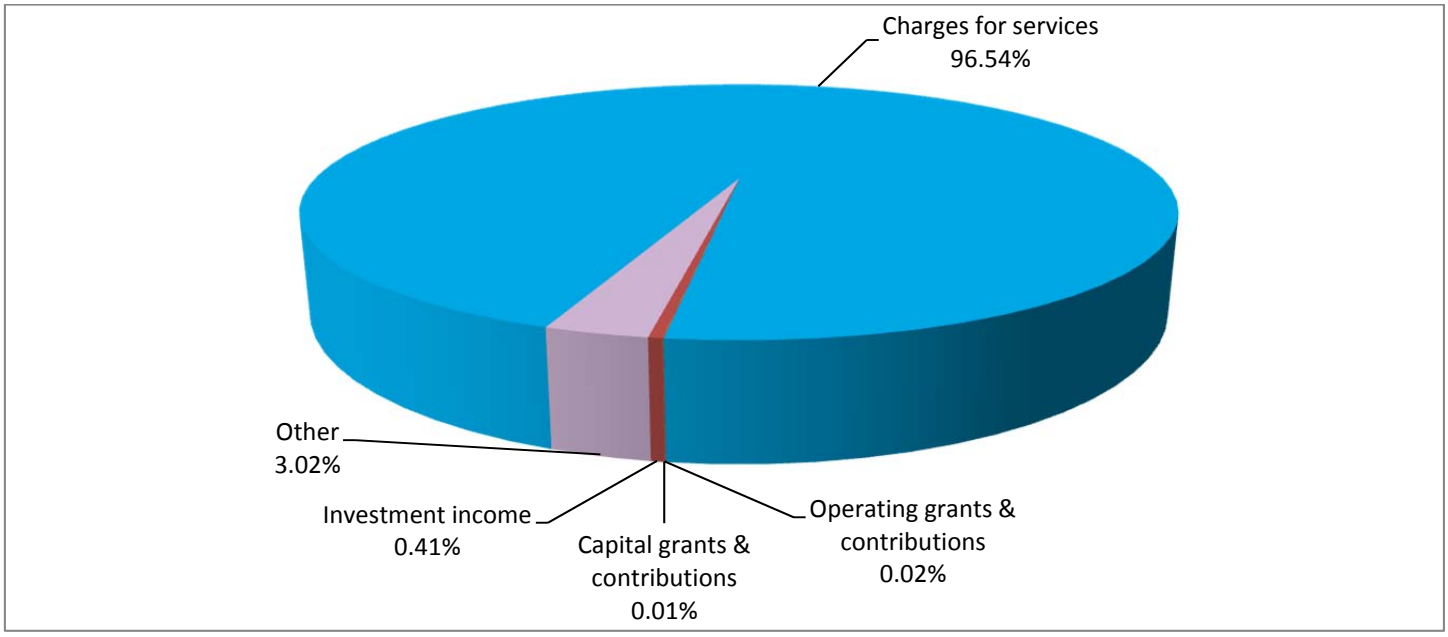
- Water Fund expenses increased by $5,058 (11.7%) during the current fiscal year. The increase was mainly due to higher transmission & distribution and customer services expenses due to increased operation and maintenance activities. The production expenses in general remained on par compared to prior year level.

- Other expenses increased by $2,123 (9.3%) during the current fiscal year. The increase was mainly due to higher cost allocation charges and increased pension expenses as a result of a decrease in discount rate in Refuse Fund and Fire Communication Fund.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $331,848, an increase of $43,917 in comparison with the prior year. About 12.9% of this total amount, $42,728, constituted unassigned fund balance, which was available for spending at the government's discretion. The remainder of fund balance in the amount of $289,120 was not available for new spending because it was either nonspendable, restricted, committed or assigned. Nonspendable fund balance was $2,850. Restricted fund balance was $193,182, which was constrained by external creditors, grantors, laws or regulations of other governments and enabling legislation. Committed fund balance was $89,461, and the assigned fund balance was $3,627.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance and the City Charter Section 15 general reserve of the General Fund were $47,418 and $28,115, respectively, while total fund balance was $107,070. As a measure of the General Fund's liquidity, it may be useful to compare the total of City Charter Section 15 general reserve and unassigned fund balance to total fund expenditures. City Charter Section 15 general reserve and unassigned fund balance, totaling $75,533, represented about 34.5% of FY 2017-18 General Fund expenditures plus transfers, $218,792.

The fund balance of the City's General Fund had a net increase of $14,201 during the current fiscal year. This net increase is primarily due to the following reasons:

- Compared to prior fiscal year, property tax revenue increased by $3,228, which was mainly due to the growth in home values and the strong real estate market in the City.

- Compared to prior fiscal year, sales tax revenue increased by $18,868, which was mainly due to the outcome of a sales tax audit conducted by the California Department of Tax and Fee Administration (CDTFA) and the closing of a liability account and transferring the remaining revenues to the General Fund. This is further explained on Note 13 – Contingent Liabilities and Commitments: Certain Tax Revenues.

- Compared to prior fiscal year, other taxes revenue increased by $714, which was mainly due to higher landfill host assessments and transient occupancy tax. The landfill host assessment revenues increased because of the increased tonnage at the landfill. The transient occupancy tax increased because of the improved economy.

- Compared to prior fiscal year, licenses and permits increased by $649, which was mainly due to the revenue from planning and building permits. Because of strong housing market and increased demands for developments in the City, more planning and building permits were issued during the fiscal year.

- Compared to prior fiscal year, charge for services increased by $6,624, which was mainly due to the increase in emergency medical response revenue. Because of the closing of the Emergency Medical Services Fund into the General Fund effective June 30, 2017, the emergency medical response revenue is reported in the General Fund in FY 2017-18.

The Housing Assistance Fund (Section 8 grant) had a fund balance of $5,554, an increase of $465, compared to the prior fiscal year. The main reason was that the City spent less administrative expenditures than the earned administrative revenue due to efficient and effective administrative operations.

The Capital Improvement Fund had a fund balance of $23,917. In comparison with the prior fiscal year, the fund balance increased by $10,512. Compared to prior fiscal year, more revenues were received for two main reasons: (1) $1,066 more landfill royalty tipping fee because of increased tonnage at the landfill, and (2) a one-time transfer of $9,000 from the General Fund to finance capital improvement within the City.

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

At the end of the year, net position was composed of $204,673 for the Sewer Fund, $331,787 for the Electric Fund, $125,275 for the Water Fund, and $39,088 for the nonmajor enterprise funds.

The net position of the Sewer Fund decreased by $6,488 during the current fiscal year. The decrease was mainly attributable to lower single-family residential water usage during the winter months due to water conservation and increase in operating expenses due to new city cost allocation practice and increase in pension expenses mainly due to the decrease in discount rate from 7.65% in FY 2016-17 to 7.15% in FY 2017-18.

The net position of the Electric Fund increased by $15,883 during the current fiscal year. The increase in net position was mainly due to stable electric retail sales as the Electric Fund continued year 5 of the electric rate increase of 2% in FY 2017-18 and a slight increase in operating expenses due to higher transmission & distribution and customer accounting & sales costs.

The net position of the Water Fund increased by $4,478 during the current fiscal year. The increase in net position was due to higher water retail sales as the Water Fund continued year 4 of the water rate increase of 4% despite the absence of the drought rate revenue in FY 2017-18. The operating expenses increased compared to the prior year level due to increased transmission & distribution and customer services activities.

The net position of nonmajor enterprise funds increased by $767 during the current fiscal year. Although there is a positive net position change in the current fiscal year, the net position compared to previous fiscal year decreased mainly due to increase in pension expenses as a result of decrease in discount rate from FY 2016-17 to FY2017-18. The overall increase in net position was primarily attributable to continued stable operations of Refuse Disposal Fund in providing residents refuse collection and disposal services, as well as Fire Communication Fund in providing residents of its member cities an emergency coordinated assistance services.

General Fund Budgetary Highlights

In comparison to the FY 2017-18 final General Fund revenue budget, the actual revenues received had a net increase of $8,805. Some of the revenue categories such as property taxes, licenses and permits, and charges for services came in higher when compared with budget to actual revenues due to strong housing market and increased demand for development in the City. Additionally, there was a significant increase in sales tax category, which was mainly due to the outcome of the sales tax audit conducted by the California Department of Tax and Fee Administration (CDTFA) and closing of the liability account and transferring the remaining revenues to the General Fund. This is further explained on Note 13 - Contingent Liabilities and Commitments: Certain Tax Revenues. In contrast to these increases some of the revenue categories such as utility users tax, other taxes, and interfund revenues came short when compared with budget to actual revenues. It's worth noting that the decrease in telecommunication tax under the utility users tax category is mainly due to wireless customers shifting from conventional contracts to prepaid wireless services.

In FY 2017-18, the final expense budget increased by $17,256 in comparison to the original expense budget. The increase is driven by the following items: $3,855 for budget carryovers, $1,151 for salaried and hourly cost of living adjustments, $477 for firefighter recruit academy, $389 for Police and Fire's portion of the costs resulting from La Tuna Canyon Fire, $143 for downtown holiday trolley service, $330 for a ballot measure amending the City Charter relating to the date of the general municipal election, $270 for Police department to replace nine dispatch consoles, $489 to replace various Fire equipments and $9,000 transfer of General Fund to the Capital Improvement Fund to fund for the following projects: 1) Fremont Park Renovation and Design; 2) Central Park Block Project; 3) Maryland Street and Alley Improvements; 4) Purchase of Maryland Rental Units.

Compared to the FY 2017-18 final General Fund expense budget, the actual expenditures were underspent by $13,507. The variance is mainly due to salaries & benefits savings in the amount of $6,477 as a result of vacancies, expenditures for contractual services throughout various departments in the amount of $3,177, and capital outlay items in the amount of $1,272, which were not completed by the end of the fiscal year. Although much of the vacant positions have been eliminated in the General Fund, vacancies still exist across almost every department as a result of employee turnovers. Some of the major outstanding items or projects that contributed to the variance were the Laemmle project in the amount of $1,100 and the Central Block project in the amount of $238 under Economic Development, and the Central Library's radio frequency identification equipment in the amount of $97. The General Fund transfer was overspent by $101 due to the 1.75% transfer of sales tax revenue to the Capital Improvement Fund coming in higher than anticipated.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2018, amounts to $1,600,571 (net of $878,464 accumulated depreciation, $11,025 accumulated gas depletion and $49,526 accumulated amortization). This investment in capital assets includes land, natural gas reserve, buildings and improvements, machinery and equipment, infrastructure, intangible assets, and construction in progress. The total decrease in the City's investment in capital assets for the current fiscal year was 0.7%; this represents a 0.2% increase for governmental activities and a 2.1% decrease for business-type activities.

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

- In FY 2017-18, the City purchased 4 Dial a Ride vans and 2 Dial a Ride buses in the amount of $516, 2 Pierce Fire Engines in the amount of $1,379 and 2 Fire ambulances in the amount of $401.

- The following projects contributed to the increase in the capital and intangible assets in the Sewer Fund: $2,901 for Los Angeles-Glendale Water Reclamation Plant, $3,016 for Hyperion Wastewater System and $5,136 for Chevy Chase Sewer Diversion. The City is upgrading the Los Angeles – Glendale Water Reclamation Plant and Hyperion Wastewater Treatment Plant and Conveyance System Facilities to meet federal and state mandates. The Chevy Chase Sewer Diversion project is for constructing approximately 4,300 linear feet of gravity sewer pipeline.

- Electric Fund increased in capital assets is mostly driven by capital improvement projects such as $3,653 repowering of new gas units in Grayson Power Plant and $422 to replace the catalyst in Unit 9.

- The following capital improvement projects contributing to the capital assets increased in Water Fund: $935 for extension of the recycled water mains to Hoover High School, Eleanor Toll Middle School and Mark Keppel Elementary School. $902 for improvement of site and slope at various water facilities in order to insure the safety of GWP staff when accessing the facilities and to protect the facilities and adjacent properties for road and slope failures.

- The timely reviewing and closing of capital improvement projects resulted in a higher depreciation expense.

City of Glendale's Capital Assets

		Governmental Activities		Business-type Activities		Total	
		2018	2017	2018	2017	2018	2017
Land	$	421,820	421,748	9,557	9,557	431,377	431,305
Natural gas reserve		-	-	22,150	22,149	22,150	22,149
Buildings and improvements		413,513	400,720	276,064	271,976	689,577	672,696
Machinery and equipment		127,426	134,686	583,019	562,591	710,445	697,277
Infrastructure		325,498	324,734	156,433	152,130	481,931	476,864
Construction in progress		36,617	48,882	60,827	76,681	97,444	125,563
Intangible assets		1,001	-	105,661	102,644	106,662	102,644
Total capital assets		1,325,875	1,330,770	1,213,711	1,197,728	2,539,586	2,528,498
Less: Accumulated depreciation		(367,014)	(374,224)	(511,450)	(486,024)	(878,464)	(860,248)
Less: Accumulated gas depletion		-	-	(11,025)	(9,854)	(11,025)	(9,854)
Less: Accumulated amortization		(30)	-	(49,496)	(46,371)	(49,526)	(46,371)
Net of depreciation, depletion, and amortization	$	958,831	956,546	641,740	655,479	1,600,571	1,612,025

Additional information on the City's capital assets can be found in Note 6 on pages 68-69.

Long-term debt and liabilities. The City's total debt and liabilities decreased by $4,951 (1.2%) in FY 2017-18. The decrease was mainly due to a combination of items such as an increase of claims payable of $1,874; an increase of compensated absences of $1,530; and an increase of landfill postclosure care of $1,553; as well as decreases in other debt through regular annual debt retirements.

City of Glendale's Debt and Liabilities

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Claims payable	$ 53,268	51,394	-	-	53,268	51,394
Compensated absences	22,584	21,395	6,450	6,109	29,034	27,504
Landfill postclosure care	48,612	47,059	-	-	48,612	47,059
Certificates of Participation (COPs)	31,880	33,785	-	-	31,880	33,785
Other long-term liabilities:						
Capital Lease-Fire equipment lease 2009 – Wells Fargo	-	262	-	-	-	262
2011 HUD Section 108 loan	908	1,111	-	-	908	1,111
Loans payable	594	-	-	-	594	-
Total other long-term liabilities	1,502	1,373	-	-	1,502	1,373
Bonds payable:						
Electric Revenue Bonds, 2008 series	-	-	-	1,880	-	1,880
Electric Revenue Bonds, 2013 refunding series	-	-	21,403	22,539	21,403	22,539
Electric Revenue Bonds, 2013 series	-	-	60,020	61,307	60,020	61,307
Electric Revenue Bonds, 2016 refunding series	-	-	85,127	87,085	85,127	87,085
Water Revenue Bonds, 2008 series	-	-	43,655	45,089	43,655	45,089
Water Revenue Bonds, 2012 series	-	-	35,096	35,533	35,096	35,533
Total bonds payable	-	-	245,301	253,433	245,301	253,433
Total long-term debt and liabilities	$ 157,846	155,006	251,751	259,542	409,597	414,548

Credit ratings

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

The City's bond ratings as of June 30, 2018 are as follows:

Debt Issue	Moody's	Standard & Poor's (S & P)	Fitch Ratings'
Issuer credit rating (Implied General Obligation)	Aa2	AA+	AA+
Certificates of Participation (COPs)	Aa3	-	AA
Electric revenue bonds, 2013 refunding series	Aa3	AA-	A+
Electric revenue bonds, 2013 series	Aa3	AA-	A+
Electric revenue bonds, 2016 refunding series	-	AA-	A+
Water revenue bonds, 2008 series	A1	A+	A+
Water revenue bonds, 2012 series	A1	A+	A+

Electric revenue bonds, 2008 series were fully redeemed on February 1, 2018.

Legal Debt Margins

Under the City Charter, the total bonded debt of the city shall at no time exceed 15% of the net assessed value of all real and personal property within the City limits ("debt limit"). General obligation debt is debt secured by the City's property tax revenues. As of June 30, 2018, the City's net assessed value of taxable property was $24.2 billion and has no general obligation debt.

Debt Administration

Finance works to ensure that the City meets its debt administration obligations to:

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

Continuing Disclosure

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

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

As of June 30, 2018, the City had 5 series of bonds subject to Continuing Disclosure requirements. The City prepares the Continuing Disclosure (financial and operating information) for its 5 series bonds and engaged a dissemination agent, the Trustee to disseminate such disclosures. These disclosures are disseminated through the use of Electronic Municipal Market Access ("EMMA"), the Municipal Securities Rulemaking Board's ("MSRB") disclosure website. Timely and accurate communication with the municipal marketplace is vital in retaining the City's creditworthiness and market access. Continuing Disclosure and compliance reporting constitute a significant part of Debt Management's compliance activity for the life of each series of bonds.

Additional information on the City's long-term debt can be found in Note 8 on pages 70-75 of this report.

Economic Factors and Next Year's Budget and Rates

Over the upcoming years, the U.S. economy is expected to remain on a fairly steady growth, and with continued job advancement and low unemployment rates, consumer spending is expected to stay on an upward trail for FY 2018-19. With the recent tax overhaul, and assuming that consumers indeed see increased annual after-tax earnings, personal consumption expenditures are expected to grow by 1.8% during 2018, a slight drop from the 2.7% growth of 2017. Combined with concerns surrounding political uncertainty, and at the same time, optimism for a healthy and growing economy, economists project a 2.3% growth in GDP for 2018, slightly down from a 2.4% increase in 2017.

California remains the largest economy when compared to any other state in the U.S. (14.1% of total U.S. GDP) and it is forecasted to grow an additional 2.7% during 2018, which is faster than the nation's projected growth of 2.3%. However, even with the stable growth in GDP, California's economy has slowed down from the years of 2014 and 2015 when the growth rate was close to 4.0%. Over the duration of 2017, almost all major industry sectors in California have increased in number of jobs. At the forefront of private sector job growth are the healthcare, hospitality, and construction industries. For the manufacturing and natural resources industries, although the sectors continue to shed jobs annually, they are expected to stabilize and add jobs in the upcoming years. In consideration to these assumptions, California's unemployment rate is expected to continue its gradual decline from 4.8% in 2017 to 4.4% in 2018. With continued improvements in the labor market, personal income should increase by 2.9% with persistent growth forecasted for 2018.

More locally, Los Angeles County is expected to experience further improvements to its unemployment rate, dropping from 4.6% in 2017 to 4.3% in 2018. It is forecasted that all industry sectors will be adding jobs over the upcoming two years with the strongest in the private sector being the healthcare, hospitality, Administrative, Construction, and Retail Trade. With this, total personal income across the county is expected to increase by 2.9% in 2018, slightly down from 3.8% in 2017. As for the housing market, the median home price in Los Angeles County has experienced an increase of 8.0% in 2017 and is forecasted to see an additional increase of 5.6% in 2018.

The City's FY 2018-19 Budget incorporates the policy direction of the City Council for services and programs to address the needs of the community, which is structurally balanced with projected resources available to support all projected expenditures. The total budget for FY 2018-19 is $887,300 and includes all City funds, departments and programs.

The General Fund's budget is $227,800 from which the City pays for services commonly associated with local government: police and fire services, libraries, parks, public works, and administration. FY 2018-19 General Fund budget reflects an anticipated surplus of $1,600. This is a vast improvement relative to FY 2017-18 when the City adopted with a budget gap of $629.

The FY 2018-19 General Fund adopted budget reflects an increase of $12,700, when compared to FY 2017-18 adopted budget. The increase in the Salaries & Benefits category included $2,150 for program and service level adjustments in personnel costs that were added across multiple General Fund departments, and $1,800 for Worker's Compensation which is mainly due to an increase in the safety internal service fund rates. The increase in Salaries & Benefits is also the result of a budgeted $6,300 increase in PERS costs (net of employee cost sharing). CalPERS' sustained significant investment losses during the Great Recession, the impacts of which continue to reverberate through just about every government agency in the state. Hence, Glendale is not alone in seeing higher employer costs from CalPERS due to the City's obligation to pick up the partial tab for those investment losses and CalPERS' low returns in subsequent years. Due to the recent adoption of more conservative actuarial and investment policies by the CalPERS Board (e.g. lowering their anticipated rate of return and extending the life expectancy of annuitants), the City has been advised by our outside actuary to continue to expect increases to our annual costs going forward. These risk mitigation policies will eventually rebuild the CalPERS fund and lower the burden on local governments that have committed to provide reasonable retirements for their employees.

With rising PERS costs, the City Council took a proactive step to address the matter by voting to establish a Pension Rate Stabilization Trust (i.e. a Section 115 Trust) at the time of the FY 2017-18 budget adoption, and approved for a deposit of funding in July 2017. Glendale joined a group of more than 80 public agencies across the state to have adopted this rate-stabilization strategy. Since the establishment of the trust, City Council has authorized the deposit of $26,500 of one-time surplus revenues. This decision demonstrates the City Council's intent to keep rising PERS costs at a containable level—ideally below 20% of the Adopted General Fund Budget. City staff is actively assessing other strategies to address the trend in rising PERS costs and will work to implement more solutions in the coming years.

For FY 2018-19, the Adopted Budget for the Special Revenue Funds reflects an increase of $12,600 when compared to the FY 2017-18 Adopted Budget. The most notable of these increases include $5,500 in the Housing Assistance Fund due to an increase in anticipated revenue to be received, and a $2,800 increase to support transit projects funded by the Measure R Sub-regional Return Fund.

As for the City's Capital Improvement Program Funds, there is an increase of $12,400 compared to FY 2017-18 primarily due to the increase in the General Fund's support of the City's Capital Improvement Program in the amount of $10,200. The majority of this funding is from one-time sales tax money that was received through an audit performed by the State of California. Some of the major and exciting projects that are in store for the City of Glendale includes the design and enhancement of the Artsakh Paseo and Alley, the renovation of Fremont Park, and the master design of the Central Park block.

For the Internal Service Funds, there is a net increase of $6,500 compared to FY 2017-18. The major increases are attributable to a $2,000 increase in the Fleet/Equipment Management Fund due to requests for more capital outlay, vehicle maintenance and equipment, and a $4,900 increase in the ISD Infrastructure Fund due to an increase in project appropriation. Aging technology infrastructure supported by the ISD Funds and the need to fund future replacement of vehicles in the Fleet/Equipment Replacement Fund continue to pose financial challenges that need to be addressed in the coming years.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Director of Finance, 141 North Glendale Avenue, Suite 346, Glendale, CA 91206.

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Exhibit A-1
CITY OF GLENDALE
Statement of Net Position
June 30, 2018 (in thousands)

		Governmental Activities	Business-type Activities	Total
Assets and deferred outflows of resources				
Current assets:				
Pooled cash and investments	$	402,337	202,716	605,053
Cash and investments with fiscal agent		52	8,648	8,700
Investment-gas/electric commodity		-	1,500	1,500
Interest receivable		1,933	1,441	3,374
Accounts receivable, net		33,210	39,167	72,377
Internal balances		(800)	800	-
Inventories		396	6,955	7,351
Prepaid items		4,489	11,460	15,949
Total current assets		441,617	272,687	714,304
Noncurrent assets:				
Capital assets, net of depreciation:				
Land		421,820	9,557	431,377
Natural gas reserve		-	11,125	11,125
Buildings and improvements		243,760	171,012	414,772
Machinery and equipment		39,979	232,300	272,279
Infrastructure		215,684	100,754	316,438
Construction in progress		36,617	60,827	97,444
Intangible		971	56,165	57,136
Total capital assets		958,831	641,740	1,600,571
Designated cash and investments		-	135,400	135,400
Restricted cash and investments		59,455	5,669	65,124
Loans receivable		30,495	-	30,495
Property held for resale		981	-	981
Total noncurrent assets		1,049,762	782,809	1,832,571
Total assets		1,491,379	1,055,496	2,546,875
Deferred outflows of resources:				
Deferred outflows related to pensions		113,907	28,027	141,934
Loss on refunding		-	4,571	4,571
Deferred outflows related to OPEB		507	-	507
Total deferred outflows of resources		114,414	32,598	147,012
Total assets and deferred outflows of resources	$	1,605,793	1,088,094	2,693,887

(Continued)

Exhibit A-1
CITY OF GLENDALE
Statement of Net Position
June 30, 2018 (in thousands)

		Governmental Activities	Business-type Activities	Total
Liabilities, deferred inflows of resources and net position				
Current liabilities:				
Accounts payable	$	18,401	18,476	36,877
Accrued wages and withholding		9,675	3,424	13,099
Interest payable		101	4,364	4,465
Claims payable		14,369	-	14,369
Compensated absences		2,433	704	3,137
Certificates of participation		1,985	-	1,985
Bonds payable		-	8,068	8,068
Unearned revenues		580	-	580
Deposits		6,806	5,024	11,830
Other liabilities		806	-	806
Total current liabilities		55,156	40,060	95,216
Noncurrent liabilities:				
Claims payable		38,899	-	38,899
OPEB liability		15,738	-	15,738
Compensated absences		20,151	5,746	25,897
Landfill postclosure		48,612	-	48,612
Net pension liability		474,784	105,391	580,175
Certificates of participation		29,895	-	29,895
Bonds payable		-	237,233	237,233
Other liabilities		696	-	696
Total noncurrent liabilities		628,775	348,370	977,145
Total liabilities		683,931	388,430	1,072,361
Deferred inflows of resources:				
Deferred inflows related to pensions		20,363	4,491	24,854
Deferred inflows related to OPEB		1,593	-	1,593
Total deferred inflows of resources		21,956	4,491	26,447
Total liabilities and deferred inflows of resources		705,887	392,921	1,098,808
Net position:				
Net investment in capital assets		926,357	401,010	1,327,367
Restricted				
City Charter - Sec. 15 general reserve		28,115	-	28,115
Pension stabilization		27,605	-	27,605
Federal and state grants		6,854	-	6,854
Public safety		2,594	-	2,594
Youth employment		44	-	44
Transportation		30,324	-	30,324
Landscaping district		207	-	207
Low and moderate housing		20,459	-	20,459
Air quality improvement		518	-	518
SCAQMD emission controls		-	5,669	5,669
Cable access		3,401	-	3,401
Electric public benefit AB1890		5,146	-	5,146
State gas tax mandates		4,405	-	4,405
Capital projects		38,884	-	38,884
Unrestricted		(195,007)	288,494	93,487
Total net position	$	899,906	695,173	1,595,079

See accompanying notes to basic financial statements

Exhibit A-2
CITY OF GLENDALE
Statement of Activities
Fiscal Year Ended June 30, 2018 (in thousands)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	$ 33,037	20,810	36	180	(12,011)	-	(12,011)
Police	92,679	1,487	1,755	328	(89,109)	-	(89,109)
Fire	67,285	9,672	1,982	35	(55,596)	-	(55,596)
Public works	30,072	29,117	1,072	8,453	8,570	-	8,570
Transportation	13,196	7,115	8,313	-	2,232	-	2,232
Housing, health and community development	44,349	177	37,893	46	(6,233)	-	(6,233)
Employment programs	5,848	1,691	3,894	225	(38)	-	(38)
Public service	5,999	-	-	-	(5,999)	-	(5,999)
Parks, recreation and community services	19,697	3,285	335	113	(15,964)	-	(15,964)
Library	12,485	138	168	67	(12,112)	-	(12,112)
Interest and fiscal charges	2,139	-	-	-	(2,139)	-	(2,139)
Total governmental activities	326,786	73,492	55,448	9,447	(188,399)	-	(188,399)
Business-type activities:							
Fire communications	4,126	3,984	3	-	-	(139)	(139)
Sewer	20,383	13,806	-	-	-	(6,577)	(6,577)
Refuse disposal	20,844	22,417	69	-	-	1,642	1,642
Electric	188,573	218,842	-	-	-	30,269	30,269
Water	48,458	50,771	-	12	-	2,325	2,325
Total business-type activities	282,384	309,820	72	12	-	27,520	27,520
Total primary government	$ 609,170	383,312	55,520	9,459	(188,399)	27,520	(160,879)

General revenues:			
Taxes:			
Property taxes	$ 58,445	-	58,445
Sales taxes	62,158	-	62,158
Utility users tax	27,805	-	27,805
Other taxes	21,784	-	21,784
Investment income	1,815	1,315	3,130
Other	15,748	9,693	25,441
Reinstatement of loans	328	-	328
Transfers	21,312	(21,312)	-
Special item:			
Transfer of capital assets from Successor Agency	2,744	-	2,744
Total general revenues, transfers and special item	212,139	(10,304)	201,835
Change in net position	23,740	17,216	40,956
Net position, July 1, as restated	876,166	677,957	1,554,123
Net position, June 30	$ 899,906	695,173	1,595,079

See accompanying notes to basic financial statements

Exhibit B-1
CITY OF GLENDALE
Balance Sheet
Governmental Funds
June 30, 2018 (in thousands)

		Major Funds			
		General Fund	Housing Assistance Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Pooled cash and investments	$	78,002	3,194	22,704	169,859	273,759
Cash and investments with fiscal agent		-	-	-	52	52
Restricted cash and investments		27,605	-	-	31,850	59,455
Interest receivable		454	12	-	680	1,146
Accounts receivable, net		14,833	193	1,834	13,077	29,937
Due from other funds		5,493	-	-	-	5,493
Inventories		189	-	-	-	189
Prepaid items		116	2,498	-	47	2,661
Loans receivable		23,271	-	-	-	23,271
Property held for resale		-	-	-	981	981
Total assets		149,963	5,897	24,538	216,546	396,944
Liabilities, deferred inflows of resources and fund balances						
Liabilities:						
Accounts payable		5,597	91	595	7,533	13,816
Due to other funds		-	-	-	5,278	5,278
Loans payable		-	-	-	594	594
Interest payable		-	-	-	92	92
Wages and benefits payable		7,441	127	26	1,068	8,662
Unearned revenues		-	-	-	580	580
Deposits		6,584	-	-	222	6,806
Total liabilities		19,622	218	621	15,367	35,828
Deferred inflows of resources:						
Unavailable revenues		23,271	125	-	5,872	29,268
Total liabilities and deferred inflows of resources	$	42,893	343	621	21,239	65,096

(Continued)

Exhibit B-1
CITY OF GLENDALE
Balance Sheet
Governmental Funds
June 30, 2018 (in thousands)

	Major Funds				
	General Fund	Housing Assistance Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	$ 189	-	-	-	189
Prepaid	116	2,498	-	47	2,661
Restricted for:					
Property held for resale	-	-	-	981	981
City Charter - Sec. 15 general reserve	28,115	-	-	-	28,115
Pension stabilization	27,605	-	-	-	27,605
Federal and state grants	-	3,056	-	3,798	6,854
Public safety	-	-	-	2,594	2,594
Youth employment	-	-	-	44	44
Transportation	-	-	-	30,324	30,324
Landscaping district	-	-	-	207	207
Low and moderate housing	-	-	-	12,254	12,254
Air quality improvement	-	-	-	518	518
Cable access	-	-	-	3,401	3,401
Electric public benefit AB1890	-	-	-	5,146	5,146
State gas tax mandates	-	-	-	4,405	4,405
Landfill postclosure	-	-	-	31,850	31,850
Capital projects	-	-	-	38,884	38,884
Committed to:					
Debt service	-	-	-	16,429	16,429
Urban art	-	-	-	6,974	6,974
Public safety	-	-	-	333	333
Impact fee funded projects	-	-	-	24,565	24,565
Capital projects	-	-	23,917	-	23,917
Filming	-	-	-	945	945
Recreation	-	-	-	3,775	3,775
Hazardous Materials	-	-	-	2,885	2,885
Parking	-	-	-	9,638	9,638
Assigned to:					
Economic development	3,530	-	-	-	3,530
Capital projects	97	-	-	-	97
Unassigned:	47,418	-	-	(4,690)	42,728
Total fund balances	107,070	5,554	23,917	195,307	331,848
Total liabilities, deferred inflows of resources and fund balances	$ 149,963	5,897	24,538	216,546	396,944

See accompanying notes to basic financial statements

Exhibit B-2
CITY OF GLENDALE
Reconciliation of Balance Sheet of
Governmental Funds to the Statement of Net Position
June 30, 2018 (in thousands)

Fund balances of governmental funds		$ 331,848
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets are not included as financial resources in the governmental funds:		
Land	$ 421,820	
Buildings and improvements	243,588	
Equipment	17,077	
Infrastructure	215,684	
Intangible	584	
Construction in progress	29,110	927,863
Long-term debt not included in the governmental funds:		
Due within one year:		
Certificates of participation	(1,985)	
2011 HUD Section 108 loan	(212)	(2,197)
Due more than one year:		
Certificates of participation	(29,895)	
Landfill postclosure	(48,612)	
2011 HUD Section 108 loan	(696)	(79,203)
Accrued interest payable for the current portion of interest due is not included in the governmental funds:		
2011 HUD Section 108 loan		(8)
Unavailable revenue in the governmental funds is revenue in the statement of activities		29,268
Loans receivable housing long term - non-forgiven portion		7,224
Deferred outflows of resources related to pensions		113,907
Deferred inflows of resources related to pensions		(20,363)
Net pension liability		(474,784)
Deferred outflows of resources related to OPEB		507
Deferred inflows of resources related to OPEB		(1,593)
OPEB liability		(15,738)
Internal service funds are used to charge the cost of certain activities to individual funds, such as self insurance, and post employment benefits. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position:		
Other improvements, net	172	
Equipment, net	22,901	
Intangibles, net	388	
Construction in progress	7,508	
Other assets and liabilities, net	52,206	83,175
Net position of governmental activities		$ 899,906

Exhibit C-1

CITY OF GLENDALE

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Fiscal Year Ended June 30, 2018 (in thousands)

	Major Funds				
	General Fund	Housing Assistance Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 58,445	-	-	-	58,445
Sales tax	57,703	-	-	4,455	62,158
Utility users tax	27,805	-	-	-	27,805
Other taxes	14,660	-	-	7,124	21,784
Revenue from other agencies	694	31,954	-	37,656	70,304
Licenses and permits	10,914	-	-	2,826	13,740
Fines and forfeitures	2,548	-	-	2,752	5,300
Charges for services	10,575	-	6,543	22,844	39,962
Use of money and property	9,126	51	-	989	10,166
Interfund revenue	17,410	-	-	-	17,410
Miscellaneous revenue	1,801	29	-	2,494	4,324
Total revenues	211,681	32,034	6,543	81,140	331,398
Expenditures:					
Current:					
General government	28,282	-	-	584	28,866
Police	80,531	-	-	2,042	82,573
Fire	56,976	-	60	3,140	60,176
Public works	13,849	-	986	8,709	23,544
Transportation	-	-	-	14,271	14,271
Housing, health and community development	3,910	31,569	-	5,500	40,979
Employment programs	-	-	-	5,680	5,680
Public service	-	-	-	5,951	5,951
Parks, recreation and community services	12,348	-	156	4,139	16,643
Library	10,161	-	58	1,010	11,229
Capital outlay	669	-	2,975	12,546	16,190
Debt service:					
Interest	-	-	-	583	583
Principal	-	-	-	2,108	2,108
Total expenditures	206,726	31,569	4,235	66,263	308,793
Excess of revenues over expenditures	4,955	465	2,308	14,877	22,605
Other financing sources (uses):					
Transfers in	21,312	-	10,204	3,862	35,378
Transfers out	(12,066)	-	(2,000)	-	(14,066)
Total other financing sources (uses)	9,246	-	8,204	3,862	21,312
Net change in fund balances	14,201	465	10,512	18,739	43,917
Fund balances, July 1	92,869	5,089	13,405	176,568	287,931
Fund balances, June 30	$ 107,070	5,554	23,917	195,307	331,848

See accompanying notes to basic financial statements

Exhibit C-2

CITY OF GLENDALE

Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Fiscal Year Ended June 30, 2018 (in thousands)

Net change in fund balances - total governmental funds		$ 43,917
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures		18,464
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation and amortization expenses		(20,751)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:		
Certificates of participation	$ 1,905	
2011 HUD Section 108	203	2,108
Landfill postclosure care liability increased from prior year		(1,553)
Unavailable revenue in the governmental funds are recognized as revenues in the statement of activities		(370)
Governmental funds report OPEB benefits paid to retirees as expenditures. However, in the statement of activities, OPEB expense is measured as the change in total OPEB liability and the amortization of deferred outflows and inflows related to OPEB. This amount represents the net change in OPEB related amounts		154
Governmental funds report pension contributions as expenditures. However, in the statement of activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the net change in pension related amounts		(20,623)
Accrued interest 2011 Section 108 loan		(1)
Reinstatement of loans from former Redevelopment Agency to the City		328
Payment of loans from former Redevelopment Agency to the City		(4,885)
Transfer of capital assets from Successor Agency		2,744
Change in net position of internal service funds allocated to governmental activities:		
Capital assets	2,827	
Depreciation	(1,890)	
Amortization	(9)	
Interest - Fire Equipment Lease 2009	(4)	
Other revenue/(expenses)	3,284	4,208
Change in net postion for governmental activities		$ 23,740

See accompanying notes to basic financial statements

Exhibit D-1
CITY OF GLENDALE
Statement of Revenues and Other Financing Sources - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget Over/(Under)
Property taxes	$	56,229	57,429	58,445	1,016
Sales taxes:					
Sales tax		39,111	40,111	46,801	6,690
Sales tax audit findings		-	9,000	9,000	-
State 1/2% sales tax		1,905	1,905	1,902	(3)
Total		41,016	51,016	57,703	6,687
Utility users tax		30,054	29,354	27,805	(1,549)
Other Taxes:					
Franchise tax		2,800	2,800	2,406	(394)
Occupancy tax		8,059	8,059	6,999	(1,060)
Property transfer tax		1,000	1,100	1,251	151
Landfill host assessment		3,000	3,500	4,004	504
Total		14,859	15,459	14,660	(799)
Licenses and permits:					
Dog licenses		150	150	170	20
Building permits		5,700	5,700	6,330	630
Green building initiative SB 1473		-	-	1	1
American Disability Act SB 1186		-	-	11	11
Plan check fees		400	400	443	43
Planning permits		1,470	1,600	1,923	323
Grading permits		102	102	125	23
Street permits		1,000	1,000	1,109	109
Business license permits		575	575	628	53
Business registration license		200	200	174	(26)
Total		9,597	9,727	10,914	1,187
Fines and forfeitures-traffic safety fines		2,622	2,522	2,548	26
Use of money and property:					
Interest and investment revenue		1,020	1,020	2,474	1,454
Interest and investment GASB 31		-	-	(1,242)	(1,242)
Landfill gas royalties		2,475	2,475	2,473	(2)
Rental income		550	550	536	(14)
Loan repayment		4,885	4,885	4,885	-
Total		8,930	8,930	9,126	196
Revenue from other agencies:					
State grants		12	12	-	(12)
State SB 90		100	100	130	30
Motor vehicle in lieu fee		-	-	106	106
Special fire revenue		-	-	376	376
Local grants		-	50	82	32
Total	$	112	162	694	532

(Continued)

Exhibit D-1

CITY OF GLENDALE

Statement of Revenues and Other Financing Sources - Budget and Actual

General Fund

Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget Over/(Under)
Miscellaneous revenue:					
Donations and contributions	$	-	-	15	15
Sponsorships		45	45	60	15
Advertising revenue		130	130	120	(10)
Miscellaneous revenue		1,281	1,281	1,606	325
Total		1,456	1,456	1,801	345
Charges for services:					
Zoning subdivision fees		200	200	197	(3)
City clerk fees		-	-	1	1
Map and publication fees		90	90	68	(22)
Filing-certification fee		20	20	34	14
Special police fees		800	800	981	181
Vehicle tow admin cost recovery (VTACR)		450	450	444	(6)
Fire fees		1,274	1,274	1,428	154
Emergency medical response		5,150	5,150	5,877	727
Paramedic membership fee		90	90	100	10
Code enforcement fees		40	40	80	40
Administrative citations		40	40	84	44
Outreach revenue		30	30	13	(17)
Express plan check fees		425	425	769	344
Final map checking fees		-	-	3	3
Excavation fees		224	224	229	5
Construction inspection fees		154	154	125	(29)
Collectible jobs		35	35	27	(8)
Library fines and fees		90	90	48	(42)
Program/registration revenue		11	11	10	(1)
Credit/Debit card service fee		100	100	74	(26)
Merchant fee charges		(100)	(100)	(58)	42
Graphics fees		100	100	40	(60)
Total		9,223	9,223	10,575	1,352
Interfund revenue:					
Charges to enterprise funds for:					
Benefits cost recovery		500	-	-	-
Cost allocation revenue		17,600	17,600	17,410	(190)
Total		18,100	17,600	17,410	(190)
Other financing sources:					
Transfers in		21,310	21,310	21,312	2
Total revenues and transfers	$	213,508	224,188	232,993	8,805

See accompanying notes to basic financial statements

Exhibit D-2
CITY OF GLENDALE
Statement of Expenditures and Other
Financing Uses - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Salaries and Benefits			
		Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
General government:					
City clerk	$	700	713	620	93
Elections		43	44	3	41
City treasurer		640	651	642	9
City manager		3,157	3,200	3,004	196
Innovation, performance and audit		1,119	1,131	879	252
Legal		3,400	3,452	3,247	205
Finance		4,004	4,085	3,785	300
Planning		8,316	8,476	8,358	118
Personnel		2,352	2,342	2,046	296
Non-departmental		-	-	-	-
Total		23,731	24,094	22,584	1,510
Police		67,251	67,496	66,043	1,453
Fire		48,423	49,334	47,850	1,484
Public works		6,257	6,415	5,532	883
Housing, health and community development:					
Economic development		1,641	1,669	1,336	333
Community development administration		1,594	1,623	1,295	328
Total		3,235	3,292	2,631	661
Parks, recreation and community services		7,130	7,291	6,981	310
Library		6,602	6,724	6,548	176
Total expenditures and transfers	$	162,629	164,646	158,169	6,477

