Year Ended June 30, 2022

Annual Comprehensive Financial Report

Anaheim, California

Year Ended June 30, 2022

Annual Comprehensive Financial Report

ANAHEIM

Anaheim, California

Year Ended June 30, 2022

Annual Comprehensive Financial Report

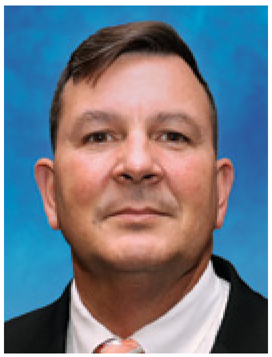
ANAHEIM

Anaheim, California

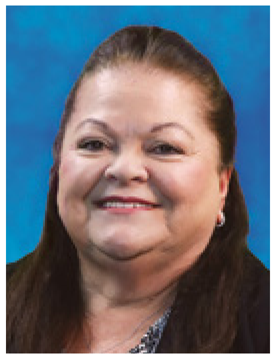
Prepared by the Finance Department

City Council

Trevor O'Neil
Mayor Pro Tem
District 6

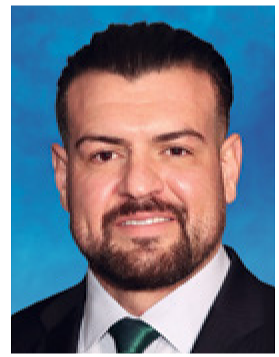


Jose Diaz
Council Member
District 1



Gloria Ma'ae
Council Member
District 2

Jose F. Moreno
Council Member
District 3



Avelino Valencia
Council Member
District 4

Stephen Faessel
Council Member
District 5

ANAHEIM

Anaheim, California

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Introductory Section

ANAHEIM

CITY OF ANAHEIM CALIFORNIA
FOUNDED 1857

Anaheim, California

City of Anaheim, California
Finance Department

December 22, 2022

To the Honorable Mayor and City Council
City of Anaheim
Anaheim, California

In accordance with the Charter of the City of Anaheim (City), please accept submission of the Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2022. Responsibility for the accuracy of the data, completeness, and fairness of the presentation, including all disclosures, rests with the City. We believe the data included is accurate in all material aspects, and is presented in a manner designed to fairly set forth the financial position and operational achievements of the City, as measured by the financial activity of its various funds. In addition, all disclosures necessary to enable the reader to gain maximum understanding of the City's financial activities have been included.

The City Charter requires an annual audit of the City's financial statements by an independent Certified Public Accountant. Accordingly, this year's audit was completed by KPMG LLP. In addition to meeting the requirements set forth in the City Charter, the audit was also designed to meet the requirements of the Single Audit Act Amendments of 1996 and the Uniform Guidance. The auditors' report on the basic financial statements is included in the financial section of this report. The auditors reports related specifically to the single audit are presented as a separate document.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the City's basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

CITY OF ANAHEIM PROFILE

The City of Anaheim is located in northwestern Orange County, approximately 28 miles southeast of downtown Los Angeles and 90 miles north of San Diego. The City lies on a coastal plain, which is bordered by the Pacific Ocean to the west and the Santa Ana Mountains to the east. The City is the oldest and most populous city in Orange County. Anaheim is home to the Disneyland Resort, the Anaheim Convention Center, the Anaheim Regional Transportation Intermodal Center (ARTIC), and two major league professional sports teams including the Angels Major League Baseball team, which utilizes Angel Stadium of Anaheim, and the Anaheim Ducks National Hockey League team, which utilizes the Honda Center.

The City of Anaheim was founded and incorporated in 1857. In June 1964, the local voters approved a City Charter. The City operates under the Charter with a Council-Manager form of government. The six City Council members are elected to four-year terms in alternate slates every two years. In February 2016, the City Council unanimously adopted the city's first districting map and election sequence, changing the election of council members from an at-large system to a by-district system as of the November 2016 election; the Mayor continues to be elected at-large. The Mayor presides over meetings of the City Council and has one vote.

The City Council appoints the City Manager, who heads the executive branch of government, implements City Council directives and policies, and manages the administrative and operational functions through the various departmental heads, who are appointed by the City Manager.

City full-time employees numbered 2,031 in 2022, of whom 617 were assigned to the Police Department and 330 to Fire & Rescue. The latter has eleven stations; the City enjoys a Class One fire insurance rating, the highest rating possible.

Anaheim, with a population of 341,245 in 2022, is a significant contributor to the diverse Orange County economy, which is home to more than 8,500 manufacturing plants. Product manufacturers include notable manufacturing businesses focused on defense and aerospace, biomedical, electronics, machinery, and computer products. The City has over 24,000 active business licenses, of which over 17,000 are businesses operating within the City's boundaries.

The City provides a wide range of municipal services. Core services include public safety, parks, community centers, libraries, electric, water and sanitation utilities, public works, planning and building, and convention center operations.

The unemployment rate in Anaheim for June 2022 was 2.9%, while the national average was at 3.6% and the state average at 4.0%.

ECONOMIC CONDITION AND OUTLOOK

The COVID-19 pandemic took a toll on the city, with reductions to city services due to restrictions that prevented tourists and residents from enjoying the many amenities that the city has to offer. As the pandemic has subsided, the City of Anaheim has experienced a strong recovery. For the fiscal year ended June 30, 2022, Transient Occupancy Tax and Sales and Use Tax revenues have exceeded anticipated performances. Amazingly, these sources of revenue surpass pre-pandemic levels, proving that the City of Anaheim is stronger than ever. The city's recovery speaks to the value and strength of our core revenue generators and Anaheim as a premier visitor destination.

California GDP has effectively made a complete recovery from the pandemic. While the state has regained just 72% of the jobs lost from the beginning of the pandemic, California is adding jobs at a faster rate than the national average and that is expected to continue in 2022[1]. Technology, logistics and defense sectors are expected to help drive this growth in the labor market. Although California still has not seen international tourists return to the state, domestic tourists have more than been able to make up for that loss[2]. Pent-up demand from the pandemic has led tourism, especially in Orange County and Anaheim to return to 2019 levels. Passenger counts at John Wayne Airport are at pre-pandemic levels and hotel occupancy has nearly recovered. Home prices in California and Orange County have soared as inventory is at record lows and demand remains high. Momentum for new development, especially industrial and apartment buildings, continues to increase. Some of the biggest planned developments in Orange County, Disneyland Forward and ocV!BE, will be in Anaheim. Orange County has been fortunate to recover quickly and the economy remains strong and is expected to continue that way.

During the pandemic, the City of Anaheim continued to dedicate itself to recovery by investing in neighborhoods and continuing to provide valued public services. The Community Care Response Team continued to address homelessness throughout the city. The Housing and Community Development Department created 124 units of affordable housing for homeless seniors, veterans, and those experiencing mental health issues. The Anaheim Public Library developed STEAM Adventures, inspiring kids in the areas of Science, Technology, Engineering, Art, and Math.

Public safety remained a high priority with the installation of cameras along Beach Boulevard and Anaheim Police Department's implementation of an upgraded 911 system that sends callers text messages with information on the status of their service call. The Public Works Department continued efforts to improve traffic signals, streets and neighborhoods, through different rehabilitation programs along East Street, Orange Avenue, Ball Road and the Lotus Neighborhood.

MAJOR INITIATIVES

With direction from the Mayor and City Council, City management identifies the priorities that shape the path for Anaheim's future. City initiatives are reevaluated regularly, and new items are frequently added to ensure that City efforts are consistent with the priorities of our policy body and the community. The City strives each year to better fulfill its mission of delivering outstanding municipal services that are responsive to our entire community by continuing its tradition of fostering innovation, ingenuity, and opportunity in its operations. This helps achieve the primary goals of focusing on ensuring public safety in our communities, combatting homelessness, increasing community engagement and outreach, investing in our neighborhoods, and enhancing our city's infrastructure. City staff is dedicated to seeking innovative and efficient ways to conduct business to ensure that Anaheim remains a vibrant community for the years to come.

ENSURING PUBLIC SAFETY: Public safety is one of the City's top priorities with the Anaheim Police Department (APD) and Anaheim Fire & Rescue leading the charge and delivering the highest level of service focused on the safety of our residents, visitors and businesses. APD is increasing their recruitment efforts and offering incentives in order to accelerate the hiring of up to 40 new Police Officers to support their public safety mission.

- Community Engagement — APD will continue to expand relationships to maintain a safe community and increase community trust and collaboration with businesses, faith-based organizations, non-profits, schools, and residents. In an effort to help residents and businesses with crime prevention, APD plans to refocus its efforts on the Neighborhood Watch program throughout the city, with the goal of adding ten new neighborhoods to the program. APD will also proactively impact crime through innovative solutions including intervention through engagement, proactive and strategic enforcement, problem-solving quality of life issues, intelligence-driven and collaborative efforts, through

1 The Beacon Outlook California. Beacon Economics. Spring 2022. Tanner Osman, PhD.
2 UCLA Anderson OC Regional Economic Outlook. April 27, 2022. https://youtube.com/watch?v=cfl_PeMBhf4

education and awareness, judicious investigations, and the apprehension of offenders.

- In-House Emergency Medical Services — Anaheim Fire & Rescue will fully implement the Anaheim Ambulance Transportation Program, which will provide cost savings to the city, increase careers in fire service through dedicated training and education, and ensure excellent service and stability to Anaheim residents and visitors.

INVESTING IN OUR NEIGHBORHOODS**:** An investment and commitment to individuals, families and the community and improving quality of life for our residents continues to be a priority for the city.

- Rebuild Beach Initiative — The City's renewed effort to address the overall quality of life on Beach Boulevard will continue with increased crime enforcement, including the addition of more public safety cameras, proactive code enforcement, business watch, neighborhood involvement, strategic acquisitions and additional investments to reshape and improve Beach Boulevard.
- Increasing Affordable Housing — The City will continue to advance affordable housing, which includes motel conversions to increase the amount of extremely low-income units. Some upcoming projects include the motel conversion of the Tampico Motel and the Studio 6 Motel to permanent supportive housing.
- Providing Senior Services — There are many programs and services aimed at assisting the City's senior residents, including Anaheim's Active Older Adult program which provides a wide array of programs and services that benefit the health and well-being of Anaheim's seniors. City housing assistance, through the Senior Safety Net Program, helps seniors facing hardships meet their housing costs by providing counseling, case management, emergency and rental assistance. The Senior Mobility Program also provides low cost transportation services to Anaheim senior citizens and will be expanded to run seven days a week, with additional lines to meet the needs of residents.
- Improving Recreational Spaces — Improving the quality and appearance of city parks, recreational facilities, and athletic fields ensures that these public spaces remain vibrant, safe, inviting, and accessible. Projects include new playground equipment at Rio Vista Park and Center Greens as a result of grants received from KABOOM!, a nonprofit organization whose mission is to create great play spaces through the participation and leadership of communities.
- Providing Youth Programs — The City will continue to provide opportunities to assist Anaheim youth through programs like Project S.A.Y. (Support Anaheim's Youth), S.T.A.R.S. (Study-Time, Arts, Recreation, and Sports) and Fun on Wheels. Seasonal day camp programs are offered in a variety of topics including CampVenture for children ages 6-12 with opportunities for outdoor activities, crafts, games and sports, and the complementary TeenVenture program, a counselor in training course for teens ages 13-16. Summer and Winter Reading Programs will continue to be offered at Anaheim libraries with storytimes, STEAM programs, teen volunteer opportunities, and cultural celebrations.

OUTREACH TO OUR COMMUNITY**:** Anaheim is dedicated to providing services and resources to the community, including residents who face homelessness.

- Fostering Street Exits— The Community Care Response Team (CCRT) responds to noncriminal, non-emergency homeless calls for service in an effort to shift from a police response to a team of outreach workers, nurse practitioners, mental health clinicians and plain-clothed safety officers. The CCRT will continue to provide resources, while helping homeless neighbors off the streets and directly into housing.
- Addressing Mental Health — The City has created the Be Well OC pilot program to provide a mobile crisis response program that is intended to strengthen the City's approach to mental health calls for service by diverting calls away from public safety to mental health workers and case managers.

IMPROVING OUR INFRASTRUCTURE: Maintaining an Anaheim that residents are proud to call home is a priority for Anaheim.

- Sidewalk, Roadways and Infrastructure Improvements — Street rehabilitation projects provide for a well-maintained and efficient transportation network. Planned projects include: 1,100,000 square feet of pavement slurry sealed, 1,312,000 square feet of pavement replaced, and 97,000 square feet of sidewalk replaced. Traffic signal coordination/upgrades at Euclid Street from Glenoaks Avenue to Crescent Avenue will improve traffic flow and reduce traffic congestion, while neighborhood improvement projects such as the one planned for the Sabina neighborhood will focus on pavement structure, improving the ride quality and safety of residential streets, enhance the walkability of sidewalks, and beautify the neighborhood.
- Enhancing Electric and Water Service Reliability and Resiliency — Anaheim Public Utilities is strategically replacing and upgrading

electric infrastructure to strengthen system reliability. Operational investments include adding wildfire cameras, upgrading technology software and hardware systems, and continuing to install automation of equipment. Capital investments include undergrounding overhead lines, replacing direct buried cable with conduit systems, replacing and sizing transformer replacements to meet future needs, and extending new circuits to improve operational flexibility during outages and increase capacity.

- By replacing aging water utility infrastructure, Anaheim Public Utilities is able to increase water system reliability, reduce maintenance costs, reduce service interruptions and increase system efficiency. Operational strategies include prioritizing projects through an asset management system, exercising valves to optimize operational control, and implementing automation at various locations. Capital investments include replacing aging water mains, installing groundwater treatment to return lower cost wells to service, and upgrading older pump stations and regulating stations.

ENCOURAGING BUSINESS GROWTH: The City is dedicated to creating and maximizing resources to invest in businesses, strengthen the city's economy and promote a well-qualified workforce.

- Supporting Major Developments — The Planning & Building Department leads the city's efforts to entitle major development projects including ocV!BE and Disneyland Forward. The successful management and implementation of these projects will promote vibrant destinations for the city's residents while also bringing more visitors to Anaheim.
- Increasing the Number of Large Conventions and Events — The City is working to maximize the number of large conventions and events brought to Anaheim and looks forward to welcoming back VidCon, D23, Solar Power International, Natural Products Expo West, and NAMM who will come together to meet face to face once again.
- Attracting New Businesses — With the creation of the new Economic Development Department, the City is focusing on growing our existing businesses while also creating policies and programs aimed at attracting new businesses and development opportunities, including strategic acquisitions along priority corridors.

Amid the strong recovery, the City of Anaheim is looking to the future by focusing on core strategies of public safety and neighborhoods, while also addressing current and future obligations.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining internal control designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with U.S. generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

This report consists of management's representations concerning the finances of the City. As a result, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. Management asserts that, to the best of their knowledge and belief, this financial report is complete and reliable in all material respects.

BUDGETARY CONTROLS:

The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, special revenue funds, debt service funds, capital projects funds, and all the proprietary funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the departmental level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances generally are re-appropriated as part of the following year's budget.

RELEVANT FINANCIAL POLICIES:

Through sound fiscal management, the City of Anaheim positions itself to provide a positive atmosphere for economic development and the flexibility to strategically address budgetary challenges that result from fluctuations in the local, national, and global markets. As of June 30, 2022, the City's General Fund has a spendable, unassigned fund balance of $52 million. Excluding the long-term interfund payable of $33 million, the unreserved fund balance amount totaled $85 million, which represents 21% of the General Fund total fiscal year 2021-2022 expenditures. Traditionally, the policy has been to maintain General Fund reserves at a minimum of 7 to 10% of expenditures. The City has a long-standing practice of recognizing and reserving for known and anticipated liabilities. The City's compensated absences and self-insurance liabilities is 94% funded. Additionally, the City has established an irrevocable trust for other postemployment benefits (OPEB) and continues to make the annual required actuarial determined contribution (ADC) to ensure this future liability is fully funded.

LONG-TERM FINANCIAL PLANNING:

On June 22, 2022, the City Council adopted the fiscal year 2022-2023 budget. Additionally, as a companion to approving the budget plan, a five-year Capital Improvement Plan was presented to the City Council. The five-year plan links anticipated expenditures for infrastructure development with community needs and desires, and provides a citywide perspective of recommended projects and proposed funding sources. The Capital Improvement Plan was finalized in June 2022, and totaled $877 million for the five-year fiscal period ending June 30, 2027. The five-year Capital Improvement Plan has been submitted and annually updated, in its present form, since 1982, for effective long-range planning purposes. It is City Management's belief that these two plans give City Council members an expanded opportunity to set policy and provide direction for implementation, resulting in improved management efficiency and improved financial results.

AWARD

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA (GFOA) CERTIFICATE OF ACHIEVEMENT AWARD:

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Anaheim, California, for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the 46th consecutive year that the City has achieved this prestigious award (fiscal years ended June 30, 1976 through 2021). In order to be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis is a team effort involving many dedicated people across the entire organization. I would like to extend a special thanks to the talented finance professionals throughout the City, led by Peggy Au, Financial Accounting Manager. Appreciation is also expressed to Mayor Ashleigh E. Aitken, Council Member Jose Diaz, City Manager James Vanderpool, and Assistant City Manager Gregory A. Garcia for their significant contributions as members of the Audit Committee. In closing, without the leadership and support of the City Council, preparation and results of this report would not have been possible. Its leadership has made possible the implementation of these important and innovative concepts in fiscal management by the City.

