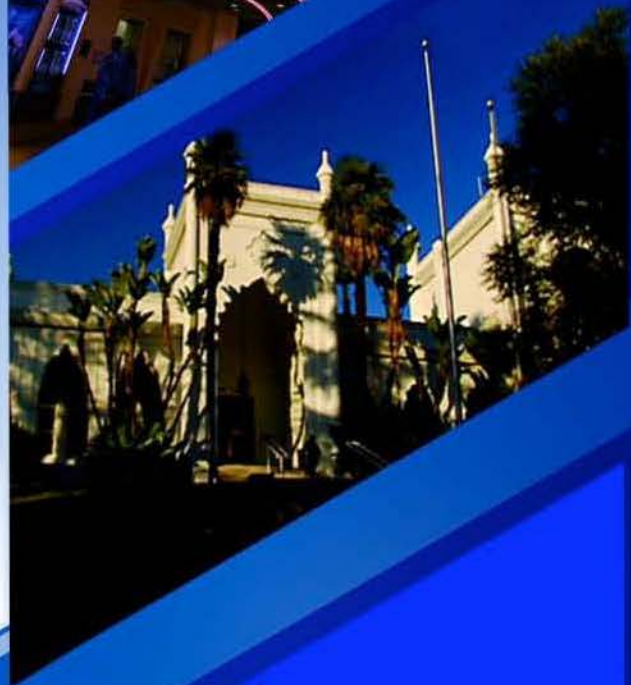


COMPREHENSIVE
**ANNUAL
FINANCIAL
REPORT**

YEAR ENDED JUNE 30, 2009



GLENDALE
CALIFORNIA

The Alex Theatre

Possibly the most widely-recognized “symbol” of the City, the Alex Theatre on Brand Boulevard opened in 1925, at that time one of the largest motion picture theaters in Southern California. Architects Lindley and Selkirk used the famous Egyptian Theatre in Hollywood as their inspiration. The building was named after Alexander Langley of the Langley chain of theaters. The “Alex” hosted numerous Hollywood premiers including National Velvet, and was booked steadily during the Vaudeville era. In 1940, Charles S. Lee re-designed the exterior, adding the famous 100-foot art-deco tower. The City’s Redevelopment Agency purchased and began restoration of the building in 1992. The Alex now serves as a popular venue for classic films, concerts, dance performances and other special events.

Brand Library and Art Center

Another Glendale icon, the Brand Library and Art Center nestles against the Verdugo Mountains at the intersection of Mountain and Grandview Avenues. Originally named El Miradero, it was completed in 1904 by Leslie Brand, one of the “founding fathers” of the City. Termed “Brand’s Castle” by locals, it was designed by his brother-in-law, Nathaniel Dryden. The structure’s Moorish theme was suggested by Brand himself, after a visit to the East Indian Pavilion during the 1893 Chicago World’s Fair. During his lifetime, Brand hosted many celebrities and dignitaries at his home, culminating in a famous “fly-in” luncheon during which guests arrived by plane on his private airstrip. At his death in 1925, the mansion was deeded to the City of Glendale. Today it houses a library, art gallery and performing arts studio.

Glendale Transportation Center

The City dedicated its “new” Transportation Center in 1924 at the site of the former Tropico Southern Pacific Depot. Located at 400 Cerritos Avenue, this Spanish Mission style structure with its dramatic arched entrance was designed by noted architects MacDonald and Couchot. At the height of the rail transportation era, eight passenger trains stopped here daily and for many of those passengers, the building became their first glimpse of the City of Glendale. In 1997, the station was placed on the Registrar of Historic Places and underwent an extensive renovation shortly after. Today, the Glendale Transportation Center provides service to travelers from the Amtrak train and Greyhound bus lines, as well as hundreds of Metrolink passengers each week.

City of Glendale, California City Council



CITY COUNCIL

Frank Quintero, Mayor

Councilmembers:

John Drayman, Laura Friedman, Ara Najarian, Dave Weaver

**CITY OF GLENDALE
CALIFORNIA**

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2009**

Robert Elliot, CPA, Director of Administrative Services-Finance

Lily Fang, Accounting Services Administrator

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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 Officers Association Certificate of Achievement for Excellence in Financial Reporting

GLENDALE
CALIFORNIA



November 24, 2009

Honorable Mayor and Members of the City Council:

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, 2009.

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 both to protect the City's assets from loss, theft, or misuse and to 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.

Generally accepted accounting principles (GAAP) require 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. City of Glendale's MD&A can be found immediately following the report of the independent auditors.

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 Redevelopment Agency, 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 February 16, 1906 under the general laws of the state of California. The City Charter was adopted March 29, 1921. The City provides the full range of municipal services. This includes public safety (police, fire and paramedic), streets, sanitation, refuse collection, sewer, hazardous disposal, electric and water utilities, parking, parks and recreation, 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 third largest city in Los Angeles County, encompassing 30.6 square miles and serving over 207,000 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

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. The economy has put the brakes on new investments and revenue flow to most municipalities, but this has not stopped the City of Glendale from moving forward with revitalization efforts to fuel and drive future economic growth. New investment is taking place throughout the city in the form of business expansion as well as businesses attracted to Glendale's location, public safety record and low cost business environment. The city'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. Industry clusters include:

- Retail Trade
- Healthcare
- Business Services
- Animation & Entertainment
- Manufacturing & Wholesale Trade
- Automotive Sales & Service
- Financial Services
- Technology and New Media

Economic Development. Economic development accomplishments in the city are numerous and vary in size and scope. A Trader Joe's is scheduled to open in the Montrose Shopping Park by 2011, a Subaru car dealership will soon join the Brand Boulevard of Cars, and downtown Glendale could soon have its first museum in 106 years of history, the Museum of Neon Art.

Plans are also underway for an 11-story, 172-room Hyatt Place Hotel. Chipotle Mexican Grill opened a new location in Glendale September 18th, as did Panera Bread in July. AT&T Interactive announced that they will be adding up to 80 new technology jobs at their Glendale Headquarters. My Shape, a major online women's apparel firm recently relocated its headquarters from Pasadena to Glendale bringing over 70 employees downtown. In addition, global animation giant DreamWorks is in the midst of a major expansion adding 128,716 SF of office space to the existing Lakeside Building which will accommodate an additional 1,500 employees.

The Glendale Galleria along with The Americana at Brand continues to help solidify the city as a regional center for retail activity. With over 1.4 Million SF of retail space, the Galleria is one of Southern California's premier regional malls attracting over 25 million visitors annually. Major anchor tenants include Nordstrom, Macys, JC Penney's, and Target.

The Americana at Brand successfully integrates retail, restaurant, cinema, and high-end residential uses in a series of mid-rise buildings located around three acres of public open space and pedestrian promenades. The development is helping to create the envisioned "18-hour downtown" with urban dwellers and patrons of cinemas, restaurants, and retail shops.

Employment. In terms of employment, the most dominant industry sector in the City of Glendale is healthcare. The City has three major medical centers and a myriad of related healthcare services. Despite the recession, employment in the healthcare sector has remained

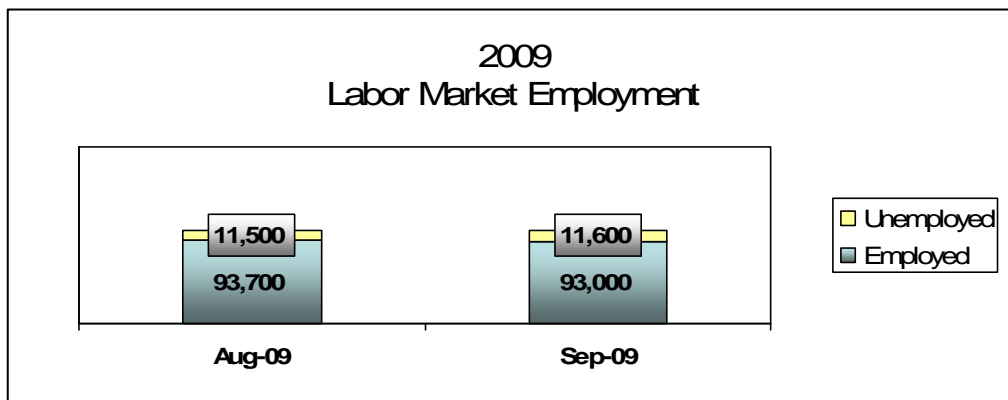
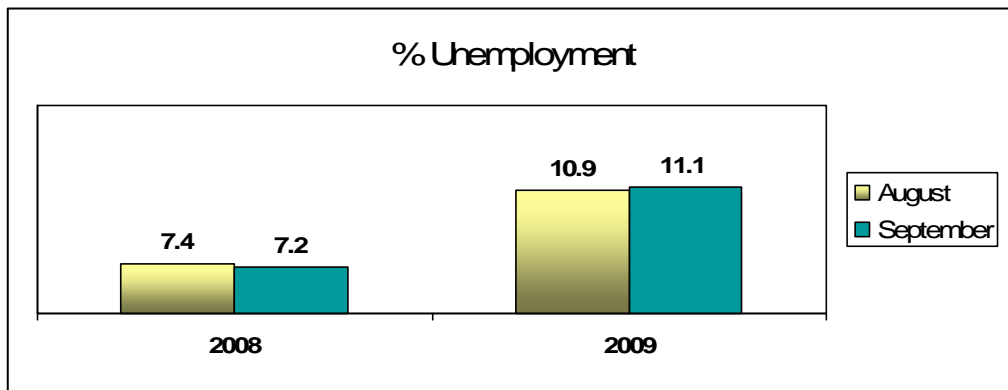
stable to slightly up. Due to demographic factors such as an aging local baby boomer population, demand for services in health care is expected to continue to rise and consequently create new jobs.

The combined consumer-related industries, including retail, hotels and restaurant, also have a prominent position in Glendale and employ many people despite severe job losses and business closures in all three of these industry areas.

Despite job losses that have occurred over past decades, the city's manufacturing base is still one of the largest employers in Glendale. The sector could be poised for at least a short-term rebound as U.S. products become more competitive due to the weak U.S. dollar and as the global economy recovers and creates product demand.

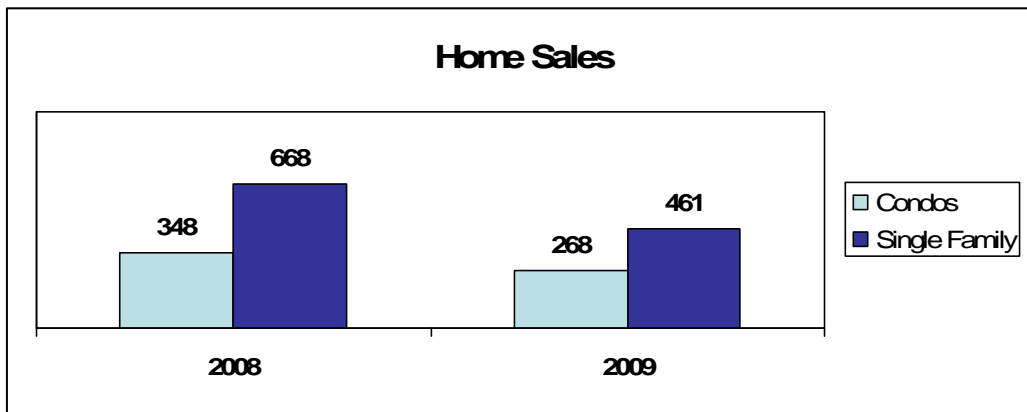
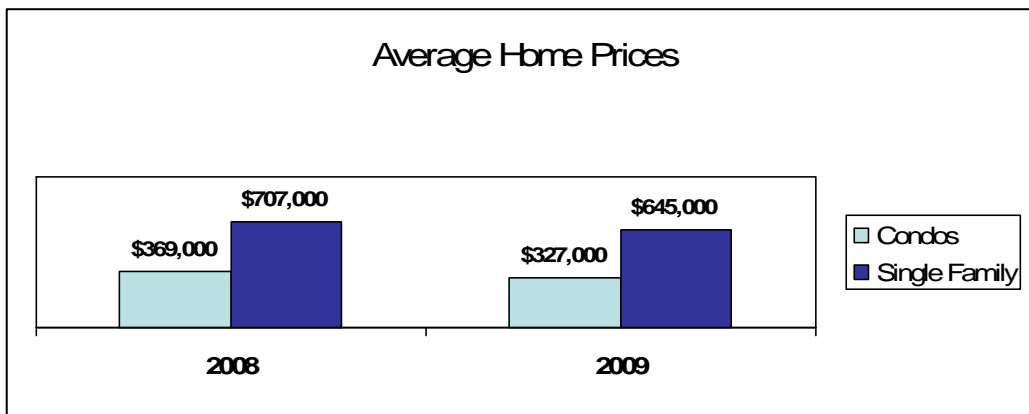
Finally, the finance/insurance sector, which in past years held a prominent position in the city, has fallen from its status as a top employer as it copes with the housing and financial turmoil in the economy. Many financial companies and banks tied to the mortgage industry have suffered disproportionately.

Like most areas of the country, Glendale has experienced an increase in its unemployment rate. As illustrated below, the rate increased to 11.1% in September 2009 compared to 7.2% in 2008. Approximately 11,600 individuals were classified as unemployed out of a labor force of 104,600.



In comparison, the seasonally adjusted unemployment rate in Los Angeles County increased over the month to 12.7 percent in September 2009 from a revised 12.2 percent. In August 2009 and was above the rate of 8.3 one year ago. The California seasonally adjusted unemployment rate was 12.2 percent in September 2009, 12.3 percent in August 2009, and 7.8 percent a year ago in September 2008. The comparable estimates for the nation were 9.8 percent in September 2009, 9.7 percent in August 2009, and 6.2 percent a year ago.

Housing. According to the Glendale Association of Realtors, Glendale’s housing market showed a decline, reflected in a median home price of \$645,000 as of November 2009, compared to \$707,000 in November 2008. Condominium sales also reflected a decline, with a median value of \$327,000 in November 2009, compared to \$369,000 in November 2008.



Local Government Finance. The economic situation in the U.S. has negatively impacted local resources in the form of reduced general revenues. Sales Tax revenues, Transient Occupancy Tax, Building Permit & Other construction-related fees, Interest Revenue, and Motor Vehicle in Lieu fees have all seen a decline this past year. On the other hand, Property Tax revenues and Utility Users Tax have remained consistent.

In fiscal year 2008-09 cumulative sales tax revenues decreased 6.1%, comprising approximately 15.4% of the total General Fund revenue. Transient Occupancy Tax (TOT) contributed \$2.4

million to the general fund of the City of Glendale. This represents a decrease of 12.8%. In fiscal year 2008-09 TOT represented 1.5% of the City's total General Fund revenue base.

The uncertainty of the State budget is still present. As a result of last year's budget balancing efforts by the State, the City of Glendale must loan nearly \$4 million in property tax revenues to the State under Proposition 1A, however, the impact of this loan was mitigated by the Prop1A securitization program which the City of Glendale enrolled in. Under this program, the City sells the receivable from the State to the California Communities JPA and receives the entire loan balance back in two installments in fiscal year 2009-10.

Further actions to balance the current year's budget could bring additional impacts to Glendale and other local governments in California. As a result, the League of California Cities, as part of a coalition of local government, transportation and public transit leaders filed an initiative ballot measure to basically close loopholes and prevent the State from borrowing, raiding, or redirecting local government (local taxes, property taxes, redevelopment), transportation (HUTA and Proposition 42 funds) and public transit funds. They are working to place the measure on the statewide ballot for the November 2010 election.

Long-term Financial Planning. The City has committed itself to a long-term financial strategy. Fundamental to this effort was the development of the City's Long Range Financial Plan (LRFP). The LRFP, with the input of the community, has served to guide the City in allocation of economic resources. The council uses the 10 year LRFP to prioritize myriads of capital requests such as library site upgrade, fire station replacements, a new paramedic unit and etc.

Current Capital Projects. Major capital projects include the SR 134/San Fernando Road Bridge, the renovation of the Adult Recreation Center, improvements at Maple Park, planned renovation of the Central and Brand Libraries, as well as street resurfacings.

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 following table presents a comparison of the results of the City's investment of pooled cash for fiscal years 2006, 2007, 2008 and 2009.

Fiscal years ended June 30,

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Average portfolio balance	\$444,787,000	\$464,426,000	\$482,547,000	\$498,928,000
Total portfolio's interest income	\$ 12,462,000	\$ 19,443,000	\$ 18,842,000	\$ 15,680,000
Average return on invested cash	2.80%	4.17%	3.90%	3.14%

The average return on invested cash decreased by 137 basis points from 4.17% in fiscal year 2008 to 2.80% in fiscal year 2009. The City Treasurer is estimating next year's average return to be below 2%. The City Treasurer follows the general investment strategies set forth in a formal Statement of Investment Policy and presents monthly reports to the City Manager and the City Council.

Risk Management. The City is self-insured for both Comprehensive General Liability and Workers' Compensation claims up to \$2 million. The City purchases an Excess Liability layer of \$20 million, and purchases an Excess Workers' Compensation layer up to statutory limits. The City also purchases Property/Casualty, Aviation, Employment Practices, Directors and Officers, and other smaller policies for specific activities.

The City's Risk Management program is comprised of Insurance Services, Workers' Compensation and Safety. The primary goal of Risk Management is to effectively address potential risk factors that affect both the City and its employees. Insurance coverage's and their resulting premiums are reviewed annually to insure the City is properly covered. Workers' Compensation and our Safety Staff work to protect our work force, when workers are injured, staff insures that they are properly cared for, and returned to work as soon as possible.

Risk Management Staff continually reviews internal funding levels to address ever increasing claims costs. Failure to address these issues may result in significant impacts to department budgets in future years. Internal insurance premiums are set annually based upon input from Risk Management and additional analysis from an outside biannual actuarial study. Employee medical coverage is obtained through a broker and provides a variety of choices for the employees.

Independent Audit

The City's financial statements have been audited by the firm of McGladrey & Pullen, 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, 2009, 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 unqualified opinion that the City of Glendale, California's financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of 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 compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the City's separately issued *Single Audit Report*.

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 compliment MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors in the financial section of the CAFR. Their unqualified opinion on the City's basic financial statements is included within this 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

Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

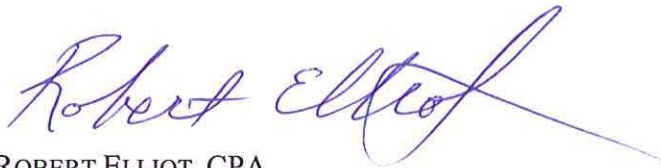
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal 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. A special commendation should be attributed to Ms. Lily Fang, Accounting Services Administrator, for the compilation of this CAFR. She has my utmost respect as a financial professional.

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

RESPECTFULLY SUBMITTED,



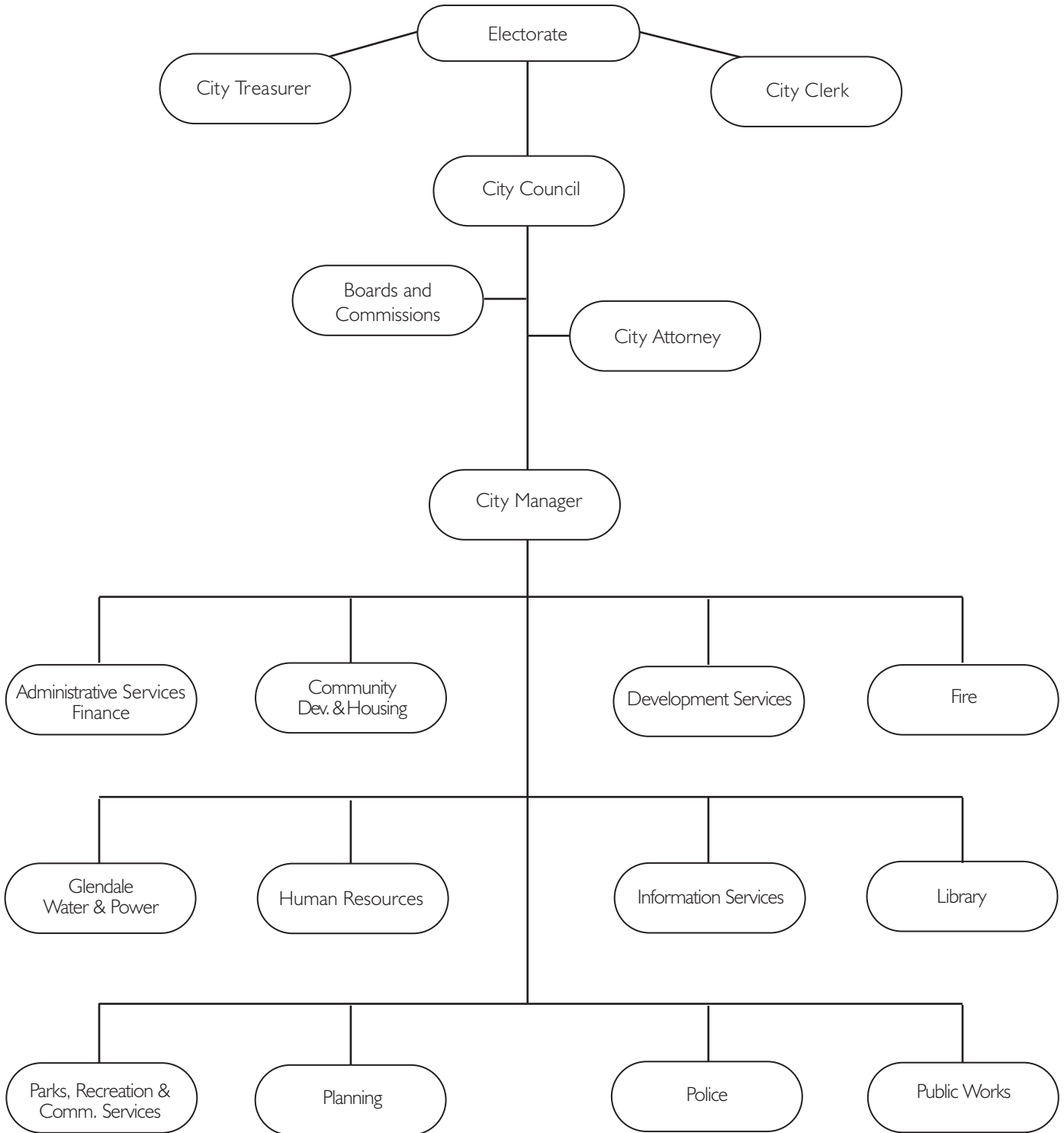
ROBERT ELLIOT, CPA
DIRECTOR OF ADMINISTRATIVE SERVICES-FINANCE

CITY OF GLENDALE
Officials of the City of Glendale
June 30, 2009

Administration and Department Heads

City Manager	James E. Starbird
Assistant City Manager	Robert K. McFall
Deputy City Manager	Yasmin Beers
Director of Glendale Water & Power	Glenn O. Steiger
City Attorney	Scott H. Howard
Acting Police Chief	Ronald L. DePompa
Fire Chief	Harold Scoggins
Director of Public Works	Stephen Zurn
Director of Administrative Services-Finance	Robert Elliot
Director of Human Resources	Matthew Doyle
Director of Development Services	Philip Lanzafame
Director of Planning	Hassan Haghani
Acting Director of Community Development and Housing	Jess Duran
Director of Information Services	Edward Fraga
Director of Parks, Recreation and Community Services	George Chapjian
Director of Library Services	Cindy Cleary
City Auditor	William Fox
City Treasurer	Ronald T. Borucki
City Clerk	Ardashes Kassakhian

City of Glendale Organization 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, 2008. This was the 14th 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.

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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

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

McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Glendale, California (the City), as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously 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, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2009 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 sections, listed in the table of contents as supplementary information, 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 as listed in the table of contents have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The accompanying introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Pasadena, CA
November 24, 2009

City of Glendale

Management's Discussion and Analysis

June 30, 2009

(in thousands)

As management of the City of Glendale (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2009. 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 - vii of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$1,653,026 (*net assets*). Of this amount, \$352,204 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors. Of the \$352,204, \$113,761 is for governmental activities, and \$238,443 is for business-type activities.
- The City's total net assets increased by \$44,146. Most of this increase is attributable to increases in operating grants or contribution.
- As of the close of the current fiscal year, the City governmental funds reported combined ending fund balances of \$251,933, an increase of \$3,577 in comparison with the prior year. About 35 percent of this total amount, \$87,698 is *available for spending* at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved General Fund balance of \$35,799 and the charter required reserve of \$19,320 for the General Fund total \$55,119, or 36.5 percent of total general fund expenditures or 34.3 percent of the General Fund operating budget. City financial policy requires General Fund reserve (including the Charter required reserve) equal to not less than 35% of the operating budget.
- The City's total debt increased by \$12,476 (2.99 percent) during the current fiscal year. The factors of this increase was the combination of items such as compensated absences, claims payable, post employment benefits, postclosure liability of Scholl Canyon landfill, new 2009 fire equipment lease and new Glendale Housing Authority loan, and decreases such as bond retirements through regular annual payments.

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 financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the recent fiscal year. All changes in net assets 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, housing, health, and community development, employment programs, public service, parks, recreation, and community services, library, and interest and fiscal charges on bonds. The business-type activities of the City include recreation, hazardous disposal, fire communications, parking, sewer, refuse disposal, electric, and water operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate redevelopment agency, housing authority and financing authority for which the City is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself. The redevelopment agency, the housing authority and the financing authority, although legally separate,

City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

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 15-17 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 two categories: governmental funds and proprietary 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 35 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Glendale redevelopment agency fund, and the capital improvement fund, all of which are considered to be major funds. Data from the other 32 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18-36 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 recreation, hazardous disposal, fire communications, parking, sewer, refuse disposal, 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 (general fund only), joint helicopter operation, 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 37-40 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-73 of this report.

City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

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. Combining and individual fund statements and schedules can be found on pages 75-142 of this report.

Government-wide Financial Analysis

The Government-wide financial analysis contained comparative information from the prior year.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$1,653,026 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets (74.4%) reflects its investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is 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 investment in its capital assets is reported 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 Assets

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 375,191	361,653	299,048	327,326	674,239	688,979
Capital assets	852,666	831,547	606,968	569,189	1,459,634	1,400,736
Total assets	<u>1,227,857</u>	<u>1,193,200</u>	<u>906,016</u>	<u>896,515</u>	<u>2,133,873</u>	<u>2,089,715</u>
Long-term liabilities	221,559	212,026	180,906	181,948	402,465	393,974
Other liabilities	53,861	57,154	24,521	29,707	78,382	86,861
Total liabilities	<u>275,420</u>	<u>269,180</u>	<u>205,427</u>	<u>211,655</u>	<u>480,847</u>	<u>480,835</u>
Investment in capital assets, net of related debt	782,170	766,314	448,099	392,039	1,230,269	1,158,353
Restricted	56,506	48,392	14,047	14,058	70,553	62,450
Unrestricted	113,761	109,314	238,443	278,763	352,204	388,077
Total net assets	<u>\$ 952,437</u>	<u>924,020</u>	<u>700,589</u>	<u>684,860</u>	<u>1,653,026</u>	<u>1,608,880</u>

- 4.3% of the City's net assets represent resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* of \$352,204 may be used to meet the government's ongoing obligations to citizens and creditors. Of the total, \$238,443 is in business type activities such as our electric, water, and sewer utilities.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, for government as a whole, as well as for all its separate governmental and business-type activities.

There was an increase of \$8,114 in restricted net assets reported in connection with the City's governmental activities. Most of the increase resulted from additional reserve for the Low and Moderate housing.

City of Glendale

Management's Discussion and Analysis, continued

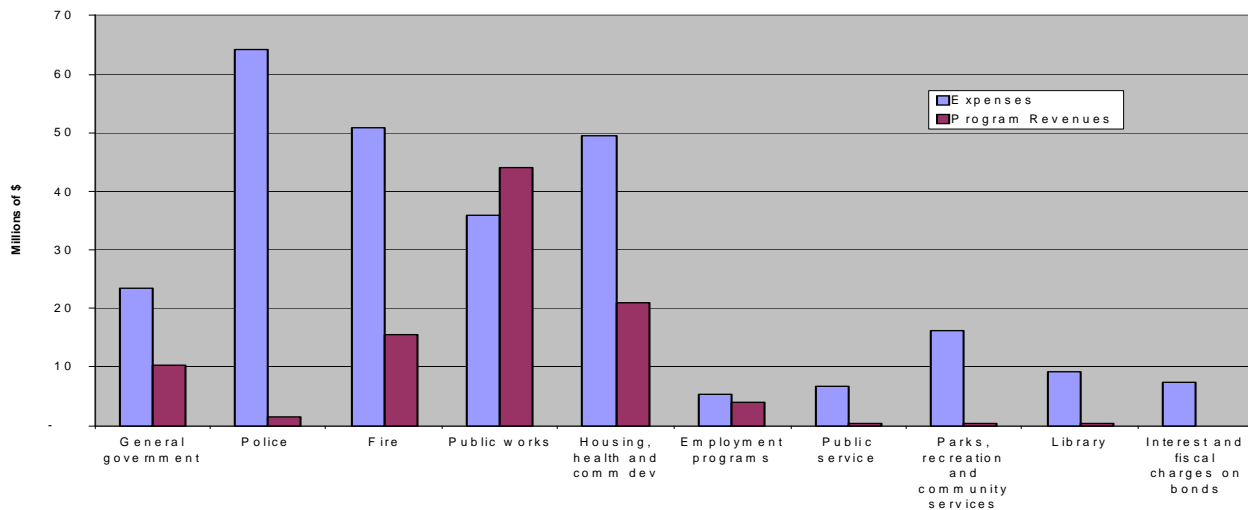
June 30, 2009

(in thousands)

Governmental activities. Governmental activities increased the City's net assets by \$28,417. Key elements of this increase are as follows:

- Operating grants and contribution increased by \$17,772 (46.6 percent) during the year mostly due to increases in grant funding for Transportation, HOME and Mutual Aid which are caused by higher expenses.
- Investment income decreased by \$6,112 (42.9 percent) during the year mostly due to lower interest rates.
- Miscellaneous revenue decreased by \$5,243 (24.3 percent) during the year mostly due to the sale of Glendale Redevelopment Agency property in fiscal year 07-08, which did not happen again in fiscal year 08-09.
- General government expenses increased by \$8,343 (55 percent) during the year mostly due to one-time purchase of four properties through legal settlement in fiscal year 07-08, which did not happen again in fiscal year 08-09.
- Public works expenses decreased by \$4,350 (10.8 percent) during the year mostly due to greater than normal depreciation expense in fiscal year 07-08 resulting from one-time depreciation life adjustments on some assets.
- Public service expenses increased by \$2,047 (43.7 percent) during the year mostly due to increasing activities in the energy efficient incentive programs.
- Interest and fiscal charges on bonds decreased by \$2,299 (23.9 percent) during the year mostly due to lower interest rates of the variable rates of the certificate of participation (2000 police building project) and lower City's portfolio rate, which is used by Glendale Redevelopment Agency to make interest payments for City-Agency debts.

Expenses and Program Revenues – Governmental Activities



City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

City of Glendale's Changes in Net Assets

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Revenue:						
Program revenues:						
Charges for services	\$ 34,526	37,514	292,541	286,556	327,067	324,070
Operating grants & contribution	55,942	38,170	738	632	56,680	38,802
Capital grants & contribution	6,912	7,271	3,292	4,016	10,204	11,287
General revenues:						
Taxes:						
Property taxes	77,060	72,690	-	-	77,060	72,690
Sales tax	22,755	24,732	-	-	22,755	24,732
Utility users tax	28,798	27,781	-	-	28,798	27,781
Misc. taxes	22,268	21,508	-	-	22,268	21,508
Investment income	8,143	14,255	8,331	10,426	16,474	24,681
Miscellaneous	16,368	21,611	3,614	8,387	19,982	29,998
Total revenues	272,772	265,532	308,516	310,017	581,288	575,549
Expenses:						
General government	23,508	15,165	-	-	23,508	15,165
Police	64,113	63,738	-	-	64,113	63,738
Fire	50,793	54,462	-	-	50,793	54,462
Public works	35,903	40,253	-	-	35,903	40,253
Housing, health & community development	49,563	51,603	-	-	49,563	51,603
Employment programs	5,432	5,962	-	-	5,432	5,962
Public service	6,729	4,682	-	-	6,729	4,682
Parks, recreation & community services	16,229	15,699	-	-	16,229	15,699
Library	9,162	9,916	-	-	9,162	9,916
Interest & fiscal charges on bonds	7,311	9,610	-	-	7,311	9,610
Recreation	-	-	2,552	2,457	2,552	2,457
Hazardous disposal	-	-	1,680	1,801	1,680	1,801
Fire communications	-	-	2,790	-	2,790	-
Parking	-	-	6,520	6,416	6,520	6,416
Sewer	-	-	12,195	17,784	12,195	17,784
Refuse disposal	-	-	16,450	16,283	16,450	16,283
Electric	-	-	192,326	195,590	192,326	195,590
Water	-	-	33,886	31,263	33,886	31,263
Total expenses	268,743	271,090	268,399	271,594	537,142	542,684
Excess (deficiency) before transfers	4,029	(5,558)	40,117	38,423	44,146	32,865
Transfers	26,100	25,310	(26,100)	(25,310)	-	-
Capital contributions	(1,712)	-	1,712	-	-	-
Increase in net assets	28,417	19,752	15,729	13,113	44,146	32,865
Net assets - Beginning of the year	924,020	904,268	684,860	671,747	1,608,880	1,576,015
Net assets - End of the year	\$ 952,437	924,020	700,589	684,860	1,653,026	1,608,880

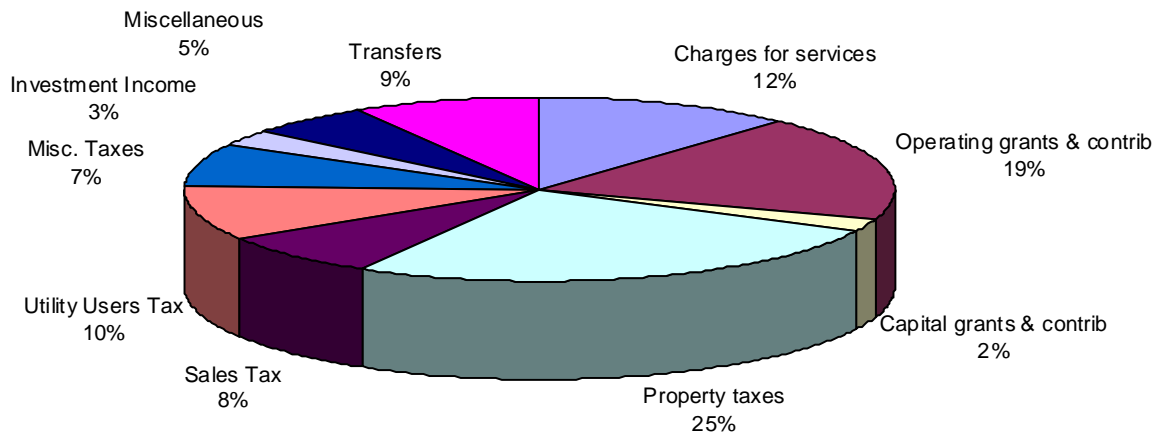
City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

Revenues By Source – Governmental Activities



Business-type activities. Business-type activities increased the City of Glendale's net assets by \$15,729. Key elements of this increase are as follows.

- Charges for services increased overall by \$5,985 (2.1%) during the year. This increase can be attributed to an increase in Electric, Water and Refuse Sales due to rate increases, a decrease in sewer charges due to rate decrease, less construction in the City, and conversion of Fire Communication Fund from Special Revenue Fund to Enterprise Fund.
- Investment income decreased by \$2,095 (20.1%) during the year due to a decrease in return on investment, an overall decrease in interest rates in the market, and financial turmoil due to the downturn in the economy.
- Miscellaneous revenues decreased by \$4,773 (56.9%) due to a onetime revenue adjustment to recognize City's cash with SCPPA in fiscal year 2007-08.
- Sewer expense decreased by \$5,589 (31.4%) during the year due to the one-time accounting adjustment in fiscal year 2007-08 resulted from the change in estimated useful life of the Sewer infrastructure.

