

Year-End Financial Report FY2021/2022



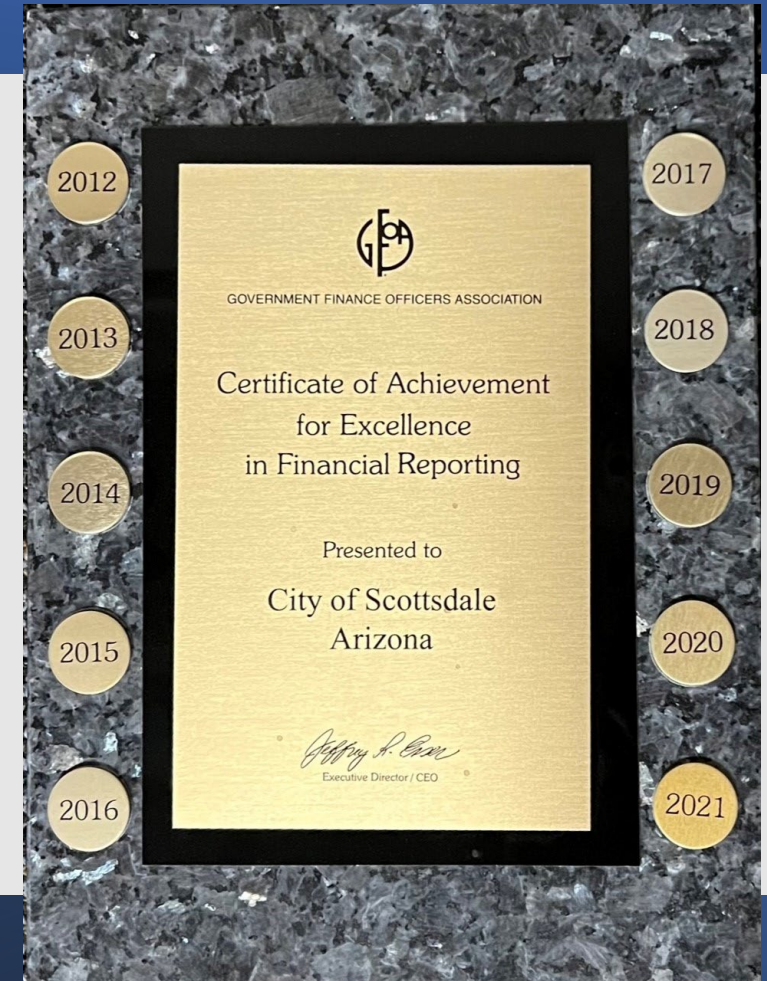
Timeline for Year-End Financial Report



FY2022 - 50th Consecutive Year for Excellence in Financial Reporting Award

Thank you to our Accounting Staff!

Anna Henthorn – Accounting Director
Sarah Delgado – Accounting Manager
Chris Downey – Accounting Manager



Outline

- 01** Highlights from FY 2021/22 Audited Financial Report
- 02** City's fiscal health