Respectfully submitted,

James Vanderpool
City Manager

Deborah A. Moreno
Finance Director/City Treasurer

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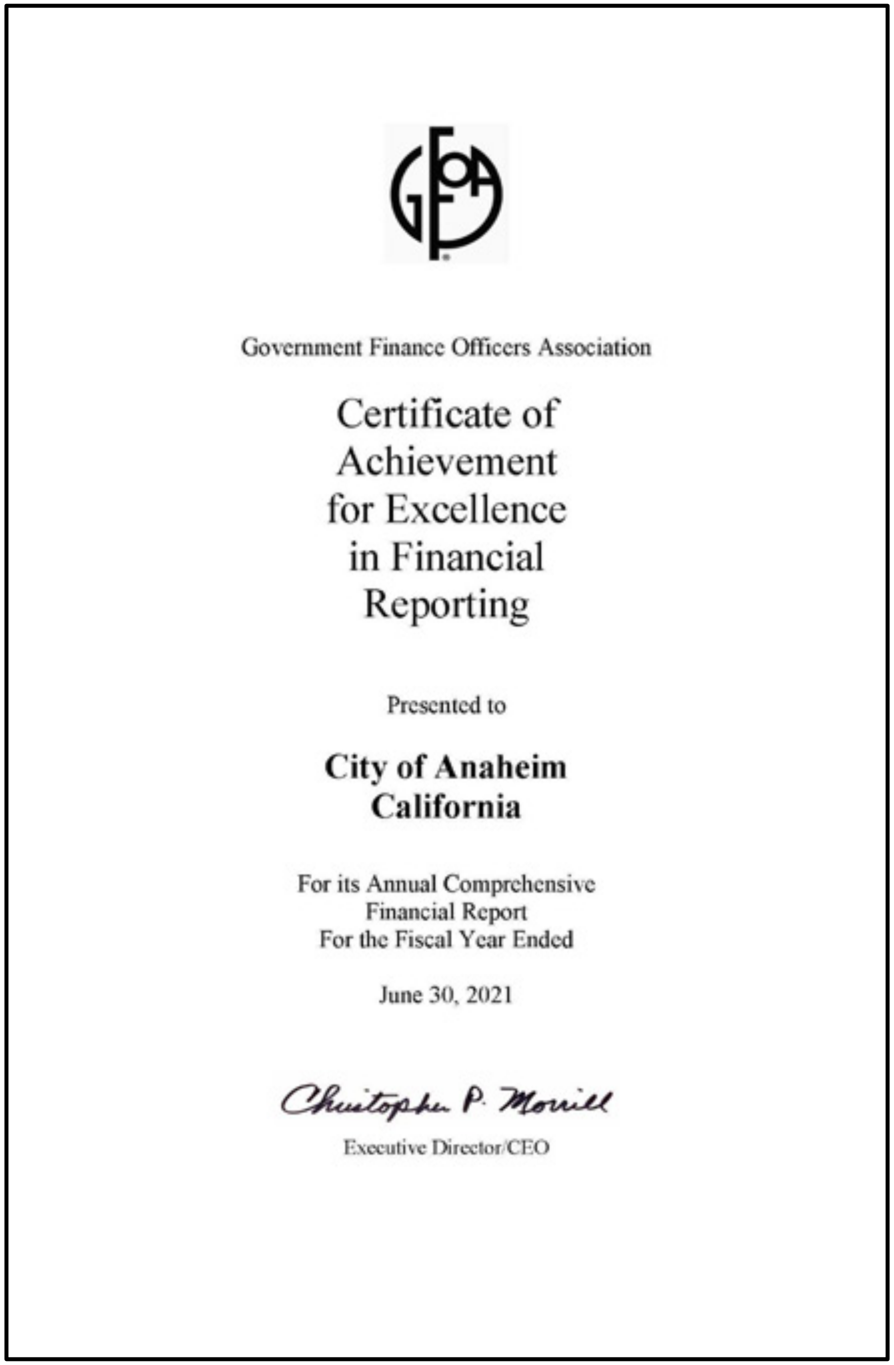

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Anaheim California

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

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 Anaheim, California for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports 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 our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to GFOA.

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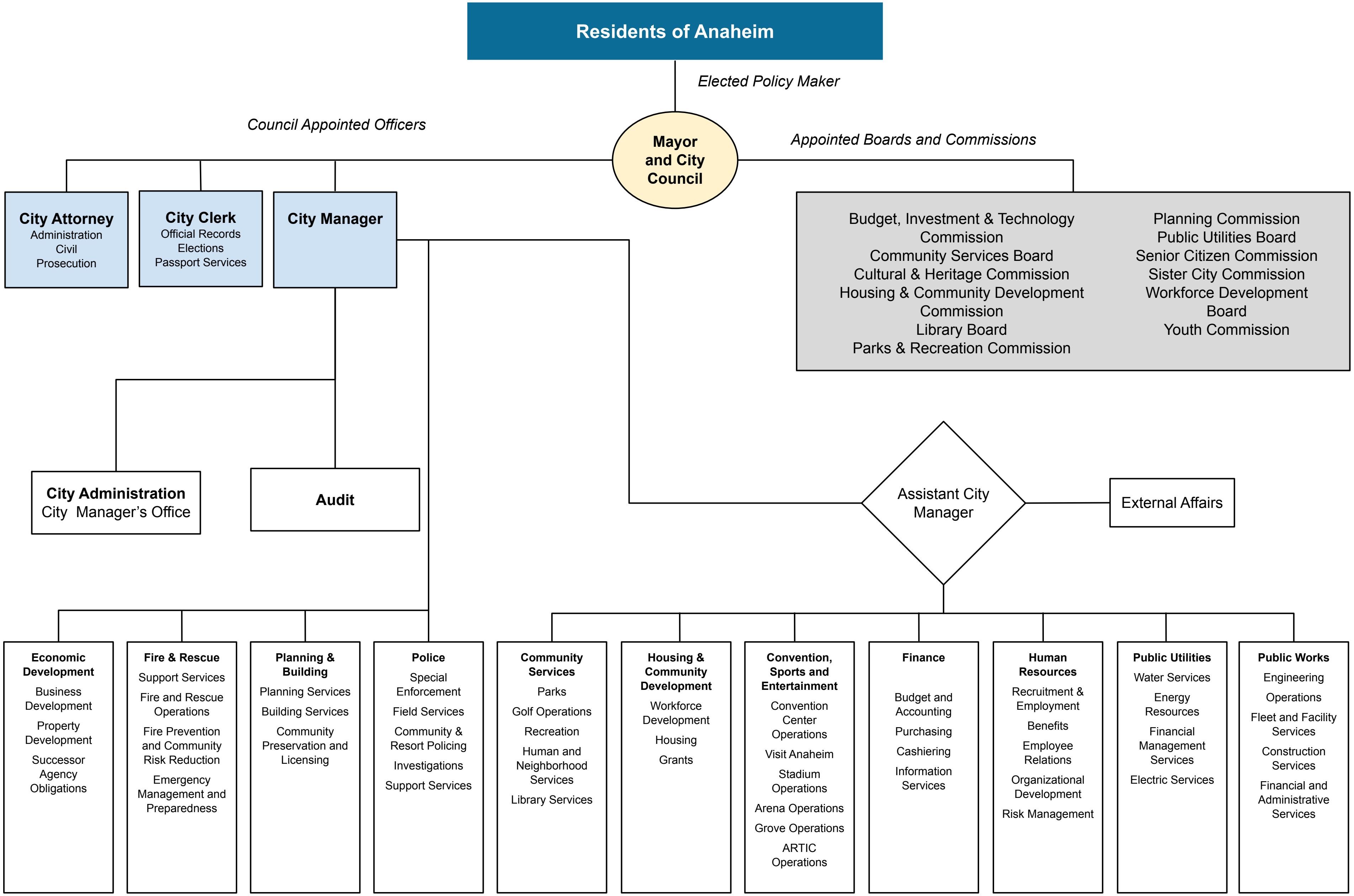
Residents of Anaheim
Elected Policy Maker
Mayor and City Council
Council Appointed Officers
Appointed Boards and Commissions
City Attorney
Administration
Civil
Prosecution
City Clerk
Official Records
Elections
Passport Services
City Manager
Budget, Investment & Technology Commission
Community Services Board
Cultural & Heritage Commission
Housing & Community Development Commission
Library Board
Parks & Recreation Commission
Planning Commission
Public Utilities Board
Senior Citizen Commission
Sister City Commission
Workforce Development Board
Youth Commission
City Administration
City Manager's Office
Audit
Assistant City Manager
External Affairs
Economic Development
Business Development
Property Development
Successor Agency Obligations
Fire & Rescue
Support Services
Fire and Rescue Operations
Fire Prevention and Community Risk Reduction
Emergency Management and Preparedness
Planning & Building
Planning Services
Building Services
Community Preservation and Licensing
Police
Special Enforcement
Field Services
Community & Resort Policing
Investigations
Support Services
Community Services
Parks
Golf Operations
Recreation
Human and Neighborhood Services
Library Services
Housing & Community Development
Workforce Development
Housing
Grants
Convention, Sports and Entertainment
Convention Center Operations
Visit Anaheim
Stadium Operations
Arena Operations
Grove Operations
ARTIC Operations
Finance
Budget and Accounting
Purchasing
Cashiering
Information Services
Human Resources
Recruitment & Employment
Benefits
Employee Relations
Organizational Development
Risk Management
Public Utilities
Water Services
Energy Resources
Financial Management Services
Electric Services
Public Works
Engineering
Operations
Fleet and Facility Services
Construction Services
Financial and Administrative Services

Administrative Personnel
As of June 30, 2022

City Manager	James Vanderpool
Assistant City Manager	Gregory A. Garcia
Chief of Police	Jorge Cisneros
City Attorney	Robert Fabela
City Clerk	Theresa Bass
Housing & Community Development Director	Grace Ruiz-Stepter
Community Services Director	Sjany Larson-Cash
Convention, Sports & Entertainment Executive Director	Thomas Morton
Economic Development Director	Sergio M. Ramirez
Finance Director/City Treasurer	Deborah A. Moreno
Fire Chief	Patrick Russell
Human Resources Director	Linda N. Andal
Planning & Building Director	Ted White
Public Utilities General Manager	Dukku Lee
Public Works Director	Rudy Emami

Financial Section

Anaheim, California

KPMG LLP
Suite 1500
550 South Hope Street
Los Angeles, CA 90071-2629

Independent Auditors' Report

Honorable Mayor and City Council
City of Anaheim, California:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Anaheim, California (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Housing Authority Fund for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a

KPMG

guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining individual fund statements and schedules as listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory, statistical, and other information sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

KPMG LLP

Los Angeles, California
December 22, 2022

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Management's Discussion and Analysis

Anaheim, California

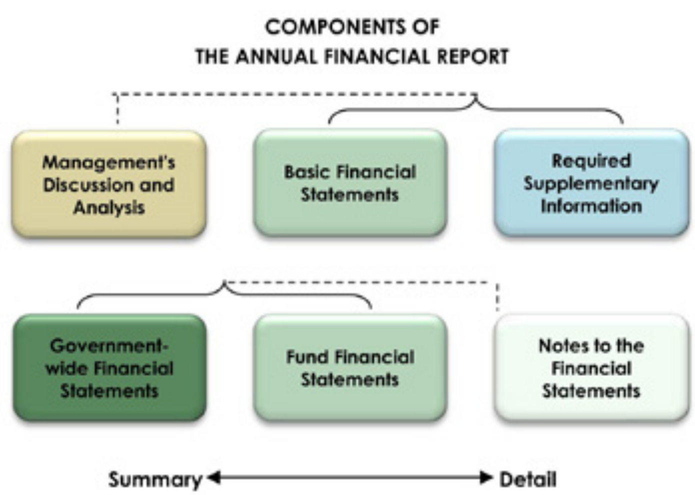
Management's Discussion and Analysis

(Unaudited)

As management of the City of Anaheim (City), we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City as of and for the fiscal year ended June 30, 2022. 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 in the introductory section of this report, and the City's basic financial statements in the financial section of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

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



Government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities. These two statements are designed to provide readers with a broad overview of the City's finances utilizing the full accrual method of accounting, in a manner similar to a private-sector business. Under the full accrual method of accounting, transactions are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, assets, liabilities, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g. uncollected revenues and accrued but unpaid interest expense).

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

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. Functional activities are highlighted in this statement, whereby direct and indirect functional costs are shown net of related program revenue. This statement shows the extent to which the various functions depend on general taxes and non-program revenues for support.

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 & Rescue, Housing & Community Development, Economic Development, Planning & Building, Public Works, Community Services, Public Utilities (street lighting), Convention, Sports and Entertainment (Visit Anaheim and the Honda Center), and interest on related long-term debt. The business-type activities of the City include the electric, water and sanitation utilities, golf courses, convention, sports and entertainment venues (Anaheim Convention Center, Angel Stadium of Anaheim, and The City National Grove of Anaheim) operations, and the Anaheim Regional Transportation Intermodal Center (ARTIC) operation.

The government-wide financial statements include not only the City itself, but also the Anaheim Housing Authority, Anaheim Public Financing Authority, and Anaheim Housing and Public Improvement Authority. Although these entities are legally separate, they function for all practical purposes as a part of the City, and therefore have been included as blended component units as an integral part of the primary government.

The government-wide financial statements can be found on pages 41-43 of this report.

Fund financial statements focus on current available resources and are organized and operated on the basis of funds, each of which is defined as a fiscal and accounting entity with a self-balancing set of accounts, established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements utilize the modified accrual basis of accounting, which focuses on near-term inflow and outflow 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 financial requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the 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 funds Balance Sheet and the governmental funds 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 19 individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, and the Housing Authority Special Revenue Fund which are considered to be major funds and can be found on pages 45-46 and 48 of this report. Data for the remaining 17 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 supplementary combining statements on pages 133-136, 141-142, and 144-145 of this report.

The City adopts an annually appropriated budget for all governmental and proprietary funds. Budgetary comparison statements for the General Fund and the major special revenue fund (Housing Authority) are required to be presented; these schedules are included in the basic financial statements on pages 50-51 of this report. Additionally, budgetary schedules for the other nonmajor governmental funds have been provided to demonstrate compliance with the budget and can be found as part of other supplementary schedules on pages 137-140, 143, and 146-149 of this report.

Proprietary funds of the City include the Enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses its enterprise funds to account for its electric, water and sanitation utilities, golf courses, convention, sports and entertainment venues and ARTIC 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 general benefits and insurance, motorized equipment, information services, and municipal facilities maintenance functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.

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

The proprietary funds financial statements can be found on pages 52-57 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

The City maintains two different types of fiduciary funds. The Private-Purpose Trust Fund is used to account for the assets and liabilities held in trust for the Successor Agency to the Redevelopment Agency (Successor Agency); the Custodial Fund is used to account for funds held in a custodial capacity for the benefits of others.

The fiduciary fund financial statements can be found on pages 58-59 of this report.

Notes to the financial statements 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 61-120 of this report.

Required Supplementary Information presents the required supplementary information for pension and its related ratios, the Other Postemployment Benefits (OPEB) and its related ratios. This information can be found on page 123-130 of this report.

The combining and individual fund statements and schedules present combining individual fund statements referred to earlier in connection with nonmajor governmental funds and internal service funds. Also included are the budgetary comparison Schedules of Revenues, Expenditures and Changes in Fund Balances for all nonmajor special revenue funds, all debt service funds, and all capital projects funds. These statements and schedules can be found on pages 133-160 of this report.

FINANCIAL HIGHLIGHTS (Amounts in thousands)

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of the current fiscal year by $2,119,642.
- The City's governmental activities represent $871,486 (41%) and the business-type activities represent $1,248,156 (59%) of the City's total net position.
- The City's net position has a net increase of $261,557 (14%) as a result of the current fiscal year's operations. The net position of the City's governmental activities increased by $193,717 (29%) and the business-type activities net position increased by $67,840 (6%).
- The City's restricted net position of $358,787 represents amounts available for ongoing programs and obligations with external restrictions.
- The City's total capital assets, net of accumulated depreciation, increased by $30,887. Capital assets in the City's governmental activities decreased by $5,767 (less than 1%) and business-type activities capital assets increased by $36,654 (2%) during the current fiscal year.
- The City's total long-term debts increased by $113,852 (6%) during the current fiscal year; of this amount, long-term debts in the City's governmental activities decreased by $13,436 (2%), and business-type activities increased by $127,288 (11%).
- The City's total other long-term liabilities decreased by $375,636 (32%) during the current fiscal year; of this amount, other long-term liabilities in the City's governmental activities decreased by $289,778 (33%), and business-type activities decreased by $85,858 (28%).
- At the close of the current fiscal year, the City's governmental funds reported a combined fund balance of $578,460, an increase of $101,171 in comparison with the prior fiscal year. Approximately 38% of this amount or $218,380 is available for spending at the City's discretion (total of committed, assigned and unassigned fund balances).
- At the end of the current fiscal year, unrestricted fund balance (total of committed, assigned and unassigned fund balance) for the General Fund was $166,390 or 40% of total General Fund expenditures. Unassigned fund balance was $52,351 or 13% of total General Fund expenditures. Excluding the long-term interfund payable of $33 million, reserves were $85,351 or 21% of General Fund expenditures.
- The City received $53,300 in June 2022, the final allocation of the $107,000 federal assistance through the federal American Rescue Plan (ARP). These funds were allocated to the General Fund to partially offset revenue losses due to COVID-19 pandemic closures.
- The City received various COVID-19 related fundings during the fiscal year. Emergency rental assistance totaling $31,215, of which $9,019 was provided by the U.S. Department of Treasury and $22,196 from the State of California (State) allocation. These funds provided assistance to eligible families experiencing difficulty in meeting rental commitments impacted by the COVID-19 Pandemic. At fiscal year end, $9,154 was unspent. Emergency Solution Grant (ESG) totaling $5,841 was provided by the U.S. Department of Housing and Urban Development (HUD) for additional homeless shelter and prevention assistance. The COVID-19 Pandemic Relief for Utility Customers Arrearages Programs administered through the State provided a total of $6,225 to apply bill credits to eligible customer accounts including electric, water and wastewater services. Of this total, $4,757 provided by the State was credited to electric customers; accounts; $1,468 provided by the State Water Resources Control Board; of which $1,077 was credited to customers' water accounts and $334 to the wastewater accounts. The unallocated fund of $57 was remitted back to the State Water Resources Control Board.