(Continued)

Exhibit D-2
CITY OF GLENDALE
Statement of Expenditures and Other
Financing Uses - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Maintenance and Operation			
		Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
General government:					
City clerk	$	279	292	160	132
Elections		404	734	230	504
City treasurer		112	187	133	54
City manager		1,219	1,357	1,061	296
Innovation, performance and audit		134	134	70	64
Legal		294	294	229	65
Finance		996	1,146	915	231
Planning		3,034	3,673	2,393	1,280
Personnel		645	695	507	188
Non-departmental		-	-	-	-
Total		7,117	8,512	5,698	2,814
Police		13,370	13,437	14,488	(1,051)
Fire		9,797	10,153	9,126	1,027
Public works		8,643	8,915	8,317	598
Housing, health and community development:					
Economic development		1,387	2,877	992	1,885
Community development administration		201	266	287	(21)
Total		1,588	3,143	1,279	1,864
Parks, recreation and community services		5,259	5,605	5,367	238
Library		3,934	3,982	3,613	369
Total expenditures and transfers	$	49,708	53,747	47,888	5,859

(Continued)

Exhibit D-2
CITY OF GLENDALE
Statement of Expenditures and Other
Financing Uses - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2018 (in thousands)

	Capital Outlay			
	Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
General government:				
City clerk	$ -	-	-	-
Elections	-	-	-	-
City treasurer	-	-	-	-
City manager	-	20	20	-
Innovation, performance and audit	-	-	-	-
Legal	-	-	-	-
Finance	-	-	-	-
Planning	-	-	-	-
Personnel	-	-	-	-
Non-departmental	-	-	-	-
Total	-	20	20	-
Police	-	343	24	319
Fire	126	572	50	522
Public works	-	-	-	-
Housing, health and community development:				
Economic development	-	397	25	372
Community development administration	-	-	-	-
Total	-	397	25	372
Parks, recreation and community services	-	49	48	1
Library	-	560	502	58
Total expenditures and transfers	$ 126	1,941	669	1,272

(Continued)

Exhibit D-2
CITY OF GLENDALE
Statement of Expenditures and Other
Financing Uses - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Transfers			
		Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
General government:					
City clerk	$	-	-	-	-
Elections		-	-	-	-
City treasurer		-	-	-	-
City manager		-	-	-	-
Innovation, performance and audit		-	-	-	-
Legal		-	-	-	-
Finance		-	-	-	-
Planning		-	-	-	-
Personnel		-	-	-	-
Non-departmental		2,580	11,965	12,066	(101)
Total		2,580	11,965	12,066	(101)
Police		-	-	-	-
Fire		-	-	-	-
Public works		-	-	-	-
Housing, health and community development:					
Economic development		-	-	-	-
Community development administration		-	-	-	-
Total		-	-	-	-
Parks, recreation and community services		-	-	-	-
Library		-	-	-	-
Total expenditures and transfers	$	2,580	11,965	12,066	(101)

(Continued)

Exhibit D-2
CITY OF GLENDALE
Statement of Expenditures and Other
Financing Uses - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Total			
		Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
General government:					
City clerk	$	979	1,005	780	225
Elections		447	778	233	545
City treasurer		752	838	775	63
City manager		4,376	4,577	4,085	492
Innovation, performance and audit		1,253	1,265	949	316
Legal		3,694	3,746	3,476	270
Finance		5,000	5,231	4,700	531
Planning		11,350	12,149	10,751	1,398
Personnel		2,997	3,037	2,553	484
Non-departmental		2,580	11,965	12,066	(101)
Total		33,428	44,591	40,368	4,223
Police		80,621	81,276	80,555	721
Fire		58,346	60,059	57,026	3,033
Public works		14,900	15,330	13,849	1,481
Housing, health and community development:					
Economic development		3,028	4,943	2,353	2,590
Community development administration		1,795	1,889	1,582	307
Total		4,823	6,832	3,935	2,897
Parks, recreation and community services		12,389	12,945	12,396	549
Library		10,536	11,266	10,663	603
Total expenditures and transfers	$	215,043	232,299	218,792	13,507

See accompanying notes to basic financial statements

Exhibit D-3
CITY OF GLENDALE
Statement of Revenues - Budget and Actual
Housing Assistance Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget Over/(Under)
Revenues:					
Use of money and property	$	10	10	51	41
Revenue from other agencies		31,868	31,855	31,954	99
Miscellaneous revenue		-	13	29	16
Total revenues	$	31,878	31,878	32,034	156

Exhibit D-4
CITY OF GLENDALE
Statement of Expenditures - Budget and Actual
Housing Assistance Fund
Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
Current:					
Housing, health and community development:					
Salaries and benefits	$	2,658	2,704	2,194	510
Maintenance and operations		29,824	29,894	29,375	519
Capital		30	30	-	30
Total expenditures	$	32,512	32,628	31,569	1,059

Exhibit E-1
CITY OF GLENDALE
Statement of Net Position
Proprietary Funds
June 30, 2018 (in thousands)

	Business-type Activities - Enterprise Funds					
	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets and deferred outflows of resources						
Current assets:						
Pooled cash and investments	$ 30,145	110,464	19,631	42,476	202,716	128,578
Cash with fiscal agent	-	2,080	4,170	-	6,250	-
Investment with fiscal agent	-	2,398	-	-	2,398	-
Interest receivable	120	1,032	117	172	1,441	786
Investment-gas/electric commodity	-	1,500	-	-	1,500	-
Accounts receivable, net	1,988	27,155	7,484	2,540	39,167	3,273
Inventories	-	6,955	-	-	6,955	208
Prepaid items	-	11,460	-	-	11,460	1,829
Total current assets	32,253	163,044	31,402	45,188	271,887	134,674
Noncurrent assets:						
Capital assets:						
Land	578	6,306	1,034	1,639	9,557	-
Natural gas reserve	-	22,150	-	-	22,150	-
Buildings and improvements	140,919	66,187	61,700	7,258	276,064	214
Machinery and equipment	2,099	512,054	45,673	23,193	583,019	53,302
Infrastructure	-	-	156,433	-	156,433	-
Intangible	105,661	-	-	-	105,661	417
Accumulated depreciation	(40,770)	(355,618)	(92,187)	(22,875)	(511,450)	(30,443)
Accumulated natural gas depletion	-	(11,025)	-	-	(11,025)	-
Accumulated amortization	(49,496)	-	-	-	(49,496)	(29)
Construction in progress	24,493	25,978	9,577	779	60,827	7,508
Total capital assets	183,484	266,032	182,230	9,994	641,740	30,969
Designated cash and investments	-	124,100	11,300	-	135,400	-
Restricted cash and investments	-	5,669	-	-	5,669	-
Total non-current assets	183,484	395,801	193,530	9,994	782,809	30,969
Total assets	215,737	558,845	224,932	55,182	1,054,696	165,643
Deferred outflows of resources:						
Deferred outflows related to pensions	1,608	16,281	5,328	4,810	28,027	-
Loss on refunding	-	4,571	-	-	4,571	-
Total assets and deferred outflows of resources	$ 217,345	579,697	230,260	59,992	1,087,294	165,643

(Continued)

See accompanying notes to basic financial statements

Exhibit E-1
CITY OF GLENDALE
Statement of Net Position
Proprietary Funds
June 30, 2018 (in thousands)

	Business-type Activities - Enterprise Funds					
	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Liabilities, deferred inflows of resources and net position						
Current liabilities:						
Accounts payable	$ 6,117	7,794	3,693	872	18,476	4,589
Wages and benefits payable	168	2,008	594	654	3,424	1,012
Due to other funds	-	-	-	-	-	215
Interest payable	-	3,004	1,360	-	4,364	-
Claims payable	-	-	-	-	-	14,369
Compensated absences	-	-	-	-	-	3,137
Bonds payable	-	6,126	1,942	-	8,068	-
Deposits	339	3,121	1,137	427	5,024	-
Total current liabilities	6,624	22,053	8,726	1,953	39,356	23,322
Noncurrent liabilities:						
Claims payable	-	-	-	-	-	38,899
Compensated absences	-	-	-	-	-	25,897
Bonds payable	-	160,424	76,809	-	237,233	-
Net pension liability	5,805	62,837	18,600	18,149	105,391	-
Total noncurrent liabilities	5,805	223,261	95,409	18,149	342,624	64,796
Total liabilities	12,429	245,314	104,135	20,102	381,980	88,118
Deferred inflows of resources:						
Deferred inflows related to pensions	243	2,596	850	802	4,491	-
Total liabilities and deferred inflows of resources	12,672	247,910	104,985	20,904	386,471	88,118
Net position:						
Net Investment in capital assets	183,484	104,053	103,479	9,994	401,010	30,969
Restricted						
SCAQMD emission controls	-	5,669	-	-	5,669	-
Unrestricted	21,189	222,065	21,796	29,094	294,144	46,556
Total net position	$ 204,673	331,787	125,275	39,088	700,823	77,525

Some amounts reported for business-type activities in the statement of net position are different because the net adjustment pertains to items on the statement of net position of certain internal service funds reported with business-type activities.	(5,650)
Total net position of business-type activities	$ 695,173

See accompanying notes to basic financial statements

Exhibit E-2
CITY OF GLENDALE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Business-type Activities - Enterprise Funds					
	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues:						
Charges for services	$ 13,806	218,842	50,771	26,401	309,820	96,278
Miscellaneous revenue	159	6,566	2,428	478	9,631	1,829
Total operating revenue	13,965	225,408	53,199	26,879	319,451	98,107
Operating expenses:						
Maintenance and operation	14,425	157,718	39,820	23,609	235,572	36,776
Claims and settlement	-	-	-	-	-	50,884
Equipment Purchased	-	-	-	-	-	1,564
Depreciation	3,025	24,947	5,856	1,601	35,429	3,726
Gas depletion	-	1,171	-	-	1,171	-
Amortization	3,125	-	-	-	3,125	18
Total operating expenses	20,575	183,836	45,676	25,210	275,297	92,968
Operating income (loss)	(6,610)	41,572	7,523	1,669	44,154	5,139
Non operating revenues (expenses):						
Use of money and property	122	925	161	176	1,384	650
Intergovernmental grants	-	-	-	72	72	1,001
Interest expense	-	(6,452)	(3,218)	-	(9,670)	(6)
Total non operating revenues (expenses)	122	(5,527)	(3,057)	248	(8,214)	1,645
Income before capital grants and contributions and transfers	(6,488)	36,045	4,466	1,917	35,940	6,784
Capital grants and contributions	-	-	12	-	12	-
Transfers out	-	(20,162)	-	(1,150)	(21,312)	-
Change in net position	(6,488)	15,883	4,478	767	14,640	6,784
Net position, July 1	211,161	315,904	120,797	38,321		70,741
Net position, June 30	$ 204,673	331,787	125,275	39,088		77,525

Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds are reported with business-type activities.	2,576
Changes in net position of business-type activities	$ 17,216

See accompanying notes to basic financial statements

Exhibit E-3
CITY OF GLENDALE
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2018 (in thousands)

	Business-type Activities - Enterprise Funds					
	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:						
Cash from customers	$ 13,909	227,613	53,351	26,991	321,864	97,723
Cash paid to employees	(3,390)	(31,793)	(9,189)	(10,336)	(54,708)	(21,464)
Cash paid to suppliers	(7,005)	(129,773)	(29,590)	(12,284)	(178,652)	(63,754)
Net cash provided by operating activities	3,514	66,047	14,572	4,371	88,504	12,505
Cash flows from noncapital financing activities:						
Amounts received from other funds	582	-	-	-	582	-
Amounts paid to other funds	-	-	-	-	-	(367)
Transfers out	-	(20,162)	-	(1,150)	(21,312)	-
Operating grants received	-	-	-	72	72	1,001
Loan payments received	-	-	-	78	78	-
Net cash provided (used) by noncapital financing activities	582	(20,162)	-	(1,000)	(20,580)	634
Cash flows from capital and related financing activities:						
Interest on long-term debt	-	(6,551)	(3,247)	-	(9,798)	(22)
Principal payments and premiums	-	(6,262)	(1,870)	-	(8,132)	-
Payments on capital lease	-	-	-	-	-	(262)
Capital grants received	-	-	12	-	12	-
Acquisition of property, plant, gas reserves and equipment	(11,216)	(8,825)	(4,471)	(1,474)	(25,986)	(5,576)
Net cash (used) by capital and related financing activities	(11,216)	(21,638)	(9,576)	(1,474)	(43,904)	(5,860)
Cash flows from investing activities:						
Investment - gas/electric commodity	-	(5)	-	-	(5)	-
Interest received	148	581	101	131	961	500
Net cash provided by investing activities	148	576	101	131	956	500
Net increase (decrease) in cash and cash equivalents	(6,972)	24,823	5,097	2,028	24,976	7,779
Cash and cash equivalents at July 1	37,117	217,490	30,004	40,448	325,059	120,799
Cash and cash equivalents at June 30	$ 30,145	242,313	35,101	42,476	350,035	128,578

(Continued)

See accompanying notes to basic financial statements

Exhibit E-3
CITY OF GLENDALE
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2018 (in thousands)

		Business-type Activities - Enterprise Funds					
		Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	$	(6,610)	41,572	7,523	1,669	44,154	5,139
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation		3,025	24,947	5,856	1,601	35,429	3,726
Gas depletion		-	1,171	-	-	1,171	-
Amortization		3,125	-	-	-	3,125	18
Pension expense		132	2,545	1,033	1,000	4,710	-
(Increase) Decrease Accounts receivable net		(56)	2,205	152	112	2,413	(384)
(Increase) Inventories		-	(1,285)	-	-	(1,285)	(16)
(Increase) Decrease Prepaid expenses		-	(2,546)	-	-	(2,546)	46
Decrease Deferred charges		-	236	-	-	236	-
Increase (Decrease) Accrued wages payable		(17)	58	179	15	235	(270)
Increase Compensated absences		-	-	-	-	-	1,530
Increase (Decrease) Accounts payable		3,866	(2,549)	(251)	(90)	976	842
Increase (Decrease) Deposits		49	(307)	80	64	(114)	-
Increase Claims payable		-	-	-	-	-	1,874
Total adjustments		10,124	24,475	7,049	2,702	44,350	7,366
Net cash provided by operating activities	$	3,514	66,047	14,572	4,371	88,504	12,505
Noncash investing, capital, and financing activities:							
Decrease in fair value of investments	$	(392)	(3,379)	(383)	(566)	(4,720)	(1,736)
Reconciliation of Statement of Cash Flows to Statement of Net Position:						-	
Pooled cash and investments	$	30,145	110,464	19,631	42,476	202,716	128,578
Cash with fiscal agent		-	2,080	4,170	-	6,250	-
Designated cash and investments		-	124,100	11,300	-	135,400	-
Restricted cash and investments		-	5,669	-	-	5,669	-
Cash and cash equivalents at June 30	$	30,145	242,313	35,101	42,476	350,035	128,578

Exhibit F-1
CITY OF GLENDALE
Statement of Net Position
Fiduciary Fund
June 30, 2018 (in thousands)

		Glendale Successor Agency Private Purpose Trust Fund
Assets and deferred outflows of resources		
Current assets:		
Cash and investments	$	75,812
Cash and investments with fiscal agent		11,628
Restricted cash and investments		29
Loans receivable		1,158
Total current assets		88,627
Noncurrent assets:		
Land		33
Buildings and improvements		377
Accumulated depreciation		(254)
Total noncurrent assets		156
Total assets		88,783
Deferred outflows of resources:		
Loss on refunding		2,094
Total assets and deferred outflows of resources		90,877
Liabilities and net position		
Current liabilities:		
Accounts payable and accrued liabilities		24
Interest payable		409
Bonds payable		10,106
Loans payable to the City		10,040
Total current liabilities		20,579
Noncurrent liabilities:		
Bonds payable		74,238
Loans payable to the City		13,231
Total noncurrent liabilities		87,469
Total liabilities		108,048
Net position (deficit) held in trust	$	(17,171)

See accompanying notes to basic financial statements

Exhibit F-2
CITY OF GLENDALE
Statement of Changes in Net Position
Fiduciary Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Glendale Successor Agency Private Purpose Trust Fund
Additions:		
Property tax	$	28,290
Interest income		944
Total additions		29,234
Deductions:		
Interest and amortization expense on bonds		4,687
Depreciation		9
Operating expenses		549
Total deductions		5,245
Change in net position before special items		23,989
Special items:		
Reinstatement of loans		(328)
Transfer of capital assets to the City		(2,744)
Total special items		(3,072)
Change in net position		20,917
Net position held in trust (deficit), July 1		(38,088)
Net position held in trust (deficit), June 30	$	(17,171)

See accompanying notes to basic financial statements

Notes to the Basic Financial Statements

CITY OF GLENDALE

Notes to the Basic Financial Statements

Fiscal Year Ended June 30, 2018

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

Component Units

The Housing Authority was established by the Glendale City Council in 1975. The Housing Authority is responsible for the administration of Department of Housing and Urban Development (HUD) funded Housing Choice Voucher rental assistance program (often called "Section 8"), which is funded annually. The Housing Authority also administers six other affordable housing program funds on behalf of the City, including the HUD HOME entitlement grant, the HUD Continuum of Care grant, the HUD Shelter Plus Care grant, the Low and Moderate Income Housing Asset Fund (former 20% Redevelopment Set Aside funds program income dollars), the state funded BEGIN grant for First Time Home Buyers in the Doran Gardens homeownership development, and the Affordable Housing Trust Fund which receives density bonus, inclusionary and other local affordable housing funds. The Housing Authority's mission is to provide decent, safe, and sanitary dwellings for low to moderate income families, to preserve existing affordable housing, and to increase the supply and quality of new affordable housing. The Housing Authority's financial data and transactions are included within the special revenue funds, and no separate financial report is issued for the Authority.

The Financing Authority was established on December 7, 1999, by a joint powers authority between the City of Glendale and the Glendale Redevelopment Agency. The stated purpose was to provide financial assistance to the City in connection with the construction and improvement of a Police Services Building located at west side of Isabel Street between Wilson and Broadway in the City of Glendale. On July 11, 2000, the Financing Authority issued $64,200 in variable rate demand certificates of participation for the construction of the Police Services Building. The Financing Authority's financial data and transactions are included within the debt service funds, and no separate financial report is issued for the Financing Authority.

The Glendale Economic Development Corporation (GEDC), formed in July 2014, was established to implement and meet the needs of the City's Economic Development program. Its goals were to provide physical, economic, and educational development, redevelopment, and revitalization efforts within the City. Additionally, these efforts attempted to assist and support the City in the expansion of job opportunities, stimulate economic development, contribute to the physical improvements of the City, and implement, assist and support the City in developmental activities and programs. The overall objective of the GEDC was to expand businesses and support residents. While these goals and objectives have certainly been met in various forms and in activities pursued by the Community Development Department, it was decided that the GEDC should be dissolved due to inactivity. The official dissolution of the GEDC occurred on June 12, 2018.

Government-wide and Fund Financial Statements

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

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

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

The accounts of the City are organized by funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise of its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or net position, revenues, and expenditures or expenses, as appropriate. The City reports a total of 67 funds, which are comprised of the General Fund, 1 fiduciary fund, 36 special revenue funds, 1 debt service fund, 8 capital project funds, 5 enterprise funds, and 15 internal service funds.

Governmental Fund Types

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

The following comprise the City's major governmental funds:

- General Fund: Used to account for all financial resources, except those required to be accounted for in another fund.

- Housing Assistance - Special Revenue Fund: Used to account for monies received and expended by the City under Section 8 of the Federal Housing and Urban Development Act for housing assistance to low and moderate income families.

- Capital Improvement - Capital Project Fund: Used to account for financial resources used for major capital projects of the general government operations. The City has categorized the capital improvement fund as a major fund for public interest reasons. The City believes that this judgmentally determined major fund is particularly important to the financial statements users.

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

Proprietary Fund Types

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

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

- Sewer Fund – Used to account for operations and maintenance of the sewer system. This service is primarily contracted with the City of Los Angeles.

- Electric Fund – Used to account for the operations of the City-owned electric utility services.

- Water Fund – Used to account for the operations of the City-owned water utility services.

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

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

Fiduciary Fund Type

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

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

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

Measurement Focus and Basis of Accounting

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon after to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for the landfill host assessment and landfill loyalty tipping fee that are collected within 90 days. Under the modified accrual basis of accounting, expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, other post employment benefits (OPEB), claims and judgments, are recorded only when payment is due.

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

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

All property taxes are collected and allocated by the County of Los Angeles to the various taxing entities. Property taxes are determined annually as of January 1st and attached as enforceable liens on real property as of July 1st. Taxes are levied on both secured and unsecured property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. The secured property taxes are due November 1st and February 1st and are delinquent if not paid by December 10th and April 10th, respectively. Property taxes on the unsecured roll are due on the March 1st lien date and become delinquent if unpaid on August 31st. Property tax revenues are recognized in the fiscal period for which they are levied and collected, adjusted for any amounts deemed uncollectible and amounts expected to be collected more than 60 days after the fiscal year for governmental funds.

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

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

Cash and Investments

The City combines the cash and investments of all funds into a pool except for funds required to be held by outside fiscal agents under the provisions of bond indentures. Each fund's portion of the pooled cash and investments is displayed on the governmental funds' balance sheets, the proprietary funds' statement of net position, or the fiduciary fund's statement of net position. Governmental Activities have $402,337 and Business-type Activities have $202,716 in pooled cash and investments as of June 30, 2018.

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

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

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

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

Cash and Investments with Fiscal Agents

The City hired Bank of New York Mellon as its trustee or fiscal agent to oversee the implementation of a bond or trust indenture for the City's Certificates of Participation, Electric Revenue Bonds and Water Revenue Bonds. As of June 30, 2018, the City maintains cash and investments with fiscal agents of $52 in Governmental Activities, $4,478 in Electric Fund and $4,170 in Water Fund.

Restricted Cash and Investments

Governmental Activities have $59,455 in restricted cash and investments as of June 30, 2018. $27,605 in the General Fund is for the investments for the pension rate stabilization program that is invested in an Internal Revenue Code Section 115 Trust Fund and $31,850 in the Landfill Postclosure capital project fund is for the postclosure maintenance cost of Scholl Canyon landfill.

Electric Fund has $5,669 in restricted cash and investments for the environmental compliance funds mandated by South Coast Air Quality Management District (SCAQMD) as of June 30, 2018. $4,978 is in SCAQMD restricted cash dedicated for environmental projects in compliance with reductions in nitrogen oxides for the utility boilers and the gas turbines, and $691 is in SCAQMD restricted cash for environmental projects dedicated to the reduction of emission and improvement of public health in Glendale.

Investments-Gas/Electric Commodity

Investment-gas/electric commodity represents the City's implementation of a program to purchase and sell options, calls and puts, in natural gas futures contracts at strike prices. These transactions allow the City to stabilize the ultimate purchase price of natural gas for the City's power plant. These, and other transactions, also give the City the ability to manage its overall exposure to fluctuations in the purchase price of natural gas. The options are carried at fair market value. The City has $1,500 in restricted investment-gas/electric commodity as of June 30, 2018.

Designated Cash and Investments

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

Receivables

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

Accounts Receivables – These are comprised primarily of revenues that have been earned but not yet received by the City as of June 30th from individual customers, private entities, and government agencies. This account includes accrued revenues due from other agencies for expenditure driven types of grants whereby the City accrues grant revenues for expenditures or expenses incurred but not yet reimbursed by the grantors. Also, included in this amount are property taxes, sales taxes, to name a few, are earned but not received from the County of Los Angeles as of June 30th of each year. The unbilled services for utility and other services delivered to customers but not billed as of June 30th because of their billing cycle timings. Management determines the allowance for doubtful accounts by evaluating individual customer accounts. Utility customer closed accounts are written off when deemed uncollectible. Recoveries to utility customer receivables previously written off are recorded when received. For non-utility accounts receivable, delinquent notices are sent out to customers with outstanding balances after 30 days. After 60 days, accounts still outstanding are forwarded to a collection agency.

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

Interfund Transactions

Interfund services provided and used would be treated as revenues and expenditures or expenses if the funds are involved. External organizations to the City's government are accounted for as revenues, referred to as seller funds, and expenditures or expenses, referred to as purchaser funds, in the funds involved. For the fiscal year ended June 30, 2018, the General Fund recorded $17,410 as interfund revenue for general government services provided to other funds.

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

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

Inventories and Prepaid Items

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

Capital Assets

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

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

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

In June 2005, the City elected to participate in the Natural Gas Reserve Project through SCPPA and entered into a 25 year Gas Sales Agreement with SCPPA for up to 2,000 MMBtu per day. The project calls for the acquisition and development of gas resources, reserves, fields, wells, and related facilities to provide a long-term supply of natural gas for its participants. The first acquisition was completed on July 1, 2005, with the total cost to the participants at $306,100. The City's initial share in the project was $13,100 or 4.28%. Subsequently, capital drilling costs of $9,050 had been capitalized. As of June 30, 2018, the balance for Natural Gas Reserve Project, net of accumulated natural gas depletion was $11,125.

Long-term Debt

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

Pension

For purposes of measuring the net pension liability and deferred outflows or inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plan's) and additions to or deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable by the benefit terms. Investments are reported at fair value. See Note 9 for more information.

Compensated Absences

The total compensated absences liability for the City is $29,034, which comprises of liabilities from two internal service funds: Employee Benefits Fund and Retiree Health Savings Plan Benefits Fund.

The City records the expense and liability for its employees' earned but unused accumulated vacation and overtime in the Employee Benefits Fund. As of June 30, 2018, the liability is $14,957, and the City has $14,658 available in cash dedicated to this liability in the fund.

The City also provides sick leave conversion benefits through the Retiree Health Savings Plan (RHSP). Employees earn one day of sick leave per month and the unused sick leave hours are converted to a dollar amount and deposited in the employee's RHSP account at retirement or termination with 20 years of City service. The account is used to pay healthcare premiums for the retiree and beneficiaries. After the account is exhausted, the retirees can terminate coverage or elect to continue paying from personal funds. The sick leave conversion rates range from $0.022 to $0.031 for each hour of sick leave balance, based on the memoranda of understanding agreements between the City and the unions. The sick leave conversions related expense and liability are recorded in the Retiree Health Savings Plan Benefits Fund. As of June 30, 2018, the liability is $14,077, and the City has $15,979 available in cash dedicated to this liability in the Fund.

Based on the most recent actuarial valuation dated June 30, 2017, the actuarial accrued liability for the RHSP is $14,424. The City has a cash reserve of $13,507 in the RHSP Benefits Fund, which is dedicated to providing benefits, so the unfunded actuarial accrued liability is $917 as of June 30, 2017. As of June 30, 2018, the City has $15,979 cash reserve for RHSP, and the actuarial accrued liability rolling forward from FY 2016-17 to FY 2017-18 is $14,077, so the unfunded actuarial accrued liability is $1,902. The actuarial accrued liability takes into account an estimate of future sick leave usage, additional sick leave accumulation for current active employees, the investment return of 3.75%, and no increase for sick leave conversion hourly rate.

Other Post Employment Benefits (OPEB)

The City's defined benefit OPEB plan, City of Glendale Retiree Benefits Plan (Plan), provides OPEB for all permanent full-time general and public safety employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City and governed by the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. See Note 10 for more information.

Unearned Revenue

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

Property Held for Resale

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

Fund Balance

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

- Nonspendable fund balances cannot be spent because they are in a nonspendable form, or are required to be maintained intact.

- Restricted fund balances are restricted for specific purposes by third parties or enabling legislation.

- Committed fund balances include amounts that can be used only for specific purposes determined by the formal action through a resolution of the City Council, as they are the highest level of decision-making authority. Council must have at least a 3 to 2 vote to pass a resolution for the specific purpose. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment.

- Assigned fund balances comprise amounts intended to be used by the City for specific purposes but are not restricted or committed. The City Council, in the City's most recently adopted budget resolutions, has delegated the authority to assign fund balances to the City Manager or his/her designee. The financial policies of the City are also updated to reflect this delegation of authority.

- Unassigned fund balances are residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories and include all deficit amounts in all other governmental funds.

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

Net Position

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

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

The government-wide statement of net position reports $174,225 of restricted net position, of which $48,574 is restricted by enabling legislation. The City Charter requires $28,115 in restricted net position to be set aside to meet the legal demands against the treasury during the beginning of the new budget period prior to the receipt of ad valorem taxes. Pursuant to redevelopment laws of the State of California, $20,459 is restricted for low and moderate housing.

Deferred Outflows and Inflows of Resources

In addition to assets, the statements of net position report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources or expenses until then. For current or advance refunding resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debts (i.e., deferred charges) is reported as a deferred outflow of resources and amortized to interest expense based on the effective interest method over the remaining life of the old debt or the life of the new debt, whichever is shorter. When the City makes the pension contributions and OPEB payments after the measurement date, the City reports deferred outflows of resources. When there is an increase in pension expense arising from the recognition of change in assumptions and of differences between projected and actual earnings on pension plan investments, the City reports a deferred outflow of resources until the increase is recognized in expense. The City's deferred outflows of resources as of June 30, 2018 is $147,012, which consists of $4,571 loss on refunding, $141,934 related to pensions and $507 related to OPEB.

In addition to liabilities, the statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources or revenues until then. When there is a decrease in pension and OPEB expense arising from the recognition of changes in assumptions and of differences between expected and actual experience, the City reports a deferred inflow of resources until the decrease is recognized in expense. The City's deferred inflows of resources as of June 30, 2018 is $26,447, which consists of $24,854 related to pensions and $1,593 related to OPEB. When a receivable is recorded in governmental fund financial statements but the revenue is not available, the City reports a deferred inflow of resources until the revenue becomes available. The City has recorded deferred inflows of resources – unavailable revenues of $23,271 in the General Fund, $125 in the Housing Assistance Fund, and $5,872 in the nonmajor governmental funds.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

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

The City utilizes an "encumbrance system." Under this procedure, encumbrance accounting is used to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Encumbrances outstanding at year-end do not constitute expenditures or liabilities and appropriations in the General Fund lapse at the end of the year. Therefore, encumbrances are not reserved for commitments made, and budget carryovers may be submitted for the remaining encumbrance. All commitments incurred in the General Fund will be paid with the new budget and approved budget carryovers in the following year, and open capital project appropriations carry over to the next year.

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

- The City Charter requires that the City Manager submits to the City Council a proposed budget for the coming year on or before June 1st. The operating budget includes both the sources and types of funds for the proposed expenditures.

- In May or June, a public hearing is conducted to obtain citizen input, with the final budget being adopted no later than July 1st.

- The budget is amended during the fiscal year to reflect all transfers and amendments.

- The level of appropriated budgetary control is at the fund level except for the General Fund, which is at the department level. The appropriation may exist across different categories including, salary and fringe benefits, maintenance and operation, and capital outlay. There is no limit as to how much can be shifted between categories as long as the total appropriation does not exceed what Council approved at the department level for General Fund and the fund level for all other funds.

The following General Fund departments and funds over expended their appropriations as of June 30, 2018:

Funds	Amounts Over Expended
General Fund:	
Non-departmental	$ 101
Filming Fund	101
Fire Mutual Aid Fund	1,301
Special Events Fund	218
Police Building Project Debt Service Fund	207

NOTE 3 – CASH AND INVESTMENTS

Governmental and business-type activities:

Cash and investments as of June 30, 2018 consist of the following:

Investments	$ 737,587
Cash and investments with fiscal agents	8,700
	746,287
Cash held in financial institutions	69,490
Total	$ 815,777

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

Pooled cash and investments	$ 605,053
Restricted cash and investments	65,124
Cash and investments with fiscal agents	8,700
Investment – gas/electric commodity	1,500
Designated cash and investments	135,400
Total	$ 815,777

Authorized Investments

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

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

Investments Authorized by Debt Agreements

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

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

Interest Rate Risk

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

Governmental and business-type activities:

		Remaining Maturity (in Months)			
	Total	12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Commercial Paper	$ 64,470	64,470	-	-	-
Federal Agency Term Notes	105,643	9,934	24,497	71,212	-
Federal Agency Callable Bonds	24,392	4,992	-	19,400	-
Medium Term Notes	191,411	17,963	23,723	149,725	-
Obligations of Other States	55,306	15,028	11,439	28,839	-
State and Municipal Bonds	71,701	20,410	21,981	29,310	-
State Investment Pool	67,873	67,873	-	-	-
Los Angeles County Pool	50,426	50,426	-	-	-
U.S. Treasury Notes	70,144	4,944	4,911	60,289	-
Held by Other Financial Institutions:					
Money Market Accounts	8,616	8,616	-	-	-
Section 115 Trust Fund:					
Money Market Accounts	879	879	-	-	-
Money Market Mutual Funds	26,726	26,726	-	-	-
Held by Fiscal Agents:					
Money Market Accounts	6,302	6,302	-	-	-
Guaranteed Investment Contracts	2,398	-	-	-	2,398
	$ 746,287	298,563	86,551	358,775	2,398

Credit Risks

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

Governmental and business-type activities:

		Moody's Rating as of June 30, 2018							
	Total	A1	A2	Aa1	Aa2	Aa3	Aaa	P1	Unrated
Commercial Paper	$ 64,470	-	-	-	-	-	-	64,470	-
Federal Agency Term Notes	105,643	-	-	-	-	-	105,643	-	-
Federal Agency Callable Bonds	24,392	-	-	-	-	-	24,392	-	-
Medium Term Notes	191,411	13,973	8,914	35,644	52,438	17,620	57,913	-	4,909
Obligations of Other States	55,306	-	-	13,651	3,559	-	1,619	-	36,477
State and Municipal Bonds	71,701	465	1,270	-	12,260	29,696	-	-	28,010
State Investment Pool	67,873	-	-	-	-	-	-	-	67,873
Los Angeles County Pool	50,426	-	-	-	-	-	-	-	50,426
U.S. Treasury Notes	70,144	-	-	-	-	-	70,144	-	-
Held by Other Financial Institutions:									
Money Market Accounts	8,616	-	-	-	-	-	-	-	8,616
Section 115 Trust Fund:									
Money Market Accounts	879	-	-	-	-	-	-	-	879
Money Market Mutual Funds	26,726	-	-	-	-	-	-	-	26,726
Held by Fiscal Agents:									
Money Market Accounts	6,302	-	-	-	-	-	6,302	-	-
Guaranteed Investment Contracts	2,398	-	-	-	-	-	-	-	2,398
	$ 746,287	14,438	10,184	49,295	68,257	47,316	266,013	64,470	226,314

Concentration Risk

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

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

Issuer	Investment Type		Reported Amount
FHLB	Federal Agency Callable Bonds	$	4,885
	Federal Agency Term Notes		64,243
	Total	$	69,128
FNMA	Federal Agency Callable Bonds	$	4,867
	Federal Agency Term Notes		27,251
	Total	$	32,118

Custodial Credit Risk

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

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

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

Investment in State Investment Pool

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

Investment in Los Angeles County Pool

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

Investment in Internal Revenue Code Section 115 Trust Fund

The City reviewed the City's obligation to fund the pension obligations and determined that it served the City's interests to prefund those benefits. In July 2017, the City Council approved and adopted the funding for a Pension Rate Stabilization Program IRC Section 115 Trust. The Pension Stabilization Trust is a tax-qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to pre-fund pension obligations. The Plan Discretionary Trustee is U.S. Bank and U.S. Bank has delegated investment management responsibilities to High Mark Capital Management, and Public Agencies Retirement Services (PARS) is the Trust Administrator. The City elected the 'Moderately Conservative HighMark Plus' investment approach with a blended investment objective strategy. The primary objective is to provide current income with capital appreciation as secondary objective. The Plan's target rate of return is 5 percent. The asset target allocations for this objective are 3 percent cash source, 50% equity and 47% fixed income. The City funded the trust account totaling $26,500 in fiscal year 2017-18 and reported as restricted assets and fund balance. The value of the Plan as of June 30, 2018 was $27,605 of which all was placed in cash money market and money market mutual fund accounts.

Fair Value Measurement

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

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

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

The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2018. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

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

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

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

As of June 30, 2018, the City has the following fair value measurements:

		Fair Value Measurements		
	Balance at June 30, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
Commercial Paper	$ 64,470	-	64,470	-
Federal Agency Term Notes	105,643	-	105,643	-
Federal Agency Callable Bonds	24,392	-	24,392	-
Medium Term Notes	191,411	-	191,411	-
Obligations of Other States	55,306	-	55,306	-
State and Municipal Bonds	71,701	-	71,701	-
U.S. Treasury Notes	70,144	-	70,144	-
Section 115 Trust Fund:				
Money Market Mutual Funds	26,726	26,726	-	-
Total investments by fair value level	609,793	26,726	583,067	-
Investments measured at amortized costs or not subject to fair value hierarchy:				
Los Angeles County Pool	50,426			
State Investment Pool	67,873			
Held by Other Financial Institutions:				
Money Market Accounts	8,616			
Section 115 Trust Fund:				
Money Market Accounts	879			
Held by Fiscal Agents:				
Guaranteed Investment Contracts	2,398			
Money Market Accounts	6,302			
Total investments measured at amortized costs or not subject to fair value hierarchy	136,494			
	$ 746,287			

NOTE 4 – LOANS RECEIVABLE

Verdugo Fire Communications

The Verdugo Fire Communications Center (Verdugo) is a regional dispatch center that was established by the founding cities of Burbank, Glendale, and Pasadena. Verdugo currently dispatches for fourteen fire agencies as dispatching services for the City of Vernon Fire Department began on July 1, 2016. To begin dispatching services, the Vernon Fire Department's equipment and infrastructure needed to be updated and configured to be able to establish connectivity to the Verdugo system. Upon review of the cost associated with the updates and configuration, the tri-city Fire Chiefs agreed, with the approval of the City of Vernon's and the City of Glendale's City Council, to loan the funding to the City of Vernon and executed a promissory note on February 26, 2016. The loan receivable amount was estimated to be $200, with agreed upon terms of no loan fee or accruing interest, and is required to be repaid within the first two years of the approved dispatch agreement over four semi-annual payments. As of June 30, 2018, the loan receivable was fully paid.

Successor Agency

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

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

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

As of June 30, 2018, the reinstated loan amount is $23,271 which includes $328 of capitalized interest for FY 2017-18.

Housing

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

- *Single Family Home Rehabilitation Loan*

  The program was funded by the CDBG grant, HOME grant, and LMIHA. It provided funds for moderate rehabilitation of owner-occupied homes for low and moderate income households. The deferred payment loan is interest-bearing with simple interest rates ranging from 0% to 4% annually for up to 10 years, and with a loan amount up to $25. Generally, the loan is repaid at the time of sale or transfer of the property and is secured by a deed of trust on the property. This program was eliminated in February 2012; however, there are existing loans receivable. As of June 30, 2018, $1,685 is outstanding, which is recorded in governmental activities in the government-wide financial statement.

- *First Time Home Buyer Loan*

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

  Down Payment Assistance – Resale Homes Purchase. The program provided funds for down payment and affordability gap assistance for the purchase of a resale home by a low or moderate income first time home buyer household. Loan terms varied from 30 to 45 years and required either a 5% simple annual interest rate paid monthly, or a 0% simple annual interest rate with no monthly payments. All loans are second mortgage deferred payment and forgivable up to $75. If the property is sold, transferred, or no longer owner-occupied before the term expires, the borrower must repay the original principal amount plus an appreciation share. This program was eliminated in February 2012; however, there are existing loans receivable. As of June 30, 2018, $3,018 is outstanding. As of June 30, 2018, the non-forgivable amount is $0.

  Down Payment Assistance – New Construction Homes Purchase. For new construction units, the amount of the loan is based on the amount of the affordability gap. The loan is secured by a deed of trust on the property and affordable housing covenants. Loans fall into two types. One type is the deferred payment forgivable loan with a loan term of 30 to 45 years; the loan is forgiven at the end of the loan term. If the property is sold, transferred, or no longer owner-occupied before the term expires, the borrower must repay the original principal amount plus an appreciation share. A small set of loans funded through the American Dream Down Payment Assistance Program are forgiven at a set percentage of the principal amount each year. A second type of loan is a deferred payment loan with resale restrictions. This includes the most recent HOME funded loans that are subject to resale restrictions and must be resold to low-income home buyers if sold before the end of the term. As of June 30, 2018, the forgivable loan amount at the end of the term is $4,138, and is not recorded on the financial statements. The Doran Gardens project loans funded through the BEGIN grant are deferred loans and are to be repaid at the end of the 30-year term. As of June 30, 2018, the non-forgivable amount is $5,539 and is recorded in governmental activities in the government-wide financial statement.

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

  The program is funded by the HOME grant and LMIHA and provides funds for new construction, acquisition or rehabilitation of affordable rental housing. Loan terms and loan underwriting requirements are negotiated with the developer on a project-by-project basis. The loan is secured by a deed of trust and affordable housing covenants on the property. Loans provide gap assistance to make housing units affordable to low and moderate income households, and units must be rented at an affordable rent. Leveraging of funds with other sources and contribution of developer equity is required. Loans may be second mortgage deferred payment loans, which require loan principal plus interest to be repaid at the end of the loan term, and residual receipt payments are required on some deferred loans. Also, loans may be permanent financing first mortgage loans at below-market interest rates, and monthly amortized payments are required. Such loans would be provided when credit conditions or loan costs are not feasible for the project. As of June 30, 2018, the amount of forgivable or contingent loans is $96,343, which is not recorded on the financial statements.