City of Glendale

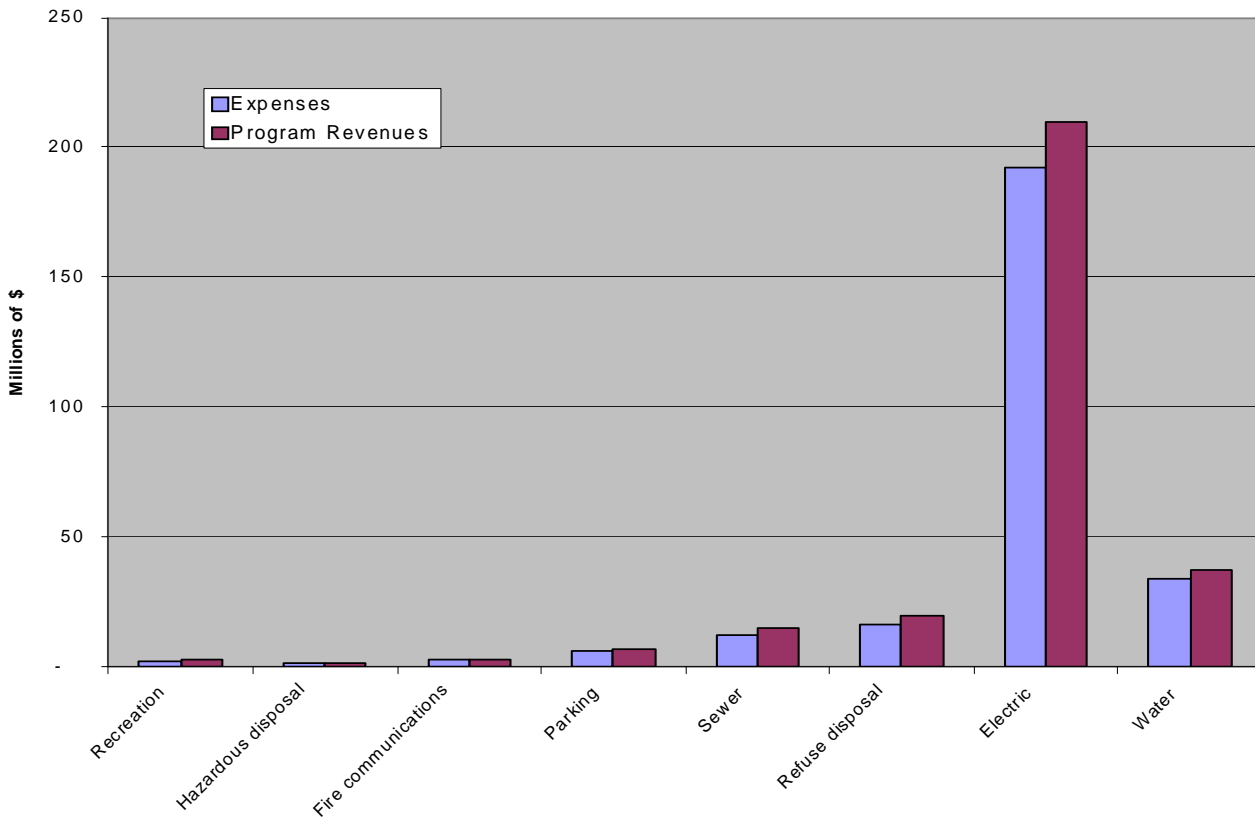
Management's Discussion and Analysis, continued

June 30, 2009

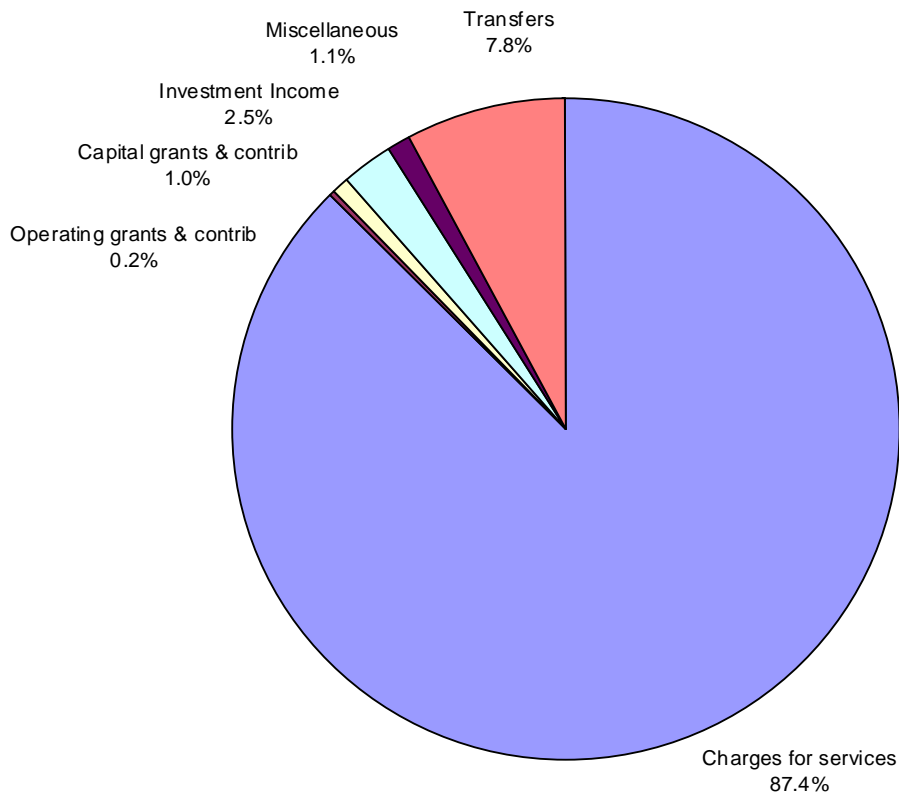
(in thousands)

- Electric expense decreased by \$3,264 (1.7%) during the year. This decrease can primarily be attributed to decrease of Internal Service cost allocation charges due to smaller Internal Service operating loss, and increase in interest in bonds due to change in capitalized interest allocation method in fiscal year 2008-09.
- Water expenses increased by \$2,623 (8.4%) during the year. This increase can primarily be attributed to increase in interest in bonds due to change in capitalized interest allocation method in fiscal year 2008-09.

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, *unreserved 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 \$251,933, an increase of \$3,577 in comparison with the prior year. About 35 percent of this total amount \$87,698 constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period \$43,356, 2) to meet the charter reserve requirement \$19,320, 3) to hold property for future development \$15,883, 4) to pay debt service \$11,633, 5) advance of City funds to the Glendale Redevelopment Agency \$68,380, 6) for prepaid items \$2,284, 7) for the return of deposits \$7 and 8) for the loans receivable \$3,372.

City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

The General fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance and the charter-required reserve of the general fund were \$35,799 and \$19,320, respectively, while total fund balance was \$125,663. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance and the charter-required reserve, totaling \$55,119, represent 36.5 percent of total general fund expenditures.

The fund balance of the City's General fund increased by \$4,166 during the current fiscal year. Key factors in this increase are as follows:

- Transfers to General Fund increased by \$3,087 this year compared to previous year.
- Transfers from General Fund to other Funds decreased by \$8,740 this year compared to previous year.

The Glendale Redevelopment Agency Fund has a negative total fund balance of \$11,240. The Agency has a deficit in unreserved fund balance of \$22,126 due to the fact that the Redevelopment agencies typically leverage current tax increment revenues by issuing long-term debt (including loans from the City) in order to raise capital to promote economic development within the project area. The new projects constructed, in turn, generate additional tax increment revenues, which again, may only be captured to the extent that the Agency incurs indebtedness. Indebtedness includes bonded indebtedness, notes, loans, advances, payments due under development agreements, and City loans. The Agency incurs debt based on future tax increments to fund infrastructure projects. Once the infrastructure projects are completed, the asset is transferred to the City, however, the debt remains with the Agency resulting in deficit net assets. Total fund balance in this fund increased by \$2,868 during the current year.

The Capital Improvement Fund has a total fund balance of \$14,240. Of the total fund balance, \$19,901 is reserved for liquidation of contracts and purchase orders of the prior period.

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, unrestricted net assets composed of \$64,984 for the Sewer Fund, \$164,325 for the Electric Fund, \$15,063 for the Water Fund, and \$26,004 for the other proprietary funds. The total increase in net assets for the Sewer Fund was \$4,197, followed by with an increase in Electric Fund of \$6,822, a \$1,594 increase for the Water Fund, and a \$5,925 increase for the other proprietary funds. Other factors concerning the finance of these funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The major differences between the original budget and the final budget for Public Works department and Parks, Recreation & Community Services department, which are \$529 and \$586 decreases respectively, are due to salary and benefit adjustments related to budget cuts implemented during the year which resulted in the elimination of multiple vacant positions and the shifting of the project management staff into the Capital Improvement Fund.

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, 2009, amounts to \$1,230 (net of accumulated depreciation and related debt). This investment in capital assets includes land, natural gas reserve, buildings and improvements, machinery and equipment, infrastructure, and construction in progress. The total increase in the City's investment in capital assets for the current fiscal year was 6.21 %, this represents a 2.07 % increase for governmental activities and a 14.3% increase for business-type activities.

City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

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

- Land purchases include \$3,767 for land purchased of Vassar Avenue for future housing development, \$12,573 for Fairmont Avenue Expansion and \$3,173 for the Glenoaks Boulevard Rehabilitation.
- At the close of the fiscal year, the Electric fund had a \$15,899 increase in machinery and equipment compared to the prior year.
- At the close of the fiscal year, the Water fund reflected a \$3,425 increase in buildings and improvements, and a \$3,058 increase in machinery and equipment compared to the prior year.

City of Glendale's Capital Assets
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 435,058	435,475	14,986	14,986	450,044	450,461
Natural Gas Reserve	-	-	14,876	14,769	14,876	14,769
Buildings and improvements	267,141	257,143	383,199	368,914	650,340	626,057
Machinery & equipment	84,206	83,293	461,672	442,246	545,878	525,539
Infrastructure	230,401	218,602	-	-	230,401	218,602
Construction in progress	52,847	46,108	100,241	70,145	153,088	116,252
Total capital assets	1,069,653	1,040,621	974,974	911,059	2,044,627	1,951,680
Less: Accumulated depreciation	(216,987)	(209,074)	(366,154)	(340,348)	(583,141)	(549,422)
Less: Gas depletion	-	-	(1,852)	(1,522)	(1,852)	(1,522)
Net of depreciation	\$ 852,666	\$ 831,547	606,968	569,189	1,459,634	1,400,736

Additional information on the City's capital assets can be found in note III B on pages 55-56 as well as pages 139-142 of this report.

Long-term debt. At the end of the current fiscal year, the City has total debt outstanding of \$430,330. Of this amount, \$55,500 is Certificates of Participation (COPs), that were issued to fund the new police facility; \$83,200 are tax allocation bonds backed by the property tax increment collected from the Central redevelopment project area; \$123,005 are the revenue bonds secured solely by Electric Utility revenue; \$50,000 are the revenue bonds secured solely by Water Utility revenue; \$7,173 is for bond premiums; a negative \$2,268 is for a deferred amount on the refunding of the 2003 Tax Allocation Bonds; a negative \$1,863 is for a deferred amount on the refunding of the 2006 Electric revenue bond; \$24,542 is set aside for the postclosure and postclosure care of Scholl Canyon landfill; \$10,540 is for capital leases; \$511 is for arbitrage rebate liability; \$25,717 is for compensated absences; \$690 is for section 108, \$13,352 is for low and mod loans; \$110 is for accrued interest; \$36,124 is for claims payable and \$3,997 is for post employment benefits.

City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

City of Glendale's Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
General long term debts						
Police building project (COPs)	55,500	56,900	-	-	55,500	56,900
2002 GRA Tax allocation bonds	36,305	38,405	-	-	36,305	38,405
2003 GRA Tax allocation bonds	46,895	49,575	-	-	46,895	49,575
Electric Revenue Bonds, 2003 series	-	-	26,870	27,665	26,870	27,665
Electric Revenue Bonds, 2006 Series	-	-	36,135	37,145	36,135	37,145
Electric Revenue Bonds, 2008 Series	-	-	60,000	60,000	60,000	60,000
Water Revenue Bonds, 2008 Series	-	-	50,000	50,000	50,000	50,000
Bond Premium	3,112	3,363	4,061	4,243	7,173	7,606
Deferred Amount on Refunding - 2003 TAB	(2,268)	(2,468)	-	-	(2,268)	(2,468)
Deferred Amount on Refunding - 2006						
Electric Bond	-	-	(1,863)	(2,018)	(1,863)	(2,018)
Landfill postclosure and postclosure care liability	24,542	23,262	-	-	24,542	23,262
Capital lease	10,540	9,935	-	-	10,540	9,935
Arbitrage rebate liability	492	212	19	-	511	212
Compensated absences	18,654	18,581	7,063	6,806	25,717	25,387
Section 108	690	1,100	-	-	690	1,100
Notes Payable	-	923	-	-	-	923
Low and Mod Loan	13,352	-	-	-	13,352	-
Accrued interest	-	-	110	116	110	116
Claims payable	36,124	31,306	-	-	36,124	31,306
Post employment benefits	2,796	2,257	1,201	546	3,997	2,803
Total general long term debts	246,734	233,351	183,596	184,503	430,330	417,854

The City's total debt increased by \$12,476 (3.0 percent) during the current fiscal year. The factors in this net decrease were the retirement of \$1,400 of the Police building project; the retirement of \$4,780 in GRA tax allocation bonds; the retirement of \$1,805 of the 2003 & 2006 Electric revenue bonds; a net decrease in bond premiums of \$433; an increase in the net deferred amount of \$200 on the refunding of the 2003 tax allocation bonds; an increase of a negative net deferred amount of \$155 on the refunding of the 2006 Electric revenue bonds; a \$1,280 increase in the postclosure and postclosure care liability for the Scholl Canyon landfill; a net increase of \$605 in the capital leases due to \$2,299 of 2009 Fire Equipment lease and \$1,694 retirements of principal of 2005 and 2009 Fire Equipment lease and Municipal Services Building (MSB) Retrofit Project Lease; an increase of \$299 in arbitrage rebate liability due to an additional \$19 for arbitrage rebate liability; an addition of compensated absences of \$330; a \$410 decrease for Section 108; a \$923 decrease for notes payable resulted from the payoff of notes payable balance for the Murchison Property as of June 30, 2009; a net increase of \$13,352 due to a new Glendale Housing Authority Loan amount \$14,000; a \$6 decrease for accrued interest; an increase of \$4,818 claims payable and a \$1,194 increase in post employment benefit.

City of Glendale

Management's Discussion and Analysis, continued

June 30, 2009

(in thousands)

The City's Debt Ratings (based on insurance purchased related to the issues):

Debt Issue	Moody's	Standard & Poor's (S & P)	Fitch's
Police building project (COP)	AA-	AA-	AA-
2002 GRA tax allocation bonds	Aaa	AAA	N/A
2003 GRA tax allocation bonds	Aaa	AAA	N/A
Electric revenue bonds, 2003 series	Aaa	AAA	AAA
Electric revenue bonds, 2006 refunding series	Aaa	AAA	AAA
Electric revenue bonds, 2008 series	Aaa	AAA	AAA
Water revenues bonds, 2008 series	Aaa	AAA	AAA

Additional information on the City's long-term debt can be found in note III C on pages 57-63 of this report

Economic Factors and Next Year's Budget and Rates

- Sales tax revenue has declined significantly due to the economic climate throughout the State of California and the County of Los Angeles Sales Tax is projected to decrease by 13% in the next year.
- Property tax revenues are projected to remain the same next year largely based on the decline in the prices of home sales as a result of the economic downturn.
- Utility user's tax has seen some significant changes this year. In April 2009, the residents of the City of Glendale voted in favor of updating the existing UUT ordinance and lowering the rate for telecommunications from 7.0% to 6.5%. The telecommunications services category now includes wired and wireless telecommunications, intrastate, interstate, and international services; ancillary services; voice-over internet protocol; paging; and private communication services. In addition, the video services category includes cable and internet television. The utility user's tax revenues are projected to remain the same in the next year. It was determined that the lowering of the telecommunications and video services rates, while expanding the tax base, would provide a revenue neutral scenario.

All of these factors were considered in preparing the City's budget for the 2009-10 fiscal year.

State Budget

The State Budget crisis continues as the State legislature continues to use short-term solutions to solve a structural deficit in the State Budget. Since 1992-93, the State legislature has passed legislation to reallocate funds from local government and redevelopment agencies to school districts by shifting a portion of each agency's tax increment, net of amounts due to other taxing agencies, to school districts for deposit in the Education Revenue Augmentation Fund (ERAF). With the recent passage of Proposition 1A, State Constitutional protections prevent the State from taking City revenues. However, it allows the State to borrow 8% of property tax in a financial emergency. The State declared such emergency in its 2009-10 budget, and planned to borrow \$3.9 million from the City of Glendale. Through Proposition 1A securitization program, the City can seal its receivable to California Community and receive 100% of the \$3.9 million. The City enrolled in this program in November 2009.

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.

Exhibit A-1
CITY OF GLENDALE
Statement of Net Assets
June 30, 2009 (in thousands)

	Governmental Activities	Business Type Activities	Total
Assets			
Current assets:			
Cash and invested cash	\$ 246,905	182,807	429,712
Imprest cash	19	4	23
Cash with fiscal agent	15,684	8,189	23,873
Restricted Investment	-	1,675	1,675
Interest receivable	1,829	1,354	3,183
Accounts receivable, net	7,724	14,462	22,186
Unbilled services	1,543	22,880	24,423
Due from other agencies	27,793	728	28,521
Internal balances	22,339	(22,339)	-
Deposits	7	10	17
Inventories	398	7,106	7,504
Prepaid items	2,800	904	3,704
	<u>327,041</u>	<u>217,780</u>	<u>544,821</u>
Noncurrent assets:			
Capital assets:			
Land	435,058	14,986	450,044
Natural gas reserve	-	13,024	13,024
Buildings and improvements	195,396	267,285	462,681
Machinery and equipment	27,201	211,432	238,633
Infrastructure	142,164	-	142,164
Construction in progress	52,847	100,241	153,088
	<u>852,666</u>	<u>606,968</u>	<u>1,459,634</u>
Designated & invested cash	26,187	77,754	103,941
Deferred charges	2,708	3,514	6,222
Loans receivable	3,372	-	3,372
Property held for resale	15,883	-	15,883
	<u>900,816</u>	<u>688,236</u>	<u>1,589,052</u>
Total non current assets	<u>900,816</u>	<u>688,236</u>	<u>1,589,052</u>
Total assets	<u>\$ 1,227,857</u>	<u>906,016</u>	<u>2,133,873</u>

(Continued)

Exhibit A-1
CITY OF GLENDALE
Statement of Net Assets
June 30, 2009 (in thousands)

	Governmental Activities	Business Type Activities	Total
Liabilities and Net Assets			
Current liabilities:			
Accounts payable	\$ 14,475	14,895	29,370
Accrued wages and withholding	6,865	-	6,865
Due to other agencies	2,270	40	2,310
Accrued interest	620	-	620
Interest payable	8	2,656	2,664
Claims payable	12,578	-	12,578
Compensated absences	2,027	785	2,812
Bonds payable, due in one year	10,570	1,905	12,475
Unearned revenues	252	-	252
Deposits	4,196	4,240	8,436
	<hr/>		
Total current liabilities	53,861	24,521	78,382
Noncurrent liabilities:			
Claims payable	23,546	-	23,546
Post employment benefits	2,796	1,201	3,997
Compensated absences	16,627	6,278	22,905
Long term debt	178,590	173,427	352,017
	<hr/>		
Total noncurrent liabilities	221,559	180,906	402,465
	<hr/>		
Total liabilities	275,420	205,427	480,847
Net assets:			
Invested in capital assets, net of related debt	782,170	448,099	1,230,269
Restricted			
Charter	19,321	-	19,321
Low and moderate housing	25,552	-	25,552
Debt service	11,633	8,123	19,756
SCAQMD emission controls	-	5,924	5,924
Unrestricted	113,761	238,443	352,204
	<hr/>		
Total net assets	\$ 952,437	700,589	1,653,026

CITY OF GLENDALE

Statement of Activities

For Fiscal Year Ended June 30, 2009 (in thousands)

	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Governmental activities:							
General government	\$ 23,508	9,890	399	-	(13,219)	-	(13,219)
Police	64,113	1,164	290	-	(62,659)	-	(62,659)
Fire	50,793	11,221	4,218	104	(35,250)	-	(35,250)
Public works	35,903	10,990	26,269	6,808	8,164	-	8,164
Housing, health and community development	49,563	45	20,875	-	(28,643)	-	(28,643)
Employment programs	5,432	980	3,090	-	(1,362)	-	(1,362)
Public service	6,729	-	300	-	(6,429)	-	(6,429)
Parks, recreation and community services	16,229	15	311	-	(15,903)	-	(15,903)
Library	9,162	221	190	-	(8,751)	-	(8,751)
Interest and fiscal charges on bonds	7,311	-	-	-	(7,311)	-	(7,311)
Total governmental activities	268,743	34,526	55,942	6,912	(171,363)	-	(171,363)
Business-type activities:							
Recreation	2,552	2,394	262	36	-	140	140
Hazardous disposal	1,680	1,550	88	-	-	(42)	(42)
Fire communications	2,790	2,890	-	-	-	100	100
Parking	6,520	7,111	-	-	-	591	591
Sewer	12,195	15,440	-	-	-	3,245	3,245
Refuse disposal	16,450	19,911	-	-	-	3,461	3,461
Electric	192,326	207,177	208	2,354	-	17,413	17,413
Water	33,886	36,068	180	902	-	3,264	3,264
Total business-type activities	268,399	292,541	738	3,292	-	28,172	28,172
Total primary government	\$ 537,142	327,067	56,681	10,204	(171,363)	28,172	(143,191)
General revenues:							
Taxes:							
Property taxes	\$ 77,060	-	-	-	77,060	-	77,060
Sales taxes	22,755	-	-	-	22,755	-	22,755
Utility users tax	28,798	-	-	-	28,798	-	28,798
Other taxes	22,268	-	-	-	22,268	-	22,268
Investment income	8,143	-	-	-	8,143	8,331	16,474
Other	16,368	-	-	-	16,368	3,614	19,982
Transfers	26,100	-	-	-	26,100	(26,100)	-
Capital contributions	(1,712)	-	-	-	(1,712)	1,712	-
Total general revenues, transfers and capital contributions	199,780	(12,443)	-	-	199,780	(12,443)	187,337
Change in net assets	28,417	15,729	-	-	28,417	15,729	44,146
Net assets, July 1	924,020	684,860	-	-	924,020	684,860	1,608,880
Net assets, June 30	\$ 952,437	700,589	-	-	\$ 952,437	700,589	1,653,026

CITY OF GLENDALE

Balance Sheet

Governmental Funds

June 30, 2009 (in thousands)

	Major Funds				Total Governmental Funds
	Glendale Redevelopment Agency Fund		Capital Improvement Fund	Nonmajor Governmental Funds	
	General Fund				
Assets					
Cash and invested cash	\$ 48,218	45,924	-	101,159	195,301
Imprest cash	19	1	-	-	20
Cash with fiscal agent	-	1,985	-	13,699	15,684
Designated & invested cash	4,000	-	20,600	-	24,600
Interest receivable	437	396	-	477	1,310
Accounts receivable, net	2,223	45	2,820	2,471	7,559
Unbilled services	911	-	-	631	1,542
Due from other agencies	7,745	3,181	9,112	7,566	27,604
Due from other funds	15,289	-	-	-	15,289
Deposits	-	7	-	-	7
Inventories	399	-	-	-	399
Prepaid items	61	222	-	2,000	2,283
Loans receivable	-	3,372	-	-	3,372
Property held for resale	-	5,074	-	10,809	15,883
Advances to other funds	68,380	-	-	-	68,380
Total assets	\$ 147,682	60,207	32,532	138,812	379,233

(Continued)

CITY OF GLENDALE

Balance Sheet

Governmental Funds

June 30, 2009 (in thousands)

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Glendale Redevelopment Agency Fund	Capital Improvement Fund		
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 6,013	1,282	3,068	2,671	13,034
Due to other funds	-	-	5,310	11,310	16,620
Due to other agencies	-	1,754	2	514	2,270
Interest payable	-	-	-	8	8
Accrued wages and withholding	6,865	-	-	-	6,865
Deferred revenues	5,064	-	9,912	952	15,928
Deposits	4,077	31	-	87	4,195
Advances from other funds	-	68,380	-	-	68,380
Total liabilities	22,019	71,447	18,292	15,542	127,300
Fund Balances:					
Reserved:					
Deposit	-	7	-	-	7
Prepaid	61	222	-	2,001	2,284
Charter	19,320	-	-	-	19,320
Debt service	-	-	-	11,633	11,633
Encumbrances	2,103	2,211	19,901	19,141	43,356
Loans receivable	-	3,372	-	-	3,372
City/Agency advances	68,380	-	-	-	68,380
Property resale	-	5,074	-	10,809	15,883
Unreserved, reported in:					
General fund	35,799	-	-	-	35,799
Special revenue funds	-	(22,126)	-	18,533	(3,593)
Capital project funds	-	-	(5,661)	18,300	12,639
Debt service funds	-	-	-	42,853	42,853
Total fund balances (deficit)	125,663	(11,240)	14,240	123,270	251,933
Total liabilities and fund balances	\$ 147,682	60,207	32,532	138,812	379,233

CITY OF GLENDALE

Reconciliation of Balance Sheet of
 Governmental Funds to the Statement of Net Assets
 June 30, 2009 (in thousands)

Fund balances of governmental funds	\$	251,933
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets are not included as financial resources in governmental fund activity

Land	435,058	
Buildings and improvements	195,396	
Equipment	27,201	
Infrastructure	142,164	
Construction in progress	<u>52,847</u>	852,666

Costs of issuance of bonds were fully expended in the governmental funds. This is the amount to establish the unamortized deferred charges.

Police building bonds	483	
Low & Mod Housing Loan	64	
2002 Tax allocation bonds	721	
2003 Tax allocation bonds	<u>1,440</u>	2,708

Long-term debt not included in the governmental fund activity:

Due within one year:

Police building bonds (COPs)	(1,500)	
2002 Tax allocation bonds	(2,165)	
2003 Tax allocation bonds	(2,615)	
Capital lease	(1,673)	
2002 Tax allocation bond premium-current	(106)	
2003 Tax allocation bond premium-current	(145)	
Loans Payable Current - Low & Mod Housing	<u>(2,366)</u>	(10,570)

Due more than one year:

Police building bonds (COPs)	(54,000)	
2002 Tax allocation bonds	(34,140)	
2003 Tax allocation bonds	(42,012)	
Post closure and post closure care	(24,542)	
2002 Tax allocation bond premium-long term	(1,215)	
2003 Tax allocation bond premium-long term	(1,646)	
Capital lease	(8,867)	
Arbitrage liability	(492)	
Section 108	(690)	
Loans Payable LT - Low & Mod Housing	<u>\$ (10,986)</u>	(178,590)

(Continued)

Exhibit B-2

CITY OF GLENDALE

Reconciliation of Balance Sheet of

Governmental Funds to the Statement of Net Assets

June 30, 2009 (in thousands)

Accrued interest payable for the current portion of interest due are not included in the governmental fund activity:

2002 Tax allocation bonds	\$	(140)	
2003 Tax allocation bonds		(169)	
Section 108		(14)	
Capital lease		<u>(297)</u>	(620)

Deferred revenue in the governmental funds is revenue in the statement of activities:

15,676

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 assets.

19,234

Net assets of governmental activities

\$ 952,437

Exhibit C-1

CITY OF GLENDALE

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2009 (in thousands)

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Glendale Redevelopment Agency Fund	Capital Improvement Fund		
Revenues:					
Property taxes	\$ 41,778	20,026	-	15,256	77,060
Other taxes	60,759	-	6,287	6,774	73,820
Revenue from other agencies	1,390	2,279	10,124	42,765	56,558
Licenses and permits	4,837	-	74	-	4,911
Fines and forfeitures	1,258	-	-	1,409	2,667
Charges for services	3,977	18	4,328	13,669	21,992
Use of money and property	4,428	1,856	2	3,197	9,483
Intergovernmental revenue	2,040	-	-	-	2,040
Interfund revenue	7,699	-	-	-	7,699
Sales of property	13	-	-	131	144
Miscellaneous revenue	2,172	66	39	3,344	5,621
Total Revenues	130,351	24,245	20,854	86,545	261,995
Expenditures:					
Operating expenditures					
General government	19,537	-	96	832	20,465
Community promotion	105	-	-	-	105
Police	54,452	-	48	6,226	60,726
Fire	35,438	-	-	14,752	50,190
Public works	18,945	-	1,498	10,077	30,520
Housing, health and community development	2,580	12,957	-	30,331	45,868
Employment programs	-	-	-	3,118	3,118
Public service	-	-	-	6,674	6,674
Parks, recreation and community services	11,537	-	1,424	499	13,460
Library	8,006	-	185	452	8,643
Capital	341	8,420	19,843	13,841	42,445
Debt service	-	-	-	13,037	13,037
Total expenditures	150,941	21,377	23,094	99,839	295,251
Excess of revenues over (under) expenditures	\$ (20,590)	2,868	(2,240)	(13,294)	(33,256)

(Continued)

Exhibit C-1

CITY OF GLENDALE

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2009 (in thousands)

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Glendale Redevelopment Agency Fund	Capital Improvement Fund		
Other financing sources (use):					
Issuance of debt	\$ -	-	-	14,000	14,000
Transfer In:					
Transfer-General Fund	-	-	-	4,060	4,060
Transfer-Capital Funds	4,300	-	-	1,392	5,692
Transfer-GRA	-	658	-	-	658
Transfer-Haz Mat Fund	100	-	-	-	100
Transfer-Sewer Fund	1,135	-	-	-	1,135
Transfer-Refuse Fund	500	-	-	-	500
Transfer-Electric	19,107	-	-	-	19,107
Transfer-Water	4,160	-	-	-	4,160
Transfer-Parking	1,900	-	-	-	1,900
Transfer-Internal Service Fund	-	-	-	167	167
Transfer Out:					
Transfer-Enterprise Fund	-	-	-	(802)	(802)
Transfer-General Fund	-	-	(4,300)	-	(4,300)
Transfer-Special Revenue	(4,060)	(658)	-	-	(4,718)
Transfer-Debt Service	-	-	(1,392)	-	(1,392)
Transfer-Int Service	(2,386)	-	(1,048)	-	(3,434)
Total financing sources (use)	24,756	-	(6,740)	18,817	36,833
Net change in fund balances	4,166	2,868	(8,980)	5,523	3,577
Fund Balance, July 1	121,497	(14,108)	23,220	117,747	248,356
Fund Balance, June 30	\$ 125,663	(11,240)	14,240	123,270	251,933

Exhibit C-2

CITY OF GLENDALE

Reconciliation of the Statement of Revenue, Expenditures, and Changes in the Fund balances of
 Governmental Funds to the Statement of Activities
 Year Ended June 30, 2009 (in thousands)

Net change in fund balances - total governmental funds	\$	3,577
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital assets as expenditures		40,740
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense.		(17,936)
In the statement of activities, bond issuance costs are deferred and allocated to expense over the life of bonds:		
Police building bonds (COPs)	(23)	
Low & Mod Housing Loan	64	
2002 Tax allocation bonds	(57)	
2003 Tax allocation bonds	<u>(118)</u>	(134)
In the statement of activities, the Low & Mod Loan Proceeds were recorded in the fund as Revenue from other financing sources		
LT liability is recognized in Government-Wide		(14,000)
In the statement of activities, bond premium is allocated over the life of bonds as revenue		
2002 Tax allocation bonds	106	
2003 Tax allocation bonds	<u>145</u>	251
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:		
Police building bonds (COPs)	1,400	
2002 Tax allocation bonds	2,100	
2003 Tax allocation bonds	2,480	
Capital lease	1,068	
Section 108	410	
Low & Mod Housing Loan	648	
Notes payable	<u>\$ 923</u>	9,029

(Continued)

Exhibit C-2

CITY OF GLENDALE

Reconciliation of the Statement of Revenue, Expenditures, and Changes in the Fund balances of
 Governmental Funds to the Statement of Activities
 Year Ended June 30, 2009 (in thousands)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds:

Interest Expense FY 2009		
2002 Tax allocation bonds	\$	6
2003 Tax allocation bonds		11
Section 108		3
Low & Mod Housing Loan		(17)
Capital lease - MSB Retrofit		<u>(225)</u>
		(222)
Landfill postclosure care liability increased from prior year		(1,280)
Arbitrage liability		(280)
Deferred revenue in the governmental funds is a revenue in the statement of activities		9,304
Transferring Assets from Governmental Funds to Proprietary Fund as Capital Contributions		(1,712)
Change in net assets of Internal Service funds allocated to governmental activities		1,080
		<hr/>
Change in net assets for governmental activities	\$	<u><u>28,417</u></u>

Exhibit D-1

CITY OF GLENDALE

Statement of Revenues - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Property taxes	\$ 41,937	41,937	41,778	(159)
Other Taxes				
Sales Tax	19,775	19,775	18,237	(1,538)
ERAF in Lieu of Sales Tax	6,811	6,811	6,608	(203)
State 1/2% Sales Tax	1,600	1,600	1,548	(52)
Utility Users Tax	28,525	28,525	28,798	273
Franchise Tax	2,713	2,713	2,708	(5)
Occupancy Tax	3,000	3,000	2,381	(619)
Property Transfer Tax	850	850	479	(371)
Total	63,274	63,274	60,759	(2,515)
Licenses and permits:				
Dog Licenses	160	160	109	(51)
Building Permits	5,100	5,100	2,806	(2,294)
Plan Check Fees	350	350	174	(176)
Variance Permits	1,050	1,050	895	(155)
Grading Permits	10	10	24	14
Street Permits	335	335	316	(19)
Business License Permits	425	425	513	88
Total	7,430	7,430	4,837	(2,593)
Fines & forfeitures-Traffic safety fines	1,540	1,540	1,258	(282)
Use of money and property:				
Interest & Inv. Revenue	3,250	3,250	1,632	(1,618)
Interest & Inv GASB 31	-	-	239	239
Landfill Gas Royalties	2,750	2,750	2,457	(293)
Rental Income	100	100	100	-
Total	6,100	6,100	4,428	(1,672)
Revenue from other agencies:				
Mutual Aid Reimbursement	200	-	392	392
State AB 1662 Booking Fee	25	25	-	(25)
State S/B 90	100	100	9	(91)
Motor Vehicle in Lieu	1,100	1,100	753	(347)
State Library Grant	80	80	12	(68)
State H/O Exemptions	225	225	222	(3)
County Grants	10	10	2	(8)
Total	\$ 1,740	1,540	1,390	(150)

(Continued)

Exhibit D-1

CITY OF GLENDALE

Statement of Revenues - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Miscellaneous revenue:				
Donations & Contribution	\$ 40	40	11	(29)
Rose Float Donations	45	45	48	3
Sponsorships	16	16	13	(3)
Advertising Revenue	4	4	56	52
Miscellaneous Revenue	550	570	2,057	1,487
Total	655	675	2,185	1,510
Charges for services:				
Zoning-Subdivision Fees	76	76	28	(48)
Map and Publication Fees	40	40	36	(4)
Filing-Certification Fee	10	10	8	(2)
Passports	100	100	27	(73)
Passport Photos	30	30	10	(20)
Notary Fees	6	6	11	5
Shipping Fees	8	8	2	(6)
Child Identification Kits	-	-	1	1
Passport pass-through fee	200	200	106	(94)
Film Rentals of City Property	190	190	79	(111)
Special Event Fees	-	-	649	649
Finger Print Fees	200	200	239	39
Special Police Fees	800	800	474	(326)
Vehicle Tow Admin Fee (VTACR)	150	150	185	35
Arrestee Booking Fees Cost Rec	200	200	-	(200)
Disturbance Call Cost Recovery	100	100	-	(100)
Fire Fees	650	650	300	(350)
Fire Mechanical Maint Fees	10	10	11	1
Fire Communication - Tri City	250	258	287	29
Hydrant Flow Test Fees	5	5	6	1
Hazardous Vegetation Fee	5	5	-	(5)
Code Enforcement Fees	90	90	45	(45)
Administrative Code Enforcemen	70	70	-	(70)
Youth Employment Fees	1,706	1,706	911	(795)
Outreach revenue	130	130	70	(60)
Express Plan Check Fees	-	-	30	30
Excavation Fees	120	120	88	(32)
Collectible Jobs - A & G	130	130	76	(54)
Library Fines and Fees	125	125	118	(7)
Sports Leagues	-	-	4	4
Aquatics	15	15	11	(4)
Local Assessment Fees	100	100	165	65
Total	\$ 5,516	5,524	3,977	(1,547)

(Continued)

Exhibit D-1

CITY OF GLENDALE

Statement of Revenues - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Interfund revenue				
Charges to enterprise funds for:				
City Manager	\$ 1,137	1,137	1,002	(135)
City Auditor	374	374	349	(25)
City Clerk	496	496	445	(51)
Finance	1,322	1,322	1,074	(248)
EDP	2,045	2,045	2,315	270
City Treasurer	245	245	219	(26)
Purchasng	196	196	172	(24)
City Attorney	881	881	710	(171)
Human Resources	604	604	468	(136)
Training	64	64	40	(24)
Parks-Rec	61	61	56	(5)
G.G. Bldg	51	51	47	(4)
Mem & Due	31	31	31	-
PW Admin	361	361	299	(62)
Salary O/H Budget Job	408	408	472	64
Total	8,276	8,276	7,699	(577)
Intergovernmental revenue	2,040	2,040	2,040	-
Total revenues	\$ 138,508	138,336	130,351	(7,985)

Exhibit D-2

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

	Salaries and Benefits			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
General Government:				
City Clerk	\$ 903	903	891	12
Elections	38	38	66	(28)
City Treasurer	499	499	459	40
City Manager	1,961	1,962	1,932	30
City Auditor	793	735	753	(18)
Legal	1,747	1,652	1,549	103
Finance	2,123	2,123	2,043	80
Purchasing	406	378	385	(7)
Information Services	4,210	4,116	3,615	501
Planning	3,198	3,198	3,154	44
Human Resources	1,324	1,324	1,135	189
Fingerprinting & Passports	209	130	135	(5)
Training	-	-	-	-
Total	17,411	17,058	16,117	941
Community Promotion:				
Special Events	-	-	-	-
Membership and Dues	-	-	-	-
Total	-	-	-	-
Public Safety:				
Police	49,182	49,182	47,613	1,569
Fire	31,246	31,143	30,302	841
Fire Prevention	1,555	1,445	1,121	324
Fire Communications	-	-	-	-
Emergency Services	133	133	62	71
Total	\$ 82,116	81,903	79,098	2,805

(Continued)

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

Maintenance and Operation				
	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
General Government:				
City Clerk	\$ 178	218	154	64
Elections	292	292	369	(77)
City Treasurer	65	65	54	11
City Manager	628	646	471	175
City Auditor	69	68	66	2
Legal	143	143	116	27
Finance	994	994	477	517
Purchasing	25	24	18	6
Information Services	781	875	879	(4)
Planning	141	169	170	(1)
Human Resources	426	439	240	199
Fingerprinting & Passports	446	445	283	162
Training	177	177	123	54
Total	4,365	4,555	3,420	1,135
Community Promotion:				
Special Events	40	40	10	30
Membership and Dues	68	68	95	(27)
Total	108	108	105	3
Public Safety:				
Police	6,228	6,212	6,839	(627)
Fire	2,689	2,789	2,746	43
Fire Prevention	260	259	251	8
Fire Communications	849	849	887	(38)
Emergency Services	79	109	69	40
Total	\$ 10,105	10,218	10,792	(574)

(Continued)

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

Capital Outlay				
	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
General Government:				
City Clerk	\$ -	-	-	-
Elections	-	-	-	-
City Treasurer	-	-	-	-
City Manager	7	7	-	7
City Auditor	-	-	-	-
Legal	-	-	-	-
Finance	-	-	-	-
Purchasing	-	-	-	-
Information Services	-	-	-	-
Planning	-	-	-	-
Human Resources	-	83	83	-
Fingerprinting & Passports	-	-	-	-
Training	-	-	-	-
Total	7	90	83	7
Community Promotion:				
Special Events	-	-	-	-
Membership and Dues	-	-	-	-
Total	-	-	-	-
Public Safety:				
Police	157	172	-	172
Fire	65	86	78	8
Fire Prevention	-	-	-	-
Fire Communications	-	-	-	-
Emergency Services	30	-	-	-
Total	\$ 252	258	78	180

(Continued)