NET POSITION
JUNE 30, 2022 AND 2021

	Governmental Activities		Business-type Activities		Total Government	
	2022	2021*	2022	2021*	2022	2021*
Current and other assets	$ 885,463	$ 816,289	$ 866,962	$ 727,093	$ 1,752,425	$ 1,543,382
Capital assets, net	1,459,009	1,464,776	2,211,740	2,175,086	3,670,749	3,639,862
Total assets	2,344,472	2,281,065	3,078,702	2,902,179	5,423,174	5,183,244
Deferred outflows of resources	143,113	143,214	46,223	41,802	189,336	185,016
Total assets and deferred outflows of resources	2,487,585	2,424,279	3,124,925	2,943,981	5,612,510	5,368,260
Current liabilities	154,064	192,740	169,779	157,746	323,843	350,486
Long-term liabilities less current portion	1,211,092	1,516,874	1,485,343	1,444,743	2,696,435	2,961,617
Total liabilities	1,365,156	1,709,614	1,655,122	1,602,489	3,020,278	3,312,103
Deferred inflows of resources	250,943	36,896	221,647	161,176	472,590	198,072
Total liabilities and deferred inflows of resources	1,616,099	1,746,510	1,876,769	1,763,665	3,492,868	3,510,175
Net position:						
Net investment in capital assets	1,147,895	1,138,182	1,091,868	1,074,102	2,239,763	2,212,284
Restricted	277,443	260,160	81,344	70,372	358,787	330,532
Unrestricted	(553,852)	(720,573)	74,944	35,842	(478,908)	(684,731)
Total net position	$ 871,486	$ 677,769	$ 1,248,156	$ 1,180,316	$ 2,119,642	$ 1,858,085

*As restated due to implementation of Governmental Accounting Standards Board Statement No. 87

At the end of fiscal year 2022, the City's net position totaled $2,119,642 reflecting a net increase of $261,557 or 14% from the prior fiscal year.

Current and other assets, including cash, cash equivalents and investments, restricted cash equivalents and investments, receivables, prepaid items, land held for resale, lease and notes receivable, totaled $1,752,425 had an increase of $209,043 (14%) as compared to the prior fiscal year; of this amount governmental activities increased by $69,174 and business-type activities increased by $139,869.

- Unrestricted cash, cash equivalent and investments increased by $51,027 (8%) of which governmental activities had an increase of $33,347 and business-type activities had an increase of $17,680. The City experienced a strong recovery after a thirteen-month long closure of the Anaheim Resort, hotels, and the entertainment venues impacted by the COVID-19 Pandemic. Transient occupancy taxes (TOT), sales taxes, and demands for City services such as convention, sports and entertainment events, utilities, construction services, police services and community recreational and sporting classes have all increased as compared to fiscal year 2021. Higher cash collection from taxes and City services contributed to the increases in cash, cash equivalent, and investments.
- Restricted cash, cash equivalent and investments increased by $123,586 (26%). Governmental activities had a net increase of $620. An increase of $36,165 for the Lease Payment Measurement Revenue (LPMR) bonds is due to increase in the revenue bases (see note 10 on page 88 of the notes to the financial statements for further discussion of LPMR); an increase of $7,577 is from the unspent homeless shelter and emergency rental assistance grants; and an increase of $7,201 is from the unspent ambulance and technology equipment loan proceeds. Offsetting the increases is a decrease of $50,000 return of the Stadium sale deposit. In May 2022, the Anaheim City Council unanimously voted to void the 2020 Agreement to sell Angel Stadium of Anaheim. Business-type activities had an increase of $122,966. The increase is primarily due to bond proceeds from the issuances of the 2022 Revenue bonds for the Electric Utility ($132,147) and Water Utility ($50,000),

partially offset by the spending down of bond funds for capital projects which included $25,779 in Electric Utility, $17,152 in Water Utility, $378 in Sanitation Utility, and $6,912 in Convention, Sports and Entertainment Venues. The Electric Utility also paid $4,180 for decommissioning liability and $375 for San Juan Reclamation liability from the restricted cash accounts during the fiscal year.

- Accounts receivable increased by $36,760 (40%). The increases in governmental activities of $13,962 were primarily attributable to increases in TOT receivable ($10,706), Anaheim Tourism Improvement District (ATID) special assessment receivable ($1,357), and an increase of $1,532 of receivable from police services provided for entertainment and special events. These increases are primarily due to taxes and demand for city services resuming to normal operation following removal of COVID-19 pandemic related restriction orders. Paramedic services receivable had an increase of $2,963 due to increased emergency medical service transports and the time to process the claims and collection of payments. Offsetting the increases is the decrease of a one-time receivable of $2,366 from a general liability insurance reimbursement in the prior fiscal year. Business-type activities had an increase of $22,798. The Water Utility had an increase of $15,832 in construction cost reimbursement related to the Per-and Polyfluoroalkyl Substances (PFAS) treatment facilities; the Convention, Sports and Entertainment Venues had an increase of $4,975 in receivable due from event billing customers and various convention services. The increase is due to the Convention Center reopening for events following the COVID-19 closure.

- Due from Other Governments increased by $7,724 (18%) primarily due to an increase in sales tax receivable of $4,422 reflecting higher sales tax revenues at the end of the fiscal year; an increase of $1,609 in receivable is due from the State for a newly approved cost reimbursement through the Ground Emergency Medical Transportation (GEMT) program; and an increase of $2,051 in receivable for the Community Development Block Grant (CDBG) ($856) and ESG grant ($1,195) expense related reimbursements.

- Prepaid and other assets decreased by $20,257 (14%) reflecting a reduction of $20,280 in prepaid purchased power with the corresponding increase to the cost of purchased power expense when the power was purchased during the fiscal year in the Electric Utility.

- Notes receivable increased by $7,804 (12%). The Housing Authority provided affordable housing development loans for the Miraflores Apartment project ($6,026), the Anaheim Center of Hope Apartment project ($2,000) and the Studio 6 Model ($1,005) during the fiscal year; offset by a decrease in loan payments received.

The City's capital assets, net of accumulated depreciation, increased by $30,887 (1%). Additional information about changes to the City's capital assets can be found on pages 34-35.

Deferred outflows of resources, including deferred charges on refunding bonds, deferred items related to pension and Other Postemployment Benefits (OPEB), totaling $189,336 increased by $4,320 (2%). The increases are primarily due to the following:

- Net change of deferred pension related items decreased by $10,308 which included a decrease of $12,603 from current fiscal year amortization of the deferred items related to pension, and a combined decrease of $3,924 in deferred pension related items per actuarial plan valuation, primarily due to the difference between projected and actual plan experience; offset the decreases by an increase of $6,219 in pension contribution subsequent to measurement date.

- Net change in deferred OPEB related items increased by $12,579 reflecting an increase of $17,226 per plan actuarial valuation, primarily due to changes in assumption; offset the increase by a decrease of $4,647 of current year amortization.

- Deferred charges on refunding bonds had an increase of $2,049 (5%). An increase of $8,337 is due to issuances of Electric Utility, Water Utility and the Convention Center Expansion refunding bonds; offset the increases by the current year amortization of $6,288.

Current liabilities, including accounts payable, wages payable, interest payable, current portion of long-term debt, current portion of other long-term liabilities, deposits and unearned revenues, totaled $323,843 and decreased by $26,643 (8%). The decreases are primarily due to the following:

- Deposit payable decreased by $50,173 primarily due to $50,000 return of deposit for the Stadium sale.

- Current portion of the long-term debt increased by $3,994;

- Accounts payable increased by $13,996 (12%) mainly due to timing of scheduled disbursements to suppliers and construction contractors.

The City's long-term liabilities, less current portion, decreased by $265,182 (9%). Additional information about changes to the City's long-term liabilities can be found on pages 87-112.

Deferred inflows of resources, totaling $472,590 increased by $274,518 (139%). The increases include the following:

- Deferred items related to pension increased by $235,103. This increase is primarily due to an increase of $319,027 from plan actuarial valuation primarily due to the difference between projected and actual earnings resulting from favorable plan investment earnings and the difference between expected and actual experience; offset the increases by the decrease of $83,924 in current year amortization.
- Deferred items related to OPEB increased by $47,578 primarily due to the increase of $66,156 between expected and actual experience, and the increase between projected and actual investment earnings; offset by a decrease of $18,578 in current year amortization.
- Regulatory credits had an increase of $1,426 reflecting a net change of amount collected from Utilities customers ($41,426) reduced by amount recognized as Rate Stabilization Account revenues ($40,000) from the Electric and Water Utilities during the fiscal year. Additional information about regulatory credits can be found on note 1 of the notes to the financial statements, on page 69.
- Deferred charge on refunding bonds increased by $5,595 primarily due to issuance of the Electric revenue refunding bonds ($6,538) offset by a decrease of $941 from current year amortization.
- Offsetting the above increases is a decrease in deferred regulated business activities of $11,942. This deferred item is primarily funded from investment earnings of the decommissioning assets in excess of the decommissioning liabilities. During the fiscal year, an adjustment was made to reduce the deferred regulated business activities and to increase decommissioning liability by $11,070 resulting from an increase in estimated decommissioning liability. The account was also reduced by $872 due to unrealized investment loss.

The largest portion of the City's net position of $2,119,642 reflects its investment in capital assets (e.g. land, buildings, utility plant, machinery, equipment, and infrastructure), net of any related outstanding debt that was used to acquire those assets. The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in 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. Net investment in capital assets increased by $27,479 (1%) primarily due to the addition of capital assets offset by a reduction of the related outstanding debt due to current year principal payments and current year addition to accumulated depreciation.

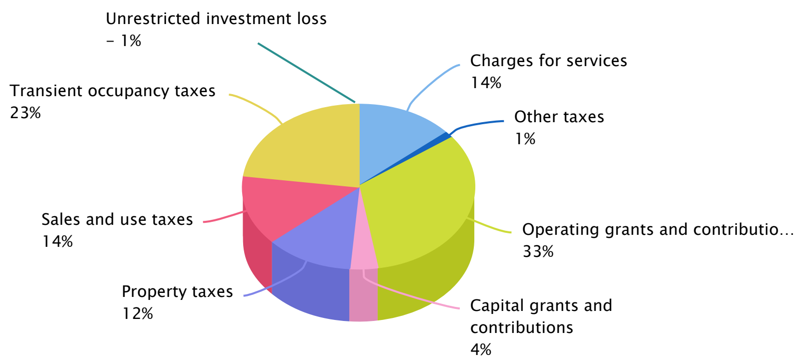
An additional portion of the City's net position of $358,787 represents resources that are subject to external restrictions on how they may be used. This amount increased by $28,255 from the prior fiscal year. Restricted net position of the governmental activities increased $17,283 primarily due to increases of $20,113 in unspent restricted resources including ATID revenues ($3,667), park development fees ($2,037), affordable housing projects ($7,000), homeless shelter and Homeless Housing Assistance & Prevention (HHAP) grants ($5,189), CDBG program income ($1,200), and various Fire and Community Services restricted resources ($1,020). Offsetting the increases is a decrease of $3,747 in capitalized interest restricted for the 2021 Working Capital Bonds. Restricted net position in the business-type activities increased by $10,972 primarily due to an increase of $5,643 in resources restricted for debt service, an increase of $1,398 for capital projects primarily restricted for the Electric and Water Utilities' renewal and replacement for utility plant as required per the bond indenture, and an increase of $3,931 primarily for the Electric Utility public benefits projects.

The remaining deficit balance of $478,908 is the unrestricted net position reflecting a decrease in deficit of $205,823 from prior fiscal year. Of the total deficit in unrestricted net position, the net effect from the unfunded net pension liability, the unfunded net OPEB liability, and the related deferred inflows and outflows of resources account for $783,735; this deficit amount decreased by $97,281 primarily due to favorable OPEB and Pension Plan investment earnings from the actuarial valuation for measurement date June 30, 2021, resulting in favorable amortization reflecting in pension and OPEB expenses. The unfunded net OPEB and pension liabilities are long-term liabilities that will be funded annually in accordance with actuarially determined contribution amounts and rates. The positive component of the unrestricted net position, excluding the effects of OPEB and pension liabilities, is $304,827 and may be used to meet the City's ongoing obligations to citizens and creditors. This amount increased by $108,542 reflecting results from current year operation with revenues and expenses resuming to normal operation following the removal of restriction orders related to the COVID-19 Pandemic.

CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2022 AND 2021

	Governmental Activities		Business-type Activities		Total Government	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues:						
Charges for services	$ 105,751	$ 81,732	$ 668,061	$ 610,955	$ 773,812	$ 692,687
Operating grants and contributions	247,271	226,525	603	88	247,874	226,613
Capital grants and contributions	30,090	36,376	31,363	9,751	61,453	46,127
General revenues:						
Taxes:						
Property taxes	94,554	90,222			94,554	90,222
Sales and use taxes	103,374	76,811			103,374	76,811
Transient occupancy taxes	177,057	29,797			177,057	29,797
Other taxes	9,592	8,902			9,592	8,902
Unrestricted investment earnings (losses)	(9,228)	1,470	(6,907)	2,295	(16,135)	3,765
Total revenues	758,461	551,835	693,120	623,089	1,451,581	1,174,924
EXPENSES						
Program activities:						
Governmental activities:						
General government	20,418	25,415			20,418	25,415
Police	147,972	182,509			147,972	182,509
Fire & Rescue	79,516	103,696			79,516	103,696
Housing & Community Development	149,709	122,411			149,709	122,411
Economic Development	3,806	5,928			3,806	5,928
Planning & Building	22,419	25,695			22,419	25,695
Public Works	56,366	60,664			56,366	60,664
Community Services	38,547	39,721			38,547	39,721
Public Utilities	2,075	2,171			2,075	2,171
Convention, Sports & Entertainment	23,879	8,071			23,879	8,071
Interest on long-term debt	33,093	31,527			33,093	31,527
Business-type activities:						
Electric Utility			389,898	378,087	389,898	378,087
Water Utility			95,407	96,920	95,407	96,920
Sanitation Utility			64,186	66,022	64,186	66,022
Golf Courses			8,432	6,046	8,432	6,046
Convention, Sports & Entertainment Venues			51,776	51,239	51,776	51,239
ARTIC Management			2,525	2,548	2,525	2,548
Total expenses	577,800	607,808	612,224	600,862	1,190,024	1,208,670
Excess (deficiency) before transfers	180,661	(55,973)	80,896	22,227	261,557	(33,746)
Transfers in (out)	13,056	4,270	(13,056)	(4,270)		
Increase (decrease) in net position	193,717	(51,703)	67,840	17,957	261,557	(33,746)
Effect of implementing GASB Statement No. 87		(6,293)				(6,293)
Net position at beginning of year	677,769	735,765	1,180,316	1,162,359	1,858,085	1,898,124
Net position at end of year	$ 871,486	$ 677,769	$ 1,248,156	$ 1,180,316	$ 2,119,642	$ 1,858,085

REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES



Governmental activities increased the City's net position by $193,717. Key elements of this increase are as follows:

The most significant revenues of the governmental activities are general taxes (50%), which include transient occupancy taxes (23%), property taxes (12%), sales and use taxes (14%), and other taxes (1%). Program revenues are 51% of the total revenues of the governmental activities, which include operating grants and contributions (33%), capital grants and contributions (4%), and charges for services (14%); and unrestricted investment losses (-1%) of the total revenues.

Public safety (Police and Fire & Rescue) expenses are the most significant (39%) of all governmental activities' expenses, followed by Housing and Community Development (26%), Public Works (10%), Community Services (7%), interest on long-term debt (6%), and various other programs (12%). Included in these amounts is depreciation expense, which is 8% of the total expenses for governmental activities.

Governmental activities revenues increased by $206,626 (37%) as compared to the prior fiscal year due to the following:

- Taxes increased by $178,845 (87%). The largest increase in taxes is transient occupancy taxes (TOT) with an increase of $147,260 (494%) as compared to the prior fiscal year. TOT is equal to 15% of room sales derived from hotel, motel, and timeshare stays of less than thirty days. TOT revenues in fiscal year 2022 is the highest amount received in City history and surpass the pre-pandemic levels. With the rollout of vaccines for the COVID-19 virus in 2021 and strong pent-up demand for travel experiences, the Anaheim lodging market demonstrated a quick pace of recovery with significant growth during the fiscal year. Despite the Pandemic, TOT receipts for December 2021 were the highest of any historical month on record. Sales tax had an increase of $26,563 (35%). The City's share of sales and use tax is equal to 1% of taxable sales generated within the City (or 1% of the 7.75% sales tax rate). When the Resort reopened in spring 2021, the rebound was swift and robust due to pent up demand for domestic travel. While resort related businesses have not fully returned to pre-pandemic levels on an annual basis, the fourth quarter of 2021 was a record high for General Retail citywide. Additionally, sales tax revenues in the Transportation, Construction and Business to Business sectors reached all-time highs during the fiscal year. The transportation sector was boosted by highs in new and used auto sales while construction saw highs in both wholesale and retail building materials. Property taxes had an increase of $4,332 (5%). Steady demand and limited supply have continued to fuel a hot market and housing prices are at an all-time high that provided an increase to the base upon which taxes are levied.

