

# Year-End Financial Report FY2021/2022



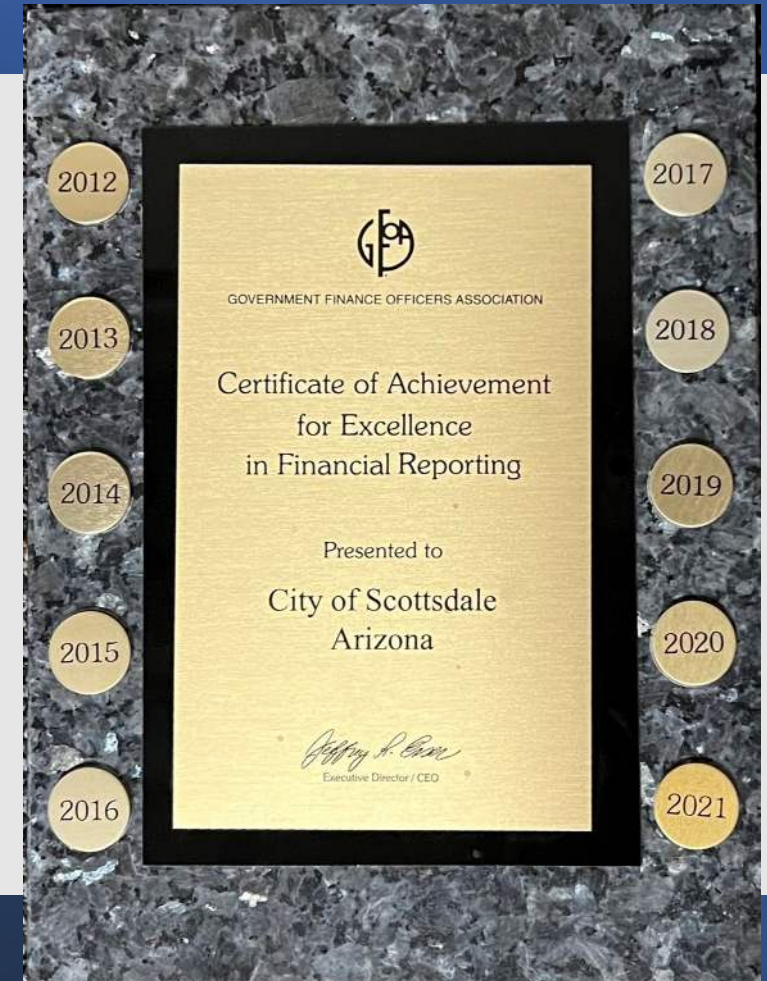
# Timeline for Year-End Financial Report