Exhibit D-2

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

	Total			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
General Government:				
City Clerk	\$ 1,081	1,121	1,045	76
Elections	330	330	435	(105)
City Treasurer	564	564	513	51
City Manager	2,596	2,615	2,403	212
City Auditor	862	803	819	(16)
Legal	1,890	1,795	1,665	130
Finance	3,117	3,117	2,520	597
Purchasing	431	402	403	(1)
Information Services	4,991	4,991	4,494	497
Planning	3,339	3,367	3,324	43
Human Resources	1,750	1,845	1,458	388
Fingerprinting & Passports	655	575	418	157
Training	177	177	123	54
Total	21,783	21,703	19,620	2,083
Community Promotion:				
Special Events	40	40	10	30
Membership and Dues	68	68	95	(27)
Total	108	108	105	3
Public Safety:				
Police	55,567	55,566	54,452	1,114
Fire	34,000	34,018	33,126	892
Fire Prevention	1,815	1,704	1,372	332
Fire Communications	849	849	887	(38)
Emergency Services	242	242	131	111
Total	\$ 92,473	92,379	89,968	2,411

(Continued)

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

		Salaries and Benefits			
		Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Public Works:					
Public Works	\$	689	642	636	6
Project Management		352	-	-	-
Engineering		2,940	2,623	2,543	80
Building Inspection		3,255	3,048	2,831	217
Corporation Yard		-	-	-	-
Custodial Services		909	909	708	201
Building Services		1,529	1,529	1,312	217
Street Administration		350	326	277	49
Street Maintenance		1,409	1,409	1,132	277
Sidewalk Maintenance		1,326	1,326	1,121	205
Street Trees Maintenance		996	930	910	20
Mechanical Maintenance		672	649	341	308
Warehouse		129	105	99	6
Traffic Engineering		548	548	913	(365)
Traffic Signals		108	(6)	-	(6)
Traffic Safety Controls		390	365	302	63
Total		15,602	14,403	13,125	1,278
Housing, Health and Community Development:					
Economic Development		-	-	-	-
Neighborhood Services		1,048	1,043	888	155
Youth Employment		1,878	1,878	1,216	662
Total		2,926	2,921	2,104	817
Parks, Recreation and Community Services:					
Parks Administration		1,301	870	724	146
Parks		5,194	5,001	4,877	124
Facility & Events Services		1,281	1,221	1,181	40
Recreation & Community Services		2,192	2,099	1,811	288
Total		9,968	9,191	8,593	598
Library		6,474	6,396	6,173	223
Total Expenditures	\$	134,497	131,872	125,210	6,662

(Continued)

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

Maintenance and Operation				
	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Public Works:				
Public Works	\$ 52	50	48	2
Project Management	29	-	-	-
Engineering	208	305	243	62
Building Inspection	427	424	213	211
Corporation Yard	112	112	115	(3)
Custodial Services	109	109	112	(3)
Building Services	1,130	1,288	1,019	269
Street Administration	31	56	46	10
Street Maintenance	373	392	230	162
Sidewalk Maintenance	1,578	1,595	488	1,107
Street Trees Maintenance	701	762	519	243
Mechanical Maintenance	1,714	1,564	1,055	509
Warehouse	7	7	8	(1)
Traffic Engineering	468	478	335	143
Traffic Signals	958	1,197	1,240	(43)
Traffic Safety Controls	110	135	149	(14)
Total	8,007	8,474	5,820	2,654
Housing, Health and Community Development:				
Economic Development	20	20	9	11
Neighborhood Services	323	367	312	55
Youth Employment	122	122	155	(33)
Total	465	509	476	33
Parks, Recreation and Community Services:				
Parks Administration	140	128	92	36
Parks	1,993	2,095	2,181	(86)
Facility & Events Services	170	169	161	8
Recreation & Community Services	558	583	510	73
Total	2,861	2,975	2,944	31
Library	1,809	1,873	1,833	40
Total Expenditures	\$ 27,720	28,712	25,390	3,322

(Continued)

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

Capital Outlay				
	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Public Works:				
Public Works	\$ -	-	-	-
Project Management	9	-	-	-
Engineering	50	65	15	50
Building Inspection	-	-	-	-
Corporation Yard	-	-	-	-
Custodial Services	-	-	-	-
Building Services	35	35	-	35
Street Administration	-	-	-	-
Street Maintenance	-	-	-	-
Sidewalk Maintenance	-	-	-	-
Street Trees Maintenance	-	-	-	-
Mechanical Maintenance	15	215	-	215
Warehouse	-	-	-	-
Traffic Engineering	-	-	-	-
Traffic Signals	-	-	-	-
Traffic Safety Controls	-	-	-	-
Total	109	315	15	300
Housing, Health and Community Development:				
Economic Development	-	-	-	-
Neighborhood Services	7	7	-	7
Youth Employment	-	-	-	-
Total	7	7	-	7
Parks, Recreation and Community Services:				
Parks Administration	-	-	-	-
Parks	65	141	108	33
Facility & Events Services	-	-	-	-
Recreation & Community Services	-	-	-	-
Total	65	141	108	33
Library	134	158	57	101
Total Expenditures	\$ 574	969	341	628

(Continued)

Exhibit D-2

CITY OF GLENDALE

Statement of Expenditures - Budget to Actual

General Fund

Year Ended June 30, 2009 (in thousands)

	Total			Variance With Final Budget Over (Under)
	Original Budget	Final Budget	Actual	
Public Works:				
Public Works	\$ 741	692	684	8
Project Management	390	-	-	-
Engineering	3,198	2,993	2,801	192
Building Inspection	3,682	3,472	3,044	428
Corporation Yard	112	112	115	(3)
Custodial Services	1,018	1,018	820	198
Building Services	2,694	2,852	2,331	521
Street Administration	381	382	323	59
Street Maintenance	1,782	1,801	1,362	439
Sidewalk Maintenance	2,904	2,921	1,609	1,312
Street Trees Maintenance	1,697	1,692	1,429	263
Mechanical Maintenance	2,401	2,428	1,396	1,032
Warehouse	136	112	107	5
Traffic Engineering	1,016	1,026	1,248	(222)
Traffic Signals	1,066	1,191	1,240	(49)
Traffic Safety Controls	500	500	451	49
Total	23,718	23,192	18,960	4,232
Housing, Health and Community Development:				
Economic Development	20	20	9	11
Neighborhood Services	1,378	1,417	1,200	217
Youth Employment	2,000	2,000	1,371	629
Total	3,398	3,437	2,580	857
Parks, Recreation and Community Services:				
Parks Administration	1,441	998	816	182
Parks	7,252	7,237	7,166	71
Facility & Events Services	1,451	1,390	1,342	48
Recreation & Community Services	2,750	2,682	2,321	361
Total	12,894	12,307	11,645	662
Library	8,417	8,427	8,063	364
Total Expenditures	\$ 162,791	161,553	150,941	10,612

Exhibit E-1
CITY OF GLENDALE
Statement of Net Assets
Proprietary Funds
June 30, 2009 (in thousands)

	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Assets						
Current assets:						
Cash and invested cash	\$ 63,461	80,880	14,350	24,116	182,807	51,604
Imprest cash	-	3	1	-	4	-
Cash with fiscal agent	-	4,704	3,485	-	8,189	-
Interest receivable	311	795	128	120	1,354	517
Restricted investment	-	1,675	-	-	1,675	-
Accounts receivable, net	813	9,791	2,311	1,547	14,462	166
Unbilled services	1,120	17,118	3,370	1,272	22,880	-
Due from other agencies	-	3	300	425	728	188
Due from other funds	-	1,331	-	-	1,331	-
Deposits	-	10	-	-	10	-
Inventories	-	7,106	-	-	7,106	-
Prepaid items	-	904	-	-	904	516
Total current assets	65,705	124,320	23,945	27,480	241,450	52,991
Noncurrent assets:						
Designated & invested cash	-	69,083	8,671	-	77,754	1,587
Deferred charges	-	2,860	654	-	3,514	-
	-	71,943	9,325	-	81,268	1,587
Capital assets:						
Land	578	6,084	1,034	7,290	14,986	-
Natural Gas Reserve	-	14,876	-	-	14,876	-
Buildings and improvements	189,970	56,810	87,581	48,838	383,199	-
Machinery and equipment	2,007	390,451	47,233	21,981	461,672	30,725
Accumulated depreciation	(39,491)	(237,432)	(53,762)	(35,469)	(366,154)	(16,949)
Gas Depletion	-	(1,852)	-	-	(1,852)	-
Construction in progress	-	60,781	39,460	-	100,241	-
Total capital assets	153,064	289,718	121,546	42,640	606,968	13,776
Total noncurrent assets	153,064	361,661	130,871	42,640	688,236	15,363
Total assets	\$ 218,769	485,981	154,816	70,120	929,686	68,354

(Continued)

Exhibit E-1
CITY OF GLENDALE
Statement of Net Assets
Proprietary Funds
June 30, 2009 (in thousands)

	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Liabilities and Net Assets						
Current liabilities:						
Accounts payable	\$ 442	7,947	5,553	953	14,895	1,438
Due to other agencies	-	-	-	40	40	-
Accrued interest	-	-	-	-	-	56
Interest payable	-	1,886	770	-	2,656	-
Claims Payable	-	-	-	-	-	12,578
Compensated absences	-	-	-	-	-	2,812
Bonds payable, due in one year	-	1,840	65	-	1,905	557
Deposits	278	2,732	747	483	4,240	-
Total current liabilities	720	14,405	7,135	1,476	23,736	17,441
Noncurrent liabilities:						
Claims payable	-	-	-	-	-	23,546
Compensated absences	-	-	-	-	-	22,905
Long term debt	-	121,641	51,786	-	173,427	3,873
Total noncurrent liabilities	-	121,641	51,786	-	173,427	50,324
Total liabilities	720	136,046	58,921	1,476	197,163	67,765
Net assets:						
Invested in capital assets, net of related debt	153,065	175,047	77,347	42,640	448,099	9,346
Restricted						
Debt service	-	4,639	3,485	-	8,124	-
SCAQMD emission controls	-	5,924	-	-	5,924	-
Unrestricted	64,984	164,325	15,063	26,004	270,376	(8,757)
Total net assets	\$ 218,049	349,935	95,895	68,644	732,523	589
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.					<u>(31,934)</u>	
Total net assets of business-type activities				\$	<u><u>700,589</u></u>	

CITY OF GLENDALE

Statement of Revenues, Expenses and
 Changes in Net Assets
 Proprietary Funds
 June 30, 2009 (in thousands)

	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Operating revenues:						
Charges for services	\$ 15,440	207,177	36,068	33,856	292,541	39,461
Miscellaneous revenue	15	1,704	1,174	530	3,423	738
Total operating revenue	15,455	208,881	37,242	34,386	295,964	40,199
Operating expenses	6,656	168,148	28,934	27,155	230,893	12,482
Claims and settlement	-	-	-	-	-	28,509
Depreciation	5,410	17,137	3,093	2,434	28,074	28
Gas depletion	-	330	-	-	330	-
Total operating expenses	12,066	185,615	32,027	29,589	259,297	41,019
Operating income (loss)	3,389	23,266	5,215	4,797	36,667	(820)
Non operating revenues (expenses):						
Use of money and property	1,943	4,916	931	727	8,517	1,609
Disaster Relief Reimb	-	208	-	-	208	-
Disaster Relief Reimb - State	-	69	-	-	69	-
Proprietary Grants	-	-	180	348	528	-
Interest on Bonds	-	(4,815)	(1,474)	-	(6,289)	-
Accr int cap lease -Fire Equip	-	-	-	-	-	(98)
Int Cap Lease - Fire Equip 09	-	-	-	-	-	(41)
Total non operating revenues, net	1,943	378	(363)	1,075	3,033	1,470
Income before contributions and transfers	5,332	23,644	4,852	5,872	39,700	650
Capital Contributions	-	2,285	902	1,751	4,938	10,118
Transfer in:						
Transfer-Special Revenue	-	-	-	802	802	-
Transfer-General Fund	-	-	-	-	-	2,386
Transfer-Capital Funds	-	-	-	-	-	950
Transfer-Internal Service Fund	-	-	-	-	-	98
Transfer out:						
Transfer-General Fund	(1,135)	(19,107)	(4,160)	(2,500)	(26,902)	-
Transfer-Special Revenue	-	-	-	-	-	(167)
Change in net assets	4,197	6,822	1,594	5,925	18,538	14,035
Total net assets, July 1	213,852	343,113	94,301	62,719		(13,446)
Total net assets, June 30	\$ 218,049	349,935	95,895	68,644		589

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. (2,809)

Total net assets of business-type activities \$ 15,729

Exhibit E-3

CITY OF GLENDALE

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2009 (in thousands)

	Sewer Fund	Electric Fund	Water Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:						
Cash from customers	\$ 15,643	211,830	36,766	34,267	298,506	40,113
Cash paid to employees	(2,676)	(40,547)	(4,373)	(14,200)	(61,796)	(9,130)
Cash paid to suppliers	(5,428)	(133,189)	(23,402)	(13,043)	(175,062)	(29,837)
Net cash provided by (used in) operating activities	7,539	38,094	8,991	7,024	61,648	1,146
Cash flows from noncapital financing activities:						
Transfers out	(1,135)	(19,107)	(4,160)	(2,500)	(26,902)	(167)
Transfers in	-	-	-	802	802	3,434
Grant received	-	277	180	347	804	-
Net cash provided by (used in) noncapital financing activities	(1,135)	(18,830)	(3,980)	(1,351)	(25,296)	3,267
Cash flows from capital and related financing activities:						
Interest on long term debt	-	(4,800)	(1,459)	-	(6,259)	(139)
Bond principal and capital lease payments	-	(1,698)	-	-	(1,698)	1,711
Contribution in aid	-	2,285	902	39	3,226	-
Acquisition of property, plant, gas and equipment	(10,541)	(29,641)	(23,220)	(1,066)	(64,468)	(3,586)
Investment - gas/electric commodity	-	3,074	-	-	3,074	-
Net cash provided by (used in) capital and related financing activities	(10,541)	(30,780)	(23,777)	(1,027)	(66,125)	(2,014)
Cash provided by investing activities - interest received	2,180	5,496	1,135	730	9,541	1,772
Net increase (decrease) in cash and cash equivalents	(1,957)	(6,020)	(17,631)	5,376	(20,232)	4,171
Cash and cash equivalents at beginning of year	65,418	160,690	44,138	18,740	288,986	49,020
Cash and cash equivalents at end of year	63,461	154,670	26,507	24,116	268,754	53,191
Reconciliation of operating income to net cash provided by operating activities:						
Operating income (loss)	3,389	23,266	5,215	4,797	36,667	(820)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	5,410	17,137	3,093	2,434	28,074	28
Gas Depletion	-	330	-	-	330	-
(Increase)Decrease Accounts receivable net	136	3,293	(224)	(88)	3,117	(146)
(Increase)Decrease Unbilled services	43	(358)	(30)	13	(332)	-
(Increase)Decrease Due from other agencies	8	14	(222)	(45)	(245)	(187)
(Increase)Decrease Inventories	-	199	-	-	199	-
(Increase)Decrease Prepaid expenses	-	(580)	-	-	(580)	(59)
(Increase)Decrease Deferred charges	-	(131)	23	-	(108)	-
Increase(Decrease) Compensated absences	-	-	-	-	-	330
Increase(Decrease) Post employment benefit	-	-	-	-	-	(918)
Increase(Decrease) Accounts payable	(1,466)	(5,267)	949	7	(5,777)	(1,252)
Increase(Decrease) Due to other agencies	-	-	-	1	1	-
Increase(Decrease) Due to other funds	-	-	-	-	-	(648)
Increase(Decrease) Deposits	19	191	187	(95)	302	-
Increase(Decrease) Claims payable	-	-	-	-	-	4,818
Total adjustments	4,150	14,828	3,776	2,227	24,981	1,966
Net cash provided (used) by operating activities	\$ 7,539	38,094	8,991	7,024	61,648	1,146
Noncash investing, capital, and financing activities:						
Contributions of capital assets from government	-	-	-	1,712	1,712	10,118
Amortization of premium, loss on refunding and arbitrage liability incurred	-	(56)	(65)	-	(121)	-
Increase in fair value of investments	208	425	35	79	747	169

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

I. Summary of Significant Accounting Policies

A. Reporting Entity

These financial statements present the financial results of the City of Glendale, California (the City) and its component units as required by accounting principles generally accepted in the United States of America. Component units are legally separate entities for which the primary government is financially accountable. The City has three component units, the Glendale Redevelopment Agency (the Agency), the Glendale Housing Authority (the Authority) and the City of Glendale Financing Authority (the Financing Authority). The City Council serves as the Board of the Redevelopment Agency, the Housing Authority as well as the Financing Authority. Therefore, all of 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 Redevelopment Agency was established in 1972 and is a separate governmental entity as prescribed in the California Community Redevelopment law and set forth in the Health and Safety Code of the State of California. The California Community Redevelopment law provides that, on adoption of a redevelopment plan, future incremental tax revenues attributable to increases in the tax base within a project area shall be paid into a special fund of the redevelopment agency to pay principal and interest on loans, advances and other indebtedness of the Agency. Accordingly, for purposes of its CAFR, the City records the activities of the Agency within the Special Revenue and Debt Service Funds. Further information may be obtained from the Agency's Annual Financial Report available through the City.

The Housing Authority was established by the Glendale City Council in 1975. The Authority is responsible for the administration of Department of Housing and Urban Development (HUD) funded housing assistance payments projects undertaken by the City. HUD provides an annual contribution of funds, in accordance with Section 8 of the United States Housing Act of 1937, in order to provide decent, safe and sanitary dwellings for low to moderate income families, and to increase the supply and quality of affordable housing. The Authority's financial data and transactions are included within the Special Revenue Fund; 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 is to provide financial assistance to the City of Glendale in connection with the construction and improvement of a Police Services Building to be located generally 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; no separate financial report is issued for the Financing Authority.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the City. The effect of inter-fund activity has been removed from these statements except the inter-fund 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 City is not involved in any other fiduciary activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that 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 among program revenues are reported as general revenues.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

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

The accounts of the City are organized on the basis of 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 its assets, liabilities, reserves, fund balance/net assets, revenues, and expenditures or expenses, as appropriate. The City reports a total of 61 funds comprising of the General Fund, 26 Special Revenue Funds, 5 Debt Service Funds, 3 Capital Project Funds, 8 Enterprise Funds and 18 Internal Service Funds.

1) *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 liabilities, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination.

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.

Glendale Redevelopment Agency Special Revenue Fund: Used to account for activities by the Agency in accordance with the Redevelopment Plan of the Agency made pursuant to redevelopment laws of the State of California. The Agency currently has two project areas as follows:

- i. Central Glendale Redevelopment Project
- ii. San Fernando Corridor Redevelopment Project

Capital Improvement Fund: Used to account for financial resources used for major capital projects of the general government operations.

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, which are usually required by law or regulation and capital projects funds 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.

2) *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. The measurement focus is upon income determination, financial position, and cash flows. In accordance with GASB Statement No. 20, *Accounting and financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the City has elected to apply all applicable FASB pronouncements, including those issued on or before November 30, 1989, except for those pronouncements which conflict with or contradict GASB pronouncements.

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.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

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.

Additionally, Internal Service Funds are used to finance and account for services and commodities provided by designated departments or agencies to other departments and agencies of the City.

C. 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 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 enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 120 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Charges for services and intergovernmental revenue are recognized in the period they are susceptible to accrual when they become both measurable and available to finance the expenditures of the fiscal period. Intergovernmental revenue is considered available if it is expected to be collected within 120 days of fiscal year-end and all eligibility requirements are met.

Licenses and permits, fines and forfeitures, and miscellaneous revenues are generally 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, but investment earnings are recorded as earned, since they are measurable and available.

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 1 and attached as enforceable liens on real property as July 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. Secured property taxes become a lien on the property on March 1. Property taxes on the unsecured roll are due on the March 1 lien date and become delinquent if unpaid on August 31. 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds 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 nonoperating revenues and expenses.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

D. Encumbrances

Appropriations in the governmental funds are charged for encumbrances when commitments are made. Fund balances are reserved for outstanding encumbrances, which serve as authorizations for expenditures in the subsequent year.

E. Assets, Liabilities and Net Assets or Equity

1. Cash and Investments

The City values its cash and investments in accordance with the provisions of Government Accounting Standard Board (GASB) Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Investments Pools (GASB 31)," which requires governmental entities, including governmental external investment pools, to report certain investments at fair value in the statement of net assets/balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. Fair value is determined using published market prices.

The City manages its pooled idle cash and investments under a formal investment policy that is reviewed by the Investment Committee and adopted by the City Council and that follow 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 in excess of normal operating needs. Funds must request large outlays in advance in order that the City Treasurer will have the funding available.

Interest income from the investment of pooled cash is allocated to all funds, except Capital Improvement Funds on a monthly basis based upon the prior month end cash balance of the fund as a percent of the month end total pooled cash balance. The City normally holds the investment to term; therefore no realized gain/loss is recorded.

All cash and investments are held in the City's cash management pool. Therefore, for purposes of the combined statement of cash flows for the Proprietary Funds, the City considers all cash, investments, imprest cash and cash with fiscal agents to be cash and cash equivalents.

2. Designated Cash and Investments

Cash Reserve Policy for the Electric Fund was first established in 2003. Its provision calls for annual review of the reserves to determine if the recommended levels are sufficient. The annual review of the Cash Reserve Policy for fiscal year ending June 30, 2009, established a target of \$66,400 of designated cash in the following categories: \$40,400 for contingency reserve; \$10,000 for rate stabilization reserve; and \$16,000 for Reserve for Gas Reserve Project. As of June 30, 2009, \$69,083 was designated.

In December of 2003, GWP management received approval from the City Council to implement a cash reserve policy for the Water Fund to ensure a long term sustainable financial health of the water operation. The policy calls for annual review of the reserves to determine if the recommended levels are sufficient. The annual review of the Cash Reserve Policy for fiscal year ending June 30, 2009, established a target of \$7,500 of designated cash in the following categories: \$6,500 for contingency reserve; and \$1,000 for rate stabilization reserve. As of June 30, 2009, \$8,671 was designated.

The designated cash of \$20,600 in Capital Improvement Fund is for Scholl Canyon Landfill Reserve, and \$4,000 in General Fund is for Utility Users Tax contingency.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

3. *Receivables*

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

Due from Other Agencies - The City enters into transactions with other governmental agencies. Due from other agencies includes accrued revenue earned but not received by the City as of June 30, such as expenditure driven types of grants where the City accrues grant revenues for expenditures incurred but not yet reimbursed by the grantors, and property taxes earned but not received from the County of Los Angeles.

Unbilled services - The City records utility and other services delivered to customers but not billed as of June 30, 2009.

Loans receivable - Special Revenue Fund expenditures relating to long-term loans arising from loans subsidy programs are charged to operations upon funding and the loans are recorded, net of an estimated allowance for potentially uncollectible loans. As of June 30, 2009, the Agency's outstanding loans total is \$3,372. The Agency's loan to the Glendale Unified School District (GUSD) in the amount of \$1,772 was to fund the Moyse Field improvement project of the school district and \$1,600 was to fund the purchase of the Embassy Suites Hotel property.

4. *Inter-fund Transactions*

Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved. These transactions are recorded on a cash basis.

Due to/from Other Funds are used when a fund has a temporary cash overdraft. Noncurrent portions of long-term inter-fund loan receivables are reported as advances within the governmental funds, and are offset equally by a fund balance reserve account which indicated that they do not constitute expendable available financial resources, and therefore, are not available for appropriations. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

5. *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 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. An inventory reserve is not established, as the City does not have a minimum amount of inventory requirement. Prepaid items are payments made for services to be received in the following accounting period such as insurance, energy purchases, etc.

6. *Capital Assets*

Capital assets including land, buildings, improvements, equipment and infrastructure assets (e.g. roads, sidewalks, traffic lights and signals, street lights and etc), are reported in the applicable governmental or business-type activities columns in the government-wide 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 in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

Buildings 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:

<u>Assets</u>	<u>Years</u>
Building and improvements	10-75
Machinery and equipment	4-10
Infrastructure (non-sewer)	20-60

In accordance with GASB 51, the City recorded the contractual discharged capacity from the City of Los Angeles as an intangible asset, that is recorded under building and improvements.

In June 2005, the City elected to participate in the Natural Gas Reserve Project through 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 \$306.1 million. The City’s share in the project is \$13.1 million or 4.2553%, with estimated peak daily volume between 1,600 to 1,800 MMBtu. As of June 30, 2009, the balance for Natural Gas Reserve Project, including drilling program capitalization was \$14,876.

GWP has designated \$14.7 million for future additional gas field acquisitions and drilling programs to achieve the estimated peak daily volume of 2,000 MMBtu per day. Costs of the drilling program that result in producing wells are capitalized as a component of Natural Gas Reserve. Costs of the drilling program that resulted in non-producing wells are expensed.

7. *Compensated Absences*

The City records and funds a liability for its employees’ earned but unused accumulated vacation and overtime. The unused accumulated vacation and overtime are expensed in the Employee Benefits Fund, an Internal Service Fund, which incurs the liability. As of June 30, 2009, the total liability is \$14,109, and the City has \$6,120 available in the Internal Service Fund dedicated to this liability. Total payouts incurred during the fiscal year 2008-09 is \$1,502.

The City also provides sick leave conversion benefits through the Retiree Health Saving Plan (RHSP). Unused sick leave is converted to a dollar amount and deposited in the employee’s RHSP account at retirement or termination with 20 years of City service for Glendale Police Officers Association (GPOA) and Management employees. 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 the healthcare premiums from personal funds. Total benefits paid by the City under the RHSP for the fiscal year ended June 30, 2009 is \$1,857.

Based on the most recent actuarial valuation, the actuarial accrued liability for the RHSP as of June 30, 2007 is \$11,751. The actuarial accrued liability represents the portion of the present value of project benefits due to service already rendered. As of June 30, 2009, the total RHSP liability is \$11,608, and the City has \$4,245 available in the RHSP Benefits Fund, an Internal Service Fund, dedicated to provide benefits.

8. *Post Employment Benefits*

For Glendale City Employees Association (GCEA) and Glendale Management Employees Association(GMA) who retired prior to July 2001, Glendale Police Officers Association (GPOA) employees who retired prior to December 2001 and Glendale Fire Fighters Association (GFFA) employees who retired prior to September 2002, the accumulated unused sick leave upon their retirement may be converted to the number of months that the City will contribute all or partial of these retirees’ monthly medical insurance premiums. The conversion calculations are based on the respective bargaining units’ MOU or Benefit Ordinance. Currently, there are 46 retirees receiving this City paid benefit. These 46 retirees may also elect at any time to receive a one-time cash payment of a maximum of 50% of the value of the remainder of their unused sick leave conversion for the insurance plan for which they qualify. After all the accumulated unused sick leaves are exhausted or cashed out, the retirees can terminate coverage or elect to continue paying the medical insurance premiums from personal funds.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

The City also has a Retiree Healthcare Plan which is a single-employer defined benefit healthcare plan administered by the City. The plan provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established by and may be amended by the City. The City does not have a separate audited GAAP-basis postemployment benefit plan report for this defined benefit plan.

The City provides retiree medical benefits through the City’s standalone healthcare plans. The City allows pre-Medicare eligible retirees to purchase healthcare coverage at blended employee rates. This results in an “implied subsidy” since the healthcare costs are lower for active employees than for retirees.

The City’s contribution is currently based on a projected pay-as-you-go funding method, that is, benefits are payable when due. For fiscal year 2008-09, the City contributed \$1,280 in benefit payments (\$238 for the premium subsidy and \$1,042 for the implied subsidy).

As of June 30, 2009, the City had \$700 available in an Internal Service Fund dedicated to provide benefits to plan retirees and beneficiaries. No assets were invested in an irrevocable plan trust.

The annual required contribution is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the City’s annual Other Post Employment Benefits (OPEB) cost for the year (based on 20-year amortization), the amount actually contributed to the plan, and changes in the City’s Net OPEB obligation:

	<u>Amount</u>
Annual required contribution	\$3,413
Interest on net OPEB obligation	\$84
Adjustment to annual required contribution	<u>(\$105)</u>
Annual OPEB cost (expense)	\$3,392
Contributions to irrevocable trust	0
Benefit payments	<u>(\$1,280)</u>
Increase in net OPEB obligation	\$2,112
Net OPEB obligation – beginning of year	<u>\$1,885</u>
Net OPEB obligation – end of year	<u><u>\$3,997</u></u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 and 2008 were:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/08	\$3,109	39%	\$1,885
6/30/09	\$3,392	38%	\$3,997

CITY OF GLENDALE
Notes to the Financial Statements
Fiscal Year Ended June 30, 2009
(in thousands)

The funded status of the plan as of June 30, 2007, the plan’s most recent actuarial valuation date, was:

Actuarial accrued liability (AAL)	\$27,902
Actuarial value of plan assets	<u>0</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$27,902</u></u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active Plan members)	\$133,050
UAAL as a percentage of covered payroll	21%

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2007 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses), which is the expected long-term investment return on the City’s investments, a 3% general inflation assumption, an annual pre-Medicare eligible HMO medical cost trend rate of 10.4% (11.3% for PPO’s) for 2008 decreasing to 4.5% after 9 years. The post-Medicare eligible medical cost trend rate started 0.4% higher for 2008. The UAAL is being amortized as a level percentage of projected payroll over 20 years on an open basis. The remaining amortization period at June 30, 2007 was 20 years.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress
Postemployment Healthcare Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/07	\$0	\$27,902	\$27,902	0%	\$133,050	21%

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

9. *Deferred Revenue*

Deferred revenues in the governmental funds represent amounts due, which are measurable, but not available. Interest earned from City/Agency debt as well as Grants and shared revenues received that are not available or eligible to finance current expenditures are reported as deferred revenues.

10. *Real 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 combined financial statements. Real property held for resale is carried at the lower of cost or net realizable value (realizable value less cost to sell).

11. *City/Agency Debt*

The City and the Agency entered into cooperation agreements through which the City agreed to advance funds to the Central Redevelopment and the San Fernando Road Corridor Redevelopment project areas to begin redevelopment before tax increment build up. The advances are interest bearing at the average annual City investment portfolio rate but there is no repayment schedule. Repayment of the advances will be made as funds become available.

12. *Fund Equity*

Reservations of fund balance for governmental funds represent amounts that are not appropriable or are legally segregated for a specific purpose. Restrictions of net assets for proprietary funds are limited to outside third-party restrictions. Designations of fund balance represent tentative management plans that are subject to change. Restricted resources are used first to fund appropriation.

13. *Net Assets*

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets, excluding unspent debt proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The City first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

II. Stewardship, Compliance and Accountability

A. *Budgets and Budgetary Accounting*

The City Council is required to adopt an annual budget for the General, Debt Service and all Special Revenue fund types, except the Glendale Redevelopment Agency Fund. The City Council adopts a five year capital improvement program for the Agency and the Capital Projects Fund. The annual budgets are consistent with accounting principles generally accepted in the United States of America.

The City Council adopts budgets for the Enterprise and Internal Service Funds. However, all Proprietary fund types are accounted for on a cost of service method (net income). As a result, budget comparisons are impractical. Additionally, the City is not legally mandated to report the results of operations for these Enterprise Fund and Internal Service Fund types on a budget comparison basis; therefore, 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

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

outstanding at year-end do not constitute expenditures or liabilities. Operational appropriations expire at year-end except for management approved items determined on a case by case basis. Therefore, outstanding encumbrances at year-end are recorded as restricted fund balances. 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:

- During May, the City Manager submits the proposed budget to the City Council for the subsequent fiscal year. The operating budget includes both the sources and types of funds for the proposed expenditures.
- In June, public hearings are conducted to obtain citizen input, with the final budget being adopted no later than July 1.
- The level of appropriated budgetary control is in the following categories for items in excess of \$25: salary and fringe benefits; maintenance and operation; and capital outlay per departmental account.
- The budget is amended during the fiscal year to reflect all transfers and amendments.

The following operating units over expended their appropriations by \$25 or more as of June 30, 2009:

General Fund:	Amount Over Expended
Elections	\$ 105
Memberships and Dues	27
Fire Communications	38
Traffic Engineering	221
Traffic Signals	48
	<u>\$ 439</u>

B. Implementation of new accounting principles

During fiscal year 2008-09, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations. This Statement identifies the circumstances under which a governmental entity would be required to report a liability related to pollution remediation. According to the standard, a government would have to estimate its expected outlays for pollution remediation if it knows a site is polluted and if various recognition triggers occur. Liabilities and expenses would be estimated using an "expected cash flows" measurement technique, which is used by environmental professionals. Statement 49 requires governments to disclose information about their pollution obligations associated with clean up efforts in the notes to the financial statements. As of June 30, 2009, no pollution remediation obligation has been identified by the City.

CITY OF GLENDALE

Notes to the Financial Statements
Fiscal Year Ended June 30, 2009
(in thousands)

III. Detailed Notes on All Funds

A. Cash and Investments

Cash and investments at fiscal year end consist of the following:

Investments	\$	519,116
Cash with fiscal agents		<u>23,873</u>
		542,989
Cash held in financial institutions & imprest cash		<u>16,235</u>
Total	\$	<u>559,224</u>

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

Cash and invested cash	\$	429,712
Imprest cash		23
Cash with fiscal agents		23,873
Restricted investment		1,675
Designated cash and investments		<u>103,941</u>
Total	\$	<u>559,224</u>

Authorized Investments

Under provisions of the City’s investment policy, and in accordance with California Government Code Section 53601, the City Treasurer may invest or deposit in the following types of investments:

	<u>Maximum Maturity</u>	<u>Maximum % of Portfolio</u>
U.S. Treasuries	5 years	100%
Federal Agencies	5 years	100%
Medium Term Corporate Notes	5 years	15%
Commercial Paper (A1, P1 minimum rating)	180 days	15%
Bankers Acceptance	180 Days	30%
Negotiable Certificates of Deposit	1 year	30%
Local Agency Investment Fund (State Pool)	N/A	LAIF maximum
Money Market Mutual Funds	90 days	20%
Time Deposits	1 year	10%

Investments in Medium Term Corporate Notes may be invested in Securities rated AA or better by Moody’s or Standard and Poor’s rating services and no more than 5% of the market value of the portfolio may be invested in one corporation. Maximum participation in Bankers Acceptance is limited to 10% per bank.

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, governs investments of debt proceeds held by bond fiscal 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.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

Disclosure Relating to 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 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.

		Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Commercial Paper	\$ 4,990	4,990	-	-	-
Federal Agency Term Notes	5,016	-	5,016	-	-
U.S. Government Agency Callable Bonds	240,502	9,123	62,191	169,188	-
Corporate Notes	22,836	-	9,257	13,579	-
Corporate Callable Notes	5,057	5,057	-	-	-
Negotiable Certificates of Deposits	23,004	23,004	-	-	-
Banker's Acceptances	17,780	17,780	-	-	-
State Investment Pool	134,984	134,984	-	-	-
Money Market Funds	64,947	64,947	-	-	-
Held by Fiscal Agents					
Federal Agency Term Notes	5,008	5,008	-	-	-
Guaranteed Investment Contracts	11,088	-	-	-	11,088
Money Market Funds	7,777	7,777	-	-	-
	\$ 542,989	272,670	76,464	182,767	11,088

The City assumes that callable investments will not be called.

CITY OF GLENDALE

Notes to the Financial Statements
 Fiscal Year Ended June 30, 2009
 (in thousands)

Disclosures Relating to 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 only in the most risk-adverse instruments, such as AAA rated government securities, AAA or AA rated corporate securities, and A1,P1 rated commercial paper, negotiable certificates of deposits and banker’s acceptance securities. The City’s Investment Policy requires the City to sell any security with a credit rating below A.

		Rating as of Year End				
		AAA	AA	Aa2	A1,P1	Unrated
Commercial Paper	\$ 4,990	-	-	-	4,990	-
Federal Agency Term Notes	5,016	5,016	-	-	-	-
U.S. Government Agency Callable Bonds	240,502	240,502	-	-	-	-
Corporate Notes	22,836	-	14,882	-	7,954	-
Corporate Callable Notes	5,057	-	5,057	-	-	-
Negotiable Certificates of Deposits	23,004	-	-	-	23,004	-
Banker's Acceptances	7,780	-	-	-	17,780	-
State Investment Pool	134,984	-	-	-	-	134,984
Money Market Funds	64,947	64,947	-	-	-	-
Held by Fiscal Agents						
Federal Agency Term Notes	5,008	5,008	-	-	-	-
Guaranteed Investment Contracts	11,088	-	-	11,088	-	-
Money Market Funds	7,777	7,777	-	-	-	-
	\$ 542,989	323,250	19,939	11,088	53,728	134,984

Concentration on Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stated above. Investments in any one issuer that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
FFCB	Federal Agency Callable Bonds	\$ 5,000
FHLB	Federal Agency Term Notes	5,016
FHLB	Federal Agency Callable Bonds	30,828
	Total	35,844
FHLMC	Federal Agency Callable Bonds	106,598
FNMA	Federal Agency Callable Bonds	\$ 97,147

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

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 will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure 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 so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2009, in accordance with the City's investment policy, none of the City's investments were held with a counterparty. All of the City's investments were held with an independent third party custodian bank. The City uses Bank of America as a third party custody and safekeeping service for its investment securities. All City investments held in custody and safe-keeping by Bank of America are held in the name of the City and segregated from securities owned by the bank. This is the lowest level of custodial credit risk exposure.

At June 30, 2009, the carrying amount of the City's deposits was \$16,235 and the corresponding bank balance was \$25,517. The difference of \$9,282 was principally due to outstanding warrants, wires and deposits in transit. Of the Bank balance, \$250 was insured by the FDIC depository insurance and \$25,267 was uncollateralized and not insured by FDIC depository insurance.