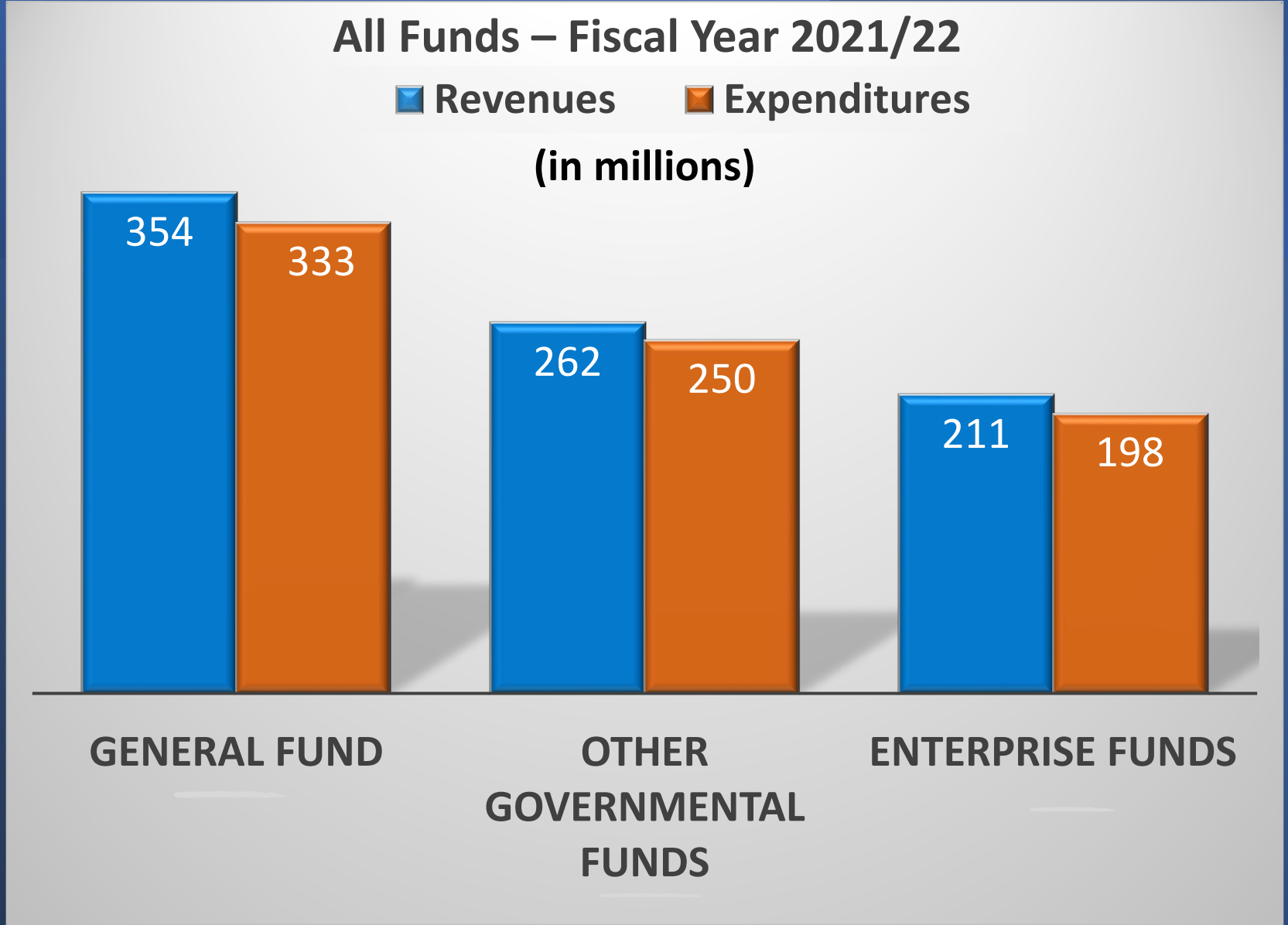
Assessing City's Financial Health

- 01 Financial Condition**
 - Revenues cover expenditures to maintain service levels
 - Strong cash position to pay bills

- 02 Financial Capacity**
 - Manageable long term liabilities
 - Ability to finance capital needs without shifting burden to future

- 03 Financial Resiliency**
 - Sufficient reserves and budget flexibility

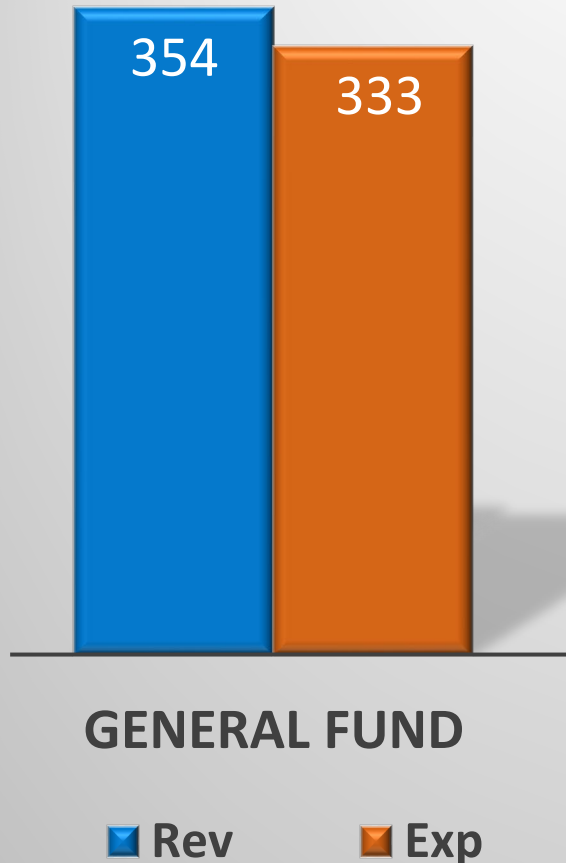
Operating Revenues Covered Expenditures



Excludes interfund transfers and other nonoperating revenues and expenditures.