# FY2022 - 50<sup>th</sup> Consecutive Year for Excellence in Financial Reporting Award

**Thank you to our Accounting Staff!**

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



# Outline

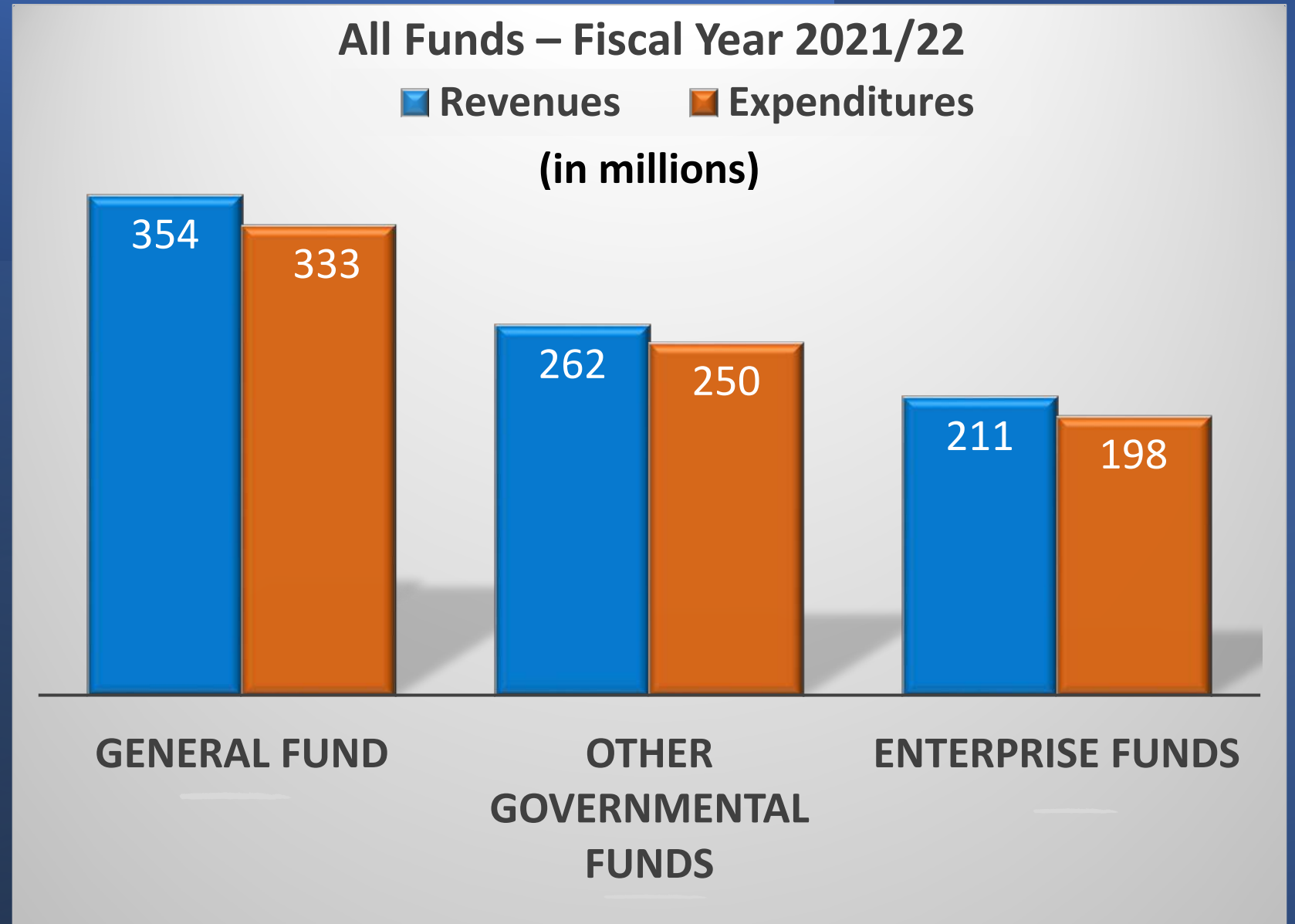
- 01** Highlights from FY 2021/22 Audited Financial Report
- 02** City's fiscal health



# Assessing City's Financial Health

- 01 Financial Condition**
  - Revenues cover expenditures to maintain service levels
  - Strong cash position to pay bills
- 02 Financial Capacity**
  - Manageable long term liabilities
  - Ability to finance capital needs without shifting burden to future
- 03 Financial Resiliency**
  - Sufficient reserves and budget flexibility

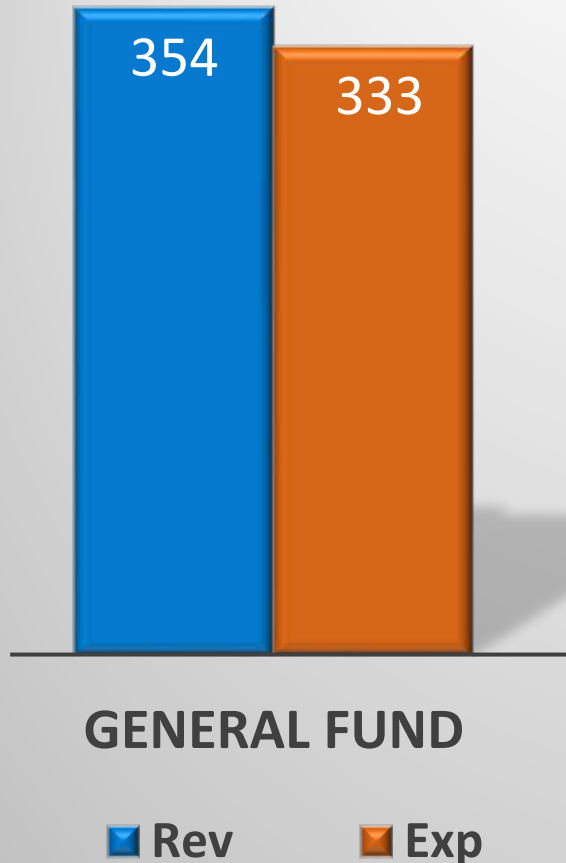
# Operating Revenues Covered Expenditures