NOTE 5 – INTERFUND TRANSACTIONS

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

Due to/from other funds as of June 30, 2018 consist of the following:

Due to General Fund from:		
Nonmajor governmental funds	$	5,278
Due to General Fund from:		
Internal service funds	$	215

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

		Amount	Purpose
Transfers to General Fund from:			
Electric Fund	$	20,162	Fund general fund operations per Charter
Nonmajor enterprise funds		1,150	Fund general fund operations
		21,312	
Transfers to Capital Improvement Fund from:			
General Fund		10,204	Fund capital improvement projects
Transfers to nonmajor governmental funds from:			
General Fund		977	20% of City GSA loan payment
General Fund		85	Nutritional Meals Grant matching
General Fund		800	Fund Police Building Project debt service
Capital Improvement Fund		2,000	Fund Scholl Canyon Landfill reserve
		3,862	
Total Interfund Transfers	$	35,378	

NOTE 6 – CAPITAL ASSETS

Capital asset for Governmental activities for the year ended June 30, 2018 was as follows:

	Balance at July 1	Increases	Decreases	Reclass	Adjustments-transferred from fiduciary fund*	Balance at June 30**
Capital assets, not being depreciated:						
Land	$ 421,748	-	-	-	72	421,820
Construction in progress	48,882	13,655	-	(25,920)	-	36,617
Total assets not being depreciated	470,630	13,655	-	(25,920)	72	458,437
Depreciable capital assets:						
Building and improvements	400,720	1,296	(470)	9,295	2,672	413,513
Machinery and equipment	134,686	6,476	(14,500)	764	-	127,426
Infrastructure	324,734	2,602	(16,853)	15,015	-	325,498
Total other capital assets at cost	860,140	10,374	(31,823)	25,074	2,672	866,437
Amortizable intangible assets:						
Intangible assets	-	243	-	758	-	1,001
Less accumulated depreciation:						
Building and improvements	159,871	10,207	(325)	-	-	169,753
Machinery and equipment	95,494	6,462	(14,497)	(12)	-	87,447
Infrastructure	118,859	7,808	(16,853)	-	-	109,814
Total accumulated depreciation	374,224	24,477	(31,675)	-	-	367,014
Less amortization:						
Intangible assets	-	18	-	12	-	30
Total assets being depreciated and amortized, net	485,916	(13,878)	(148)	25,832	2,672	500,394
Governmental activities capital assets, net	$ 956,546	(223)	(148)	(88)	2,744	958,831

*Includes $72 of land and $2,672 of buildings and improvements that was transferred to the governmental activities from fiduciary fund.

**$57,110 and $61,441 of buildings, improvements, machinery, equipment, construction in progress and intangible assets for FY2017 and FY2018 respectively from internal service funds are included in governmental activities. $27,973 and $30,472 of accumulated depreciation and amortization for FY2017 and FY2018 respectively from internal service funds are included in governmental activities.

Depreciation and amortization expense was charged to functions of the City's governmental activities for the year ended June 30, 2018 as follows:

Depreciation	
General Government	$ 2,307
Police	2,082
Fire	1,147
Public Works	12,907
Parks, Recreation and Community Services	2,785
Library	1,101
Housing, Health and Community Development	2,148
Total depreciation expense	24,477
Amortization	18
Total depreciation and amortization expense	$ 24,495

Capital asset for Business-type activities for the year ended June 30, 2018 was as follows:

		Balance at July 1	Increases	Decreases	Reclass	Balance at June 30
Capital assets, not being depreciated:						
Land	$	9,557	-	-	-	9,557
Construction in progress		76,681	17,241	-	(33,095)	60,827
Total assets not being depreciated		86,238	17,241	-	(33,095)	70,384
Depreciable capital assets:						
Building and improvements		271,976	3,324	-	764	276,064
Machinery and equipment		562,591	2,312	(10,003)	28,119	583,019
Infrastructure		152,130	91	-	4,212	156,433
Total other capital assets at cost		986,697	5,727	(10,003)	33,095	1,015,516
Depletable capital assets:						
Natural gas reserve		22,149	1	-	-	22,150
Amortizable intangible assets:						
Intangible assets		102,644	3,017	-	-	105,661
Less accumulated depreciation:						
Building and improvements		99,312	5,740	-	-	105,052
Machinery and equipment		334,465	26,257	(10,003)	-	350,719
Infrastructure		52,247	3,432	-	-	55,679
Total accumulated depreciation		486,024	35,429	(10,003)	-	511,450
Less accumulated natural gas depletion:						
Natural gas reserve		9,854	1,171	-	-	11,025
Less amortization:						
Intangible assets		46,371	3,125	-	-	49,496
Total assets being depreciated, depleted, and amortized, net		569,241	(30,980)	-	33,095	571,356
Business-type activities capital assets, net	$	655,479	(13,739)	-	-	641,740

Depreciation, depletion and amortization expense was charged to functions of the City's business-type activities for the year ended June 30, 2018 as follows:

Depreciation		
Sewer	$	3,025
Electric		24,947
Water		5,856
Refuse Disposal		1,390
Fire Communication		211
Total depreciation expense		35,429
Depletion - Electric		1,171
Amortization - Sewer		3,125
Total depreciation, depletion, and amortization expense	$	39,725

NOTE 7 – PROPERTY HELD FOR RESALE

Governmental activities – Home Grant Fund property held for resale at June 30, 2018:

Acquisition Date	Location		Carrying Value
May 2015	634 and 700 E. Lomita	$	981

NOTE 8 – LONG-TERM DEBT AND LIABILITIES

The City's long-term debt and liabilities as of June 30, 2018 consists of the following:

		Issuance Amount	Balance at June 30, 2017	Additions	Retirements	Balance at June 30, 2018	Due within one year
Governmental Activities							
Claims payable	$	-	51,394	42,709	40,835	53,268	14,369
Compensated absences		-	21,395	9,814	8,625	22,584	2,433
Landfill postclosure care		-	47,059	1,553	-	48,612	-
Certificates of Participation (COPs)		64,200	33,785	-	1,905	31,880	1,985
Other long-term liabilities:							
Capital Lease-Fire equipment lease 2009 – Wells Fargo		2,299	262	-	262	-	-
2011 HUD Section 108 Loan		2,000	1,111	-	203	908	212
Loans payable		1,444	-	1,444	850	594	594
Total other long-term liabilities		5,743	1,373	1,444	1,315	1,502	806
Total Governmental Activities long-term liabilities	$	69,943	155,006	55,520	52,680	157,846	19,593

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

		Issuance Amount	Balance at June 30, 2017	Additions	Retirements	Balance at June 30, 2018	Due within one year
Business-type Activities							
Compensated absences	$	-	6,109	3,095	2,754	6,450	704
Bonds payable:							
Electric Revenue Bonds, 2008 series		60,000	1,880	-	1,880	-	-
Electric Revenue Bonds, 2013 refunding series		20,510	19,610	-	935	18,675	975
Electric Revenue Bonds, 2013 series		60,000	57,285	-	1,130	56,155	1,175
Electric Revenue Bonds, 2016 refunding series		72,615	71,170	-	1,185	69,985	2,844
Electric Revenue Bonds premium		-	22,867	-	1,132	21,735	1,132
Water Revenue Bonds, 2008 series		50,000	43,760	-	1,370	42,390	1,421
Water Revenue Bonds, 2012 series		35,000	35,000	-	415	34,585	436
Water Revenue Bonds premium		-	1,861	-	85	1,776	85
Total bonds payable		298,125	253,433	-	8,132	245,301	8,068
Total Business-type Activities long-term liabilities	$	298,125	259,542	3,095	10,886	251,751	8,772

The City of Glendale Financing Authority

Variable Rate Demand Certificates of Participation (COPs) - 2000 Police Building Project

The COPs were issued pursuant to the resolutions adopted by the City Council and the board of directors of the Glendale Financing Authority on June 6, 2000. The proceeds of the COPs were used to (a) finance for the acquisition, construction and improvement of a police building (the "Police Building"), (b) establish a reserve fund of $5,000 in accordance with the trust agreement, and (c) pay for the costs incurred to issue the COPs. Since the issuance of the COPs in 2000 until July 8, 2013, the COPs were subject to purchase on the demand of the holder at a price equal to principal plus accrued interest on five days' notice and delivery to the City's Remarketing Agent.

On May 28, 2013, the City and the Financing Authority adopted Resolution No. 13-76 and Resolution GFA-13-02 respectively, accepting Bank of America's proposal for a Direct Purchase Index Floater (Direct Purchase Agreement) of the Glendale COPs to replace the Standby Bond Purchase Agreement. The direct purchase loan with Bank of America relating to the Certificates of Participation for the Police Building is subject to a mandatory tender for purchase at a price of par plus accrued interest on the earliest of the: (i) mandatory tender date of three years from closing, (ii) date on which the Certificates are converted to another interest rate mode, (iii) or occurrence of an event of default. The variable interest rates were based on 70.0% of monthly LIBOR Index plus a fixed spread of 0.40%.

On May 17, 2016, the City and the Financing Authority adopted Resolution No. 16-82 and Resolution GFA-16-01 respectively, approving a second 3-year contract with Bank of America to purchase Glendale Variable Rate Demand Certificates of Participation. The variable interest rates are based on 70.0% of monthly LIBOR Index plus a fixed spread of 0.48%. Under the Direct Purchase Agreement, the COPs mature in annual installments ranging from $1,985 to $3,480 from FY 2018-19 to FY 2029-30. As of June 30, 2018, the principal balance was $31,880. The average monthly interest rate for FY 2017-18 was 1.52%.

The Financing Authority has leased the Police building back to the City pursuant to a lease agreement dated July 1, 2000. The bond indebtedness is secured by a lease to the City and is payable from rental payments received under terms of the lease agreement. The annual lease payments from the City are to be at a rate sufficient to meet debt service requirements of the outstanding bond indebtedness on the leased premises.

The City of Glendale Housing Authority

HUD Section 108 Loan (Series 2011-A)

Section 108 Loan of $2,000 was used to acquire and rehabilitate an Emergency Shelter and Homeless Access Center at 1948 Gardena Avenue, Glendale for the S.H. Ho Hope and Compassion Center, a non-profit organization. HUD administers the Section 108 Loan Guarantee program, and the program's purpose is to fill funding gaps on major community / economic development projects throughout the country. The Section 108 Loan Guarantee program was created as part of the original Housing and Community Development Act of 1974. Section 108 obligations are permanently financed through underwritten public offerings. This was the City's second time receiving a Section 108 loan. The City received the loan in November 2011. The term of the loan is ten years with an interest rate of 2.56% and the total interest is $210. The City has pledged current and future CDBG funds as principal security for the loan. The principal amounts range from $212 to $242 annually from FY 2018-19 to FY 2021-22. The Section 108 loan payment is budgeted as a CDBG project each year based on the payment schedule.

Capital Improvement Projects

Landfill Postclosure Care Costs

Pursuant to Assembly Bill 2448 and the regulations established by the California Integrated Waste Management Board (Board), landfill operators are required to submit an initial cost estimate of postclosure maintenance and to establish a financial mechanism to demonstrate the availability of funding to conduct postclosure maintenance activities. The City selected a trust fund as the financial mechanism and the Board approved this. The City Treasurer was designated as the trustee to ensure that the City set aside annual required deposits. The City subcontracts with Los Angeles County Sanitation District (Sanitation District) to operate Scholl Canyon and as part of this contract, the County is responsible for the closure cost of Scholl Canyon. The City is responsible for the postclosure maintenance cost of Scholl Canyon. According to Los Angeles County Sanitation District's records, the permitted capacity filled between August 18, 1989 and July 10, 2017 was 11.41 million tons. The permitted capacity filled between July 11, 2017 and July 10, 2018 was 0.40 million tons. The total permitted capacity as of August 18, 1989 remains 14.75 million tons. Therefore, the City has 2.94 million tons unfilled capacity remaining. Using an inflation factor from the Sanitation Districts of 1.018, the total estimated care postclosure cost is $60,714. Using the data above, the amount of $48,612 is recognized as a long-term liability on the Statement of Net Position. Accordingly, the portion of the estimated total obligation for landfill postclosure costs that has not been recognized in the financial statements is $12,102. The City records the annual provision for the required landfill deposits as designated cash in the Landfill Postclosure Fund. At the end of June 30, 2018, the City has set aside $31,850 of this in the Landfill Postclosure Fund. The total current cost of landfill postclosure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

Capital Lease - Fire Equipment Lease 2009

In December 2008, the City entered into a Master Governmental Lease-Purchase Agreement (the “Master Lease”) with Wells Fargo Equipment Finance, Inc. to provide funds for acquisition of fire apparatus, which include one new Pierce Heavy Duty Rescue System mounted on a new 2009 International 7400 Chassis together with all attachments and accessories and four new Pierce 2000 GPM Quantum Triple Combination Pumper Truck Systems mounted on new 2008 Quantum Chassis together with all attachments and accessories. The total cost of the equipment funded was $2,299 with an annual interest rate of 4.0%. The City makes lease payments each year consisting of principal and interest for a term of ten years commencing in FY 2008-09. The annual lease payment is $273. Payments are due on December 15 annually. As of June 30, 2018, the capital lease was fully paid.

Loans Payable

In December 2014, the City entered into an agreement with Modern Parking, Inc. (“Agreement”) for the procurement and installation of a modernized Parking Access and Revenue Control System (PARCS) for City-owned downtown parking garages. This PARCS replacement contains new automated vehicle exits, updated payment acceptance options (primarily credit card), more thorough auditing reports for improved revenue controls, and an updated camera and intercom system. The total cost of the equipment was $1,851 with an effective annual interest rate of 6.0%. Subject to the terms of the Agreement, once substantial completion has occurred, the City will pay Modern Parking the monthly amortization payment amount. The substantial completion occurred in November 2017. The City made a deposit of $406 upon execution of the “Agreement” and made total payments of $850 as of June 30, 2018. The outstanding balance of the loan agreement as of June 30, 2018 was $594.

Business-type Activities:

Enterprise Funds

Electric Revenue Bonds, 2008 Series

The Electric utility of Glendale Water and Power issued $60,000 in revenue bonds in February 2008 to finance the costs of acquisition and construction of certain improvements to the Electric System of the City.

The Electric Revenue Bonds, 2008 Series were partially refunded in May 2016 with the Electric Revenue Bonds, 2016 Refunding Series. After the issuance of the Electric Revenue Bonds, 2016 Refunding Series, $1,880 of the partially defeased 2008 Bonds matured at its redemption date on February 1, 2018. $58,120 of the 2008 Bonds were refunded and deposited into an Escrow Fund established pursuant to an Escrow Agreement dated May 1, 2016 and was fully redeemed on February 1, 2018 at a redemption price of 100% of the principal amount plus accrued interest.

Electric Revenue Bonds, 2013 Refunding Series

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

The current refunding resulted in the recognition of a deferred outflow of resources of $112 as of June 30, 2018, and is being amortized through FY 2031-32. The reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of $4,478 on parity with other Electric revenue bonds. The bonds mature in regularly increasing amounts ranging from $975 to $1,805 annually from FY 2018-19 to FY 2031-32.

Electric Revenue Bonds, 2013 Series

The Electric utility of Glendale Water & Power issued $60,000 in revenue bonds in December 2013 to finance (1) the costs of acquisition and construction of certain improvements to the City's electric public utility (the "Electric System"), (2) making a deposit to the parity reserve fund, and (3) paying the cost of issuance of the 2013 Bonds.

The terms of the 2013 Electric Revenue Bonds' (2013 Bonds) indenture require the trustee to establish and maintain a reserve fund equal to the reserve fund requirement. The reserve fund requirement is defined by the Debt Indentures as the maximum annual debt service on the debt service schedule. Up to 50% of the reserve fund requirement amount may be held in an unrestricted fund or account. The bonds mature in regularly increasing amounts ranging from $1,175 to $3,795 annually from FY 2018-19 to FY 2042-43.

Electric Revenue Bonds, 2016 Refunding Series

The Electric utility of Glendale Water & Power issued $72,615 in revenue bonds in May 2016 to provide moneys for the refunding of all of the City's outstanding Electric Revenue Bonds, 2006 Refunding Series, a portion of the City's outstanding Electric Revenue Bonds, 2008 Series, and paying the costs of issuance of the 2016 Bonds. The bond proceeds were deposited in an escrow account and were used to refund the Electric Revenue Bonds, 2006 Refunding Series and a portion of the outstanding Electric Revenue Bonds, 2008 Series through a legal defeasance. The advance refunding resulted in the recognition of a deferred outflow of resources of $4,459 as of June 30, 2018, and is being amortized through FY 2037-38.

The terms of the Electric Revenue Bonds, 2016 Refunding Series' (2016 Refunding Bonds) indenture require the trustee to establish and maintain a reserve fund equal to the reserve fund requirement. The reserve fund requirement is defined by the Debt Indentures as the maximum annual debt service on the debt service schedule. Up to 50% of the reserve fund requirement amount may be held in an unrestricted fund or account.

The bonds mature in regularly increasing amounts ranging from $2,700 to $4,715 annually from FY 2018-19 to FY 2037-38. The 2016 Refunding Bonds maturing on or prior to February 1, 2026 are not subject to redemption prior to maturity. The 2016 Refunding Bonds maturing on and after February 1, 2027 are subject to redemption prior to maturity, at the option of the City, as a whole or in part, on February 1, 2026, or on any date thereafter, at a redemption price equal to 100% of the principal amount of the 2016 Refunding Bonds to be redeemed, together with accrued interest to the redemption date.

The Electric utility has pledged future electric customer revenues, net of specified operating expenses, to repay $213,125 in electric revenue bonds. Proceeds from the bonds financed the costs of the acquisition and construction of certain improvements to the City's electric public system. The bonds are payable solely from Electric Fund's net revenues and is expected to require the net revenues to be at least equal to 1.10 times the amount of the annual debt services as it become due each fiscal year. The total principal and interest remaining to be paid on the bonds through FY 2042-43 is $229,929. Principal and interest paid and total net available revenues for FY 2017-18 were $12,576 and $66,222, respectively.

Water Revenue Bonds, 2008 Series

The Water Utility of Glendale Water & Power issued $50,000 in revenue bonds in February 2008 to finance the costs of acquisition and construction of certain improvements to the Water System of the City.

The terms of the 2008 Water Revenue Bonds' (2008 Bonds) indenture require the trustee to establish and maintain a reserve fund equal to the reserve fund requirement. The reserve fund requirement is defined by the Debt Indentures as the maximum annual debt service on the debt service schedule. The reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of $2,836.

The bonds mature in regularly increasing amounts ranging from $1,420 to $3,060 annually from FY 2018-19 to FY 2037-38. The 2008 Bonds maturing on or prior to February 1, 2018 are not subject to redemption prior to maturity. The 2008 bonds maturing on and after February 1, 2019 are subject to redemption prior to maturity, at the option of the City, as a whole or in part, on February 1, 2018, or on any date thereafter, at a redemption price equal to 100% of the principal amount of the 2008 Bonds to be redeemed, together with accrued interest to the redemption date.

Water Revenue Bonds, 2012 Series

The Water Utility of Glendale Water & Power issued $35,000 in revenue bonds in December 2012 to finance the costs of acquisition and construction of certain improvements to the Water System of the City.

The terms of the 2012 Water Revenue Bonds' (2012 Bonds) indenture require the trustee to establish and maintain a reserve fund equal to the reserve fund requirement. The reserve fund requirement is defined by the Debt Indentures as the maximum annual debt service on the debt service schedule. The reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of $1,334.

The bonds mature in regularly increasing amounts ranging from $435 to $4,945 annually from FY 2018-19 to FY 2041-42. The 2012 Bonds maturing on or prior to February 1, 2022 are not subject to redemption prior to maturity. The 2012 bonds maturing on and after February 1, 2023 are subject to redemption prior to maturity, at the option of the City, as a whole or in part, on August 1, 2022, or on any date thereafter, at a redemption price equal to 100% of the principal amount of the 2012 Bonds to be redeemed, together with accrued interest to the redemption date.

The Water utility has pledged future water customer revenues, net of specified operating expenses, to repay $85,000 in water revenue bonds. Proceeds from the bonds financed the costs of the acquisition and construction of certain improvements to the City's water system. The bonds are payable solely from Water Fund's net revenues and is expected to require the net revenues to be at least equal to 1.25 times the amount of the annual debt services as it become due each fiscal year. The total principal and interest remaining to be paid on the bonds through 2043 is $124,491. Principal and interest paid and total net available revenues for FY 2017-18 were $5,119 and $12,977, respectively.

Annual Debt Service Requirement Schedule

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

	Police Building Project (COPs) Governmental Activities		Loans Payable Governmental Activities	
Fiscal Year	Interest	Principal	Interest	Principal
2019	$ 405	1,985	41	594
2020	425	2,070	-	-
2021	437	2,155	-	-
2022	442	2,320	-	-
2023	437	2,405	-	-
2024-2028	1,766	14,155	-	-
2029-2031	290	6,790	-	-
	$ 4,202	31,880	41	594

	Section 108 (2011 Series) Loan Governmental Activities		Electric and Water Revenue Bonds Business-type Activities	
Fiscal Year	Interest	Principal	Interest	Principal
2019	$ 18	212	10,336	6,851
2020	14	222	10,000	7,149
2021	9	232	9,650	7,500
2022	3	242	9,287	7,845
2023	-	-	8,901	8,220
2024-2028	-	-	37,463	47,440
2029-2033	-	-	25,877	50,720
2034-2038	-	-	16,150	50,015
2039-2043	-	-	4,966	36,050
	$ 44	908	132,630	221,790

	Total Governmental Activities		Total Business-type Activities		Total Debt Service
Fiscal Year	Interest	Principal	Interest	Principal	
2019	$ 464	2,791	10,336	6,851	20,442
2020	439	2,292	10,000	7,149	19,880
2021	446	2,387	9,650	7,500	19,983
2022	445	2,562	9,287	7,845	20,139
2023	437	2,405	8,901	8,220	19,963
2024-2028	1,766	14,155	37,463	47,440	100,824
2029-2033	290	6,790	25,877	50,720	83,677
2034-2038	-	-	16,150	50,015	66,165
2039-2043	-	-	4,966	36,050	41,016
	$ 4,287	33,382	132,630	221,790	392,089

NOTE 9 – PENSION PLANS

California Public Employees' Retirement System

General Information about the Pension Plans

Plan Description

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

Benefits Provided

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

The death benefit is as follows:

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

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

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

The Plans' provisions and benefits in effect at June 30, 2018, are summarized as follows:

	Miscellaneous		
Hire date	Prior to January 1, 2011	Between January 1, 2011 and December 31, 2012	On or after January 1, 2013
Benefit formula	2.5% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55+	50-63+	52-67+
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.4% to 2.4%	1.0% to 2.5%

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

Employees Covered

At June 30, 2018, the following employees were covered by the benefit terms for each plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	1,694	604
Inactive employees entitled to but not yet receiving benefits	1,647	94
Active employees	1,356	385
Total	4,697	1,083

Contributions

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

In FY 2017-18, for the Miscellaneous Plan, the normal cost rate is 8.321%, the amount for the unfunded liability is $16,760, and the prepayment amount for the unfunded liability is $16,165. The City chose the prepayment option to pay the $16,165 in July 2017, instead of paying 1/12th of $16,760 on a monthly basis. For FY 2017-18, the City calculates the rate for the unfunded liability to be 17.721%.

The City's Miscellaneous Plan member contribution rates and employer contribution rates for FY 2017-18, including the employees' cost sharing toward the employer rates, are shown in the table below:

Miscellaneous Plan						
Employee Group	**CalPERS Membership**	**Retirement Formula**	**Member Contribution Rate**	**Employer Contribution Rate**		
				Employees' Cost Sharing	City Portion	Total
Council Member	Classic (1st Tier)	2.5% @ 55	8.00%	3.00%	23.042%	26.042%
	Classic (2nd Tier)	2.0% @ 55	7.00%	3.00%	23.042%	26.042%
	PEPRA (3rd Tier)	2.0% @ 62	5.75%	3.00%	23.042%	26.042%
Executive	Classic (1st Tier)	2.5% @ 55	8.00%	4.00%	22.042%	26.042%
	Classic (2nd Tier)	2.0% @ 55	7.00%	4.00%	22.042%	26.042%
	PEPRA (3rd Tier)	2.0% @ 62	5.75%	4.00%	22.042%	26.042%
GCEA	Classic (1st Tier)	2.5% @ 55	12.00%	0.00%*	22.042%	22.042%
	Classic (2nd Tier)	2.0% @ 55	11.00%	0.00%*	22.042%	22.042%
	PEPRA (3rd Tier)	2.0% @ 62	9.75%	0.00%*	22.042%	22.042%
IBEW	Classic (1st Tier)	2.5% @ 55	8.00%	3.00%	23.042%	26.042%
	Classic (2nd Tier)	2.0% @ 55	7.00%	3.00%	23.042%	26.042%
	PEPRA (3rd Tier)	2.0% @ 62	5.75%	3.00%	23.042%	26.042%
GMA	Classic (1st Tier)	2.5% @ 55	8.00%	4.00%	22.042%	26.042%
	Classic (2nd Tier)	2.0% @ 55	7.00%	4.00%	22.042%	26.042%
	PEPRA (3rd Tier)	2.0% @ 62	5.75%	4.00%	22.042%	26.042%

GCEA - Glendale City Employee Association
IBEW - International Brotherhood of Electrical Workers
GMA - Glendale Management Association
* Effective May 2013, GCEA members' cost sharing rate (3%-4%) became part of their member contribution rate.

In FY 2017-18, for the Safety Plan, the normal cost rate is 18.813%, the amount for the unfunded liability is $13,416, and the prepayment amount for the unfunded liability is $12,940. The City chose the prepayment option to pay the $12,940 in July 2017, instead of paying 1/12th of $13,416 on a monthly basis. For FY 2017-18, the City calculates the rate for the unfunded liability to be 25.586%.

The City's Safety Plan member contribution rates and employer contribution rates for FY 2017-18, including the employees' cost sharing toward the employer rates, are shown in the table below:

Safety Plan						
Employee Group	**CalPERS Membership**	**Retirement Formula**	**Member Contribution Rate**	**Employer Contribution Rate**		
				Employees' Cost Sharing	City Portion	Total
Executive - Fire	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	40.399%	44.399%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	40.399%	44.399%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	4.00%	40.399%	44.399%
Executive - Police	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	40.399%	44.399%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	40.399%	44.399%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	4.00%	40.399%	44.399%
GMA - Fire	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	40.399%	44.399%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	40.399%	44.399%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	4.00%	40.399%	44.399%
GMA - Police	Classic (1st Tier)	3.0% @ 50	9.00%	3.50%	40.899%	44.399%
	Classic (2nd Tier)	3.0% @ 55	9.00%	3.50%	40.899%	44.399%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	3.50%	40.899%	44.399%
GFFA	Classic (1st Tier)	3.0% @ 50	9.00%	4.00%	40.399%	44.399%
	Classic (2nd Tier)	3.0% @ 55	9.00%	4.00%	40.399%	44.399%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	3.50%	40.899%	44.399%
GPOA	Classic (1st Tier)	3.0% @ 50	9.00%	3.50%	40.899%	44.399%
	Classic (2nd Tier)	3.0% @ 55	9.00%	3.50%	40.899%	44.399%
	PEPRA (3rd Tier)	2.7% @ 57	10.75%	1.75%	42.649%	44.399%

GMA - Glendale Management Association
GFFA - Glendale Fire Fighter Association
GPOA - Glendale Police Officer Association

As shown in the rates tables, in addition to the required member contributions, the City employees also contribute a portion of the required employer contribution, based on bargaining units' MOUs. The required employer contributions to the Miscellaneous and Safety plans were $23,741 and $22,470, respectively, for the year ended June 30, 2018. The breakdown of the required employer contribution between the City portion and the employee portion is as follows:

Plan		Annual Required Employer Contribution	City Contribution	Employees' Cost Sharing
Miscellaneous	$	23,741	20,205	3,536
Safety				
Police		13,033	12,200	833
Fire		9,437	8,443	994
Total Safety		22,470	20,643	1,827
Total	$	46,211	40,848	5,363

Net Pension Liability

The City's net pension liability for each plan was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016.

Actuarial Assumptions

The June 30, 2016 valuation was rolled forward to determine the June 30, 2017 total pension liability, based on the following actuarial methods and assumptions:

Valuation date	June 30, 2016
Measurement date	June 30, 2017
Actuarial cost method	Entry Age Normal Cost Method
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.75%
Salary increase	Varies by Entry Age and Service
Mortality rate table	Derived using CalPERS' Membership Data for all Funds
Post-retirement benefit increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report. All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS website at www.calpers.ca.gov under Forms and Publications.

Change of Assumptions

For the measurement date June 30, 2017, the accounting discount rate reduced from 7.65% to 7.15%.

Discount Rates

The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15% discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2014.

Asset Class	Current Target Allocation	Real Return Years 1-10 *	Real Return Years 11+ **
Global Equity	47.00%	4.90%	5.38%
Global Fixed Income	19.00%	0.80%	2.27%
Inflation Sensitive	6.00%	0.60%	1.39%
Private Equity	12.00%	6.60%	6.63%
Real Estate	11.00%	2.80%	5.21%
Infrastructure and Forestland	3.00%	3.90%	5.36%
Liquidity	2.00%	(0.40%)	(0.90%)
Total	100.00%		

*An expected inflation of 2.5% used for this period.
**An expected inflation of 3.0% used for this period.

Changes in the Net Pension Liability

The changes in the Net Pension Liability measured as of June 30, 2017 for each plan is as follows:

Miscellaneous Plan:

		Increase (Decrease)		
		Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) – (b)
Balance at June 30, 2017	$	1,009,768	745,881	263,887
Changes in the year:				
Service cost		15,513	-	15,513
Interest on the total pension liability		74,508	-	74,508
Changes of assumptions		62,163	-	62,163
Differences between actual and expected experience		(11,313)	-	(11,313)
Net plan to plan resource movement		-	2	(2)
Contribution from the employer		-	18,558	(18,558)
Contribution from the employees		-	8,518	(8,518)
Net investment income		-	82,439	(82,439)
Benefit payments, including refunds of employee contributions		(52,599)	(52,599)	-
Administrative expense		-	(1,101)	1,101
Net changes		88,272	55,817	32,455
Balance at June 30, 2018	$	1,098,040	801,698	296,342

Safety Plan:

		Increase (Decrease)		
		Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) – (b)
Balance at June 30, 2017	$	754,987	503,155	251,832
Changes in the year:				
Service cost		14,641	-	14,641
Interest on the total pension liability		56,003	-	56,003
Changes of assumptions		47,703	-	47,703
Differences between actual and expected experience		(7,654)	-	(7,654)
Net plan to plan resource movement		-	(2)	2
Contribution from the employer		-	19,843	(19,843)
Contribution from the employees		-	4,305	(4,305)
Net investment income		-	55,289	(55,289)
Benefit payments, including refunds of employee contributions		(38,186)	(38,186)	-
Administrative expense		-	(743)	743
Net changes		72,507	40,506	32,001
Balance at June 30, 2018		827,494	543,661	283,833
Total for both plans at June 30, 2018	$	1,925,534	1,345,359	580,175

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

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

		Miscellaneous	Safety	Total
1% Decrease		6.15%	6.15%	6.15%
Net Pension Liability	$	445,850	399,747	845,597
Current Discount Rate		7.15%	7.15%	7.15%
Net Pension Liability	$	296,342	283,833	580,175
1% Increase		8.15%	8.15%	8.15%
Net Pension Liability	$	173,514	189,163	362,677

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

As of June 30, 2018, the City reported net pension liability, deferred outflows of resources and deferred inflows of resources for both Miscellaneous and Safety Plans as follows:

Governmental activities:		Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous plan	$	190,951	47,692	7,647
Safety plan		283,833	66,215	12,716
Total	$	474,784	113,907	20,363

Business-type activities:		Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous plan	$	105,391	28,027	4,491

Miscellaneous Plan:

For the year ended June 30, 2018, the City recognized pension expense of $34,640. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$	23,741	-
Changes of assumptions		40,727	567
Differences between expected and actual experience		-	11,571
Net differences between projected and actual earnings on plan investments		11,251	-
Total	$	75,719	12,138

The amount of $23,741 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

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

Year ended June 30,		Amounts
2019	$	12,371
2020		28,768
2021		4,742
2022		(6,041)
Total	$	39,840

Safety Plan:

For the year ended June 30, 2018, the City recognized pension expense of $36,351. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$	22,470	-
Changes of assumptions		35,778	3,751
Differences between expected and actual experience		-	8,965
Net differences between projected and actual earnings on plan investments		7,967	-
Total	$	66,215	12,716

The amount of $22,470 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

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

Year ended June 30,		Amounts
2019	$	4,697
2020		17,164
2021		13,140
2022		(3,972)
Total	$	31,029

Pension Plan Fiduciary Net Position

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

Supplemental Retirement Plan

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

In October 2012, the City provided the same early retirement incentive plan to the employees represented by International Brotherhood of Electrical Workers Association (IBEW), and also offered an extension of the incentive program to employees represented by GCEA and GMA. The same parameters were applied for the extension of the incentive program, with the exception of the retirement eligibility date and date of separation advancing to October 31, 2012. There were 30 additional employees participating in the second phase. The plan is closed, and $45 was paid to PARS in FY 2017-18.

Public Agency Retirement Services (PARS)

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

Any City hourly employee who is not eligible to enroll in the CalPERS retirement plan is enrolled in PARS-ARS instead of social security. After completing 1,000 work hours within a fiscal year, hourly employees are eligible to enroll in CalPERS retirement plan. For each pay period, employees contribute 6.2%, and the City contributes 1.3% of employee earnings into employees' PARS account. Both contributions are made on pre-tax basis. For FY 2017-18, PARS payments were $92 and $19 for employee portion and employer portion, respectively. The amount of the City's outstanding liability is zero, since the plan is fully funded, and it's a defined contribution plan. A participant in the PARS ARS Plan becomes eligible to receive his/her funds when one of the following events occurs: separation, retirement, permanent and total disability, and change of employment status to a position covered by another retirement system or death.

NOTE 10 – Other Post Employment Benefits Than Pensions (OPEB)

Plan Description

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

Benefits Provided

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

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

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

The above benefits offered to retirees are no longer available to new entrants because of the restriction of the retirement dates. Benefits payments made by the City for the year ended June 30, 2018 were $507.

Employees Covered by Benefit Terms

At June 30, 2017, the most recent valuation date, the following current and former employees were covered by the benefit terms under the Plan:

Inactive employees or beneficiaries currently receiving benefit payments	89
Inactive employees entitled to but not yet receiving benefit payments	251
Active employees	1,399
Total	1,739

Total OPEB Liability

The City's total OPEB liability of $15,738 was measured as of June 30, 2017, and was determined by an actuarial valuation as of June 30, 2017. A summary of principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date	June 30, 2017
Measurement date	June 30, 2017
Discount rate	3.58%
General inflation	2.75% per annum
Medicare Part A premium increases	3.75%/year (inflation + 1%) Not related to health care trend
Healthcare cost trend rate	Non-Medicare – 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare – 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 and later years

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

Mortality information was derived from data collected during 1997 to 2015 CalPERS Experience Study. Post-retirement mortality was projected fully generational using Society of Actuaries (SOA) Scale MP-2017.

Changes in the Total OPEB Liability

The changes in the total OPEB liability measured as of June 30, 2017 is as follows:

		Total OPEB Liability
Balance at June 30, 2017	$	17,465
Changes in the year:		
Service cost		57
Interest		493
Assumption changes		(1,790)
Benefit payments		(487)
Net changes		(1,727)
Balance at June 30, 2018	$	15,738

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

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

		2.58%	3.58%	4.58%
Total OPEB Liability	$	18,268	15,738	13,702

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

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

		1% Decrease (Trend -1%)	Current Trend Rates	1% Increase (Trend +1%)
Total OPEB Liability	$	15,530	15,738	15,985

Non-Medicare trend rate of 7.5%, decreasing to an ultimate rate of 4.0% in 2076 and later years. Medicare trend rate of 6.5%, decreasing to an ultimate rate of 4.0% in 2076 and later years.

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

For the year ended June 30, 2018, the City recognized OPEB expense of $353. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources		Deferred Inflows of Resources
OPEB payments made subsequent to the measurement date	$	507		
Changes of assumptions			$	1,593

The amount of $507 reported as deferred outflows of resources related to OPEB payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2019.

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

Year ended June 30,		Amounts
2019	$	(197)
2020		(197)
2021		(197)
2022		(197)
2023		(197)
Thereafter		(608)
Total	$	(1,593)

NOTE 11 – NET DEFICITS OF INDIVIDUAL FUNDS

As of June 30, 2018, the following funds have negative fund balances or net position:

Governmental funds:		
Special revenue funds:		
CDBG Fund	$	2
Continuum of Care Grant Fund		97
Grant Fund		620
Measure H Fund		52
PW Special Grants Fund		84
Measure R Regional Return Fund		1,846
Fire Grant Fund		179
Capital projects funds:		
CIP Reimbursement Fund	$	1,763
Proprietary funds:		
Internal service funds:		
Compensation Insurance Fund	$	9,213
Medical Insurance Fund		596
Employee Benefits Fund		38
Post Employment Benefits Fund		229

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

Compensation Insurance Fund – The deficit has decreased in FY 2017-18 due to the premium increases. The City will continue to increase future premiums to eliminate the deficit.

Medical Insurance Fund – The deficit has decreased in FY 2017-18 due to premium increases. The City will increase future premiums to eliminate the deficit.

Employee Benefits Fund – The deficit has increased in FY 2017-18 due to large payouts. The City will continue to increase premiums in the future to eliminate the deficit.

Post Employment Benefits Fund – The deficit was a result of large postemployment benefits payouts. The City will increase future premiums to eliminate the deficit.

NOTE 12 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City retains risks for the following types of liabilities: workers' compensation, unemployment insurance, general auto, dental, medical and vision as well as public liability through separate internal service funds. The City purchased several commercial insurance policies from third-party insurance companies for errors and omissions of its officers and employees, and destruction of assets as well as excess workers' compensation and general public liability claims. The City also purchases property, aviation and employee dishonesty insurance. There were no significant settlements or reductions in insurance coverage from settlements for the past three years. The insurance schedule for FY 2017-18 is as follows:

Insurance Type	Program Limits	Deductible/SIR (self-insured retention)
Excess Liability Insurance	$ 25,000	$2,000 SIR per occurrence
D & O Employment Practices	2,000	$250 SIR non-safety; $500 SIR safety
Excess Workers' Comp Employer's Liability Insurance	Statutory	$2,000 SIR per occurrence
Property Insurance (GWP)	250,000	Various deductibles up to $250
Property Insurance (Non-GWP)	500,000	$25 deductible all locations
Aviation Insurance (Police Helicopter)	50,000	Various deductibles
Employee Dishonesty – Crime Policy	5,000	$25
Cyber Insurance	5,000	$100

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

Claims payable liability has been established in these funds based on estimates of incurred but not reported and litigated claims. Management believes that provisions for claims at June 30, 2018 are adequate to cover the cost of claims incurred to date. However, such liabilities are, by necessity, based upon estimates and there can be no assurance that the ultimate cost will not exceed such estimates. A reconciliation of the changes in the aggregate liabilities for Liability Insurance Fund, Compensation Insurance Fund and Medical Insurance Fund for claims for the current fiscal and the prior fiscal year are as follows:

Fiscal Year	Beginning Balance	Claims and Charges	Claim Payments	Ending Balance
2016-17	$ 41,942	53,767	44,315	51,394
2017-18	$ 51,394	42,708	40,834	53,268

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

NOTE 13 – CONTINGENT LIABILITIES AND COMMITMENTS

Power Purchase Agreements

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

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

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

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

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

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

Certain Sales Tax Revenues

On September 24, 2007, HdL Companies (HdL), which is the City's sales tax consultant, submitted petitions to the California Department of Tax and Fee Administration (CDTFA – formerly known as Board Equalization or BOE) on behalf of all their client cities regarding Case ID 606763 and Case ID 606835 (Sales v. Use Tax/Place of Allocation). These cases pertain to the City of Buena Park and a local business (hereafter referred to as Taxpayer).

The Taxpayer sells computer hardware and peripherals to government and business accounts. After signing a tax sharing agreement with the City of Buena Park, the Taxpayer began reporting these transactions as sales tax and allocating the local 1% tax to their office in the City of Buena Park.

According to CDTFA, since the merchandise is shipped from out of state, the applicable tax is a use tax that should be allocated to the various countywide pools based on delivery. The Taxpayer contends that the terms of their sales agreements stipulate that title passes at the time of delivery in this state, and therefore the transactions are subject to sales tax. However, CDTFA states that title cannot pass after the seller has given the merchandise to a common carrier.

In both their Allocation Group Decision and Supplemental Decision, CDTFA granted the HdL petitions and ruled that the tax was a use tax and should be distributed via the countywide pools. The City of Buena Park has appealed both decisions, and the matter has been elevated to the CDTFA Appeals Division.