Operating Revenues Covered Expenditures

General Fund
Fiscal Year 2021/22
(in millions)

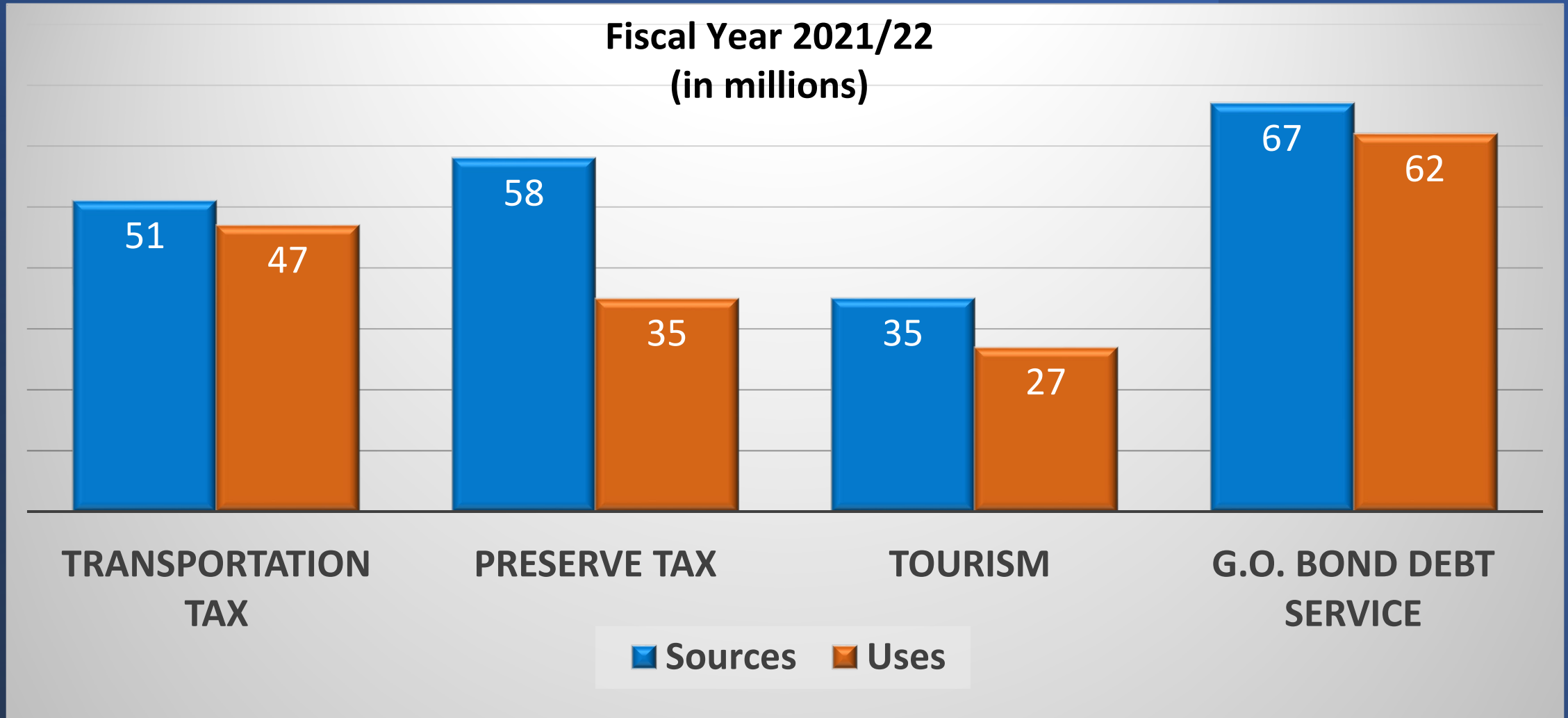


\$37.6M excess Sales Tax collections over budget

\$14.6M of expenses paid with ARPA funds

\$40M additional payment made to Public Safety Pension

Major Categories of Other Governmental Funds



Includes internal transfers and other sources and uses.