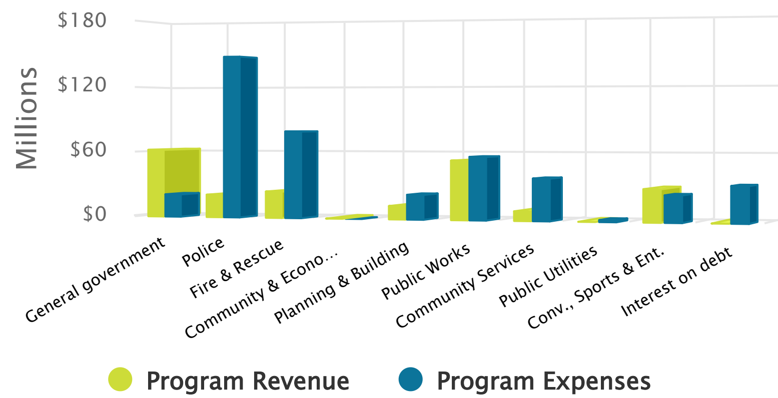
- Charges for services increased by $24,019 (29%). With the reopening of Anaheim Resort and hotels, ATID had increased by $19,153; police services provided to Disneyland and other entertainment and special events increased by $4,474; paramedic revenues increased by $5,064 due to increased numbers of medical transports; and an increase of $1,609 in paramedic cost reimbursement provided by the State GEMT program; the Housing and Community Development had an increase of $2,226 in residual receipts from ground leases, and a one-time revenue share from a property sale of $1,196 distributed from the Long Range Property Management Plan. Offsetting these increases is a decrease of one-time gain on sale of land held for resale in Economic Development of $8,229 in the prior fiscal year; and a decrease of $2,168 in strike team reimbursement as fewer activities occured during the fiscal year.

- Operating grants increased by $20,746 (9%). Emergency rental assistance grants had an increase of $20,651 as additional COVID-19 related fundings from the Federal Treasury ($9,019) and through the State allocation ($22,196) were received during the fiscal year. These funds were spent to provide rental assistance to eligible families impacted by the COVID-19 pandemic. Federal rental assistance and administrative funding for the Housing Choice Voucher (HCV), Mainstream and new Emergency Housing Voucher (EHV) Program had an increase of $9,425 to meet program needs as rental assistance per participant in the combined program increased 5.6% and residents assisted increased 2.8%. A combined total increase of $11,668 in HOME

($1,532), Homeless Shelter ($3,981), Emergency Shelter ($4,097), and Homeless Housing, Assistance and Prevention ($2,058) were received to provide funding for operating the homeless shelters and affordable housing. Offsetting by these increases is a decrease of $20,320 of the CARES allocation from the State in the prior fiscal year and a reduction of $1,300 in CDBG funding due to lower spending.

- Capital grants and contributions decreased by $6,286 (17%). The decrease is primarily due to a net decrease of $5,753 in capital asset contributions from developers primarily in public right-of-way and Park development in the prior fiscal year. Contributions from property owners for the Platinum Triangle project decreased by $3,642 and reimbursement from the State for the Avon Dakota Housing development project had a decrease of $1,053. Partially offsetting the decreases is a one-time grant of $5,500 provided by the State for the acquisition of a site for the purpose of creating affordable housing opportunities for persons experiencing homelessness.
- Unrestricted investment had a loss of $9,228 primarily due to unrealized investment loss at fiscal year end.
- Governmental activities net transfer in increased by $8,786 (206%) mainly due to lesser amount transferred to the business-type activities. A decrease of $14,152 transferred to the Convention, Sports and Entertainment Venues to subsidize the Fund due to revenue shortfall impacted by COVID-19 pandemic shutdown ($6,500) and for debt services ($7,652) in the prior fiscal year, offset by a combined decrease of $1,664 transfer in from the Electric Utility ($1,428) and Sanitation Utility ($236). The transfer is equal to the maximum of 4% current fiscal year total operating revenues adjusted by the true-up of prior fiscal year transfer, a one-time transfer out in the amount of $1,251 to the Electric Utility for the construction cost of electric facilities in the Platinum Triangle project, and a one-time transfer out to the Water Utility in the amount of $1,591 for the transfer of land in the prior fiscal year.

EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES



Governmental activities expenses decreased by $30,008 (5%) as compared to the prior fiscal year.

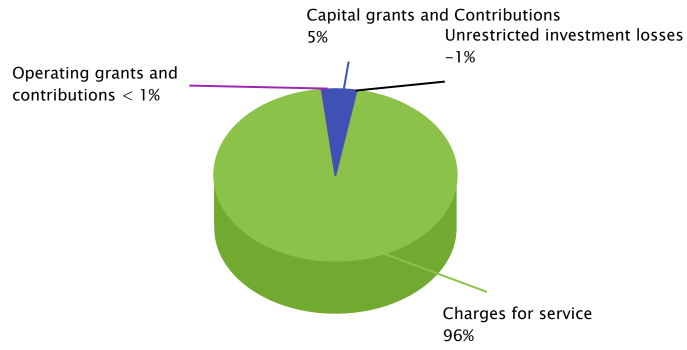
Key elements of the change are as follows:

- Pension and OPEB expenses both have significant decreases as compared to prior fiscal year mainly attributable to large amounts of favorable amortization being recognized from the deferred items related to the Pension and OPEB Plans. The decreases are primarily resulting from the difference between projected and actual investment earnings. Total pension expenses allocated to governmental activities were $77,681 and OPEB expenses were $6,218 lower than prior fiscal year.
- The decrease in General government expenses of $4,997 (20%) is primarily due to a decrease of $6,569 in pension and OPEB expenses, offset by an increase of $1,572 in operating costs primarily due to post-implementation support for the Permit System.
- The decrease in Public safety expenses of $58,717 (21%) is mainly attributable to decreases in Pension and OPEB expenses of $60,998. Other than the decreases in pension and OPEB expenses, Fire Safety had a decrease of $4,192 in operating expenses primarily due to decreases of $4,110 in COVID-19 related expenses in the prior fiscal year; contracted ambulance expense had a decrease of $2,532 due to the in-house ambulance program being implemented; partially offset by an increase of $2,753 in full-time overtime since overtime labor costs were utilized to backfill position vacancies. Police Safety operating expenses increased by $6,473 primarily due

to an increase of $7,349 in full-time overtime to meet increased demand for police services following the re-opening of the Anaheim Resort. This increase in full-time overtime partially offset the decrease in full-time labor as more overtime was utilized to backfill vacant positions.

- The increase in Housing & Community Development expenses of $27,298 (22%) is mainly due to an increase of $19,208 in expenses related to emergency rental assistance provided to eligible families in need; rental assistance for Housing Choice Vouchers (HCV), Mainstream and new Emergency Housing Voucher (EHV) program expenses increased $7,871 due to higher program rents, and assistance per participant/household and initial leasing of EHV.
- The decrease in Economic Development expenses of $2,122 (22%) is due to a one-time accrued expense for distribution of land sales proceeds of $1,196 to CDBG in the prior fiscal year.
- The decrease in Community Services expenses of $1,174 (3%) is mainly due to a decrease in pension and OPEB expenses of $3,988 partially offset by an increase of $1,380 in part-time overtime and $718 in professional services due to increased payments to instructors and services due to the Community Services facilities and Classes being reopened to the public.
- The increase in Convention, Sports & Entertainment expenses of $15,808 (196%) is primarily due to increased payment of $14,218 to Visit Anaheim. The payment is equal to 75% of the ATID revenues.
- The decrease in Public Works expenses of $4,298 (7%) is primarily attributable to decreases of $6,535 in pension and OPEB expenses; a decrease of $4,754 in one-time payment to Anaheim Transportation Network (ATN) in the prior fiscal year for acquisition and operation of buses for the Anaheim Resort. Partially offset by an increase of $3,616 in depreciation expense as new assets were placed in service.
- The increase in interest on long-term debt of $1,566 (5%) is primarily due to interest expense for the 2021 Working Capital Bonds issued in June 2021.

REVENUES BY SOURCE – BUSINESS-TYPE ACTIVITIES



May not sum to 100% due to rounding

Business-type activities increased the City's net position by $67,840. Key elements of this change are as follows:

Charges for services of 668,061 increased by $57,106 (9%) due to the followings:

- The increase of $14,552 (3%) in Electric Utilities charges for services is primarily attributable to the following: a) Retail sales of electricity totaled $347,824 increased by $19,384 (6%). This increase is due to shelter at home restrictions being removed, with hotels, theme parks, and other entertainment venues resuming normal operations for most of the fiscal year. b) Wholesales totaled $20,640 and had a decrease of $6,646 (24%). As more businesses resumed normal hours of operations, the demand for retail energy increased resulting in more energy being sold to the retail sector instead of the wholesale market. c) Rate Stabilization Account (RSA) revenue of $40,000 increased by $5,000. Additional information about the RSA can be found in note 1 of the notes to the financial statement on page 69 of this report.
- The increase of $5,888 (6%) in Water Utilities charges for services included an increase of $7,212 (8%) in retail sales of water, net of uncollectible amounts, reflecting both an increase in customer rates and an increase in customer demands due to warmer temperatures and lack of precipitation. There was no Rate Stabilization Account (RSA) revenue recognized in this fiscal year. $1,670 in RSA was recognized in the prior fiscal year. Additional information about the RSA can be found in note 1 of the notes to the financial statement on page 69 of this report.

- The increase of $5,092 (7%) in Sanitation Utility charges for services includes an increase of $4,777 in solid waste and collection fees reflecting an 8.5% rate increase during the fiscal year.
- The increase of $3,731 (53%) in Golf Courses charges for services is due to increases in numbers of round played and average green fees, and increases in concession revenues. The increase in golf course revenues is due to the Golf Courses resuming normal operation for the entire fiscal year following the COVID-19 pandemic closure, and partially due to the improvements and renovations to the golf courses that provide customers a better product.
- The increase of $27,882 (638%) in the Convention, Sports and Entertainment Venues Fund is due to the Convention Center reopening and returning to normal operation the entire fiscal year.
- The decrease of $39 (100%) in ARTIC Management had no significant change to note.

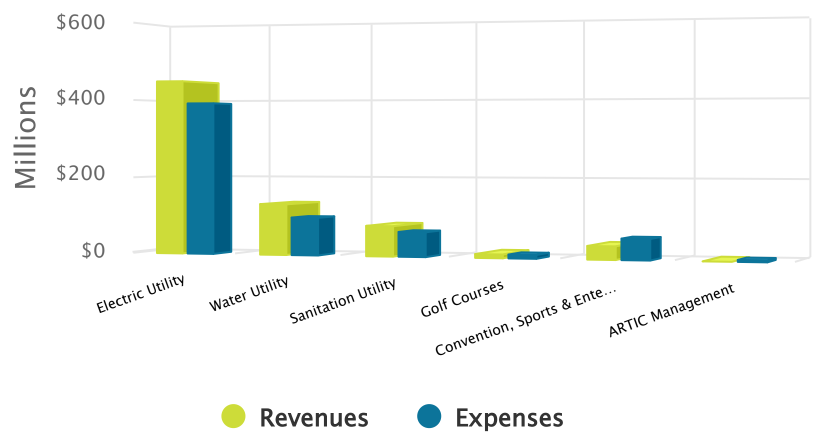
Capital grants and contribution had an increase of $21,612 (222%) primarily due to the following:

- Water Utility had an increase of $23,707 primarily due to capital contribution for the PFAS Treatment Facilities.
- Electric Utility had a decrease of $1,991. There is no significant change to note.

Unrestricted investment had an investment loss of $6,907 primarily due to unrealized investment losses at the end of the fiscal year.

Business-type activities net transfer out increased by $8,786 (206%) as explained in the net transfer in the governmental activities. There were no other significant changes to note.

EXPENSES AND PROGRAM REVENUES – GOVERNMENTAL ACTIVITIES



Total expenses of $612,224 increased $11,362 (2%). Key elements of the changes are due to the following:

- The increase in Electric Utility expenses of $11,811 (3%) is due to the following: a) power costs increased by $20,426 (8%). The increase is primarily due to an increase of $31,037 resulting from higher demand for electricity in the retail sector, coupled with $14,978 spending in providing major maintenance to our Canyon and Magnolia generating stations. These increases were partially offset by a net reduction of $22,931 associated with the Intermountain Power Plant operating at minimum capacity as a result of coal supply shortages; b) depreciation expense had an increase of $2,341 (5%) with new capital assets being placed in service; and c) partially offsetting the increases is a decrease of $9,522 in pension expense and a decrease of $1,286 in OPEB expense as previously explained in the governmental activities.
- The decrease in Water Utility expenses of $1,513 (2%) is due to the following: a) a combined decrease of $3,504 in pension and OPEB expenses as previously explained; b) the amount of overhead capitalized increased by $4,515 as a result of increased capital spending; c) partially offsetting these decreases is an increase of $2,079 (4%) in purchased water, treatment and pumping costs; the Water Utility changed its water supply mixture from primarily cheaper water pumped from local groundwater through the Orange County Water District (OCWD) to primarily more expensive imported water through the Metropolitan Water District

of Southern California (MWD) due to elevated PFAS in the local groundwater; one-time expenses of $2,411 for the PFAS feasibility study, and an increase of $1,204 in depreciation expense due to new capital assets being placed in service.

- The decrease in Sanitation Utility expenses of $1,836 (3%) is primarily due to a combined decrease of $1,811 in pension and OPEB expenses as previously explained.
- The increase in Golf Courses expenses of $2,386 (39%) reflected higher operating costs along with an increase of 53% in golf course revenues. These increases include increases in contracted services, credit card fees, landscape maintenance, costs of merchandise, and costs of food and beverage.
- The increase in Convention, Sports & Entertainment Venues expenses of $537 (1%) is due to the following: labor expenses had an increase of $3,514 and utility expenses had an increase of $1,568. These increases were primarily due to the Convention Center reopening for normal operation for the entire fiscal year following a year long closure due to the COVID-19 Pandemic. A one-time expense of $1,272 was due to cost of issuance for the 2021 Convention Center Expansion refunding bonds. Offsetting these increases is a combined decrease of $5,880 in pension ($5,456) and OPEB ($424) expenses as previously explained.
- The decrease in ARTIC Management expenses of $23 (less than 1%) does not have significant change to note.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

At the end of the current fiscal year, the City's governmental funds reported total ending fund balances of $578,460, an increase of $101,171 in comparison with the prior fiscal year.

- Nonspendable fund balance totaled $829 (less than 1%), had an increase of $231;
- Restricted fund balance totaled $359,251 (62%), had an increase of $39,786;
- Assigned fund balance totaled $175,155 (30%), had an increase of $26,815;
- Committed fund balance totaled $3,943 (1%), had a decrease of $144;
- Unassigned fund balance totaled $39,282 (7%) had an increase of $34,453

Governmental revenues totaled $743,221 increased by $196,134 while expenditures were $650,534 and increased by $58,757. Information about the changes in fund balances, revenues and expenditures are provided in the following analysis of the General Fund, Housing Authority and nonmajor governmental funds, respectively.

<u>General Fund:</u>

The General Fund is the general operating fund of the City. At June 30, 2022, the General Fund reported a total ending fund balance totaling $177,021 and had an increase of $40,894 consisting of the following changes:

- Nonspendable fund balance totaling $601 had an increase of $199 consisting of an increase of $120 in inventory and $79 in prepaid.
- Restricted fund balance totaling $10,030 had a decrease of $3,508 consisting of a decrease of $7,403 restricted for debt service for the 2021 working capital bonds capitalized interest. This amount was transferred to the Municipal Facilities nonmajor debt service governmental fund during the fiscal year; a decrease of $610 in claims and judgment of which $600 was transferred to the Water Utility per the Measure N election result in November 2014. Offsetting the decreases is an increase of $5,189 in unspent homeless shelter and prevention grants provided by the State; an increase of $1,020 in various unspent restricted Fire and Community Services resources.
- Assigned fund balance totaling $114,039 had an increase of $9,827. The increase is primarily due to an increase of $10,000 being assigned for future debt services.
- Unassigned fund balance totaling $52,351 had an increase of $34,376 reflecting results from current year activities.

General Fund total revenues increased $181,413 (51%) as compared to the prior fiscal year primarily attributable to the following:

- Total taxes increased by $178,273 (87%). Taxes are the largest revenue sources of the General Fund and they accounted for $383,721 of the total General Fund revenues. During fiscal year 2022, transient occupancy taxes (TOT) increased by $146,877 (487%), property taxes increased by $4,332 (5%), sales and use taxes increased by $26,514 (34%); and other taxes increased by $550 (7%). The increases are primarily due to revenues returning to pre-pandemic levels following the re-opening of the Anaheim Resort, hotels, businesses and entertainment venues. Key elements of the changes in taxes are discussed in the government-wide financial analysis of the governmental activities on page 26 of this report.