After further review, the CDTFA Appeals Division determined that the City of Buena Park would receive portion of the sales tax revenues; however, majority of the sales tax revenue would be reallocated to the Countywide Pool as a use tax.

In spring 2014, the Taxpayer moved their California office from Buena Park to Glendale and has continued the same practice by allocating the 1% sales tax to their office in the City of Glendale. The Taxpayer is appealing the matter as well and until the matter is settled, they intend to allocate sales to their Glendale office, to the extent they believe the allocation is supported by the facts.

Per HdL, since the resolution of the dispute is still pending for the Glendale office, all or portion of local revenue received by the City could later be taken away by the CDTFA and redistributed through the countywide pools. HdL has recommended that the City set aside any revenues received from this Taxpayer. Therefore, starting in FY 2013-14, the City has been accruing a liability related to the sales tax revenues generated by this Taxpayer, until this matter is resolved and settled by all parties involved.

In spring 2017, the City requested that CDTFA look into this matter in more detail and determine whether some or all of the sales taxes generated from the Glendale Office by the Taxpayer should remain with the City. The District Office started an investigation and based on their filed audit, determined that the City will receive certain percentage from the sales tax revenues.

On March 16, 2018, the City received the final determination letter from the CDTFA and considered the audit closed. As such, the liability account was closed as of June 30, 2018, and the remaining revenues were recognized to the General Fund.

The California Revenue and Taxation Code, Section 7056 sets forth requirements and conditions for the disclosure of CDTFA records, and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from the sales and use tax of the CDTFA. Therefore, the sales taxes specific to this taxpayer are not disclosed.

General Fund Transfer Litigation

The City is currently litigating two appeals regarding the City's 2013 electric rates and transfer from the Electric Fund to the General Fund. The two cases, Glendale Coalition for a Better Government v. City of Glendale, L.A. Superior Court Case No. BS147376, Court of Appeal Case No. B281994 ("Coalition" lawsuit); Saavedra et al. v. City of Glendale, L.A. Superior Court Case No. BC539160, Court of Appeal Case No. B281991 ("IBEW" lawsuit), were filed in 2014. A lawsuit challenging the 2018 electric rates on similar grounds was filed in July 2018. In July 2018, the Coalition filed a lawsuit challenging the City's 2018 electric rate plan on similar grounds. Glendale Coalition for a Better Government v. City of Glendale, L.A. Superior Court Case No. BS174485 ("Coalition II" lawsuit). The Coalition II lawsuit is stayed pending the outcome of the appeals in the first two matters.

The 2014 lawsuits challenge the City's August 2013 electric rate plan ("2013 Electric Rate Plan") which includes transfers of electric revenue from the Glendale Water & Power Electric Fund to the General Fund ("General Fund Transfer" or "GFT"). The GFT is made under the authority of the City Charter, Article XI, Section 22, which provides:

"At the end of each fiscal year an amount equal to twenty-five (25) per centum of the operating revenues of the department of Glendale Water and Power for such year, excluding receipts from water or power supplied to other cities or utilities at wholesale rates, shall be transferred from said Glendale Water and Power surplus fund to the general reserve fund; provided, that the council may annually, at or before the time for adopting the general budget for the ensuing fiscal year, reduce said amount or wholly waive such transfer if, in its opinion, such reduction or waiver is necessary to insure the sound financial position of said department of Glendale Water and Power and it shall so declare by resolution."

The City discontinued making transfers from the water fund in 2011. Thus, the City currently transfers only electric revenue from GWP to the General Fund. In FY2017-18, the City transferred $20,162 or 10% of GWP electric operating revenues (in accordance with the City Charter's definition of operating revenues) to the GWP surplus fund, then to the City's general reserve fund, then to the City's general budget fund, in accordance with the requirements of the Charter. The amount of the GFT was equal to 8.7% of the City's General Fund revenues for FY 2017-18.

Among other causes of action, the petitioners challenged the 2013 Electric Rate Plan on the grounds the rate plan violated Proposition 26 (a voter-approved initiative that amended Articles XIIIC and XIIID of the California Constitution). Proposition 26 defines "any levy, charge or exaction of any kind" imposed by a local government as a "tax" that must be approved by the voters of the local jurisdiction, unless the levy, charge or exaction falls within one of seven exemptions. (Article XIIIC, §1(e)) The City contends that electric rates fall within the exception for any "charge imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing service." The trial court concluded that the 2013 Electric Rate Plan was a tax because the rate plan included the GFT which the court concluded is not a cost of service or an appropriate component of cost of service.

In the remedy phase of the trial, the trial court concluded that the amount of the unconstitutional tax is the amount of the GFT in the years since the 2013 Electric Rate Plan became effective. The trial court ordered a remedy requiring

the City to credit ratepayers the amount of the GFT since the electric rates were increased (and refund the GFT to the Electric Revenue fund in the same amount). That number is $56,950 plus interest for FY 2013-14, FY 2014-15, and FY 2015-16. The trial court further ordered a credit for FY 2016-17 in the amount of $19,857, plus interest. Lastly, the trial court ordered that credits for fiscal years 2017-18 and subsequent years will accrue, if applicable at $1,634 per month plus interest. The trial court's order provides that the total amount to be credited is to be credited back over approximately the same amount of time that the transfers were made, starting from the effective date of the 2013 Electric Rate Plan (the time is approximate because credits are based on actual usage which will vary). By way of example but not limitation, if the time between the 2013 Electric Rate Plan to the date of final judgment, including all appeals, is five years and the City has continued to make transfers during that period, then the City will have approximately five years to credit the entire amount of the transfers plus accumulated interest if it is unsuccessful in its appeals.

The court has also issue a writ of mandate commanding the City to cease to include the GFT in the electric rates charged to consumers unless and until a majority of Glendale electorate approves the tax in the rates.

City Appeal

The City appealed the judgment in the 2014 lawsuits. The appeal has stayed enforcement of the judgments. As such, status quo will remain in effect during the pendency of the appeal.

Management is of the opinion that the GFT, adopted by the voters and which pre-dates adoption of Proposition 26, is not thereby vitiated by Proposition 26. Moreover, the City is appealing the remedy ordered by the court. There were wholesale funds sufficient to fund the transfers made as part of the 2013 Electric Rate Plan and also the 2013 Electric Rate Plan did not fully account for reserves that could be paid out of rate revenue. Indeed, during the pendency of the City's appeals, the California Supreme Court held that a similar transfer of funds from Redding's electric utility to its general fund (a "payment in lieu of taxes" or "PILOT") did not violate Proposition 26. Citizens for Fair REU Rates v. City of Redding (2018) 6 Cal.5th 1. In Redding, the Supreme Court held that the PILOT was not a tax and that because Redding's non-rate revenue (revenue received from sources other than imposing rates on customers) exceeded the amount of its PILOT, there was no transfer of rate payments to the general fund. The Supreme Court concluded that the revenue received from rates did not exceed the utility's costs. Glendale argues that Redding requires reversal of the Coalition and IBEW lawsuits since its rate revenues do not exceed all of its costs as Glendale has non-rate revenues that were deducted from its revenue requirement and the 2013 rate plan did not recover all costs it was legally entitled to recover.

Coalition Cross Appeal

Finally, it should be noted that the Coalition has filed a cross-appeal. The Coalition contended, and the trial agreed, that the City's prior accounting practices related to GWP, while compliant with Generally Accepted Accounting Principles ("GAAP"), violated specified provisions of the City Charter. The trial court issued a permanent injunction enjoining the City from merging some Charter mandated funds, splitting up others and making the GFT directly from the electric revenue fund to the General Fund without accounting for the appropriate fund transfers required by the Charter. The City has not appealed Charter fund and accounting issues portion of the trial court's ruling, and entered a response (return of the writ) stating its compliance with this portion of the court's orders. The Coalition has filed a cross-appeal contending that the City should have been required to pay back transfers even further going back from the 2013 Electric Rate Plan. The trial court ruled that the Charter accounting violations did not require a refund of additional monies from the General Fund to the Electric Fund since the utility always had sufficient cash to make the transfers.

Status of Appeals

The Second District Court of Appeal heard oral argument in the appeals of the 2013 lawsuits on October 2, 2018 and the matter was submitted. The court must issue its decision no later 90 days later, or December 31, 2018. Due to announced court changeover, it is anticipated the court will issue its decision no later than December 14, 2018.

Petitions for Rehearing or Review

After the Court of Appeal issues its decision, either party (or both depending on the outcome) can request a petition for rehearing before the Court of Appeal and/or a petition for review to the California Supreme Court. Decisions to grant a petition for rehearing or a petition for a review are discretionary decisions with the Court of Appeal and California Supreme Court, respectively. Decisions by a party to request a rehearing or petition for review will extend the case out 90-180 days. If a petition for review is granted by the California Supreme Court, the case would be extended at least a year and likely 2 or 3 years.

NOTE 14 – JOINTLY GOVERNED ORGANIZATIONS

Joint Power Agreement for San Fernando Valley Council of Governments

The San Fernando Valley Council of Governments (SFVCOG) was created through a Joint Power Agreement in 2010. The City is an active member of the SFVCOG. Other member jurisdictions currently participating include the City of Los Angeles with 7 board representatives for each City Council district located entirely or partially in the San Fernando Valley, 2 board representatives from each of the Los Angeles County Supervisorial Districts located entirely or partially in the San Fernando Valley, and one representative each from the Cities of Burbank, Glendale, San Fernando and Santa Clarita. In its official capacity, the SFVCOG acts as a planning sub-region for the Southern California Association of Governments (SCAG) and focuses on promoting better regional coordination of planning and transportation planning efforts in the San Fernando Valley. The SFVCOG also engages in local, regional, state and federal grant development programming for the region.

Joint Power Agreement for Arroyo Verdugo Communities

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

"Take or Pay" Contracts

The City has entered into twelve "Take or Pay" contracts, which require payments to be made whether or not projects are completed or operable, or whether output from such projects is suspended, interrupted or terminated. Such payments represent the City's share of current and long-term obligations. Payment for these obligations is expected to be made from operating revenues received during the year that payment is due. These contracts provide for current and future electric generating capacity and transmission of energy for City residents. Through these contracts, the City purchased approximately 58% of its total energy requirements during FY 2017-18. With a few exceptions, the City is obligated to pay the amortized cost of indebtedness regardless of the ability of the counterparty to provide electricity. The original indebtedness will be amortized by adding the financing costs to purchase energy over the life of the contract. All of these agreements contain "step-up" provisions obligating the City to pay a share of the obligations of any defaulting participant.

- The Intermountain Power Agency (IPA), a subdivision of the State of Utah, was formed in January 1974 to finance the construction of a 1,400 megawatt coal-fired generating plant, consisting of two generating units located near Delta, Utah and associated transmission lines, called the Intermountain Power Project (IPP). The project began uprating of the two generating units in early 2003. When the uprating was finished in March 2004, it increased the capacity of the plant from 1,400 megawatts to 1,800 megawatts. The City through contract is obligated for 30 megawatts or 1.70% of the generation. In addition, the City entered into an "Excess Power Sales Agreement" with the IPA, agent for the Utah Municipal Purchasers and the Cooperative Purchasers, which entitles the City to additional shares that can vary from year to year. As of June 30, 2018,

Glendale's excess entitlement share is 0.46%. The total City's obligation from IPP is between 35 and 38 megawatts.

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

- The first of the SCPPA projects is a 3,810 megawatt nuclear fuel generation plant in Arizona. The Palo Verde (PV) nuclear project consists of 3 units, each having an electric output of approximately 1,270 megawatts. SCPPA has purchased approximately 225 megawatts of capacity and associated energy (approximately 5.91% of total Palo Verde output), of which the City receives 9.9 megawatts or 4.40% of SCPPA's entitlement. As of June 30, 2018, Glendale's share is 4.40%.

- The second project financed through SCPPA is the Southern Transmission System (STS) that transmits power from the coal-fired IPP to Southern California. The 500 kV DC line is currently rated at 2,400 megawatts. The City's share of the line is 2.27% or approximately 55 megawatts. As of June 30, 2018, Glendale's share is 2.27%.

- The third project financed through SCPPA is the acquisition of 41.80% ownership interest in a coal-fired 497 megawatt unit in San Juan Generating Station, Unit 3 (SJ), located in New Mexico. SCPPA members are entitled to 208 megawatts. The City is obligated for 20 megawatts or 9.80% of the SCPPA entitlement. In July 2015, the City Council authorized the SCPPA to execute, on Glendale's behalf, a set of three agreements that collectively shut down Unit 3 at the coal-fired San Juan Power Plant in New Mexico at the end of December 2017. The termination of operations at San Juan Unit 3 will help GWP achieve California state goals regarding the reduction of greenhouse gas emissions. Under the Mine Reclamation and Plant Decommissioning Agreements, Glendale shares the responsibility for any liability arising from operations after the December 2017 exit date. As such a liability for decommissioning the power plant cannot be determined at this time. As of June 30, 2018, Glendale's share is 9.80%.

- The fourth project financed through SCPPA is Mead-Adelanto Project (MA). The project consists of a 202-mile 500 kV AC transmission line extending between the Adelanto substation in Southern California and the Marketplace substation in Nevada, and the development of the Marketplace Substation at the southern Nevada terminus approximately 17 miles southwest of Boulder City, Nevada. The initial transfer capability of the Mead-Adelanto Project is estimated at 1,200 megawatts. SCPPA members in the project are entitled to 815 megawatts. The City is obligated for 90 megawatts or 11.04% of the SCPPA entitlement. As of June 30, 2018, Glendale's share is 11.04%.

- The fifth project financed through SCPPA is Mead-Phoenix Project (MP). The project consists of a 256-mile long 500 kV AC transmission line from the Westwing Substation in the vicinity of Phoenix, Arizona to the Marketplace Substation approximately 17 miles southwest of Boulder City, Nevada with an interconnection to the Mead Substation in southern Nevada. The project consists of three separate components: the Westwing-Mead Component, the Mead Substation Component, and the Mead-Marketplace Component. The City's participation shares in the components range from 11.76% to 22.73%. The Mead-Phoenix Project in conjunction with the Mead-Adelanto Project provides an alternative path for the City's purchases from the Palo Verde Nuclear Generating Station, San Juan Generating Station and Hoover Power Plant. These transmission lines also provide access to the southwest U.S. where economical coal energy is readily available. As of June 30, 2018, Glendale's share is 14.80%.

- The sixth project financed through SCPPA is the Magnolia Power Project (MPP) located on Burbank Water & Power's generation station complex adjacent to Magnolia Boulevard in Burbank, California. The project consists of a combined cycle natural gas-fired generating plant with a nominally rated net base capacity of 242 megawatts. The City is obligated for 40 megawatts or 16.53% of the project's output. As of June 30, 2018, Glendale's generation cost share is 16.53% and indenture cost share is 17.25%.

- The seventh project financed through SCPPA is Natural Gas Prepaid Project (NGPP). In August 2007, the City entered into a 30-year Prepaid Natural Gas Agreement with the SCPPA. The agreement will provide a secure and long-term supply of natural gas up to 3,500 MMBtu per day at a discounted price below a spot market price index. The delivery of natural gas started in July 2008. As of June 30, 2018, Glendale's share is 23.00%.

- The eighth project financed through SCPPA is the Linden Wind Energy Project (LIN) located in Klickitat County in the state of Washington. The facility is a 50 megawatts capacity wind farm. The 25 year purchase power agreement with SCPPA is for the purchase of 10.00% (approximately 5 megawatts) of the capacity of the project. The City has sold its output entitlement share to Los Angeles Department of Water and Power (LADWP) but remains responsible for all the obligations associated with its participation in the Power Sales Agreements in the event LADWP should default. As of June 30, 2018, Glendale's share is 10.00%.

- The ninth project financed through SCPPA is the Tieton Hydropower Project (THP) located near the town of Tieton in Yakima County, Washington. The Project has a maximum capacity of approximately 20 megawatts. The Project includes a 115 kV transmission line, approximately 22-miles long, connecting the generating station with PacifiCorp's Tieton Substation. The City is obligated for approximately 6.8 megawatts or 50.00% of the project's output. As of June 30, 2018, Glendale's share is 50.00%.

- The tenth project financed through SCPPA is Windy Point/Windy Flats project (WP) located in Klickitat County in the state of Washington. The Project has a maximum capacity of approximately 262.2 megawatts. The City Council approved a 20 year purchase power agreement with SCPPA for the purchase of approximately 20 megawatts or 7.63% of the renewable energy output from the Project. The City has sold its output entitlement share to Los Angeles Department of Water and Power (LADWP) but remains responsible for all the obligations associated with its participation in the Power Sales Agreements in the event LADWP should default. As of June 30, 2018, Glendale's share is 7.63%.

- The eleventh project financed through SCPPA is the Milford II Wind Project (MIL2) located near Beaver and Millard County, Utah. The Project has a capacity of approximately 102 megawatts. The City Council approved a 20 year purchase power agreement with SCPPA for the purchase of approximately 5 megawatts or 4.90% of the Project's output. The City has sold its output entitlement share to Los Angeles Department of Water and Power (LADWP) but remains responsible for all the obligations associated with its participation in the Power Sales Agreements in the event LADWP should default. As of June 30, 2018, Glendale's share is 4.90%.

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

Project	Contract Expiration Date	Glendale's Share
Intermountain Power Project (IPP)	2027	2.16%
Palo Verde Project (PV)	2030	4.40%
Southern Transmission System (STS)	2027	2.27%
San Juan Project (SJ)	2018	9.80%
Mead-Adelanto Project (MA)	2030	11.04%
Mead-Phoenix Project (MP)	2030	14.80%
Magnolia Power Project (MPP)	2036	17.25%
Natural Gas Prepaid Project (NGPP)	2035	23.00%
Linden Wind Energy Project (LIN)	2035	10.00%
Tieton Hydropower Project (THP)	2040	50.00%
Windy Point/Windy Flats Project (WP)	2030	7.63%
Milford II Wind Project (MIL2)	2031	4.90%

A summary of the City's "Take or Pay" debt service commitment and the final maturity date as of June 30, 2018:

Fiscal Year		IPP	STS	MA	MP	MPP	NGPP	LIN	THP	WP	MIL2	Total
2019	$	4,912	1,766	2,358	951	2,590	4,684	1,007	1,667	3,093	623	23,651
2020		4,269	1,547	2,339	941	2,589	4,858	1,004	1,668	3,090	622	22,927
2021		3,812	1,773	1,747	698	20,954	5,066	1,007	1,668	3,089	622	40,436
2022		2,324	2,114	-	-	2,216	5,245	1,004	1,665	3,085	622	18,275
2023		2,296	1,624	-	-	1,941	5,309	1,003	1,665	3,081	620	17,539
2024-2028		239	4,513	-	-	9,182	29,728	5,006	9,077	15,366	3,095	76,206
2029-2033		-	-	-	-	9,459	35,048	4,963	8,222	9,182	2,464	69,338
2034-2038		-	-	-	-	12,225	16,296	2,820	8,191	-	-	39,532
2039-2043		-	-	-	-	-	-	-	6,536	-	-	6,536
Total	$	17,852	13,337	6,444	2,590	61,156	106,234	17,814	40,359	39,986	8,668	314,440

In addition to debt service, the City's entitlement requires the payment for fuel costs, operating and maintenance (O&M), administrative and general (A&G), and other miscellaneous costs associated with the generation and transmission facilities discussed above. These costs do not have a similar structured payment schedule as debt service and vary each year. The costs incurred for fiscal year 2018 and 2017 are as follows:

Fiscal Year	IPP	PV	STS	SJ	MA	MP	MPP	NGPP	LIN	THP	WP	MIL2	Total
2018	$8,044	2,975	808	2,498	247	206	4,652	1,831	-	1,372	-	-	22,633
2017	$8,008	2,651	690	4,769	196	253	4,591	1,508	-	1,371	-	-	24,037

NOTE 15 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

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

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

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

On February 6, 2013, and again on February 11, 2014, Glendale received approval from its Oversight Board to reinstate its City-Agency loans, however, the DOF refused to approve the Oversight Board's action contending that the Agency had incorrectly calculated the interest earned on the loans. Following unsuccessful efforts to

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

In 2011, the Agency issued $50,000 in Subordinate Taxable Tax Allocation Bonds, the proceeds of which were to be deposited with the Trustee pursuant to the Indenture of Trust. The Dissolution Act initially froze all the 2011 Bond Proceeds, including the Agency's $50,000, but subsequently authorized redevelopment agencies to spend a sliding-scale percentage of the proceeds for housing and non-housing purposes established by the Bonds depending on when the agency bonds were issued. With respect to 2011 Bonds, Glendale is authorized to spend 30% of non-housing bond proceeds (5% immediately and an additional 25% upon approval of the Agency's Last and Final ROPS) and 100% of the housing proceeds. On January 18, 2018, the Oversight Board approved a resolution authorizing a bond expenditure agreement which would transfer bond proceeds to the City and Housing Authority, respectively, in amounts authorized by law subject to the DOF approval of the Agency's Last and Final ROPS. Although the bond expenditure agreement did not specify any amounts and was expressly contingent of the DOF's approval of the Last and Final ROPS, the DOF nonetheless disapproved the Agency's Bond Expenditure Agreement alleging that the Agreement was premature, and that the Agreement would also impermissibly authorize transfer of bond reserves. On January 24, 2018, the Oversight Board approved the ROPS with line items authorizing transfer of 5% of the non-housing bond proceeds and 100% of the housing bond proceeds, but the DOF also disapproved these ROPS line items because DOF disagrees as to how the percentage of "proceeds" should be calculated. The Agency believes that the proceed percentages should be calculated based on the commonly understood meaning of what constitutes bond "proceeds", which are typically understood to mean par amount of the bonds, in this case $50,000, which is the aggregate principal amount delivered to the trustee for application to the payment of costs, deposit into the required reserve account, and transfer to the redevelopment and housing funds. In contrast, the DOF believes that the percentage of "proceeds" should be calculated only after reducing the proceeds by the amount of the required reserves. The Agency and DOF attempts to informally resolve the disagreement over the meaning of "proceeds" were unsuccessful and on June 28, 2018, the City and Agency filed a Petition for Writ of Mandate to overturn the DOF's rejection of the bond transfer agreement and the ROPS line items authorizing transfer of a certain percentages of the bond proceeds. This matter has been set for a hearing to take place on January 25, 2019.

Effective July 1, 2018, the Oversight Board to the Glendale Successor Agency was dissolved and replaced with a Consolidated Oversight Board to be administered by the County of Los Angeles.

The Agency is currently disposing of the last real-property asset ("Maryland Exchange Commercial Building") in its LRPMP.

Cash and Investments

The Fiduciary fund's cash and investments as of June 30, 2018 consist of the following:

Cash and investments	$	75,841
Cash and investments with fiscal agents		11,628
Total	$	87,469

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

Cash and investments	$	75,812
Restricted cash and investments		29
Cash and investments with fiscal agents		11,628
Total	$	87,469

Interest Rate Risk

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

			Remaining Maturity (in months)	
		Total	12 Months or Less	More than 60 Months
Commercial Paper	$	32,393	32,393	-
State Investment Pool		31,949	31,949	-
Money Market Mutual Fund		11,498	11,498	-
Held by Fiscal Agents:				
Guaranteed Investment Contracts		6,580	-	6,580
Money Market Accounts		5,049	5,049	-
	$	87,469	80,889	6,580

Credit Risks

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

			Moody's Rating as of June 30, 2018		
		Total	Aaa	P1	Unrated
Commercial Paper	$	32,393	-	32,393	-
State Investment Pool		31,949	-	-	31,949
Money Market Mutual Fund		11,498	11,498	-	-
Held by Fiscal Agents:					
Guaranteed Investment Contracts		6,580	-	-	6,580
Money Market Accounts		5,049	-	5,049	-
	$	87,469	11,498	37,442	38,529

Concentration Risk

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

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

Issuer	Investment Type	Reported Amount
JP Morgan Securities	Commercial Paper	$ 7,999
MUFG Bank LDT NY	Commercial Paper	7,485
Sumitomo Mitsui Trust	Commercial Paper	9,945
		$ 25,429

Fair Value Measurements

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

As of June 30, 2018, the Successor Agency has the following fair value measurements:

		Fair Value Measurements		
	Balance at June 30, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Commercial Paper	$ 32,393	-	32,393	-
Total investments by fair value level	32,393	-	32,393	-
Investments measured at amortized costs or not subject to fair value hierarchy:				
State Investment Pool	31,949			
Money Market Mutual Funds	11,498			
Held by Fiscal Agents:				
Guaranteed Investment Contracts	6,580			
Money Market Accounts	5,049			
Total investments measured at amortized costs or not subject to fair value hierarchy	55,076			
	$ 87,469			

Capital Assets

		Balance at July 1	Increases	Decreases	Adjustments-transferred to governmental activities	Balance at June 30
Fiduciary fund:						
Capital assets, not being depreciated:						
Land	$	105	-	-	(72)	33
Construction in progress		2,672	-	-	(2,672)	-
Total assets not being depreciated		2,777	-	-	(2,744)	33
Depreciable capital assets:						
Building and improvements		377	-	-	-	377
Less accumulated depreciation:						
Building and improvements		245	9	-	-	254
Total assets being depreciated, net		132	(9)	-	-	123
Fiduciary fund capital assets, net	$	2,909	(9)	-	(2,744)	156

Long-Term Debt

The Glendale Successor Agency's (Fiduciary Fund) bond ratings as of June 30, 2018 are as follows:

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

Continuing Disclosure

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

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

As of June 30, 2018, the Glendale Successor Agency (Agency) had 1 tax-exempt tax allocation bond and 2 subordinate taxable tax allocation bonds. The Agency engages a consultant to prepare and disseminate continuing disclosure for its 2 tax-exempt tax allocation bonds and 1 subordinate taxable tax allocation bonds. These disclosures are disseminated through the use of Electronic Municipal Market Access ("EMMA"), the Municipal Securities Rulemaking Board's ("MSRB") disclosure website. Timely and accurate communication with the municipal marketplace is vital in retaining the City's creditworthiness and market access. Continuing Disclosure and compliance reporting constitute a significant part of Debt Management's compliance activity for the life of each series of bonds.

The Fiduciary fund's long-term debts as of June 30, 2018 consist of the following:

		Issuance Amount	Balance at June 30, 2017	Additions	Retirements	Balance at June 30, 2018	Due within one year
Fiduciary Activities							
2011 GRA Subordinate Taxable Tax Allocation Bonds	$	50,000	39,280	-	3,300	35,980	3,560
2013 GSA Tax Allocation Refunding Bonds		44,985	29,675	-	5,470	24,205	5,685
2016 GSA Tax Allocation Refunding Bonds		20,810	20,810	-	-	20,810	-
GRA/GSA Tax Allocation Bonds premium		-	4,210	-	861	3,349	861
Loans Payable to the City		40,133	27,828	328	4,885	23,271	10,040
Total Fiduciary Activities	$	155,928	121,803	328	14,516	107,615	20,146

Subordinate Taxable Tax Allocation Bonds, 2011 Series

The former Glendale Redevelopment Agency (the "Agency") issued $50,000 in 2011 subordinate taxable tax allocation bonds with an average rate of 6.75% for 14 years. The Bonds were issued to finance redevelopment projects and low and moderate income housing activities; to fund the reserve requirement for the Bonds; and to provide for the costs of issuing the Bonds. The bonds mature in amounts ranging from $3,560 to $7,210 from FY 2018-19 to FY 2024-25. For the security of the non-housing portion of the Bonds, the Agency grants a first pledge of and lien on all of the subordinate tax revenues consisting of non-housing tax revenues on parity with the pledge and lien which secure any parity debt. For the security of the housing portion of the Bonds, the Agency grants a first pledge of and lien on all of the subordinate tax revenues consisting of housing tax revenues, on parity with the pledge and lien which secures any parity debt. Subordinate tax revenues are pledged to the payment of principal, interest and discounts on the Bonds pursuant to the Indenture until the Bonds are paid, or until moneys are set-aside irrevocably for that purpose. The property tax derived from the former Agency's Central Project Area is pledged to repay these Bonds until they are paid in full. The funds are distributed by the County of Los Angeles semi-annually through the ROPS process, subject to the approval by the Successor Agency's Oversight Board and the DOF. As of June 30, 2018, the principal balance is $35,980.

Tax Allocation Bonds, 2013 Refunding Series

The Glendale Successor Agency (the "GSA") issued $44,985 in 2013 tax allocation bonds with an average rate of 4.81% for the refunding of the former Glendale Redevelopment Agency's (the "Agency") outstanding Central Glendale Redevelopment Project Tax Allocation Bonds, 2002 Series and the Tax Allocation Bonds, 2003 Refunding Series (the "Prior Bonds"), and to pay the cost of issuance of the 2013 Bonds. The 2013 Bonds mature in regularly increasing principal amounts ranging from $5,685 to $6,455 from FY 2018-19 to FY 2021-22. The advance refunding of Tax Allocation Bonds, 2002 Series and the Tax Allocation Bonds, 2003 Refunding Series resulted in a difference between the reacquisition price of refunding bonds and the net carrying amount of the refunded bonds. The deferred loss on refunding as of June 30, 2018 for $913 is recognized and reported in the financial statements as a deferred outflows of resources and is being amortized through FY 2020-21. The refunding of the 2002 and 2003 Tax Allocation Bonds were approved by the Oversight Board and the DOF, to provide savings until the Refunding Bonds are repaid. The property tax derived from the former Agency's Central Project Area is pledged to repay these Bonds until they are paid in full. The funds are distributed by the County of Los Angeles semi-annually through the ROPS process, subject to the approval by the Successor Agency's Oversight Board and the DOF. As of June 30, 2018, the principal balance is $24,205.

Subordinate Tax Allocation Bonds, 2016 Refunding Series

The Glendale Successor Agency (the "GSA") issued $20,810 in 2016 tax allocation refunding bonds with an average rate of 1.74% to refinance the former Glendale Redevelopment Agency's (the "Agency") outstanding Central Glendale Redevelopment Project Tax Allocation Bonds, 2010 Series. The 2016 Bonds mature in regularly increasing principal amounts ranging from $6,665 to $7,210 from FY 2022-23 to FY 2024-25. The advance refunding of Tax Allocation Bonds, 2010 Series resulted in a difference between the reacquisition price of refunding bonds and the net carrying amount of the refunded bonds. The deferred loss on refunding as of June 30, 2018 for $1,181 is recognized and reported in the financial statements as a deferred outflows of resources and is being amortized through FY 2024-25.

The refunding of the 2010 Tax Allocation Bonds was approved by the Oversight Board and the DOF, to provide savings until the Refunding Bonds are repaid. The property tax derived from the former Agency's Central Project Area is pledged to repay these Bonds until they are paid in full. The funds are distributed by the County of Los Angeles semi-annually through the ROPS process, subject to the approval by the Successor Agency's Oversight Board and the DOF. As of June 30, 2018, the principal balance is $20,810.

Loans Payable

On February 6, 2013, and again on February 11, 2014, Glendale received approval from its Oversight Board to reinstate its City-Agency loans; however, the DOF refused to approve the Oversight Board's action contending that the Agency had incorrectly calculated the interest earned on the loans. Following unsuccessful efforts to informally resolve the disagreement by meeting and conferring with the DOF, on August 14, 2014, the City and Agency filed suit against the DOF for a determination that the Agency had correctly calculated interest on the loans. On April 16, 2015, the Sacramento Superior Court issued an order and judgment finding for the Agency and City and holding the DOF had abused its discretion when it rejected the Oversight Board's action reinstating the City-Agency Loans using the historic LAIF rates for calculating the interest earned thereon. The Oversight Board subsequently approved a Recognized Obligation Payment Schedule (ROPS) that included the reinstated City-Agency loans using the interest rate calculation recognized by the Court's 2015 order and judgment, but DOF denied the entire balance of the reinstated loans. Following another round of unsuccessful efforts to informally resolve the dispute by meeting and conferring with the DOF, on July 28, 2015, the City and Agency filed another lawsuit against the DOF seeking to overturn the DOF's decision to reject the reinstated loans. On February 18, 2016, the Sacramento Superior Court entered its Judgment granting the City's and Agency's writ and reversing the DOF's decision to deny the reinstated loans as enforceable obligations. The annual loan payment amount is determined by a formula specified in the Dissolution Act. The DOF has approved, and the County Auditor-Controller has paid Glendale via the ROPS process, $4,885 in FY 2017-18.

Furthermore, 20% of any loan repayment is required to be deducted and transferred to the City's Low and Moderate Income Housing Asset Fund. $977 was transferred in FY 2017-2018 to the Low and Moderate Income Housing Asset Fund. As of June 30, 2018, the reinstated loan amount is $23,271 which includes $328 of capitalized interest for FY 2017-18.

Glendale Successor Agency annual debt service requirement schedule:

	GSA Tax Allocation Bonds Fiduciary Fund		Loans Payable to the City Fiduciary Fund		
Fiscal Year	Interest	Principal	Interest	Principal	Total Debt Service
2019	$ 4,656	9,245	-	10,040	23,941
2020	4,137	9,745	-	4,411	18,293
2021	3,557	10,280	-	4,410	18,247
2022	2,909	10,905	-	4,410	18,224
2023	2,186	12,810	-	-	14,996
2024-2026	1,860	28,010	-	-	29,870
	$ 19,305	80,995	-	23,271	123,571

Net Position (Deficits)

A $17,171 deficit in net position is reported in fiduciary fund as of June 30, 2018. The primary reason for the deficit is due to the outstanding tax allocation bonds and outstanding Agency loan to the City.

NOTE 16 – SUBSEQUENT EVENT

On November 6, 2018, Glendale voters approved Measure S: The Glendale Quality of Life and Essential Services Protection Measure. The measure is a local sales tax increase of 0.75%, which would bring Glendale's sales tax from 9.5% to 10.25% effective April 1, 2019, and is expected to generate approximately $30 million annually. Glendale City Council adopted an ordinance authorizing the California Department of Tax and Fee Administration (CDTFA) to administer the local sales tax increase and has codified it in the Glendale Municipal Code under Chapter 4.30 – Transactions and Use Tax.

NOTE 17 – PRONOUNCEMENTS ISSUED BUT NOT YET IMPLEMENTED

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

- GASB Statement No. 83 – *Certain Asset Retirement Obligations.* The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations. The Statement is effective for periods beginning after June 15, 2018.

- GASB Statement No. 84 – *Fiduciary Activities.* The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for periods beginning after December 15, 2018.

- GASB Statement No. 87 – *Leases.* The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement is effective for periods beginning after December 15, 2019.

- GASB Statement No. 88 – *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements.* The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarified which liabilities government should include when disclosing information related to debt. The Statement is effective for periods beginning after June 15, 2018.

- GASB Statement No. 90 – *Accounting for Interest Cost Incurred before the End of a Construction Period.* The objective of this Statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

NOTE 18 – IMPLEMENTATION OF PRONOUNCEMENTS

The City has adopted and implemented, where applicable, the following GASB Statements during the year ended June 30, 2018:

- GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This statement was implemented effective July 1, 2017.

- GASB Statement No. 81 – *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This statement was implemented effective July 1, 2017 and did not have a material effect on the financial statements.

- GASB Statement No. 85 – *OMNIBUS 2017.* The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This statement was implemented effective July 1, 2017 and did not have a material effect on the financial statements.

- GASB Statement No. 86 – *Certain Debt Extinguishment Issues.* The objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement was implemented effective July 1, 2017 and did not have a material effect on the financial statements.

- GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and to simplify accounting for interest cost incurred before the end of a construction period. This statement was early implemented effective July 1, 2017 and did not have a material effect on the financial statements.

NOTE 19 – RESTATEMENT

A prior period adjustment of $8,313 was made to decrease the beginning net position of the governmental activities in accordance with the implementation of GASB 75. The adjustment was made to record the reversal of the net OPEB obligation, the beginning total OPEB liability and deferred outflows of resources for benefit payments made subsequent to the measurement date.

The restatement of beginning net position for Governmental Activities is summarized as follows:

		June 30, 2017 Previously Stated	Restatement	July 1, 2017 Restated
Net OPEB Obligation	$	(8,665)	8,665	-
OPEB Liability			(17,465)	(17,465)
Deferred Outflows			487	487
Net Position - Beginning	$	884,479	(8,313)	876,166

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

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

		Fiscal Year			
		2018	2017	2016	2015
Total pension liability					
Service cost	$	15,513	13,413	14,372	14,951
Interest on the total pension liability		74,508	73,104	71,411	69,351
Differences between expected and actual experience		(11,313)	(12,487)	(8,835)	-
Changes of assumptions		62,163	-	(17,578)	-
Benefit payments, including refunds of employee contributions		(52,599)	(51,297)	(50,059)	(47,552)
Net change in total pension liability		88,272	22,733	9,311	36,750
Total pension liability - beginning		1,009,768	987,035	977,724	940,974
Total pension liability - ending (A)		1,098,040	1,009,768	987,035	977,724
Plan fiduciary net position					
Plan to plan resource movement		2	-	(25)	-
Contributions from the employer		18,558	16,517	13,344	14,431
Contributions from employees		8,518	8,092	8,142	8,202
Net investment income		82,439	3,709	17,215	117,615
Benefit payments, including refunds of employee contributions		(52,599)	(51,297)	(50,059)	(47,552)
Administrative expense		(1,101)	(469)	(881)	-
Net change in fiduciary net position		55,817	(23,448)	(12,264)	92,696
Plan fiduciary net position - beginning		745,881	769,329	781,593	688,897
Plan fiduciary net position - ending (B)		801,698	745,881	769,329	781,593
Net pension liability - ending (A) - (B)	$	296,342	263,887	217,706	196,131
as a percentage of the total pension liability		73.01%	73.87%	77.94%	79.94%
Covered payroll	$	86,433	85,575	83,956	88,064
Net pension liability as a percentage of covered payroll		342.86%	308.37%	259.31%	222.71%
Measurement date		June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note:

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

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

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

		Fiscal Year			
		2018	2017	2016	2015
Total pension liability					
Service cost	$	14,641	12,975	13,038	13,249
Interest on the total pension liability		56,003	54,489	52,434	50,558
Differences between expected and actual experience		(7,654)	(3,055)	(5,684)	-
Changes of assumptions		47,703	-	(13,128)	-
Benefit payments, including refunds of employee contributions		(38,186)	(36,522)	(34,522)	(32,654)
Net change in total pension liability		72,507	27,887	12,138	31,153
Total pension liability - beginning		754,987	727,100	714,962	683,809
Total pension liability - ending (A)		827,494	754,987	727,100	714,962
Plan fiduciary net position					
Plan to plan resource movement		(2)	-	-	-
Contributions from the employer		19,843	18,266	16,789	14,887
Contributions from employees		4,305	4,517	4,394	4,716
Net investment income		55,289	2,584	11,489	77,826
Benefit payments, including refunds of employee contributions		(38,186)	(36,522)	(34,522)	(32,654)
Administrative expense		(743)	(314)	(579)	-
Net change in fiduciary net position		40,506	(11,469)	(2,429)	64,775
Plan fiduciary net position - beginning		503,155	514,624	517,053	452,278
Plan fiduciary net position - ending (B)		543,661	503,155	514,624	517,053
Net pension liability - ending (A) - (B)	$	283,833	251,832	212,476	197,909
Plan fiduciary net position as a percentage of the total pension liability		65.70%	66.64%	70.78%	72.32%
Covered payroll	$	49,687	47,925	47,947	47,523
Net pension liability as a percentage of covered payroll		571.24%	525.47%	443.15%	416.45%
Measurement date		June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note:

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

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

Schedule of Plan Contributions - Miscellaneous Plan

		Fiscal Year			
		2018	2017	2016	2015
Actuarially determined contributions	$	23,741	18,972	16,519	13,357
Contributions in relation to the actuarially determined contribution		(23,741)	(18,972)	(16,519)	(13,357)
Contribution deficiency (excess)		-	-	-	-
Covered payroll	$	91,026	86,433	85,575	83,956
Contributions as a percentage of covered payroll		26.082%	21.950%	19.304%	15.910%

Notes to Schedule:

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

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll. Beginning with the 2015 actuarial valuation, new gains or losses are amortized over a fixed 30-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. All changes in liability due to plan amendments (other than golden handshakes) over a 20 year period with no ramp. Changes in actuarial assumptions, or changes in actuarial methology over a 20-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. Changes in liability due to a golden handshake over a period of 5 years.
Asset valuation method	15 year smoothed market. Beginning with the 2013 actuarial valuation, the market value method was used.
Discount rate	7.50% (net of administrative expenses)
Projected salary increases	3.30% to 14.20%, depending on age, service, and type of employment. Beginning with the 2014 actuarial valuation, 3.20% to 12.20%, depending on age, service, and type of employment.
Inflation	2.75%
Payroll growth	3.00%
Retirement age	59

Note:

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

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

Schedule of Plan Contributions - Safety Plan

		Fiscal Year			
		2018	2017	2016	2015
Actuarially determined contributions	$	22,470	19,984	18,257	16,772
Contributions in relation to the actuarially determined contribution		(22,470)	(19,984)	(18,257)	(16,772)
Contribution deficiency (excess)		-	-	-	-
Covered payroll	$	50,535	49,687	47,925	47,947
Contributions as a percentage of covered payroll		44.464%	40.220%	38.095%	34.980%

Notes to Schedule:

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

Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll. Beginning with the 2015 actuarial valuation, new gains or losses are amortized over a fixed 30-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. All changes in liability due to plan amendments (other than golden handshakes) over a 20 year period with no ramp. Changes in actuarial assumptions, or changes in actuarial methology over a 20-year period with a 5 year ramp up at the beginning and a 5 year ramp down at the end of the amortization period. Changes in liability due to a golden handshake over a period of 5 years.
Asset valuation method	15 year smoothed market. Beginning with the 2013 actuarial valuation, the market value method was used.
Discount rate	7.50% (net of administrative expenses)
Projected salary increases	3.30% to 14.20%, depending on age, service, and type of employment. Beginning with the 2014 actuarial valuation, 3.40% to 20.00%, depending on age, service, and type of employment.
Inflation	2.75%
Payroll growth	3.00%
Retirement age	54

Note:

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

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

Schedule of Changes in Total OPEB Liability and Related Ratios

	Fiscal Year 2018
Total OPEB liability	
Service cost	$ 57
Interest on the total OPEB liability	493
Changes of assumptions	(1,790)
Benefit payments	(487)
Net change in total OPEB liability	(1,727)
Total OPEB liability - beginning	17,465
Total OPEB liability - ending	15,738
Covered-employee payroll	$ 150,107
Total OPEB liability as a percentage of covered employee payroll	10.48%
Measurement date	June 30, 2017

Note:

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

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Nonmajor Governmental Funds

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

Exhibit G-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018 (in thousands)

		Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets					
Pooled cash and investments	$	84,814	16,362	68,683	169,859
Cash and investments with fiscal agent		-	52	-	52
Restricted cash and investments		-	-	31,850	31,850
Interest receivable		344	66	270	680
Accounts receivable, net		9,320	-	3,757	13,077
Prepaid items		47	-	-	47
Property held for resale		981	-	-	981
Total assets		95,506	16,480	104,560	216,546
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		5,031	-	2,502	7,533
Due to other funds		3,491	-	1,787	5,278
Loans payable		594	-	-	594
Interest payable		41	51	-	92
Wages and benefits payable		995	-	73	1,068
Unearned revenues		580	-	-	580
Deposits		203	-	19	222
Total liabilities		10,935	51	4,381	15,367
Deferred inflows of resources:					
Unavailable revenues		3,634	-	2,238	5,872
Total liabilities and deferred inflows of resources		14,569	51	6,619	21,239
Fund Balances:					
Nonspendable:					
Prepaid		47	-	-	47
Restricted for:					
Property held for resale		981	-	-	981
Federal and state grants		3,798	-	-	3,798
Public safety		2,594	-	-	2,594
Youth employment		44	-	-	44
Transportation		30,324	-	-	30,324
Landscaping district		207	-	-	207
Low and moderate housing		12,254	-	-	12,254
Air quality improvement		518	-	-	518
Cable access		3,401	-	-	3,401
Electric public benefit AB 1890		5,146	-	-	5,146
State gas tax mandates		-	-	4,405	4,405
Landfill postclosure		-	-	31,850	31,850
Capital projects		-	-	38,884	38,884
Committed to:					
Debt service		-	16,429	-	16,429
Urban art		6,974	-	-	6,974
Public safety		333	-	-	333
Impact fee funded projects		-	-	24,565	24,565
Filming		945	-	-	945
Recreation		3,775	-	-	3,775
Hazardous materials		2,885	-	-	2,885
Parking		9,638	-	-	9,638
Unassigned:		(2,927)	-	(1,763)	(4,690)
Total fund balances		80,937	16,429	97,941	195,307
Total liabilities, deferred inflows of resources and fund balances	$	95,506	16,480	104,560	216,546

Exhibit G-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Special Revenue Funds	Debt Service Fund	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:					
Sales taxes	$	4,455	-	-	4,455
Other taxes		7,124	-	-	7,124
Revenue from other agencies		24,901	-	12,755	37,656
Licenses and permits		775	-	2,051	2,826
Fines and forfeitures		2,752	-	-	2,752
Charges for services		22,844	-	-	22,844
Use of money and property		705	77	207	989
Miscellaneous revenue		2,289	-	205	2,494
Total revenues		65,845	77	15,218	81,140
Expenditures:					
Current:					
General government		584	-	-	584
Police		2,032	4	6	2,042
Fire		3,140	-	-	3,140
Public works		7,423	-	1,286	8,709
Housing, health and community development		5,499	-	1	5,500
Employment programs		5,680	-	-	5,680
Public service		5,951	-	-	5,951
Transportation		14,271	-	-	14,271
Parks, recreation and community services		3,960	-	179	4,139
Library		969	-	41	1,010
Capital outlay		6,087	-	6,459	12,546
Debt service:					
Interest		63	520	-	583
Principal		203	1,905	-	2,108
Total expenditures		55,862	2,429	7,972	66,263
Excess (deficiency) of revenues over (under) expenditures		9,983	(2,352)	7,246	14,877
Other financing sources:					
Transfers in		1,062	800	2,000	3,862
Net change in fund balances		11,045	(1,552)	9,246	18,739
Fund balances, July 1		69,892	17,981	88,695	176,568
Fund balances, June 30	$	80,937	16,429	97,941	195,307

Special Revenue Funds

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

SPECIAL REVENUE FUNDS

- 201 - CDBG Fund - To account for monies received and expended by the City as a participant in the Federal Community Development Block Grant (CDBG) Program.