*Excludes interfund transfers and other nonoperating revenues and expenditures.*

# Operating Revenues Covered Expenditures

General Fund  
Fiscal Year 2021/22  
(in millions)

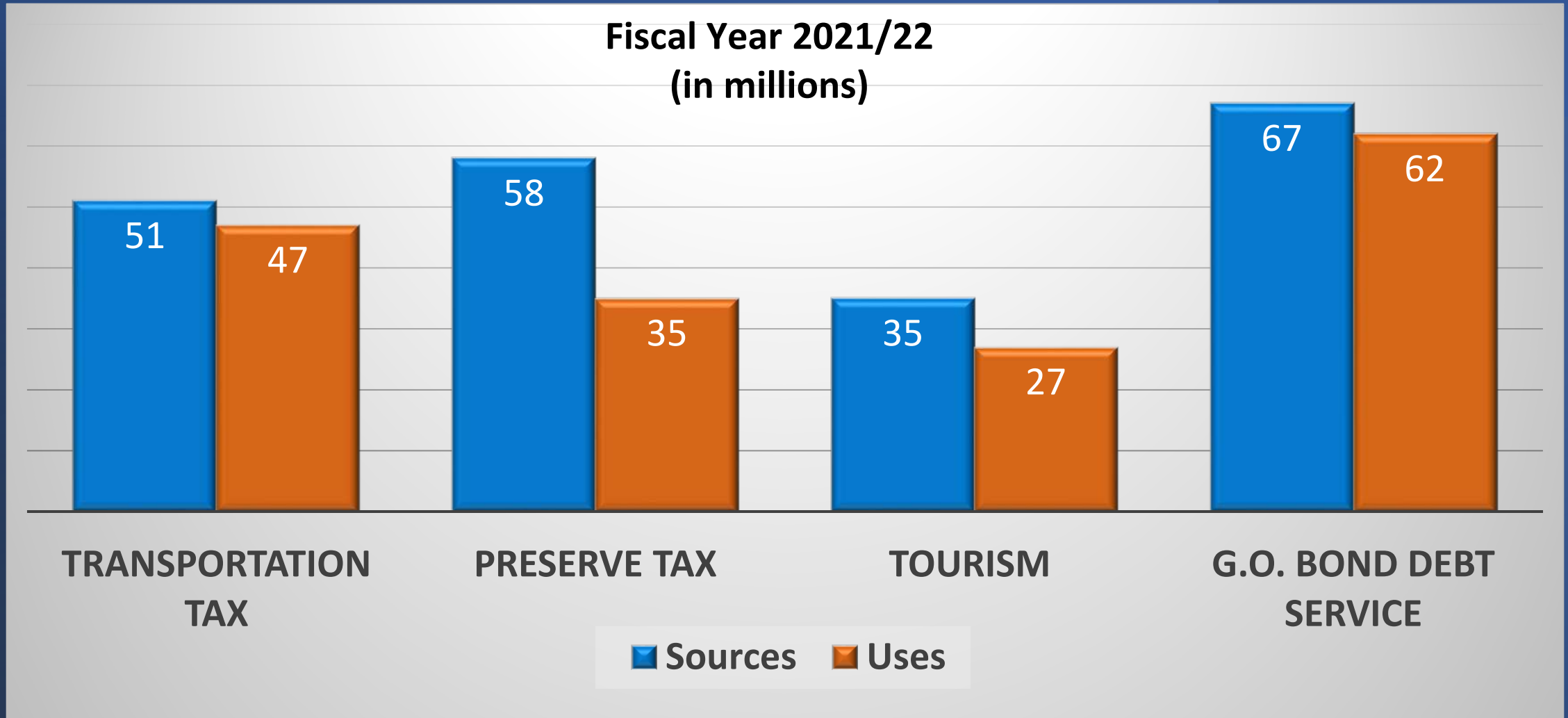


\$37.6M excess Sales Tax collections over budget

\$14.6M of expenses paid with ARPA funds

\$40M additional payment made to Public Safety Pension

# Major Categories of Other Governmental Funds



*Includes internal transfers and other sources and uses.*



# Enterprise Funds Operating Income Fiscal Year 2021/22

**\$22M**

**Water Utility**

18% operating margin

**(\$3M)**

**Sewer Utility**

-7% operating margin

**\$0.8M**

**Solid Waste**

2.8% operating  
margin

**\$2M**

**Airport**

24% operating  
margin

# Balance Sheet Improved

(in billions)