- Intergovernmental revenues increased by $3,020 (3%) primarily due to a combined increase of $20,652 in Emergency Rental Assistance provided by HUD and the State; an increase of $6,040 provided by the State for homeless shelter and prevention purposes; an increase of $1,714 in waste disposal revenue sharing included $845 being unavailable for revenue recognition in the prior fiscal year. Partially offsetting the increases was $20,320 of CARES funding from the State distribution and the one-time $5,338 in CARES funding from the County of Orange for food distribution, small businesses assistance, vaccination, and other COVID-19 related activities in the prior fiscal year.

- Charges for services increased by $5,514 (20%) primarily due to an increase of $4,327 in police services provided to Disneyland and other entertainment and special events as demand for police services increased following the reopening of the Anaheim Resort. Paramedic transport revenue increased by $2,707 due to increased numbers of emergency transport, partially offset the increases by a decrease of $2,181 in strike team reimbursement due to fewer activities being provided during the fiscal year.

- Use of money and property had a decrease of $4,357 (98%) primarily from unrealized investment losses at fiscal year end.

General Fund expenditures increased by $36,325 (10%) primarily due to the following:

- An increase of $20,153 in Housing and Community Development is primarily due to increases in COVID-19 related expenditures for emergency rental assistance, small business assistance, and other community assistance as previously discussed.

- An increase of $7,725 in Police is primarily due to increases in service demand, and an increase in overtime labor to backfill position vacancies as previously discussed.

- An increase of $2,831 in Finance is primarily due to post-implementation support of the Permit system.

- An increase of $2,892 in Community Services is due to Community Services facilities and Sporting Classes being reopened for normal operation.

- An increase of $2,778 in capital outlay is due to the acquisition of 9 ambulances totaling $1,495.

General Fund other financing sources decreased by $138,054 primarily due to the issuances of the $138,755 Working Capital bonds and the $799 ambulance acquisition loan in the prior fiscal year, offset by the issuance of a $1,500 loan for additional ambulance acquisitions in the current fiscal year.

General Fund Transfers out increased by $73,753 (184%) including the following increases:

- An increase of $68,777 in transfers out to the Anaheim Resort Improvements Debt Service Fund. This increase is due to increases in Lease Payment Measurement Revenues (LPMR) following the re-opening of the Anaheim Resort. Additional information about LPMR can be found in note 10 on page 88 of the notes to the financial statements of this report;

- An increase of $7,433 in transfer out to the Municipal Facilities nonmajor debt service governmental fund for the 2021 working capital bonds capitalized interest balance.

- An increase of $13,000 in transfer out to the nonmajor capital project for Neighborhood projects ($10,000) and Fire Station 4 improvements ($3,000).

- An increase of $5,740 in transfer out to the Municipal Facilities Maintenance internal service fund for deferred maintenance projects.

- Partially offsetting these increases is a decrease of $14,152 in transfer out to the Convention, Sports and Entertainment Venues enterprise Fund to subsidize the Fund with cash flow assistance ($6,500) due to revenue losses resulting from the pandemic closure and for debt services ($7,652) in the prior fiscal year; and a decrease in transfer out of $5,962 to the Employee Benefit Fund ($5,462) and Information and Communication Services internal service fund ($500) for COVID-19 related expenses in the prior fiscal year.

Housing Authority

The Housing Authority reported a fund balance totaling $85,660 at June 30, 2022, and had a decrease of $1,541.

- Restricted fund balance totaling $44,143 decreased by $7,177 primarily due to funds spent for the low income multifamily housing development loans of $9,031; partially offsetting the decrease by an increase of $1,979 in unspent rental assistance.

- Assigned fund balance for housing projects totaling $41,475 had an increase of $5,635 primarily due to receipts from loans and residual receipts from ground leases.

The Housing Authority revenues totaled $115,270 and had an increase of $7,556. The increase consists of the following:

- Intergovernmental revenues increased by $8,372 primarily due to an increase of $9,425, net of $6,563 in prior year CARES Act funding, to meet program needs.
- Use of money and property had a decrease of $1,783 primarily due to a decrease of $3,150 in unrealized investment loss at fiscal year end, partially offset by an increase of $3,225 from the receipts of principal and interest loan payments and an increase of $2,226 in residual receipts from ground leases (the ground leases are not accounted for in Lease Receivable. They do not have fixed scheduled payments and are dependent on residual receipts for the year.)

The Housing Authority expenditures increased by $17,205 (17%). This increase is primarily due to the following:

- An increase of $7,871 in rental assistance expenditures in HCV and EHV as previously discussed.
- An increase of $9,031 in low income multifamily housing development loans totaling $9,031 were issued to three new projects.
- A decrease of $626 in capital outlay related to a property purchased in the prior fiscal year offsetting the above increases.

Net transfer in increased by $810 consists of the following:

- Transfer in of $2,451 federal HOME grant from the Grant nonmajor special revenue for a housing development loan to the Miraflores project.
- Transfer out of $1,260 to the General Fund for the purchase of the City's Matrix/Midway right of way parcel to complete the Miraflores multifamily parcel assemblage.

<u>Nonmajor governmental funds</u>

Nonmajor governmental funds reported fund balances totaled $315,779 reflecting an increase of $61,818. The change consists of the following:

- Nonspendable fund balance had an increase of $31. There is no significant change to note.
- Restricted fund balance totaling $305,078 had an increase of $50,471. Of this increase, fund balance restricted for debt services increased by $41,445 which included $36,211 for the Resort bonds resulting from the increases of LPMR (refer to note 10 on page 88 for discussion related to LPMR); an increase of $5,234 (capitalized interest account balance net of current year debt service payments) was restricted for the 2021 Working Capital Bonds debt service. Fund balance restricted for grant purposes increased by $6,721 related to unspent CDBG program income ($1,200) and for affordable housing purposes ($5,500); $3,407 increase in fund balance restricted for Streets, roads and transportation improvement is primarily due to increase in ATID funds; offsetting the increases by a decrease of $4,293 in fund balance restricted for Economic development primarily due to a payment of $3,560 related to economic development project.
- Assigned fund balance totaling $19,641 had an increase of $11,353 primarily from a $10,000 transfer in from the General Fund for neighborhood improvements.
- Unassigned fund balance deficit totaling $13,069 had a decrease in deficit of $77. The deficit fund balance will be eliminated in future years by the receipts of grant expenditures. There is no other significant changes to note

Total nonmajor governmental funds revenues increased by $7,165 (8%). The most significant factors of the changes are discussed in the government-wide financial analysis of the governmental-activities.

- Charges for services increased by $19,396 (244%) attributable to increases in ATID assessment revenues as previously discussed.
- Intergovernmental revenues increased by $6.513 (14%) from a one-time $5,500 homeless affordable housing State grant; an increase of $4,100 in ESG and an increase of $1,500 in the HOME affordable housing related to the Midway project. These increases were partially offset by decreases in CDBG of $1,861 due to lower spending, and a decrease of $1,810 of the Urban Area Security Initiative (UASI) Grant due to project timing.
- Licenses, fees and permits decreased by $2,315 primarily due to the one-time Jefferson Stadium Park development fees in the prior fiscal year.
- Contribution from property owners included a one-time contribution of $1,534 from developers for the Mello Roos projects in the Platinum Triangle, a decrease of $3,641 as compared to the prior fiscal year.

- Use of money and property decreased by $12,888 (73%) primarily from a gain on sale of land held for resale of $8,229 in the Long Range Property Management Fund in the prior fiscal year, and $1,533 lower collection of loan revenues; partially offset by a decrease of $1,325 in investment losses due to unrealized investment losses at fiscal year end.

Total nonmajor governmental funds expenditures increased by $5,227 (5%) due to the following:

- Increase of $14,218 is for the payment to Visit Anaheim which is equal to 7% of ATID, as previously discussed.
- Increase of $3,560 is for the payment from the Long Range Property Management Plan for distribution of the land sale proceeds of the former Redevelopment Agency properties to the County of Orange.
- Increase of $2,058 in Interest charges primarily due to the interest payment of the 2021 Working Capital bonds issued in June 2021.
- Partially offsetting the above increases is a decrease of $4,754 in payments to Anaheim Transportation Network (ATN). The decrease is due to the City completing the final payment of the grant agreement in support of ATN's acquisition of buses and the ATN's COVID-19 Recovery Plan in the prior fiscal year.
- Capital outlay decreased $9,084 primarily due to timing of projects.

Total nonmajor governmental funds Other Financing sources and uses increased by $79,209 due to the following:

- Transfer in increased $86,696. The increase is primarily attributable to an increase of $68,777 in LPMR; an increase of $7,132 of the capitalized interest from the General Fund and an increase of $13,000 from the General Fund for the Fire Station 4 capital improvement ($3,000) and neighborhood improvements ($10,000).
- Transfer out increased by $7,487 is due to a transfer of $3.500 from the ESG to the General Fund for the Salvation Army homeless shelter operation, and a transfer of $2,600 from the HOME grant to the Housing Authority for affordable housing Midway project.
- The issuance of refunding bonds ($23,546), payment to refunded bond escrow agent ($23,348), and the cost of issuance ($198) were related to the refunding of the governmental portion of the 2021 Convention Center Expansion Refunding Bonds.

Proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The significant factors of the changes in fund net position of each proprietary fund are discussed in the government-wide financial analysis of business-type activities.

- The Electric Utility net position increased by $40,611 (9%) in the current fiscal year.
- The Water Utility fund net position increased by $31,892 (15%) in the current fiscal year.
- The Sanitation fund net position increased by $6,530 (5%) in the current fiscal year.
- The Golf Courses fund net position increased by $2,272 (42%) in the current fiscal year.
- The Convention, Sports and Entertainment Venues fund net position decreased by $14,180 (6%) in the current fiscal year.
- The ARTIC Management fund net position increased by $1,824 (1%).

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the original budget was amended to increase appropriations by $55,618 (14%). The increase in appropriations was primarily the result of the carryover of prior year appropriations and amendments amounting to $45,708 and the reallocation of appropriations from other funds of $9,910. These amendments were to be funded from savings in other programs of the General Fund during the year.

General Fund revenues of $535,703 were greater than budgeted revenues of $455,901 by $79,802 (18%), primarily due to stronger than anticipated performance of sales tax and transient occupancy taxes following the reopening of the Anaheim Resort, hotels and businesses.

General Fund expenditures were less than budgeted. Of the total appropriations of $443,891, approximately 7%, or $30,457, went unspent. Labor costs were below budget by $9,931. The favorable variance in labor savings was mainly resulting from employee turnover and the time between an employee leaving and the recruitment of a new employee. Housing and Community Development expenditures were below budget by $19,227 primarily due to unspent appropriations for emergency rental assistance and homeless prevention assistance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS
(net of accumulated depreciation)
JUNE 30, 2022 AND 2021

	Governmental Activities		Business-type Activities		Total Government	
	2022	2021	2022	2021	2022	2021
Land	$ 694,224	$ 693,257	$ 93,331	$ 93,331	$ 787,555	$ 786,588
Construction in Progress	43,674	41,840	167,595	198,665	211,269	240,505
Building, structures, and improvements	218,505	223,705	658,187	675,060	876,692	898,765
Utility plant			1,270,801	1,182,845	1,270,801	1,182,845
Machinery and equipment	44,382	46,285	18,807	21,838	63,189	68,123
Right to use leased assets*	4,699	4,828	3,019	3,347	7,718	8,175
Infrastructure	453,525	454,861			453,525	454,861
Total	$ 1,459,009	$ 1,464,776	$ 2,211,740	$ 2,175,086	$ 3,670,749	$ 3,639,862

*Restated 2021 Right to use leased assets due to implementation of GASB No. 87

Capital assets

The City's investment in capital assets for its governmental and business-type activities at June 30, 2022 amounted to $3,670,749 (net of accumulated depreciation). This investment in capital assets included land, construction in progress, buildings, structures, right to use leased assets, and improvements, utility plant, machinery and equipment, and infrastructure. The total increase over the prior fiscal year was $30,887 (less than 1%), of which governmental activities decreased by $5,767 (less than 1%) and business-type activities increased by $36,654 (2%).

Governmental activities capital asset additions totaled $42,559, capital asset transferred in from the business-type activities of $360, offset by current year depreciation of $48,513, and retirement of capital assets, net of accumulated depreciation of $173. Major capital asset activities during the current fiscal year include the following:

- Land had an increase of $967 in right-of-way contributed by developers.
- Construction in progress had an increase of $1,834 consisting of $29,704 in project additions, completion of $27,731 and cancellation of $139. The additions of works in progress include $18,059 of infrastructure construction, $369 in park developments, $459 in land development, $9,534 in structural improvements, and $1,274 in Enterprise Resource Planning system upgrade, and $9 in various other projects. Completion of construction in progress totaled $27,731 including completion of street improvements on Katella widening from Harbor to West ($2,536), East Street pavement improvement from La Palma-91 Freeway ($952), Orangethorpe Street from Lakeview to Imperial ($2,411), Torry Street ($2,504), Lotus Street ($2,774), traffic signal synchronization on Anaheim Boulevard ($991,) and on La Palma ($2,763). Play equipment on Cottonwood Park ($144), and the remodel of the Ducks locker room ($7,799).
- Machinery and equipment had a net increase of $3,069 including acquisitions of various vehicles, a fire truck and 9 ambulances totaled $2,409; office, technology and field equipment totaled $3,138, offsetting by equipment retirement of $2,478.
- Right to use leased equipment increased by $834 for current year addition of computer leases.
- Contributions of capital assets from various external sources included $11,919 of structural improvements in the Honda Center, $2,617 in land and infrastructure, and $129 in play equipment for parks.

The increase in business-type activities is primarily due to increases in the following:

- The Electric Utility net increase of $11,128 (1%) includes capital asset additions of $59,375, and offset by $48,247 for the current year in addition to accumulated depreciation. Construction in progress decreased by $24,022 mainly due to $57,027 in additions of capital projects offset by work completed of $81,049. During the fiscal year, the Electric Utility completed construction of the undergrounding of the area of Euclid Avenue from Broadway to Crone and Euclid from Ball to Sallie Lane as part of the Undergrounding District 50; during the fiscal year, the Electric Utility also completed the following projects: the Platinum Triangle Line extension which includes the areas west of Clementine Street to east of Freeway 5; Haster Street from Gene Autry Way to Cerritos Avenue; Clementine Street from Katella Avenue to 300' north of Katella Avenue; Gene Autry Way from Anaheim Way to State College Boulevard; State College Boulevard from Gene Autry Way to Orangewood Avenue; Santa Cruz Street from Gene Autry Way to Orangewood Avenue; Orangewood Avenues from Anaheim Way to east of State College Boulevard. Other major projects such as the installation and replacement of aging direct buried cable; replacement of switches, breakers, poles, cable and conduit throughout the City also contributed to the increase. The Electric Utility also replaced approximately 4,153 street lights with more efficient LED lights, and upgrades to the general plant assets to better serve our customers.

- The Water Utility increase of $41,111 (10%) includes capital asset additions of $55,699, offset by cancellation of a work in progress of $1,148, and current year accumulated depreciation addition of $13,440. Construction in progress decreased by $11,435 primarily due to work in progress additions of $54,554 offset by works completed of $64,841, and cancellation of a capital project of $1,148 that was found not to be feasible under the current financial condition. Project completions include East End reliability Improvements and Linda Vista Complex Pumps replacement. The Water Utility continues its capital infrastructure building program by actively replacing aging mainlines, improving its storage capacity, as well as replacing and improving its distribution system in order to ensure the water supply continues to be safe, reliable, and sufficient to meet future demands. For the fiscal year ended June 30, 2022, the Water Utility ranked in the top national quartile for infrastructure reliability as measured by the number of main breaks per 100 miles of distribution piping.

- The Sanitation Utility increase of $517 (less than 1%) is comprised of capital asset additions of $3,802 and offset by the current year additions to accumulated depreciation of $2,920. Construction work in progress increased by $1,997 primarily due to additions of $3,264 of sanitary improvements on various city locations, offsetting by work completed on East Anaheim Boulevard ($908), cancellation of $5 in work in progress and $360 of assets transferred to the governmental activities .

- The Golf Courses increase of $1,336 (12%) is due to current year additions of $2,018 and works completed of $503. The assets include $1,580 in land improvements to the golf courses, machinery and equipment acquisitions of $388, and $538 in improvement to the golf courses restroom, dining area and pro shop renovation. The additions are offset by current year additions to accumulated depreciation of $682.

- The Convention, Sports and Entertainment Venues decrease of $15,365 (3%) is primarily comprised of capital asset additions of $3,080 offset by the current year additions to accumulated depreciation of $19,043 and $2 in retirement of capital assets, net of accumulated depreciation.

- The ARTIC Management decrease of $2,073 (1%) is mainly due to capital asset additions of $298 offset by current year addition to accumulated depreciation.

Additional information on the City's Capital Assets can be found in notes 1 and note 7 of the notes to the financial statements, on page 67 and page 84 of this report.