- 203 - Home Grant Fund - To account for monies received and expended by the City under the HOME Investment Partnerships Program to strengthen public-private partnerships and to preserve and provide affordable housing.

- 204 - Continuum of Care Grant Fund - To account for monies received and expended by the City under the Continuum of Care Grant Program to address the homeless needs of the City.

- 205 - Emergency Solutions Grant Fund - To account for monies received and expended by the City under the Emergency Solutions Grant Program to address the homeless needs of the City.

- 206 - Workforce Investment and Opportunity Act Fund - To account for monies received and expended for the federal, state and local-funded job training programs.

- 209 - Affordable Housing Trust Fund - To account for monies received from inclusionary housing fees in the San Fernando Road Corridor Redevelopment Project Area, from affordable housing density bonus fees and miscellaneous program income, and expended for affordable housing development, monitoring, and administration.

- 210 - Urban Art Fund - To account for the art fees collected from the City developments that are committed to support the public art installation and maintenance, in accordance with the City's Urban Art Program Guidelines.

- 211 - Glendale Youth Alliance Fund - To account for monies received and expended in the youth employment programs.

- 212 - BEGIN Affordable Homeownership Fund - To account for monies received and expended by the City under the Building Equity and Growth in Neighborhoods (BEGIN) grant to provide down payment assistance or homeowner rehabilitation loans to low and moderate income homebuyers.

- 213 - Low & Moderate Income Housing Asset Fund - To account for monies received and expended for low and moderate income housing activities pursuant to AB1484.

- 216 - Grant Fund - To account for miscellaneous grant monies received and expended by the City that are not accounted for in other specific grant funds.

- 217 - Filming Fund - To account for monies received and expended by the City and committed to filming activities.

- 222 - Measure M Local Return Fund - To account for monies received from the ½ cent sales tax increase approved in November 2016 by Los Angeles County voters and the related transportation and traffic congestion expenses.

- 224 - Measure H Fund - To account for monies received from the ¼ cent sales tax increase approved in March 2017 by Los Angeles County voters and the related homeless services and prevention expenses.

- 251 - Air Quality Improvement Fund - To account for monies received from South Coast Air Quality Management District and expended on air pollution reduction.

- 252 - PW Special Grants Fund - To account for various grants received and expended by the City in the Public Works (PW) department.

- 253 - San Fernando Landscape District Fund - To account for assessments and expenditures associated with the San Fernando Road Corridor (SFRC) Landscape and Maintenance District Project.

- 254 - Measure R Local Return Fund - To account for monies received from the ½ cent sales tax increase approved in November 2008 by Los Angeles County voters, and the related transportation and street expenses.

- 255 - Measure R Regional Return Fund - To account for monies received from the various grants that are funded by the Measure R, which is the ½ cent sales tax increase approved in November 2008 by Los Angeles County voters, and the related transportation and street project expenses.

- 256 - Transit Prop A Local Return Fund - To account for monies received from a portion of the sales tax via Prop A which is restricted to transportation-related activities.

- 257 - Transit Prop C Local Return Fund - To account for monies received from a portion of the sales tax via Prop C which is restricted to transportation-related activities.

- 258 - Transit Utility Fund - To capture the revenues and expenses associated with the operation of fixed route and demand response transit services for reporting to state and federal regulators.

- 260 - Asset Forfeiture Fund - To account for the proceeds of money or property seized as a result of illegal activity which is restricted to law enforcement uses.

- 261 - Police Special Grants Fund - To account for various grants received and expended by the City in the Police department.

- 262 - Supplemental Law Enforcement Fund - To account for monies received from the State of California to provide funding for local agencies for the Citizen's Option for Public Safety Program (COPS).

- 265 - Fire Grant Fund - To account for grant monies received and expended for fire prevention programs.

- 266 - Fire Mutual Aid Fund - To account for the reimbursements received from either the Federal government or the State of California that are committed for the City's fire strike team labor costs, fire equipment charges as well as overhead costs incurred by the City in assisting fire incidents outside of the City's jurisdiction.

- 267 - Special Events Fund - To account for the monies received from the Police and Fire special events that are committed for the related personnel and operation costs.

- 270 - Nutritional Meals Grant Fund - To account for monies received from Federal assistance programs for senior citizen services.

- 275 - Library Fund - To account for the various grant monies and donations received from Federal, State and local agencies that are restricted for library services.

- 280 - Cable Access Fund - To account for the cable access fee that is restricted to provide for resources to broadcast the City Council meetings and other various commissions, forums, etc.

- 291 - Electric Public Benefit Fund - To account for the fee assessed on the electric customers to fund public benefit programs such as low income projects, research and development and demonstration program as mandated by State of California, AB 1890.

- 501 - Recreation Fund - To account for the user fees collected from the recreation programs of the Community Services and Parks department that are committed to provide variety of recreational opportunities, enrichment programs, and social service programs for all ages and abilities.

- 510 - Hazardous Disposal Fund - To account for the revenues from hazardous permits and waste disposal fees that are committed to recycle household hazardous waste, in order to divert this waste from landfill.

- 520 - Parking Fund - To account for the parking revenues collected from the operations of City owned public parking lots and garages that are committed to operate City owned parking structures, public parking lots and the administration of the residential preferential parking program.

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		CDBG Fund	Home Grant Fund	Continuum Of Care Grant Fund	Emergency Solutions Grant Fund
Assets					
Pooled cash and investments	$	-	1,085	-	-
Interest receivable		-	4	-	-
Accounts receivable, net		352	41	632	47
Prepaid items		-	-	47	-
Property held for resale		-	981	-	-
Total assets		352	2,111	679	47
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		50	244	241	24
Due to other funds		282	-	426	23
Wages and benefits payable		20	3	12	-
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	-	-
Loans payable		-	-	-	-
Total liabilities		352	247	679	47
Deferred inflows of resources:					
Unavailable revenues		2	41	97	-
Total liabilities and deferred inflows of resources		354	288	776	47
Fund Balances:					
Nonspendable:					
Prepaid		-	-	47	-
Restricted for:					
Property held for resale		-	981	-	-
Federal and state grants		-	842	-	-
Public safety		-	-	-	-
Youth employment		-	-	-	-
Transportation		-	-	-	-
Landscaping district		-	-	-	-
Low and moderate housing		-	-	-	-
Air quality improvement		-	-	-	-
Cable access		-	-	-	-
Electric public benefit AB 1890		-	-	-	-
Committed to:					
Urban art		-	-	-	-
Public safety		-	-	-	-
Filming		-	-	-	-
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		(2)	-	(144)	-
Total fund balances (deficits)		(2)	1,823	(97)	-
Total liabilities, deferred inflows of resources and fund balances	$	352	2,111	679	47

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		Workforce Investment and Opportunity Act Fund	Affordable Housing Trust Fund	Urban Art Fund	Glendale Youth Alliance Fund
Assets					
Pooled cash and investments	$	1,099	2,214	6,951	29
Interest receivable		-	9	28	-
Accounts receivable, net		740	-	-	113
Prepaid items		-	-	-	-
Property held for resale		-	-	-	-
Total assets		1,839	2,223	6,979	142
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		186	-	5	1
Due to other funds		-	-	-	-
Wages and benefits payable		141	-	-	97
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	-	-
Loans payable		-	-	-	-
Total liabilities		327	-	5	98
Deferred inflows of resources:					
Unavailable revenues		1	-	-	-
Total liabilities and deferred inflows of resources		328	-	5	98
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	-
Restricted for:					
Property held for resale		-		-	-
Federal and state grants		1,511	-	-	-
Public safety		-	-	-	-
Youth employment		-	-	-	44
Transportation		-	-	-	-
Landscaping district		-	-	-	-
Low and moderate housing		-	2,223	-	-
Air quality improvement		-	-	-	-
Cable access		-	-	-	-
Electric public benefit AB 1890		-	-	-	-
Committed to:					
Urban art		-	-	6,974	-
Public safety		-	-	-	-
Filming		-	-	-	-
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		-	-	-	-
Total fund balances (deficits)		1,511	2,223	6,974	44
Total liabilities, deferred inflows of resources and fund balances	$	1,839	2,223	6,979	142

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		BEGIN Affordable Homeownership Fund	Low & Moderate Income Housing Asset Fund	Grant Fund	Filming Fund
Assets					
Pooled cash and investments	$	1	10,209	-	954
Interest receivable		-	42	-	4
Accounts receivable, net		-	168	896	4
Prepaid items		-	-	-	-
Property held for resale		-	-	-	-
Total assets		1	10,419	896	962
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		-	365	11	-
Due to other funds		-	-	848	-
Wages and benefits payable		-	23	4	17
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	-	-
Loans payable		-	-	-	-
Total liabilities		-	388	863	17
Deferred inflows of resources:					
Unavailable revenues		-	-	653	-
Total liabilities and deferred inflows of resources		-	388	1,516	17
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	-
Restricted for:					
Property held for resale			-	-	-
Federal and state grants		1	-	-	-
Public safety		-	-	-	-
Youth employment		-	-	-	-
Transportation		-	-	-	-
Landscaping district		-	-	-	-
Low and moderate housing		-	10,031	-	-
Air quality improvement		-	-	-	-
Cable access		-	-	-	-
Electric public benefit AB 1890		-	-	-	-
Committed to:					
Urban art		-	-	-	-
Public safety		-	-	-	-
Filming		-	-	-	945
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		-	-	(620)	-
Total fund balances (deficits)		1	10,031	(620)	945
Total liabilities, deferred inflows of resources and fund balances	$	1	10,419	896	962

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		Measure M Local Return Fund	Measure H Fund	Air Quality Improvement Fund	PW Special Grants Fund
Assets					
Pooled cash and investments	$	2,104	-	465	-
Interest receivable		8	-	2	-
Accounts receivable, net		-	42	67	49
Prepaid items		-	-	-	-
Property held for resale		-	-	-	-
Total assets		2,112	42	534	49
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		-	-	16	-
Due to other funds		-	52	-	84
Wages and benefits payable		-	-	-	-
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	-	-
Loans payable		-	-	-	-
Total liabilities		-	52	16	84
Deferred inflows of resources:					
Unavailable revenues		-	42	-	49
Total liabilities and deferred inflows of resources		-	94	16	133
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	-
Restricted for:					
Property held for resale		-	-	-	-
Federal and state grants		-	-	-	-
Public safety		-	-	-	-
Youth employment		-	-	-	-
Transportation		2,112	-	-	-
Landscaping district		-	-	-	-
Low and moderate housing		-	-	-	-
Air quality improvement		-	-	518	-
Cable access		-	-	-	-
Electric public benefit AB 1890		-	-	-	-
Committed to:					
Urban art		-	-	-	-
Public safety		-	-	-	-
Filming		-	-	-	-
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		-	(52)	-	(84)
Total fund balances (deficits)		2,112	(52)	518	(84)
Total liabilities, deferred inflows of resources and fund balances	$	2,112	42	534	49

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		San Fernando Landscape District Fund	Measure R Local Return Fund	Measure R Regional Return Fund	Transit Prop A Local Return Fund
Assets					
Pooled cash and investments	$	206	11,604	-	11,211
Interest receivable		1	47	-	35
Accounts receivable, net		1	-	1,846	635
Prepaid items		-	-	-	-
Property held for resale		-	-	-	-
Total assets		208	11,651	1,846	11,881
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		1	127	415	733
Due to other funds		-	-	1,389	-
Wages and benefits payable		-	1	42	24
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	-	-
Loans payable		-	-	-	-
Total liabilities		1	128	1,846	757
Deferred inflows of resources:					
Unavailable revenues		-	-	1,846	154
Total liabilities and deferred inflows of resources		1	128	3,692	911
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	-
Restricted for:					
Property held for resale		-	-	-	-
Federal and state grants		-	-	-	-
Public safety		-	-	-	-
Youth employment		-	-	-	-
Transportation		-	11,523	-	10,970
Landscaping district		207	-	-	-
Low and moderate housing		-	-	-	-
Air quality improvement		-	-	-	-
Cable access		-	-	-	-
Electric public benefit AB 1890		-	-	-	-
Committed to:					
Urban art		-	-	-	-
Public safety		-	-	-	-
Filming		-	-	-	-
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		-	-	(1,846)	-
Total fund balances (deficits)		207	11,523	(1,846)	10,970
Total liabilities, deferred inflows of resources and fund balances	$	208	11,651	1,846	11,881

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		Transit Prop C Local Return Fund	Transit Utility Fund	Asset Forfeiture Fund	Police Special Grants Fund
Assets					
Pooled cash and investments	$	5,671	-	2,243	-
Interest receivable		32	-	8	1
Accounts receivable, net		627	-	-	951
Prepaid items		-	-	-	-
Property held for resale		-	-	-	-
Total assets		6,330	-	2,251	952
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		502	-	143	4
Due to other funds		-	-	-	244
Wages and benefits payable		24	-	5	42
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	60	46
Loans payable		-	-	-	-
Total liabilities		526	-	208	336
Deferred inflows of resources:					
Unavailable revenues		85	-	-	233
Total liabilities and deferred inflows of resources		611	-	208	569
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	-
Restricted for:					
Property held for resale		-	-	-	-
Federal and state grants		-	-	-	-
Public safety		-	-	2,043	383
Youth employment		-	-	-	-
Transportation		5,719	-	-	-
Landscaping district		-	-	-	-
Low and moderate housing		-	-	-	-
Air quality improvement		-	-	-	-
Cable access		-	-	-	-
Electric public benefit AB 1890		-	-	-	-
Committed to:					
Urban art		-	-	-	-
Public safety		-	-	-	-
Filming		-	-	-	-
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		-	-	-	-
Total fund balances (deficits)		5,719	-	2,043	383
Total liabilities, deferred inflows of resources and fund balances	$	6,330	-	2,251	952

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		Supplemental Law Enforcement Fund	Fire Grant Fund	Fire Mutual Aid Fund	Special Events Fund
Assets					
Pooled cash and investments	$	181	-	311	7
Interest receivable		1	-	7	-
Accounts receivable, net		-	9	376	19
Prepaid items		-	-	-	-
Property held for resale		-	-	-	-
Total assets		182	9	694	26
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		-	33	-	-
Due to other funds		-	143	-	-
Wages and benefits payable		14	3	-	12
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	-	-
Loans payable		-	-	-	-
Total liabilities		14	179	-	12
Deferred inflows of resources:					
Unavailable revenues		-	9	375	-
Total liabilities and deferred inflows of resources		14	188	375	12
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	-
Restricted for:					
Property held for resale		-	-	-	-
Federal and state grants		-	-	-	-
Public safety		168	-	-	-
Youth employment		-	-	-	-
Transportation		-	-	-	-
Landscaping district		-	-	-	-
Low and moderate housing		-	-	-	-
Air quality improvement		-	-	-	-
Cable access		-	-	-	-
Electric public benefit AB 1890		-	-	-	-
Committed to:					
Urban art		-	-	-	-
Public safety		-	-	319	14
Filming		-	-	-	-
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		-	(179)	-	-
Total fund balances (deficits)		168	(179)	319	14
Total liabilities, deferred inflows of resources and fund balances	$	182	9	694	26

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		Nutritional Meals Grant Fund	Library Fund	Cable Access Fund	Electric Public Benefit Fund
Assets					
Pooled cash and investments	$	7	1,467	3,276	4,680
Interest receivable		-	6	14	19
Accounts receivable, net		20	11	111	956
Prepaid items		-	-	-	-
Property held for resale		-	-	-	-
Total assets		27	1,484	3,401	5,655
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		16	23	-	463
Due to other funds		-	-	-	-
Wages and benefits payable		11	17	-	46
Interest payable		-	-	-	-
Unearned revenues		-	-	-	-
Deposits		-	-	-	-
Loans payable		-	-	-	-
Total liabilities		27	40	-	509
Deferred inflows of resources:					
Unavailable revenues		-	-	-	-
Total liabilities and deferred inflows of resources		27	40	-	509
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	-
Restricted for:					
Property held for resale		-	-	-	-
Federal and state grants		-	1,444	-	-
Public safety		-	-	-	-
Youth employment		-	-	-	-
Transportation		-	-	-	-
Landscaping district		-	-	-	-
Low and moderate housing		-	-	-	-
Air quality improvement		-	-	-	-
Cable access		-	-	3,401	-
Electric public benefit AB 1890		-	-	-	5,146
Committed to:					
Urban art		-	-	-	-
Public safety		-	-	-	-
Filming		-	-	-	-
Recreation		-	-	-	-
Hazardous materials		-	-	-	-
Parking		-	-	-	-
Unassigned:		-	-	-	-
Total fund balances (deficits)		-	1,444	3,401	5,146
Total liabilities, deferred inflows of resources and fund balances	$	27	1,484	3,401	5,655

(Continued)

Exhibit H-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue Funds
June 30, 2018 (in thousands)

		Recreation Fund	Hazardous Disposal Fund	Parking Fund	Total Nonmajor Special Revenue Funds
Assets					
Pooled cash and investments	$	4,070	3,069	11,700	84,814
Interest receivable		16	13	47	344
Accounts receivable, net		16	495	96	9,320
Prepaid items		-	-	-	47
Property held for resale		-	-	-	981
Total assets		4,102	3,577	11,843	95,506
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		24	81	1,323	5,031
Due to other funds		-	-	-	3,491
Wages and benefits payable		206	74	157	995
Interest payable		-	-	41	41
Unearned revenues		-	537	43	580
Deposits		97	-	-	203
Loans payable		-	-	594	594
Total liabilities		327	692	2,158	10,935
Deferred inflows of resources:					
Unavailable revenues		-	-	47	3,634
Total liabilities and deferred inflows of resources		327	692	2,205	14,569
Fund Balances:					
Nonspendable:					
Prepaid		-	-	-	47
Restricted for:					
Property held for resale		-	-	-	981
Federal and state grants		-	-	-	3,798
Public safety		-	-	-	2,594
Youth employment		-	-	-	44
Transportation		-	-	-	30,324
Landscaping district		-	-	-	207
Low and moderate housing		-	-	-	12,254
Air quality improvement		-	-	-	518
Cable access		-	-	-	3,401
Electric public benefit AB 1890		-	-	-	5,146
Committed to:					
Urban art		-	-	-	6,974
Public safety		-	-	-	333
Filming		-	-	-	945
Recreation		3,775	-	-	3,775
Hazardous materials		-	2,885	-	2,885
Parking		-	-	9,638	9,638
Unassigned:		-	-	-	(2,927)
Total fund balances (deficits)		3,775	2,885	9,638	80,937
Total liabilities, deferred inflows of resources and fund balances	$	4,102	3,577	11,843	95,506

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	CDBG Fund	Home Grant Fund	Continuum Of Care Grant Fund	Emergency Solutions Grant Fund
Revenues:				
Sales taxes	$ -	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	1,557	76	2,398	162
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	18	-	-
Miscellaneous revenue	-	368	-	-
Total revenues	1,557	462	2,398	162
Expenditures:				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	1,216	417	2,124	146
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest	22	-	-	-
Principal	203	-	-	-
Total expenditures	1,441	417	2,124	146
Excess (deficiency) of revenues over (under) expenditures	116	45	274	16
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	116	45	274	16
Fund balances (deficits), July 1	(118)	1,778	(371)	(16)
Fund balances (deficits), June 30	$ (2)	1,823	(97)	-

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Workforce Investment and Opportunity Act Fund	Affordable Housing Trust Fund	Urban Art Fund	Glendale Youth Alliance Fund
Revenues:				
Sales taxes	$ -	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	4,706	-	-	-
Licenses and permits	-	-	763	-
Fines and forfeitures	-	-	-	-
Charges for services	6	4	-	1,805
Use of money and property	-	10	22	-
Miscellaneous revenue	176	14	-	2
Total revenues	4,888	28	785	1,807
Expenditures:				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	-	-	-	-
Employment programs	3,849	-	-	1,747
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	183	-
Capital outlay	-	-	-	-
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total expenditures	3,849	-	183	1,747
Excess (deficiency) of revenues over (under) expenditures	1,039	28	602	60
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	1,039	28	602	60
Fund balances (deficits), July 1	472	2,195	6,372	(16)
Fund balances (deficits), June 30	$ 1,511	2,223	6,974	44

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	BEGIN Affordable Homeownership Fund	Low & Moderate Income Housing Asset Fund	Grant Fund	Filming Fund
Revenues:				
Sales taxes	$ -	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	-	-	497	-
Licenses and permits	-	-	-	12
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	880
Use of money and property	-	52	-	15
Miscellaneous revenue	-	1,180	23	-
Total revenues	-	1,232	520	907
Expenditures:				
Current:				
General government	-	-	-	584
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	-	1,158	378	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	4	-
Library	-	-	-	-
Capital outlay	-	-	550	-
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total expenditures	-	1,158	932	584
Excess (deficiency) of revenues over (under) expenditures	-	74	(412)	323
Other financing sources:				
Transfers in	-	977	-	-
Net change in fund balances	-	1,051	(412)	323
Fund balances (deficits), July 1	1	8,980	(208)	622
Fund balances (deficits), June 30	$ 1	10,031	(620)	945

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Measure M Local Return Fund	Measure H Fund	Air Quality Improvement Fund	PW Special Grants Fund
Revenues:				
Sales taxes	$ 2,118	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	-	58	254	107
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	5	-
Use of money and property	(6)	-	1	-
Miscellaneous revenue	-	-	-	-
Total revenues	2,112	58	260	107
Expenditures:				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	128
Transportation	-	-	167	-
Housing, health and community development	-	26	-	-
Employment programs	-	84	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total expenditures	-	110	167	128
Excess (deficiency) of revenues over (under) expenditures	2,112	(52)	93	(21)
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	2,112	(52)	93	(21)
Fund balances (deficits), July 1	-	-	425	(63)
Fund balances (deficits), June 30	$ 2,112	(52)	518	(84)

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	San Fernando Landscape Distrct Fund	Measure R Local Return Fund	Measure R Regional Return Fund	Transit Prop A Local Return Fund
Revenues:				
Sales taxes	$ -	2,337	-	-
Other taxes	-	-	-	-
Revenue from other agencies	-	-	2,396	3,762
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	14
Use of money and property	-	34	-	41
Miscellaneous revenue	80	-	-	5
Total revenues	80	2,371	2,396	3,822
Expenditures:				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	45	-	273	-
Transportation	-	-	-	3,262
Housing, health and community development	-	32	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Capital outlay	-	545	2,112	11
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total expenditures	45	577	2,385	3,273
Excess (deficiency) of revenues over (under) expenditures	35	1,794	11	549
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	35	1,794	11	549
Fund balances (deficits), July 1	172	9,729	(1,857)	10,421
Fund balances (deficits), June 30	$ 207	11,523	(1,846)	10,970

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Transit Prop C Local Return Fund	Transit Utility Fund	Asset Forfeiture Fund	Police Special Grants Fund
Revenues:				
Sales taxes	$ -	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	3,114	1,182	-	1,365
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	295	-
Charges for services	21	6,837	-	61
Use of money and property	11	-	5	7
Miscellaneous revenue	-	141	-	31
Total revenues	3,146	8,160	300	1,464
Expenditures:				
Current:				
General government	-	-	-	-
Police	-	-	219	812
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	2,682	8,160	-	-
Housing, health and community development	2	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Capital outlay	64	-	156	691
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total expenditures	2,748	8,160	375	1,503
Excess (deficiency) of revenues over (under) expenditures	398	-	(75)	(39)
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	398	-	(75)	(39)
Fund balances (deficits), July 1	5,321	-	2,118	422
Fund balances (deficits), June 30	$ 5,719	-	2,043	383

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Supplemental Law Enforcement Fund	Fire Grant Fund	Fire Mutual Aid Fund	Special Events Fund
Revenues:				
Sales taxes	$ -	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	309	340	1,730	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	-	-	706
Use of money and property	-	-	(9)	-
Miscellaneous revenue	-	35	-	-
Total revenues	309	375	1,721	706
Expenditures:				
Current:				
General government	-	-	-	-
Police	331	-	-	670
Fire	-	114	1,601	29
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Capital outlay	-	43	-	-
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total expenditures	331	157	1,601	699
Excess (deficiency) of revenues over (under) expenditures	(22)	218	120	7
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	(22)	218	120	7
Fund balances (deficits), July 1	190	(397)	199	7
Fund balances (deficits), June 30	$ 168	(179)	319	14

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Nutritional Meals Grant Fund	Library Fund	Cable Access Fund	Electric Public Benefit Fund
Revenues:				
Sales taxes	$ -	-	-	-
Other taxes	-	-	-	7,124
Revenue from other agencies	309	169	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	-	90	498	-
Use of money and property	-	(8)	8	11
Miscellaneous revenue	41	67	-	-
Total revenues	350	318	506	7,135
Expenditures:				
Current:				
General government	-	-	-	-
Police	-	-	-	-
Fire	-	-	-	-
Public works	-	-	-	-
Transportation	-	-	-	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	5,951
Parks, recreation and community services	448	-	-	-
Library	-	786	-	-
Capital outlay	-	-	-	-
Debt service:				
Interest	-	-	-	-
Principal	-	-	-	-
Total expenditures	448	786	-	5,951
Excess (deficiency) of revenues over (under) expenditures	(98)	(468)	506	1,184
Other financing sources:				
Transfers in	85	-	-	-
Net change in fund balances	(13)	(468)	506	1,184
Fund balances (deficits), July 1	13	1,912	2,895	3,962
Fund balances (deficits), June 30	$ -	1,444	3,401	5,146

(Continued)

Exhibit H-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Recreation Fund	Hazardous Disposal Fund	Parking Fund	Total Nonmajor Special Revenue Funds
Revenues:				
Sales taxes	$ -	-	-	4,455
Other taxes	-	-	-	7,124
Revenue from other agencies	4	55	351	24,901
Licenses and permits	-	-	-	775
Fines and forfeitures	-	-	2,457	2,752
Charges for services	3,274	1,891	6,752	22,844
Use of money and property	458	7	28	705
Miscellaneous revenue	85	-	41	2,289
Total revenues	3,821	1,953	9,629	65,845
Expenditures:				
Current:				
General government	-	-	-	584
Police	-	-	-	2,032
Fire	-	1,396	-	3,140
Public works	-	-	6,977	7,423
Transportation	-	-	-	14,271
Housing, health and community development	-	-	-	5,499
Employment programs	-	-	-	5,680
Public service	-	-	-	5,951
Parks, recreation and community services	3,508	-	-	3,960
Library	-	-	-	969
Capital outlay	190	14	1,711	6,087
Debt service:				
Interest	-	-	41	63
Principal	-	-	-	203
Total expenditures	3,698	1,410	8,729	55,862
Excess (deficiency) of revenues over (under) expenditures	123	543	900	9,983
Other financing sources:				
Transfers in	-	-	-	1,062
Net change in fund balances	123	543	900	11,045
Fund balances (deficits), July 1	3,652	2,342	8,738	69,892
Fund balances (deficits), June 30	$ 3,775	2,885	9,638	80,937

Exhibit H-3
CITY OF GLENDALE
Schedule of Revenues and Other Financing Sources - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget Over/(Under)
CDBG Fund:					
Revenue from other agencies	$	1,675	1,675	1,557	(118)
Total		1,675	1,675	1,557	(118)
Home Grant Fund:					
Use of money and property		-	-	18	18
Revenue from other agencies		900	900	76	(824)
Miscellaneous revenue		59	59	368	309
Total		959	959	462	(497)
Continuum of Care Grant Fund:					
Revenue from other agencies		2,372	2,372	2,398	26
Total		2,372	2,372	2,398	26
Emergency Solutions Grant Fund:					
Revenue from other agencies		263	263	162	(101)
Total		263	263	162	(101)
Workforce Investment and Opportunity Act Fund:					
Revenue from other agencies		5,752	6,134	4,706	(1,428)
Charges for services		-	-	6	6
Miscellaneous revenue		30	30	176	146
Total		5,782	6,164	4,888	(1,276)
Affordable Housing Trust Fund:					
Use of money and property		8	8	10	2
Charges for services		-	-	4	4
Miscellaneous revenue		12	12	14	2
Total		20	20	28	8
Urban Art Fund:					
Use of money and property		60	60	22	(38)
Licenses and permits		293	293	763	470
Total		353	353	785	432
Glendale Youth Alliance Fund:					
Charges for services		1,904	1,984	1,805	(179)
Miscellaneous revenue		-	-	2	2
Total		1,904	1,984	1,807	(177)
BEGIN Affordable Homeownership Fund:					
Miscellaneous revenue		300	300	-	(300)
Total		300	300	-	(300)
Low & Moderate Income Housing Asset Fund:					
Use of money and property		61	61	52	(9)
Miscellaneous revenue		246	281	1,180	899
Transfers		977	977	977	-
Total	$	1,284	1,319	2,209	890

(Continued)

Exhibit H-3
CITY OF GLENDALE
Schedule of Revenues and Other Financing Sources - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget Over/(Under)
Grant Fund:					
Revenue from other agencies	$	1,813	2,172	497	(1,675)
Miscellaneous revenue		-	-	23	23
Total		1,813	2,172	520	(1,652)
Filming Fund:					
Use of money and property		4	4	15	11
Licenses and permits		-	-	12	12
Charges for services		711	711	880	169
Total		715	715	907	192
Measure M Local Return Fund:					
Sales taxes		1,800	1,831	2,118	287
Use of money and property		10	10	(6)	(16)
Total		1,810	1,841	2,112	271
Measure H Fund:					
Revenue from other agencies		-	243	58	(185)
Total		-	243	58	(185)
Air Quality Improvement Fund:					
Use of money and property		-	-	1	1
Revenue from other agencies		255	255	254	(1)
Charges for services		6	6	5	(1)
Total		261	261	260	(1)
PW Special Grants Fund:					
Revenue from other agencies		-	-	107	107
Total		-	-	107	107
San Fernando Landscape District Fund:					
Use of money and property		1	1	-	(1)
Miscellaneous revenue		90	90	80	(10)
Total		91	91	80	(11)
Measure R Local Return Fund:					
Sales taxes		2,300	2,300	2,337	37
Use of money and property		100	100	34	(66)
Total		2,400	2,400	2,371	(29)
Measure R Regional Return Fund:					
Revenue from other agencies		2,600	5,867	2,396	(3,471)
Total	$	2,600	5,867	2,396	(3,471)

(Continued)

Exhibit H-3
CITY OF GLENDALE
Schedule of Revenues and Other Financing Sources - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget Over/(Under)
Transit Prop A Local Return Fund:					
Use of money and property	$	100	100	41	(59)
Revenue from other agencies		3,760	3,760	3,762	2
Charges for services		100	100	14	(86)
Miscellaneous revenue		-	-	5	5
Total		3,960	3,960	3,822	(138)
Transit Prop C Local Return Fund:					
Use of money and property		40	40	11	(29)
Revenue from other agencies		3,100	3,100	3,114	14
Charges for services		30	30	21	(9)
Total		3,170	3,170	3,146	(24)
Transit Utility Fund:					
Revenue from other agencies		1,175	1,175	1,182	7
Charges for services		8,688	8,688	6,837	(1,851)
Miscellaneous revenue		81	81	141	60
Total		9,944	9,944	8,160	(1,784)
Asset Forfeiture Fund:					
Use of money and property		-	-	5	5
Fines and forfeitures		-	-	295	295
Total		-	-	300	300
Police Special Grants Fund:					
Use of money and property		-	-	7	7
Revenue from other agencies		554	1,307	1,365	58
Charges for services		42	195	61	(134)
Miscellaneous revenue		110	110	31	(79)
Total		706	1,612	1,464	(148)
Supplemental Law Enforcement Fund:					
Revenue from other agencies		436	436	309	(127)
Total		436	436	309	(127)
Fire Grant Fund:					
Revenue from other agencies		287	574	340	(234)
Miscellaneous revenue		4	37	35	(2)
Total		291	611	375	(236)
Fire Mutual Aid Fund:					
Use of money and property		-	-	(9)	(9)
Revenue from other agencies		300	300	1,730	1,430
Total		300	300	1,721	1,421
Special Events Fund:					
Charges for services		481	481	706	225
Total	$	481	481	706	225

(Continued)

Exhibit H-3
CITY OF GLENDALE
Schedule of Revenues and Other Financing Sources - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance With Final Budget Over/(Under)
Nutritional Meals Grant Fund:					
Revenue from other agencies	$	313	314	309	(5)
Miscellaneous revenue		45	45	41	(4)
Transfers		85	85	85	-
Total		443	444	435	(9)
Library Fund:					
Use of money and property		12	12	(8)	(20)
Revenue from other agencies		-	197	169	(28)
Charges for services		107	107	90	(17)
Miscellaneous revenue		45	45	67	22
Total		164	361	318	(43)
Cable Access Fund:					
Use of money and property		25	25	8	(17)
Charges for services		500	500	498	(2)
Total		525	525	506	(19)
Electric Public Benefit Fund:					
Other taxes		7,588	7,588	7,124	(464)
Use of money and property		31	31	11	(20)
Total		7,619	7,619	7,135	(484)
Recreation Fund:					
Use of money and property		469	469	458	(11)
Revenue from other agencies		4	4	4	-
Charges for services		3,143	3,143	3,274	131
Miscellaneous revenue		70	70	85	15
Total		3,686	3,686	3,821	135
Hazardous Disposal Fund:					
Use of money and property		10	10	7	(3)
Revenue from other agencies		55	55	55	-
Charges for services		1,532	1,532	1,891	359
Miscellaneous revenue		33	33	-	(33)
Total		1,630	1,630	1,953	323
Parking Fund:					
Use of money and property		50	50	28	(22)
Revenue from other agencies		-	-	351	351
Charges for services		6,300	6,300	6,752	452
Fines and forfeitures		3,700	3,700	2,457	(1,243)
Miscellaneous revenue		50	50	41	(9)
Total		10,100	10,100	9,629	(471)
Total revenues and other financing sources	$	68,057	73,878	66,907	(6,971)

Exhibit H-4
CITY OF GLENDALE
Schedule of Expenditures and Other Financing Uses - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Year Ended June 30, 2018 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
CDBG Fund:				
Housing, health and community development:				
Salaries and benefits	$ 293	303	286	17
Maintenance and operations	701	2,075	930	1,145
Capital projects	450	889	-	889
Debt service	230	230	225	5
Total	1,674	3,497	1,441	2,056
Home Grant Fund:				
Housing, health and community development:				
Salaries and benefits	51	54	61	(7)
Maintenance and operations	908	4,384	356	4,028
Total	959	4,438	417	4,021
Continuum of Care Grant Fund:				
Housing, health and community development:				
Salaries and benefits	252	1,524	236	1,288
Maintenance and operations	1,273	2,116	1,888	228
Total	1,525	3,640	2,124	1,516
Emergency Solutions Grant Fund:				
Housing, health and community development:				
Salaries and benefits	3	7	1	6
Maintenance and operations	177	196	145	51
Total	180	203	146	57
Workforce Investment and Opportunity Act Fund:				
Employment and job training services:				
Salaries and benefits	3,508	4,464	2,619	1,845
Maintenance and operations	2,315	3,200	1,230	1,970
Total	5,823	7,664	3,849	3,815
Affordable Housing Trust Fund:				
Housing, health and community development:				
Maintenance and operations	20	20	-	20
Capital	-	39	-	39
Total	20	59	-	59
Urban Art Fund:				
Library:				
Maintenance and operations	293	293	183	110
Total	$ 293	293	183	110

(Continued)

Exhibit H-4
CITY OF GLENDALE
Schedule of Expenditures and Other Financing Uses - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Year Ended June 30, 2018 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
Glendale Youth Alliance Fund:				
Employment and job training services:				
Salaries and benefits	$ 1,697	1,849	1,539	310
Maintenance and operations	207	207	208	(1)
Total	1,904	2,056	1,747	309
BEGIN Affordable Homeownership Fund:				
Housing, health and community development:				
Maintenance and operations	300	302	-	302
Total	300	302	-	302
Low & Moderate Income Housing Asset Fund:				
Housing, health and community development:				
Salaries and benefits	384	387	387	-
Maintenance and operations	1,228	3,483	771	2,712
Capital	-	886	-	886
Total	1,612	4,756	1,158	3,598
Grant Fund:				
General government:				
Salaries and benefits	122	133	61	72
Maintenance and operations	2	2,861	321	2,540
Capital	799	985	550	435
Total	923	3,979	932	3,047
Filming Fund:				
General government:				
Salaries and benefits	367	369	468	(99)
Maintenance and operations	114	114	116	(2)
Total	481	483	584	(101)
Measure M Local Return Fund:				
Transit:				
Maintenance and operations	1,200	1,231	-	1,231
Total	1,200	1,231	-	1,231
Measure H Fund:				
Parks, recreation and community services:				
Salaries and benefits	-	25	14	11
Maintenance and operations	-	218	96	122
Total	$ -	243	110	133

(Continued)

Exhibit H-4
CITY OF GLENDALE
Schedule of Expenditures and Other Financing Uses - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Year Ended June 30, 2018 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
Air Quality Improvement Fund:				
Transit:				
Salaries and benefits	$ 191	191	106	85
Maintenance and operations	136	136	61	75
Total	327	327	167	160
PW Special Grants Fund:				
Public works:				
Salaries and benefits	-	-	13	(13)
Maintenance and operations	-	219	115	104
Total	-	219	128	91
San Fernando Landscape District Fund:				
Public works:				
Maintenance and operations	91	91	45	46
Total	91	91	45	46
Measure R Local Return Fund				
Transit:				
Salaries and benefits	-	-	5	(5)
Maintenance and operations	-	-	27	(27)
Capital	401	9,528	545	8,983
Total	401	9,528	577	8,951
Measure R Regional Return Fund:				
Public works:				
Salaries and benefits	-	-	268	(268)
Maintenance and operations	-	-	5	(5)
Capital	1,765	7,138	2,112	5,026
Total	1,765	7,138	2,385	4,753
Transit Prop A Local Return Fund:				
Transit:				
Salaries and benefits	161	165	120	45
Maintenance and operations	4,041	4,041	3,142	899
Capital	-	3,953	11	3,942
Total	4,202	8,159	3,273	4,886
Transit Prop C Local Return Fund:				
Transit:				
Salaries and benefits	476	484	257	227
Maintenance and operations	3,479	3,479	2,427	1,052
Capital	50	448	64	384
Total	$ 4,005	4,411	2,748	1,663

(Continued)

Exhibit H-4
CITY OF GLENDALE
Schedule of Expenditures and Other Financing Uses - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Year Ended June 30, 2018 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
Transit Utility Fund:				
Transit:				
Salaries and benefits	$ 504	512	469	43
Maintenance and operations	9,440	9,440	7,691	1,749
Total	9,944	9,952	8,160	1,792
Asset Forfeiture Fund:				
Public safety:				
Salaries and benefits	439	439	49	390
Maintenance and operations	336	336	170	166
Capital	-	-	156	(156)
Total	775	775	375	400
Police Special Grants Fund:				
Public safety:				
Salaries and benefits	619	2,139	685	1,454
Maintenance and operations	163	427	127	300
Capital	-	137	691	(554)
Total	782	2,703	1,503	1,200
Supplemental Law Enforcement Fund:				
Public safety:				
Salaries and benefits	430	430	326	104
Maintenance and operations	6	7	5	2
Total	436	437	331	106
Fire Grant Fund:				
Public safety:				
Salaries and benefits	-	14	86	(72)
Maintenance and operations	4	373	28	345
Capital	-	-	43	(43)
Total	4	387	157	230
Fire Mutual Aid Fund:				
Public safety:				
Salaries and benefits	293	293	1,601	(1,308)
Maintenance and operations	7	7	-	7
Total	300	300	1,601	(1,301)
Special Events Fund:				
Public safety:				
Salaries and benefits	427	427	641	(214)
Maintenance and operations	54	54	58	(4)
Total	$ 481	481	699	(218)

(Continued)

Exhibit H-4
CITY OF GLENDALE
Schedule of Expenditures and Other Financing Uses - Budget and Actual
Nonmajor Governmental Funds - Special Revenue Funds
Year Ended June 30, 2018 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget (Over)/Under
Nutritional Meals Grant Fund:				
Parks, recreation and community services:				
Salaries and benefits	$ 224	228	226	2
Maintenance and operations	219	220	222	(2)
Total	443	448	448	-
Library Fund:				
Library:				
Salaries and benefits	56	141	103	38
Maintenance and operations	639	969	683	286
Total	695	1,110	786	324
Cable Access Fund:				
General government:				
Capital	-	39	-	39
Total	-	39	-	39
Electric Public Benefit Fund:				
Public service:				
Salaries and benefits	684	693	730	(37)
Maintenance and operations	7,600	7,600	5,221	2,379
Total	8,284	8,293	5,951	2,342
Recreation Fund:				
Parks, recreation and community services:				
Salaries and benefits	2,508	2,542	2,379	163
Maintenance and operations	1,359	1,359	1,129	230
Capital	364	2,225	190	2,035
Total	4,231	6,126	3,698	2,428
Hazardous Disposal Fund:				
Public safety:				
Salaries and benefits	1,105	1,122	1,083	39
Maintenance and operations	485	485	313	172
Capital	50	50	14	36
Total	1,640	1,657	1,410	247
Parking Fund:				
Public Works:				
Salaries and benefits	3,172	3,217	2,589	628
Maintenance and operations	6,164	6,247	4,388	1,859
Capital	518	3,671	1,711	1,960
Debt service	-	-	41	(41)
Total	9,854	13,135	8,729	4,406
Total expenditures and other financing uses	$ 65,554	108,560	55,862	52,698

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Debt Service Funds

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

DEBT SERVICE FUND

- 303 - Police Building Project Debt Service Fund - To accumulate monies for the payment of interest and principal of the 2000 Police Building Project Variable Rate Demands Certificates of Participation. The debt service is financed via lease payments from the City to the Financing Authority.