6/30/2021

6/30/2022

■ Cash & Other Assets

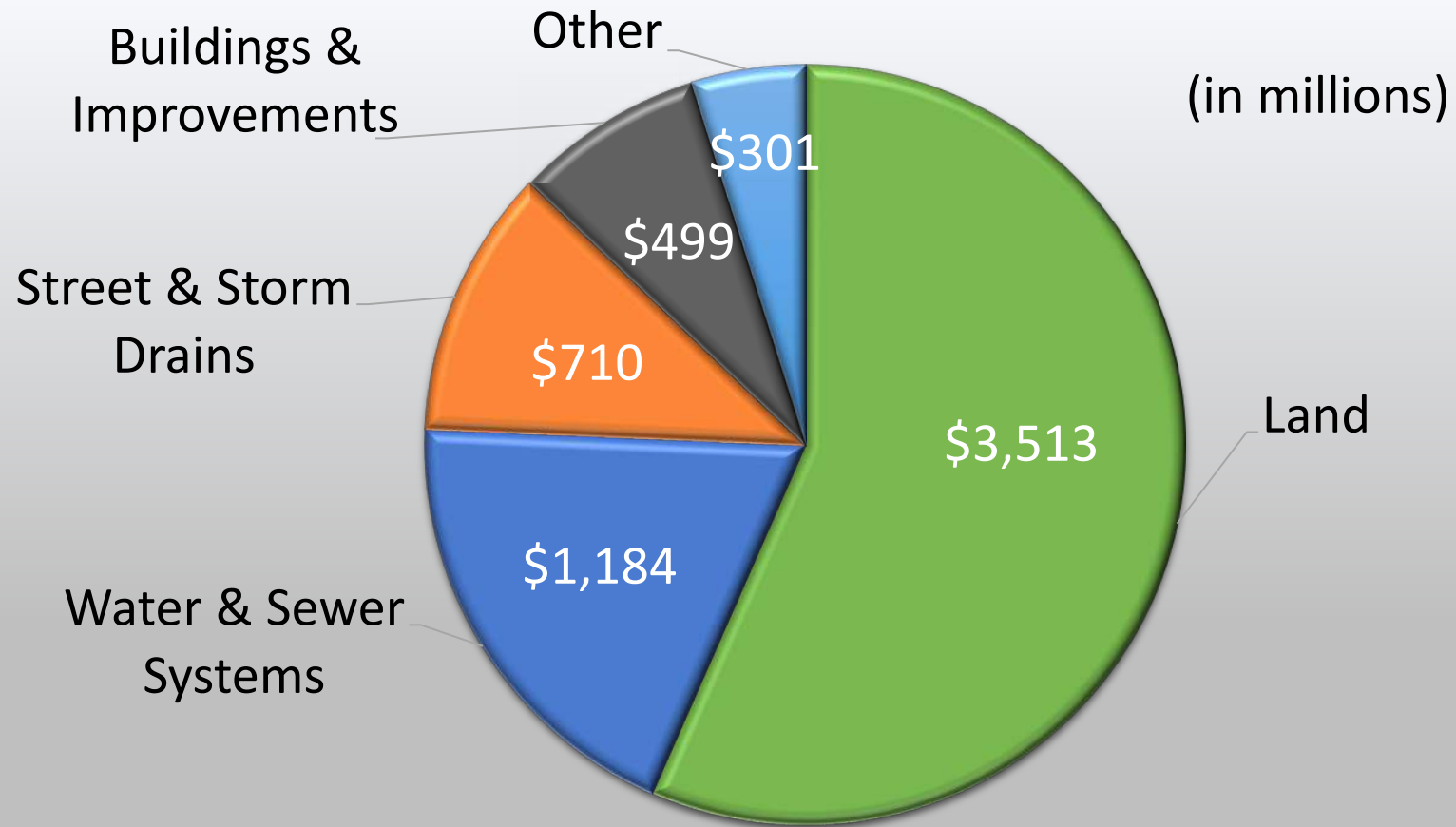
■ Capital Assets

■ Total Liabilities

■ Net position