LONG-TERM LIABILITIES
JUNE 30, 2022 AND 2021

	Governmental Activities		Business-type Activities		Total Government	
	2022	2021	2022	2021	2022	2021
Long-term debts:						
Interest payable			$ 3,747	$ 3,669	$ 3,747	$ 3,669
Lease payable*	$ 4,375	$ 4,828	2,997	3,337	7,372	8,165
Notes and loans payable from direct borrowing	21,473	16,466	2,402	6,366	23,875	22,832
Revenue bonds	666,167	684,157	1,304,522	1,173,008	1,970,689	1,857,165
Total	692,015	705,451	1,313,668	1,186,380	2,005,683	1,891,831
Other long-term liabilities:						
Due to other governments	19,020	22,580			19,020	22,580
Self-insurance claim liability	58,519	59,119			58,519	59,119
Compensated absences	24,459	24,665			24,459	24,665
San Juan reclamation liability			4,942	5,411	4,942	5,411
Provision for decommissioning liability			87,779	80,889	87,779	80,889
Net OPEB liability	81,027	119,442	26,122	40,658	107,149	160,100
Net pension liability	408,413	655,410	101,693	179,436	510,106	834,846
Total	591,438	881,216	220,536	306,394	811,974	1,187,610
Total long-term liabilities	$ 1,283,453	$ 1,586,667	$ 1,534,204	$ 1,492,774	$ 2,817,657	$ 3,079,441

* Restated 2021 Lease payable due to the implementation of GASB No. 87

Long-term liabilities

At June 30, 2022, The City's outstanding long-term liabilities totaled $$2,817,657 decreased by $261,784 (9%) in which long-term debts increased by $113,852, and other long-term liabilities decreased by $375,636.

Long-term debts including revenue bonds, notes and loans payable, lease payable, and interest payable due in more than one year totaled $$2,005,683 at June 30, 2022. Key changes include the following:

Long-term debts in Governmental activities totaled $$692,015, and decreased by $13,436 (2%).

- Principal payments of $19,866 on bonds, notes and lease payable, payment made on the accretion of capital appreciation bonds of $18,063, and the annual amortization of discounts/premium of $4,160 decreased the long-term debt balances. .
- New debt issuances and the accretion accrued totaling $28,653 offsetting the above decreases and included the following: a) The City issued 2021 Convention Center Expansion Refunding Bonds in the principal amount of $260,250 at par, to refund the outstanding 2014 bonds. Portion of the bonds was allocated to governmental activities for public infrastructure construction. Net increase in principal of the refunding bonds is $2,351. b) The City entered into a direct loan borrowing agreement, through a Master Agreement, in the amount of $1,500 to finance the acquisition of nine ambulances; and $6,500 to finance the acquisition of technological equipment; c) an increase of $834 in lease payable for the new computer leases; d) an increase of $17,468 for the current year accrued accretion payable.

Long-term debt in the business-type activities totaled $$1,313,668, increased by $127,288 (11%).

- The increase is primarily due to the issuances of the following bonds: a) 2022 Electric Revenue Refunding Bonds Series A, B and D in the total principal amount of $310,640 and at a premium of $25,380 to partially refund the outstanding principal amount of the 2012 Electric Revenue Bonds ($14,335), the 2017 Electric Revenue Bonds ($181,210), and to provide financing of $125,000 for the electric system capital improvements, b) 2022 Water Revenue Refunding Bonds Series A, B and C in the total principal amount of $155,815 and at a premium of $9,234 to partially refund the outstanding principal balance of the 2010 Water Revenue Bonds ($29,690). The 2015 Revenue Bonds ($39,065), the 2020 Water Revenue Bonds ($34,305) and to provide financing of $50,000 for the water system capital improvements. c) 2021 Convention Center Expansion Refund Bonds with a principal balance of $226,704 at par (amount allocated to the business-type portion), to refund the outstanding principal balance of the 2014 Convention Center Expansion Bonds with an outstanding principal balance of $204,063, and d) issuance of the $177 golf equipment loan. The unamortized premium balances totaling $38,539 were adjusted to deferred charges on refunding bonds.
- Principal payments of $50,259 on bonds, notes and leases payable, $9,214 for current year amortization of premium/discount, offset by an increase of $78 for a long-term interest payable decrease the increases from the above bond insurances.

Other long-term liabilities include self-insurance, compensated absences, provision for decommissioning liability, net OPEB liability, and net pension liability totaling $$811,974 decreased by $375,636 at June 30, 2022. Key changes include the following:

- Other long-term liabilities in the governmental activities totaled $591,438 decreased by $289,778 (33%). Self-insurance claim liability, based on actuarial valuation, decreased by $600, compensated absences decreased by $206, Due to other government decreased by $3,560 due to a payment was made, net pension liability, per plan actuarial valuation, decreased by $246,997 primarily due to the plan favorable difference between projected and actual investment earnings; Net OPEB liability had a decrease of $38,415 primarily due to plan favorable difference between projected and actual investment experience, difference between expected and actual experience and offsetting an increase due to changes of assumption.
- Other long-term liabilities in the business-type activities totaled $220,536 decreased by $85,858. Net OPEB liabilities decreased by $14,536 and net pension liability decreased by $77,743, as previously discussed, San Juan reclamation liability decreased by $469 due to payment of $375, and a $93 adjustment of excess funding to deferred inflow of resources related to regulated business activities; Decommissioning liabilities had a net increase of $6,890 due to an increase in estimate liability of $11,070 offsetting by current year payment of $4,180.

Additional information on the City's long-term liabilities can be found in notes 8, 10, 11, 12, 13 and 14 of the notes to the financial statements, on pages 85-112 of this report.

ECONOMIC FACTORS

Tourism plays a significant role in the economies of California, Orange County and the City of Anaheim (City). Anaheim has been able to compete for and capture a significant portion of tourism revenues. Following the removal of a year-long restriction order due to the COVID-19 pandemic, pent-up demand from the pandemic has led tourism, especially in Orange County and Anaheim, to return to the 2019 levels. While TOT continued to be affected by the COVID-19, Anaheim recovery is well underway and the outlook for increased TOT growth remains bright.

Due to the large interest rate increases by the Federal Reserve, the market rates of the City's securities also increased and correspondingly, the securities' prices declined. In the government-wide Statement of Activities, the City reported a total of $16,135 in Unrestricted investment losses resulting from the adjustment of unrealized investment losses at June 30, 2022. Because of the City's sufficient treasury portfolio liquidity, there will not be any of the unrealized investment losses realized due to securities being sold before maturity, At maturity, an unrealized loss for a security will be eliminated.

For the 2023 fiscal year, the City appropriated $436,696 in estimated available resources of $511,980 for General Fund spending. This leaves $75,284 in estimated available reserves, which is 17% of General Fund appropriations. The City's long-standing policy is to maintain General Fund reserves of at least 7% to 10% of annual appropriations.

The City annually reviews all of its fees as part of the budget adoption process. Developer, construction, and other fees applicable to residents and developers doing business in the City are adjusted each year to reflect recurring costs.

California Senate Bill 100 (SB 100) signed into law in September 2018 and adjusted the Renewable Portfolio Standard (RPS) that all California utilities are required to reach. The new RPS mandate is that California utilities, at a minimum, must use renewal resources to serve 38.5% of their retail load by 2022, 50% by 2026, and 60% by 2030. SB 100 also set a state policy goal to have 100% of retail sales be served by carbon-free resources by 2045. The Electric Utility uses a number of strategies to mitigate potential cost impacts while striving to meet and/or exceed state energy targets.

The Orange County Water District (OCWD) set the Basin Production Percentage (BPP) for all cities and water districts they serve at 77% for fiscal year 2022. The Water Utility's Water Rates, Rules, and Regulations provide for an automatic adjustment of its commodity adjustment when OCWD and Municipal Water District (MWD) increase or decrease the cost per acre foot of water. Elevated water costs will continue until the Water Utility, in partnership with OCWD, builds local groundwater treatment to eliminate or mitigate the PFAS levels found in the local groundwater.

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 information should be addressed to the Office of the Finance Director, City of Anaheim, 200 South Anaheim Boulevard, Suite 643, Anaheim, California, 92805. The City's Annual Comprehensive Financial Report can also be found on the City's website at www.anaheim.net.

Basic Financial Statements

Anaheim, California

Statement of Net Position
June 30, 2022 (In thousands)

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 126,592	$ 88,406	$ 214,998
Investments	337,311	138,965	476,276
Restricted cash and cash equivalents	78,945	54,391	133,336
Restricted Investments	36,989	68,750	105,739
Accounts receivable, net	36,333	92,346	128,679
Accrued interest receivable	1,581	1,843	3,424
Lease receivable, net	1,122	1,721	2,843
Internal balances, net	25,386	(25,386)	
Due from other governments	51,248		51,248
Inventories	1,937	27,791	29,728
Land held for resale, net	21,327		21,327
Prepaid and other assets	1,782	29,950	31,732
Total current assets	720,553	478,777	1,199,330
Noncurrent assets:			
Restricted cash and cash equivalents	17,625	168,899	186,524
Restricted investments	54,935	117,128	172,063
Prepaid and other assets		93,039	93,039
Unamortized prepaid bond insurance	854	586	1,440
Lease receivable, net	11,796	8,533	20,329
Notes receivable, net	74,700		74,700
Due from Successor Agency	5,000		5,000
Capital assets, net:			
Nondepreciable	737,898	260,926	998,824
Depreciable	721,111	1,950,814	2,671,925
Total noncurrent assets	1,623,919	2,599,925	4,223,844
Total assets	2,344,472	3,078,702	5,423,174
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on refunding bonds	25,972	15,210	41,182
Deferred OPEB related items	26,629	8,118	34,747
Deferred pension related items	90,512	22,895	113,407
Total deferred outflows of resources	143,113	46,223	189,336

(Continued)

Statement of Net Position
June 30, 2022 (In thousands)

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	$ 39,906	$ 93,243	$ 133,149
Wages payable	12,339	2,339	14,678
Interest payable	5,633	13,299	18,932
Lease payable	925	328	1,253
Deposits	9,860	11,695	21,555
Unearned revenues	13,965	342	14,307
Other long-term liabilities	32,028		32,028
Long-term debts	39,408	48,533	87,941
Total current liabilities	154,064	169,779	323,843
Noncurrent liabilities:			
Interest payable		3,747	3,747
Lease payable	3,450	2,669	6,119
Other long-term liabilities	69,970	92,721	162,691
Long-term debts	648,232	1,258,391	1,906,623
Net OPEB liability	81,027	26,122	107,149
Net pension liability	408,413	101,693	510,106
Total noncurrent liabilities	1,211,092	1,485,343	2,696,435
Total liabilities	1,365,156	1,655,122	3,020,278
DEFERRED INFLOWS OF RESOURCES			
Deferred item related to leases	12,706	10,166	22,872
Deferred Regulatory credits		105,653	105,653
Deferred Regulated business activities		15,703	15,703
Deferred item on refunding bonds		13,728	13,728
Deferred OPEB related items	51,214	18,470	69,684
Deferred pension related items	187,023	57,927	244,950
Total deferred inflows of resources	250,943	221,647	472,590
NET POSITION			
Net investment in capital assets	1,147,895	1,091,868	2,239,763
Restricted for:			
Debt services	4,098	35,029	39,127
Capital projects	93,640	37,943	131,583
Housing and Community development	117,889		117,889
Streets, roads and transportation improvement projects	47,670		47,670
Other purposes	14,146	8,372	22,518
Unrestricted	(553,852)	74,944	(478,908)
Total net position	$ 871,486	$ 1,248,156	$ 2,119,642

The accompanying notes are an integral part of these financial statements.

Statement of Activities
Year Ended June 30, 2022 (In thousands)

			Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs								
Governmental activities:								
General government	$ 37,587	$ (17,169)	$ 1,477	$ 59,600		$ 40,659		$ 40,659
Police	142,798	5,174	13,279	7,001	$ 80	(127,612)		(127,612)
Fire & Rescue	78,980	536	23,338	277	670	(55,231)		(55,231)
Housing & Community Development	149,235	474	13,033	153,638	5,990	22,952		22,952
Economic Development	3,615	191	2,867			(939)		(939)
Planning & Building	21,383	1,036	11,198	1,046		(10,175)		(10,175)
Public Works	56,343	23	20,846	24,022	7,819	(3,679)		(3,679)
Community Services	37,716	831	3,153	1,687	3,612	(30,095)		(30,095)
Public Utilities	2,075					(2,075)		(2,075)
Convention, Sports & Entertainment	23,527	352	16,560		11,919	4,600		4,600
Interest on long-term debt	33,093					(33,093)		(33,093)
Total governmental activities	586,352	(8,552)	105,751	247,271	30,090	(194,688)		(194,688)
Business-type activities:								
Electric Utility	385,003	4,895	448,286		3,584		$ 61,972	61,972
Water Utility	94,183	1,224	102,239		26,844		33,676	33,676
Sanitation Utility	63,583	603	74,574	603	177		11,168	11,168
Golf Courses	8,308	124	10,709				2,277	2,277
Convention, Sports and Entertainment Venues	50,070	1,706	32,253		460		(19,063)	(19,063)
ARTIC Management	2,525				298		(2,227)	(2,227)
Total business-type activities	603,672	8,552	668,061	603	31,363		87,803	87,803
Total government	$ 1,190,024	$	$ 773,812	$ 247,874	$ 61,453	(194,688)	87,803	(106,885)
General revenues:								
Taxes:								
Property taxes						94,554		94,554
Sales and use taxes						103,374		103,374
Transient occupancy taxes						177,057		177,057
Other taxes						9,592		9,592
Unrestricted investment loss						(9,228)	(6,907)	(16,135)
Transfers						13,056	(13,056)	
Total general revenues and transfers						388,405	(19,963)	368,442
Change in net position						193,717	67,840	261,557
Net position at beginning of year, as restated						677,769	1,180,316	1,858,085
Net position at end of year						$ 871,486	$ 1,248,156	$ 2,119,642

The accompanying notes are an integral part of these financial statements.

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Balance Sheet
Governmental Funds
June 30, 2022 (In thousands)

		General		Housing Authority		Nonmajor Governmental Funds		Total Governmental Funds
ASSETS								
Cash and cash equivalents	$	46,447	$	18,542	$	40,975	$	105,964
Investments		129,910		48,166		105,743		283,819
Restricted cash and cash equivalents		6,150		5,805		78,115		90,070
Restricted investments		12,059				79,865		91,924
Accounts receivable, net		31,261		83		2,489		33,833
Accrued interest receivable		406		312		647		1,365
Due from other funds		7,301		8,558		11,409		27,268
Due from other governments		25,743		934		24,571		51,248
Inventories		355						355
Land held for resale, net				6,032		15,295		21,327
Prepaid and other assets		246		42		186		474
Due from Successor Agency						5,000		5,000
Lease receivable		3,066		370		9,482		12,918
Notes receivable, net		8,062		49,863		16,775		74,700
Total assets	$	271,006	$	138,707	$	390,552	$	800,265
LIABILITIES								
Accounts payable	$	17,161	$	1,557	$	11,172	$	29,890
Wages payable		6,573		157		290		7,020
Deposits		8,181		206		1,473		9,860
Due to other funds		40,766				12,542		53,308
Unearned revenue		9,672		6		1,856		11,534
Total liabilities		82,353		1,926		27,333		111,612
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues		7,973		894		16,325		25,192
Deferred item related to leases		3,002		364		9,340		12,706
Unavailable resources- long-term notes and loans		657		49,863		21,775		72,295
Total deferred inflows of resources		11,632		51,121		47,440		110,193

(Continued)

Balance Sheet
Governmental Funds
June 30, 2022 (In thousands)

	General	Housing Authority	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES:				
Nonspendable related to inventory, prepaid and other assets	601	42	186	829
Restricted:				
Anaheim Resort maintenance and improvement			6,441	6,441
Capital projects	825		3,811	4,636
Claims and judgments	2,996			2,996
Economic development projects			21,552	21,552
Debt services			120,970	120,970
Development impact projects			92,108	92,108
Grant purposes	6,209		8,973	15,182
Homebuyer assistance programs		2,078	12,913	14,991
Low and moderate income housing		35,637		35,637
Rental assistance		6,428		6,428
Streets, roads and transportation improvement projects			38,310	38,310
Committed for neighborhood and community projects			3,943	3,943
Assigned:				
Capital projects			18,305	18,305
Debt service	10,000		1,238	11,238
Housing projects		41,475		41,475
Other purposes	104,039		98	104,137
Unassigned	52,351		(13,069)	39,282
Total fund balances	177,021	85,660	315,779	578,460
Total liabilities, deferred inflows of resources, and fund balances	$ 271,006	$ 138,707	$ 390,552	$ 800,265

The accompanying notes are an integral part of these financial statements.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2022 (In thousands)

Total fund balances - governmental funds		$ 578,460
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in the operation of governmental funds are not current financial resources and, therefore, are not reported in the funds. These assets consist of:		
Land	$ 694,224	
Construction in progress	41,929	
Buildings, structures and improvements	428,416	
Machinery and equipment	73,412	
Infrastructure	976,828	
Rights to use leased assets	2,979	
Accumulated depreciation	(789,218)	
Total capital assets, net		1,428,570
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.		97,487
Unamortized prepaid bond insurance ($854) and deferred charge on bonds ($25,972) are not current financial resources, and, therefore, are not reported in the funds.		
Unamortized prepaid bond insurance	$ 854	
Deferred loss on refunding bonds	3,825	
Deferred future interest on partial defeasance of capital appreciation bonds	22,147	26,826
Internal service funds are used by management to charge the costs of certain activities, such as insurance, employee benefits, and fleet services, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		26,111
Compensated absences, not otherwise included in the internal service funds, are not due and payable in the current period and, therefore, are not reported in the funds.		(707)
Certain liabilities are not due and payable in the current period, and therefore, are not reported in the funds		(19,020)
Effects of net pension liability and other post-employment benefits (OPEB) liability are not due and payable in the current period, and therefore, are not reported in the funds.		
Deferred outflows of resources	$ 109,751	
Net OPEB liability	(75,347)	
Net pension liability	(388,136)	
Deferred inflows of resources	(222,916)	(576,648)
Long-term liabilities of governmental funds, including bonds ($666,167), notes and loan payable ($14,921), lease payable ($2,915) and accrued interest payable ($5,590) are not due and payable in the current period, and, therefore, are not reported in the funds.		(689,593)
Net position of governmental activities		$ 871,486