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Exhibit I-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Fund - Debt Service Fund
June 30, 2018 (in thousands)

		Police Building Project Debt Service Fund
Assets		
Pooled cash and investments	$	16,362
Cash and investments with fiscal agent		52
Interest receivable		66
Total assets		16,480
Liability and fund balance		
Liability:		
Interest payable		51
Fund Balance:		
Committed to:		
Debt service		16,429
Total liability and fund balance	$	16,480

Exhibit I-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Fund - Debt Service Fund
Fiscal Year Ended June 30, 2018 (in thousands)

		Police Building Project Debt Service Fund
Revenues:		
Use of money and property	$	77
Expenditures:		
Current:		
Administration		4
Debt service		
Interest		520
Principal		1,905
Total expenditures		2,429
Excess of revenues (under) expenditures		(2,352)
Other financing sources:		
Transfers in		800
Net change in fund balance		(1,552)
Fund balance, July 1		17,981
Fund balance, June 30	$	16,429

Exhibit I-3

CITY OF GLENDALE

Schedule of Revenues and Other Financing Sources - Budget and Actual

Nonmajor Governmental Fund - Debt Service Fund

Fiscal Year Ended June 30, 2018 (in thousands)

		Original Budget	Final Budget	Actual	Variance with Final Budget Over/(Under)
Police Building Project Debt Service Fund					
Interest and investment revenue	$	181	181	77	(104)
Transfers in		800	800	800	-
Total revenues and other financing sources	$	981	981	877	(104)

Exhibit I-4

CITY OF GLENDALE

Schedule of Expenditures and Other Financing Uses - Budget and Actual

Nonmajor Governmental Fund - Debt Service Fund

Fiscal Year Ended June 30, 2018 (in thousands)

	Original Budget	Final Budget	Actual	Variance with Final Budget (Over)/Under
Police Building Project Debt Service Fund				
Administration	$ 3	3	4	(1)
Debt service	2,219	2,219	2,425	(206)
Total expenditures and other financing uses	$ 2,222	2,222	2,429	(207)

Capital Projects Funds

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

CAPITAL PROJECTS FUNDS

- 402 - State Gas Tax Fund - To account for monies received and expended from state gas tax allocations and Senate Bill 1 for street improvement purposes.

- 403 - Landfill Postclosure Fund - To account for monies reserved for the post-closure maintenance cost of Scholl Canyon landfill.

- Development Impact Fee Funds:

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

  - 405 - Parks Mitigation Fee Fund - To account for the parks revenue collected as impact fees and usage of these funds for allowed projects. In addition, this fund will also be used to guarantee adequate interest accumulation and disbursements of unused funds.

  - 407 - Library Mitigation Fee Fund - To account for the library revenue collected as impact fees and usage of these funds for allowed projects. In addition, this fund will also be used to guarantee adequate interest accumulation and disbursement of unused funds.

  - 408 - Parks Quimby Fee Fund - To account for the fees imposed for park or recreational purposes as a condition to the approval of a tentative map or parcel map and usage of these funds for allowed projects. In addition, this fund will also be used to guarantee adequate interest accumulation and disbursements of unused funds.

- 409 - CIP Reimbursement Fund - To account for monies received and expended for CIP projects that are funded by non-City money, such as grants and joint ventures.

- 410 - SF Corridor Tax Share Fund - County of Los Angeles' contribution (passback) to City of Glendale of 60% of County's share of tax increment (pass through) funds from the San Fernando Road Corridor Redevelopment Project Area to be used by the City to construct regional public improvement projects benefiting the County.

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Exhibit J-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds-
Capital Projects Funds
June 30, 2018 (in thousands)

		State Gas Tax Fund	Landfill Postclosure Fund	Parks Mitigation Fee Fund	Library Mitigation Fee Fund
Assets					
Pooled cash and investments	$	5,363	-	22,948	1,606
Restricted cash and investments		-	31,850	-	-
Interest receivable		20	-	95	7
Accounts receivable, net		428	-	-	-
Total assets		5,811	31,850	23,043	1,613
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		1,393	-	107	-
Due to other funds		-	-	-	-
Wages and benefits payable		13	-	9	1
Deposits		-	-	-	-
Total liabilities		1,406	-	116	1
Deferred inflows of resources:					
Unavailable revenues		-	-	-	-
Total liabilities and deferred inflows of resources		1,406	-	116	1
Fund Balances:					
Restricted for:					
State gas tax mandates		4,405	-	-	-
Landfill postclosure		-	31,850	-	-
Capital projects		-	-	-	-
Committed to:					
Impact fee funded projects		-	-	22,927	1,612
Unassigned:		-	-	-	-
Total fund balances		4,405	31,850	22,927	1,612
Total liabilities, deferred inflows of resources and fund balances	$	5,811	31,850	23,043	1,613

(Continued)

Exhibit J-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds-
Capital Projects Funds
June 30, 2018 (in thousands)

		Parks Quimby Fee Fund	CIP Reimbursement Fund	SF Corridor Tax Share Fund	Total Nonmajor Capital Projects Funds
Assets					
Pooled cash and investments	$	26	-	38,740	68,683
Restricted cash and investments		-	-	-	31,850
Interest receivable		-	-	148	270
Accounts receivable, net		-	3,329	-	3,757
Total assets		26	3,329	38,888	104,560
Liabilities, deferred inflows of resources and fund balances					
Liabilities:					
Accounts payable		-	1,002	-	2,502
Due to other funds		-	1,787	-	1,787
Wages and benefits payable		-	46	4	73
Deposits		-	19	-	19
Total liabilities		-	2,854	4	4,381
Deferred inflows of resources:					
Unavailable revenues		-	2,238	-	2,238
Total liabilities and deferred inflows of resources		-	5,092	4	6,619
Fund Balances:					
Restricted for:					
State gas tax mandates		-	-	-	4,405
Landfill postclosure		-	-	-	31,850
Capital projects		-	-	38,884	38,884
Committed to:					
Impact fee funded projects		26	-	-	24,565
Unassigned:		-	(1,763)	-	(1,763)
Total fund balances		26	(1,763)	38,884	97,941
Total liabilities, deferred inflows of resources and fund balances	$	26	3,329	38,888	104,560

Exhibit J-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		State Gas Tax Fund	Landfill Postclosure Fund	Parks Mitigation Fee Fund	Library Mitigation Fee Fund
Revenues:					
Revenue from other agencies	$	5,389	-	-	-
Licenses and permits		-	-	1,813	214
Use of money and property		1	-	80	5
Miscellaneous revenue		-	-	-	-
Total revenues		5,390	-	1,893	219
Expenditures:					
Current:					
Housing, health and community development		-	-	-	-
Police		-	-	-	-
Public works		893	-	-	-
Parks, recreation and community services		-	-	166	-
Library		-	-	-	41
Capital outlay		2,349	-	1,220	277
Total expenditures		3,242	-	1,386	318
Excess of revenues over (under) expenditures		2,148	-	507	(99)
Other financing source:					
Transfers in		-	2,000	-	-
Net change in fund balances		2,148	2,000	507	(99)
Fund balances (deficits), July 1		2,257	29,850	22,420	1,711
Fund balances (deficits), June 30	$	4,405	31,850	22,927	1,612

(Continued)

Exhibit J-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Capital Projects Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Parks Quimby Fee Fund	CIP Reimbursement Fund	SF Corridor Tax Share Fund	Total Nonmajor Capital Projects Funds
Revenues:					
Revenue from other agencies	$	-	2,499	4,867	12,755
Licenses and permits		24	-	-	2,051
Use of money and property		1	-	120	207
Miscellaneous revenue		-	205	-	205
Total revenues		25	2,704	4,987	15,218
Expenditures:					
Current:					
Housing, health and community development		-	1	-	1
Police		-	6	-	6
Public works		-	339	54	1,286
Parks, recreation and community services		-	13	-	179
Library		-	-	-	41
Capital outlay		-	2,613	-	6,459
Total expenditures		-	2,972	54	7,972
Excess of revenues over (under) expenditures		25	(268)	4,933	7,246
Other financing source:					
Transfers in		-	-	-	2,000
Net change in fund balances		25	(268)	4,933	9,246
Fund balances (deficits), July 1		1	(1,495)	33,951	88,695
Fund balances (deficits), June 30	$	26	(1,763)	38,884	97,941

Nonmajor Enterprise Funds

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

NONMAJOR ENTERPRISE FUNDS

- 530 - Refuse Disposal Fund - To account for operations of the City-owned refuse collection and disposal service.
- 701 - Fire Communication Fund - To account for monies received and expended, as the lead city, for the tri-city (Burbank, Glendale and Pasadena) Verdugo Fire Communication operations.

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Exhibit K-1
CITY OF GLENDALE
Combining Statement of Net Position
Proprietary Funds - Nonmajor Enterprise Funds
June 30, 2018 (in thousands)

		Refuse Disposal Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
Assets and deferred outflows of resources				
Current assets:				
Pooled cash and investments	$	34,391	8,085	42,476
Interest receivable		138	34	172
Accounts receivable, net		2,540	-	2,540
Total current assets		37,069	8,119	45,188
Noncurrent assets:				
Capital assets:				
Land		1,639	-	1,639
Buildings and improvements		7,258	-	7,258
Machinery and equipment		18,268	4,925	23,193
Accumulated depreciation		(18,691)	(4,184)	(22,875)
Construction in progress		-	779	779
Total capital assets		8,474	1,520	9,994
Total assets		45,543	9,639	55,182
Deferred outflow of resources:				
Deferred outflows related to pensions		3,766	1,044	4,810
Total assets and deferred outflows of resources		49,309	10,683	59,992
Liabilities, deferred inflows of resources and net position				
Current liabilities:				
Accounts payable		859	13	872
Wages and benefits payable		471	183	654
Deposits		427	-	427
Total current liabilities		1,757	196	1,953
Noncurrent liabilities:				
Net pension liability		14,888	3,261	18,149
Total liabilities		16,645	3,457	20,102
Deferred inflows of resources:				
Deferred inflows related to pensions		607	195	802
Total liabilities and deferred inflows of resources		17,252	3,652	20,904
Net position:				
Net investment in capital assets		8,474	1,520	9,994
Unrestricted		23,583	5,511	29,094
Total net position	$	32,057	7,031	39,088

Exhibit K-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds - Nonmajor Enterprise Funds

Fiscal Year Ended June 30, 2018 (in thousands)

		Refuse Disposal Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
Operating revenues:				
Charges for services	$	22,417	3,984	26,401
Miscellaneous revenues		11	467	478
Total operating revenues		22,428	4,451	26,879
Operating expenses:				
Salaries and benefits		8,309	3,042	11,351
Maintenance and operations		11,346	912	12,258
Depreciation		1,390	211	1,601
Total operating expenses		21,045	4,165	25,210
Operating income		1,383	286	1,669
Non operating revenues:				
Interest revenue		146	30	176
Intergovernmental grant		69	3	72
Total non operating revenues, net		215	33	248
Income before transfers		1,598	319	1,917
Transfer out		(1,150)	-	(1,150)
Change in net position		448	319	767
Net position, July 1		31,609	6,712	38,321
Net position, June 30	$	32,057	7,031	39,088

Exhibit K-3
CITY OF GLENDALE
Combining Statement of Cash Flows
Proprietary Funds - Nonmajor Enterprise Funds
Year Ended June 30, 2018 (in thousands)

		Refuse Disposal Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
Cash flows from operating activities:				
Cash from customers	$	22,540	4,451	26,991
Cash paid to employees		(7,755)	(2,581)	(10,336)
Cash paid to suppliers		(11,215)	(1,069)	(12,284)
Net cash provided by operating activities		3,570	801	4,371
Cash flows from noncapital financing activities:				
Operating transfers out		(1,150)	-	(1,150)
Operating grants received		69	3	72
Loan payments received		-	78	78
Net cash provided (used) by noncapital financing activities		(1,081)	81	(1,000)
Cash flows from capital and related financing activities:				
Acquisition of property, plant, and equipment		(694)	(780)	(1,474)
Cash flows from investing activities:				
Interest received		110	21	131
Net increase in cash and cash equivalents		1,905	123	2,028
Cash and cash equivalents at July 1		32,486	7,962	40,448
Cash and cash equivalents at June 30		34,391	8,085	42,476
Reconciliation of operating income to net cash provided (used) by operating activities:				
Operating income		1,383	286	1,669
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation		1,390	211	1,601
Pension expense		585	415	1,000
Decrease Accounts receivable net		112	-	112
Increase (Decrease) Accrued wages payable		(31)	46	15
Increase (Decrease) Accounts payable		67	(157)	(90)
Increase Deposits		64	-	64
Total adjustments		2,187	515	2,702
Net cash provided by operating activities	$	3,570	801	4,371
Noncash investing, capital, and financing activities:				
Decrease in fair value of investments		(453)	(113)	(566)

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Internal Service Funds

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

INTERNAL SERVICE FUNDS

- 601 - Fleet/Equipment Management Fund - To account for equipment replacement resources which are derived from periodic charges to governmental operations to ensure timely replacement of equipment.

- 602 - Joint Helicopter Operation Fund - To account for resources and expenses for the operation of the Joint Law Enforcement Air Support Unit between City of Glendale and City of Burbank.

- 603 - ISD Infrastructure Fund - To account for technological equipment replacement resources which are derived from periodic charges to governmental operations to ensure timely replacement of the technological equipment.

- 604 - ISD Applications Fund - To account for major ISD Applications resources which are derived from periodic charges to governmental operations to ensure timely replacement of the major application software.

- 607 - Building Maintenance Fund - To account for maintenance, repairs or services necessary to sustain facility operations at approximately one hundred City owned facilities.

- 610 - Unemployment Insurance Fund - To finance and account for unemployment claims. Resources are derived from unemployment insurance charges to various City operations. Unemployment claims are reimbursed to the State Employment Department which disburses the unemployment claims.

- 612 - Liability Insurance Fund - To account for financing and disbursement of City self-insurance funds for uninsurable litigation activities, general liability and auto liability claims. Charges, in lieu of insurance premiums, are made periodically to City operations to provide the self-insurance resources.

- 614 - Compensation Insurance Fund - To finance and account for the City's workers' compensation claims. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.

- 615 - Dental Insurance Fund - To finance and account for the City's dental insurance program for its employees. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.

- 616 - Medical Insurance Fund - To finance and account for the City's medical insurance program for its employees. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.

- 617 - Vision Insurance Fund - To finance and account for the City's vision insurance program for its employees. Funding is derived from charges in lieu of actual premiums to various City operations to provide the self-insurance resources.

- 640 - Employee Benefits Fund - To account for the resources and the liability for employees' compensated absences (vacation and comp time).

- 641 - Retiree Health Savings Plan (RHSP) Benefits Fund - To account for the resources and the liability for employees' sick leave conversion under RHSP plan.

- 642 - Post Employment Benefits Fund - To account for the resources and the liability for all the benefits provided after the employees' separation from the City.

- 660 - ISD Wireless Fund - To account for the operation of the citywide radio system, including maintenance, replacement and acquisition of equipment.

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Exhibit L-1
CITY OF GLENDALE
Combining Statement of Net Position
Internal Service Funds
June 30, 2018 (in thousands)

		Fleet/ Equipment Management Fund	Joint Helicopter Operation Fund	ISD Infrastructure Fund	ISD Applications Fund
Assets					
Current assets:					
Pooled cash and investments	$	19,782	3,555	5,439	10,313
Interest receivable		81	13	23	42
Accounts receivable, net		5	138	-	-
Inventories		208	-	-	-
Prepaid items		1,325	-	-	-
Total current assets		21,401	3,706	5,462	10,355
Capital assets:					
Buildings and improvements		-	-	214	-
Machinery and equipment		34,704	3,517	5,245	8
Intangible assets		-	-	58	359
Accumulated depreciation		(22,979)	(2,015)	(1,847)	(8)
Accumulated amortization		-	-	-	(29)
Construction in progress		15	-	1,421	5,632
Total capital assets		11,740	1,502	5,091	5,962
Total assets		33,141	5,208	10,553	16,317
Liabilities and net position					
Current liabilities:					
Accounts payable		787	37	361	266
Wages and benefits payable		213	8	129	138
Due to other funds		-	-	-	-
Claims payable		-	-	-	-
Compensated absences		-	-	-	-
Total current liabilities		1,000	45	490	404
Noncurrent liabilities:					
Claims payable		-	-	-	-
Compensated absences		-	-	-	-
Total noncurrent liabilities		-	-	-	-
Total liabilities		1,000	45	490	404
Net position:					
Net investment in capital assets		11,740	1,502	5,091	5,962
Unrestricted		20,401	3,661	4,972	9,951
Total net position (deficit)	$	32,141	5,163	10,063	15,913

(Continued)

Exhibit L-1
CITY OF GLENDALE
Combining Statement of Net Position
Internal Service Funds
June 30, 2018 (in thousands)

		Building Maintenance Fund	Unemployment Insurance Fund	Liability Insurance Fund	Compensation Insurance Fund
Assets					
Current assets:					
Pooled cash and investments	$	3,849	877	16,100	32,814
Interest receivable		16	3	326	134
Accounts receivable, net		-	6	770	1,051
Inventories		-	-	-	-
Prepaid items		-	-	-	-
Total current assets		3,865	886	17,196	33,999
Capital assets:					
Buildings and improvements		-	-	-	-
Machinery and equipment		-	-	-	101
Intangible assets		-	-	-	-
Accumulated depreciation		-	-	-	(89)
Accumulated amortization		-	-	-	-
Construction in progress		-	-	-	-
Total capital assets		-	-	-	12
Total assets		3,865	886	17,196	34,011
Liabilities and net position					
Current liabilities:					
Accounts payable		251	-	151	32
Wages and benefits payable		172	-	20	214
Due to other funds		-	-	-	-
Claims payable		-	-	5,120	8,379
Compensated absences		-	-	-	-
Total current liabilities		423	-	5,291	8,625
Noncurrent liabilities:					
Claims payable		-	-	4,300	34,599
Compensated absences		-	-	-	-
Total noncurrent liabilities		-	-	4,300	34,599
Total liabilities		423	-	9,591	43,224
Net position:					
Net investment in capital assets		-	-	-	12
Unrestricted		3,442	886	7,605	(9,225)
Total net position (deficit)	$	3,442	886	7,605	(9,213)

(Continued)

Exhibit L-1
CITY OF GLENDALE
Combining Statement of Net Position
Internal Service Funds
June 30, 2018 (in thousands)

		Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund	Employee Benefits Fund
Assets					
Current assets:					
Pooled cash and investments	$	1,064	604	498	14,658
Interest receivable		5	2	2	63
Accounts receivable, net		45	825	9	198
Inventories		-	-	-	-
Prepaid items		-	504	-	-
Total current assets		1,114	1,935	509	14,919
Capital assets:					
Buildings and improvements		-	-	-	-
Machinery and equipment		-	-	-	-
Intangible assets		-	-	-	-
Accumulated depreciation		-	-	-	-
Accumulated amortization		-	-	-	-
Construction in progress		-	-	-	-
Total capital assets		-	-	-	-
Total assets		1,114	1,935	509	14,919
Liabilities and net position					
Current liabilities:					
Accounts payable		87	1,661	15	-
Wages and benefits payable		-	-	-	-
Due to other funds		-	-	-	-
Claims payable		-	870	-	-
Compensated absences		-	-	-	2,007
Total current liabilities		87	2,531	15	2,007
Noncurrent liabilities:					
Claims payable		-	-	-	-
Compensated absences		-	-	-	12,950
Total noncurrent liabilities		-	-	-	12,950
Total liabilities		87	2,531	15	14,957
Net position:					
Net investment in capital assets		-	-	-	-
Unrestricted		1,027	(596)	494	(38)
Total net position (deficit)	$	1,027	(596)	494	(38)

(Continued)

Exhibit L-1
CITY OF GLENDALE
Combining Statement of Net Position
Internal Service Funds
June 30, 2018 (in thousands)

		Retiree Health Savings Plan (RHSP) Benefits Fund	Post Employment Benefits Fund	ISD Wireless Fund	Total Internal Service Funds
Assets					
Current assets:					
Pooled cash and investments	$	15,979	-	3,046	128,578
Interest receivable		65	-	11	786
Accounts receivable, net		214	12	-	3,273
Inventories		-	-	-	208
Prepaid items		-	-	-	1,829
Total current assets		16,258	12	3,057	134,674
Capital assets:					
Buildings and improvements		-	-	-	214
Machinery and equipment		-	-	9,727	53,302
Intangible assets		-	-	-	417
Accumulated depreciation		-	-	(3,505)	(30,443)
Accumulated amortization		-	-	-	(29)
Construction in progress		-	-	440	7,508
Total capital assets		-	-	6,662	30,969
Total assets		16,258	12	9,719	165,643
Liabilities and net position					
Current liabilities:					
Accounts payable		-	26	915	4,589
Wages and benefits payable		-	-	118	1,012
Due to other funds		-	215	-	215
Claims payable		-	-	-	14,369
Compensated absences		1,130	-	-	3,137
Total current liabilities		1,130	241	1,033	23,322
Noncurrent liabilities:					
Claims payable		-	-	-	38,899
Compensated absences		12,947	-	-	25,897
Total noncurrent liabilities		12,947	-	-	64,796
Total liabilities		14,077	241	1,033	88,118
Net position:					
Net investment in capital assets		-	-	6,662	30,969
Unrestricted		2,181	(229)	2,024	46,556
Total net position (deficit)	$	2,181	(229)	8,686	77,525

Exhibit L-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Fleet/ Equipment Management Fund	Joint Helicopter Operation Fund	ISD Infrastructure Fund	ISD Applications Fund
Operating revenues:				
Charges for services	$ 12,855	1,275	6,708	6,402
Miscellaneous revenues	3	-	-	-
Total operating revenues	12,858	1,275	6,708	6,402
Operating expenses:				
Salaries and benefits	3,435	134	2,347	2,725
Maintenance and operations	5,485	575	2,665	3,238
Equipment purchased	36	-	1,132	-
Claims and settlements	-	-	-	-
Depreciation	1,550	103	929	1
Amortization	-	-	-	18
Total operating expenses	10,506	812	7,073	5,982
Operating income (loss)	2,352	463	(365)	420
Non operating revenues (expenses):				
Interest revenue	131	210	17	37
Grant revenue	-	-	-	-
Interest expense	(4)	-	-	-
Total non operating revenues (expenses), net	127	210	17	37
Income (loss)	2,479	673	(348)	457
Change in net position	2,479	673	(348)	457
Net position (deficit), July 1	29,662	4,490	10,411	15,456
Net position (deficit), June 30	$ 32,141	5,163	10,063	15,913

(Continued)

Exhibit L-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Building Maintenance Fund	Unemployment Insurance Fund	Liability Insurance Fund	Compensation Insurance Fund
Operating revenues:				
Charges for services	$ 7,929	100	4,930	17,016
Miscellaneous revenues	-	-	664	1,087
Total operating revenues	7,929	100	5,594	18,103
Operating expenses:				
Salaries and benefits	2,916	-	326	1,940
Maintenance and operations	3,838	2	1,848	1,476
Equipment purchased	52	-	-	-
Claims and settlements	-	59	6,283	12,967
Depreciation	-	-	-	3
Amortization	-	-	-	-
Total operating expenses	6,806	61	8,457	16,386
Operating income (loss)	1,123	39	(2,863)	1,717
Non operating revenues (expenses):				
Interest revenue	11	3	53	93
Grant revenue	-	-	-	-
Interest expense	-	-	-	-
Total non operating revenues (expenses), net	11	3	53	93
Income (loss)	1,134	42	(2,810)	1,810
Change in net position	1,134	42	(2,810)	1,810
Net position (deficit), July 1	2,308	844	10,415	(11,023)
Net position (deficit), June 30	$ 3,442	886	7,605	(9,213)

(Continued)

Exhibit L-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund	Employee Benefits Fund
Operating revenues:					
Charges for services	$	1,328	23,257	225	6,144
Miscellaneous revenues		-	22	-	47
Total operating revenues		1,328	23,279	225	6,191
Operating expenses:					
Salaries and benefits		-	-	-	31
Maintenance and operations		39	1,087	6	21
Equipment purchased		-	-	-	-
Claims and settlements		1,332	21,584	215	6,200
Depreciation		-	-	-	-
Amortization		-	-	-	-
Total operating expenses		1,371	22,671	221	6,252
Operating income (loss)		(43)	608	4	(61)
Non operating revenues (expenses):					
Interest revenue		4	-	2	43
Grant revenue		-	-	-	-
Interest expense		-	-	-	-
Total non operating revenues (expenses), net		4	-	2	43
Income (loss)		(39)	608	6	(18)
Change in net position		(39)	608	6	(18)
Net position (deficit), July 1		1,066	(1,204)	488	(20)
Net position (deficit), June 30	$	1,027	(596)	494	(38)

(Continued)

Exhibit L-2
CITY OF GLENDALE
Combining Statement of Revenues, Expenses
and Changes in Net Position
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

	Retiree Health Savings Plan (RHSP) Benefits Fund	Post Employment Benefits Fund	ISD Wireless Fund	Total Internal Service Funds
Operating revenues:				
Charges for services	$ 3,629	202	4,278	96,278
Miscellaneous revenues	-	-	6	1,829
Total operating revenues	3,629	202	4,284	98,107
Operating expenses:				
Salaries and benefits	16	-	1,019	14,889
Maintenance and operations	16	11	1,580	21,887
Equipment purchased	-	-	344	1,564
Claims and settlements	1,635	609	-	50,884
Depreciation	-	-	1,140	3,726
Amortization	-	-	-	18
Total operating expenses	1,667	620	4,083	92,968
Operating income (loss)	1,962	(418)	201	5,139
Non operating revenues (expenses):				
Interest revenue	44	-	2	650
Grant revenue	-	-	1,001	1,001
Interest expense	-	-	(2)	(6)
Total non operating revenues (expenses), net	44	-	1,001	1,645
Income (loss)	2,006	(418)	1,202	6,784
Change in net position	2,006	(418)	1,202	6,784
Net position (deficit), July 1	175	189	7,484	70,741
Net position (deficit), June 30	$ 2,181	(229)	8,686	77,525

Exhibit L-3
CITY OF GLENDALE
Combining Statement of Cash Flows
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Fleet/ Equipment Management Fund	Joint Helicopter Operation Fund	ISD Infrastructure Fund	ISD Applications Fund
Cash flows from operating activities:					
Cash from customers	$	12,864	1,323	6,708	6,402
Cash paid to employees		(3,447)	(137)	(2,353)	(2,702)
Cash paid to suppliers		(5,208)	(557)	(3,877)	(3,315)
Net cash provided (used) by operating activities		4,209	629	478	385
Cash flows from noncapital financing activities:					
Amounts paid to other funds		-	-	-	-
Operating grants received		-	-	-	-
Net cash provided (used) by noncapital financing activities		-	-	-	-
Cash flows from capital and related financing activities:					
Interest on long-term debt		(10)	-	-	-
Payments on capital lease		(262)	-	-	-
Acquisition of property, plant, and equipment		(3,162)	2	(99)	(1,612)
Net cash provided (used) by capital and related financing activities		(3,434)	2	(99)	(1,612)
Cash provided by investing activities:					
Interest received		108	205	10	32
Net increase (decrease) in cash and cash equivalents		883	836	389	(1,195)
Cash and cash equivalents at July 1		18,899	2,719	5,050	11,508
Cash and cash equivalents at June 30		19,782	3,555	5,439	10,313
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)		2,352	463	(365)	420
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation		1,550	103	929	1
Amortization		-	-	-	18
(Increase) Decrease Accounts receivable, net		6	48	-	-
(Increase) Inventories		(16)	-	-	-
(Increase) Decrease Prepaid expenses		54	-	-	-
Increase (Decrease) Accrued wages payable		(12)	(3)	(6)	23
Increase Compensated absences		-	-	-	-
Increase (Decrease) Accounts payable		275	18	(80)	(77)
Increase (Decrease) Claims payable		-	-	-	-
Total adjustments		1,857	166	843	(35)
Net cash provided (used) by operating activities	$	4,209	629	478	385
Noncash investing, capital, and financing activities:					
Decrease in fair value of investments		(266)	(41)	(75)	(137)

(Continued)

Exhibit L-3
CITY OF GLENDALE
Combining Statement of Cash Flows
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Building Maintenance Fund	Unemployment Insurance Fund	Liability Insurance Fund	Compensation Insurance Fund
Cash flows from operating activities:					
Cash from customers	$	7,929	100	5,079	18,204
Cash paid to employees		(2,906)	-	(340)	(2,271)
Cash paid to suppliers		(4,038)	(61)	(6,504)	(13,762)
Net cash provided (used) by operating activities		985	39	(1,765)	2,171
Cash flows from noncapital financing activities:					
Amounts paid to other funds		-	-	-	-
Operating grants received		-	-	-	-
Net cash provided (used) by noncapital financing activities		-	-	-	-
Cash flows from capital and related financing activities:					
Interest on long-term debt		-	-	-	-
Payments on capital lease		-	-	-	-
Acquisition of property, plant, and equipment		-	-	-	(1)
Net cash provided (used) by capital and related financing activities		-	-	-	(1)
Cash provided by investing activities:					
Interest received		-	3	40	56
Net increase (decrease) in cash and cash equivalents		985	42	(1,725)	2,226
Cash and cash equivalents at July 1		2,864	835	17,825	30,588
Cash and cash equivalents at June 30		3,849	877	16,100	32,814
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)		1,123	39	(2,863)	1,717
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation		-	-	-	3
Amortization		-	-	-	-
(Increase) Decrease Accounts receivable, net		-	-	(515)	101
(Increase) Inventories		-	-	-	-
(Increase) Decrease Prepaid expenses		-	-	-	-
Increase (Decrease) Accrued wages payable		10	-	(14)	(331)
Increase Compensated absences		-	-	-	-
Increase (Decrease) Accounts payable		(148)	-	110	17
Increase (Decrease) Claims payable		-	-	1,517	664
Total adjustments		(138)	-	1,098	454
Net cash provided (used) by operating activities	$	985	39	(1,765)	2,171
Noncash investing, capital, and financing activities:					
Decrease in fair value of investments		(52)	(12)	(226)	(445)

(Continued)

Exhibit L-3
CITY OF GLENDALE
Combining Statement of Cash Flows
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund	Employee Benefits Fund
Cash flows from operating activities:					
Cash from customers	$	1,328	23,296	225	6,172
Cash paid to employees		-	-	-	(5,210)
Cash paid to suppliers		(1,376)	(22,989)	(219)	(21)
Net cash provided (used) by operating activities		(48)	307	6	941
Cash flows from noncapital financing activities:					
Amounts paid to other funds		-	-	-	-
Operating grants received		-	-	-	-
Net cash provided (used) by noncapital financing activities		-	-	-	-
Cash flows from capital and related financing activities:					
Interest on long-term debt		-	-	-	-
Payments on capital lease		-	-	-	-
Acquisition of property, plant, and equipment		-	-	-	-
Net cash provided (used) by capital and related financing activities		-	-	-	-
Cash provided by investing activities:					
Interest received		3	(2)	2	24
Net increase (decrease) in cash and cash equivalents		(45)	305	8	965
Cash and cash equivalents at July 1		1,109	299	490	13,693
Cash and cash equivalents at June 30		1,064	604	498	14,658
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)		(43)	608	4	(61)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation		-	-	-	-
Amortization		-	-	-	-
(Increase) Decrease Accounts receivable, net		-	17	-	(19)
(Increase) Inventories		-	-	-	-
(Increase) Decrease Prepaid expenses		-	(8)	-	-
Increase (Decrease) Accrued wages payable		-	-	-	-
Increase Compensated absences		-	-	-	1,021
Increase (Decrease) Accounts payable		(5)	(3)	2	-
Increase (Decrease) Claims payable		-	(307)	-	-
Total adjustments		(5)	(301)	2	1,002
Net cash provided (used) by operating activities	$	(48)	307	6	941
Noncash investing, capital, and financing activities:					
Decrease in fair value of investments		(15)	(8)	(7)	(200)

(Continued)

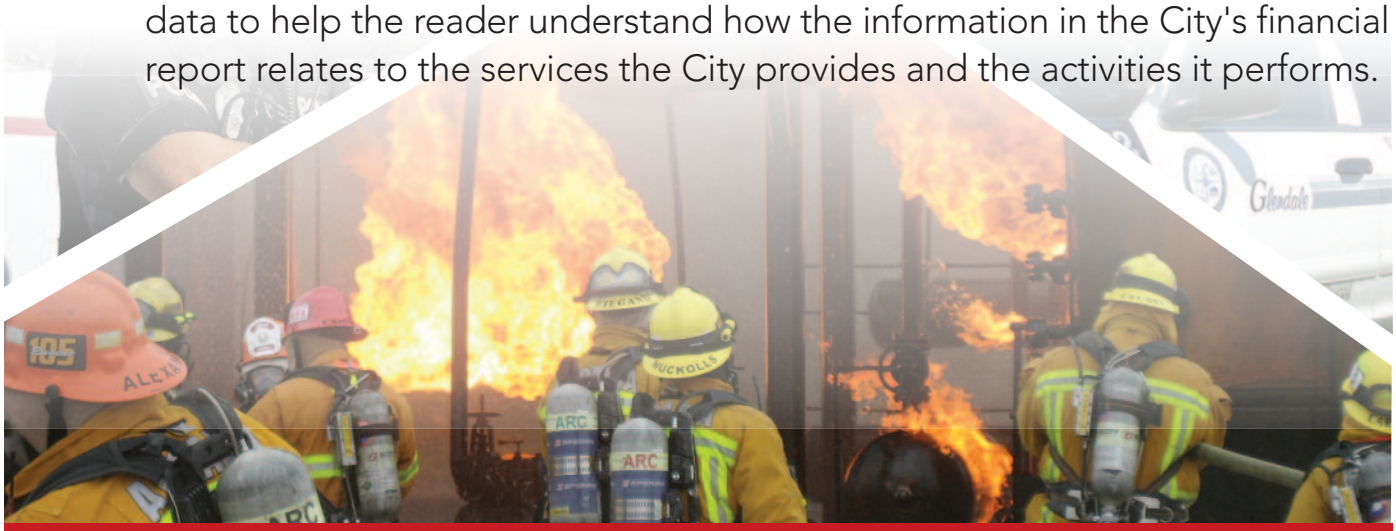
Exhibit L-3
CITY OF GLENDALE
Combining Statement of Cash Flows
Internal Service Funds
Fiscal Year Ended June 30, 2018 (in thousands)

		Health Savings Plan (RSHP) Benefits Fund	Post Employment Benefits Fund	ISD Wireless Fund	Total Internal Service Funds
Cash flows from operating activities:					
Cash from customers	$	3,608	201	4,284	97,723
Cash paid to employees		(1,142)	-	(956)	(21,464)
Cash paid to suppliers		(16)	(614)	(1,197)	(63,754)
Net cash provided (used) by operating activities		2,450	(413)	2,131	12,505
Cash flows from noncapital financing activities:					
Amounts paid to other funds		-	215	(582)	(367)
Operating grants received		-	-	1,001	1,001
Net cash provided (used) by noncapital financing activities		-	215	419	634
Cash flows from capital and related financing activities:					
Interest on long-term debt		-	-	(12)	(22)
Payments on capital lease		-	-	-	(262)
Acquisition of property, plant, and equipment		-	-	(704)	(5,576)
Net cash provided (used) by capital and related financing activities		-	-	(716)	(5,860)
Cash provided by investing activities:					
Interest received		22	3	(6)	500
Net increase (decrease) in cash and cash equivalents		2,472	(195)	1,828	7,779
Cash and cash equivalents at July 1		13,507	195	1,218	120,799
Cash and cash equivalents at June 30		15,979	-	3,046	128,578
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)		1,962	(418)	201	5,139
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation		-	-	1,140	3,726
Amortization		-	-	-	18
(Increase) Decrease Accounts receivable, net		(21)	(1)	-	(384)
(Increase) Inventories		-	-	-	(16)
(Increase) Decrease Prepaid expenses		-	-	-	46
Increase (Decrease) Accrued wages payable		-	-	63	(270)
Increase Compensated absences		509	-	-	1,530
Increase (Decrease) Accounts payable		-	6	727	842
Increase (Decrease) Claims payable		-	-	-	1,874
Total adjustments		488	5	1,930	7,366
Net cash provided (used) by operating activities	$	2,450	(413)	2,131	12,505
Noncash investing, capital, and financing activities:					
Decrease in fair value of investments		(215)	-	(37)	(1,736)

Statistical Section (UNAUDITED)

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

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



Schedule 1
CITY OF GLENDALE
Net Position by Component
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

		Fiscal Year				
		2018	2017	2016	2015	2014
Governmental activities:						
Net investment in capital assets	$	926,357	922,498	888,998	882,741	829,862
Restricted		168,556	124,491	110,281	74,413	73,323
Unrestricted		(195,007) (1)	(162,510) (1)	(153,423) (1)	(315,057) (1)	47,188
Total governmental activities net position		899,906	884,479	845,856	642,097	950,373
Business-type activities:						
Net investment in capital assets		401,010	409,287	422,656	437,125	484,467
Restricted		5,669	5,669	5,669	5,669	5,669
Unrestricted		288,494	263,001	222,463	159,220	210,397
Total business-type activities net position		695,173	677,957	650,788	602,014	700,533
Primary government:						
Net investment in capital assets		1,327,367	1,331,785	1,311,654	1,319,866	1,314,329
Restricted		174,225	130,160	115,950	80,082	78,992
Unrestricted		93,487	100,491	69,040	(155,837)	257,585
Total primary government net position	$	1,595,079	1,562,436	1,496,644	1,244,111	1,650,906

		Fiscal Year				
		2013	2012 (2)	2011	2010	2009
Governmental activities:						
Net investment in capital assets	$	816,785	802,729	814,946	806,721	782,170
Restricted		70,047	40,119	53,953	56,854	56,506
Unrestricted		62,419	104,152	85,930	91,582	113,761
Total governmental activities net position		949,251	947,000	954,829	955,157	952,437
Business-type activities:						
Net investment in capital assets		516,774	545,511	526,011	476,440	448,099
Restricted		5,669	5,669	15,474	13,864	14,047
Unrestricted		159,224	140,283	159,353	208,562	238,443
Total business-type activities net position		681,667	691,463	700,838	698,866	700,589
Primary government:						
Net investment in capital assets		1,333,559	1,348,240	1,340,957	1,283,161	1,230,269
Restricted		75,716	45,788	69,427	70,718	70,553
Unrestricted		221,643	244,435	245,283	300,144	352,204
Total primary government net position	$	1,630,918	1,638,463	1,655,667	1,654,023	1,653,026

Notes:

(1) From FY2015 to FY2018, the negative unrestricted net position for governmental activities was due to the recognition of net pension liability pursuant to GASB Statement No. 68.