Enterprise Funds Operating Income Fiscal Year 2021/22

\$22M

Water Utility

18% operating margin

(\$3M)

Sewer Utility

-7% operating margin

\$0.8M

Solid Waste

2.8% operating
margin

\$2M

Airport

24% operating
margin

Balance Sheet Improved

(in billions)



6/30/2021

6/30/2022

■ Cash & Other Assets

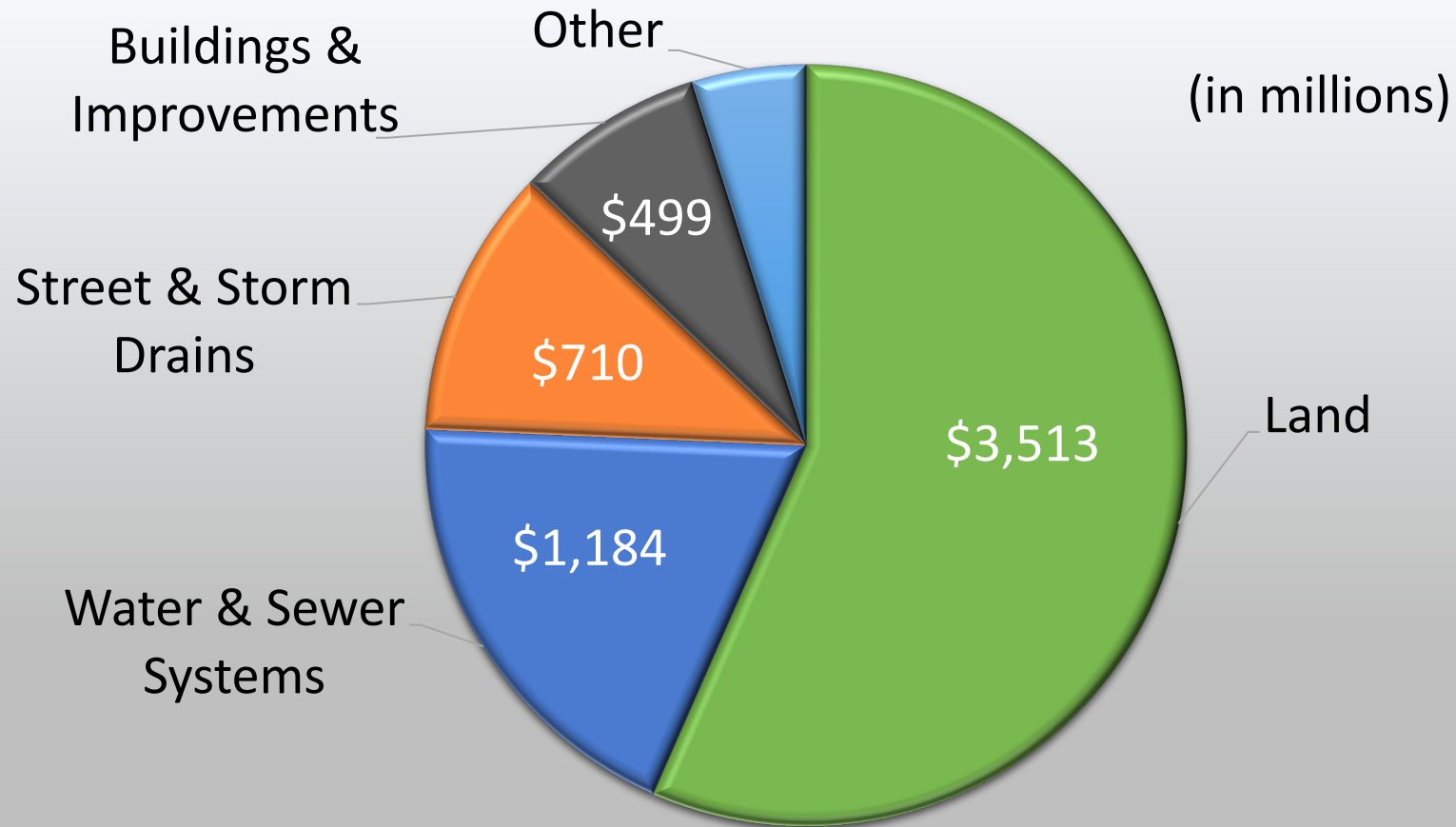
■ Capital Assets

■ Total Liabilities

■ Net position

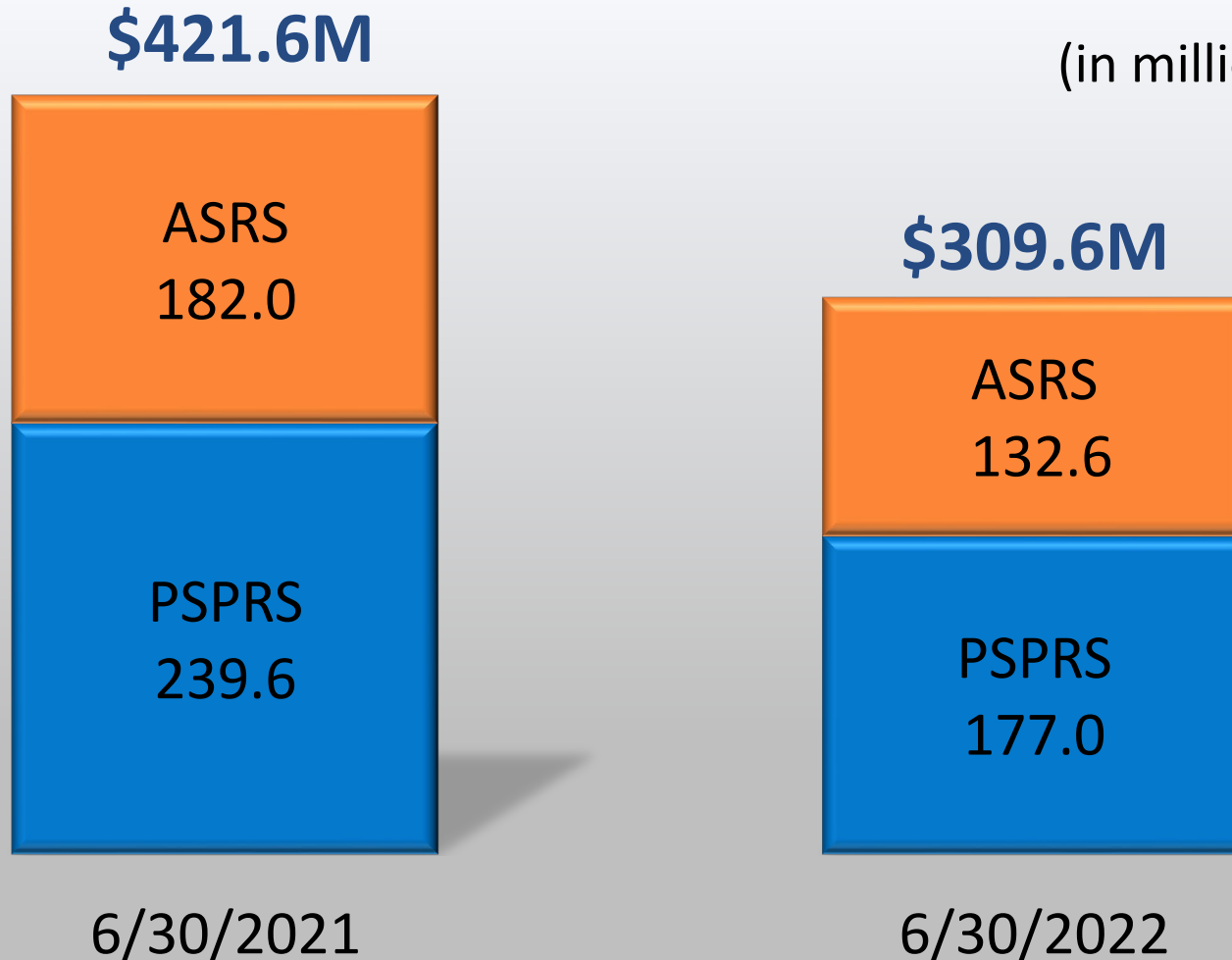
Net Book Value of Capital Assets

\$6.2B at 6/30/22



Net Pension Liabilities Decreased

(in millions)