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 fair market value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio)

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

B. Capital Assets

Capital asset activity for the year ended June 30, 2009 was as follows:

	Balance at July 1	Increases	Decreases (Reclass & Retirements)	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 435,475	3,678	(4,095)	435,058
Construction in progress	46,108	26,248	(19,509)	52,847
Total assets not being depreciated	<u>481,583</u>	<u>29,926</u>	<u>(23,604)</u>	<u>487,905</u>
Depreciable capital assets				
Building and improvements	257,143	3,339	6,659	267,141
Machinery and equipment	83,293	7,054	(6,141)	84,206
Infrastructure	218,602	5,040	6,759	230,401
Total other capital assets at cost	<u>559,038</u>	<u>15,433</u>	<u>7,277</u>	<u>581,748</u>
Less accumulated depreciation:				
Building and improvements	64,917	6,833	(5)	71,745
Machinery and equipment	56,940	3,466	(3,401)	57,005
Infrastructure	87,217	5,721	(4,701)	88,237
Total accumulated depreciation	<u>209,074</u>	<u>16,020</u>	<u>(8,107)</u>	<u>216,987</u>
Total assets being depreciated	<u>349,964</u>	<u>(587)</u>	<u>15,384</u>	<u>364,761</u>
Governmental activities capital assets, net	<u>831,547</u>	<u>29,339</u>	<u>(8,220)</u>	<u>852,666</u>
Business-type activities				
Capital assets not being depreciated				
Land	14,986	-	-	14,986
Construction in progress	70,145	30,096	-	100,241
Total assets not being depreciated	<u>85,131</u>	<u>30,096</u>	<u>-</u>	<u>115,227</u>
Depreciable capital assets				
Building and improvements	368,914	14,276	9	383,199
Machinery and equipment	442,246	20,014	(588)	461,672
Total other capital assets at cost	<u>811,160</u>	<u>34,290</u>	<u>(579)</u>	<u>844,871</u>
Depletable capital assets				
Natural Gas Reserve	14,769	107	-	14,876
Less accumulated depreciation:				
Building and improvements	106,371	25,944	(16,401)	115,914
Machinery and equipment	233,976	2,137	14,127	250,240
Total accumulated depreciation	<u>340,347</u>	<u>28,081</u>	<u>(2,274)</u>	<u>366,154</u>
Less allowance for gas depletion				
Natural Gas Reserve	1,522	330	-	1,852
Total assets being depreciated	<u>484,060</u>	<u>5,986</u>	<u>1,695</u>	<u>491,741</u>
Business-type activities capital assets, net	<u>\$ 569,191</u>	<u>36,082</u>	<u>1,695</u>	<u>606,968</u>

*\$30,724 of Machinery & Equipment from Internal Service Funds is included in the Governmental Activities.

**\$16,949 of Accumulated Depreciation from Internal Service Funds is included in the Governmental Activities.

CITY OF GLENDALE
Notes to the Financial Statements
Fiscal Year Ended June 30, 2009
(in thousands)

Depreciation expense was charged to functions of the City for the year ended June 30, 2009 as follows:

Governmental activities:		
General Government	\$	2,679
Police		2,186
Fire		849
Public Works		6,811
Parks		2,598
Library		243
Housing and Community Development		<u>654</u>
Total governmental activities depreciation expense	\$	<u><u>16,020</u></u>

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

C. Long-Term Debt

The City's long-term debt as of June 30, 2009 consists of the following:

	Outstanding at June 30, 2008	Additions	Retirements	Amount outstanding at June 30, 2009	Due within one year
Governmental Activities					
Bonds Payable					
Police building project (COPs)	\$ 56,900	-	1,400	55,500	1,500
2002 GRA tax allocation bonds	38,405	-	2,100	36,305	2,165
2003 GRA tax allocation bonds	49,575	-	2,680	46,895	2,815
Bond premium	3,363	-	251	3,112	251
Deferred amount on refunding - 2003 tax allocation bond	(2,468)	-	(200)	(2,268)	(200)
Total bonds payable	145,775	-	6,231	139,544	6,531
Other Long-Term Liabilities					
Landfill closure and post closure care liability	23,262	1,280	-	24,542	-
Capital leases	9,935	2,299	1,694	10,540	1,673
Arbitrage rebate liability	212	280	-	492	-
Section 108	1,100	-	410	690	-
Notes payable	923	-	923	-	-
Low & Mod loans payable	-	14,000	648	13,352	2,366
Compensated absences	18,581	8,567	8,494	18,654	2,027
Claims payable	31,306	33,329	28,511	36,124	12,578
Post employment benefits	2,257	1,457	918	2,796	-
Total other long-term liabilities	87,576	61,212	41,598	107,190	18,644
Total governmental long-term liabilities	233,351	61,212	47,829	246,734	25,175
Business Type Activities					
Bonds Payable:					
Electric revenue bonds, 2003 series	27,665	-	795	26,870	795
Electric revenue bonds, 2006 refunding series	37,145	-	1,010	36,135	1,060
Electric revenue bonds, 2008 series	60,000	-	-	60,000	-
Water revenue bonds, 2008 series	50,000	-	-	50,000	-
Accrued interest	116	-	5	110	5
Bond premium	4,243	-	182	4,061	196
Deferred amount on 2006 refunding series	(2,018)	-	(155)	(1,863)	(151)
Arbitrage rebate liability	-	19	-	19	-
Total bond payable	177,151	19	1,837	175,332	1,905
Compensated absences	6,806	2,860	2,602	7,063	785
Post employment benefits	546	655	-	1,201	-
Total business type long term liabilities	\$ 184,503	3,534	4,439	183,596	2,690

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

THE CITY OF GLENDALE FINANCING AUTHORITY

Variable Rate Demand Certificates of Participation (Police Building Project)

The bonds issued on July 11, 2000 mature in increasing amounts ranging from \$1,500 to \$4,200 annually from 2010-2030. The Certificates are subject to purchase on the demand of the holder while they are outstanding at a variable rate. Payment of these demand certificates shall be made from the proceeds of the resale of such certificates by the City's remarketing agent. Should there be insufficient funds from this source; funds will be made available from a liquidity facility. The liquidity facility expires on July 15, 2010. Accordingly, the certificates of participation are classified as long-term debt in the City's financial statements. The City did not draw on this liquidity facility during the year ended June 30, 2009, nor were there any amounts outstanding under this liquidity facility at June 30, 2009. The bond indebtedness is secured by a lease to the City and is payable from rentals received under terms of the lease agreement dated July 1, 2000. As of June 30, 2009 the interest rate was 0.25%.

The Financing Authority has leased certain real property (the "Police Building Site") from the City of Glendale pursuant to a Site Lease, dated as of July 1, 2000. The Financing Authority has leased the Police Building Site and the police building has been constructed there, back to the City of Glendale pursuant to a lease agreement, dated as of July 1, 2000. Annual lease payments from the City of Glendale are to be at a rate sufficient to meet debt service requirements of the outstanding bond indebtedness on the leased premises.

GLENDALE REDEVELOPMENT AGENCY BONDS

2002 GRA Tax Allocation Bonds

The Agency issued \$48,015 in tax allocation bonds with an average rate of 4.5% to fund economic development activities of the Agency primarily relating to the Town Center development, to fund a reserve account for the Bonds, and to pay the expense of the Agency in connection with the issuance of the Bonds. The 2002 Bonds mature in regularly increasing principal amounts ranging from \$2,165 to \$3,655 from 2010 to 2022. The bond indebtedness is secured by a pledge of 80% of all incremental property taxes allocated to and received by the Agency for the Central Project Area. The bonds maturing on or before December 1, 2012, are not subject to redemption prior to their respective maturities. The bonds maturing on or after December 1, 2013, are subject to redemption at the option of the Agency on any interest payment date at a price ranging from 101% to 100% of the principal value. The City Treasurer shall invest the bond proceeds in government securities.

2003 GRA Tax Allocation Bonds

The Agency issued \$58,880 in 2003 tax allocation refunding bonds with an average rate of 4.18% to pay Agency's outstanding Central Glendale Redevelopment Project 1993 Tax Allocation Bonds (the "Prior Bonds") with an average interest rate of 5.5%, and to pay the cost of issuance of the 2003 Bonds. The 2003 Bonds mature in regularly increasing principal amounts ranging from \$2,815 to \$4,520 from 2010 to 2022. The bond indebtedness is secured by a pledge of 80% of all incremental property taxes allocated to and received by the Agency for the Central Project Area on a parity with the Agency's previously issued 2002 Tax Allocation Bonds. The bonds maturing on or before December 1, 2013, are not subject to redemption prior to their respective maturities. The bonds maturing on or after December 1, 2014 are subject to redemption prior to maturity at the option of the Agency and by lot within a maturity, from any source of available funds at a redemption price equal to the principal amount of bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

THE CITY OF GLENDALE HOUSING AUTHORITY

Section 108 Loan

Section 108 Loan of \$1,800 was used as part of the City's overall Edison School/Pacific Park Revitalization Project funding plan. The 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

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

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 first time receiving a Section 108 loan. The City received \$1,791 in August 2002, after HUD's deduction of loan and underwriter fees of \$9. The term of the loan is ten years, and the total interest is \$493. The City has pledged current and future CDBG funds as principal security for the loan. The principal amounts ranging from \$210 to \$240 from fiscal year 2010 to 2012. The Section 108 loan payment is budgeted as a CDBG project each year based on the payment schedule.

Low & Mod Loans Payable

The Housing Authority obtained a \$14,000 loan from Union Bank of California in February 2009 to fund the development of affordable rental and owner housing projects. The Housing Authority received \$13,920 in February, net of cost of issuance of \$80. The term of the loan is five years, and the interest rate is 3.35%. The total interest is \$1,281. The loan indebtedness is secured by a pledge of 20% of incremental property taxes (Redevelopment Set-aside funds) received by the Housing Authority from Glendale Redevelopment Project areas.

CAPITAL IMPROVEMENT PROJECTS

Landfill Closure and Post-closure 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 closure and post-closure maintenance and to establish a financial mechanism to demonstrate the availability of funding to conduct closure and post-closure 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 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 post-closure maintenance cost of Scholl Canyon. According to Los Angeles County Sanitation District's records, the permitted capacity filled between August 18, 1989 and July 11, 2009 was 9.26 million tons. The total permitted capacity remains 14.75 million tons. Therefore, the City has 5.49 million tons unfilled capacity remaining. Based on an estimated average annual filled capacity of 460 tons the Scholl Canyon Landfill has a remaining life of approximately 12 years. Using an inflation factor from the U.S. Department of Commerce, Bureau of Economic Analysis of 1.022, the revised post-closure cost was \$39,093. Using the data above, the amount of \$24,542, is recognized as a long-term liability on the Statement of Net Assets. Accordingly, the portion of the estimated total obligation for landfill closure and post closure costs that has not been recognized in the financial statements is \$14,551. The City records the annual provision for the required landfill deposits as designated cash in the Capital Project Fund-Capital Improvement Fund. At the end of June 30, 2009 the City has set aside \$20,600 of this in the Capital Projects Fund. The total current cost of landfill closure and post-closure care is an estimate subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

Capital Leases

In August 2006, the City approved the Master Lease Agreement with SunTrust Leasing Corporation for the purpose of financing the seismic upgrade of the Municipal Services Building (MSB) project. The lease amount is \$8,200 with an annual interest of 4.51%. The City will make lease payments each consisting of principal and interest for a term of seven years. The annual lease payment is \$1,392. Payments are due on September 28 annually.

The City entered into a Master Lease Agreement with SunTrust Leasing Corporation to provide funds for acquisition of fire equipment, which includes two 2004 Pierce Quantum Tiller Truck, four Pierce Quantum Pumper Truck with CAFS Foam System, four fabrication and installation of equipment brackets into Pierce Pumper Truck, two fabrication and installation of equipment brackets into Pierce Ladder Trucks, one Brush Patrol Truck 2005 GMC Sierra, and one Battalion Chief Command Vehicle 2005 GMC Yukon. The cost of the equipment funded was \$3,743 with an annual interest rate of 3.65%. The City will make lease payments each consisting of principal and interest for a term of ten years. The annual lease payment is \$453. Payments are due on April 20 annually.

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 equipments, which include one new Pierce

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

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 equipments funded was \$2,299 with an annual interest rate of 4.04%. The City will make lease payment each year consisting of principal and interest for a term of ten years commencing in fiscal year 2008-09. The annual lease payment is \$273. Payments are due on December 15 annually.

Notes Payable

The City of Glendale, as a public agency acquired the "Murchison Property" for open space preservation and recreation and to serve as a buffer between the Scholl Canyon Landfill and nearby residential uses through the exercise of eminent domain. The Property consists of approximately 148.59 acres of vacant land. The full purchase price for the Property is \$7,100. The City of Glendale paid a down payment of \$2,485 representing thirty five percent (35%) of the purchase price. After the close of escrow, the City of Glendale will make four equal annual payments of \$923 commencing on May 1, 2005 and continuing on the same date each year through and including May 1, 2008 with a final, 5th payment of \$923 on November 1, 2008. There shall be no interest on any of the payments to be made.

ENTERPRISE FUNDS

Electric Revenue Bonds, 2003 Series

The Electric utility of Glendale Water & Power issued \$31,640 in revenue bonds in February 2003 to finance the costs of acquisition, construction and installation of a nominally rated 49 MEGAWATTS gas-fired simple cycle combustion turbine for the Electric System of the City.

The terms of the 2003 Electric Revenue Bonds' (2003 Bonds) indenture require the trustee to establish and maintain a reserve 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 reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of \$1,070.

The bonds mature in regularly increasing amounts ranging from \$795 to \$1,865 annually from 2010 to 2032. The 2003 Bonds maturing on or prior to February 1, 2013 are not subject to redemption prior to maturity. The 2003 bonds maturing on and after February 1, 2014 are subject to redemption prior to maturity, at the option of the City, as a whole or in part, on February 1, 2013, or on any date thereafter, at a redemption price equal to 100% of the principal amount of the 2003 Bonds to be redeemed, together with accrued interest to the redemption date.

Electric Revenue Bonds, 2006 Refunding Series

The Electric utility of Glendale Water & Power issued \$38,830 in revenue bonds in April 2006 to provide moneys for the refunding of all of the City's outstanding Electric Revenue Bonds, 2000 Series. The bond proceeds were deposited in an escrow account and will be used to refund the Electric Revenue Bonds, 2000 Series through a legal defeasance. The advance refunding of Electric Revenue Bonds, 2000 Series resulted in a difference between the reacquisition price of refunding bonds and the net carrying amount of the refunded bonds. Deferred loss on refunding as of June 30, 2009 for \$1,863 is recognized and reported in the financial statements as a contra account to bonds payable and is being amortized through February 1, 2030. At June 30, 2009, \$37,000 of the 2000 series bonds outstanding are considered defeased. Liabilities for defeased bonds are not included in the City's financial statements.

The terms of the Electric Revenue Bonds, 2006 Refunding Series' (2006 Refunding Bonds) indenture require the trustee to establish and maintain a reserve 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 reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of \$1,327.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

The bonds mature in regularly increasing amounts ranging from \$1,060 to \$2,570 annually from 2010 to 2030. The 2006 Refunding Bonds maturing on or prior to February 1, 2016 are not subject to redemption prior to maturity. The 2006 Refunding Bonds maturing on and after February 1, 2017 are subject to redemption prior to maturity, at the option of the City, as a whole or in part, on February 1, 2016, or on any date thereafter, at a redemption price equal to 100% of the principal amount of the 2006 Refunding Bonds to be redeemed, together with accrued interest to the redemption date.

Electric Revenue Bonds, 2008 Series

The Electric utility of Glendale Water & 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 terms of the 2008 Electric Revenue Bonds' (2008 Bonds) indenture require the trustee to establish and maintain a reserve 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 reserve requirement of the bond issue is satisfied by a cash reserve fund with a minimum funding requirement of \$2,241.

The bonds mature in regularly increasing amounts ranging from \$1,880 to \$4,195 annually from 2018 to 2038. 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, 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 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 \$3,485.

The bonds mature in regularly increasing amounts ranging from \$1,175 to \$3,060 annually from 2013 to 2038. 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.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

The annual debt service requirements to amortize long-term bonded debt at June 30, 2009 are as follows:

Fiscal Year	Police Building Project (COPs)*		GRA Tax Allocation Bonds		Revenue Bonds	
	Governmental		Governmental		Business-type	
	Interest	Principal	Interest	Principal	Interest	Principal
2010	\$ 2,192	1,500	3,599	4,980	7,940	1,855
2011	2,133	1,600	3,378	5,195	7,856	1,905
2012	2,070	1,700	3,178	5,425	7,768	1,965
2013	2,003	1,800	2,962	5,600	7,661	3,195
2014	1,932	1,900	2,700	5,855	7,519	3,305
2015-2019	8,465	10,900	9,431	32,715	35,298	22,400
2020-2024	6,091	13,900	1,729	23,430	29,064	33,595
2025-2029	3,042	18,000	-	-	20,707	41,460
2030-2034	166	4,200	-	-	11,899	36,075
2035-2038	-	-	-	-	4,752	27,250
	\$ 28,094	55,500	26,977	83,200	140,464	173,005

Fiscal Year	Capital Lease		Section 108		Low & Mod Loans Payable	
	Governmental		Governmental		Governmental	
	Interest	Principal	Interest	Principal	Interest	Principal
2010	\$ 445	1,673	38	-	420	2,636
2011	374	1,745	28	220	330	2,726
2012	299	1,819	18	230	237	2,820
2013	222	1,897	6	240	139	2,917
2014	140	1,978	-	-	39	2,253
2015-2018	118	1,427	-	-	-	-
	\$ 1,598	10,539	90	690	1,165	13,352

Fiscal Year	Total		Total Debt Service
	Interest	Principal	
2010	\$ 14,634	12,644	27,278
2011	14,099	13,391	27,490
2012	13,570	13,959	27,529
2013	12,993	15,649	28,642
2014	12,330	15,291	27,621
2015-2019	53,312	67,442	120,754
2020-2024	36,884	70,925	107,809
2025-2029	23,749	59,460	83,209
2030-2034	12,065	40,275	52,340
2035-2038	4,752	27,250	32,002
	\$ 198,388	336,286	534,674

There are a number of limitations and restrictions contained in the bond indentures.

* This maturity schedule is based on management's assumption that the liquidity facility is extended on an annual basis to the maturing date of the COPs. If the liquidity facility is not extended, all COPs outstanding are due in fiscal year 2010-11.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

CONDUIT DEBT OBLIGATIONS

Certain bonds that the City issued are in the public interest and necessity of its citizens. These bonds are not a debt or liability of the City. Neither the faith and credit nor the taxing power of the City is pledged to the payment of the principal or interest on the bonds. Such bonds are authorized under sections 3, 5 and 7 of Articles XI of the Constitution of the State of California and Section 1 of Article III of the Charter as well as the Refunding Act of 1984 for 1915 Improvement Act Bonds. The following is a list of such bonds:

Description of bonds	Interest Rates	Original issue	Outstanding at June 30, 2009
City of Glendale Insured Hospital Revenue Bonds Verdugo Hills Hospital, 1994 Series	6.375% - 8%	27,140	5,167
City of Glendale Mountain Road Assessment District Limited Obligation Refunding Bonds, Series 2003	2% - 4.5%	8,850	5,035

D. Restricted Net Assets

The City has restricted its ordinarily available net assets for such purposes as required future debt service and bond indenture requirements and for certain commitments and contingencies. \$19,756 is restricted for debt service and bond indenture requirements. The City Charter requires \$19,321 in restricted net assets to be set aside to meet the legal demands against the treasury during the beginning of new budget period prior to the receipt of ad valorem taxes. Pursuant to redevelopment laws of the State of California, \$25,552 is restricted for low and moderate housing.

The Electric Fund’s restricted net assets totaled \$10,563 as of June 30, 2009. \$4,639 was for the Reserve Fund Requirement according to the terms of the debt indenture. \$5,924 was for excess capital surcharge revenue to retrofit the City’s Grayson Power Plant as mandated by the Air Quality Management District. The Water Fund’s restricted net assets totaled \$3,485 as of June 30, 2009, which was for the Reserve Fund Requirement according to the terms of the debt indenture.

E. Net Deficits of Individual Funds

As of June 30, 2009, the following funds have negative fund balances or net assets:

Special Revenue Funds:

Glendale Redevelopment Agency Fund	\$ 11,240
Community Development Fund	85
Supportive Housing Grant Fund	48
PW Special Grants Fund	4
Special Grant Fund	252
Fire Grant Fund	681
Fire Paramedic Fund	4,768

Internal Service Funds:

Liability Insurance Fund	10,070
Compensation Insurance Fund	9,419
Employee Benefit Fund	7,958
RHSP Benefits Fund	7,342

Glendale Redevelopment Agency Fund – Redevelopment agencies typically leverage current tax increment revenues by issuing long-term debt in order to raise capital to promote economic development within the project area.

Community Development Fund – Vendors involved in capital projects are only paid 90% of the invoiced amounts prior to completion of the project although 100% of the invoiced amounts are expenses. Based on the grant regulations, the 10% retention cannot be drawn until it is paid.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

Home Grant Fund – For home construction projects, if all the money is drawn, 120 day limit for project completion after the last draw begins at that point. However, as some HOME funds are fully expended for land acquisition and/or for predevelopment costs, projects cannot always be completed within 120 days of the last payment to the developer. Therefore, drawdowns are limited to a maximum of 98% of the amounts expended until project completion.

Supportive Housing Grant Fund – A few new grants could not be drawn because HUD has not appropriated the money into the drawdown system.

PW Special Grants Fund – Revenue is booked in the government-wide Fund. Deferred Revenue is booked in the Public Works Special Grants Fund. The revenue is measurable but not available.

Special Grant Fund – This is a reimbursement type of grant. The revenues are drawn down based on the incurrence of expenditures. Timing difference will always exist between revenue and expenditures, thus causing a deficit.

Fire Grant Fund – This is a reimbursement type of grant. These revenues are always drawn down based on the expenditures. There will be always a timing difference between revenue and expenditures, thus causing a deficit.

Fire Paramedic Fund – The City is considering General Fund support to reduce the net deficit in the Fire Paramedic Fund in subsequent fiscal years. Additionally, a new service delivery is being delivered to reduce costs.

Compensation Insurance Fund – The City increased the premiums charged to the funds in fiscal year 2008-09. It is expected that the net deficits will be reduced over the years.

Liability Insurance Fund - The City will increase the premiums charged to the funds in fiscal year 2009-10. Additionally, properties acquired through settlements will be sold to raise capital.

Employee Benefit Fund & RHSP Benefits Fund – The City will increase the premiums charged to the funds in fiscal year 2009-10.

IV. Other Information

A. 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 insurance (up to \$2,000 per occurrence), unemployment insurance, post employment benefits, general auto, dental, medical and vision as well as public liability (up to \$2,000) 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, destruction of assets and natural disasters as well as excess workers' compensation and general public liability claims. There were no significant settlements or reductions in insurance coverage from settlements for the past three years.

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.

CITY OF GLENDALE

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Fiscal Year Ended June 30, 2009

(in thousands)

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, 2009 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 claims for the current fiscal and the prior fiscal year are as follows:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Claims and Changes</u>	<u>Claim Payments</u>	<u>Ending Balance</u>
2007-08	\$29,837	\$38,052	\$36,583	\$31,306
2008-09	\$31,306	\$33,329	\$28,511	\$36,124

B. Contingent Liabilities and Commitments

The City is a defendant in several general damage and personal injury lawsuits and claims. These claims arise primarily from injuries sustained by the claimants while on property owned or maintained by the City. While litigation is by nature uncertain, management believes that, based on consultation with the City Attorney, that these cases in the aggregate are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that sufficient reserves are available to the City to cover any potential losses should an unfavorable outcome materialize.

The City is a subscribing agency in the City of Los Angeles' sewage treatment facilities. During the year ended June 30, 2009, the City of Los Angeles advised the City that its allocation of capital improvements to the facility over the next ten years is estimated at \$60,000. The City anticipates funding these improvements through cash accumulated in the Sewer Enterprise Fund. The City Engineer is preparing a proposal for a sewer master plan to review the City's existing contract with City of Los Angeles and to evaluate the City's wastewater direction in the future.

The City has entered into a sixteen year agreement with the Pasadena Humane Society to provide animal control services. The term of the agreement is from April 1, 2006 through June 30, 2022. The City paid \$2,000 initially for this agreement. An annual fee of \$745 will be paid by the City of Glendale to Pasadena Humane Society for fiscal year 2006-07 through fiscal year 2012-13. The annual fee will increase after fiscal year 2012-13 by the greater of 3% or a formula based on the Consumer Price Index. The total cash outlay for this agreement is projected to be \$14,517.

The City first participated in Boulder Canyon Project for electric service from the Hoover Power Plant in 1937 for a term of 50-year, expired on May 31, 1987. The plant was operated by Southern California Edison and Los Angeles Department of Water and Power under the supervision of the Bureau of Reclamation during the contract term. Before the expiration of the contract, Hoover Powerplant Act of 1984 authorized the uprating of the 17 main generating units and provided long-term contingent capacity and firm energy to the participants in a renewal contract. The uprating program replaced all 17 original turbines in the Hoover Dam Power Plant began in 1986. When the program was finished in 1993, it increased the capacity of the plant from 1,344 megawatts to 2,079 megawatts.

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. The Bureau of Reclamation also assumed control of operation and maintenance of the plant in 1987. Under this renewed contract, the City is entitled to 21 MEGAWATTS or 1.0251% of the capacity and 1.5874% of the firm energy.

The City's electric operation is committed to purchase all available landfill gas generated by Scholl Canyon LFG Limited Partnership at a price based on various natural gas indices. The term of this commitment is for a period of twenty years from July 1994 to July 2014. The landfill gas purchase for fiscal year 2008-09 was approximately 1,174,632 MMBtu and the average purchase price was \$11.92 per MMBtu.

The City's electric operation executed two power sale and exchange agreements in 1988. The first agreement is with Bonneville Power Administration (BPA). The twenty year agreement with BPA expired in April 2008. The second agreement is a twenty-five year power sale and exchange agreement with Portland General Electric Company (PGE). The sale portion calls for the City to receive 20 megawatts of capacity and associated energy over the Pacific Northwest Intertie

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Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

at its discretion. In exchange, the City may call up to 30 megawatts during the summer months (June through September) and PGE may call for the same amount in winter months (November through February). Energy cannot exceed 1,800 megawatts per week.

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 the 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 May 2009, the City entered into a 20-year power purchase agreement with Tieton Hydropower, L.L.C. to purchase 33-1/3% of the output up to 7 megawatts of a small hydroelectric resource 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 PacificCorp's Tieton Substation. Delivery of energy from the project to the City started in May 2009.

C. Jointly Governed Organizations

Joint Power Agreement between the City and the Glendale Community College

The City and the Glendale Community College (College) have agreed to establish a multi-faceted parking program to facilitate on street parking for the City residents living near the College campus and to meet the parking needs of the College. In order to implement the parking program, the City and the College have entered into a Joint Power Agreement (JPA) and issued \$4,000 in bonds - Glendale Parking Facilities Joint Powers Authority Parking Revenue Bonds, 2003 Refunding Series A (Bonds). The Bonds do not constitute a debt or liability of the JPA nor is the JPA liable for the payment of the principal or interest on the Bonds. The College will provide fiscal management for this JPA. The amount of revenues available to pay debt service on the Bonds will be derived from two sources. The first source is the student-parking permit. The second source is the metered revenue from the City owned parking lots. In return for the loss of the metered revenue, the City shall receive reimbursement annually of \$100. In addition, the City shall receive annual reimbursement of at least \$25 for lot and meter maintenance. Furthermore, any remaining balance of the revenue, after debt service and JPA operational costs, shall be divided equally between the City and the College.

The City is obligated: (i) to establish and collect parking meter revenues at the City Parking Lots, (ii) to strictly enforce metered parking at the City Parking Lots through the use of citations and the collection of fines, (iii) to operate and maintain at its expense the City-owned parking facilities, (iv) to make funds available to JPA to allow for the repair and replacement of the City Parking Lots in the event of damage or destruction or, in the alternative, to redeem Bonds, and (v) to implement and enforce the expanded residential permit parking area program in and around the College campus and in the event the Civic Auditorium parking facilities are constructed, to allow the College students with student parking program permits to use such facilities during the periods that the Civic Auditorium functions are not in progress.

CITY OF GLENDALE

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Fiscal Year Ended June 30, 2009

(in thousands)

“Take or Pay” Contracts

The City has entered into seven “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 57% of its total energy requirements during fiscal year 2008-09. This energy will displace some of the energy that was to have been supplied by the local generating plant. The City is obligated to pay the amortized cost of indebtedness regardless of the ability of the contracting agency 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 Project, 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. 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 1.704% of the generation. In addition, the City entered into an “Excess Power Sales Agreement” with the ICPA, agent for the Utah Municipal Purchasers and the Cooperative Purchasers, which entitles the City to an additional share of 8 megawatts or 0.501% beginning March 24, 2004. The total City’s obligation from Intermountain Power Project (IPP) is 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 seven 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 three (3) units, each having an electric output of approximately 1,270 megawatts. SCPPA has purchased approximately 225 megawatts of capacity and associated energy (approximately 5.910% of total Palo Verde output), of which the City receives 9.9 megawatts or 4.400% of SCPPA’s entitlement. As of June 30, 2009, Glendale’s share is 4.400% (PV).
- A 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 rated at 1,920 megawatts. The City’s share of the line is 2.2740% or approximately 44 megawatts. As of June 30, 2009, Glendale’s share is 2.2740% (STS).
- A 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, located in New Mexico. SCPPA members are entitled to 208 megawatts. The City is obligated for 20 megawatts or 9.8047% of the SCPPA entitlement. As of June 30, 2009, Glendale’s share is 9.8047% (SJ).
- A 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 11.0430% of the SCPPA entitlement. As of June 30, 2009, Glendale’s share is 11.0430% (MA).
- A 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 11.7647% to 22.7273%. 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

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Fiscal Year Ended June 30, 2009

(in thousands)

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, 2009, Glendale's share is 14.8000% (MP).

- A 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 16.5289% of the project's output. As of June 30, 2009, Glendale's share is 16.5289% (MPP).

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 5,000 MMBtu per day at a discounted price below spot market price. The delivery of natural gas started in July 2008.

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

<u>Project</u>	<u>Contract Expiration Date</u>	<u>Glendale's Share</u>
Intermountain Power Project (IPP)	2027	1.9002%
Palo Verde Project (PV)	2030	4.4000%
Southern Transmission System (STS)	2027	2.2740%
San Juan Project (SJ)	2030	9.8047%
Mead-Phoenix Project (MP)	2030	14.8000%
Mead-Adelanto Project (MA)	2030	11.0430%
Magnolia Power Project (MPP)	2036	16.5289%
Natural Gas Prepaid Project (NGPP)	2038	23.0000%

A summary of the City's "Take or Pay" contracts and related projects and its contingent liability at June 30, 2009 is as follows:

		<u>IPP</u>	<u>SJ</u>	<u>PV</u>	<u>STS</u>	<u>MA</u>	<u>MP</u>	<u>MPP</u>	<u>NGPP</u>	<u>Total</u>
2010	\$	4,938	1,845	540	1,752	2,535	1,180	3,648	7,145	23,583
2011		6,196	1,845	542	1,769	2,527	1,176	3,649	7,100	24,804
2012		5,569	1,845	545	2,143	2,525	1,176	3,648	6,941	24,392
2013		4,393	1,845	547	1,936	2,529	1,177	3,651	6,770	22,848
2014		4,632	3,171	551	1,942	2,506	985	3,651	6,549	23,987
2015-2019		22,813	7,009	1,670	9,808	12,004	4,817	15,900	32,463	106,484
2020-2024		14,019	1,177	-	8,430	2,384	954	14,814	35,619	77,397
2025-2029		-	-	-	2,460	-	-	15,839	40,416	58,715
2030-2034		-	-	-	-	-	-	16,385	45,629	62,014
2035-2039		-	-	-	-	-	-	14,300	52,727	67,027
Total	\$	62,560	18,737	4,395	30,240	27,010	11,465	95,485	241,359	491,251

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Fiscal Year Ended June 30, 2009

(in thousands)

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 2008-09 and budgets for fiscal year 2009-10 are as follows (in thousands):

Fiscal Year	IPP	SJ	PV	STS	MA	MP	MPP	NGPP	Total
2009	\$ 5,940	5,596	2,283	610	199	583	5,110	31	20,352
2010	7,959	7,608	2,437	398	217	171	4,479	31	23,300

D. Employee Retirement System and Plans**Plan Description**

The City contributes to the California Public Employees' Retirement System (CalPERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the state of California.

All full-time employees, which includes both safety and general employees, are required to participate in the single CalPERS plan, in which all related benefits vest after five years of service. Upon five years of service, employees who retire at age 50 or older are entitled to receive an annual retirement benefit. The benefit is payable monthly for life. The benefit is calculated as follows: years of credited service multiplied by their highest twelve consecutive months of salary multiplied by a percentage factor. This percentage factor is age-based – public safety employees use the 3% at age 50 factor and general employees use the 2.5% at age 55 factor. The system also provides death and disability benefits. CalPERS issues a publicly available financial report that includes financial statements and required supplemental information of participating public entities within the state of California. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, CA 95814.

Funding Policy

CalPERS is a contributory plan deriving funds from employee and employer contributions as well as earnings from investments. According to the plan, the City's general employees are required to contribute 8% of their annual salary and the City's safety employees are required to contribute 9% of their annual salary. The City is also required to contribute at an actuarially determined rate. The City's contribution rate for safety members starting on July 1, 2008 was 24.252%. The City's contribution rate for general members starting on July 1, 2008 was 11.681%. The contribution requirements of plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

Annual Pension Cost

Contributions to CalPERS totaling \$23,889 were made during the fiscal year ended June 30, 2009 in accordance with actuarially determined contribution requirements through an actuarial valuation performed at June 30, 2005. The actuarial assumptions included (a) a rate of return on the investment of present and future assets of 7.75% a year compounded annually (net of administrative expenses), (b) projected salary increases that vary by duration of service ranging from 3.25% to 14.45%, (c) no additional projected salary increases attributable to seniority/merit and (d) no post retirement benefit increases. The actuarial value of the City's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen year period depending on the size of investment gains and/or losses. CalPERS uses the entry-age-normal-actuarial-cost method, which is a projected-benefit-cost method. That is, it takes into account those benefits that are expected to be earned in the future as well as those already accrued. According to this cost method, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from date of employment until retirement. In addition, the employer's total normal cost is expressed as a level percentage of payroll. CalPERS also uses the level-percentage-of-payroll method to amortize any unfunded actuarial liabilities. Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percent of pay over a closed 20 year period. Gains and losses that occur in the operation of the plan are amortized over a rolling 30 year period. If the plan's accrued liability

CITY OF GLENDALE

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Fiscal Year Ended June 30, 2009

(in thousands)

exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization.

Three year Trend Information

Fiscal year ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/2007:			
Misc.	\$ 9,754	100%	0
Safety	10,385	100%	0
Total	<u>\$ 20,139</u>		
6/30/2008:			
Misc.	\$ 10,691	100%	0
Safety	11,213	100%	0
Total	<u>\$ 21,904</u>		
06/30/2009:			
Misc.	\$ 12,004	100%	0
Safety	11,885	100%	0
Total	<u>\$ 23,889</u>		

Schedule of Pension Funding Progress (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability <AAL> – Entry Age (B)	(Overfunded AAL) / Unfunded AAL (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	(Overfunded AAL) / Unfunded AAL as a Percentage of Covered Payroll {(B-A)/C}
06/30/2006:						
Misc.	\$ 557,702	591,838	34,136	94.2%	92,375	37.0%
Safety	356,253	414,999	58,746	85.8%	41,808	140.5%
Total	<u>\$ 913,955</u>	<u>1,006,837</u>	<u>92,882</u>	<u>90.8%</u>	<u>134,183</u>	<u>69.2%</u>
06/30/2007:						
Misc.	\$ 603,040	634,332	31,292	95.1%	95,082	32.9%
Safety	386,561	447,885	61,324	86.3%	44,131	139.0%
Total	<u>\$ 989,601</u>	<u>1,082,217</u>	<u>92,616</u>	<u>91.4%</u>	<u>139,213</u>	<u>66.5%</u>
06/30/2008:						
Misc.	\$ 641,356	678,218	36,862	94.6%	101,970	36.15%
Safety	413,321	485,398	72,077	85.2%	46,911	153.65%
Total	<u>\$ 1,054,677</u>	<u>1,163,616</u>	<u>108,939</u>	<u>90.6%</u>	<u>148,881</u>	<u>73.17%</u>

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

D. Interfund Transactions

The composition of interfund balances consists of due to/from other funds, transfers and advances to/from other funds.

Due to/from other funds are temporary cash overdrafts within a fund. Due to/from other funds for fiscal year 2008-09 consisted of the following:

Due to general fund from:		
Nonmajor governmental funds	\$	11,310
Capital improvement		<u>3,979</u>
		<u>15,289</u>
Due to electric fund from:		
Capital improvement fund	\$	<u>1,331</u>

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 governmental and proprietary fund financial statements. Transfers are used to (1) subsidize the activities of other funds (2) move revenues from the fund that budget requires to collect them to the fund that budget requires to expend them.

	Amount	Purpose
Transfer to general fund from:		
Electric fund	\$ 19,107	Fund general fund operations
Water fund	4,160	Fund general fund operations
Sewer fund	1,135	Fund general fund operations
Capital improvement fund	4,300	Fund general fund operations
Nonmajor enterprise fund	<u>2,500</u>	Fund general fund operations
	\$ <u>31,202</u>	
Transfers to nonmajor governmental funds from:		
General fund	\$ 137	Fund nutritional meals operations
General fund	2,086	Fund fire paramedics operations
General fund	1,837	Fund police staff augmentation operations
Capital improvement fund	<u>1,392</u>	Fund MSB Building lease payment
	\$ <u>5,452</u>	
Transfers to internal service funds from:		
General fund	\$ 802	Fund technology equipment replacement
General fund	100	Fund police CAD RMS replacement
General fund	28	Fund citywide document management system
General fund	1,016	Fund wireless communication equipment replacement
General fund	440	Fund financial system operations
Capital improvement fund	98	Fund application software replacement
Capital improvement fund	300	Fund financial system operations
Capital improvement fund	<u>650</u>	Fund wireless communication equipment replacement
	\$ <u>3,434</u>	

CITY OF GLENDALE

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Fiscal Year Ended June 30, 2009

(in thousands)

E. Subsequent Event

\$2.05 Billion Shift of Redevelopment Tax Increment to Supplemental Educational Revenue Augmentation Fund

In July 2009, the State of California Legislature approved a \$2.05 billion shift of Redevelopment Tax Increment funds to the Supplemental Educational Revenue Augmentation Fund (SERAF) for fiscal years 2009-10 and 2010-11. The State approved \$1.7 billion in transfer for fiscal year 2009-10 and \$350 million for fiscal year 2010-2011. The State Department of Finance will determine each Agency's ERAF payment by November 15 of each year. Payments are due by May 10 of the applicable year.

The Glendale Redevelopment Agency's transfer to "SERAF" is \$11 million for 2009-10 and \$2.3 million is projected to be the transfer for fiscal year 2010-11.