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

Source: City Finance Department

Not covered by independent auditors' report

Schedule 2
CITY OF GLENDALE
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2018	2017	2016	2015	2014
Expenses					
Governmental activities:					
General government	$ 33,037	29,958	20,335	47,822	64,776
Police	92,679	80,687	72,274	74,596	71,299
Fire	67,285	59,228	51,386	48,796	47,370
Public works	30,072	28,021	31,925	26,558	41,126
Transportation	13,196	14,215	14,367	15,222	-
Housing, health, and community development	44,349	41,831	39,860	42,472	38,536
Employment programs	5,848	6,099	5,265	5,557	5,642
Public service	5,999	6,751	6,230	5,895	5,173
Parks, recreation and community services	19,697	18,710	15,889	13,325	12,372
Library	12,485	9,590	8,222	8,392	7,893
Interest and fiscal charges	2,139	2,763	2,203	1,398	2,553
Total governmental activities expenses	326,786	297,853	267,956	290,033	296,740
Business-type activities:					
Recreation	-	-	-	2,584 (1)	2,338
Hazardous disposal	-	-	-	1,511 (1)	1,170
Fire communications	4,126	3,399	3,149	2,965	2,521
Parking	-	-	-	7,702 (1)	6,317
Sewer	20,383	16,697	15,327	17,421	14,353
Refuse disposal	20,844	19,448	18,518	18,519	16,143
Electric	188,573	186,772	172,647	187,864	179,322
Water	48,458	43,400	42,017	45,068	42,927
Total business-type activities expenses	282,384	269,716	251,658	283,634	265,091
Total primary government expenses	$ 609,170	567,569	519,614	573,667	561,831

Notes:

(1) Effective FY 2015, Recreation, Hazardous Disposal and Parking Funds were reclassified from enterprise funds to special revenue funds.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2
CITY OF GLENDALE
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2018	2017	2016	2015	2014
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 20,810	16,601	17,554	18,554	17,895
Police	1,487	1,282	1,229	1,087	759
Fire	9,672	8,405	8,242	6,330	2,206
Public works	29,117	23,629	20,732	14,469	19,544
Transportation	7,115	10,632	9,882	6,849	-
Housing, health, and community development	177	118	68	55	57
Employment programs	1,691	1,711	1,509	1,401	1,486
Parks, recreation and community services	3,285	2,984	2,999	11	11
Library	138	83	156	174	171
Operating grants and contributions	55,448	56,317	56,398	55,415	63,195
Capital grants and contributions	9,447	8,776	8,083	6,969	11,134
Total governmental activities program revenues	138,387	130,538	126,852	111,314	116,458
Business-type activities:					
Charges for services:					
Recreation	-	-	-	2,773 (1)	2,813
Hazardous disposal	-	-	-	1,632 (1)	1,598
Fire communications	3,984	3,794	3,515	3,253	3,191
Parking	-	-	-	9,303 (1)	8,897
Sewer	13,806	13,859	14,273	15,790	15,576
Refuse disposal	22,417	22,319	21,769	21,989	21,195
Electric	218,842	218,686	217,467	215,956	196,263
Water	50,771	48,601	49,972	47,520	43,069
Operating grants and contributions	72	207	54	120	299
Capital grants and contributions	12	61	305	2,306	796
Total business-type activities program revenues	309,904	307,527	307,355	320,642	293,697
Total primary government program revenues	448,291	438,065	434,207	431,956	410,155
Net (Expense) / Revenue					
Governmental activities	(188,399)	(167,315)	(141,104)	(178,719)	(180,282)
Business-type activities	27,520	37,811	55,697	37,008	28,606
Total primary government net expense	$ (160,879)	(129,504)	(85,407)	(141,711)	(151,676)

Notes:

(1) Effective FY 2015, Recreation, Hazardous Disposal and Parking Funds were reclassified from enterprise funds to special revenue funds.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2
CITY OF GLENDALE
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2018	2017	2016	2015	2014
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	$ 58,445	55,217	51,709	50,883	47,623
Sales tax	62,158	41,096	46,651	36,330	35,408
Utility users tax	27,805	28,605	28,662	27,766	27,018
Other taxes	21,784	20,998	20,378	17,305	15,512
Investment income	1,815	1,262	8,456	1,561	1,776
Other	15,748	22,377	25,988	22,766	30,097
Reinstatement of loans	328	206	28,029	-	-
Transfers	21,312	21,060	19,524	62,859	23,970
Special items:					
Transfer of capital assets from Successor Agency	2,744	15,117	6,729	22,087	-
Elimination of OPEB implied subsidy	-	-	82,247	-	-
Extraordinary gain (loss)	-	-	26,490	-	-
Total governmental activities	212,139	205,938	344,863	241,557	181,404
Business-type activities:					
Investment income	1,315	1,859	4,899	1,915	2,725
Other	9,693	8,559	7,702	8,593	11,505
Transfers	(21,312)	(21,060)	(19,524)	(62,859)	(23,970)
Total business-type activities	(10,304)	(10,642)	(6,923)	(52,351)	(9,740)
Total primary government	201,835	195,296	337,940	189,206	171,664
Change in net position					
Governmental activities	23,740	38,623	203,759	62,838	1,122
Business-type activities	17,216	27,169	48,774	(15,343)	18,866
Total primary government	$ 40,956	65,792	252,533	47,495	19,988

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2
CITY OF GLENDALE
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2013	2012 (1)	2011	2010	2009
Expenses					
Governmental activities:					
General government	$ 33,432	22,151	25,700	24,157	23,508
Police	72,997	72,160	69,926	66,923	64,113
Fire	50,880	61,917	57,138	55,743	50,793
Public works	39,349	42,192	41,598	38,529	35,903
Transportation	-	-	-	-	-
Housing, health, and community development	44,534	45,387	69,965	70,813	49,563
Employment programs	6,080	6,197	5,925	7,397	5,432
Public service	4,490	6,369	8,029	8,249	6,729
Parks, recreation and community services	12,326	12,804	16,449	15,578	16,229
Library	8,338	8,209	9,127	9,241	9,162
Interest and fiscal charges on bonds	1,932	10,871	12,696	17,232	7,311
Total governmental activities expenses	274,358	288,257	316,553	313,862	268,743
Business-type activities:					
Recreation	2,820	2,754	2,622	2,645	2,552
Hazardous disposal	1,709	1,507	1,745	1,848	1,680
Fire communications	3,291	3,528	3,289	3,306	2,790
Parking	7,683	7,674	7,763	7,609	6,520
Sewer	14,585	15,148	15,756	17,874	12,195
Refuse disposal	19,197	18,794	18,893	18,101	16,450
Electric	172,509	200,120	188,569	170,423	192,326
Water	41,862	40,937	35,790	34,953	33,886
Total business-type activities expenses	263,656	290,462	274,427	256,759	268,399
Total primary government expenses	$ 538,014	578,719	590,980	570,621	537,142

Notes:

(1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions was included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2
CITY OF GLENDALE
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2013	2012 (1)	2011	2010	2009
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 16,249	16,738	17,276	13,922	9,890
Police	746	758	779	1,136	1,164
Fire	8,327	15,553	13,774	12,070	11,221
Public works	18,647	13,401	11,685	10,170	10,990
Housing, health, and community development	67	58	51	37	45
Employment programs	1,512	1,831	1,631	1,427	980
Parks, recreation and community services	15	8	13	9	15
Library	170	201	226	239	221
Operating grants and contributions	59,855	61,877	63,166	69,905	55,942
Capital grants and contributions	17,949	6,103	9,040	6,905	6,912
Total governmental activities program revenues	123,537	116,528	117,641	115,820	97,380
Business-type activities:					
Charges for services:					
Recreation	2,645	2,648	2,640	2,353	2,394
Hazardous disposal	1,559	1,547	1,530	1,533	1,550
Fire communications	3,288	3,223	3,337	3,199	2,890
Parking	8,699	8,303	7,853	8,944	7,111
Sewer	16,143	15,716	14,977	14,709	15,440
Refuse disposal	21,704	20,457	20,776	19,941	19,911
Electric	173,701	196,007	187,801	176,903	207,177
Water	44,605	41,359	36,637	35,716	36,068
Operating grants and contributions	223	96	161	421	738
Capital grants and contributions	1,203	6,590	16,238	7,440	3,292
Total business-type activities program revenues	273,770	295,946	291,950	271,159	296,571
Total primary government program revenues	397,307	412,474	409,591	386,979	393,951
Net (Expense) / Revenue					
Governmental activities	(150,821)	(171,729)	(198,912)	(198,042)	(171,363)
Business-type activities	10,114	5,484	17,523	14,400	28,172
Total primary government net expense	$ (140,707)	(166,245)	(181,389)	(183,642)	(143,191)

Notes:

(1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions was included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 2
CITY OF GLENDALE
Changes in Net Position
Last Ten Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year				
	2013	2012 (1)	2011	2010	2009
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	$ 45,943	59,197	79,714	80,422	77,060
Sales taxes	33,789	31,874	30,030	27,594	22,755
Utility users tax	26,968	26,632	26,802	27,827	28,798
Other taxes	14,594	14,181	13,857	13,891	22,268
Investment income	(85) (2)	2,953	4,066	5,806	8,143
Other	13,401	21,370	17,948	18,077	16,368
Reinstatement of loans	-	-	-	-	-
Transfers	25,299	24,007	26,167	25,167	26,100
Gain on exchange of land	-	-	-	1,978	-
Contributions	-	-	-	-	(1,712)
Special items:					
Extraordinary gain (loss)	(6,423)	(16,314)	-	-	-
Total governmental activities	153,486	163,900	198,584	200,762	199,780
Business-type activities:					
Investment income	231	1,927	2,089	4,770	8,331
Other	8,270	7,221	8,527	4,274	3,614
Transfers	(25,299)	(24,007)	(26,167)	(25,167)	(26,100)
Contributions	-	-	-	-	1,712
Total business-type activities	(16,798)	(14,859)	(15,551)	(16,123)	(12,443)
Total primary government	136,688	149,041	183,033	184,639	187,337
Change in net position					
Governmental activities	2,665	(7,829)	(328)	2,720	28,417
Business-type activities	(6,684)	(9,375)	1,972	(1,723)	15,729
Total primary government	$ (4,019)	(17,204)	1,644	997	44,146

Notes:

(1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions was included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

(2) In FY2013, the negative investment income was due to the net decrease in the fair value of investments pursuant to GASB Statement No. 31.

Source: City Finance Department

Not covered by independent auditors' report

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

	Fiscal Year				
	2018	2017	2016	2015	2014
General Fund					
Non spendable:	$ 305	267	196	2,505	2,584
Restricted for:					
City Charter – Sec.15 general reserve	28,115	27,296	24,870	23,433	22,593
Pension stabilization	27,605	-	-	-	-
Committed to:					
Capital projects fund	-	-	-	-	7,000
Assigned to:					
Economic development	3,530	4,033	4,526	3,418	-
Capital	97	572	800	800	-
Building maintenance	-	-	-	1,000	-
Emergency medical services	-	-	2,000	-	-
Unassigned	47,418	60,701	55,954	40,819	36,480
Total general fund	107,070	92,869	88,346	71,975	68,657
All Other Governmental Funds					
Non spendable:	2,545	2,396	3,197	3,177	2,212
Restricted for:					
Property held for resale	981	981	-	-	-
Federal and state grants	6,854	5,929	5,621	5,129	4,745
Public safety	2,594	2,730	1,820	1,465	1,197
Youth employment	44	-	52	4	18
Transportation	30,324	25,471	22,297	19,965	17,019
Landscaping district	207	172	139	99	63
Low and moderate housing	12,254	11,175	9,642	9,219	9,820
Air quality improvement	518	425	370	293	276
Cable access	3,401	2,895	2,434	1,833	1,237
Electric public benefit AB1890	5,146	3,962	3,609	2,788	1,960
State gas tax mandates	4,405	2,257	3,240	2,868	7,044
Landfill postclosure	31,850	29,850	27,850	25,850	23,850
Capital projects funds	38,884	33,951	29,034	-	-
Committed to:					
Debt service funds	16,429	17,981	19,287	21,522	23,841
Capital projects fund	23,917	13,405	11,295	9,374	1,991
Impact fee funded projects	24,565	24,132	26,078	14,227	5,562
Public safety	333	206	13	121	116
Urban art	6,974	6,372	5,275	4,283	2,437
Filming	945	622	373	-	-
Recreation	3,775	3,652	3,548	3,602	-
Hazardous materials	2,885	2,342	2,057	1,646	-
Parking	9,638	8,738	7,511	6,776	-
Assigned to:					
Capital projects funds	-	-	-	-	-
Unassigned	(4,690)	(4,582)	(9,345)	(5,960)	(10,327)
Total all other governmental funds	$ 224,778	195,062	175,397	128,281	93,061

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

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

	Fiscal Year				
	2013	2012 (1)	2011 (2)	2010	2009
General Fund					
Non spendable:	$ 2,579	558	49,425	71,521	68,840
Restricted for:					
City Charter – Sec.15 general reserve	22,228	21,156	21,105	20,619	19,320
Assigned to:					
Economic development	-	-	117	-	-
Unassigned	38,082	37,852	63,408	28,331	37,503
Total general fund	62,889	59,566	134,055	120,471	125,663
All Other Governmental Funds					
Non spendable:	2,275	2,257	14,459	22,311	21,485
Restricted for:					
Federal and state grants	4,571	3,395	4,735	4,915	4,437
Private endowments	-	1,400	1,759	-	-
Public safety	1,127	1,295	-	6,101	6,397
Youth employment	-	52	10,606	-	-
Transportation	15,569	12,927	53	9,854	12,197
Landscaping district	48	43	9,419	55	24
Low and moderate housing	15,605	18,963	286	13,964	14,737
Air quality improvement	269	214	792	280	659
Cable access	783	379	862	650	573
Electric public benefit AB1890	1,308	186	14,435	1,641	3,282
State gas tax mandates	8,539	12,466	22,100	-	-
Landfill postclosure	22,350	22,100	24,071	-	-
Redevelopment activities	-	-	-	-	2,211
Debt service funds	-	-	-	49,286	54,486
Capital projects funds	-	-	12,856	37,341	19,534
Committed to:					
Debt service funds	31,590	34,087	52,330	-	-
Capital projects fund	2,213	-	-	-	-
Impact fee funded projects	5,830	4,457	2,209	-	-
Public safety	116	179	170	-	-
Urban art	1,893	984	18	-	-
Assigned to:					
Capital projects funds	-	8,020	-	-	-
Unassigned	(8,167)	(9,520)	(7,393)	(16,833)	(13,752)
Total all other governmental funds	$ 105,919	113,884	163,767	129,565	126,270

Notes:

(1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions was included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

(2) Effective FY2011, pursuant to GASB Statement No. 54, this schedule has been modified to establish the following classifications: nonspendable, restricted, committed, assigned and unassigned.

Source: City Finance Department

Not covered by independent auditors' report

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

	Fiscal Year				
	2018	2017	2016	2015	2014
Revenues:					
Property taxes	$ 58,445	55,217	51,709	50,883	47,623
Sales tax	62,158	41,096	46,651	36,330	35,408
Utility users tax	27,805	28,605	28,662	27,766	27,018
Other taxes	21,784	20,998	20,378	17,305	15,512
Revenue from other agencies	70,304	71,590	61,332	69,677	71,755
Licenses and permits	13,740	14,053	23,263	21,592	10,528
Fines and forfeitures	5,300	5,317	4,299	1,413	1,638
Charges for services	39,962	37,012	35,876	21,741	19,393
Use of money and property	10,166	17,244	11,820	5,970	4,996
Interfund revenue	17,410	13,996	14,950	16,577	16,182
Sales of property	-	-	-	-	- (1)
Miscellaneous revenue	4,324	9,235	4,105	6,542	3,577 (1)
Total revenues	331,398	314,363	303,045	275,796	253,630
Expenditures:					
Current:					
General government	28,866	29,286	25,767	27,250	27,187
Community promotion	-	-	-	-	59
Police	82,573	76,908	73,196	71,599	69,623
Fire	60,176	56,598	53,425	47,901	46,848
Public works	23,544	23,351	28,518	20,038	33,310
Transportation	14,271	13,251	13,341	13,780	-
Housing, health and community development	40,979	40,102	39,865	42,464	39,449
Employment programs	5,680	6,254	5,603	5,589	5,808
Public service	5,951	6,720	6,381	5,896	5,325
Parks, recreation and community services	16,643	16,511	14,139	10,451	10,331
Library	11,229	9,660	8,655	8,452	8,143
Capital outlay	16,190	30,208	13,433	16,054	23,930
Debt service:					
Interest	583	374	268	242	806
Principal	2,108	2,014	2,981	2,973	13,850
Total expenditures	308,793	311,237	285,572	272,689	284,669
Excess of revenues over (under) expenditures	22,605	3,126	17,473	3,107	(31,039)
Other financing sources (uses):					
Transfers in	35,378	32,302	25,165	43,650	28,331
Transfers out	(14,066)	(11,240)	(5,641)	(8,219)	(4,382)
Total other financing sources (uses)	21,312	21,062	19,524	35,431	23,949
Extraordinary gain (loss)	-	-	26,490	-	-
Net change in fund balances	$ 43,917	24,188	63,487	38,538	(7,090)
Debt service as a percentage of noncapital expenditures	0.9%	0.9%	1.2%	1.3%	5.6%

Notes:

(1) Effective FY2014, "Sales of property" is included under "Miscellaneous revenue."

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

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

	Fiscal Year				
	2013	2012 (1)	2011	2010	2009
Revenues:					
Property taxes	$ 45,943	59,197	79,714	80,422	77,060
Sales tax	33,789	31,874	30,030	27,594 (2)	-
Utility users tax	26,968	26,632	26,802	27,827 (2)	-
Other taxes	14,594	14,181	13,857	13,891 (2)	73,820
Revenue from other agencies	75,055	62,819	84,204	80,322	56,558
Licenses and permits	10,866	11,409	8,836	5,601	4,911
Fines and forfeitures	1,446	1,683	2,032	3,026	2,667
Charges for services	19,848	25,885	23,174	22,445	21,992
Use of money and property	2,550	5,112	11,084	9,651 (3)	9,483
Intergovernmental revenue	-	-	-	- (3)	2,040
Interfund revenue	14,921	14,902	14,943	12,012	7,699
Sales of property	49	52	28	10	144
Miscellaneous revenue	6,744	5,211	1,623	3,347	5,621
Total revenues	252,773	258,957	296,327	286,148	261,995
Expenditures:					
Current:					
General government	22,826	19,535	21,327	20,215	20,465
Community promotion	111	89	106	55	105
Police	68,224	66,848	65,000	61,677	60,726
Fire	47,639	56,957	52,750	51,468	50,190
Public works	30,831	32,911	33,935	34,033	30,520
Transportation	-	-	-	-	-
Housing, health and community development	44,997	44,186	67,044	74,402	45,868
Employment programs	6,028	6,091	5,794	5,060	3,118
Public service	4,656	6,500	7,970	8,053	6,674
Parks, recreation and community services	9,938	11,957	12,856	12,852	13,460
Library	7,923	8,714	8,322	8,343	8,643
Capital outlay	28,320	19,053	31,236	41,043	42,445
Debt service:					
Interest	241	5,124	5,920	4,516	4,651
Principal	3,476	9,971	10,908	10,398	8,306
Fiscal agent fees	-	-	-	-	80
Total expenditures	275,210	287,936	323,168	332,115	295,251
Excess of revenues over (under) expenditures	(22,437)	(28,979)	(26,841)	(45,967)	(33,256)
Other financing sources (uses):					
Issuance of long-term debt	-	2,002	50,000	31,081	14,000
Original/Issue discount	-	-	(2,032)	-	-
Cost of issuance	-	-	(583)	-	-
Transfers in	29,039	69,415	54,771	67,019	37,479
Transfers out	(3,740)	(44,863)	(27,529)	(54,030)	(14,646)
Total other financing sources (uses)	25,299	26,554	74,627	44,070	36,833
Extraordinary gain (loss)	(7,504)	(121,947)	-	-	-
Net change in fund balances	$ (4,642)	(124,372)	47,786	(1,897)	3,577
Debt service as a percentage of noncapital expenditures	1.5%	5.7%	5.6%	5.1%	5.1%

Notes:

(1) In FY2012, only seven months of the Glendale Redevelopment Agency transactions was included in the governmental activities due to ABx1 26 - Redevelopment Agencies Dissolution on February 1, 2012. The transactions for the remainder of the fiscal year were recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

(2) Effective FY2010, "Other taxes" are split among "Sales tax", "Utility users tax", and "Other taxes".

(3) Effective FY2010, "Intergovernmental revenues" is included under "Use of money and property."

Source: City Finance Department

Not covered by independent auditors' report

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

	Fiscal Year				
	2018	2017	2016	2015	2014
Electric Fund					
Number of customers:					
Residential	75,589 (3)	74,783	74,176	73,678	72,975
Commercial	13,043	12,967	12,938	12,869	12,801
Industrial	196	211	212	214	218
Public street and highway lighting	21	21	21	21	18
Total number of customers	88,849	87,982	87,347	86,782	86,012
Megawatt-hour units sold:					
Residential	369,703 (3)	372,746	383,783	372,426	352,861
Commercial	337,282	334,185	335,019	337,388	327,660
Industrial	331,859	346,427	362,867	361,719	370,321
Public street and highway lighting	9,205	9,247	9,182	8,543	8,530
Total retail megawatt-hour sales	1,048,049	1,062,605	1,090,851	1,080,076	1,059,372
Sales to other utilities	404,785 (2)	521,782	461,124 (1)	512,846	351,348
Wholesale	-	-	- (1)	173,938	331,831
Total megawatt-hour sales	1,452,834	1,584,387	1,551,975	1,766,860	1,742,551
Revenue from energy sales:					
Residential	$ 74,609,549 (3)	73,139,123	73,924,071	67,754,324	59,905,509
Commercial	66,961,824	64,986,543	64,213,540	61,746,578	55,750,676
Industrial	59,813,317	60,766,034	63,310,702	59,626,227	52,437,492
Public street and highway lighting	6,366	6,401	6,413	3,465	6,145
Sales to other utilities	17,451,139 (2)	19,788,257	16,012,599 (1)	19,041,456	13,032,317
Wholesale	-	-	- (1)	7,783,689	15,130,477
Total energy sales	$ 218,842,195	218,686,358	217,467,325	215,955,739	196,262,616

Notes:

(1) Effective FY2016, wholesale and sales to other utilities have been combined into one account.

(2) Reductions in the purchases and sales of MWHs correlates to the decrease in sales to other utilities. The decrease in sales to other utilities was mainly due to lower volumes as a result of changing market demand and price volatility.

(3) In FY2018, there was an increase in customers due to recently completed residential developments. Even though megawatt-hour sales decreased, due to weather, conservation and solar installations, revenue has increased due to a 2% rate increase effective July 1, 2017.

Source: Glendale Water & Power Department

Not covered by independent auditors' report

(Continued)

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

	Fiscal Year				
	2013	2012	2011	2010	2009
Electric Fund					
Number of customers:					
Residential	72,625	72,220	72,030	71,866	71,643
Commercial	12,769	12,898	12,698	12,690	12,664
Industrial	217	222	216	226	229
Street lights	18	18	18	18	18
Total number of customers	85,629	85,358	84,962	84,800	84,554
Megawatt-hour units sold:					
Residential	393,136	368,237	357,604	378,460	389,872
Commercial	335,404	319,478	305,908	322,377	341,639
Industrial	389,872	397,144	377,698	392,273	410,663
Public street and highway lighting	9,284	9,335	9,240	9,200	9,216
Total retail megawatt-hour sales	1,127,696	1,094,194	1,050,450	1,102,310	1,151,390
Sales to other utilities	61,407 (2)	493,511	487,753	108,731	76,272
Wholesale	235,847 (2)	404,319	396,933	76,934	128,556 (1)
Total megawatt-hour sales	1,424,950	1,992,024	1,935,136	1,287,975	1,356,218
Revenue from energy sales:					
Residential	$ 58,412,020	54,282,734	53,557,580	59,515,595	66,450,032
Commercial	51,393,589	49,217,022	47,557,202	52,574,031	60,278,592
Industrial	49,396,516	50,624,670	49,084,732	54,368,173	61,862,315
Public street and highway lighting	9,553	7,010	4,288	3,022	2,054
Sales to other utilities	1,686,183 (2)	23,049,142	17,437,568	6,942,319	7,695,258
Wholesale	12,802,646 (2)	18,826,834	20,159,819	3,500,143	10,888,493 (1)
Total energy sales	$ 173,700,508	196,007,412	187,801,189	176,903,283	207,176,744

Notes:

(1) In FY2009, fluctuations in wholesale sales volume and revenue were due to changing market demand and price volatility.

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

Source: Glendale Water & Power Department

Not covered by independent auditors' report

Schedule 6
CITY OF GLENDALE
Electric Rates (Dollars per Kilowatt Hour)
Last Ten Fiscal Years

	Fiscal Year				
	2018	2017	2016	2015	2014
Customer class:					
Residential	$ 0.2018	0.1962	0.1926	0.1819	0.1693
Commercial	0.1985	0.1945	0.1917	0.1830	0.1696
Industrial	0.1802	0.1754	0.1745	0.1648	0.1412
Lighting	0.0007	0.0007	0.0007	0.0004	0.0006

	Fiscal Year				
	2013	2012	2011	2010	2009
Customer class:					
Residential	$ 0.1486	0.1474	0.1498	0.1573	0.1704
Commercial	0.1532	0.1541	0.1555	0.1631	0.1764
Industrial	0.1267	0.1275	0.1300	0.1386	0.1506
Lighting	0.0010	0.0008	0.0005	0.0003	0.0002

- These are the average rates for the indicated customer classes, including energy cost adjustment charge.
- On August 13, 2013, the City Council approved an 8% system average rate increase effective September 13, 2013. The City Council also approved electric rates to become effective July 1 of each of the 4 successive years in the amounts of 7%, 5%, 2%, and 2%. The rate plan puts the Electric Utility on the path to restore financial health by generating positive annual net income by fiscal year ending June 30, 2016, supporting a bond issue of $60 million.

Source: Glendale Water & Power Department

Not covered by independent auditors' report

Schedule 7
CITY OF GLENDALE
Principal Electric Payer Groups
Current Year and Nine Years Ago

	Fiscal Year 2018			Fiscal Year 2009		
Electric Payer Groups	Electric Charges	Rank	Percentage of Total City Electric Charges	Electric Charges	Rank	Percentage of Total City Electric Charges
High-Rise Buildings	$ 10,120,556	1	4.62%	$ 6,013,561	5	2.90%
Entertainment Industry	9,670,414	2	4.42%	10,854,865	2	5.24%
Hospitals/Medical Facilities	8,733,467	3	3.99%	11,503,062	1	5.55%
Retail Stores/Malls	8,449,728	4	3.86%	10,763,939	3	5.20%
Government Agencies	6,732,838	5	3.08%	7,365,033	4	3.55%
Manufacturing	5,604,345	6	2.56%	3,147,171	8	1.52%
Grocery Stores	2,590,319	7	1.18%	4,555,965	7	2.20%
Schools/Colleges	2,444,326	8	1.12%	5,140,093	6	2.48%
Hotels/Motels	1,740,981	9	0.80%	1,642,773	10	0.79%
Utilities	770,881	10	0.35%	2,946,716	9	1.42%
Total	$ 56,857,855		25.98%	$ 63,933,178		30.86%

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

Source: Glendale Water & Power Department

Not covered by independent auditors' report

Schedule 8
CITY OF GLENDALE
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years (in thousands)

Fiscal Year	Residential Property (1)	Commercial Property (1)	Industrial Property (1)	Other Property (1)
2009	$ 15,785,560	$ 4,548,563	$ 771,577	$ 2,233,232
2010	15,588,384	4,649,949	774,196	2,318,317
2011	15,706,014	4,574,190	777,581	2,379,814
2012	16,233,512	4,785,127	761,299	2,047,080
2013	16,484,941	4,914,713	792,069	2,098,219
2014	17,201,465	5,110,372	794,497	2,158,685
2015	18,011,191	5,478,688	793,977	2,303,967
2016	19,174,809	5,654,668	819,354	2,382,344
2017	20,120,531	5,931,797	834,016	2,523,204
2018	21,469,246	6,378,762	956,811	2,578,659

Fiscal Year	Less: Tax-Exempt Property (2)	Total Taxable Assessed Value	Total Direct Tax Rate (3)(4)
2009	$ 750,483	$ 22,588,450	0.26764
2010	741,047	22,589,799	0.26915
2011	544,780	22,892,818	0.27303
2012	538,972	23,288,046	0.27112
2013	788,151	23,501,791	0.27241
2014	761,935	24,503,084	0.13096
2015	803,077	25,784,746	0.13108
2016	807,012	27,224,163	0.13128
2017	687,939	28,721,609	0.13152
2018	915,228	30,468,250	0.13097

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

Notes:

(1) "Assessed" values are reflected.

(2) Both the Homeowners' Exemption and Exempt Use Code categories are reflected.

(3) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

(4) In FY2011, as a result of moving all data to a different database/system, HdL's revenue calculations were revised and refined, resulting in changes to prior year total direct rates. Nevertheless, HdL encourages users of its data to leave prior year data unchanged on their schedules.

Source: HdL Coren & Cone

Not covered by independent auditors' report

Schedule 9
CITY OF GLENDALE
Direct and Overlapping Property Tax Rates (Rate Per $100 of Taxable Value)
Last Ten Fiscal Years

Fiscal Year	City's Share of 1% Levy Per Prop 13	Redevelopment Rate	Total Direct Tax Rate (1)
2009	0.13573	1.00430	0.26764
2010	0.13573	1.00430	0.26915
2011	0.13573	1.00370	0.27303
2012	0.13573	1.00370	0.27112
2013	0.13573	N/A (2)	0.27241
2014	0.13573	N/A	0.13096
2015	0.13573	N/A	0.13108
2016	0.13573	N/A	0.13128
2017	0.13573	N/A	0.13152
2018	0.13573	N/A	0.13097

	Direct & Overlapping Rates			
Fiscal Year	Basic Levy	Glendale Community College	Glendale Unified School District	La Canada Unified School District
2009	1.00000	0.02119	0.04560	0.06475
2010	1.00000	0.02366	0.04603	0.07043
2011	1.00000	0.02344	0.03541	0.07329
2012	1.00000	0.02452	0.04551	0.07086
2013	1.00000	0.02466	0.04395	0.06974
2014	1.00000	0.02341	0.03917	0.06722
2015	1.00000	0.02220	0.05974	0.06477
2016	1.00000	0.02123	0.05062	0.06173
2017	1.00000	0.02119	0.05699	0.06105
2018	1.00000	0.03489	0.05285	0.05913

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

Notes:

(1) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

(2) Effective FY2013, due to the dissolution of the Glendale Redevelopment Agency (GRA) on February 1, 2012, the redevelopment rate is not applicable going forward.

Source: HdL Coren & Cone

Not covered by independent auditors' report

(Continued)

Schedule 9
CITY OF GLENDALE
Direct and Overlapping Property Tax Rates (Rate Per $100 of Taxable Value)
Last Ten Fiscal Years

	Direct & Overlapping Rates			
Fiscal Year	LACC District Debt Service 2008, 2012 Series F	LACC District	LAUSD Measure K 2010 Series Ky	LAUSD
2009	0.00000	0.02212	0.00000	0.12478
2010	0.00000	0.02311	0.00000	0.15181
2011	0.00000	0.04031	0.00000	0.18696
2012	0.00000	0.03530	0.00000	0.16819
2013	0.01119	0.03756	0.00001	0.17560
2014	0.00000	0.04454	N/A	0.14644
2015	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A

	Direct & Overlapping Rates			
Fiscal Year	Metropolitan Water District	Pasadena Community College District Debt Service 2002, 2006 Series D	Pasadena Community College District	Total Direct & Overlapping Tax Rates
2009	0.00430	0.00000	0.01742	1.30015
2010	0.00430	0.00000	0.02300	1.34234
2011	0.00370	0.00000	0.01986	1.38297
2012	0.00370	0.00000	0.01956	1.36763
2013	0.00350	0.00225	0.01830	1.38676
2014	0.00350	N/A	0.01899	1.34327
2015	0.00350	N/A	0.01032	1.16053
2016	0.00350	N/A	0.00872	1.14580
2017	0.00350	N/A	0.00885	1.15158
2018	0.00350	N/A	0.00819	1.15856

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

Source: HdL Coren & Cone

Not covered by independent auditors' report

Schedule 10
CITY OF GLENDALE
Principal Property Tax Payers
Current Year and Nine Years Ago (in thousands)

	Fiscal Year 2018			Fiscal Year 2009		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Walt Disney World Company	$ 615,344	1	2.02%			
Glendale Mall Associates LLC	591,112	2	1.94%			
Americana at Brand LLC	223,622	3	0.73%			
La Hana Ow LLC	191,578	4	0.63%			
NA Glendale LLC	186,578	5	0.61%			
GPI 500 Brand Limited	181,906	6	0.60%			
DWF V 655 North Central LLC	180,600	7	0.59%			
CP IV Glendale LLC	179,065	8	0.59%			
Wells Reit Glendale CA LLC	154,400	9	0.51%	$ 159,883	4	0.71%
Camden USA INC	146,134	10	0.48%			
GGP Homart II				437,340	1	1.94%
Walt Disney Pictures and TV				360,725	2	1.60%
PR Glendale Plaza Office California LLC				218,785	3	0.97%
Legacy Partners II Glendale N Br and LLC				147,912	5	0.65%
SPUSV5 500 Brand				144,095	6	0.64%
Pacific Theatre Exhibition Corps				138,946	7	0.62%
Metropolitan Life Insurance Company				126,645	8	0.56%
Glendale I. Napi				113,144	9	0.50%
Maguire Properties 611 N Brand LLC				97,744	10	0.43%
Total	$ 2,650,339		8.70%	$ 1,945,219		8.62%

Source: HdL Coren & Cone

Not covered by independent auditors' report

Schedule 11
CITY OF GLENDALE
Property Tax Levies and Collections
Last Ten Fiscal Years (in thousands)

	City					
		Collected Within the Fiscal Year of the Levy			Total Collections to Date (1)	
Fiscal Year	Taxes Levied for the Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years (5)	Amount	Percentage of Levy
2009	$ 24,731	$ 23,552	95%	$ 1,201	$ 24,753	100%
2010	23,814	22,698	95%	902	23,600	99%
2011	24,737	23,811	96%	620	24,431	99%
2012	25,402	24,726	97%	554	25,280	100%
2013	24,839	25,612	103% (2)	528	26,140	105%
2014	26,846	26,823	100%	197	27,020	101%
2015	27,703	27,227	98%	160	27,387	99%
2016	29,323	28,789	98%	(44) (3)	28,745	98%
2017	31,075	30,455 (4)	98%	372 (4)	30,827	99%
2018	33,511	32,932	98%	-	32,932	98%

	Redevelopment Agency/Successor Agency					
		Collected Within the Fiscal Year of the Levy			Total Collections to Date (1)	
Fiscal Year	Taxes Levied for the Fiscal Year	Amount	Percentage of Levy	Collections in Subsequent Years (5)	Amount	Percentage of Levy
2009	$ 36,408	$ 34,667	95%	$ 283	$ 34,950	96%
2010	41,442	39,884	96%	383	40,267	97%
2011	39,048	37,801	97%	265	38,066	97%
2012	37,958	16,643 (6)	44%	-	16,643	44%
2013	-	42,203 (7)	-	-	42,203	-
2014	-	20,039 (7)	-	-	20,039	-
2015	-	10,709 (7)	-	-	10,709	-
2016	-	22,457 (7)	-	-	22,457	-
2017	-	16,407 (7)	-	-	16,407	-
2018	-	28,290 (7)	-	-	28,290	-

Notes:

(1) Education Revenue Augmentation Fund (ERAF) III payment to State, ERAF in lieu of Vehicle License Fee, SB211 Proposition Share for Central Project, supplemental property tax, and property tax penalty are excluded from property tax collections when compared to property tax levied in this schedule.

(2) The amount collected during this fiscal year exceeded the Levy amount, which was mainly due to property tax (tax increment) collection timing for a few huge parcels in the Central Project Area.

(3) The negative collection is due to refunds to property owners for overpayment in prior years, which mainly resulted from lower property values.

(4) Revised since FY2017 CAFR release, due to updated numbers.

(5) Delinquent taxes should be reported by levy year rather than by collection year. [GASB-S44: 21c; 2005 GAAFR, page 307].

(6) This amount only includes Property Tax Increment collections from July 2011 through January 2012 due to ABx1 26 - Redevelopment Agencies Dissolution effective February 1, 2012.

(7) Effective February 1, 2012, the Property Tax receipts from the County of LA to pay the former Redevelopment Agency's obligations are recorded in the Glendale Successor Agency Private Purpose Trust Fiduciary Fund.

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

Not covered by independent auditors' report

Schedule 12
CITY OF GLENDALE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (in thousands)

	Governmental Activities						
Fiscal Year	Certificates of Participation (COPs)	Capital Leases	HUD Section 108 (2002-A)	HUD Section 108 (2011-A)	Loans Payable	Development Loan Program (RDLP)	Total Government Activities
2009	$ 55,500	10,540	690	-	-	-	66,730
2010	54,000	8,866	690	-	-	4,643	68,199
2011	52,400	7,121	470	-	-	4,643	64,634
2012	50,700	5,302	240	2,000	-	4,643	62,885
2013	48,900	3,405	-	1,839	-	4,643	58,787
2014	41,195	1,426	-	1,669	-	-	44,290
2015	38,400	757	-	1,491	-	-	40,648
2016	35,605	514	-	1,305	-	-	37,424
2017	33,785	262	-	1,111	-	-	35,158
2018	31,880	- (3)	-	908	594	-	33,382

	Business-type Activities				
Fiscal Year	2003 Electric Revenue Bond	2006 Electric Revenue Bond	2008 Electric Revenue Bond	2013 Electric Refunding Bond	2013 Electric Revenue Bond
2009	$ 27,350	34,482	61,630	-	-
2010	26,533	33,515	61,573	-	-
2011	25,718	32,481	61,516	-	-
2012	24,811	31,371	61,459	-	-
2013	- (1)	31,484	61,403	24,276 (1)	-
2014	-	30,106	61,342	24,042	64,490
2015	-	28,726	61,284	23,841	63,766
2016	-	- (2)	1,880 (2)	23,640	62,565
2017	-	-	1,880	22,539	61,307
2018	-	-	- (4)	21,403	60,020

	Business-type Activities			
Fiscal Year	2016 Electric Refunding Bond	2008 Water Revenue Bond	2012 Water Revenue Bond	Total Business-type Activities
2009	$ -	51,851	-	175,313
2010	-	51,787	-	173,408
2011	-	51,722	-	171,437
2012	-	51,657	-	169,298
2013	-	50,418	35,617	203,198
2014	-	49,138	35,595	264,713
2015	-	47,829	35,575	261,021
2016	89,303 (2)	46,479	35,554	259,421
2017	87,085	45,089	35,533	253,433
2018	85,127	43,655	35,096	245,301

Notes:

(1) In FY2013, the 2003 Electric Revenue Bond was refunded by 2013 Electric Refunding Bond.