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds Year Ended June 30, 2022 (In thousands)

	General	Housing Authority	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	$ 94,554			$ 94,554
Sales and use taxes	103,421			103,421
Transient occupancy taxes	177,057			177,057
Other taxes	8,689			8,689
Licenses, fees and permits	20,341	$ 31	$ 6,088	26,460
Intergovernmental revenues	94,500	106,343	51,953	252,796
Charges for services	32,763		27,346	60,109
Fines, forfeits and penalties	3,257			3,257
Use of money and property	92	7,817	4,861	12,770
Lease revenues	617	145	433	1,195
Others	412	934	33	1,379
contribution from property owners			1,534	1,534
Total revenues	535,703	115,270	92,248	743,221
Expenditures:				
Current:				
City Council	753			753
City Administration	12,158			12,158
City Attorney	7,606		91	7,697
City Clerk	1,240		5	1,245
Human Resources	2,034			2,034
Finance	9,009		31	9,040
Police	165,518		4,404	169,922
Fire & Rescue	91,064		246	91,310
Housing & Community Development	30,912	117,424	11,255	159,591
Economic Development	1,645		5,980	7,625
Planning & Building	23,291		1,304	24,595
Public Works	24,415		12,266	36,681
Community Services	34,998		1,243	36,241
Public Utilities	2,121			2,121
Convention, Sports & Entertainment	472		16,399	16,871
Capital outlay	3,922	197	18,199	22,318
Debt service:				
Principal retirement	172		18,460	18,632
Interest charges	602		31,098	31,700
Total expenditures	411,932	117,621	120,981	650,534
Excess (deficiency) of revenues over (under) expenditures	123,771	(2,351)	(28,733)	92,687
Other financing sources (uses):				
Transfers in	29,386	2,557	102,337	134,280
Transfers out	(113,763)	(1,747)	(11,786)	(127,296)
Issuance of refunding bonds			23,546	23,546
Issuance of loan payable	1,500			1,500
Redemption of bonds			(23,348)	(23,348)
Bonds issuance costs			(198)	(198)
Total other financing sources	(82,877)	810	90,551	8,484
Net change in fund balances	40,894	(1,541)	61,818	101,171
Fund balances at beginning of year	136,127	87,201	253,961	477,289
Fund balances at end of year	$ 177,021	$ 85,660	$ 315,779	$ 578,460

The accompanying notes are an integral part of these financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2022 (In thousands)

Net change in fund balances - total governmental funds	$ 101,171
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($43,479) exceeded capital outlay ($22,318) in the current period.	(21,161)
Transfer of capital assets from proprietary fund to governmental fund does not provide current financial resources and are not reported as transfer in the funds.	360
The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-in, retirements and contributions) is to increase net position.	14,515
Certain revenues in the Statement of Activities do not provide current financial resources and therefore, are not reported as revenues in the governmental funds (Charges for services $4,102; Operating Grants $916, Lease revenues $204).	5,222
Collections of notes and long-term receivables provide current financial resources to governmental funds but reduce receivables in the Statement of Net Position.	(2,598)
Loan disbursements in the governmental funds use current financial resources but increase receivables in the Statement of Net Position.	9,141
Accrued interest expense ($1,204) and certain 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 governmental funds.	(1,251)
Proceeds from issuance of long-term debt (Bonds payable $23,546, Loan payable $1,500) provide current financial resources to governmental funds, but the issuance of debt increases long-term liabilities ($25,046) and Prepaid bond insurance ($64) in the Statement of Net Position.	(24,982)
Defeasance of bonds uses current financial resources but decreases long-term liabilities in the Statement of Net pisition	23,348
Payments of principal on long-term debt ($18,632) and other long-term liabilities ($3,560) use current financial resources in the governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position.	22,192
Net effect of accrued net pension liability and net OPEB liability and the related deferred outflows and deferred inflows of resources are not reported as expenditures in the funds.	67,840
Internal service funds are used by management to charge the costs of certain activities, such as insurance, employee benefits, and fleet services, to individual funds. The net expense of the internal service funds is reported with governmental activities.	(80)
Change in net position of governmental activities	$ 193,717

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Budgetary Basis Actual - General Fund
Year Ended June 30, 2022 (In thousands)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:				
Property taxes	$ 93,698	$ 93,698	$ 94,554	$ 856
Sales and use taxes	82,882	82,882	103,421	20,539
Transient occupancy taxes	107,922	107,922	177,057	69,135
Other taxes	7,403	7,403	8,689	1,286
Licenses, fees and permits	18,464	18,464	20,341	1,877
Intergovernmental revenues	58,699	105,048	94,500	(10,548)
Charges for services	33,621	33,621	32,763	(858)
Fines, forfeits and penalties	2,725	2,725	3,257	532
Use of money and property	3,522	2,905	92	(2,813)
Lease revenues		617	617	
Other	616	616	412	(204)
Total revenues	409,552	455,901	535,703	79,802
Expenditures:				
City Council	872	872	753	(119)
City Administration	13,840	13,840	12,207	(1,633)
City Attorney	7,613	7,623	7,623	
City Clerk	1,253	1,248	1,246	(2)
Human Resources	2,315	2,315	2,034	(281)
Finance	6,485	9,627	9,627	
Police	169,665	169,775	165,730	(4,045)
Fire & Rescue	88,938	93,690	93,690	
Housing & Community Development	9,908	50,139	30,912	(19,227)
Economic Development		3,701	1,672	(2,029)
Planning & Building	23,336	23,395	23,395	
Public Works	23,573	26,613	26,613	
Community Services	37,418	37,996	35,339	(2,657)
Public Utilities	2,210	2,210	2,121	(89)
Convention, Sports and Entertainment	847	847	472	(375)
Total expenditures	388,273	443,891	413,434	(30,457)
Excess of revenues over expenditures	21,279	12,010	122,269	110,259
Other financing sources (uses):				
Transfers in	26,636	26,636	29,386	2,750
Transfers out	(63,215)	(55,692)	(113,763)	(58,071)
Issuance of loan payable		1,500	1,500	
Total other financing sources (uses)	(36,579)	(27,556)	(82,877)	(55,321)
Net change in fund balance	(15,300)	(15,546)	39,392	54,938
Fund balance at beginning of year	136,127	136,127	136,127	
Fund balance at end of year	$ 120,827	$ 120,581	175,519	$ 54,938
Adjustment to reconcile to GAAP:				
Encumbrance			1,228	
Payment of interfund loan			180	
Prepaid maintenance			94	
Ending fund balance - GAAP basis			$ 177,021	

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Budgetary Basis Actual - Housing Authority
Year Ended June 30, 2022 (In thousands)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:				
Licenses, fees and permits			$ 31	$ 31
Intergovernmental revenues	$ 110,821	$ 116,447	106,343	(10,104)
Use of money and property	4,038	3,748	7,257	3,509
Lease revenues		145	145	
Other			934	934
Total revenues	114,859	120,340	114,710	(5,630)
Expenditures:				
Housing & Community Development	139,952	164,900	116,721	(48,179)
Total expenditures	139,952	164,900	116,721	(48,179)
Excess (deficiency) of revenues over (under) expenditures	(25,093)	(44,560)	(2,011)	42,549
Other financing (uses):				
Transfers in		5,647	2,557	(3,090)
Transfers out	(332)	(1,592)	(1,747)	(155)
Total other financing uses	(332)	4,055	810	(3,245)
Net change in fund balance	(25,425)	(40,505)	(1,201)	39,304
Fund balance at beginning of year	87,201	87,201	87,201	
Fund balance at end of year	$ 61,776	$ 46,696	86,000	$ 39,304
Adjustments to reconcile to GAAP:				
Encumbrance			126	
Use of park fee credit			456	
Use of transportation fee credit			104	
Transportation fee credit reimbursed by development loan			(1,026)	
Ending fund balance - GAAP basis			$ 85,660	

The accompanying notes are an integral part of these financial statements.

Statement of Net Position
Proprietary Funds
June 30, 2022 (In thousands)

	Business-type Activities - Enterprise Funds							
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports and Entertainment Venues	ARTIC Management	Total	Governmental Activities - Internal Service Funds
ASSETS								
Current assets:								
Cash and cash equivalents	$ 41,841	$ 21,975	$ 13,659	$ 718	$ 10,213		$ 88,406	$ 20,628
Investments	53,094	23,289	35,419	680	26,483		138,965	53,492
Restricted cash and cash equivalents	34,399	8,222	4,140		7,630		54,391	
Restricted investments	54,057	6,211	8,482				68,750	
Accounts receivable, net	52,251	24,201	10,128	85	5,681		92,346	2,500
Accrued interest receivable	1,163	242	275	5	158		1,843	216
Interfund receivable	595						595	
Inventories	26,758	889		144			27,791	1,582
Prepaid and other assets	28,135	1,805			10		29,950	1,308
Lease receivable	341				1,380		1,721	
Total current assets	292,634	86,834	72,103	1,632	51,555		504,758	79,726
Noncurrent assets:								
Restricted cash and cash equivalents, less current portion	132,421	31,370	3,668		1,440		168,899	6,500
Restricted investments, less current portion	108,168		8,960				117,128	
Interfund receivable, less current portion	786						786	33,031
Lease receivable, less current portion	4,965				3,568		8,533	
Prepaid and other assets	93,039				586		93,625	
Capital assets:								
Land	34,243	2,970	316	1,949	21,330	$ 32,523	93,331	
Buildings, structures and improvements			134,968	21,582	710,803	171,082	1,038,435	11,309
Utility plant	1,583,858	572,990					2,156,848	
Machinery and equipment			8,399	1,570	40,166	2,862	52,997	71,857
Rights to use leased land	3,200						3,200	
Rights to use leased equipment				266			266	2,683
Construction in progress	99,346	54,102	9,109	15	4,942	81	167,595	1,745
Total capital assets	1,720,647	630,062	152,792	25,382	777,241	206,548	3,512,672	87,594
Less accumulated depreciation	(693,299)	(193,008)	(36,152)	(15,056)	(345,966)	(17,451)	(1,300,932)	(57,155)
Capital assets, net	1,027,348	437,054	116,640	10,326	431,275	189,097	2,211,740	30,439
Total noncurrent assets	1,366,727	468,424	129,268	10,326	436,869	189,097	2,600,711	69,970
Total assets	1,659,361	555,258	201,371	11,958	488,424	189,097	3,105,469	149,696
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred charges on refunding bonds	1,866	4,543			8,801		15,210	
Deferred OPEB related items	4,332	1,416	991	75	1,304		8,118	2,117
Deferred pension related items	12,492	4,305	2,482	171	3,445		22,895	5,273
Total deferred outflows of resources	18,690	10,264	3,473	246	13,550		46,223	7,390

(continued)

Statement of Net Position
Proprietary Funds
June 30, 2022 (In thousands)(continued)

	Business-type Activities - Enterprise Funds							
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports and Entertainment Venues	ARTIC Management	Total	Governmental Activities - Internal Service
LIABILITIES								
Current liabilities (payable from current assets):								
Accounts payable	$ 53,363	$ 19,985	$ 4,870	$ 2,273	$ 1,952		$ 82,443	$ 10,016
Wages payable	848	388	181	9	605		2,031	5,319
Interest payable					3,461		3,461	43
Lease payable	264			64			328	886
Other long-term liabilities								31,321
Long-term debts	11,492	2,103	811	35	4,050	$ 2,000	20,491	1,251
Unearned revenues					342		342	2,431
Deposits	5,099	646	795	643	4,512		11,695	
Interfund payable		344			7,301		7,645	39
Total current liabilities (payable from current assets)	71,066	23,466	6,657	3,024	22,223	2,000	128,436	51,306
Current liabilities (payable from restricted assets):								
Accounts payable	4,523	5,826	335		116		10,800	
Wages payable	292		13		3		308	
Interest payable	6,721	2,134	853				9,708	
Arbitrage rebate liability	130						130	
Long-term debts	24,835	2,642	565				28,042	
Total current liabilities (payable from restricted assets)	36,501	10,602	1,766		119		48,988	
Total current liabilities	107,567	34,068	8,423	3,024	22,342	2,000	177,424	51,306
Noncurrent liabilities:								
Interfund payable, less current portion		688					688	
Interest payable, less current portion						3,747	3,747	
Lease payable, less current portion	2,658			11			2,669	574
Other long-term liabilities, less current portion	4,942						4,942	50,950
Long-term debts, less current portion	746,508	243,060	46,048	107	222,668		1,258,391	5,301
Net OPEB liability	13,395	4,937	3,251	188	4,351		26,122	5,680
Net pension liability	58,177	18,545	9,718	674	14,579		101,693	20,277
Provision for decommissioning liability	87,779						87,779	
Total noncurrent liabilities	913,459	267,230	59,017	980	241,598	3,747	1,486,031	82,782
Total liabilities	1,021,026	301,298	67,440	4,004	263,940	5,747	1,663,455	134,088
DEFERRED INFLOWS OF RESOURCES								
Deferred item related to leases	5,279				4,887		10,166	
Regulatory credits	103,227	2,426					105,653	
Regulated business activities	15,703						15,703	
Deferred item on refunding bonds	11,206	2,065	457				13,728	
Deferred OPEB related items	9,444	3,352	2,338	185	3,151		18,470	4,455
Deferred pension related items	29,857	9,518	5,019	346	13,187		57,927	10,866
Total deferred inflows of resources	174,716	17,361	7,814	531	21,225		221,647	15,321
NET POSITION								
Net investment in capital assets	380,399	223,097	76,571	9,354	215,350	187,097	1,091,868	28,395
Restricted for:								
Debt service	31,821	2,643	565				35,029	
Capital projects	18,560	3,830	15,553				37,943	
Other purposes	8,372						8,372	
Unrestricted	43,157	17,293	36,901	(1,685)	1,459	(3,747)	93,378	(20,718)
Total net position	$ 482,309	$ 246,863	$ 129,590	$ 7,669	$ 216,809	$ 183,350	1,266,590	$ 7,677
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.							(18,434)	
Net position of business-type activities							$ 1,248,156	

The accompanying notes are an integral part of these financial statements.

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2022 (In thousands)

	Business-type Activities - Enterprise Funds							
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports and Entertainment Venues	ARTIC Management	Total	Governmental Activities - Internal Service Funds
Operating revenues:								
Sales of retail and wholesale electricity, net	$ 408,949						$ 408,949	
Transmission revenues	35,744						35,744	
Sales of water, net		$ 100,919					100,919	
Solid waste collection fees			$ 53,689				53,689	
Wastewater fees			15,225				15,225	
Street cleaning fees			3,169				3,169	
Green fees and cart rentals				$ 8,167			8,167	
Facilities rental					$ 27,161		27,161	
Concession fees				2,075	2,944		5,019	
Charges for services				90			90	$ 154,283
Lease revenues	376				1,481		1,857	
Other	3,217	1,320	2,491	377	667		8,072	221
Total operating revenues	448,286	102,239	74,574	10,709	32,253		668,061	154,504
Operating expenses:								
Cost of purchased power	271,293						271,293	
Fuel and generation of power	399						399	
Cost of purchased water		52,079					52,079	
Treatment and pumping of water		5,157					5,157	
Maintenance, operations and administration	46,052	16,141	60,018	7,737	23,068	$ 76	153,092	54,685
Insurance premiums and claims								23,676
Compensated absences and other benefits								75,966
Depreciation	48,247	13,440	2,920	682	19,043	2,371	86,703	5,034
Total operating expenses	365,991	86,817	62,938	8,419	42,111	2,447	568,723	159,361
Operating income (losses)	82,295	15,422	11,636	2,290	(9,858)	(2,447)	99,338	(4,857)
Nonoperating income (expenses):								
Intergovernmental revenues			603				603	
Investment income (losses)	(3,102)	(1,048)	(1,749)	(12)	(996)		(6,907)	(2,048)
Interest expense	(21,598)	(7,523)	(1,476)	(6)	(8,218)	(78)	(38,899)	(55)
Bond issuance costs	(1,709)	(870)			(1,272)		(3,851)	
Gain (loss) from disposal of capital assets					(2)		(2)	59
Total nonoperating expenses	(26,409)	(9,441)	(2,622)	(18)	(10,488)	(78)	(49,056)	(2,044)
Income (losses) before contributions and transfers	55,886	5,981	9,014	2,272	(20,346)	(2,525)	50,282	(6,901)
Capital contributions	3,584	26,844	177		460	298	31,363	
Transfers in	1,422	613	128		5,706	4,051	11,920	5,740
Transfers out	(20,281)	(1,546)	(2,789)				(24,616)	(28)
Change in net position	40,611	31,892	6,530	2,272	(14,180)	1,824	68,949	(1,189)
Net position at beginning of year	441,698	214,971	123,060	5,397	230,989	181,526		8,866
Net position at end of year	$ 482,309	$ 246,863	$ 129,590	$ 7,669	$ 216,809	$ 183,350		$ 7,677
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.							(1,109)	
Change in net position of business-type activities							$ 67,840	

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022 (In thousands)