Proposition 1A – State's \$3.9 Million of Property Tax borrowing from the City

Under Proposition 1A, the state has the right to suspend the proposition 1A to borrow up to 8% of a City's property tax proceeds if a financial emergency is declared. Such an emergency was declared when the State adopted its budget on July 28, 2009. The state can only suspend Proposition 1A twice in 10 years, and must repay the loan with interest in 3 years prior to any future borrowings. The interest rate that will be paid on this loan was set at the rate of 2%. The fiscal impact for City of Glendale is \$3.9 million.

In lieu of loaning money directly to the State, and assuming the risk associated with that, the City can participate in the Proposition 1A Securitization Program, a state wide borrowing by California Statewide Communities Development Authority ("California Communities"). California Communities is a joint powers authority sponsored by the California State Association of Counties and the League of California Cities. If the City of Glendale sells its Proposition 1A Receivable under the Proposition 1A Securitization Program, California Communities will pledge the Glendale's Proposition 1A Receivable to secure the repayment of a corresponding amount of the Prop 1A Bonds. The City's sale of its Proposition 1A Receivable will be irrevocable. Bondholders will have no recourse to the City if the State does not make the Proposition 1A Repayment. The Securitization option was presented to City of Glendale Council for review and approved on November 3, 2009.

The Tieton Hydropower Project Power Sales and Acquisition Contract with the Southern California Public Power Authority

In September 2009, the City approved to move forward with SCPPA's purchase of substantially all of the Tieton assets and securing the 33-1/3% of the purchased project. The Cost of the project is approximately \$46 million and will be financed with tax-exempt bonds.

CalPERS Employer Contribution Rates

The turmoil in the financial markets over the past 14 months has been unprecedented. CalPERS has publicly disclosed that as of June 30, 2008 the fair value of the Retirement System's total portfolio was approximately \$238 billion. As of July 31, 2009, CalPERS has estimated the fair value to be \$190 billion (unaudited), which represents a decrease of \$48 billion, or 20%, from when the market turmoil commenced (all values are based on available unaudited information). Changes in the value of the Retirement System assets are the result of gains and losses in investments and the variability of cash flows. The market has somewhat stabilized after July 31, 2009, but this cutoff date was chosen because it is the most recently closed period in CalPERS management's quarterly investment reporting process and a reasonable cut off period for disclosure of subsequent events to the fiscal year 2008-09 financial statements.

As is the case with most retirement systems, CalPERS is exposed to general market risk. This general market risk is reflected in asset valuations fluctuating with market volatility. Any impact from market volatility on the Retirement System depends in large measure on how deep the market downturn is, how long it lasts, and how it fits within fiscal year reporting periods. The resulting market risk and associated realized and unrealized gains and losses could impact the financial condition of the Retirement System and the City's required contribution to the Retirement System. The reader of these financial statements is advised that financial markets may continue to be volatile and are experiencing significant changes on almost a daily basis.

CITY OF GLENDALE

Notes to the Financial Statements

Fiscal Year Ended June 30, 2009

(in thousands)

The good news is that cushioning the impact of investment set backs is the fact that CalPERS experienced double digit gains in the four years leading up to the 2007-08 fiscal year. In previous down markets, flat or negative investment returns contributed substantially to increases in employer contributions the following year. However, CalPERS rate stabilization policies now spread market gains and losses over 15 years, thus reducing the volatility of employer rates.

Based on CalPERS Annual Valuation Report as of June 30, 2008, which was issued in October 2009, the required employer contributions for the next two fiscal years are as follows:

	Miscellaneous Plan		Safety Plan	
	Employer Rates	Covered Payroll (unaudited)	Employer Rates	Covered Payroll (unaudited)
FY2009-10	11.519%	\$104,653	24.000%	\$48,575
FY2010-11	11.672%	112,235	25.067%	51,636

F. Pronouncement Issued but Not yet Adopted

Governmental Accounting Standards Board Statement No. 53

In June 2008, the GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. The Statement specifically requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. Statement No. 53 also addresses hedge accounting requirements, which includes a government’s objective for entering into the derivative instrument, significant terms of the derivative instrument, and the net cash flows of derivative instruments that hedge debt. The disclosure also should highlight the risks to which derivative instruments expose a government. Statement No. 53 is effective for financial statements for reporting periods beginning after June 15, 2009.

Governmental Accounting Standards Board Statement No. 54

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement, improves the usefulness of the financial statements by providing clearer, more structured fund balance classifications and by clarifying the definitions of existing governmental fund types. Beginning with the most binding constraints, fund balance amounts will be reported in the following five major classifications: 1) nonspendable – resources that cannot be spent because of their form or because they must be maintained intact, 2) restricted – by externally enforceable limitations on use imposed by creditors, grantors, contributors, laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation, 3) committed – self-imposed limitations set in place prior to the end of the period, 4) assigned – limitations resulting from intended use and 5) unassigned – residual net resources. The requirements of Statement No. 54 are effective for financial statements for periods beginning after June 15, 2010.

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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, Glendale Redevelopment Agency Fund and Capital Improvement Fund. This section includes special revenue funds, debt service funds, and capital project funds:

- **Special Revenue Funds** are used to account for the proceeds of specific revenue resources or to finance specified activities as required by law or administrative regulation.
- **Debt Service Funds** are used to account for the accumulation and disbursement of financial resources that will be used to make principal and interest payments on general long-term debt of the City of Glendale.
- **Capital Project Funds** 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.

Exhibit F-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009 (in thousands)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets				
Cash and invested cash	\$ 41,446	40,599	19,114	101,159
Cash with fiscal agent	-	13,699	-	13,699
Interest receivable	210	196	71	477
Accounts receivable, net	2,380	-	91	2,471
Unbilled receivable	631	-	-	631
Due from other agencies	6,522	-	1,044	7,566
Prepaid items	2,000	-	-	2,000
Property held for resale	10,809	-	-	10,809
	<hr/>			
Total assets	63,998	54,494	20,320	138,812
<hr/>				
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	2,265	-	406	2,671
Due to other funds	11,310	-	-	11,310
Due to other agencies	446	-	68	514
Interest payable	-	8	-	8
Deferred revenues	640	-	312	952
Deposits	87	-	-	87
	<hr/>			
Total liabilities	14,748	8	786	15,542
<hr/>				
Fund Balances:				
Reserved:				
Prepaid	2,001	-	-	2,001
Debt service	-	11,633	-	11,633
Encumbrances	17,907	-	1,234	19,141
Property Resale	10,809	-	-	10,809
Unreserved	18,533	42,853	18,300	79,686
	<hr/>			
Total fund balances	49,250	54,486	19,534	123,270
	<hr/>			
Total liabilities and fund balances	\$ 63,998	54,494	20,320	138,812
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Exhibit F-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For Fiscal Year Ended June 30, 2009 (in thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 6,292	8,964	-	15,256
Other taxes	6,774	-	-	6,774
Revenue from other agencies	34,971	-	7,794	42,765
Fines and forfeitures	1,409	-	-	1,409
Charges for services	13,669	-	-	13,669
Use of money and property	1,173	1,554	470	3,197
Miscellaneous revenue	3,451	-	24	3,475
Total revenues	67,739	10,518	8,288	86,545
Expenditures:				
Operating expenditures				
General government	832	-	-	832
Police	6,044	182	-	6,226
Fire	14,752	-	-	14,752
Public works	9,004	-	1,073	10,077
Housing, health & community development	30,321	10	-	30,331
Employment programs	3,118	-	-	3,118
Public service	6,674	-	-	6,674
Parks, recreation and community services	499	-	-	499
Library	452	-	-	452
Capital	6,973	-	6,868	13,841
Debt service				
Interest on Loan	47	-	-	47
Interest on Bonds	-	598	-	598
Accrued interest 2003 tax allo	-	2,094	-	2,094
Accrued interest 2002 tax allo	-	1,715	-	1,715
Interest on Loan - L&M	-	116	-	116
Accr Int Cap lease -MSB RETROF	-	81	-	81
Costs of issuance of debt	80	-	-	80
Principal	410	1,400	-	1,810
Principal 2003 Tax Allocation	-	2,680	-	2,680
Principal 2002 Tax Allocation	-	2,100	-	2,100
Principal Cap Lease-MSB RETROF	-	1,068	-	1,068
Principal on Loan - L&M	-	648	-	648
Total expenditures	79,206	12,692	7,941	99,839
Excess of revenues over (under) expenditures	(11,467)	(2,174)	347	(13,294)
Other financing sources (uses):				
Issuance of debt	14,000	-	-	14,000
Transfer from				
Transfer-General Fund	4,060	-	-	4,060
Transfer-Capital Funds	-	1,392	-	1,392
Transfer-Internal Service Fund	167	-	-	167
Transfer to				
Transfer To Enterprise Fund	(802)	-	-	(802)
Total financing sources (uses)	17,425	1,392	-	18,817
Net change in fund balances	5,958	(782)	347	5,523
Fund balance, July 1	43,292	55,268	19,187	117,747
Fund balance, June 30	\$ 49,250	54,486	19,534	123,270

SPECIAL REVENUE FUNDS

- Community Development Fund - To account for monies received and expended by the City as a participant in the Federal Community Development Block Grant Program.
- Housing Assistance Fund - 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.
- 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.
- Supportive Housing Grant Fund - To account for monies received by the City under the Supportive Housing Program to address the homeless needs of the City.
- Emergency Shelter Grant Fund - To account for monies received by the City under the Emergency Shelter Grant Program to address the homeless needs of the City.
- Workforce Investment Fund - To account for grant monies received and expended, in the federally funded job training program
- Low and Moderate Housing Fund - To account for monies received and expended by the Agency for the 20% set aside funds pursuant to redevelopment laws of the State of California.
- Local Transit Assistance Fund - To account for monies received from a portion of the sales tax which is restricted to transportation-related activities.
- Air Quality Improvement Fund - To account for monies received from South Coast Air Quality Management District and expended on air pollution reduction.
- PW Special Grants Fund - To account for various small grants received and expended by the City, such as Senior Citizen Traffic Safety Education Program.
- San Fernando Landscape District Fund - To account for assessments and expenditures associated with the San Fernando Road Corridor (SFRC) Landscape & Maintenance District Project.
- Narcotic 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.
- Special Grant Fund - To account for various small grants received and expended by the City, such as the Career Criminal Apprehension Program, Community Oriented Policing and the Child Passenger Safety Grant.
- 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).
- Police Staff Augmentation Fund - To account for set-aside monies to increase the City's police force.
- Fire Grant Fund - To account for grant monies received and expended for fire prevention programs.
- Fire Mutual Aid Fund - To account for reimbursements received from either Federal or the State of California 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.
- Nutritional Meals Grant Fund - To account for monies received from Federal assistance programs for senior citizen services.
- Library Grant Fund - To account for grant monies received and expended from State and local agencies

(Continued)

- Cable Access Fund – To account for the 1.45% cable access fee to provide for resources to broadcast the City Council meetings and other various commissions, forums, etc.
- Electric Public Benefit Fund – To account for the 2.85% fees 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.
- Fire Paramedic Fund - To account for operations of the emergency transport and paramedic service in the City.
- Fire Communication Fund - To account for monies received and expended, as the lead city, for the tri-city (Burbank, Glendale and Pasadena) fire communication operations.
- ICIS (Interagency Communications Interoperability System) Fund - To account for monies received and expended for the ICIS joint power authority for regional radio communications.
- Joint Air Support Operation Fund - To account for monies received and expended in the operation of the heliport as a joint effort with City of Burbank.

Exhibit G-1
CITY OF GLENDALE
Combining Balance Sheet
Nonmajor Governmental Funds -
Special Revenue
June 30, 2009 (in thousands)

	Community Development Fund	Housing Assistance Fund	Home Grant Fund	Supportive Housing Grant Fund	Emergency Shelter Grant Fund
Assets					
Cash and invested cash	\$ -	1,758	-	-	-
Interest receivable	-	10	-	-	-
Accounts receivable, net	252	-	-	-	-
Unbilled services	-	-	-	-	-
Due from other agencies	495	346	28	402	39
Prepaid items	-	1,966	-	28	-
Property held for resale	-	-	-	-	-
Total assets	747	4,080	28	430	39
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	144	19	15	102	37
Due to other funds	436	-	13	375	2
Due to other agencies	-	313	-	-	-
Deferred revenues	252	-	-	-	-
Deposits	-	27	-	1	-
Total liabilities	832	359	28	478	39
Fund Balances:					
Reserved:					
Prepaid	-	1,967	-	28	-
Encumbrances	1,035	29	384	1,068	-
Property resale	-	-	-	-	-
Unreserved	(1,120)	1,725	(384)	(1,144)	-
Total fund balances	(85)	3,721	-	(48)	-
Total liabilities and fund balances	\$ 747	4,080	28	430	39

(Continued)

Exhibit G-1
CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Governmental Funds -
 Special Revenue
 June 30, 2009 (in thousands)

	Workforce Investment Fund	Low & Moderate Housing Fund	Local Transit Assistance Fund	Air Quality Improvement Fund	Public Works Special Grants Fund
Assets					
Cash and invested cash	\$ -	14,373	12,459	624	-
Interest receivable	-	71	65	3	-
Accounts receivable, net	-	-	106	-	-
Unbilled services	-	-	-	-	-
Due from other agencies	393	396	698	60	-
Prepaid items	-	6	-	-	-
Property held for resale	-	10,809	-	-	-
Total assets	393	25,655	13,328	687	-
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	56	102	739	28	-
Due to other funds	9	-	-	-	4
Due to other agencies	-	-	5	-	-
Deferred revenues	-	-	388	-	-
Deposits	3	-	-	-	-
Total liabilities	68	102	1,132	28	4
Fund Balances:					
Reserved:					
Prepaid	-	6	-	-	-
Encumbrances	-	9,887	4,034	433	-
Property resale	-	10,809	-	-	-
Unreserved	325	4,851	8,162	226	(4)
Total fund balances	325	25,553	12,196	659	(4)
Total liabilities and fund balances	\$ 393	25,655	13,328	687	-

(Continued)

Exhibit G-1
CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Governmental Funds -
 Special Revenue
 June 30, 2009 (in thousands)

	San Fernando Landscape District Fund	Narcotic Forfeiture Fund	Special Grant Fund	Supplemental Law Enforcement Fund	Police Staff Augmentation Fund
Assets					
Cash and invested cash	\$ 24	1,246	-	158	4,639
Interest receivable	-	5	-	1	23
Accounts receivable, net	-	-	39	-	3
Unbilled services	-	-	-	-	-
Due from other agencies	-	31	102	-	47
Prepaid items	-	-	-	-	-
Property held for resale	-	-	-	-	-
Total assets	24	1,282	141	159	4,712
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	-	2	2	-	96
Due to other funds	-	-	391	-	-
Due to other agencies	-	128	-	-	-
Deferred revenues	-	-	-	-	-
Deposits	-	54	-	-	-
Total liabilities	-	184	393	-	96
Fund Balances:					
Reserved:					
Prepaid	-	-	-	-	-
Encumbrances	-	-	650	-	-
Property resale	-	-	-	-	-
Unreserved	24	1,098	(902)	159	4,616
Total fund balances	24	1,098	(252)	159	4,616
Total liabilities and fund balances	\$ 24	1,282	141	159	4,712

(Continued)

Exhibit G-1
CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Governmental Funds -
 Special Revenue
 June 30, 2009 (in thousands)

	Fire Grant Fund	Fire Mutual Aid Fund	Nutritional Meals Grant Fund	Library Grant Fund	Cable Access Fund
Assets					
Cash and invested cash	\$ -	-	73	2,124	411
Interest receivable	-	-	-	11	2
Accounts receivable, net	16	-	-	-	-
Unbilled services	-	-	-	-	-
Due from other agencies	2,898	237	190	-	160
Prepaid items	-	-	-	-	-
Property held for resale	-	-	-	-	-
Total assets	2,914	237	263	2,135	573
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	105	-	22	19	-
Due to other funds	3,490	237	-	-	-
Due to other agencies	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Deposits	-	-	-	-	-
Total liabilities	3,595	237	22	19	-
Fund Balances:					
Reserved:					
Prepaid	-	-	-	-	-
Encumbrances	268	-	-	21	20
Property resale	-	-	-	-	-
Unreserved	(949)	-	241	2,095	553
Total fund balances	(681)	-	241	2,116	573
Total liabilities and fund balances	\$ 2,914	237	263	2,135	573

(Continued)

Exhibit G-1
CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Governmental Funds -
 Special Revenue
 June 30, 2009 (in thousands)

	Electric Public Benefit Fund	Fire Paramedic Fund	ICIS Fund	Joint Air Support Operation Fund	Total Nonmajor Special Revenue Funds
Assets					
Cash and invested cash	\$ 2,986	-	571	-	41,446
Interest receivable	16	-	3	-	210
Accounts receivable, net	321	1,643	-	-	2,380
Unbilled services	621	10	-	-	631
Due from other agencies	-	-	-	-	6,522
Prepaid items	-	-	-	-	2,000
Property held for resale	-	-	-	-	10,809
Total assets	3,944	1,653	574	-	63,998
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	661	66	50	-	2,265
Due to other funds	-	6,353	-	-	11,310
Due to other agencies	-	-	-	-	446
Deferred revenues	-	-	-	-	640
Deposits	-	2	-	-	87
Total liabilities	661	6,421	50	-	14,748
Fund Balances:					
Reserved:					
Prepaid	-	-	-	-	2,001
Encumbrances	2	47	29	-	17,907
Property resale	-	-	-	-	10,809
Unreserved	3,281	(4,815)	495	-	18,533
Total fund balances	3,283	(4,768)	524	-	49,250
Total liabilities and fund balances	\$ 3,944	1,653	574	-	63,998

Exhibit G-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds - Special Revenue
Year Ended June 30, 2009 (in thousands)

	Community Development Fund	Housing Assistance Fund	Home Grant Fund	Supportive Housing Grant Fund	Emergency Shelter Grant Fund
Revenues:					
Property taxes	\$ -	-	-	-	-
Other taxes	-	-	-	-	-
Revenue from other agencies	3,090	12,873	2,889	1,643	156
Fines and forfeitures	-	-	-	-	-
Charges for services	-	-	-	-	-
Use of money and property	-	59	-	-	-
Miscellaneous revenue	78	1,100	6	8	-
Total Revenues	3,168	14,032	2,895	1,651	156
Expenditures:					
Operating expenditures					
General government	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works	-	-	-	-	-
Housing, health and community development	2,383	14,485	2,895	1,699	156
Employment programs	-	-	-	-	-
Public service	-	-	-	-	-
Parks, recreation and community services	-	-	-	-	-
Library	-	-	-	-	-
Capital	413	-	-	-	-
Debt service	457	-	-	-	-
Total expenditures	3,253	14,485	2,895	1,699	156
Excess of revenues over (under) expenditures	(85)	(453)	-	(48)	-
Other financing sources (uses):					
Issuance of debt	-	-	-	-	-
Transfer In:					
Transfer-General Fund	-	-	-	-	-
Transfer-Internal Service Fund	-	-	-	-	-
Transfer Out:					
Transfer To Enterprise Fund	-	-	-	-	-
Total financing sources (uses)	-	-	-	-	-
Net change in fund balances	(85)	(453)	-	(48)	-
Fund balance, July 1	-	4,174	-	-	-
Fund balance, June 30	\$ (85)	3,721	-	(48)	-

(Continued)

Exhibit G-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	Workforce Investment Fund	Low & Moderate Housing Fund	Local Transit Assistance Fund	Air Quality Improvement Fund	PW Special Grants Fund
Revenues:					
Property taxes	\$ -	6,292	-	-	-
Other taxes	-	-	-	-	-
Revenue from other agencies	3,299	-	5,924	235	180
Fines and forfeitures	-	-	-	-	-
Charges for services	-	-	1,405	59	-
Use of money and property	-	352	412	17	-
Miscellaneous revenue	-	768	36	-	-
Total Revenues	3,299	7,412	7,777	311	180
Expenditures:					
Operating expenditures					
General government	-	-	-	-	-
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works	-	-	8,670	310	-
Housing, health and community development	-	8,703	-	-	-
Employment programs	3,118	-	-	-	-
Public service	-	-	-	-	-
Parks, recreation and community services	-	-	-	-	-
Library	-	-	-	-	-
Capital	-	3,775	521	-	-
Debt service	-	80	-	-	-
Total expenditures	3,118	12,558	9,191	310	-
Excess of revenues over (under) expenditures	181	(5,146)	(1,414)	1	180
Other financing sources (uses):					
Issuance of debt	-	14,000	-	-	-
Transfer In:					
Transfer-General Fund	-	-	-	-	-
Transfer-Internal Service Fund	-	-	-	-	-
Transfer Out:					
Transfer To Enterprise Fund	-	-	-	-	-
Total financing sources (uses)	-	14,000	-	-	-
Net change in fund balances	181	8,854	(1,414)	1	180
Fund balance, July 1	144	16,699	13,610	658	(184)
Fund balance, June 30	\$ 325	25,553	12,196	659	(4)

(Continued)

Exhibit G-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue
Year Ended June 30, 2009 (in thousands)

	San Fernando Landscape District Fund	Narcotic Forfeiture Fund	Special Grant Fund	Supplemental Law Enforcement Fund
Revenues:				
Property taxes	\$ -	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	-	-	203	165
Fines and forfeitures	-	630	-	-
Charges for services	-	-	9	-
Use of money and property	-	24	3	6
Miscellaneous revenue	48	-	182	-
Total Revenues	48	654	397	171
Expenditures:				
Operating expenditures				
General government	-	-	-	-
Police	-	393	683	294
Fire	-	-	-	-
Public works	24	-	-	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	-
Library	-	-	-	-
Capital	-	15	-	-
Debt service	-	-	-	-
Total expenditures	24	408	683	294
Excess of revenues over (under) expenditures	24	246	(286)	(123)
Other financing sources (uses):				
Issuance of debt	-	-	-	-
Transfer In:				
Transfer-General Fund	-	-	-	-
Transfer-Internal Service Fund	-	-	-	-
Transfer Out:				
Transfer To Enterprise Fund	-	-	-	-
Total financing sources (uses)	-	-	-	-
Net change in fund balances	24	246	(286)	(123)
Fund balance, July 1	-	852	34	282
Fund balance, June 30	\$ 24	1,098	(252)	159

(Continued)

Exhibit G-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	Police Staff Augmentation Fund	Fire Grant Fund	Fire Mutual Aid Fund	Nutritional Meals Grant Fund
Revenues:				
Property taxes	\$ -	-	-	-
Other taxes	-	-	-	-
Revenue from other agencies	-	2,342	1,484	311
Fines and forfeitures	779	-	-	-
Charges for services	163	-	-	-
Use of money and property	142	-	-	4
Miscellaneous revenue	497	104	-	69
Total Revenues	1,581	2,446	1,484	384
Expenditures:				
Operating expenditures				
General government	-	-	-	-
Police	3,978	-	-	-
Fire	-	486	1,484	-
Public works	-	-	-	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	-	-
Parks, recreation and community services	-	-	-	499
Library	-	-	-	-
Capital	-	2,189	-	-
Debt service	-	-	-	-
Total expenditures	3,978	2,675	1,484	499
Excess of revenues over (under) expenditures	(2,397)	(229)	-	(115)
Other financing sources (uses):				
Issuance of debt	-	-	-	-
Transfer In:				
Transfer-General Fund	1,837	-	-	137
Transfer-Internal Service Fund	-	-	-	-
Transfer Out:				
Transfer To Enterprise Fund	-	-	-	-
Total financing sources (uses)	1,837	-	-	137
Net change in fund balances	(560)	(229)	-	22
Fund balance, July 1	5,176	(452)	-	219
Fund balance, June 30	\$ 4,616	(681)	-	241

(Continued)

Exhibit G-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	Library Grant Fund	Cable Access Fund	Electric Public Benefit Fund	Fire Paramedic Fund
Revenues:				
Property taxes	\$ -	-	-	-
Other taxes	-	-	6,774	-
Revenue from other agencies	177	-	-	-
Fines and forfeitures	-	-	-	-
Charges for services	103	700	-	10,617
Use of money and property	22	15	99	-
Miscellaneous revenue	135	1	68	1
Total Revenues	437	716	6,941	10,618
Expenditures:				
Operating expenditures				
General government	-	629	-	-
Police	-	-	-	-
Fire	-	-	-	12,782
Public works	-	-	-	-
Housing, health and community development	-	-	-	-
Employment programs	-	-	-	-
Public service	-	-	6,674	-
Parks, recreation and community services	-	-	-	-
Library	452	-	-	-
Capital	-	-	-	60
Debt service	-	-	-	-
Total expenditures	452	629	6,674	12,842
Excess of revenues over (under) expenditures	(15)	87	267	(2,224)
Other financing sources (uses):				
Issuance of debt	-	-	-	-
Transfer In:				
Transfer-General Fund	-	-	-	2,086
Transfer-Internal Service Fund	-	-	-	-
Transfer Out:				
Transfer To Enterprise Fund	-	-	-	-
Total financing sources (uses)	-	-	-	2,086
Net change in fund balances	(15)	87	267	(138)
Fund balance, July 1	2,131	486	3,016	(4,630)
Fund balance, June 30	<u>\$ 2,116</u>	<u>573</u>	<u>3,283</u>	<u>(4,768)</u>

(Continued)

Exhibit G-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	Fire Communication Fund	ICIS Fund	Joint Air Support Operation Fund	Total Nonmajor Special Revenue Funds
Revenues:				
Property taxes	\$ -	-	-	6,292
Other taxes	-	-	-	6,774
Revenue from other agencies	-	-	-	34,971
Fines and forfeitures	-	-	-	1,409
Charges for services	-	280	333	13,669
Use of money and property	-	18	-	1,173
Miscellaneous revenue	-	11	339	3,451
Total Revenues	-	309	672	67,739
Expenditures:				
Operating expenditures				
General government	-	203	-	832
Police	-	-	696	6,044
Fire	-	-	-	14,752
Public works	-	-	-	9,004
Housing, health and community development	-	-	-	30,321
Employment programs	-	-	-	3,118
Public service	-	-	-	6,674
Parks, recreation and community services	-	-	-	499
Library	-	-	-	452
Capital	-	-	-	6,973
Debt service	-	-	-	537
Total expenditures	-	203	696	79,206
Excess of revenues over (under) expenditures	-	106	(24)	(11,467)
Other financing sources (uses):				
Issuance of debt	-	-	-	14,000
Transfer In:				
Transfer-General Fund	-	-	-	4,060
Transfer-Internal Service Fund	-	-	167	167
Transfer Out:				
Transfer To Enterprise Fund	(802)	-	-	(802)
Total financing sources (uses)	(802)	-	167	17,425
Net change in fund balances	(802)	106	143	5,958
Fund balance, July 1	802	418	(143)	43,292
Fund balance, June 30	\$ -	524	-	49,250

Exhibit G-3

CITY OF GLENDALE

Schedule of Revenues and Other Financing Sources - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Community Development Fund:				
Revenue from other agencies	\$ 3,469	7,575	3,090	4,485
Miscellaneous revenue	-	78	78	-
Total	<u>3,469</u>	<u>7,653</u>	<u>3,168</u>	<u>4,485</u>
Housing Assistance Fund:				
Use of money and property	25	25	59	(34)
Revenue from other agencies	13,786	13,786	12,873	913
Miscellaneous revenue	<u>1,004</u>	<u>1,004</u>	<u>1,100</u>	<u>(96)</u>
Total	<u>14,815</u>	<u>14,815</u>	<u>14,032</u>	<u>783</u>
Home Grant Fund:				
Revenue from other agencies	2,165	6,222	2,889	3,333
Miscellaneous revenue	<u>3</u>	<u>3</u>	<u>6</u>	<u>(3)</u>
Total	<u>2,168</u>	<u>6,225</u>	<u>2,895</u>	<u>3,330</u>
Supportive Housing Grant Fund:				
Revenue from other agencies	2,002	4,253	1,643	2,610
Miscellaneous revenue	<u>-</u>	<u>7</u>	<u>8</u>	<u>(1)</u>
Total	<u>2,002</u>	<u>4,260</u>	<u>1,651</u>	<u>2,609</u>
Emergency Shelter Grant Fund:				
Revenue from other agencies	<u>145</u>	<u>1,503</u>	<u>156</u>	<u>1,347</u>
Total	<u>145</u>	<u>1,503</u>	<u>156</u>	<u>1,347</u>
Workforce Investment Act Fund:				
Revenue from other agencies	4,485	8,804	3,299	5,505
Miscellaneous revenue	<u>57</u>	<u>107</u>	<u>-</u>	<u>107</u>
Total	<u>4,542</u>	<u>8,911</u>	<u>3,299</u>	<u>5,612</u>
Low & Moderate Housing Fund:				
Property taxes	6,640	6,640	6,292	348
Use of money and property	400	400	352	48
Issuance of debt	-	13,920	14,000	(80)
Miscellaneous revenue	<u>1,540</u>	<u>1,540</u>	<u>768</u>	<u>772</u>
Total	<u>\$ 8,580</u>	<u>22,500</u>	<u>21,412</u>	<u>1,088</u>

(Continued)

Exhibit G-3

CITY OF GLENDALE

Schedule of Revenues and Other Financing Sources - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Local Transit Assistance Fund:				
Use of money and property	\$ 456	456	412	44
Revenue from other agencies	13,802	13,802	5,924	7,878
Charges for services	1,416	1,416	1,405	11
Miscellaneous revenue	26	26	36	(10)
Total	<u>15,700</u>	<u>15,700</u>	<u>7,777</u>	<u>7,923</u>
Air Quality Improvement Fund:				
Use of money and property	20	20	17	3
Revenue from other agencies	255	255	235	20
Charges for services	52	52	59	(7)
Total	<u>327</u>	<u>327</u>	<u>311</u>	<u>16</u>
Public Works Special Grant Fund:				
Revenue from other agencies	-	-	180	(180)
Total	<u>-</u>	<u>-</u>	<u>180</u>	<u>(180)</u>
San Fernando Landscape District Fund:				
Miscellaneous revenue	-	-	48	(48)
Total	<u>-</u>	<u>-</u>	<u>48</u>	<u>(48)</u>
Narcotic Forfeiture Fund:				
Fines and forfeitures	-	-	630	(630)
Use of money and property	-	-	24	(24)
Total	<u>-</u>	<u>-</u>	<u>654</u>	<u>(654)</u>
Special Grant Fund:				
Use of money and property	1	1	3	(2)
Revenue from other agencies	664	1,117	203	914
Charges for services	-	35	9	26
Miscellaneous revenue	21	45	182	(137)
Total	<u>686</u>	<u>1,198</u>	<u>397</u>	<u>801</u>
Supplemental Law Enforcement Fund:				
Use of money and property	12	12	6	6
Revenue from other agencies	400	400	165	235
Total	<u>\$ 412</u>	<u>412</u>	<u>171</u>	<u>241</u>

(Continued)

Exhibit G-3

CITY OF GLENDALE

Schedule of Revenues and Other Financing Sources - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Police Staff Augmentation Fund:				
Use of money and property	\$ 250	250	142	108
Miscellaneous revenue	125	447	1,276	(829)
Charges for services	-	-	163	(163)
Transfers	<u>1,837</u>	<u>1,837</u>	<u>1,837</u>	<u>-</u>
Total	<u>2,212</u>	<u>2,534</u>	<u>3,418</u>	<u>(884)</u>
Fire Grant Fund:				
Revenue from other agencies	2,074	9,555	2,342	7,213
Miscellaneous revenue	<u>20</u>	<u>152</u>	<u>104</u>	<u>48</u>
Total	<u>2,094</u>	<u>9,707</u>	<u>2,446</u>	<u>7,261</u>
Fire Mutual Aid Fund:				
Revenue from other agencies	<u>-</u>	<u>1,500</u>	<u>1,484</u>	<u>16</u>
Total	<u>-</u>	<u>1,500</u>	<u>1,484</u>	<u>16</u>
Nutritional Meals Grant Fund:				
Use of money and property	5	5	4	1
Revenue from other agencies	303	316	311	5
Miscellaneous revenue	125	125	69	56
Transfers	<u>137</u>	<u>137</u>	<u>137</u>	<u>-</u>
Total	<u>570</u>	<u>583</u>	<u>521</u>	<u>62</u>
Library Grant Fund:				
Use of money and property	60	60	22	38
Revenue from other agencies	249	249	177	72
Charges for services	80	88	103	(15)
Miscellaneous revenue	<u>65</u>	<u>65</u>	<u>135</u>	<u>(70)</u>
Total	<u>454</u>	<u>462</u>	<u>437</u>	<u>25</u>
Cable Access Fund:				
Use of money and property	30	30	15	15
Charges for services	500	500	700	(200)
Miscellaneous revenue	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Total	<u>\$ 531</u>	<u>531</u>	<u>716</u>	<u>(185)</u>

(Continued)

Exhibit G-3

CITY OF GLENDALE

Schedule of Revenues and Other Financing Sources - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Electric Public Benefit Fund:				
Other taxes	\$ 6,800	6,800	6,774	26
Use of money and property	100	100	99	1
Miscellaneous revenue	<u>50</u>	<u>50</u>	<u>68</u>	<u>(18)</u>
Total	<u>6,950</u>	<u>6,950</u>	<u>6,941</u>	<u>9</u>
Fire Paramedic Fund:				
Charges for services	9,397	9,397	10,617	(1,220)
Miscellaneous revenue	17	16	1	15
Transfers	<u>2,150</u>	<u>2,086</u>	<u>2,086</u>	<u>-</u>
Total	<u>11,564</u>	<u>11,499</u>	<u>12,704</u>	<u>(1,205)</u>
ICIS Fund:				
Use of money and property	5	5	18	(13)
Charges for services	280	280	280	-
Miscellaneous revenue	<u>4</u>	<u>4</u>	<u>11</u>	<u>(7)</u>
Total	<u>289</u>	<u>289</u>	<u>309</u>	<u>(20)</u>
Joint Air Support Operations Fund:				
Charges for services	561	561	333	228
Miscellaneous revenue	-	-	339	(339)
Transfers	<u>-</u>	<u>-</u>	<u>167</u>	<u>(167)</u>
Total	<u>561</u>	<u>561</u>	<u>839</u>	<u>(278)</u>
Total revenues and other financing sources	<u>\$ 78,071</u>	<u>118,119</u>	<u>85,966</u>	<u>32,153</u>

Exhibit G-4

CITY OF GLENDALE

Schedule of Expenditures and Other Financing Uses - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Community Development Fund:				
Housing, health and community development:				
Salaries and benefits	\$ 1,090	1,336	1,082	254
Maintenance and operations	1,253	2,182	1,301	881
Capital projects	1,194	3,745	413	3,332
Debt Service	-	457	457	-
Total	<u>3,537</u>	<u>7,720</u>	<u>3,253</u>	<u>4,467</u>
Housing Assistance Fund:				
Housing, health and community development:				
Salaries and benefits	2,136	2,136	1,993	143
Maintenance and operations	12,738	12,738	12,492	246
Total	<u>14,875</u>	<u>14,874</u>	<u>14,485</u>	<u>389</u>
Home Grant Fund:				
Housing, health and community development:				
Salaries and benefits	171	171	163	8
Maintenance and operations	1,997	6,054	2,732	3,322
Total	<u>2,168</u>	<u>6,225</u>	<u>2,895</u>	<u>3,330</u>
Supportive Housing Grant Fund:				
Housing, health and community development:				
Salaries and benefits	110	217	160	57
Maintenance and operations	1,892	4,043	1,539	2,504
Total	<u>2,002</u>	<u>4,260</u>	<u>1,699</u>	<u>2,561</u>
Emergency Shelter Grant Fund:				
Housing, health and community development:				
Salaries and benefits	-	343	-	343
Maintenance and operations	145	1,160	156	1,004
Total	<u>\$ 145</u>	<u>1,503</u>	<u>156</u>	<u>1,347</u>

(Continued)

Exhibit G-4

CITY OF GLENDALE

Schedule of Expenditures and Other Financing Uses - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Workforce Investment Act Fund:				
Employment and job training services:				
Salaries and benefits	\$ 2,701	4,503	2,164	2,339
Maintenance and operations	1,741	4,308	954	3,354
Capital	<u>100</u>	<u>100</u>	<u>-</u>	<u>100</u>
Total	<u>4,542</u>	<u>8,911</u>	<u>3,118</u>	<u>5,793</u>
Low & Moderate Housing Fund:				
Housing, health and community development:				
Salaries and benefits	2,344	2,430	2,233	197
Maintenance and operations	1,167	19,627	6,470	13,157
Debt Service	-	16	80	(64)
Capital projects	<u>5,896</u>	<u>4,271</u>	<u>3,775</u>	<u>496</u>
Total	<u>9,407</u>	<u>26,344</u>	<u>12,558</u>	<u>13,786</u>
Local Transit Assistance Fund:				
Public works:				
Salaries and benefits	1,237	1,250	1,206	44
Maintenance and operations	7,977	8,165	7,464	701
Capital	2,345	5,950	267	5,683
Capital projects	<u>4,587</u>	<u>12,587</u>	<u>254</u>	<u>12,333</u>
Total	<u>16,147</u>	<u>27,952</u>	<u>9,191</u>	<u>18,761</u>
Air Quality Improvement Fund:				
Public works:				
Salaries and benefits	199	199	222	(23)
Maintenance and operations	102	102	88	14
Capital	<u>-</u>	<u>400</u>	<u>-</u>	<u>400</u>
Total	<u>300</u>	<u>701</u>	<u>310</u>	<u>391</u>
Public Works Special Grant Fund:				
Public works:				
Capital	<u>-</u>	<u>53</u>	<u>-</u>	<u>53</u>
Total	<u>\$ -</u>	<u>53</u>	<u>-</u>	<u>53</u>

(Continued)

Exhibit G-4

CITY OF GLENDALE

Schedule of Expenditures and Other Financing Uses - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
San Fernando Landscape District Fund:				
Public works:				
Maintenance and operations	\$ -	-	24	(24)
Total	<u>-</u>	<u>-</u>	<u>24</u>	<u>(24)</u>
Narcotic Forfeiture Fund:				
Public safety:				
Salaries and benefits	269	269	334	(65)
Maintenance and operations	224	199	59	140
Capital	<u>-</u>	<u>25</u>	<u>15</u>	<u>10</u>
Total	<u>493</u>	<u>493</u>	<u>408</u>	<u>85</u>
Special Grant Fund:				
Public safety:				
Salaries and benefits	609	735	629	106
Maintenance and operations	47	89	54	35
Capital	<u>-</u>	<u>655</u>	<u>-</u>	<u>655</u>
Total	<u>657</u>	<u>1,479</u>	<u>683</u>	<u>796</u>
Supplemental Law Enforcement Fund:				
Public safety:				
Salaries and benefits	283	283	286	(3)
Maintenance and operations	<u>107</u>	<u>107</u>	<u>8</u>	<u>99</u>
Total	<u>390</u>	<u>390</u>	<u>294</u>	<u>96</u>
Police Staff Augmentation Fund:				
Public safety:				
Salaries and benefits	4,195	4,195	3,528	667
Maintenance and operations	<u>110</u>	<u>432</u>	<u>450</u>	<u>(18)</u>
Total	<u>4,305</u>	<u>4,627</u>	<u>3,978</u>	<u>649</u>
Fire Grant Fund:				
Public safety:				
Salaries and benefits	287	339	117	222
Maintenance and operations	191	1,081	369	712
Capital	<u>2,019</u>	<u>6,961</u>	<u>2,189</u>	<u>4,772</u>
Total	<u>\$ 2,497</u>	<u>8,381</u>	<u>2,675</u>	<u>5,706</u>

(Continued)

Exhibit G-4

CITY OF GLENDALE

Schedule of Expenditures and Other Financing Uses - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Fire Mutual Aid Fund:				
Public safety:				
Salaries and benefits	\$ -	1,460	1,461	(1)
Maintenance and operations	-	40	23	17
Total	<u>-</u>	<u>1,500</u>	<u>1,484</u>	<u>16</u>
Nutritional Meals Grant Fund:				
Parks, recreation and community services:				
Salaries and benefits	337	337	287	50
Maintenance and operations	233	246	212	34
Total	<u>570</u>	<u>583</u>	<u>499</u>	<u>84</u>
Library Grant Fund:				
Library:				
Salaries and benefits	171	176	150	26
Maintenance and operations	225	988	302	686
Capital	-	10	-	10
Total	<u>396</u>	<u>1,174</u>	<u>452</u>	<u>722</u>
Cable Access Fund:				
General government:				
Salaries and benefits	568	568	576	(8)
Maintenance and operations	57	57	53	4
Capital	35	35	-	35
Total	<u>660</u>	<u>660</u>	<u>629</u>	<u>31</u>
Electric Public Benefit Fund:				
Public service:				
Salaries and benefits	329	329	306	23
Maintenance and operations	6,490	6,490	6,368	122
Total	<u>6,819</u>	<u>6,819</u>	<u>6,674</u>	<u>145</u>
Fire Paramedic Fund:				
Public safety:				
Salaries and benefits	5,478	5,415	5,495	(80)
Maintenance and operations	6,281	6,280	7,287	(1,007)
Capital	357	357	60	297
Total	<u>\$ 12,115</u>	<u>12,052</u>	<u>12,842</u>	<u>(790)</u>

(Continued)

Exhibit G-4

CITY OF GLENDALE

Schedule of Expenditures and Other Financing Uses - Budget to Actual

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
Fire Communications Fund				
Public safety:				
Transfer to other funds	\$ -	-	802	(802)
Total	<u>-</u>	<u>-</u>	<u>802</u>	<u>(802)</u>
ICIS Fund:				
General government:				
Salaries and benefits	100	100	50	50
Maintenance and operations	<u>135</u>	<u>135</u>	<u>153</u>	<u>(18)</u>
Total	<u>235</u>	<u>235</u>	<u>203</u>	<u>32</u>
Joint Air Support Operations Fund:				
General government:				
Maintenance and operations	721	740	696	44
Capital	<u>350</u>	<u>350</u>	<u>-</u>	<u>350</u>
Total	<u>1,071</u>	<u>1,090</u>	<u>696</u>	<u>394</u>
Total expenditures and other financing uses	<u>\$ 83,330</u>	<u>138,025</u>	<u>80,008</u>	<u>58,017</u>

DEBT SERVICE FUNDS

- 2003 GRA Tax Allocation Bonds Fund – To accumulate monies for the payment of interest and principal of the 2003 Tax Allocation bonds. Debt Service is financed via the incremental property tax from the Glendale Redevelopment Agency.
- Police Building Project Fund – To accumulate monies for the payment of interest principal of the 2000 Police Building Project Variable Rate Demands Certificates of Participation. Debt Service is currently financed via the capitalized interest set aside for the project. After the completion of the Police building construction, debt service will be financed via lease payments.
- 2002 GRA Tax Allocation Bonds Fund – To accumulate monies for the payment of interest and principal of the 2002 Tax Allocation bonds. Debt Service is financed via the incremental property tax from the Glendale Redevelopment Agency.
- Capital Leases Fund – To accumulate monies for the payment of interest and principal for the Capital Lease of the Municipal Building Services (MSB) Seismic Upgrade Project. Debt Service is financed via lease payments.
- Low and Mod Loans Payable – To accumulate monies for the payment of interest and principal for the \$14 million loan from the Union Bank of California. Debt Service is financed via the 20% of incremental property taxes received by the Housing Authority from Glendale Redevelopment Project areas.