(2) In FY2016, the 2006 Electric Revenue Bond and the majority of 2008 Electric Revenue Bond were refunded by 2016 Electric Refunding Bond.

(3) In FY2018, the 2009 fire equipment lease from Wells Fargo was paid in full.

(4) In FY2018, the 2008 Electric Revenue Bond was fully redeemed.

Source: City Finance Department

Not covered by independent auditors' report

(Continued)

Schedule 12
CITY OF GLENDALE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (in thousands)

Fiscal Year	Government Activities	Business-type Activities	Total Primary Government	Total Personal Income	Percentage of Personal Income	Population	Per Capita
2009	$ 66,730	175,313	242,043	5,695,235	4.25%	207	1.168
2010	68,199	173,408	241,607	5,572,397	4.34%	208	1.162
2011	64,634	171,437	236,071	5,390,591	4.38%	192	1.227
2012	62,885	169,298	232,183	5,731,457	4.05%	193	1.205
2013	58,787	203,198	261,985	5,782,449	4.53%	194	1.353
2014	44,290	264,713	309,003	5,736,724	5.39%	196	1.577
2015	40,648	261,021	301,669	5,758,750	5.24%	199	1.515
2016	37,424	259,421	296,845	5,726,902	5.18%	202	1.470
2017	35,158	253,433	288,591	5,883,577	4.91%	202	1.430
2018	33,382	245,301	278,683	6,241,717	4.46%	206	1.353

For Successor Agency debt by types:

	Fiduciary Activities				
Fiscal Year	2002 GRA Tax Allocation Bond	2003 GRA Tax Allocation Bond	2010 GRA Tax Allocation Bond	2011 GRA Tax Allocation Bond	2013 GRA Tax Allocation Bond
2009	$ 37,626	46,418	-	-	-
2010	35,355	43,658	26,621	-	-
2011	33,008	40,758	26,644	50,000	-
2012	30,583	37,708	26,667	47,967	-
2013	28,078	34,563	26,691	46,528	-
2014	-	-	26,563	44,883	49,062
2015	-	-	26,312	43,163	43,020
2016	-	-	- (1)	40,713	37,376
2017	-	-	-	38,119	31,577
2018	-	-	-	34,964	25,564

	Fiduciary Activities			
Fiscal Year	2016 GRA Tax Allocation Bond	Low & Mod Loans Payable	Loans Payable	Total
2009	$ -	13,352	-	97,396
2010	-	10,716	-	116,350
2011	-	7,991	-	158,401
2012	-	5,171	-	148,096
2013	-	2,254	-	138,114
2014	-	-	13,613	134,121
2015	-	-	12,104	124,599
2016	24,742 (1)	-	40,133	142,964
2017	24,279	-	27,828	121,803
2018	23,816	-	23,271	107,615

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

Notes:

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

Source: City Finance Department

Not covered by independent auditors' report

Schedule 13

CITY OF GLENDALE

Direct and Overlapping Governmental Activities Debt

As of June 30, 2018 (in thousands)

	Gross Bonded Debt Balance	Percentage Applicable to Glendale	Amount Applicable to Glendale
Direct debt:			
Certificates of Participation (COPs)	$ 31,880	100%	$ 31,880
Section 108 (Series 2011-A)	908	100%	908
Loans Payable	594	100%	594
Total direct debt			33,382
Overlapping debt:			
Metropolitan Water District	29,354	2.186%	642
Glendale CCD DS 2002 Series C	6,514	89.232%	5,813
Glendale CCD 2002, 2011 Series E	3,735	89.232%	3,333
Glendale CCD DS 2002, 2013 Series F	13,995	89.232%	12,488
Glendale CCD DS 2014 REF Bonds	24,715	89.232%	22,054
Glendale CCD DS 2016 Series A	122,000	89.232%	108,863
Pasadena CCD DS 2002, 2006 Series D	3,595	0.174%	6
Pasadena CCD DS 2002, 2009 Series E (BABS)	25,295	0.174%	44
Pasadena CCD DS 2014 REF Series A	15,325	0.174%	27
Pasadena CCD DS 2016 REF Series A	32,900	0.174%	57
Glendale USD DS 2009 REF Bonds	7,420	89.232%	6,621
Glendale USD DS 2010 REF Bonds	18,735	89.232%	16,717
Glendale USD DS 2010 REF Bonds Series B	15,595	89.232%	13,916
Glendale USD DS 2011 Series A Bonds	22,615	89.232%	20,180
Glendale USD DS 2011 REF Bonds	2,414	89.232%	2,154
Glendale USD DS 2011 Series A1 CREB	4,300	89.232%	3,837
Glendale USD DS 2012 Refund Bonds	61,595	89.232%	54,962
Glendale USD DS 2015 Ref Bonds Series A	101,851	89.232%	90,884
Glendale USD DS 2011 Series C	64,635	89.232%	57,675
La Canada USD DS 1995 SD	1,433	2.046%	29
La Canada USD DS 1999 Series A	1,670	2.046%	34
La Canada USD DS 2004 Series B	325	2.046%	7
La Canada USD DS 2004 Series C	100	2.046%	2
La Canada USD DS 2011 Refund Bond	47,030	2.046%	962
Total overlapping debt			421,307
Total direct and overlapping debt			$ 454,689

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city.
The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Sources:

(I) City Finance Department

(II) HdL Coren & Cone

Not covered by independent auditors' report

Schedule 14
CITY OF GLENDALE
Legal Debt Margin Information
Last Ten Fiscal Years (in thousands)

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value	$ 24,244,692	(1)
Debt limit (15% of assessed value)	3,636,704	(2)
Less debt applicable to limit	-	
Legal debt margin	$ 3,636,704	

	Fiscal Year									
	2018	(1)	2017	(1)	2016	(1)	2015	(1)	2014	(1)
Debt limit	$ 3,636,704		3,442,765		3,251,258		3,085,271		2,945,332	
Total net debt applicable to limit	-		-		-		-		-	
Legal debt margin	$ 3,636,704		3,442,765		3,251,258		3,085,271		2,945,332	
Total net debt applicable to the limit as a percentage of debt limit	0.00%		0.00%		0.00%		0.00%		0.00%	

	Fiscal Year									
	2013	(1)	2012	(1)	2011		2010		2009	
Debt limit	$ 2,829,443		2,809,769		3,433,923		3,388,470		3,388,268	
Total net debt applicable to limit	-		-		147,872		107,985		88,936	
Legal debt margin	$ 2,829,443		2,809,769		3,286,051		3,280,485		3,299,332	
Total net debt applicable to the limit as a percentage of debt limit	0.00%		0.00%		4.31%		3.19%		2.62%	

Notes:

(1) As a result of ABx1 26, the Net Assessed Value calculation does not include the assessed valuations for the former Glendale Redevelopment Agency's project areas (Central District: $3,815,568; San Fernando Corridor District: $2,407,990). Accordingly, the debt associated with the Glendale Redevelopment Agency became obligations of the Successor Agency, which is a separate legal entity. As such, this debt will no longer be included in the Legal Debt Margin calculation.

(2) Under City Charter, the total bonded debt of the city shall at no time exceed a total of 15 percent of the assessed valuation of all property taxable for city purposes.

Sources:
(I) City Finance Department
(II) HdL Coren & Cone

Not covered by independent auditors' report

Schedule 15
CITY OF GLENDALE
Pledged-Revenue Coverage
Last Ten Fiscal Years (in thousands)

	Electric Revenue Bonds					
				Debt Service		
Fiscal Year	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2009	$ 208,881	$ 168,478 (1)	$ 40,403	$ 1,805	$ 5,591	5.46
2010	178,804	142,787	36,017	1,855	5,658	4.79
2011	191,153	159,806	31,347	1,905	5,576	4.19
2012	199,462	174,000	25,462	1,965	5,488	3.42
2013	177,565	144,645	32,920	2,020	5,372	4.45
2014	203,633	162,800	40,833	1,290	6,706	5.11
2015	219,861 (3)	154,053 (2)	65,808	1,920	8,498	6.32
2016	223,319	143,915	79,404	2,460	7,960	7.62
2017	222,756	154,554	68,202	3,445	6,508	6.85
2018	223,940	157,718	66,222	5,130	7,446	5.27

	Water Revenue Bonds					
				Debt Service		
Fiscal Year	Gross Revenues	Less: Operating Expenses (2)	Net Available Revenue	Principal	Interest	Coverage
2009	$ 37,242	$ 28,934 (1)	$ 8,308	$ -	$ 2,188	3.80
2010	37,006	29,125	7,881	-	2,310	3.41
2011	39,166	29,128	10,038	-	2,310	4.35
2012	43,237	34,823	8,414	-	2,310	3.64
2013	47,205	35,797	11,408	1,175	2,970	2.75
2014	45,666 (4)	40,611	5,055	1,210	3,658	1.04
2015	51,094 (3)	36,694 (2)	14,400	1,245	3,463	3.06
2016	52,218	34,271	17,947	1,285	3,426	3.81
2017	50,430	34,109	16,321	1,325	3,387	3.46
2018	52,797	39,820	12,977	1,785	3,334	2.54

Notes:

(1) From FY2009-FY2014, depreciation expenses are excluded in calculating debt service coverage ratio.

(2) Effective FY2015, depreciation, gas depletion, transfers, and interest expense are excluded in calculating debt service coverage ratio.

(3) Effective FY2015, revenues available for debt service include charges for services, miscellaneous revenues, and use of money and property, and exclude customer paid capital revenues.

(4) This amount is net of $3.4 million fireline refund resulted from over charging customers in the prior years.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 15
CITY OF GLENDALE
Pledged-Revenue Coverage
Last Ten Fiscal Years (in thousands)

	Tax Allocation Bonds recorded in Fiduciary Fund (1)					
				Debt Service		
Fiscal Year	Property Tax Increment	Less: Operating Expenses (2)	Net Available Revenue	Principal	Interest	Coverage
2009	$ 21,561	$ 5,900	$ 15,661	$ 4,780	$ 3,808	1.82
2010	25,254	17,166 (3)	8,088	4,980	3,599	0.94
2011	22,693 (4)	8,296 (4)	14,397	4,995	5,201	1.41
2012	25,237 (5)	4,538 (6)	20,699	5,425	8,839	1.45
2013	27,456 (5)	4,275 (6)	23,181	7,330	8,091	1.50
2014	27,678 (5)	2,998 (6)	24,680	7,795	6,477	1.73
2015	31,937 (5)	3,410 (6)	28,527	7,095	7,636	1.94
2016	35,493 (5)	4,557 (6)	30,936	7,985	6,439	2.14
2017	33,814 (5)	4,869 (6)	28,946	7,995	5,778	2.10
2018	38,608 (5)	5,426 (6)	33,182	8,770	5,145	2.38

Notes:

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

(2) The amounts in this column exclude depreciation expenses for all ten years.

(3) In FY2010, the Operating Expenses increase was due to the GRA's transfer to "SERAF" in the amount of $11.2 million.

(4) In FY2011, the Property Tax Increment and Operating Expenses were restated to reflect the "SERAF" transfer of $2.3 million.

(5) This is the gross amount of former Tax Increment that was available to the Successor Agency from the Central Glendale Redevelopment Project.

(6) Tax sharing and administrative costs for the Central Glendale Redevelopment Project.

Source: City Finance Department

Not covered by independent auditors' report

Schedule 16
CITY OF GLENDALE
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population (I)	Per Capita Personal Income (II)	Total Personal Income	Median Age (II)
2009	207,303	$ 27,473	$ 5,695,235,319	41.2
2010	207,902	26,803	5,572,397,306	39.0
2011	192,473	28,007	5,390,591,311	40.0
2012	192,654	29,750	5,731,456,500	40.6
2013	193,652	29,860	5,782,448,720	41.0
2014	195,799	29,269	5,730,840,931	41.1
2015	199,182	28,912	5,758,749,984	40.7
2016	201,668	28,351	5,717,489,468	41.0
2017	201,748	29,163	5,883,576,924	41.2
2018	205,536	30,368	6,241,717,248	41.0

Fiscal Year	Percent High School Graduate or Higher (II)	Percent Bachelor's Degree or Higher (II)	School Enrollment (III)	Unemployment Rate (II)
2009	83.3%	35.8%	50,606	6.5%
2010	83.2%	36.0%	51,139	10.1%
2011	84.4%	37.2%	48,582	11.1%
2012	85.2%	38.8%	48,146	10.7%
2013	85.1%	39.0%	47,892	8.1%
2014	84.6%	38.3%	48,488	6.6%
2015	84.4%	38.2%	45,723	8.0%
2016	84.2%	37.9%	46,180	6.5%
2017	84.4%	37.9%	45,671	5.1%
2018	85.1%	39.0%	45,720	4.8%

Sources:

(I) Population data are based on data obtained from the California State Department of Finance Demographic Research Unit, Population Estimates for California Cities, January 1 of every year (E-1).

(II) Data are based on information provided by HdL Coren & Cone on calendar year basis. For example, fiscal year 2018 data is from calendar year 2017.

(III) Enrollment data are based on Glendale Unified School District and Glendale Community College District school attendance reports.

Not covered by independent auditors' report

Schedule 17
CITY OF GLENDALE
Principal Employers
Current Year and Nine Years Ago

	2018			2009		
Employer	Employees (I) (1)	Rank	Percentage of Total City Employment (2)	Employees (1)	Rank	Percentage of Total City Employment (2)
Glendale Adventist Med Center	2,700	1	2.60%	2,126	2	2.23%
Glendale Unified School District	2,617	2	2.52%	1,085	7	1.14%
City of Glendale	2,025	3	1.95%	2,216	1	2.33%
Dream Works Animation Skg Inc/NBC Universal	1,685	4	1.62%			
Glendale Community College	1,677	5	1.61%	1,408	5	1.48%
Glenair Inc	1,500	6	1.44%			
Glendale Memorial Hospital (3)	1,075	7	1.03%	1,433	4	1.50%
USC Verdugo Hills Hospital	850	8	0.82%			
Public Storage	366	9	0.35%	1,111	6	1.17%
Acco Engineered Systems	305	10	0.29%	824	9	0.86%
Nestle Company				1,521	3	1.60%
Walt Disney Imagineering				928	8	0.97%
Diagnostic Laboratories				740	10	0.78%

Starting in FY2012, companies that have requested a confidentiality waiver from the state to block the release of employment data are not included.

Notes:

(1) Both actual full-time and hourly employees are included.

(2) In FY2018, the percentage of total employment is calculated using a baseline of 103,900 workers employed in Glendale, data provided by EDD. In FY2009, the percentage of total employment was calculated using a baseline of 95,300 workers employed in Glendale.

(3) In FY2018, Glendale Memorial Medical Center renamed to Glendale Memorial Hospital.

Sources:

(I) FY2018 data, with the exception of the City of Glendale data, is from MuniServices LLC. FY2018 City of Glendale data is from the City Finance Department.

Not covered by independent auditors' report

Schedule 18
CITY OF GLENDALE
Authorized Salaried Positions by Department
Last Ten Fiscal Years

	Fiscal Year				
	2018	2017	2016	2015	2014
Department:					
Administrative Services - Finance (1)	36.35	38.27	37.27	30.27	35.27
City Attorney	18.31	18.31	18.21	17.21	18.26
City Clerk	6.00	6.30	6.30	6.00	7.00
City Treasurer	5.00	5.00	5.00	5.00	5.00
Community Development	118.64	119.09	118.19	90.54	100.10 (2)
Community Services & Parks	100.25	100.33	98.38	97.38	105.37
Development Services	-	-	-	-	-
Fire:					
Sworn	166.00	164.00	164.00	163.00	157.00
Civilians	43.00	45.00	44.00	42.00	42.00
Glendale Water & Power	327.50	328.50	326.00	312.00	315.00
Human Resources	23.90	23.90	23.85	18.85	20.85
Information Services	42.00	42.00	42.00	40.00	50.00
Innovation, Performance & Audit	6.00 (4)	-	-	-	-
Library, Arts & Culture	47.00	47.00	47.00	45.00	50.00
Management Services	21.75	22.00	22.00	30.70	31.20
Parks, Recreation & Community Services	-	-	-	-	-
Planning	-	-	-	-	-
Police:					
Sworn	243.50	243.10	243.10	241.10	252.60
Civilians	97.50	96.50	96.50	99.00	99.00
Public Works:					
Sworn	0.50	0.90	0.90	0.90	0.90
Civilians	283.80	283.80	282.30	281.05	298.45
Total	1,587.00	1,584.00	1,575.00	1,520.00 (3)	1,588.00

Notes:

(1) Administrative Services Department includes data for Purchasing.

(2) Effective FY2014, the position count in Community Development includes one (1) unclassified budgeted position.

(3) The FY2015 position count was adjusted to reflect revised position counts after retirement/separation incentive.

(4) In FY2018, the Innovation, Performance & Audit Department was created.

Source: City's Budget book.

Not covered by independent auditors' report

Schedule 18
CITY OF GLENDALE
Authorized Salaried Positions by Department
Last Ten Fiscal Years

	Fiscal Year				
	2013	2012	2011 (2)	2010	2009
Department:					
Administrative Services - Finance (1)	31.05	34.05	35.05	31.90 (3)	43.40
City Attorney	18.16	20.16	20.16	12.30	10.80
City Clerk	7.00	10.00	10.00	10.00	10.00
City Treasurer	5.00	5.00	5.00	5.00	5.00
Community Development	98.24	135.99 (4)	-	-	-
Community Development & Housing	-	-	-	102.47	103.63
Community Planning	-	-	85.01	-	-
Community Redevelopment & Housing	-	-	50.48	-	-
Community Services & Parks	107.70 (6)	158.38	165.05	-	-
Development Services	-	-	-	18.23	18.23
Fire:					
Sworn	168.00	177.00	179.00	185.00	187.00
Civilians	43.25	47.00	46.00	45.00	49.00
Glendale Water & Power	330.00	415.50	408.00	416.15	426.15
Human Resources	20.85	27.85	28.00	31.00	31.00
Information Services	47.75	52.00	50.00	42.00	45.00
Library, Arts & Culture	50.00	59.00	61.00	64.00	65.00
Management Services	27.00	32.82 (5)	30.00	31.00 (3)	26.00
Parks, Recreation & Community Services	-	-	-	128.00	134.00
Planning	-	-	-	26.95	27.95
Police:					
Sworn	252.60	253.60	255.10	255.10	258.10
Civilians	99.00	105.00	107.00	108.00	120.00
Public Works:					
Sworn	0.90	0.90	0.90	0.90	0.90
Civilians	297.50	339.75	353.25	391.00	380.84
Total	1,604.00 (7)	1,874.00	1,889.00	1,904.00	1,942.00

Notes:

(1) Administrative Services Department includes data for Purchasing.

(2) Effective FY2011, central support staff (e.g. Administrative Services, City Attorney, Human Resources) that were charged to other funds were shifted back to their home departments and included in the citywide cost allocation plan. The data in FY2011 reflects realignment and renaming of Planning, Development Services, Parks, Recreation and Community Services, and Community Development and Housing.

(3) Prior to FY2010, Graphics was part of the Administrative Services Department. Starting FY2010, Graphics is part of Management Services.

(4) The data in FY2012 reflects the renaming of Community Planning and Community Redevelopment and Housing into Community Development.

(5) Effective FY2012, the position count in Management Services includes the five (5) Councilmembers.

(6) Effective FY2013, the position count in Community Services & Parks includes three (3) unclassified budgeted positions.

(7) The FY2013 position count was adjusted per balancing strategies.

Source: City's Budget book.

Not covered by independent auditors' report

Schedule 19
CITY OF GLENDALE
Operations Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2018	2017	2016	2015	2014
Function/Program					
Police:					
Physical arrests	4,749	4,751	5,555	5,515	5,768
Parking violations	72,553 (1)	63,644	63,137	69,376	71,958
Traffic violations	17,508 (2)	20,533 (10)	14,776	15,747	20,076
Fire:					
Emergency responses	19,722	19,420	19,574	18,798	17,825
Fires extinguished	293 (3)	266 (11)	239	290	393
Refuse collection:					
Refuse collected (tons per day)	222 (4)	217	201	195	188
Recyclables collected (tons per day)	22 (5)	27	30	30	30
Inert waste recycling (tons per year):					
Brank Park Landfill	- (6)	- (6)	- (6)	- (6)	- (6)
Public Works	1,814 (7)	2,337	2,663	2,182	2,923
Glendale Water and Power	460	478	443	1,281	1,829
Other public works:					
Street resurfacing (miles)	2.20 (9)	8.53 (8) (12)	6.32 (12)	15.17 (12)	24.60 (12)
Street reconstructing (miles)	4.35 (9)	7.51 (12)	5.28 (12)	19.99 (12)	8.96 (12)
Potholes repaired (square feet per year)	8,897	10,227 (13)	9,923	14,553	10,909
Wastewater:					
Average daily sewage treatment (millions of gallons)	13	13	13 (14)	15	15

Notes:

(1) In FY2018, increased downtown, special, and scofflaw parking enforcements, in particular enforcements of night time parking around Glendale Community College, have generated more citations.

(2) In FY2018, low staffing combined with reprioritizations to assist school enforcement and to address more citizen complaints have led to a decrease in citations of traffic violations.

(3) In FY2018, there was an increase in mobile property fires and passenger vehicle fires, some of which are suspicious in nature and are part of arson investigations.

(4) As Glendale's population continues to grow, the total waste generated increases as well.

(5) In FY2018, foreign markets made the recyclable processing market more strict by only accepting materials that meet strict grade and cleanliness standards. As a result, more of Glendale's recyclables have been thrown away causing a decrease in diversion.

(6) Effective FY2014, each department contracted out to private haulers to dispose of citywide inert wastes after the official closing of the Brand Park Landfill.

(7) In FY2018, the Public Works Department is taking inert waste to the same location that processes bulky item debris. As a result, Public Works' inert material recycling is more difficult to track separately.

(8) In FY2017, the Public Works department focused its efforts on varying street rehabilitation projects, including sustainable infrastructure components, as well as street improvements such as the installation of ADA compliant curb ramps, street realignments, and upsized sewer lines.

(9) In FY2018, the Public Works Department continued to focus its efforts on street rehabilitation and other capital improvements rather than street resurfacing and reconstructing.

(10) In FY2017, law enforcement was provided electronic citation books, which made the process of entering citations in the system more efficient.

(11) In FY2017, the increase in suspicious fires was due to three arsonists who were later arrested.

(12) Revised figures, due to redefined definitions.

(13) In FY2017, maintenance service crews concentrated their efforts on repairing potholes as an effective measure of maintaining the city street's infrastructure and responding to greater community need for well-maintained streets. The "square feet of potholes repaired" is contingent upon various factors, including level of staffing, weather, and other citywide street improvement projects, such as paving, curb, and gutter maintenance.

(14) In FY2016, the reduction in average daily sewage treatment from previous years was due to water conservation efforts.

Sources: Various city departments

Not covered by independent auditors' report

(Continued)

Schedule 19
CITY OF GLENDALE
Operations Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2018	2017	2016	2015	2014
Function/Program					
Electric:					
Average daily consumption (MWH)	2,871	2,911	2,980	2,959	2,907
Electricity generated (MWH)	826,830	876,062	914,556	918,314	905,560
Electricity purchased (MWH)	739,880	834,432	768,632	1,131,229	999,932
Electricity sold - Retail (MWH)	1,048,049	1,062,605	1,090,851	1,080,077	1,061,028
Electricity sold - Wholesale (MWH)	404,785	521,782	461,124	686,784	683,179
Peak demand (MW)	344	293 (6)	332	337	317
Water:					
Average daily consumption (millions of gallons)	21	21	20	23	24
Water mains breaks	11	3	14	12	20
Water purchased (AF)	16,177	14,111	13,992	17,045	20,341
Water sold (AF)	24,074	23,396	22,927	25,175	26,049
Transit:					
Total route miles (1)	761,251	747,108	746,026	741,287	735,827
Passengers	1,504,383 (7)	1,703,360	1,828,547	1,884,454	1,727,931
Parks and recreation:					
Athletic field permits issued	8,331 (2)	7,755 (2)	6,523 (2)	3,485 (2)	682
Community center pass members	3,888 (5)	5,294	5,555	5,643 (3)	3,891
Library:					
Volumes in collections	521,739	520,708	521,247	521,389	571,942
Total volumes borrowed	1,067,667	921,163	1,000,355	1,310,873 (4)	1,069,695

Notes:

(1) Route miles vary every year depending on the day of the week holiday service operates.

(2) In March 2015, Community Services and Parks upgraded the permitting and registration system. Permits issued prior to March 2015 may contain multiple field reservations on one permit. Beginning March 2015, individual permits were issued for each field reservation, which resulted in a significant increase in the number of permits issued between FY2015 and FY2018.

(3) In FY2015, the increase in community center admissions may be attributed to a system upgrade that required scanning of activity cards for admission. As a result, all patrons were required to obtain new scannable activity cards. The new system allowed for improved tracking of activity card sales and renewals, in addition to increasing controls over community center admissions.

(4) Estimates were used for unavailable data from May 18, 2015 to June 30, 2015. In FY2015, reshelves, which are books that were removed from the shelf by the patron, and then found elsewhere in the library, were counted in the total volumes borrowed. In prior years, reshelves were not included in the count.

(5) In FY2018, the total number of pass members has decreased. Although there was a decrease in the number of pass members, the overall number of visits by all pass members is only slightly less than last year.

(6) Revised number, based on updated information from Glendale Water and Power.

(7) Decreased ridership is due to increased car ownership and usage of alternative transportation methods.

Sources: Various city departments

Not covered by independent auditors' report

(Continued)

Schedule 19
CITY OF GLENDALE
Operations Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2013	2012	2011	2010	2009
Function/Program					
Police:					
Physical arrests	5,886	5,829	5,652	5,857	6,405
Parking violations	72,879	74,572	81,843	87,621	83,706
Traffic violations	17,197	18,566	25,667	23,990	26,149
Fire:					
Emergency responses	17,253	16,591	15,447	15,424	14,923
Fires extinguished	382	372	349	333	420
Refuse collection:					
Refuse collected (tons per day)	185	184 (1)	195	197	279
Recyclables collected (tons per day)	29	29	31	32	48
Inert waste recycling (tons per year):					
Brand Park landfill	3,607	3,545	2,500 (2)	3,000 (2)	3,000 (2)
Public Works	-	-	-	-	-
Glendale Water and Power	-	-	-	-	-
Other public works:					
Street resurfacing (miles)	6.60 (3)	5.85 (3)	5.56 (3)	5.30 (3)	1.62
Street reconstructing (miles)	-	0.68	0.70	0.50	0.13
Potholes repaired (square feet per year)	16,592	21,962	21,012	16,449	11,800
Wastewater:					
Average daily sewage treatment (millions of gallons)	15	15	20	20	17

Notes:

(1) In FY2012, the reduction in tonnage of refuse collected was due to a regional economic slowdown and free recycling programs offered to residential and commercial customers.

(2) Some departments diverted inert wastes to an outside recycling company instead of using the Brand Park Landfill.

(3) Between FY2010 and FY2013, more street resurfacing was done in an effort to take advantage of the low street resurfacing costs due to the economic downturn.

Sources: Various city departments

Not covered by independent auditors' report

(Continued)

Schedule 19
CITY OF GLENDALE
Operations Indicators by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2013	2012	2011	2010	2009
Function/Program					
Electric:					
Average daily consumption (MWH)	3,090	2,998	2,878	3,020	3,154
Electricity generated (MWH)	794,248	846,637	928,682	960,061	940,051
Electricity purchased (MWH)	769,224 (1)	1,289,843	1,195,972 (2)	451,545	533,258
Electricity sold - Retail (MWH)	1,127,696	1,094,194	1,050,450	1,102,310	1,151,391
Electricity sold - Wholesale (MWH)	297,254 (1)	897,830	884,686 (2)	185,665	204,828
Peak demand (MW)	311	316	336	300	299
Water:					
Average daily consumption (millions of gallons)	25	23	21	22	25
Water mains breaks	10	14	10	8	12
Water purchased (AF)	18,761	17,319	16,959	16,535	20,873
Water sold (AF)	29,003	26,809	24,796	25,489	29,465
Transit:					
Total route miles (3)	731,036	822,432	880,655	866,901	889,819
Passengers	1,888,016	2,543,532	2,724,121	2,574,396	2,260,263
Parks and recreation:					
Athletic field permits issued	614	682 (4)	917	930	1,054
Community center admissions	3,425	3,194	2,360	1,114	1,229
Library:					
Volumes in collections	619,871	643,598	688,818	701,928	718,879
Total volumes borrowed	1,114,987	1,179,964	1,290,945	1,312,743	1,236,950

Notes:

(1) In FY2013, reductions in electricity purchased and sold correlates to the decrease in wholesale revenue and sales to other utility revenue.

(2) In FY2011, the increase in the electricity purchased and sold correlates to the increase in wholesale revenue and sales to other utility revenue of approximately $27.5 million.

(3) Route miles vary every year depending on the day of the week holiday service operates.

(4) In FY2012, practices and games were covered under the same permit which covered multiple facilities and multiple days/weeks/months of use. Prior to FY2012, separate permits were issued for practices and games.

Sources: Various city departments

Not covered by independent auditors' report

Schedule 20
CITY OF GLENDALE
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2018	2017	2016	2015	2014
Function/Program					
Police:					
Stations	3 (1)	3 (1)	3 (1)	3 (1)	2 (1)
Patrol units	64	64	64	63	61
Helicopters	2 (2)	2 (2)	2 (2)	2 (2)	1.5 (2)
Motorcycles	25	25	25	25	24
Fire:					
Stations	9	9	9	9	9
Refuse collection:					
Collection trucks	47 (3)	47 (3)	47 (3)	48 (3)	49 (3)
Other public works:					
Streets (miles)	350	350	350	350	350
Traffic signals	235	235	234	234	234
Parks and recreation:					
Open space acres	5,034	5,034	5,034	5,034	5,034
Developed parkland acres	286	286 (4)	286	286	286 (5)
Parks and other facilities	44	44 (4)	43	43	43 (5)
Community centers	4	4	4	4	4
Baseball/softball diamonds	16	16	16	16	16
Soccer/football fields	3	3	3	3	3
Golf course	1	1	1	1	1
Community pool	1	1	1	1	1

Notes:

(1) There is one main facility located at 131 N. Isabel and one substation located in the Glendale Galleria. In FY2015, the Montrose Substation was added.

(2) Since FY2007, three helicopters have been shared with the City of Burbank for the operation of the Joint Law Enforcement Air Support Unit. Effective FY2015, four helicopters have been shared by the City of Glendale and the City of Burbank. In August 2017, the oldest Helicopter not in service was sold.

(3) This number does not include the small bin trucks or light duty vehicles. In FY2015, two automatic side loaders trucks, and one super dump truck were taken off service. Additionally, in FY2016, one specialty bin truck was taken off service.

(4) In FY2017, the Central Park project was completed, which increased the park count to 44. However, its acreage is combined with Adult Recreational Center, so the total acreage for Parks and Facilities remained the same.

(5) In FY2014, the Maryland Avenue Park project was completed, which increased the park count to 43, and park acreage by 0.48 acres (286.04 in total acres).

Sources: Various city departments

Not covered by independent auditors' report

(Continued)

Schedule 20
CITY OF GLENDALE
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2018	2017	2016	2015	2014
Function/Program					
Library:					
Branches	8	8	8	8	8
Electric:					
Number of electric meters	88,849	87,982	87,347	86,782	86,012
Number of streetlights	11,317	11,258 (2)	11,225 (2)	11,207	11,192
Grayson power plant capacity (MW)	260	260	260	260	260
Water:					
Number of water meters	34,181	34,135	34,086	33,976	33,900
Water mains (miles)	395	384	398	398	397
Fire hydrants	3,215	3,201	3,177	3,164	3,149
Storage capacity (millions of gallons)	184	184	184	184	184
Wastewater:					
Storm catch basins	3,827 (1)	3,686 (1)	3,686 (1)	3,686 (1)	3,686 (1)
Sanitary sewers (miles)	360	360	360	360	360
LAGWRP Treatment capacity (millions of gallons)	20	20	20	20	20
Transit:					
Buses	34	34	34	34	34

Notes:

(1) This number includes the Los Angeles County and Caltrans storm drains within the City boundaries.

(2) Revised numbers for FY2016 & F2017, streetlights were misreported due to number of lights being counted instead of number of light poles. Some poles have dual and triple lights.

Sources: Various city departments

Not covered by independent auditors' report

Schedule 20
CITY OF GLENDALE
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2013	2012	2011	2010	2009
Function/Program					
Police:					
Stations	2 (1)	2 (1)	2 (1)	2 (1)	2 (1)
Patrol units	62	74	70	70	64
Helicopters	1.5 (2)	1.5 (2)	1.5 (2)	1.5 (2)	1.5 (2)
Motorcycles	27	23	25	25	26
Fire:					
Stations	9	9	9	9	9
Refuse collection:					
Collection trucks	50 (3)	48 (3)	50 (3)	50 (3)	46 (3)
Other public works:					
Streets (miles)	350	350	350	350	350
Traffic signals	234	234	233	233	226
Parks and recreation:					
Open space acres	5,034	5,034	5,034	5,029	5,020
Developed parkland acres	286 (4)	282	281	281	280
Parks and other facilities	42 (4)	41 (5)	39	39	39
Community centers	4	4 (5)	8	8	8
Baseball/softball diamonds	16	16	16	16	16
Soccer/football fields	3	3	3	3	3
Golf course	1	1	1	1	1
Community pool	1	1	1	-	-

Notes:

(1) There is one main facility located at 131 N. Isabel and one substation located in the Glendale Galleria.

(2) Since FY2007, three helicopters have been shared with the City of Burbank for the operation of the Joint Law Enforcement Air Support Unit. Effective FY2015, four helicopters have been shared by the City of Glendale and the City of Burbank. In August 2017, the oldest Helicopter not in service belonging to Glendale and Burbank was sold.

(3) This number does not include the small bin trucks or light duty vehicles.

(4) In FY2013, the Glendale Narrows Riverwalk Park project was completed , which increased the park count to 42, and park acreage by 3.94 acres (285.56 in total acres).

(5) Beginning FY2012, community buildings are not separately accounted for as community centers. Instead, they are included in the parks and facilities count as part of the park in which they reside.

Sources: Various city departments

Not covered by independent auditors' report

(Continued)

Schedule 20
CITY OF GLENDALE
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	Fiscal Year				
	2013	2012	2011	2010	2009
Function/Program					
Library:					
Branches	8	8	8	8	8
Electric:					
Number of electric meters	85,629	85,358	84,962	84,800	84,554
Number of streetlights	10,740	10,735	10,725	10,714	10,692
Grayson power plant capacity (MW)	260	260	260	260	260
Water:					
Number of water meters	33,801	33,744	33,374	33,509	33,407
Water mains (miles)	397	397	397	397	397
Fire hydrants	3,146	3,134	3,134	3,133	3,072
Storage capacity (millions of gallons)	184	184	184	185	185
Wastewater:					
Storm catch basin	3,686 (1)	3,686 (1)	3,686 (1)	3,679	3,679
Sanitary sewers (miles)	360	360	360	360	360
LAGWRP Treatment capacity (millions of gallons)	20	20	20	20	20
Transit:					
Buses	34	34	34	34	34

Notes:

(1) This number includes the Los Angeles County and Caltrans storm drains within the City boundaries.

Sources: Various city departments

Not covered by independent auditors' report

Schedule 21
CITY OF GLENDALE
Schedule of Credits

Robert P. Elliot, CPA, Director of Finance	General Overview Letter of Transmittal
Michele Flynn, CPA, CIA, CGAP, Assistant Director of Finance	General Overview
Artak Khachatryan, Financial Applications Manager	PeopleSoft Nvision Report Writing
Shu-Jun Li, Deputy Director of Finance	General Overview Management's Discussion & Analysis Financial Statements Notes to Basic Financial Statements Pension and OPEB Reporting
Theresa Clark, Accounting Supervisor Rima Dagbashyan, Accountant II Brandy Wu, Accountant II Steve (Min Jun) Kim, Accountant I	Section tasks: Management's Discussion & Analysis Financial Statements Notes to Basic Financial Statements Cover Design Fixed Assets Reporting Glendale Successor Agency Reporting Loans Receivable Reporting
Alwin De Leon, Accounting Supervisor Vanik Darabedian, Accountant II Liza Jue, Accountant II Hanré Chang, Accountant I Cathy Liang, Accountant I	Section tasks: Management's Discussion & Analysis Financial Statements Notes to Basic Financial Statements Cash Reporting Debt Reporting Glendale Water & Power Reporting Internal Service Funds Reporting Single Audit Statistical Section
Craig R. Kuennen, Business Transformation and Marketing Administrator Alina Morshidian, Utility Manager Tim Hsu, Principal Utility Financial Analyst George Dibie, Senior Utility Financial Analyst	Glendale Water & Power Notes
Thomas R. Lorenz, Director of Communications and Community Relations Eliza Papazian, Community Relations Coordinator Dean Lopez, Graphics Administrator Douglas Alvarez, Graphics Illustrator Awinda Matos, Duplicating Machine Operator Roberto Perez, Duplicating Shop Operator	Cover Design and Printing

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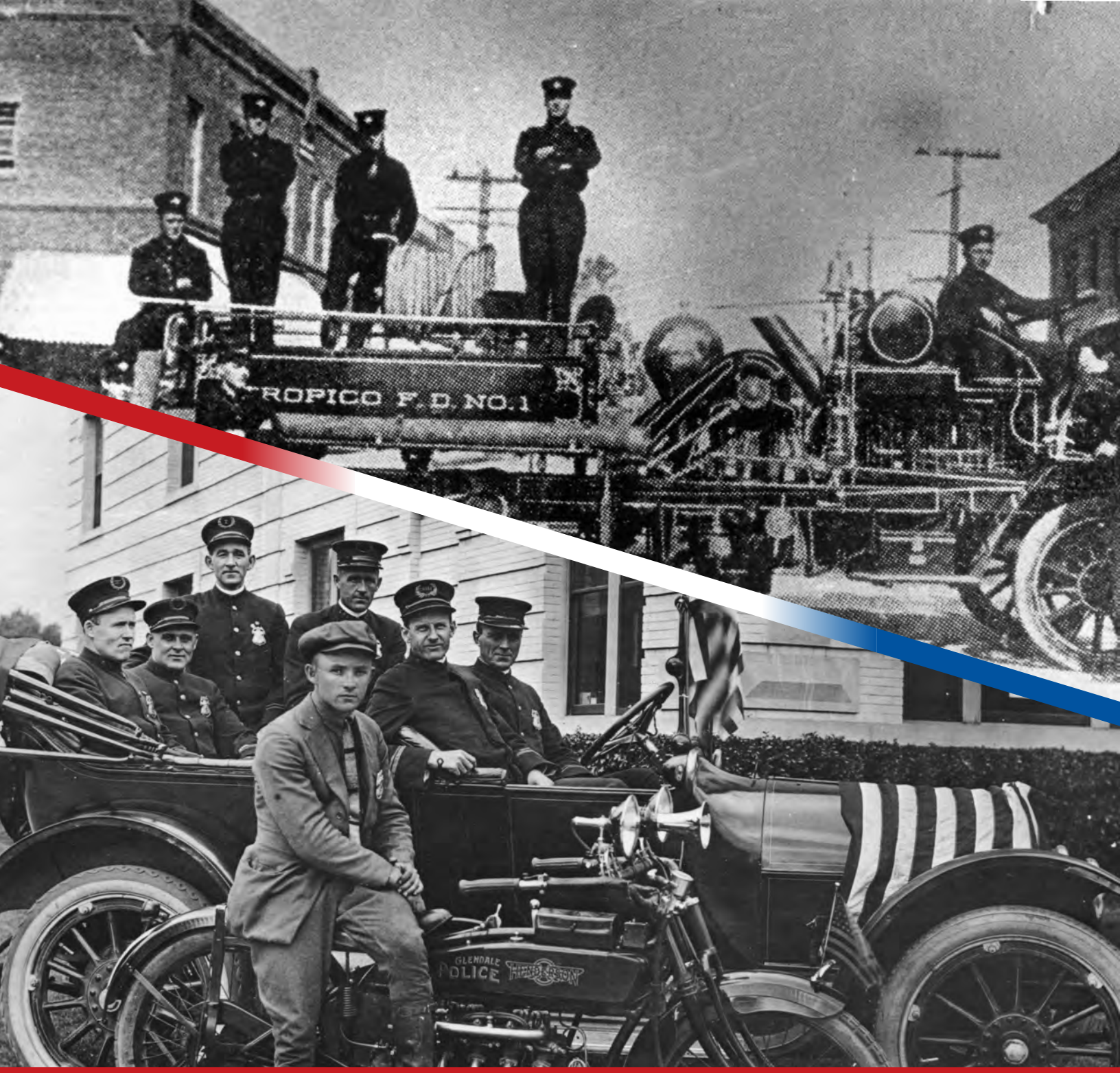

Comprehensive Annual Financial Report, Fiscal Year Ended June 30, 2018

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