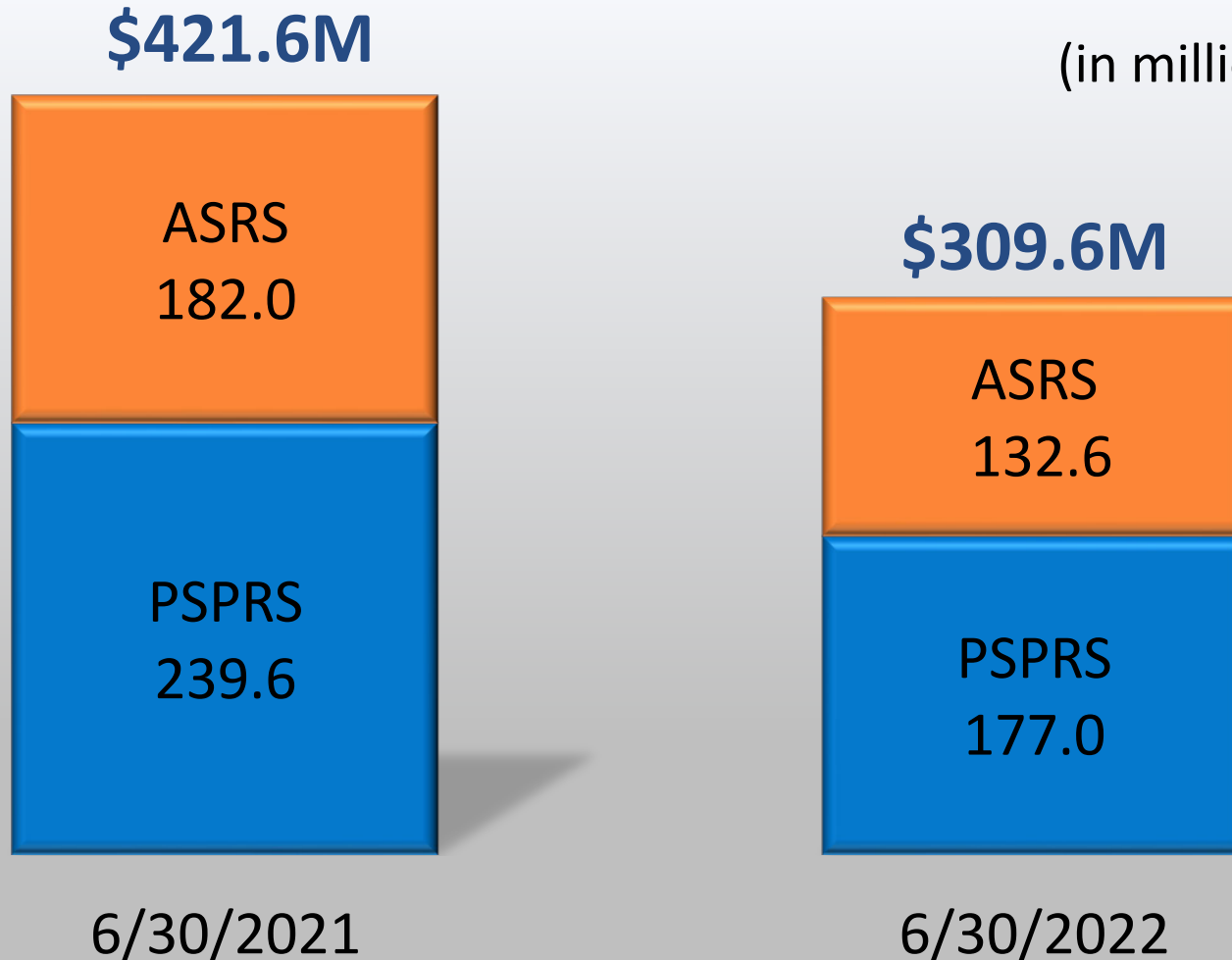
# Net Book Value of Capital Assets

## \$6.2B at 6/30/22



# Net Pension Liabilities Decreased

(in millions)