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Exhibit H-1
CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Governmental Funds - Debt Service
 June 30, 2009 (in thousands)

	2003 GRA Tax Allocation Bonds Fund	Police Building Project Fund	2002 GRA Tax Allocation Bonds Fund
Assets			
Cash and invested cash	\$ 725	39,325	543
Cash with fiscal agent	4,841	5,008	3,850
Interest receivable	-	196	-
Total assets	5,566	44,529	4,393
Liabilities and Fund Balances			
Liabilities:			
Interest payable	-	8	-
Total liabilities	-	8	-
Fund Balances:			
Reserved:			
Debt service	4,771	3,054	3,808
Unreserved	795	41,467	585
Total fund balances	5,566	44,521	4,393
Total liabilities and fund balances	\$ 5,566	44,529	4,393

(Continued)

Exhibit H-1
CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Governmental Funds - Debt Service
 June 30, 2009 (in thousands)

		Capital Leases Fund	Low and Mod Loans Payable	Total Nonmajor Debt Service Funds
Assets				
Cash and invested cash	\$	-	6	40,599
Cash with fiscal agent		-	-	13,699
Interest receivable		-	-	196
Total assets		-	6	54,494
Liabilities and Fund Balances				
Liabilities:				
Interest payable		-	-	8
Total liabilities		-	-	8
Fund Balances:				
Reserved:				
Debt service		-	-	11,633
Unreserved		-	6	42,853
Total fund balances		-	6	54,486
Total liabilities and fund balances	\$	-	6	54,494

Exhibit H-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds - Debt Service
Year Ended June 30, 2009 (in thousands)

	2003 GRA Tax Allocation Bonds Fund	Police Building Project Fund	2002 GRA Tax Allocation Bonds Fund
Revenues:			
Property taxes	\$ 4,580	-	3,620
Use of money and property	117	1,240	191
Total revenues	4,697	1,240	3,811
Expenditures:			
Operating expenditures			
Police building project	-	182	-
Housing, health and community development	5	-	5
Debt service			
Interest on Bonds	-	598	-
Accrued interest 2003 GRA tax allo	2,094	-	-
Accrued interest 2002 GRA tax allo	-	-	1,715
Interest on Loan - L&M	-	-	-
Accr Int Cap lease -MSB Retrofit	-	-	-
Principal	-	1,400	-
Principal 2003 GRA Tax Allocation	2,680	-	-
Principal 2002 GRA Tax Allocation	-	-	2,100
Principal Cap Lease-MSB Retrofit	-	-	-
Principal on Loan - L&M	-	-	-
Total expenditures	4,779	2,180	3,820
Excess of revenues over (under) expenditures	(82)	(940)	(9)
Other financing sources (uses):			
Transfer from:			
Transfer-Capital Funds	-	-	-
Total financing sources (uses)	-	-	-
Net change in fund balances	(82)	(940)	(9)
Fund balance, July 1	5,648	45,461	4,402
Fund balance, June 30	\$ 5,566	44,521	4,393

(Continued)

Exhibit H-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds - Debt Service
Year Ended June 30, 2009 (in thousands)

	Capital Leases Fund	Low and Mod Loans Payable	Total Nonmajor Debt Service Funds
Revenues:			
Property taxes	\$ -	764	8,964
Use of money and property	-	6	1,554
Total revenues	-	770	10,518
Expenditures:			
Operating expenditures			
Police building project	-	-	182
Housing, health and community development	-	-	10
Debt service			
Interest on Bonds	-	-	598
Accrued interest 2003 GRA tax allo	-	-	2,094
Accrued interest 2002 GRA tax allo	-	-	1,715
Interest on Loan - L&M	-	116	116
Accr Int Cap lease -MSB Retrofit	81	-	81
Principal	-	-	1,400
Principal 2003 GRA Tax Allocation	-	-	2,680
Principal 2002 GRA Tax Allocation	-	-	2,100
Principal Cap Lease-MSB Retrofit	1,068	-	1,068
Principal on Loan - L&M	-	648	648
Total expenditures	1,149	764	12,692
Excess of revenues over (under) expenditures	(1,149)	6	(2,174)
Other financing sources (uses):			
Transfer from:			
Transfer-Capital Funds	1,392	-	1,392
Total financing sources (uses)	1,392	-	1,392
Net change in fund balances	243	6	(782)
Fund balance, July 1	(243)	-	55,268
Fund balance, June 30	\$ -	6	54,486

Exhibit H-3

CITY OF GLENDALE

Schedule of Revenues and Other Financing Sources - Budget to Actual

Nonmajor Governmental Funds - Debt Service

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
2003 GRA Tax Allocation Bonds Fund				
Property taxes	\$ 4,550	4,550	4,580	(30)
Interest and invest. revenue	230	230	117	113
Total	<u>4,780</u>	<u>4,780</u>	<u>4,697</u>	<u>83</u>
Police Building Project Fund				
Interest and invest. revenue	1,700	1,700	1,240	460
Total	<u>1,700</u>	<u>1,700</u>	<u>1,240</u>	<u>460</u>
2002 GRA Tax Allocation Bonds Fund				
Property taxes	3,670	3,670	3,620	50
Interest and invest. revenue	150	150	191	(41)
Total	<u>3,820</u>	<u>3,820</u>	<u>3,811</u>	<u>9</u>
Capital Leases Fund-MSB Retrofit				
Transfers	1,392	1,392	1,392	-
Total	<u>1,392</u>	<u>1,392</u>	<u>1,392</u>	<u>-</u>
Low & Mod Loans Payable				
Property taxes	-	764	764	-
Interest and invest. revenue	-	-	6	(6)
Total	<u>-</u>	<u>764</u>	<u>770</u>	<u>(6)</u>
Total revenues and other financing sources	<u>\$ 11,692</u>	<u>12,456</u>	<u>11,910</u>	<u>546</u>

Exhibit H-4

CITY OF GLENDALE

Schedule of Expenditures and Other Financing Uses - Budget to Actual

Nonmajor Governmental Funds - Debt Service

Year Ended June 30, 2009 (in thousands)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over (Under)</u>
2003 GRA Tax Allocation Bonds Fund				
Administration	\$ 6	6	5	1
Debt service	<u>4,774</u>	<u>4,774</u>	<u>4,774</u>	<u>-</u>
Total	<u>4,780</u>	<u>4,780</u>	<u>4,779</u>	<u>1</u>
Police Building Project Fund				
Administration	160	160	182	(22)
Debt service	<u>3,647</u>	<u>3,647</u>	<u>1,998</u>	<u>1,649</u>
Total	<u>3,807</u>	<u>3,807</u>	<u>2,180</u>	<u>1,627</u>
2002 GRA Tax Allocation Bonds Fund				
Administration	5	5	5	-
Debt service	<u>3,815</u>	<u>3,815</u>	<u>3,815</u>	<u>-</u>
Total	<u>3,820</u>	<u>3,820</u>	<u>3,820</u>	<u>-</u>
Capital Leases Fund-MSB Retrofit				
Debt service	<u>1,392</u>	<u>1,392</u>	<u>1,149</u>	<u>243</u>
Total	<u>1,392</u>	<u>1,392</u>	<u>1,149</u>	<u>243</u>
Low and Mod Loans Payable				
Debt service	<u>-</u>	<u>764</u>	<u>764</u>	<u>-</u>
Total	<u>-</u>	<u>764</u>	<u>764</u>	<u>-</u>
Total expenditures and other financing uses	<u>\$ 13,799</u>	<u>14,563</u>	<u>12,692</u>	<u>1,871</u>

CAPITAL PROJECT FUNDS

- State Gas Tax Fund - To account for monies received and expended from state gas tax allocations for street improvement purposes.
- Police Facility Construction Fund - To account for monies from the 2000 Police Building Project Variable Rate Demand Certificates of Participation proceeds.

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Exhibit I-1
CITY OF GLENDALE
 Combining Balance Sheet
 Nonmajor Governmental Funds - Capital Projects
 June 30, 2009 (in thousands)

	State Gas Tax Fund	Police Facility Construction Fund	Total Nonmajor Capital Projects Funds
Assets			
Cash and invested cash	\$ 16,935	2,179	19,114
Interest receivable	71	-	71
Accounts receivable, net	91	-	91
Due from other agencies	1,044	-	1,044
Total assets	18,141	2,179	20,320
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	406	-	406
Due to other agencies	68	-	68
Deferred revenues	312	-	312
Total liabilities	786	-	786
Fund Balances:			
Reserved:			
Encumbrances	1,234	-	1,234
Unreserved	16,121	2,179	18,300
Total fund balances	17,355	2,179	19,534
Total liabilities and fund balances	\$ 18,141	2,179	20,320

Exhibit I-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds - Capital Projects

For Fiscal Year Ended June 30, 2009 (in thousands)

	State Gas Tax Fund	Police Facility Construction Fund	Total Nonmajor Capital Projects Funds
Revenues:			
Revenue from other agencies	\$ 7,794	-	7,794
Use of money and property	456	14	470
Miscellaneous revenue	24	-	24
Total revenues	8,274	14	8,288
Expenditures:			
Operating expenditures			
Public works	1,073	-	1,073
Capital	6,868	-	6,868
Debt service			
Total expenditures	7,941	-	7,941
Excess of revenues over (under) expenditures	333	14	347
Net change in fund balances	333	14	347
Fund balance, July 1	17,022	2,165	19,187
Fund balance, June 30	\$ 17,355	2,179	19,534

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.



GLENDALE
CALIFORNIA

ENTERPRISE FUNDS

- Recreation Fund - To account for recreation programs of the Parks, Recreation and Community Services department on a proprietary user fee basis.
- Hazardous Disposal Fund - To account for operations of the toxic waste disposal in the City.
- Parking Fund - To account for operations of City-owned public parking lots and garages.
- Refuse Disposal Fund - To account for operations of the City-owned refuse collection and disposal service.
- Fire Communication Fund - To account for monies received and expended, as the lead city, for the tri-city (Burbank, Glendale and Pasadena) fire communication operations.

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Exhibit J-1
CITY OF GLENDALE
Combining Statement of Net Assets
Proprietary Funds - Nonmajor Enterprise Funds
June 30, 2009 (in thousands)

	Recreation Fund	Hazardous Disposal Fund	Parking Fund
Assets			
Current assets:			
Cash and invested cash	\$ 2,599	878	4,711
Interest receivable	12	5	23
Accounts receivable, net	-	95	41
Unbilled services	-	71	-
Due from other agencies	31	-	360
Total current assets	2,642	1,049	5,135
Capital assets:			
Land	-	-	5,651
Buildings and improvements	-	598	41,488
Machinery and equipment	65	287	2,380
Building and improvement accumulated depreciation	(55)	(753)	(19,065)
Total capital assets	10	132	30,454
Total assets	2,652	1,181	35,589
Liabilities and Net Assets			
Liabilities:			
Accounts payable	83	29	530
Due to other agencies	-	-	40
Deposits	91	33	-
Total liabilities	174	62	570
Net assets:			
Invested in capital assets, net of related debt	10	132	30,454
Unrestricted	2,468	987	4,565
Total net assets	\$ 2,478	1,119	35,019

(Continued)

Exhibit J-1
CITY OF GLENDALE
 Combining Statement of Net Assets
 Proprietary Funds - Nonmajor Enterprise Funds
 June 30, 2009 (in thousands)

	Refuse Disposal Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
Assets			
Current assets:			
Cash and invested cash	\$ 14,686	1,242	24,116
Interest receivable	73	7	120
Accounts receivable, net	1,370	41	1,547
Unbilled services	1,201	-	1,272
Due from other agencies	34	-	425
Total current assets	17,364	1,290	27,480
Capital assets:			
Land	1,639	-	7,290
Buildings and improvements	6,752	-	48,838
Machinery and equipment	13,893	5,356	21,981
Building and improvement accumulated depreciation	(11,850)	(3,746)	(35,469)
Total capital assets	10,434	1,610	42,640
Total assets	27,798	2,900	70,120
Liabilities and Net Assets			
Liabilities:			
Accounts payable	305	6	953
Due to other agencies	-	-	40
Deposits	359	-	483
Total liabilities	664	6	1,476
Net assets:			
Invested in capital assets, net of related debt	10,434	1,610	42,640
Unrestricted	16,700	1,284	26,004
Total net assets	\$ 27,134	2,894	68,644

Exhibit J-2

CITY OF GLENDALECombining Statement of Revenues, Expenses
and Changes in Net Assets

Proprietary Funds - Nonmajor Enterprise Funds

Year ended June 30, 2009 (in thousands)

	Recreation Fund	Hazardous Disposal Fund	Parking Fund
Operating revenues:			
Charges for services	\$ 2,394	1,550	7,111
Miscellaneous revenues	288	4	42
Total operating revenues	<u>2,682</u>	<u>1,554</u>	<u>7,153</u>
Operating expenses:			
Salaries and benefits	1,379	1,134	2,293
Maintenance and operations	1,137	473	3,007
Depreciation	3	45	1,142
Total operating expenses	<u>2,519</u>	<u>1,652</u>	<u>6,442</u>
Operating income (loss)	<u>163</u>	<u>(98)</u>	<u>711</u>
Non operating revenues (expenses):			
Interest revenue	67	27	143
Grant revenue	260	88	-
Contribution in aid	39	-	-
Total non operating revenues, net	<u>366</u>	<u>115</u>	<u>143</u>
Income before transfers	<u>529</u>	<u>17</u>	<u>854</u>
Transfer in:			
Transfer - Special Revenue Fund	-	-	-
Transfer out:			
Transfer-General Fund	<u>-</u>	<u>(100)</u>	<u>(1,900)</u>
Total transfer	<u>-</u>	<u>(100)</u>	<u>(1,900)</u>
Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	529	(83)	(1,046)
Total net assets, July 1	<u>1,949</u>	<u>1,202</u>	<u>36,065</u>
Total net assets, June 30	<u>\$ 2,478</u>	<u>1,119</u>	<u>35,019</u>

(Continued)

Exhibit J-2

CITY OF GLENDALECombining Statement of Revenues, Expenses
and Changes in Net Assets

Proprietary Funds - Nonmajor Enterprise Funds

Year ended June 30, 2009 (in thousands)

	Refuse Disposal Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services	\$ 19,911	2,890	33,856
Miscellaneous revenues	2	194	530
Total operating revenues	<u>19,913</u>	<u>3,084</u>	<u>34,386</u>
Operating expenses:			
Salaries and benefits	7,375	2,018	14,199
Maintenance and operations	7,867	472	12,956
Depreciation	987	257	2,434
Total operating expenses	<u>16,229</u>	<u>2,747</u>	<u>29,589</u>
Operating income (loss)	<u>3,684</u>	<u>337</u>	<u>4,797</u>
Non operating revenues (expenses):			
Interest revenue	447	43	727
Grant revenue	-	-	348
Contribution in aid	-	-	39
Total non operating revenues, net	<u>447</u>	<u>43</u>	<u>1,114</u>
Income before transfers	<u>4,131</u>	<u>380</u>	<u>5,911</u>
Transfer in:			
Transfer - Special Revenue Fund	-	802	802
Transfer out:			
Transfer-General Fund	<u>(500)</u>	-	<u>(2,500)</u>
Total transfer	<u>(500)</u>	<u>802</u>	<u>(1,698)</u>
Capital Contributions	-	1,712	1,712
Change in net assets	3,631	2,894	5,925
Total net assets, July 1	<u>23,503</u>	-	<u>62,719</u>
Total net assets, June 30	<u>\$ 27,134</u>	<u>2,894</u>	<u>68,644</u>

Exhibit J-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Proprietary Funds - Nonmajor Enterprise Funds

Year Ended June 30, 2009 (in thousands)

	Hazardous Disposal		
	Recreation Fund	Fund	Parking Fund
Cash flows from operating activities:			
Cash from customers	\$ 2,700	1,535	7,064
Cash paid to employees	(1,380)	(1,134)	(2,293)
Cash paid to suppliers	(1,199)	(485)	(2,694)
Net Cash provided by (used in) operating activities	121	(84)	2,077
Cash flows from noncapital financing activities:			
Operating transfers out			
Transfer-General Fund	-	(100)	(1,900)
Operating transfers in			
Transfer-Special Revenue Fund	-	-	-
Operating grant received	260	87	-
Net Cash provided by (used in) noncapital financing activities	260	(13)	(1,900)
Cash flows from capital and related financing activities:			
Contribution in aid	39	-	-
Acquisition of property, plant, and equipment	-	-	(537)
Net cash provided by (used in) capital and related financing activities	39	-	(537)
Cash provided by investing activities - interest received:	72	-	159
Net increase (decrease) in cash and cash equivalents	492	(97)	(201)
Cash and cash equivalents at July 1	2,107	975	4,912
Cash and cash equivalents at June 30	2,599	878	4,711
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	163	(98)	711
Adjustments to reconcile operating income to net cash provided by (used in) by operating activities:			
Depreciation	3	45	1,142
(Increase)Decrease Accounts receivable net	(1)	(27)	48
(Increase)Decrease Unbilled receivable	-	5	-
(Increase)Decrease Due from other agencies	18	3	(137)
Increase(Decrease) Accounts payable	-	(25)	312
Increase(Decrease) Due to other agencies	-	-	1
Increase(Decrease) Deposits	(62)	13	-
Total adjustments	(42)	14	1,366
Net cash provided (used) by operating activities	\$ 121	(84)	2,077
Noncash investing, capital, and financing activities:			
Contributions of capital assets from government	-	-	-
Increase in fair value of investments	8	3	15

(Continued)

Exhibit J-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Proprietary Funds - Nonmajor Enterprise Funds

Year Ended June 30, 2009 (in thousands)

	Refuse Disposal Fund	Fire Communication Fund	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Cash from customers	\$ 19,925	3,043	34,267
Cash paid to employees	(7,375)	(2,018)	(14,200)
Cash paid to suppliers	(8,199)	(466)	(13,043)
Net Cash provided by (used in) operating activities	4,351	559	7,024
Cash flows from noncapital financing activities:			
Operating transfers out			
Transfer-General Fund	(500)	-	(2,500)
Operating transfers in			
Transfer-Special Revenue Fund	-	802	802
Operating grant received	-	-	347
Net Cash provided by (used in) noncapital financing activities	(500)	802	(1,351)
Cash flows from capital and related financing activities:			
Contribution in aid	-	-	39
Acquisition of property, plant, and equipment	(374)	(155)	(1,066)
Net cash provided by (used in) capital and related financing activities	(374)	(155)	(1,027)
Cash provided by investing activities - interest received:	463	36	730
Net increase (decrease) in cash and cash equivalents	3,940	1,242	5,376
Cash and cash equivalents at July 1	10,746	-	18,740
Cash and cash equivalents at June 30	14,686	1,242	24,116
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	3,684	337	4,797
Adjustments to reconcile operating income to net cash provided by (used in) by operating activities:			
Depreciation	987	257	2,434
(Increase)Decrease Accounts receivable net	(67)	(41)	(88)
(Increase)Decrease Unbilled receivable	8	-	13
(Increase)Decrease Due from other agencies	71	-	(45)
Increase(Decrease) Accounts payable	(286)	6	7
Increase(Decrease) Due to other agencies	-	-	1
Increase(Decrease) Deposits	(46)	-	(95)
Total adjustments	667	222	2,227
Net cash provided (used) by operating activities	\$ 4,351	559	7,024
Noncash investing, capital, and financing activities:			
Contributions of capital assets from government	-	1,712	1,712
Increase in fair value of investments	48	5	79

Exhibit J-4
 CITY OF GLENDALE
 Schedule of Investment in Capital Assets
 Proprietary Funds - Nonmajor Enterprise Funds
 Year Ended June 30, 2009 (in thousands)

		Land	Buildings and Improvements	Machinery and Equipment	Total
Recreation Fund	\$	-	-	65	65
Hazardous Disposal Fund		-	598	287	885
Parking Fund		5,651	41,488	2,380	49,519
Refuse Disposal Fund		1,639	6,752	13,893	22,284
Fire Communication Fund		-	-	5,356	5,356
Total capital assets	\$	<u>7,290</u>	<u>48,838</u>	<u>21,981</u>	<u>78,109</u>

Exhibit J-5

CITY OF GLENDALE

Schedule of Changes in Capital Assets

Proprietary Funds - Nonmajor Enterprise Funds

Year Ended June 30, 2009 (in thousands)

	<u>Balance at July1</u>	<u>Additions/ Reclass</u>	<u>Retirements/ Reclass</u>	<u>Total</u>
Recreation Fund	\$ 65	-	-	65
Hazardous Disposal Fund	900	-	(15)	885
Parking Fund	48,773	526	220	49,519
Refuse Disposal Fund	22,845	384	(945)	22,284
Fire Communication Fund	-	154	5,202	5,356
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets	\$ <u>72,583</u>	<u>1,064</u>	<u>4,462</u>	<u>78,109</u>

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.

GLENDALE
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INTERNAL SERVICE FUNDS

- 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.
- Joint Helicopter Operation Fund - To account for set-aside funds to perform major maintenance or replacement of the helicopters.
- Tech Equipment Replacement 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.
- Application Software Replacement Fund - To account for major application software replacement resources which are derived from periodic charges to governmental operations to ensure timely replacement of the major application software.
- Police CAD RMS Replacement Fund - To account for the Police CAD RMS replacement resources which are derived from periodic charges to governmental operations to ensure timely replacement of the Police CAD RMS.
- Citywide Document Management System Fund - To account for set-aside funds to maintain and/or replace citywide document management system.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- Employee Benefits Fund - To account for the resources and the liability for employees' compensated absences (vacation and comp time).
- Retiree Health Savings Plan (RHSP) Benefits Fund - To account for the resources and the liability for employees' sick leave conversion under RHSP plan.
- Post Employment Benefits Fund - To account for the resources and the liability for retirees' medical insurance premium subsidy.
- Graphics Operation Fund - To finance and account for the City's graphic department's service usage.
- Wireless Communication System Fund - To account for the operation of the citywide radio system.
- Financial System Operation Fund - To account for the support operation of the PeopleSoft financial system.

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Exhibit K-1
CITY OF GLENDALE
 Combining Statement of Net Assets
 Internal Service Funds
 June 30, 2009 (in thousands)

	Fleet / Equipment Management Fund	Joint Helicopter Operation Fund	Tech Equipment Replacement Fund	Application Software Replacement Fund
Assets				
Current assets:				
Cash and invested cash	\$ 16,006	2,873	306	963
Interest receivable	78	14	2	5
Accounts receivable, net	-	-	-	-
Due from other agencies	4	171	-	1
Prepaid items	-	-	-	-
Total current assets	16,088	3,058	308	969
Noncurrent assets:				
Designated & invested cash	-	-	-	-
Total noncurrent assets	-	-	-	-
Capital assets:				
Machinery and equipment	28,317	2,074	-	-
Buildings & improvements accumulated depreciation	(15,611)	(1,130)	-	-
Total capital assets	12,706	944	-	-
Total assets	28,794	4,002	308	969
Liabilities and Net Assets				
Current liabilities:				
Accounts payable	6	252	163	60
Accrued interest	56	-	-	-
Bonds payable, due in one year	557	-	-	-
Claims payable	-	-	-	-
Compensated absences	-	-	-	-
Total current liabilities	619	252	163	60
Noncurrent liabilities:				
Claims payable	-	-	-	-
Compensated absences	-	-	-	-
Long term debt	3,873	-	-	-
Total noncurrent liabilities	3,873	-	-	-
Total liabilities	4,492	252	163	60
Net assets:				
Invested in capital assets, net of related debt	8,276	944	-	-
Unrestricted	16,026	2,806	145	909
Total net assets	\$ 24,302	3,750	145	909

(Continued)

Exhibit K-1
CITY OF GLENDALE
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009 (in thousands)

	Police CAD RMS Replacemnt Fund	Citywide Document Management System Fund	Unemployment Insurance Fund	Liability Insurance Fund
Assets				
Current assets:				
Cash and invested cash	\$ 1,408	331	533	1,814
Interest receivable	7	2	3	267
Accounts receivable, net	-	-	-	-
Due from other agencies	-	-	-	-
Prepaid items	-	-	-	-
Total current assets	1,415	333	536	2,081
Noncurrent assets:				
Designated & invested cash	-	-	-	1,587
Total noncurrent assets	-	-	-	1,587
Capital assets:				
Machinery and equipment	-	-	-	-
Buildings & improvements accumulated depreciation	-	-	-	-
Total capital assets	-	-	-	-
Total assets	1,415	333	536	3,668
Liabilities and Net Assets				
Current liabilities:				
Accounts payable	-	-	-	636
Accrued interest	-	-	-	-
Bonds payable, due in one year	-	-	-	-
Claims payable	-	-	-	5,142
Compensated absences	-	-	-	-
Total current liabilities	-	-	-	5,778
Noncurrent liabilities:				
Claims payable	-	-	-	7,960
Compensated absences	-	-	-	-
Long term debt	-	-	-	-
Total noncurrent liabilities	-	-	-	7,960
Total liabilities	-	-	-	13,738
Net assets:				
Invested in capital assets, net of related debt	-	-	-	-
Unrestricted	1,415	333	536	(10,070)
Total net assets	\$ 1,415	333	536	(10,070)

(Continued)

Exhibit K-1
CITY OF GLENDALE
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009 (in thousands)

	Compensation Insurance Fund	Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund
Assets				
Current assets:				
Cash and invested cash	\$ 12,561	313	1,125	164
Interest receivable	62	2	7	1
Accounts receivable, net	166	-	-	-
Due from other agencies	-	-	12	-
Prepaid items	5	-	511	-
Total current assets	12,794	315	1,655	165
Noncurrent assets:				
Designated & invested cash	-	-	-	-
Total noncurrent assets	-	-	-	-
Capital assets:				
Machinery and equipment	98	-	-	-
Buildings & improvements accumulated depreciation	(79)	-	-	-
Total capital assets	19	-	-	-
Total assets	12,813	315	1,655	165
Liabilities and Net Assets				
Current liabilities:				
Accounts payable	1	89	137	22
Accrued interest	-	-	-	-
Bonds payable, due in one year	-	-	-	-
Claims payable	6,645	-	791	-
Compensated absences	-	-	-	-
Total current liabilities	6,646	89	928	22
Noncurrent liabilities:				
Claims payable	15,586	-	-	-
Compensated absences	-	-	-	-
Long term debt	-	-	-	-
Total noncurrent liabilities	15,586	-	-	-
Total liabilities	22,232	89	928	22
Net assets:				
Invested in capital assets, net of related debt	19	-	-	-
Unrestricted	(9,438)	226	727	143
Total net assets	\$ (9,419)	226	727	143

(Continued)

Exhibit K-1
CITY OF GLENDALE
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009 (in thousands)

	Employee Benefits Fund	Retiree Health Savings Plan Benefits Fund	Post Employment Benefits Fund	Wireless Communications System Fund
Assets				
Current assets:				
Cash and invested cash	\$ 6,120	4,245	700	215
Interest receivable	31	21	4	1
Accounts receivable, net	-	-	-	-
Due from other agencies	-	-	-	-
Prepaid items	-	-	-	-
Total current assets	6,151	4,266	704	216
Noncurrent assets:				
Designated & invested cash	-	-	-	-
Total noncurrent assets	-	-	-	-
Capital assets:				
Machinery and equipment	-	-	-	236
Buildings & improvements accumulated depreciation	-	-	-	(129)
Total capital assets	-	-	-	107
Total assets	6,151	4,266	704	323
Liabilities and Net Assets				
Current liabilities:				
Accounts payable	-	-	-	72
Accrued interest	-	-	-	-
Bonds payable, due in one year	-	-	-	-
Claims payable	-	-	-	-
Compensated absences	1,312	1,500	-	-
Total current liabilities	1,312	1,500	-	72
Noncurrent liabilities:				
Claims payable	-	-	-	-
Compensated absences	12,797	10,108	-	-
Long term debt	-	-	-	-
Total noncurrent liabilities	12,797	10,108	-	-
Total liabilities	14,109	11,608	-	72
Net assets:				
Invested in capital assets, net of related debt	-	-	-	107
Unrestricted	(7,958)	(7,342)	704	144
Total net assets	\$ (7,958)	(7,342)	704	251

(Continued)

Exhibit K-1
CITY OF GLENDALE
Combining Statement of Net Assets
Internal Service Funds
June 30, 2009 (in thousands)

	Financial System	
	Operation Fund	Total
Assets		
Current assets:		
Cash and invested cash	\$ 1,927	51,604
Interest receivable	10	517
Accounts receivable, net	-	166
Due from other agencies	-	188
Prepaid items	-	516
	<u>1,937</u>	<u>52,991</u>
Total current assets		
Noncurrent assets:		
Designated & invested cash	-	1,587
	<u>-</u>	<u>1,587</u>
Total noncurrent assets		
Capital assets:		
Machinery and equipment	-	30,725
Buildings & improvements		
accumulated depreciation	-	(16,949)
	<u>-</u>	<u>(16,949)</u>
Total capital assets	-	13,776
	<u>-</u>	<u>13,776</u>
Total assets	<u>1,937</u>	<u>68,354</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	-	1,438
Accrued interest	-	56
Bonds payable, due in one year	-	557
Claims payable	-	12,578
Compensated absences	-	2,812
	<u>-</u>	<u>17,441</u>
Total current liabilities	-	17,441
Noncurrent liabilities:		
Claims payable	-	23,546
Compensated absences	-	22,905
Long term debt	-	3,873
	<u>-</u>	<u>3,873</u>
Total noncurrent liabilities	-	50,324
	<u>-</u>	<u>50,324</u>
Total liabilities	-	67,765
Net assets:		
Invested in capital assets, net of related debt	-	9,346
Unrestricted	1,937	(8,757)
	<u>1,937</u>	<u>(8,757)</u>
Total net assets	<u>\$ 1,937</u>	<u>589</u>

Exhibit K-2

CITY OF GLENDALECombining Statement of Revenues, Expenses
and Changes in Net Assets

Internal Service Funds

Year ended June 30, 2009 (in thousands)

	Fleet / Equipment Management Fund	Joint Helicopter Operation Fund	Tech Equipment Replacement Fund	Application Software Replacement Fund
Operating revenues:	\$			
Charges for services	2,242	493	-	177
Miscellaneous revenues	1	-	-	-
Total operating revenues	2,243	493	-	177
Operating Expenses:				
Salaries and benefits	-	-	-	-
Maintenance and operations	-	-	1,270	505
Claims and settlements	-	-	-	-
Depreciation	-	-	-	-
Total operating expenses	-	-	1,270	505
Operating income (loss)	2,243	493	(1,270)	(328)
Non operating revenues (expenses):				
Interest revenue	580	81	21	32
Interest expense	(139)	-	-	-
Total non operating revenues, net	441	81	21	32
Income before transfers	2,684	574	(1,249)	(296)
Transfer in:				
Transfer-General Fund	-	-	802	-
Transfer-Capital Funds	-	-	-	-
Transfer-Internal Service Fund	-	-	-	98
Transfer out:				
Transfer-Special Revenue	-	(167)	-	-
Total transfer	-	(167)	802	98
Capital Contributions	9,225	893	-	-
Change in net assets	11,909	1,300	(447)	(198)
Total net assets, July 1	12,393	2,450	592	1,107
Total net assets, June 30	\$ 24,302	3,750	145	909

(Continued)

Exhibit K-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenses
and Changes in Net Assets

Internal Service Funds

Year ended June 30, 2009 (in thousands)

		Police CAD RMS Replacement Fund	Citywide Document Management System Fund	Unemployment Insurance Fund	Liability Insurance Fund
Operating revenues:	\$				
Charges for services		-	-	170	6,322
Miscellaneous revenues		-	-	-	63
Total operating revenues		-	-	170	6,385
Operating Expenses:					
Salaries and benefits		-	10	-	715
Maintenance and operations		-	-	-	56
Claims and settlements		-	-	126	2,203
Depreciation		-	-	-	-
Total operating expenses		-	10	126	2,974
Operating income (loss)		-	(10)	44	3,411
Non operating revenues (expenses):					
Interest revenue		42	10	16	24
Interest expense		-	-	-	-
Total non operating revenues, net		42	10	16	24
Income before transfers		42	-	60	3,435
Transfer in:					
Transfer-General Fund		100	28	-	-
Transfer-Capital Funds		-	-	-	-
Transfer-Internal Service Fund		-	-	-	-
Transfer out:					
Transfer-Special Revenue		-	-	-	-
Total transfer		100	28	-	-
Capital Contributions		-	-	-	-
Change in net assets		142	28	60	3,435
Total net assets, July 1		1,273	305	476	(13,505)
Total net assets, June 30	\$	1,415	333	536	(10,070)

(Continued)

Exhibit K-2

CITY OF GLENDALECombining Statement of Revenues, Expenses
and Changes in Net Assets

Internal Service Funds

Year ended June 30, 2009 (in thousands)

	Compensation Insurance Fund	Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund
Operating revenues:	\$			
Charges for services	10,387	1,439	12,997	328
Miscellaneous revenues	1	-	-	-
Total operating revenues	10,388	1,439	12,997	328
Operating Expenses:				
Salaries and benefits	1,690	-	57	-
Maintenance and operations	634	-	1	-
Claims and settlements	11,218	1,455	13,235	272
Depreciation	11	-	-	-
Total operating expenses	13,553	1,455	13,293	272
Operating income (loss)	(3,165)	(16)	(296)	56
Non operating revenues (expenses):				
Interest revenue	363	11	37	4
Interest expense	-	-	-	-
Total non operating revenues, net	363	11	37	4
Income before transfers	(2,802)	(5)	(259)	60
Transfer in:				
Transfer-General Fund	-	-	-	-
Transfer-Capital Funds	-	-	-	-
Transfer-Internal Service Fund	-	-	-	-
Transfer out:				
Transfer-Special Revenue	-	-	-	-
Total transfer	-	-	-	-
Capital Contributions	-	-	-	-
Change in net assets	(2,802)	(5)	(259)	60
Total net assets, July 1	(6,617)	231	986	83
Total net assets, June 30	\$ (9,419)	226	727	143