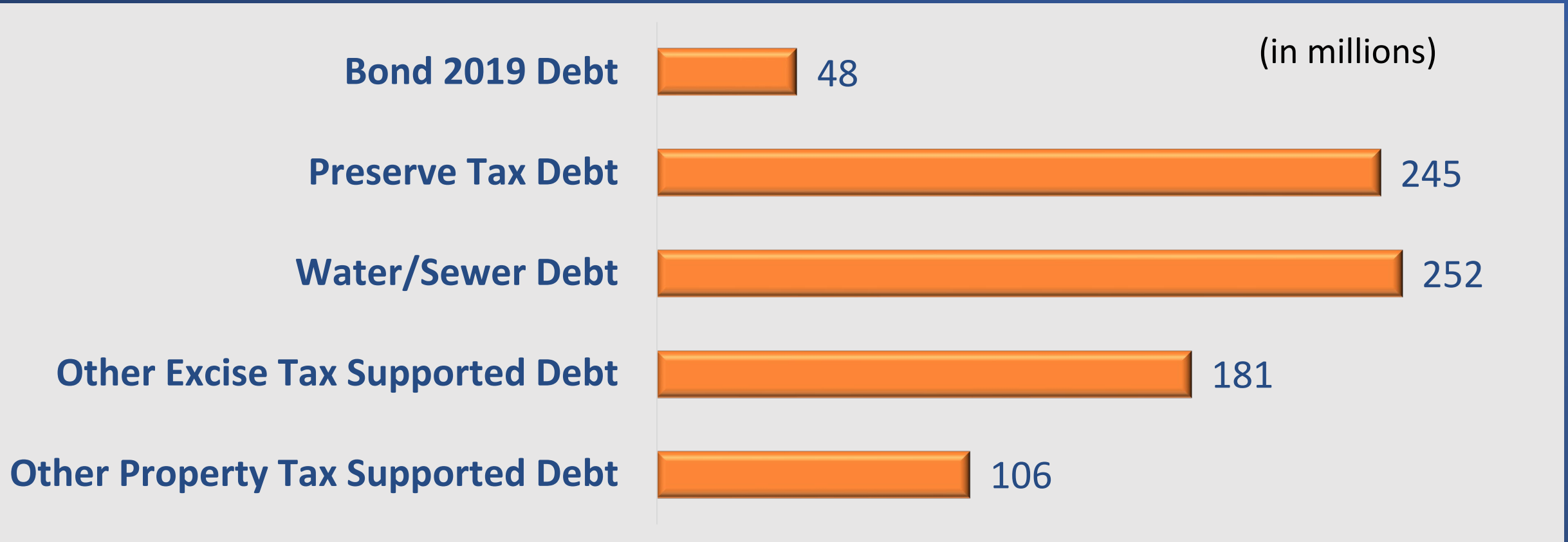


Arizona State Retirement System (ASRS)

Public Safety Personnel Retirement System (PSPRS)

Debt Burden Remains Manageable

\$832M at 6/30/22



General Obligation Bond Remaining Capacity At 6/30/22

6% Statutory Limit

(General Government & Cultural
Facilities, Libraries, Economic
Development)

\$ 519 M

20% Statutory Limit

(Water, Sewer, Stormwater, Open
Space, Public Safety, Streets)

\$ 1,335 M

Achieved New Policy Reserves As of 6/30/22

\$ 83.2M

General Fund
Stabilization &
Emergency
Reserves

25% of operating uses

\$ 67.2M

Water/Sewer
Operating &
Asset
Reserves

25% of operating uses
2% of asset BV

\$46.1M

Debt Service
Reserves

min. 10-25% of debt
service amount

\$7.0M

Other
Operating
Reserves

10-25% of operating
uses

Maintained Strong Bond Ratings

- 01** Economic and revenue growth
- 02** Strong balance sheet – cash liquidity, reserves
- 03** Manageable debt and long term liabilities
- 04** Strong financial management policies and practices



Questions ?