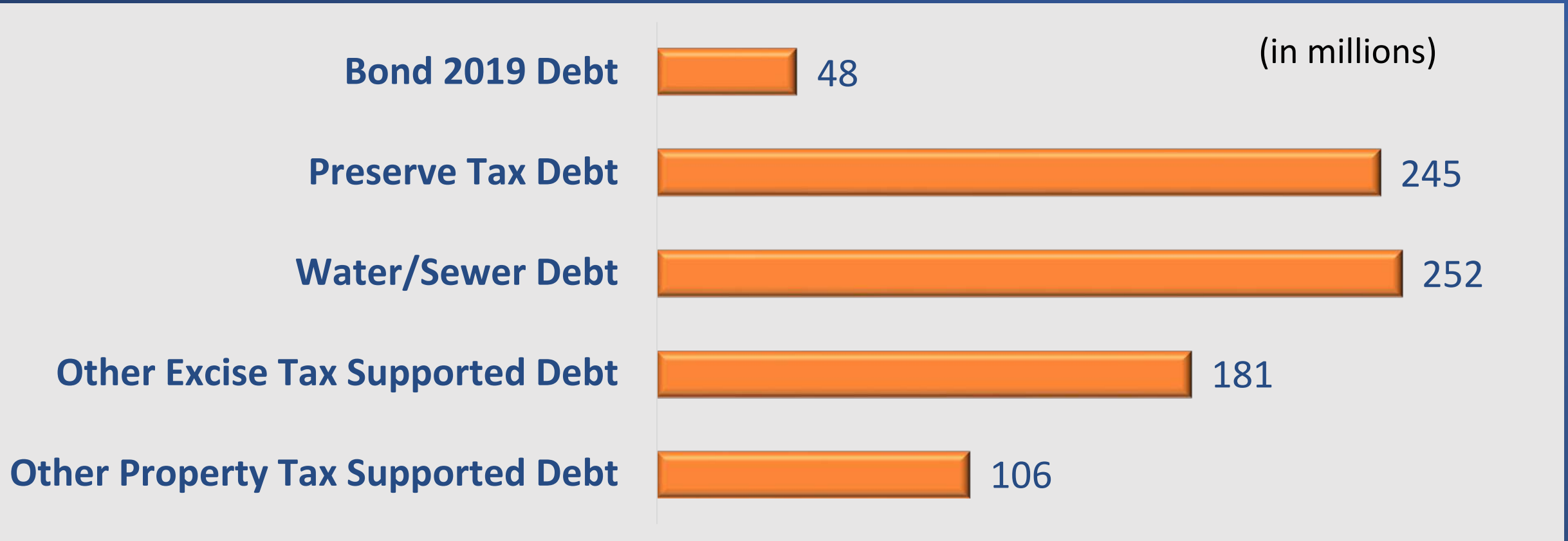


Arizona State Retirement System (ASRS)

Public Safety Personnel Retirement System (PSPRS)

# Debt Burden Remains Manageable

## \$832M at 6/30/22





# General Obligation Bond Remaining Capacity At 6/30/22

## 6% Statutory Limit

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

**\$ 519 M**

## 20% Statutory Limit

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

**\$ 1,335 M**

# Achieved New Policy Reserves As of 6/30/22

**\$ 83.2M**

General Fund  
Stabilization &  
Emergency  
Reserves

25% of operating uses

**\$ 67.2M**

Water/Sewer  
Operating &  
Asset  
Reserves

25% of operating uses  
2% of asset BV

**\$46.1M**

Debt Service  
Reserves

min. 10-25% of debt  
service amount

**\$7.0M**

Other  
Operating  
Reserves

10-25% of operating  
uses

# Maintained Strong Bond Ratings

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



Questions ?