(Continued)

Exhibit K-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenses
and Changes in Net Assets

Internal Service Funds

Year ended June 30, 2009 (in thousands)

	Employee Benefits Fund	Retiree Health Savings Plan Benefits Fund	Post Employment Benefits Fund	Graphics Operation Fund
Operating revenues:	\$			
Charges for services	847	1,832	971	380
Miscellaneous revenues	-	-	-	673
Total operating revenues	847	1,832	971	1,053
Operating Expenses:				
Salaries and benefits	2,206	1,484	290	500
Maintenance and operations	-	-	-	175
Claims and settlements	-	-	-	-
Depreciation	-	-	-	-
Total operating expenses	2,206	1,484	290	675
Operating income (loss)	(1,359)	348	681	378
Non operating revenues (expenses):				
Interest revenue	186	115	23	-
Interest expense	-	-	-	-
Total non operating revenues, net	186	115	23	-
Income before transfers	(1,173)	463	704	378
Transfer in:				
Transfer-General Fund	-	-	-	-
Transfer-Capital Funds	-	-	-	-
Transfer-Internal Service Fund	-	-	-	-
Transfer out:				
Transfer-Special Revenue	-	-	-	-
Total transfer	-	-	-	-
Capital Contributions	-	-	-	-
Change in net assets	(1,173)	463	704	378
Total net assets, July 1	(6,785)	(7,805)	-	(378)
Total net assets, June 30	\$ (7,958)	(7,342)	704	-

(Continued)

Exhibit K-2

CITY OF GLENDALE

Combining Statement of Revenues, Expenses
and Changes in Net Assets
Internal Service Funds
Year ended June 30, 2009 (in thousands)

	Wireless Communications System Fund	Financial System Operation Fund	Total
Operating revenues:			
Charges for services	595	281	39,461
Miscellaneous revenues		-	738
Total operating revenues	595	281	40,199
Operating Expenses:			
Salaries and benefits	844	747	8,543
Maintenance and operations	906	392	3,939
Claims and settlements	-	-	28,509
Depreciation	17	-	28
Total operating expenses	1,767	1,139	41,019
Operating income (loss)	(1,172)	(858)	(820)
Non operating revenues (expenses):			
Interest revenue	1	63	1,609
Interest expense	-	-	(139)
Total non operating revenues, net	1	63	1,470
Income before transfers	(1,171)	(795)	650
Transfer in:			
Transfer-General Fund	1,016	440	2,386
Transfer-Capital Funds	650	300	950
Transfer-Internal Service Fund	-	-	98
Transfer out:			
Transfer-Special Revenue	-	-	(167)
Total transfer	1,666	740	3,267
Capital Contributions	-	-	10,118
Change in net assets	495	(55)	14,035
Total net assets, July 1	(244)	1,992	(13,446)
Total net assets, June 30	251	1,937	589

Exhibit K-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2009 (in thousands)

	Fleet / Equipment Management Fund	Joint Helicopter Operation Fund	Tech Equipment Replacement Fund
Cash flows from operating activities:			
Cash from customers	\$ 2,240	571	-
Cash paid to employees	-	-	-
Cash paid to suppliers	(115)	-	(1,298)
Net Cash provided by (used in) operating activities	<u>2,125</u>	<u>571</u>	<u>(1,298)</u>
Cash flows from noncapital financing activities:			
Operating transfers out			
Transfer-Special Revenue	-	(167)	-
Operating transfers in			
Transfer-General Fund	-	-	802
Transfer-Capital Funds	-	-	-
Transfer-Internal Service Fund	-	-	-
Net Cash provided by (used in) noncapital financing activities	<u>-</u>	<u>(167)</u>	<u>802</u>
Cash flows from capital and related financing activities:			
Interest on long term debt	(139)	-	-
Capital lease payments	1,711	-	-
Capital Contributions	-	-	-
Acquisition of property, plant, and equipment	(3,480)	(51)	-
Net cash provided (used in) capital and related financing activities	<u>(1,908)</u>	<u>(51)</u>	<u>-</u>
Cash provided by investing activities - interest received:	<u>629</u>	<u>88</u>	<u>26</u>
Net increase (decrease) in cash and cash equivalents	<u>846</u>	<u>441</u>	<u>(470)</u>
Cash and cash equivalents at July 1	<u>15,160</u>	<u>2,432</u>	<u>776</u>
Cash and cash equivalents at June 30	<u>16,006</u>	<u>2,873</u>	<u>306</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	<u>2,243</u>	<u>493</u>	<u>(1,270)</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	-	-	-
(Increase)Decrease Accounts receivable net	-	-	-
(Increase)Decrease Due from other agencies	(4)	(171)	-
(Increase)Decrease Prepaid expenses	-	-	-
Increase(Decrease) Compensated absences	-	-	-
Increase(Decrease) Post Employment benefit	-	-	-
Increase(Decrease) Accounts payable	(114)	249	(28)
Increase(Decrease) Due to other funds	-	-	-
Increase(Decrease) Claims payable	-	-	-
Total adjustments	<u>(118)</u>	<u>78</u>	<u>(28)</u>
Net cash provided (used) by operating activities	<u>\$ 2,125</u>	<u>571</u>	<u>(1,298)</u>
Noncash investing, capital, and financing activities:			
Contributions of capital assets from government	9,225	893	-
Increase in fair value of investments	52	8	3

(Continued)

Exhibit K-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2009 (in thousands)

	Application Software Replacement Fund	Police CAD RMS Replacement Fund	Citywide Document Management System Fund
Cash flows from operating activities:			
Cash from customers	\$ 175	-	-
Cash paid to employees	-	-	(10)
Cash paid to suppliers	(573)	-	-
Net Cash provided by (used in) operating activities	(398)	-	(10)
Cash flows from noncapital financing activities:			
Operating transfers out			
Transfer-Special Revenue	-	-	-
Operating transfers in			
Transfer-General Fund	-	100	28
Transfer-Capital Funds	-	-	-
Transfer-Internal Service Fund	98	-	-
Net Cash provided by (used in) noncapital financing activities	98	100	28
Cash flows from capital and related financing activities:			
Interest on long term debt	-	-	-
Capital lease payments	-	-	-
Capital Contributions	-	-	-
Acquisition of property, plant, and equipment	-	-	-
Net cash provided (used in) capital and related financing activities	-	-	-
Cash provided by investing activities - interest received:	47	35	11
Net increase (decrease) in cash and cash equivalents	(253)	135	29
Cash and cash equivalents at July 1	1,216	1,273	302
Cash and cash equivalents at June 30	963	1,408	331
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	(328)	-	(10)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	-	-	-
(Increase)Decrease Accounts receivable net	-	-	-
(Increase)Decrease Due from other agencies	(1)	-	-
(Increase)Decrease Prepaid expenses	-	-	-
Increase(Decrease) Compensated absences	-	-	-
Increase(Decrease) Post Employment benefit	-	-	-
Increase(Decrease) Accounts payable	(69)	-	-
Increase(Decrease) Due to other funds	-	-	-
Increase(Decrease) Claims payable	-	-	-
Total adjustments	(70)	-	-
Net cash provided (used) by operating activities	\$ (398)	-	(10)
Noncash investing, capital, and financing activities:			
Contributions of capital assets from government	-	-	-
Increase in fair value of investments	4	5	1

(Continued)

Exhibit K-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2009 (in thousands)

	Unemployment Insurance Fund	Liability Insurance Fund	Compensation Insurance Fund
Cash flows from operating activities:			
Cash from customers	\$ 169	6,385	10,242
Cash paid to employees	-	(715)	(1,690)
Cash paid to suppliers	(125)	(3,659)	(7,168)
Net Cash provided by (used in) operating activities	44	2,011	1,384
Cash flows from noncapital financing activities:			
Operating transfers out			
Transfer-Special Revenue	-	-	-
Operating transfers in			
Transfer-General Fund	-	-	-
Transfer-Capital Funds	-	-	-
Transfer-Internal Service Fund	-	-	-
Net Cash provided by (used in) noncapital financing activities	-	-	-
Cash flows from capital and related financing activities:			
Interest on long term debt	-	-	-
Capital lease payments	-	-	-
Capital Contributions	-	-	-
Acquisition of property, plant, and equipment	-	-	(7)
Net cash provided (used in) capital and related financing activities	-	-	(7)
Cash provided by investing activities - interest received:	32	14	392
Net increase (decrease) in cash and cash equivalents	76	2,025	1,769
Cash and cash equivalents at July 1	457	1,376	10,792
Cash and cash equivalents at June 30	533	3,401	12,561
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	44	3,411	(3,165)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	-	-	11
(Increase)Decrease Accounts receivable net	-	-	(146)
(Increase)Decrease Due from other agencies	-	-	-
(Increase)Decrease Prepaid expenses	-	-	-
Increase(Decrease) Compensated absences	-	-	-
Increase(Decrease) Post Employment benefit	-	-	-
Increase(Decrease) Accounts payable	-	(787)	(16)
Increase(Decrease) Due to other funds	-	-	-
Increase(Decrease) Claims payable	-	(613)	4,700
Total adjustments	-	(1,400)	4,549
Net cash provided (used) by operating activities	\$ 44	2,011	1,384
Noncash investing, capital, and financing activities:			
Contributions of capital assets from government	-	-	-
Increase in fair value of investments	2	6	41

(Continued)

Exhibit K-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2009 (in thousands)

	Dental Insurance Fund	Medical Insurance Fund	Vision Insurance Fund
Cash flows from operating activities:			
Cash from customers	\$ 1,439	12,986	327
Cash paid to employees	-	(58)	-
Cash paid to suppliers	(1,489)	(13,025)	(263)
Net Cash provided by (used in) operating activities	(50)	(97)	64
Cash flows from noncapital financing activities:			
Operating transfers out			
Transfer-Special Revenue	-	-	-
Operating transfers in			
Transfer-General Fund	-	-	-
Transfer-Capital Funds	-	-	-
Transfer-Internal Service Fund	-	-	-
Net Cash provided by (used in) noncapital financing activities	-	-	-
Cash flows from capital and related financing activities:			
Interest on long term debt	-	-	-
Capital lease payments	-	-	-
Capital Contributions	-	-	-
Acquisition of property, plant, and equipment	-	-	-
Net cash provided (used in) capital and related financing activities	-	-	-
Cash provided by investing activities - interest received:	13	42	4
Net increase (decrease) in cash and cash equivalents	(37)	(55)	68
Cash and cash equivalents at July 1	350	1,180	96
Cash and cash equivalents at June 30	313	1,125	164
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	(16)	(296)	56
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	-	-	-
(Increase)Decrease Accounts receivable net	-	-	-
(Increase)Decrease Due from other agencies	-	(11)	-
(Increase)Decrease Prepaid expenses	-	(59)	-
Increase(Decrease) Compensated absences	-	-	-
Increase(Decrease) Post Employment benefit	-	-	-
Increase(Decrease) Accounts payable	(34)	(462)	8
Increase(Decrease) Due to other funds	-	-	-
Increase(Decrease) Claims payable	-	731	-
Total adjustments	(34)	199	8
Net cash provided (used) by operating activities	\$ (50)	(97)	64
Noncash investing, capital, and financing activities:			
Contributions of capital assets from government	-	-	-
Increase in fair value of investments	1	5	-

(Continued)

Exhibit K-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2009 (in thousands)

	Employee Benefits Fund	Retiree Health Savings Plan Benefits Fund	Post Employment Benefits Fund	Graphics Operation Fund
Cash flows from operating activities:				
Cash from customers	\$ 846	1,832	971	1,054
Cash paid to employees	(1,502)	(1,857)	(1,208)	(500)
Cash paid to suppliers	-	-	-	(554)
Net Cash provided by (used in) operating activities	(656)	(25)	(237)	-
Cash flows from noncapital financing activities:				
Operating transfers out				
Transfer-Special Revenue	-	-	-	-
Operating transfers in				
Transfer-General Fund	-	-	-	-
Transfer-Capital Funds	-	-	-	-
Transfer-Internal Service Fund	-	-	-	-
Net Cash provided by (used in) noncapital financing activities	-	-	-	-
Cash flows from capital and related financing activities:				
Interest on long term debt	-	-	-	-
Capital lease payments	-	-	-	-
Capital Contributions	-	-	-	-
Acquisition of property, plant, and equipment	-	-	-	-
Net cash provided (used in) capital and related financing activities	-	-	-	-
Cash provided by investing activities - interest received:	211	137	19	-
Net increase (decrease) in cash and cash equivalents	(445)	112	(218)	-
Cash and cash equivalents at July 1	6,565	4,133	918	-
Cash and cash equivalents at June 30	6,120	4,245	700	-
Reconciliation of operating income to net cash provided by operating activities:				
Operating income (loss)	(1,359)	348	681	378
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	-	-	-	-
(Increase)Decrease Accounts receivable net	-	-	-	-
(Increase)Decrease Due from other agencies	-	-	-	-
(Increase)Decrease Prepaid expenses	-	-	-	-
Increase(Decrease) Compensated absences	703	(373)	-	-
Increase(Decrease) Post Employment benefit	-	-	(918)	-
Increase(Decrease) Accounts payable	-	-	-	(16)
Increase(Decrease) Due to other funds	-	-	-	(362)
Increase(Decrease) Claims payable	-	-	-	-
Total adjustments	703	(373)	(918)	(378)
Net cash provided (used) by operating activities	\$ (656)	(25)	(237)	-
Noncash investing, capital, and financing activities:				
Contributions of capital assets from government	-	-	-	-
Increase in fair value of investments	20	13	1	-

(Continued)

Exhibit K-3

CITY OF GLENDALE

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2009 (in thousands)

	Wireless Communications System Fund	Financial System Operation Fund	Total
Cash flows from operating activities:			
Cash from customers	\$ 596	280	40,113
Cash paid to employees	(843)	(747)	(9,130)
Cash paid to suppliers	(1,156)	(412)	(29,837)
Net Cash provided by (used in) operating activities	(1,403)	(879)	1,146
Cash flows from noncapital financing activities:			
Operating transfers out			
Transfer-Special Revenue	-	-	(167)
Operating transfers in			
Transfer-General Fund	1,016	440	2,386
Transfer-Capital Funds	650	300	950
Transfer-Internal Service Fund	-	-	98
Net Cash provided by (used in) noncapital financing activities	1,666	740	3,267
Cash flows from capital and related financing activities:			
Interest on long term debt	-	-	(139)
Capital lease payments	-	-	1,711
Capital Contributions	-	-	-
Acquisition of property, plant, and equipment	(48)	-	(3,586)
Net cash provided (used in) capital and related financing activities	(48)	-	(2,014)
Cash provided by investing activities - interest received:	-	72	1,772
Net increase (decrease) in cash and cash equivalents	215	(67)	4,171
Cash and cash equivalents at July 1	-	1,994	49,020
Cash and cash equivalents at June 30	215	1,927	53,191
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	(1,172)	(858)	(820)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation	17	-	28
(Increase)Decrease Accounts receivable net	-	-	(146)
(Increase)Decrease Due from other agencies	-	-	(187)
(Increase)Decrease Prepaid expenses	-	-	(59)
Increase(Decrease) Compensated absences	-	-	330
Increase(Decrease) Post Employment benefit	-	-	(918)
Increase(Decrease) Accounts payable	38	(21)	(1,252)
Increase(Decrease) Due to other funds	(286)	-	(648)
Increase(Decrease) Claims payable	-	-	4,818
Total adjustments	(231)	(21)	1,966
Net cash provided (used) by operating activities	\$ (1,403)	(879)	1,146
Noncash investing, capital, and financing activities:			
Contributions of capital assets from government	-	-	10,118
Increase in fair value of investments	1	7	169

Exhibit L-1

CITY OF GLENDALE

Capital Assets Used in the Operation of Governmental Funds

Schedule by Function and Activity

June 30, 2009 (in thousands)

	Land	Construction in Progress	Infrastructure	Buildings	Equipment	Total
General Government						
City Council	\$ -	66	-	-	2,221	2,287
City Clerk	-	(50)	-	5	55	10
City Treasurer	-	-	-	-	6	6
City Manager	-	32	-	148	433	613
Legal	-	-	-	10	41	51
Finance	-	-	-	-	6,130	6,130
Graphics	-	-	-	-	351	351
Information Services	-	1,144	12,221	430	16,006	29,802
Planning	-	-	-	-	39	39
Human Resources	-	-	-	-	246	246
Total	-	1,192	12,221	593	25,529	39,535
Public Safety						
Police	5,227	3,735	-	68,762	5,506	83,230
Fire	5,925	-	-	18,202	6,295	30,422
Fire paramedics	-	-	-	-	474	474
Emergency services	-	-	-	-	140	140
Total	11,152	3,735	-	86,964	12,415	114,266
Public Works						
Public works	23,222	5,934	5,259	1,405	1,353	37,173
Engineering	-	-	-	-	47	47
Permit services	-	-	-	-	788	788
Corporation yard	307	-	-	1,844	34	2,185
Building services	15,879	(58)	57	59,153	67	75,098
Streets	269,290	20,590	198,470	6,730	-	495,080
Mechanical maintenance	-	-	-	-	154	154
Traffic engineering	-	-	-	-	24	24
Traffic safety control	-	1,298	14,067	762	218	16,345
Transit administration	15,441	162	-	2,405	9,332	27,340
Air quality improvement	-	581	-	-	-	581
Total	\$ 324,139	28,507	217,853	72,299	12,017	654,815

(Continued)

Exhibit L-1

CITY OF GLENDALE

Capital Assets Used in the Operation of Governmental Funds

Schedule by Function and Activity

June 30, 2009 (in thousands)

	Land	Construction in Progress	Infrastructure	Buildings	Equipment	Total
Housing, Health and Community Development:						
Housing administration	\$ 17,287	-	-	-	270	17,557
Community dev admin	2,055	206	326	5,473	39	8,099
Development Services	28,918	9,616	-	14,331	653	53,518
Total	48,260	9,822	326	19,804	962	79,174
Parks, Recreation and Community Services						
Parks Administration	51,060	8,476	-	77,721	805	138,062
Library	448	1,115	-	9,761	1,752	13,076
Total capital assets	435,059	52,847	230,400	267,142	53,480	1,038,928
Accumulated depreciation	-	-	(88,237)	(71,745)	(40,057)	(200,039)
Net capital assets	\$ 435,059	52,847	142,163	195,397	13,423	838,889

This schedule presents only the capital asset balances related to the government funds.

Accordingly, the capital assets reported in internal service funds are excluded from the above amounts.

Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

CITY OF GLENDALE

Capital Assets used in the Operation of Governmental Funds

Schedule of changes by Function and Activity

Year Ended June 30, 2009 (in thousands)

	Balance at				
	July 1	Additions	Retirements	Reclass	Total
General Government:					
City Council	\$ 2,259	224	(102)	(94)	2,287
City Clerk	10	-	-	-	10
City Treasurer	6	-	-	-	6
City Manager	587	47	(6)	(15)	613
Legal	51	-	-	-	51
Finance	6,130	-	-	-	6,130
Graphics	351	-	-	-	351
Information Services	29,587	241	-	(26)	29,802
Planning	39	-	-	-	39
Human Resources	239	7	-	-	246
Total	39,259	519	(108)	(135)	39,535
Public Safety:					
Police	91,148	1,376	(853)	(8,441)	83,230
Fire	38,794	4,482	(587)	(12,267)	30,422
Fire communications	5,042	-	-	(5,042)	-
Fire paramedics	1,722	60	(38)	(1,270)	474
Emergency services	140	-	-	-	140
Total	136,846	5,918	(1,478)	(27,020)	114,266
Public Works:					
Public works	47,311	(89)	-	(10,049)	37,173
Engineering	237	35	-	(225)	47
Permit services	788	-	-	-	788
Corporation yard	2,185	-	-	-	2,185
Building services	68,158	1,200	-	5,740	75,098
Street	479,067	22,397	(5,211)	(1,173)	495,080
Mechanical maintenance	539	7	(61)	(331)	154
Traffic engineering	24	-	-	-	24
Traffic safety controls	16,322	216	-	(193)	16,345
Transit administration	25,826	591	-	923	27,340
Air quality improvement	581	-	-	-	581
Total	\$ 641,038	24,357	(5,272)	(5,308)	654,815

(Continued)

Exhibit L-2

CITY OF GLENDALE

Capital Assets used in the Operation of Governmental Funds

Schedule of changes by Function and Activity

Year Ended June 30, 2009 (in thousands)

	Balance at				
	July 1	Additions	Retirements	Reclass	Total
Housing, Health and Community					
Development:					
Housing administration	\$ 17,895	3,767	(4,105)	-	17,557
Community dev admin	7,957	512	(50)	(320)	8,099
Development Services	47,772	5,746	-	-	53,518
Total	73,624	10,025	(4,155)	(320)	79,174
Parks, Recreation and Community					
Services					
Parks Administration	136,703	4,254	(225)	(2,670)	138,062
Library	12,936	237	-	(97)	13,076
Total capital assets	1,040,406	45,310	(11,238)	(35,550)	1,038,928
Accumulated depreciation	(208,961)	(15,992)	6,902	18,012	(200,039)
Net capital assets	\$ 831,445	29,318	(4,336)	(17,538)	838,889

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 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 Assets by Component,

Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Governmental Activities				
Invested in capital assets, net of related debt	\$ 782,170	766,314	608,369	684,725
Restricted	56,506	48,392	59,782	58,668
Unrestricted	113,761	109,313	236,117	151,966
Total governmental activities net assets	952,437	924,019	904,268	895,359
Business-type Activities				
Invested in capital assets, net of related debt	448,099	392,039	472,893	435,757
Restricted	14,047	14,058	8,392	8,653
Unrestricted	238,443	278,763	190,462	217,431
Total business-type activities net assets	700,589	684,860	671,747	661,841
Primary Government				
Invested in capital assets, net of related debt	1,230,269	1,158,353	1,081,262	1,120,482
Restricted	70,553	62,450	68,174	67,321
Unrestricted	352,204	388,076	426,579	369,397
Total primary government net assets	\$ 1,653,026	1,608,879	1,576,015	1,557,200

	Fiscal Year			
	2005	2004	2003	2002
Governmental Activities				
Invested in capital assets, net of related debt	\$ 658,445	635,754	607,260	507,881
Restricted	60,899	51,900	95,245	152,983
Unrestricted	151,155	150,127	131,816	70,120
Total governmental activities net assets	870,499	837,781	834,321	730,984
Business-type Activities				
Invested in capital assets, net of related debt	393,342	371,934	347,099	387,743
Restricted	12,461	11,947	4,814	56,758
Unrestricted	261,248	282,328	302,302	146,757
Total business-type activities net assets	667,051	666,209	654,215	591,258
Primary Government				
Invested in capital assets, net of related debt	1,051,787	1,007,688	954,359	895,624
Restricted	73,360	63,847	100,059	209,741
Unrestricted	412,403	432,455	434,118	216,877
Total primary government net assets	\$ 1,537,550	1,503,990	1,488,536	1,322,242

Note: City of Glendale implemented GASB Statement 34 in fiscal year 2002.

Not covered by independent auditor's report

Schedule 2

CITY OF GLENDALE

Changes in Net Assets,

Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Expenses				
Governmental activities:				
General government	\$ 23,508	15,165	25,842	20,301
Public safety	114,906	118,200	107,660	94,711
Public works	35,903	40,252	35,442	37,075
Housing, health, and comm dev	49,563	51,601	63,526	53,214
Employment programs	5,432	5,962	6,808	6,106
Public service	6,729	4,682	6,932	3,900
Parks, recreation and community services	16,229	15,699	14,955	15,561
Library	9,162	9,916	8,463	7,918
Interest and fiscal charges on bonds	7,311	9,610	10,097	8,404
Total governmental activities expenses	<u>268,743</u>	<u>271,087</u>	<u>279,725</u>	<u>247,190</u>
Business-type activities:				
Recreation	2,552	2,457	2,072	1,853
Hazardous disposal	1,680	1,801	1,539	1,420
Fire communications	2,790	-	-	-
Parking	6,520	6,416	6,618	5,593
Sewer	12,195	17,784	11,993	6,874
Refuse disposal	16,450	16,283	15,074	14,388
Electric	192,326	195,590	178,220	184,913
Water	33,886	31,263	29,927	26,151
Total business-type activities expenses	<u>268,399</u>	<u>271,594</u>	<u>245,443</u>	<u>241,192</u>
Total primary government expenses	<u>\$ 537,142</u>	<u>542,681</u>	<u>525,168</u>	<u>488,382</u>

Notes:

- (1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (2) Fire paramedic is reclassified as special revenue fund from enterprise fund in fiscal year 2006.
- (3) Fire communication is reclassified as enterprise fund from special revenue fund in fiscal year 2009.

Not covered by independent auditor's report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Assets,

Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 9,890	9,173	9,533	8,762
Public safety	12,385	14,391	13,739	12,169
Public works	10,990	12,498	15,014	12,674
Housing, health, and comm dev	45	55	86	110
Employment programs	980	1,131	1,423	1,154
Parks, recreation and community services	15	29	47	28
Library	221	236	211	202
Operating grants and contributions	55,942	38,170	43,199	40,617
Capital grants and contributions	6,912	7,271	12,228	17,532
Total governmental activities program revenues	<u>97,380</u>	<u>82,954</u>	<u>95,480</u>	<u>93,248</u>
Business-type activities:				
Charges for services:				
Recreation	2,394	2,092	1,842	1,943
Hazardous disposal	1,550	1,560	1,586	1,404
Fire communications	2,890	-	-	-
Parking	7,111	7,780	7,329	7,024
Sewer	15,440	16,857	17,447	16,611
Refuse disposal	19,911	18,952	18,205	16,115
Electric	207,177	204,497	178,979	170,208
Water	36,068	34,817	33,277	31,189
Operating grants and contributions	738	632	1,415	511
Capital grants and contributions	3,292	4,016	5,222	2,712
Total business-type activities program revenues	<u>296,571</u>	<u>291,203</u>	<u>265,302</u>	<u>247,717</u>
Total primary government program revenues	<u>393,951</u>	<u>374,157</u>	<u>360,782</u>	<u>340,965</u>
Net (Expense) / Revenue				
Governmental activities	(171,363)	(188,133)	(184,245)	(153,942)
Business-type activities	28,172	19,609	19,859	6,525
Total primary government net expense	<u>\$ (143,191)</u>	<u>(168,524)</u>	<u>(164,386)</u>	<u>(147,417)</u>

Notes:

- (1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (2) Fire paramedic is reclassified as special revenue fund from enterprise fund in fiscal year 2006.
- (3) Fire communication is reclassified as enterprise fund from special revenue fund in fiscal year 2009.

Not covered by independent auditor's report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Assets,

Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	\$ 77,060	72,690	67,394	60,961
Sales taxes	22,755	24,731	23,944	23,985
Utility users tax	28,798	27,781	26,202	24,386
Other taxes	22,268	21,508	21,262	19,216
Investment income	8,143	14,255	15,826	6,805
Other	16,368	21,611	13,715	21,411
Transfers	26,100	25,310	24,811	24,357
Contributions	(1,712)	-	-	-
Total governmental activities	<u>199,780</u>	<u>207,886</u>	<u>193,154</u>	<u>181,121</u>
Business-type activities:				
Investment income	8,331	10,425	11,569	6,421
Other	3,614	8,387	3,289	3,883
Transfers	(26,100)	(25,310)	(24,811)	(24,358)
Contributions	1,712	-	-	-
Total business-type activities	<u>(12,443)</u>	<u>(6,498)</u>	<u>(9,953)</u>	<u>(14,054)</u>
Total primary government	<u>187,337</u>	<u>201,388</u>	<u>183,201</u>	<u>167,067</u>
Change in Net Assets				
Governmental activities	28,417	19,753	8,909	27,179
Business-type activities	15,729	13,111	9,906	(7,529)
Total primary government	<u>\$ 44,146</u>	<u>32,864</u>	<u>18,815</u>	<u>19,650</u>

Notes:

- (1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (2) Fire paramedic is reclassified as special revenue fund from enterprise fund in fiscal year 2006.
- (3) Fire communication is reclassified as enterprise fund from special revenue fund in fiscal year 2009.

Not covered by independent auditor's report

(Continued)

Schedule 2
CITY OF GLENDALE
 Changes in Net Assets,
 Last Eight Fiscal Years (in thousands)
 (accrual basis of accounting)

	Fiscal Year			
	2005	2004	2003	2002
Expenses				
Governmental activities:				
General government	\$ 17,536	11,121	20,471	17,312
Public safety	83,074	50,085	67,710	73,554
Public works	39,261	46,435	37,846	33,003
Housing, health, and comm dev	39,683	49,923	29,671	29,566
Employment programs	5,136	4,824	5,472	5,479
Public service	5,024	5,693	5,216	3,357
Parks, recreation and community services	10,066	25,219	24,429	9,516
Library	7,003	1,544	6,960	6,968
Interest and fiscal charges on bonds	7,284	6,729	1,754	4,753
Total governmental activities expenses	<u>214,067</u>	<u>201,573</u>	<u>199,529</u>	<u>183,508</u>
Business-type activities:				
Recreation	2,078	2,268	2,013	1,946
Hazardous disposal	1,350	1,715	1,706	1,430
Fire paramedic	8,150	7,456	6,577	3,719
Parking	5,913	5,704	7,236	5,502
Sewer	8,112	9,790	3,588	6,480
Refuse disposal	14,636	14,639	13,024	11,976
Electric	147,377	141,989	141,799	168,389
Water	25,608	25,606	23,623	23,816
Total business-type activities expenses	<u>213,224</u>	<u>209,167</u>	<u>199,566</u>	<u>223,258</u>
Total primary government expenses	<u>\$ 427,291</u>	<u>410,740</u>	<u>399,095</u>	<u>406,766</u>

Notes:

- (1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (2) Fire paramedic is reclassified as special revenue fund from enterprise fund in fiscal year 2006.
- (3) Fire communication is reclassified as enterprise fund from special revenue fund in fiscal year 2009.

Not covered by independent auditor's report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Assets,

Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2005	2004	2003	2002
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 8,600	9,167	8,271	7,847
Public safety	3,757	3,949	5,685	5,402
Public works	11,256	10,834	8,786	6,960
Housing, health, and comm dev	99	104	130	781
Employment programs	937	806	346	-
Parks, recreation and community services	31	95	36	35
Library	150	193	148	137
Operating grants and contributions	33,855	36,001	44,369	32,812
Capital grants and contributions	6,860	9,504	13,767	23,653
Total governmental activities program revenues	<u>65,545</u>	<u>70,653</u>	<u>81,538</u>	<u>77,627</u>
Business-type activities:				
Charges for services:				
Recreation	1,736	1,617	1,552	1,629
Hazardous disposal	1,403	1,438	1,508	1,304
Fire paramedic	6,887	6,390	6,068	4,201
Parking	7,139	6,159	6,058	5,465
Sewer	16,323	16,036	19,041	18,252
Refuse disposal	15,404	13,759	13,132	11,432
Electric	148,799	151,718	178,632	188,298
Water	29,753	31,377	31,634	28,468
Operating grants and contributions	659	715	1,542	1,113
Capital grants and contributions	1,376	3,344	1,472	5,974
Total business-type activities program revenues	<u>229,479</u>	<u>232,553</u>	<u>260,639</u>	<u>266,136</u>
Total primary government program revenues	<u>295,024</u>	<u>303,206</u>	<u>342,177</u>	<u>343,763</u>
Net (Expense) / Revenue				
Governmental activities	(148,522)	(130,920)	(117,991)	(105,882)
Business-type activities	16,255	23,386	61,073	42,878
Total primary government net expense	<u>\$ (132,267)</u>	<u>(107,534)</u>	<u>(56,918)</u>	<u>(63,004)</u>

Notes:

- (1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (2) Fire paramedic is reclassified as special revenue fund from enterprise fund in fiscal year 2006.
- (3) Fire communication is reclassified as enterprise fund from special revenue fund in fiscal year 2009.

Not covered by independent auditor's report

(Continued)

Schedule 2

CITY OF GLENDALE

Changes in Net Assets,

Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2005	2004	2003	2002
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	\$ 55,716	39,491	39,181	32,515
Sales taxes	22,351	28,328	30,317	27,547
Utility users tax	23,772	22,666	19,488	18,700
Other taxes	18,562	11,920	10,915	9,958
Investment income	9,057	2,696	13,354	18,415
Other	15,461	14,194	19,485	23,092
Transfers	27,127	21,987	19,170	14,643
Contributions	-	-	-	(7,747)
Total governmental activities	<u>172,046</u>	<u>141,282</u>	<u>151,910</u>	<u>137,123</u>
Business-type activities:				
Investment income	8,251	2,697	10,589	13,196
Other	3,463	5,949	10,465	6,886
Transfers	(27,127)	(21,987)	(19,171)	(14,642)
Contributions	-	-	-	7,747
Total business-type activities	<u>(15,413)</u>	<u>(13,341)</u>	<u>1,883</u>	<u>13,187</u>
Total primary government	<u>156,633</u>	<u>127,941</u>	<u>153,793</u>	<u>150,310</u>
Change in Net Assets				
Governmental activities	23,525	10,363	33,919	31,241
Business-type activities	841	10,044	62,956	56,065
Total primary government	<u>\$ 24,366</u>	<u>20,407</u>	<u>96,875</u>	<u>87,306</u>

Notes:

- (1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (2) Fire paramedic is reclassified as special revenue fund from enterprise fund in fiscal year 2006.
- (3) Fire communication is reclassified as enterprise fund from special revenue fund in fiscal year 2009.

Not covered by independent auditor's report

Schedule 3

CITY OF GLENDALE

Fund Balances, Governmental Funds,

Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
General Fund				
Reserved				
Charter	\$ 19,320	19,320	17,805	16,495
Others	70,544	69,428	68,068	69,515
Total reserved	89,864	88,748	85,873	86,010
Unreserved	35,799	32,749	41,838	30,173
Total general fund	<u>125,663</u>	<u>121,497</u>	<u>127,711</u>	<u>116,183</u>
All Other Governmental Funds				
Reserved	74,371	62,753	48,032	126,931
Unreserved, reported in:				
Glendale redevelopment agency fund	(22,126)	(27,259)	(25,354)	(32,770)
Special revenue funds	18,533	29,602	35,967	33,452
Debt service funds	42,853	42,896	44,091	44,983
Capital project funds	12,639	18,866	37,070	4,586
Total all other governmental funds	\$ <u>126,270</u>	<u>126,858</u>	<u>139,806</u>	<u>177,182</u>

	Fiscal Year			
	2005	2004	2003	2002
General Fund				
Reserved				
Charter	\$ 15,521	13,727	13,072	12,269
Other	68,331	66,418	65,211	65,032
Total reserved	83,852	80,145	78,283	77,301
Unreserved	33,999	43,138	48,133	44,095
Total general fund	<u>117,851</u>	<u>123,283</u>	<u>126,416</u>	<u>121,396</u>
All Other Governmental Funds				
Reserved	158,663	210,281	143,494	104,347
Unreserved, reported in:				
Glendale redevelopment agency fund	(24,234)	(76,576)	3,367	(41,369)
Special revenue funds	21,339	19,178	23,356	36,849
Debt service funds	45,178	46,890	-	-
Capital project funds	1,703	283	36,075	54,599
Total all other governmental funds	\$ <u>202,649</u>	<u>200,056</u>	<u>206,292</u>	<u>154,426</u>

Note: City of Glendale implemented GASB Statement 34 in fiscal year 2002.

Not covered by independent auditor's report

Schedule 4

CITY OF GLENDALE

Changes in Fund Balances, Governmental Funds, Last Eight Fiscal Years (in thousands)

(accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Revenues				
Property taxes	\$ 77,060	72,690	67,394	60,961
Other taxes	73,820	74,020	71,408	69,172
Revenue from other agencies	56,558	48,552	64,206	49,247
Licenses and permits	4,911	6,354	8,589	6,247
Fines and forfeitures	2,667	2,041	1,503	1,671
Charges for services	21,992	23,348	23,202	21,079
Use of money and property	9,483	14,676	16,389	8,914
Intergovernmental revenue	2,040	2,000	2,000	1,500
Interfund revenue	7,699	7,853	8,262	7,774
Sales of property	144	5,985	-	-
Miscellaneous revenue	5,621	5,913	5,168	12,499
Total revenues	<u>261,995</u>	<u>263,432</u>	<u>268,121</u>	<u>239,064</u>
Expenditures				
General government	20,465	20,940	20,285	17,984
Community promotion	105	151	115	245
Police	60,726	57,734	51,482	52,808
Fire	50,190	52,311	49,481	44,658
Public works	30,520	30,581	29,714	29,767
Housing, health and community development	45,868	38,012	32,612	37,747
Employment programs	3,118	3,545	6,649	6,129
Public service	6,674	4,492	6,770	3,931
Parks, recreation and community services	13,460	13,217	12,384	11,966
Library	8,643	8,930	8,097	7,668
Capital outlay	42,445	59,489	91,919	59,299
Debt service				
Interest	4,651	6,025	6,655	6,379
Principal	8,306	7,624	6,300	5,575
Cost of issuance	80	-	-	-
Total expenditures	<u>295,251</u>	<u>303,051</u>	<u>322,463</u>	<u>284,156</u>
Excess of revenues over (under) expenditures	<u>(33,256)</u>	<u>(39,619)</u>	<u>(54,342)</u>	<u>(45,092)</u>
Other Financing Sources (Uses)				
Proceeds from borrowing	14,000	-	8,200	-
Transfers in	37,479	42,052	31,312	33,684
Transfers out	<u>(14,646)</u>	<u>(21,595)</u>	<u>(11,019)</u>	<u>(13,407)</u>
Total other financing sources (uses)	<u>36,833</u>	<u>20,457</u>	<u>28,493</u>	<u>20,277</u>
Net change in fund balances	\$ <u><u>3,577</u></u>	<u><u>(19,162)</u></u>	<u><u>(25,849)</u></u>	<u><u>(24,815)</u></u>
Debt service as a percentage of noncapital expenditures	5.1%	5.6%	5.0%	5.0%

Note: City of Glendale implemented GASB Statement 34 in fiscal year 2002.

Not covered by independent auditor's report

(Continued)

Schedule 4

CITY OF GLENDALE

Changes in Fund Balances, Governmental Funds, Last Eight Fiscal Years (in thousands)
(accrual basis of accounting)

	Fiscal Year			
	2005	2004	2003	2002
Revenues				
Property taxes	\$ 55,716	39,492	39,180	32,515
Other taxes	66,178	64,277	62,096	57,389
Revenue from other agencies	45,579	54,001	60,289	65,308
Licenses and permits	5,303	4,698	3,925	3,046
Fines and forfeitures	1,822	1,032	2,257	1,571
Charges for services	12,036	12,005	11,522	10,956
Use of money and property	10,821	5,259	16,363	19,792
Intergovernmental revenue	1,250	1,000	-	-
Interfund revenue	7,491	8,446	7,641	5,917
Miscellaneous revenue	4,689	4,728	3,324	8,671
Total revenues	<u>210,885</u>	<u>194,938</u>	<u>206,597</u>	<u>205,165</u>
Expenditures				
General government	16,730	16,431	14,942	13,865
Community promotion	116	56	63	62
Police	48,140	39,971	37,171	35,585
Fire	34,184	28,482	25,557	23,243
Public works	25,968	22,829	22,293	21,231
Housing, health and community development	35,588	45,044	33,827	24,310
Employment programs	4,968	4,870	5,373	5,424
Public service	4,860	5,474	5,119	3,357
Parks, recreation and community services	10,287	9,329	9,004	8,090
Library	6,815	6,409	6,392	6,535
Capital outlay	41,255	34,383	65,873	62,020
Debt service				
Interest	5,707	6,968	6,314	4,648
Principal	6,482	2,910	3,400	3,215
Fiscal agent fees	-	2,120	1,275	18
Total expenditures	<u>241,100</u>	<u>225,276</u>	<u>236,603</u>	<u>211,603</u>
Excess of revenues over (under) expenditures	<u>(30,215)</u>	<u>(30,338)</u>	<u>(30,006)</u>	<u>(6,438)</u>
Other Financing Sources (Uses)				
Proceeds from borrowing	-	61,495	52,522	-
Payments to escrow agent	-	(62,110)	-	-
Transfers in	31,424	55,860	46,815	19,772
Transfers out	<u>(13,242)</u>	<u>(40,404)</u>	<u>(25,644)</u>	<u>(4,814)</u>
Total other financing sources (uses)	<u>18,182</u>	<u>14,841</u>	<u>73,693</u>	<u>14,958</u>
Net change in fund balances	\$ <u><u>(12,033)</u></u>	<u><u>(15,497)</u></u>	<u><u>43,687</u></u>	<u><u>8,520</u></u>
Debt service as a percentage of noncapital expenditures	6.2%	4.8%	5.1%	4.5%

Note: City of Glendale implemented GASB Statement 34 in fiscal year 2002.

Not covered by independent auditor's report

Schedule 5

CITY OF GLENDALE

Electric Revenue by Type of Customers

Last Eight Fiscal Years

	Fiscal Year			
	2009	2008	2007	2006
Number of Customers:				
Residential	71,643	71,310 (6)	70,921	70,810
Commercial	12,664	12,626 (6)	12,481	12,385
Industrial	229	213 (6)	224	220
Other (Government)	18	18	18	18
Total	84,554	84,167	83,644	83,433
Megawatt-Hour Sales:				
Residential	389,872	399,644	395,260	381,010
Commercial	341,639	351,990	345,407	345,315
Industrial	410,663	399,689	396,997	407,151
Public street and highway lighting	9,216	9,243	9,164	9,106
Total Retail Energy Sales	1,151,390	1,160,566	1,146,828	1,142,582
Sales to other utilities	76,272	55,968	114,465	114,247 (1)
Wholesale	128,556	194,423	126,627	147,207 (2)
Total Energy Sales	1,356,218	1,410,957	1,387,920	1,404,036
Revenue from Sale Energy				
Residential	\$ 66,450,032	63,778,774	58,251,508	50,347,062
Commercial	60,278,592	58,121,923	53,302,463	47,141,992
Industrial	61,862,315	56,307,557	51,908,777	43,976,070
Public street and highway lighting	2,054	1,983	1,810	1,487 (3)
Sales to other utilities	7,695,258	7,461,421	5,969,693	15,640,657
Wholesale	10,888,493	18,825,241	9,545,014	13,100,161 (2)
Total Energy Sales	\$ 207,176,744	204,496,899	178,979,265	170,207,429

Notes:

- (1) Sales to other utilities were classified as wholesale prior to fiscal year 2005.
- (2) Fluctuations in wholesale sales volume and revenue were due to changing market demand and price volatility.
- (3) Starting in fiscal year 2004, Glendale Water and Power department assumed ownership of the City's Street light system and no longer collects street light sales revenue from the City.
- (4) Reflects an over-collection of the fuel adjustment charge.
- (5) Data prior to fiscal year 2002 are not available.
- (6) The data in the fiscal year 2008 CAFR was incorrect but is updated in the fiscal year 2009 CAFR.

Source: Glendale Water & Power Department

Not covered by independent auditor's report

(Continued)

Schedule 5

CITY OF GLENDALE

Electric Revenue by Type of Customers

Last Eight Fiscal Years

	Fiscal Year			
	2005	2004	2003	2002
Number of Customers:				
Residential	70,798	70,662	70,612	70,344
Commercial	12,331	12,329	12,296	12,265
Industrial	220	223	221	218
Other (Government)	18	18	18	18
Total	83,367	83,232	83,147	82,845
Megawatt-Hour Sales:				
Residential	371,057	380,997	344,078	353,509
Commercial	338,411	341,482	328,806	318,596
Industrial	389,919	399,081	388,208	391,834
Public street and highway lighting	9,012	9,074	9,009	9,089
Total Retail Energy Sales	1,108,399	1,130,634	1,070,101	1,073,028
Sales to other utilities	52,140	-	-	- (1)
Wholesale	72,615	84,264	236,380	530,879 (2)
Total Energy Sales	1,233,154	1,214,898	1,306,481	1,603,907
Revenue from Sale Energy				
Residential	\$ 48,775,385	49,466,888	46,479,601	41,967,749
Commercial	45,627,641	45,584,694	44,317,317	36,880,800
Industrial	41,457,748	41,611,313	40,569,086	33,524,176
Public street and highway lighting	1,258	1,326	10,376	17,036 (3)
Adjustable rate revenue	-	-	19,602,506 (4)	-
Sales to other utilities	8,579,688	-	-	- (1)
Wholesale	4,356,897	15,053,921	27,652,643	75,907,661 (2)
Total Energy Sales	\$ 148,798,617	151,718,142	178,631,529	188,297,422

Notes:

- (1) Sales to other utilities were classified as wholesale prior to fiscal year 2005.
- (2) Fluctuations in wholesale sales volume and revenue were due to changing market demand and price volatility.
- (3) Starting in fiscal year 2004, Glendale Water and Power department assumed ownership of the City's Street light system and no longer collects street light sales revenue from the City.
- (4) Reflects an over-collection of the fuel adjustment charge.
- (5) Data prior to fiscal year 2002 are not available.
- (6) The data in the fiscal year 2008 CAFR was incorrect but is updated in the fiscal year 2009 CAFR.

Source: Glendale Water & Power Department

Not covered by independent auditor's report

Schedule 6

CITY OF GLENDALE

Electric Rates (Dollars per Kilowatt Hour)

Last Eight Fiscal Years

	Fiscal Year			
	2009	2008	2007	2006
Customer Class				
Residential	\$ 0.1704	0.1596	0.1474	0.1321
Commercial	0.1764	0.1651	0.1543	0.1365
Industrial	0.1506	0.1409	0.1308	0.1080
Lighting	\$ 0.0002	0.0002	0.0002	0.0002

	Fiscal Year			
	2005	2004	2003	2002
Customer Class				
Residential	\$ 0.1314	0.1298	0.1351	0.1393
Commercial	0.1348	0.1335	0.1348	0.1358
Industrial	0.1063	0.1043	0.1045	0.1004
Lighting	\$ 0.0001	0.0001	0.0012	0.1430

Notes:

(1) Data prior fiscal year 2002 are not available.

(2) These are the average rates for the indicated customer classes, including energy cost adjustment charge.

Source: Glendale Water & Power Department

Not covered by independent auditor's report

Schedule 7

CITY OF GLENDALEPrincipal Electric Payer Groups
Current Year and Three Years Ago

Electric Payer Groups	Fiscal Year 2009			Fiscal Year 2006		
	Electric Charges	Rank	Percentage of Total City Electric Charges	Electric Charges	Rank	Percentage of Total City Electric Charges
Hospitals/Medical Facilities	\$ 11,503,062	1	5.55%	\$ 5,409,579	4	3.18%
Entertainment Industry	10,854,865	2	5.24%	7,312,437	1	4.30%
Retail Stores/Malls	10,763,939	3	5.20%	5,894,901	2	3.46%
Government Agencies	7,365,033	4	3.55%	5,766,049	3	3.39%
High-Rise Buildings	6,013,561	5	2.90%	5,349,323	5	3.14%
Schools/Colleges	5,140,093	6	2.48%	3,672,134	6	2.16%
Grocery Stores	4,555,965	7	2.20%	3,636,487	7	2.14%
Manufacturing	3,147,171	8	1.52%	1,904,525	9	1.12%
Utilities	2,946,716	9	1.42%	2,181,564	8	1.28%
Hotels/Motels	1,642,773	10	0.79%	1,172,868	10	0.69%
Total	\$ <u>63,933,178</u>		<u>30.86%</u>	\$ <u>36,890,288</u>		<u>24.86%</u>

Notes:

- (1) 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.
- (2) Data prior fiscal year 2006 are not available.

Source: Glendale Water & Power Department

Not covered by independent auditor's report

Schedule 8

CITY OF GLENDALE

Assessed Value and Actual Value of Taxable Property

Last Ten Fiscal Years (in thousands)

Fiscal Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	Other Property
2000	\$ 8,201,508	2,116,108	530,753	1,399,082
2001	8,774,022	2,201,476	554,572	1,428,681
2002	9,331,024	2,540,255	585,096	1,407,193
2003	9,930,375	2,644,889	613,642	1,305,607
2004	10,798,578	2,951,689	635,831	1,258,783
2005	11,756,804	3,078,836	645,596	1,589,154
2006	12,775,595	3,551,225	631,048	1,152,535
2007	13,984,201	3,942,464	681,900	1,405,426
2008	14,990,159	4,295,767	715,557	1,311,529
2009	\$ 15,729,376	4,505,552	769,835	1,695,090

Fiscal Fiscal Year Ended June 30,	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate ⁽²⁾
2000	\$ 87,718	12,159,733	0.25815%
2001	89,130	12,869,621	0.25005%
2002	124,525	13,739,043	0.25169%
2003	95,409	14,399,104	0.24921%
2004	101,791	15,543,090	0.25012%
2005	496,524	16,573,866	0.24192%
2006	105,209	18,005,194	0.25043%
2007	112,667	19,901,324	0.25543%
2008	102,693	21,210,319	0.25637%
2009	\$ 111,403	22,588,450	0.26764%

Notes:

(1) In 1978 the voters of the State of California passed Proposition 13 which limited property 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 increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is assessed at the purchase price 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.

(2) Total direct tax rate is the weighted average of all individual direct rates, calculated by HdL Coren & Cone.

Not covered by independent auditor's report

Schedule 9

CITY OF GLENDALE

Direct and Overlapping Property Tax Rates

Last Four Fiscal Years

City Direct Rates					
Fiscal Year	City Basic Rate	Redevelopment Agency Rate	Total Average Direct Tax Rate (2)		
2006	0.13687%	1.00600%	0.25043%		
2007	0.13687%	1.00541%	0.25543%		
2008	0.13573%	1.00450%	0.25637%		
2009	0.13573%	1.00430%	0.26764%		

Overlapping Rates					
Fiscal Year	Metropolitan Water District	Flood Control District	Detention Facilities	Glendale Community College District	Glendale Unified School District
2006	0.00520%	0.00005%	0.00080%	0.01858%	0.05220%
2007	0.00470%	0.00005%	0.00066%	0.02214%	0.05205%
2008	0.00450%	0.00000%	0.00000%	0.02408%	0.04742%
2009	0.00430%	0.00000%	0.00000%	0.02119%	0.04559%

Notes:

(1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the property resides within. Due to the passage of the Proposition 13, the City of Glendale levies no tax but receives a portion of the County's 1% rate apportioned on a complex formula. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the various voter-approved bonds.

(2) The rates are calculated by HdL Coren & Cone.

(3) The data prior to fiscal year 2006 are not available.

Not covered by independent auditor's report

Schedule 10

CITY OF GLENDALE

Principal Property Tax Payers

Current Year and Four Years Ago (in thousands)

Taxpayer	Fiscal Year 2009			Fiscal Year 2005		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
GGP Homart II	\$ 437,340	1	1.94%	\$		
Walt Disney Pictures and TV	360,725	2	1.60%	254,945	1	1.49%
PR Glendale Plaza Office California LLC	218,785	3	0.97%			
Wells Reit Glendale California LLC	159,883	4	0.71%	159,931	3	0.94%
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%	165,495	2	0.97%
Glendale Adventist Medical Center				150,689	4	0.88%
Glendale Plaza Realty Holding Company				136,399	5	0.80%
Glendale Memorial Hospital & Health Center				112,154	6	0.66%
NBB Associates Limited Partnership				105,000	7	0.62%
DW Statuory Trust 2002				83,124	8	0.49%
TST Glendale City Center				80,475	9	0.47%
Glendale Mall Associates LLC				71,871	10	0.42%
Total	\$ <u>1,945,219</u>		<u>8.62%</u>	\$ <u>1,320,083</u>		<u>7.74%</u>

Note: Data prior to fiscal year 2005 are not available.

Source: HdL Coren & Cone

Not covered by independent auditor's report

Schedule 11

CITY OF GLENDALE

Property Tax Levies and Collections

Last Eight Fiscal Years (in thousands)

Fiscal Year Ended June 30,	City					
	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date (2)	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 15,106	13,649	90.4%	915	14,564	96.4%
2003	15,847	15,755	99.4%	1,211	16,966	107.1%
2004	17,032	16,114	94.6%	1,381	17,495	102.7%
2005	17,640	17,072	96.8%	2,157	19,229	109.0%
2006	19,996	19,208	96.1%	2,677	21,885	109.4%
2007	22,247	21,228	95.4%	2,648	23,876	107.3%
2008	23,853	22,460	94.2%	2,456	24,916	104.5%
2009	\$ 24,731	23,552	95.2%	1,872	25,424	102.8%

Fiscal Year Ended June 30,	Redevelopment Agency					
	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date (2)	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 20,012	17,533	87.6%	472	18,005	90.0%
2003	21,931	21,704	99.0%	510	22,214	101.3%
2004	23,474	21,406	91.2%	590	21,996	93.7%
2005	28,489	26,662	93.6%	1,078	27,740	97.4%
2006	26,505	25,798	97.3%	2,132	27,930	105.4%
2007	29,118	27,415	94.2%	2,002	29,417	101.0%
2008	31,205	30,505	97.8%	1,830	32,335	103.6%
2009	\$ 36,408	34,667	95.2%	615	35,282	96.9%

Notes:

(1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.

(2) Education Revenue Augmentation Fund (ERAF) III payment to State, ERAF in lieu of Vehicle License Fee, and SB211 Proposition Share for Central Project is excluded from property tax collections when compared to property tax levied in this schedule. All prior fiscal year data are updated in fiscal year 2009 CAFR.

Not covered by independent auditor's report

Schedule 12

CITY OF GLENDALERatios of Outstanding Debt by Type,
Last Eight Fiscal Years (in thousands)

Fiscal Year	Governmental Activities				
	Police Building Project (COPs)	Parking Lease Revenue Bonds Series A	Refunding Parking Lease Revenue Bonds Series 1976	1993 GRA Tax Allocation Bond	2002 GRA Tax Allocation Bond
2002	\$ 64,200	440	1,025	61,250	-
2003	63,100	-	-	59,315	49,969
2004	62,000	-	-	-	48,053
2005	60,800	-	-	-	46,083
2006	59,600	-	-	-	44,057
2007	58,300	-	-	-	41,971
2008	56,900	-	-	-	39,832
2009	\$ 55,500	-	-	-	37,626

Fiscal Year	Governmental Activities					Subtotal
	2003 GRA Tax Allocation Bond	Capital Leases	Section 108	Notes Payable	Low & Mod Loans Payable	
2002	\$ -	-	-	-	-	126,915
2003	-	2,000	1,800	-	-	176,184
2004	58,129	1,631	1,700	4,615	-	176,128
2005	56,184	4,989	1,590	3,692	-	173,337
2006	53,924	4,273	1,450	2,769	-	166,073
2007	51,544	11,729	1,280	1,846	-	166,671
2008	49,043	9,935	1,100	923	-	157,733
2009	\$ 46,418	10,540	690	-	13,352	164,126

Notes:

- (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (2) Sales and Marketing Management: Survey of Buying Power and Media Markets
- (3) California State Department of Finance, January 1 of every year.
- (4) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (5) Prior years governmental type outstanding debt has been restated in fiscal year 2009 to reflect the correct balances.
- (6) Prior years business type outstanding debts have been restated in fiscal year 2009 to reflect the correct balances.

Not covered by independent auditor's report

(Continued)

Schedule 12

CITY OF GLENDALERatios of Outstanding Debt by Type,
Last Eight Fiscal Years (in thousands)

Fiscal Year	Business-Type Activities					Subtotal
	2000 Electric Revenue Bond	2003 Electric Revenue Bond	2006 Electric Revenue Bond	2008 Electric Revenue Bond	2008 Water Revenue Bond	
2002	\$ 37,155	-	-	-	-	37,155
2003	37,146	32,248	-	-	-	69,394
2004	37,138	31,431	-	-	-	68,569
2005	37,130	30,615	-	-	-	67,745
2006	-	29,798	36,780	-	-	66,578
2007	-	28,983	36,212	-	-	65,195
2008	-	28,166	35,381	61,687	51,916	177,150
2009	\$ -	27,350	34,482	61,630	51,851	175,313

Fiscal Year	Total Primary Government (1)	Total Personal Income (2)	Percentage of Personal Income	Population (3)	per Capita
2002	\$ 164,070	8,352,544	1.96%	200	0.819
2003	245,578	8,458,808	2.90%	203	1.202
2004	244,697	7,743,409	3.16%	205	0.191
2005	241,082	7,805,406	3.09%	207	1.165
2006	232,651	8,015,891	2.90%	206	1.128
2007	231,866	10,994,029	2.11%	207	1.119
2008	334,883	11,274,313	2.97%	207	1.617
2009	\$ 339,439	10,871,591	3.12%	207	1.640

Notes:

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) Sales and Marketing Management: Survey of Buying Power and Media Markets

(3) California State Department of Finance, January 1 of every year.

(4) City of Glendale implemented GASB Statement 34 in fiscal year 2002.

(5) Prior years governmental type outstanding debt has been restated in fiscal year 2009 to reflect the correct balances.

(6) Prior years business type outstanding debts have been restated in fiscal year 2009 to reflect the correct balances.

Not covered by independent auditor's report

Schedule 13

CITY OF GLENDALE

Direct & Overlapping Governmental Activities Debt

As of June 30, 2009 (in thousands)

	Gross Bonded Debt Balance	Percentage Applicable to Glendale	Amount Applicable to Glendale
Direct Debt			
Glendale Police Facility Certificate of Participation	\$ 55,500	100%	\$ 55,500
Glendale 2002 Tax Allocation Bond	36,305	100%	36,305
Glendale 2003 Tax Allocation Bond	46,895	100%	46,895
Glendale Electric Revenue Bonds, 2003 Series	26,870	100%	26,870
Glendale Electric Revenue Bonds, 2006 Series	36,135	100%	36,135
Glendale Electric Revenue Bonds, 2008 Series	60,000	100%	60,000
Glendale Water Revenue Bonds, 2008 Series	50,000	100%	<u>50,000</u>
Total Direct Debt			<u><u>311,705</u></u>
Overlapping Debt			
Metropolitan Water District	137,096	2.189%	3,002
Metropolitan Water District	137,096	0.020%	28
Glendale CCD DS 2002 Ser-A	2,925	89.200%	2,609
Glendale CCD DS 2002 Ser-C	11,915	89.200%	10,629
Glendale CCD DS RF BD 02, 05 S-A	15,196	89.200%	13,555
Glendale CCD DS 2002 Ser 2006	33,300	89.200%	29,704
Pasadena Area CCD DS 2002 S-A	3,715	0.100%	3
Pasadena CCD DS 2006 Series B	581,980	0.100%	584
Pasadena CCD DS 2006 REF BD	20,763	0.100%	21
Glendale Unified DS 1997 Ser A	13,090	89.200%	11,676
Glendale Unified DS 1997 Ser B	17,345	89.200%	15,472
Glendale Unified SD 1997 Ser C	21,070	89.200%	18,794
Glendale USD DS 1997 Ser D	32,450	89.200%	28,945
Glendale USD DS 1997 Ser E	16,435	89.200%	14,660
Glendale USD DS 1997 Ser F	17,325	89.200%	15,454
Glendale USD DS 1997 Ser G	20,165	89.200%	17,987
La Canada Unified SD 1995 DS	6,321	1.166%	74
La Canada Unif SD DS 1999 Ser A	2,850	1.166%	33
La Canada USD DS 1999 Ser B	2,165	1.166%	25
La Canada USD DS 2004 Ser A	13,425	1.166%	157
La Canada Unif Sch DS 2004 Ser B	\$ 10,000	1.166%	<u>117</u>
Total Overlapping Debt			<u><u>183,529</u></u>
Total Direct and Overlapping Debt			<u><u>\$ 495,234</u></u>

Source:

County of Los Angeles, Auditor-Controller
 City of Glendale, Finance Division
 HdL Coren & Cone

Not covered by independent auditor's report

Schedule 14
CITY OF GLENDALE
 Legal Debt Margin Information
 Last Ten Fiscal Years (in thousands)

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed value		\$ <u>22,588,450</u>
Debt limit (15% of assessed value)		3,388,268
Amount of debt applicable to debt limit:		
Redevelopment debt - tax allocation bonds	\$ <u>88,936</u>	
Less debt applicable to limit		<u>88,936</u>
Legal debt margin		\$ <u><u>3,299,332</u></u>

	<u>Fiscal Year</u>				
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Debt limit	\$ 3,388,268	3,181,548	2,985,199	2,700,779	2,486,080
Total net debt applicable to limit	<u>88,936</u>	<u>87,980</u>	<u>92,570</u>	<u>96,985</u>	<u>101,220</u>
Legal debt margin	\$ <u><u>3,299,332</u></u>	<u><u>3,093,568</u></u>	<u><u>2,892,629</u></u>	<u><u>2,603,794</u></u>	<u><u>2,384,860</u></u>
Total net debt applicable to the limit as a percentage of debt limit	3%	3%	3%	4%	4%

	<u>Fiscal Year</u>				
	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
Debt limit	\$ 2,331,463	2,159,866	2,060,857	1,930,443	1,823,960
Total net debt applicable to limit	<u>97,469</u>	<u>48,015</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	\$ <u><u>2,233,994</u></u>	<u><u>2,111,851</u></u>	<u><u>2,060,857</u></u>	<u><u>1,930,443</u></u>	<u><u>1,823,960</u></u>
Total net debt applicable to the limit as a percentage of debt limit	4%	2%	0%	0%	0%

Notes:

- (1) 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.
- (2) The total net debt applicable to limit for each fiscal year since the issuance or refunding of debt secured by property tax or tax increment is presented on this schedule effective this fiscal year (fiscal year 2009).

Not covered by independent auditor's report

Schedule 15

CITY OF GLENDALE

Pledged-Revenue Coverage

Last Eight Fiscal Years (in thousands)

Fiscal Year	Tax Allocation Bonds (4)					
	Property	Less:	Net	Debt Service		Coverage
	Tax	Operating	Available	Principal	Interest	
Increment	Expenses	Revenue				
2002	\$ 12,564	6,400	6,164	1,845	3,442	1.17
2003	14,045	4,433	9,612	1,935	4,366	1.53
2004	14,201	3,588	10,613	1,810	3,626	1.95
2005	17,921	6,324	11,597	3,865	4,511	1.38
2006	18,233	5,063	13,170	4,235	4,366	1.53
2007	19,872	4,301	15,571	4,415	4,189	1.81
2008	19,301	4,174	15,127	4,590	4,004	1.76
2009	\$ 21,561	5,900	15,661	4,780	3,808	1.82

Fiscal Year	Electric Revenue Bonds					
	Utility	Less:	Net	Debt Service		Coverage
	Service	Operating	Available	Principal	Interest	
Charges	Expenses	Revenue				
2002	\$ 188,298	166,193	22,105	-	2,171	10.18
2003	178,632	136,673	41,959	-	2,171	19.33
2004	151,718	134,973	16,745	795	3,801	3.64
2005	148,799	140,060	8,739	795	3,628	1.98
2006	170,207	183,172	(12,965)	1,485	3,580	(2.56)
2007	178,979	170,967	8,012	1,520	2,833	1.84
2008	204,497	184,378	20,119	1,755	3,044	4.19
2009	\$ 207,177	185,615	21,562	1,805	5,591	2.92

Fiscal Year	Water Revenue Bonds					
	Utility	Less:	Net	Debt Service		Coverage
	Service	Operating	Available	Principal	Interest	
Charges	Expenses	Revenue				
2002	\$ -	-	-	-	-	-
2003	-	-	-	-	-	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
2006	-	-	-	-	-	-
2007	-	-	-	-	-	-
2008	34,817	29,900	4,917	-	-	N/A
2009	\$ 36,068	32,027	4,041	-	2,188	1.85

Notes:

- (1) City of Glendale implemented GASB Statement 34 in fiscal year 2002.
- (2) The debt service portion of Electric Revenue Bond fiscal year 2007 was missing the principal and interest from the 2003 Allocation Bond but has been updated in fiscal year 2008 CAFR.
- (3) The debt service requirements principal portion for fiscal year 2006 and the interest portion from fiscal year 2002 through 2008 have been restated in fiscal year 2009 CAFR.
- (4) The Tax Allocation Bonds pertain to GRA Central Project, so only the Central Project's property tax increment and operating expenses are used to calculate the debt service coverage. All prior fiscal year data are updated in fiscal year 2009 CAFR.

Not covered by independent auditor's report

Schedule 16
CITY OF GLENDALE
 Demographic and Economic Statistics
 Last Eight Fiscal Years

<u>Year</u>	<u>Population</u> (1)	<u>Per Capita Personal Income</u> (2)	<u>Total Personal Income</u>	<u>Median Age</u> (3)
2002	200,200	41,721	8,352,544,200	37.5
2003	202,747	41,721	8,458,807,587	37.5
2004	205,341	37,710	7,743,409,110	37.5
2005	207,007	37,706	7,805,405,942	37.5
2006	206,308	38,854	8,015,891,032	37.5
2007	207,157	53,071	10,994,029,147	39.0
2008	207,157	54,424	11,274,312,568	41.2
2009	207,303	52,443	10,871,591,229	40.6

<u>Year</u>	<u>Percent High School Graduate or Higher</u> (3)	<u>Percent Bachelor's Degree or Higher</u> (3)	<u>School Enrollment</u> (4)	<u>Unemployment Rate</u> (5)
2002	79%	32%	47,000	6.10%
2003	79%	32%	46,000	5.80%
2004	79%	32%	44,000	5.70%
2005	79%	32%	43,000	4.90%
2006	79%	32%	42,144	4.00%
2007	81%	33%	42,223	4.70%
2008	83%	35%	45,116	6.10%
2009	83%	36%	50,606	9.90%

Source:

(1) California State Department of Finance, January 1 of every year

(2) Business Decision Website

(3) U.S. Census, updated survey data 2006

(4) Glendale Unified School District and Glendale Community College District school attendance report

(5) California Employment Development Department

(6) Data prior fiscal year 2002 are not available.

Not covered by independent auditor's report

Schedule 17

CITY OF GLENDALE

Principal Employers

Current Year and Three Year Ago

Employer	2009			2006		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
City of Glendale	2,216 (4)	1	2.33%	2,706	1	3.55%
Glendale Adventist Med Center #262	2,126	2	2.23%	1,999	3	2.62%
Nestle Company	1,521 (5)	3	1.60%	1,735 (5)	4	2.27%
Glendale Memorial Medical Center	1,433	4	1.50%	1,248	5	1.64%
Glendale Community College	1,408	5	1.48%	1,141	6	1.50%
Public Storage Inc	1,111	6	1.17%	967	7	1.27%
Glendale Unified School District	1,085 (3)	7	1.14%	2,681 (3)	2	3.51%
Walt Disney Imagineering	928	8	0.97%	765	9	1.00%
Acco Engineered Systems	824	9	0.86%	711	10	0.93%
Diagnostic Laboratories	740	10	0.78%	n/a	n/a	n/a
Bank America North America	n/a	n/a	n/a	834	8	1.09%

Notes:

- (1) Both full-time and hourly employees are included.
- (2) The source for all companies is Labor Market Information Division, California Employment Development Department, 2007 and 2009, except for City of Glendale.
- (3) The State revised its calculation methodology between 2006 and 2009. The 2006 number included all GUSD school personnel, whereas, the 2009 number includes only GUSD administration office personnel.
- (4) City of Glendale Payroll Section, 1,764 full-time employees and 452 hourly employees in fiscal year 2009.
- (5) It includes the three subsidiaries of Nestle in Glendale.
- (6) % of total employment is calculated using a baseline of 95,300 workers in 2009 and 76,276 in 2006 employed in Glendale.
- (7) Data prior fiscal year 2006 are not available.

Not covered by independent auditor's report

Schedule 18
CITY OF GLENDALE
 Salaried Authorized Positions by Function/Program
 Last Four Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>			
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Government				
City attorney	13.30	14.30	17.50	17.50
City clerk	10.00	11.00	11.00	11.00
City manager	32.00	32.00	32.00	31.00
City treasurer	5.00	5.00	5.00	5.00
Finance	27.90	28.90	24.90	21.90
Graphics	8.00	8.00	8.00	8.00
Human resources	25.00	26.00	24.00	24.00
Information services	45.00	47.00	50.00	50.00
Planning	27.95	28.95	28.00	28.00
Purchasing	5.00	5.00	5.00	5.00
Community Development & Housing	103.63	107.63	115.11	113.11
Library	65.00	67.00	66.00	64.00
Parks and recreation	134.00	141.00	132.00	130.00
Fire				
Firefighters and officers	160.55	165.55	165.05	164.05
Civilians	75.45	78.45	78.95	73.95
Police				
Officers	230.10	237.10	229.70	229.70
Civilians	148.00	153.00	163.00	160.00
Public works				
Engineering	42.00	46.00	46.00	45.00
Streets	50.90	53.90	53.90	53.90
Traffic	13.15	15.15	15.15	15.15
Integrated waste	85.00	84.00	81.05	81.05
Landfill management	6.00	6.00	6.00	6.00
Other	184.69	184.69	176.94	174.94
Redevelopment	18.23	18.23	17.25	17.25
Water and Power	<u>426.15</u>	<u>426.15</u>	<u>425.50</u>	<u>425.50</u>
Total	<u><u>1,942.00</u></u>	<u><u>1,990.00</u></u>	<u><u>1,977.00</u></u>	<u><u>1,955.00</u></u>

Note: The data prior to fiscal year 2006 are not available.

Source: City's Budget book. In previous CAFRs, the actual filled position count was shown.
 This year the CAFR has been revised to show the authorized position count.

Not covered by independent auditor's report

Schedule 19
CITY OF GLENDALE
 Operations Indicators by Function/Program
 Last Four Fiscal Years

Function/Program	Fiscal Year			
	2009	2008	2007	2006
Police				
Physical arrests	6,405	6,254	6,717	7,087
Parking violations	83,706	89,700	87,971	80,374
Traffic violations	26,149	22,059 (2)	20,199 (2)	22,253 (2)
Fire				
Emergency responses	14,923	15,253	15,344	14,970
Fires extinguished	317	309	267	483
Refuse collection				
Refuse collected (tons per day)	279	283	289	299
Recyclables collected (tons per day)	48	51	140	135
Inert waste recycling - Brand Park landfill (tons per year)	3,000 (3)	3,000 (3)(5)	6,500 (5)	10,500 (5)
Other public works				
Street resurfacing (miles)	1.62	0.42 (5)	1.36 (5)	3.47 (5)
Street reconstructing (miles)	0.13	0.91 (5)	0.82 (5)	2.97 (5)
Potholes repaired (square feet per year)	11,800	16,683 (5)	9,886 (5)	10,057 (5)
Parks and recreation				
Athletic field permits issued	1,054	873	648 (1)	7,114
Community center admissions	1,229	1,192	1,797 (2)	1,236
Library				
Volumes in collections	718,879	722,790	761,314	770,784
Total volumes borrowed	1,236,950	1,185,385	1,088,286	1,075,073
Electric				
New connections	387	523 (2)	211	133
Average daily consumption (MWH)	3,154	3,180	3,142	3,130
Electricity generated (MWH)	940,051	1,007,011	1,025,235	887,263
Electricity purchased (MWH)	533,258	583,906	490,592	626,304
Electricity sold - Retail (MWH)	1,151,391	1,160,566	1,146,828	1,142,582
Electricity sold - Wholesale (MWH)	204,828 (6)	250,391 (6)	241,092 (6)	261,454 (6)
Peak demand (MW)	299	333	336	313
Water				
New connections	234	53	125	72
Average daily consumption (millions of gallons)	25	26	28	27
Water mains breaks	12	18	12	11
Water purchased (AF)	20,873	21,705	23,643	22,239
Water sold (AF)	29,465	30,691	31,889	29,907

(Continued)

Schedule 19
CITY OF GLENDALE
 Operations Indicators by Function/Program
 Last Four Fiscal Years

<u>Function/Program</u>	Fiscal Year			
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Wastewater				
Average daily sewage treatment (millions of gallons)	17	17 (5)	17 (5)	17
Transit				
Total route miles	889,819	880,991	871,430 (5)	816,240 (5)
Passengers	2,260,263	2,152,200	2,271,548 (5)	2,273,843 (5)

Notes:

- (1) Beginning January 2007, Parks department started using Safari system to issue permits, which issues one permit for one participant for multiple events. The old system issues one permit for one participant for one event, so the number of permits issued is more in fiscal year 2006.
- (2) The data is incorrect but is updated in the fiscal year 2009 CAFR.
- (3) Some inert wastes were diverted to an outside recycling company rather than using Brand Landfill.
- (4) The data prior to fiscal year 2006 are not available.
- (5) Data for fiscal years 06-08 is revised according to Public Works Department Statistical and Production Reports.
- (6) Electricity sold – Wholesale (MWH) category was not reflected in prior years.

Sources: Various city departments

Not covered by independent auditor's report

Schedule 20

CITY OF GLENDALE

Capital Asset Statistics by Function/Program

Last Four Fiscal Years

	Fiscal Year			
	2009	2008	2007	2006
<u>Function/Program</u>				
Police				
Stations	2 (1)	2 (1)	2 (1)	2 (1)
Patrol units	64	68	69	71
Helicopters	1.5 (2)	1.5 (2)	2	2
Motocycles	26	24	26	24
Fire				
Stations	9	9	9	9
Refuse collection				
Collection trucks	46 (3)	46 (3)(6)	45 (3)(6)	44 (3)(6)
Other public works				
Streets (miles)	350	350 (6)	350 (6)	350 (6)
Traffic signals	226	232 (6)	229 (6)	225 (6)
Parks and recreation				
Open space acres	5,020	5,020	5,020	5,020
Developed parkland acres	280	275	274	274
Parks and other facilities	39 (4)	39 (4)	37 (4)	37 (4)
Community centers	8 (4)	8 (4)	8 (4)	8 (4)
Baseball/softball diamonds	16	16 (8)	16 (8)	16 (8)
Soccer/football fields	3 (5)	3 (5)	3 (5)	3 (5)
Golf course	1	1	1	1
Library				
Branches	7	7	7	7
Electric				
Number of electric meters	84,554	84,167 (8)	83,644	83,433
Number of streetlights	10,692	10,622	11,117	10,210
Grayson power plant capacity (MW)	260	249	249	249
Water				
Number of water meters	33,407	33,173	33,120	32,995
Water mains (miles)	397	397	397	397
Fire hydrants	3,072	2,970	2,950	2,950
Storage capacity (millions of gallons)	185	185	185	185

(Continued)

Schedule 20

CITY OF GLENDALE

Capital Asset Statistics by Function/Program

Last Four Fiscal Years

	Fiscal Year			
	2009	2008	2007	2006
<u>Function/Program</u>				
Wastewater				
Storm catch basin	3,679	3,679 (6)	3,679 (6)	3,679 (6)
Sanitary sewers (miles)	360	360 (6)	360 (6)	360 (6)
LAGWRP Treatment capacity (millions of gallons)	20	20 (6)	20 (6)	20 (6)
Transit				
Buses	34	34	34	34 (6)

Notes:

- (1) One main facility and one substation at the Galleria. (The prior year numbers were corrected.)
- (2) Three helicopters are shared with the City of Burbank as of May 14, 2007.
- (3) This number does not include the small bin trucks or light duty vehicles.
- (4) Starting with fiscal year 2009 and going forward, parks and community centers will be counted separately. Prior year data is updated in the fiscal year 2009 CAFR.
- (5) There are 3 soccer fields (2 at the Sports Complex and 1 at Pacific Park) in Glendale. The prior year numbers will be corrected to include the actual number of soccer fields rather than the number of locations with soccer fields.
- (6) Data for fiscal years 06-08 is revised according to Public Works Department Statistical and Production Reports.
- (7) The data prior to fiscal year 2006 are not available.
- (8) The data was incorrect but is updated in the fiscal year 2009 CAFR.

Sources: Various city departments

Not covered by independent auditor's report

Schedule 21
CITY OF GLENDALE
Schedule of Credits

Robert Elliot, CPA
Director of Administrative Services-Finance

General Overview
Letter of Transmittal

Lily Fang, Accounting Services Administrator

General Overview
Management's discussion & analysis
Combined Statements Overview
Notes to Financial Statements

Artak Khatchatryan, Senior Accountant
Theresa Clark, Accountant II
Vanik Darabedian, Accountant II
Rima Dagbashyan, Accountant I

PeopleSoft Nvision Report Writing
Fixed Asset Accounting
Glendale Water & Power
Cash Reporting

Shu-Jun Li, Senior Accountant
Tania Fong, Accountant II
Liza Jue, Accountant I
Judy Wu, Accountant I

Grant Reporting
Internal Services Fund
Statistical Section
Single Audit

Zinda Jimenez, Senior Accountant
Alwin De Leon, Accountant I
Nan Chao, Accountant I

Glendale Redevelopment Agency
Debt Reporting

Graphics Section

Reprographic Services

Harry Safarian, Broadcast Production Assistant
Vicki Gardner, Assistant Public Information Officer

Cover design

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