	Business-type Activities - Enterprise Funds							
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports & Entertainment Venues	ARTIC Management	Total	Governmental Activities - Internal Service Funds
Cash flows from operating activities:								
Receipts from customers and users	$ 443,196	$ 102,184	$ 70,807	$ 11,206	$ 25,845		$ 653,238	
Receipts from interfund services provided	2,144	351	38				2,533	$ 153,871
Receipts from leases	431				1,515		1,946	
Payments to suppliers	(251,794)	(50,428)	(49,822)	(6,425)	(8,268)	$ (76)	(366,813)	(34,374)
Payment of decommissioning costs	(4,180)						(4,180)	
Payments for salaries, wages and other benefits	(48,471)	(15,781)	(8,655)	(543)	(16,495)		(89,945)	(93,454)
Payments for interfund services used	(14,696)	(6,141)	(4,834)	(219)	(3,858)		(29,748)	(5,067)
Payments for insurance premiums and claims								(21,975)
Other receipts			2,673				2,673	638
Net cash provided by (used for) operating activities	126,630	30,185	10,207	4,019	(1,261)	(76)	169,704	(361)
Cash flows from noncapital financing activities:								
Receipt of interfund balances	571						571	22
Payment of interfund balances		(344)		(706)			(1,050)	(357)
Transfers in	171	613				51	835	5,740
Transfers out	(20,281)	(1,546)	(2,789)				(24,616)	(28)
Operating grant receipts			603				603	
Net cash provided by (used for) noncapital financing activities	(19,539)	(1,277)	(2,186)	(706)		51	(23,657)	5,377
Cash flows from capital and related financing activities:								
Proceeds from sale of capital assets								83
Capital contributions	2,429	10,998					13,427	
Capital purchases	(52,909)	(50,687)	(3,041)	(1,816)	(7,719)		(116,172)	(4,211)
Proceeds from issuance of loan								6,500
Proceeds from issuance of bonds	132,921	50,473			620		184,014	
Costs of issuance	(1,008)	(387)			(618)		(2,013)	
Principal payments on long-term debts	(33,096)	(5,375)	(1,315)	(28)	(6,105)	(4,000)	(49,919)	(11)
Principal payment on leases	(278)			(62)			(340)	(1,223)
Interest payments	(28,168)	(8,169)	(2,116)	(6)	(6,538)		(44,997)	(12)
Receipt of interfund balances for capital purposes					7,301		7,301	
Transfer in for capital purpose	1,251		128		5,706	4,000	11,085	
Net cash provided by (used for) capital and related financing activities	21,142	(3,147)	(6,344)	(1,912)	(7,353)		2,386	1,126
Cash flows from investing activities:								
Purchase of investment securities	(102,668)	(9,953)	(23,716)	(700)	(8,899)		(145,936)	(21,482)
Proceeds from sale and maturity of investment securities	75,896	24,296	13,506		17,484		131,182	22,353
Interest received	4,326	1,562	1,032	3	701		7,624	1,026
Net cash provided by (used for) investing activities	(22,446)	15,905	(9,178)	(697)	9,286		(7,130)	1,897
Increase (decrease) in cash and cash equivalents	105,787	41,666	(7,501)	704	672	(25)	141,303	8,039
Cash and cash equivalents at beginning of the year	102,874	19,901	28,968	14	18,611	25	170,393	19,089
Cash and cash equivalents at end of the year	$ 208,661	$ 61,567	$ 21,467	$ 718	$ 19,283	$	$ 311,696	$ 27,128

(continued)

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022 (In thousands)

	Business-type Activities - Enterprise Funds							
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports & Entertainment Venues	ARTIC Management	Total	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:								
Operating income (loss)	$ 82,295	$ 15,422	$ 11,636	$ 2,290	$ (9,858)	$ (2,447)	$ 99,338	$ (4,857)
Adjustment to reconcile operating income (loss)								
to net cash provided by (used for) operating activities:								
Interest received from leases	82				95		177	
Depreciation	48,247	13,440	2,920	682	19,043	2,371	86,703	5,034
Cancellation of construction in progress		1,148					1,148	
Changes in assets, deferred outflows of resources,								
liabilities, and deferred inflows of resources:								
Accounts receivable	(478)	(1,012)	(1,061)	(5)	(4,975)		(7,531)	1,937
Inventories	(5,352)	(681)		(76)			(6,109)	(320)
Prepaid and other assets	20,306						20,306	532
Lease receivable	349				1,420		1,769	
Accounts payable and other accrued liability	(911)	4,464	(529)	817	1,192		5,033	1,491
Wages and benefits payable	(11,260)	(3,904)	(2,764)	(213)	(6,745)		(24,886)	(3,451)
Unearned revenues					39		39	126
Deposits	(2,324)	114	5	524	9		(1,672)	
Compensated absences and self-insurance liabilities								(853)
Provision for decommissioning liabilities	(4,180)						(4,180)	
Deferred inflow related to leases	(376)				(1,481)		(1,857)	
Regulatory credits	232	1,194					1,426	
Total adjustments	44,335	14,763	(1,429)	1,729	8,597	2,371	70,366	4,496
Net cash provided by (used for) operating activities	$ 126,630	$ 30,185	$ 10,207	$ 4,019	$ (1,261)	$ (76)	$ 169,704	$ (361)

(Continued)

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022 (In thousands)

	Business-type Activities - Enterprise Funds							
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports & Entertainment Venues	ARTIC Management	Total	Governmental Activities - Internal Service Funds
Schedule of noncash operating, investing, capital and noncapital financing activities:								
Increase (decrease) in fair value of investments	$ (8,396)	$ (2,537)	$ (2,740)	$ (20)	$ (1,718)		$ (15,411)	$ (3,023)
Capital assets financed through leases				117			117	834
Capital contributions	1,155	579	177		460	$ 298	2,669	
Refunded bond proceeds deposited in refunding bond escrow agent	202,399	114,092			224,823		541,314	
Defeasance of outstanding revenue bond principal	(195,545)	(103,060)			(204,063)		(502,668)	
Cost of issuance - underwriter discounts	(701)	(483)			(1,261)		(2,445)	
Increase in account receivable related to capital contribution		(15,267)					(15,267)	
Increase in Decommissioning liabilities	11,070						11,070	
Decrease in Accrued long-term liabilities	(94)						(94)	
Decrease in deferred inflow of resources - regulated business activity	(10,976)						(10,976)	
Increase in accounts payable related to capital assets	5,311	4,433	219	85	153		10,201	532
Amortization of bond premium (discount), deferred outflow/inflow, net	6,930	950	613		30		8,523	
Increase in accrued interest payable	315	304			1,710	78	2,407	
Reconciliation of cash and cash equivalents:								
Cash and cash equivalents	$ 41,841	$ 21,975	$ 13,659	$ 718	$ 10,213	$	$ 88,406	$ 20,628
Restricted cash and cash equivalents, current portion	34,399	8,222	4,140		7,630		54,391	
Restricted cash and cash equivalents, noncurrent portion	132,421	31,370	3,668		1,440		168,899	6,500
Total cash and cash equivalents	$ 208,661	$ 61,567	$ 21,467	$ 718	$ 19,283	$	$ 311,696	$ 27,128

The accompanying notes are an integral part of these financial statements.

Statement of Fiduciary Net Position (Deficit)
Fiduciary Funds
June 30, 2022 (In thousands)

	Successor Agency Private Purpose Trust Fund	Custodial Funds: External Investment Pools	Custodial Funds: Others
ASSETS			
Cash and cash equivalents	$ 27,619	$ 1,122	$ 3,356
Investments		2,908	3,479
Accrued interest receivable	36	23	
Special assessment receivable			9
Notes receivable, net	861		
Prepaid and other assets	409		
Unamortized prepaid bond insurance	383		
Lease receivable, net	7,633		
Right to use lesed land	19,613		
Accumulated amortization	(729)		
Total assets	55,825	4,053	6,844
LIABILITIES			
Accounts payable	30		6
Wages payable	2		
Interest payable	3,431		
Long-term liabilities:			
Other long term liabilities, current portion	1,992		
Lease payable, current portion	382		
Long-term debt, current portion	10,269		
Other long term liabilities, less current potion	18,523		
Lease payable, less current portion	18,788		
Long term debt, less current portion	131,686		
Total liabilities	185,103		6
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refunding bonds	293		
Deferred item related to leases	7,523		
Total deferred outflows of resources	7,816		
NET POSITION			
Restricted for individuals, organizations, and other governments		4,053	6,838
(Deficit)	(137,094)		
Total net position(deficit)	$ (137,094)	$ 4,053	$ 6,838

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Fiduciary Net Position (Deficit)
Fiduciary Funds
Year Ended June 30, 2022 (In thousands)

	Successor Agency Private Purpose Trust Fund	Custodial Funds	
		External Investment Pools	Others
ADDITIONS			
Property tax increments	$ 17,162		
Special assessment collections from Community Facility Districts			$ 3,218
Deposits to pooled investments		$ 8,089	
Lease revenues	375		
Deposits			94
Donation collections			2
Miscellaneous receipts on behalf of inmates			3
Interest income	870	(97)	10
Total collections on behalf of other individuals, organizations and other governments	18,407	7,992	3,327
DEDUCTIONS			
Salaries and administration	210		63
Program expenses	1,064		
Payments			1,732
Interest payments	5,472		
Debt service payments - Community Facilities Districts			3,023
Distributions from pool investments		7,719	
Total deductions	6,746	7,719	4,818
Change in net position	11,661	273	(1,491)
Net position (deficit) at beginning of year, as restated	(148,755)	3,780	8,329
Net position (deficit) at end of year	$ (137,094)	$ 4,053	$ 6,838

The accompanying notes are an integral part of these financial statements.

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Notes to Financial Statements

(Amounts in thousands)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial reporting entity

As defined by U. S. generally accepted accounting principles (GAAP) that are established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as 1) appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; and 2) the component unit is fiscally dependent on and there is a potential for the component unit to provide specific financial benefit to or impose financial burden on the primary government regardless of whether the component unit has a) a separately elected government board, b) a governing board appointed by a higher level of government, or c) a jointly appointed board.

The accompanying financial statements present the City of Anaheim (City), the primary government, and its component units. The financial data of the component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The component units described below are each legally separate from the City, but are so intertwined with the City that they are, in substance, the same as the City. They are reported as part of and accountable to the City and blended into the government-wide and fund financial statements.

Anaheim Housing Authority (Housing Authority) is a separate entity primarily funded by the U.S. Department of Housing and Urban Development to administer funds received under the Federal Housing Assistance Payments program. City Council members, in separate session, serve as the governing board of the Housing Authority. All budgeting, accounting and administrative functions of the Housing Authority are performed by the City. The financial activity of the Housing Authority has been blended into the City's Annual Comprehensive Financial Report (ACFR) in the government-wide governmental activities and in the fund financial statements as the Housing Authority Special Revenue Fund.

Anaheim Public Financing Authority (APFA), a joint powers authority, was established as a vehicle to reduce local borrowing costs and promote greater use of existing and new financial instruments and mechanisms. City Council members, in separate session, serve as the governing board of the APFA. Financial activity of the APFA has been blended into the City's ACFR into various governmental and business-type activities and funds of the City as applicable.

Anaheim Housing and Public Improvement Authority (AHPIA), a joint power authority, was created by and between the City and the Anaheim Housing Authority as a vehicle to reduce local borrowing costs and promote greater use of existing and new financial instruments and mechanisms. Members of the City Council of the City serves as the members of the Board and Directors of the AHPIA. Financial activity of the AHPIA has been blended into the City's ACFR into various business-type activities and funds of the City as applicable.

The City is a participant in four joint ventures and jointly-owned properties (see note 18), which are not considered part of the financial reporting entity, as the City does not have significant equity interests in the joint ventures and jointly-owned properties.

The City is a participant in the California Municipal Finance Authority (CMFA), a non-profit Joint Power Authority created to strengthen local communities by assisting with the financing of economic development and charitable activities throughout the State of California. The CMFA acts as conduit issuer by assisting local governments, non-profits and businesses with the issuance of taxable and tax-exempt financing aimed at improving the quality of life in California. The City has no financial, budgeting and operational obligations and responsibilities of the CMFA. The CMFA is a jointly governed organization. The City has recorded assets and liabilities from the City's debt issuances through the CMFA in the business-type activities and funds of the City as applicable (see note 10).

Basic financial statements

In accordance with GASB Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the City and its component units, excluding fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and liabilities. The government-wide financial statements focus more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been removed from the government-wide financial statements, except for interfund services provided and used. Net interfund activity and balances between governmental activities and business-type activities are shown as internal balances, net, in the government-wide financial statements. The "doubling up" effect of internal service fund activity has been eliminated from the government-wide financial statements with the expenses shown in the various functions and programs on the Statement of Activities.

Further, certain eliminations are also made to transfers of resources between funds in the fund financial statements so that only the net amount of the transfers are shown in the governmental activities and business-type activities columns.

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

The government-wide Statement of Activities demonstrates the degree to which both direct and indirect expenses of the various functions and programs of the City are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Indirect expenses for administrative overhead are allocated among the functions and programs using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Interest on general long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes, unrestricted investment income and other revenues not identifiable with particular functions or programs are included as general revenues. The general revenues support the net costs of the functions and programs not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of the fund financial statements is on major funds, as defined by GASB Statement No. 34. Although this reporting model sets forth minimum criteria for determination of major funds (a percentage of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of fund category and of the governmental and enterprise funds combined), it also gives governments the option of displaying other funds as major funds. Other nonmajor funds, as well as the internal service funds, are combined in a single column on the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Housing Authority Special Revenue Fund accounts for the providing of housing assistance to low and moderate-income families in the Anaheim area. Financing is provided primarily from Federal Section 8, U.S. Department of Housing and Urban Development (HUD) receipts.

The City reports the following major enterprise funds:

The Electric Utility Fund accounts for the operation of the City's electric utility, a self-supporting activity, which renders services on a user charge basis to residents and businesses located in Anaheim.

The Water Utility Fund accounts for the operation of the City's water utility, a self-supporting activity, which renders services on a user charge basis to residents and businesses located in Anaheim.

The Sanitation Utility Fund accounts for the operation of the City's solid waste and sanitation program, a self-supporting activity, which provides for the collection and disposal of solid waste, street sweeping, and sanitary sewer cleaning on a user charge basis to residents and businesses located in Anaheim.

The Golf Courses Fund accounts for the operation of the Anaheim Municipal ("Dad Miller") Golf Course and the Anaheim Hills Golf Course, a self-supporting activity that renders services on a user charge basis.

The Convention, Sports & Entertainment Venues Fund accounts for the operations of the Anaheim Convention Center, Angel Stadium of Anaheim, and The City National Grove of Anaheim. See note 19 for further discussions of the Angel Stadium of Anaheim and The City National Grove of Anaheim.

Anaheim Regional Transportation Intermodal Center (ARTIC) Management Fund accounts for the operation and maintenance of the ARTIC that serves as a rail station for Amtrak intercity rail, Metrolink commuter rail and bus station. The ARTIC renders services on a user charge basis.

The internal service funds, which provide services to the other funds of the City, are presented in a single column in the proprietary funds financial statements. Because the principal users of the internal service funds are the City's governmental activities, the assets and liabilities of the internal service funds are consolidated into the governmental activities column of the government-wide Statement of Net Position. The costs of the internal service fund services are spread to the appropriate function or program on the government-wide Statement of Activities and the revenues and expenses within the internal service funds are eliminated from the government-wide financial statements to avoid any doubling effect of these revenues and expenses. The City operates four internal service funds:

The General Benefits and Insurance Fund is used to account for employee compensated absences, retirement and health benefits, and self-insurance programs.

The Motorized Equipment Fund is used to account for motorized equipment used by City departments.

The Information and Communication Services Fund is used to account for data processing and telecommunication services provided to City departments.

The Municipal Facilities Maintenance Fund is used to account for office maintenance services and equipment used by City departments.

Fiduciary Funds account for assets held by the City in a trustee or custodian capacity on behalf of others and, therefore, are not available to support City programs. The Fiduciary Funds are not included in the government-wide financial statements as they are not assets of the City. The City reports the following fiduciary funds:

The Successor Agency Private Purpose Trust Fund is used to account for resources legally held in trust for use by the Successor Agency to the Anaheim Redevelopment Agency (Successor Agency). The Former Anaheim Redevelopment Agency, a former component unit of the City, dissolved on February 1, 2012 under the State of California Assembly Bill 1X26.

The Custodial Funds are used to account for the monies collected and paid on behalf of other individuals, governments, and organizations. The City reports the following activities in the Custodial Funds: 1) External Investment Pools is used to account for the external portion of the City's investment pool, which commingles resources of legally separate entities administered by the City in an investment portfolio for the benefit of all participants. The entities include three Joint Powers Authorities (JPA) governed by local boards. The City separately maintains these entities' money in three individual funds; these funds represent the assets, primarily cash and investment, and the related net position held by the City for disbursements on demand; 2) Community Facility Districts (CFDs) accounts for collections of mello-roos special assessments, payments for the conduit debts and the administration for the CFDs located in the City; 3) Money seized by law enforcements pending judgement and the disbursements of which on order; 4) bail bonds; 5) Inmate Welfare Fund accounts for miscellaneous receipts collected on behalf of inmates and payments of expenditures for their benefits; and 6) Collections of utility helping hand donations and the related charity disbursements.

Measurement focus and basis of accounting

The governmental funds financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- Revenue is recorded when it is earned, measurable and available (received within 60 days after year-end). Revenue considered susceptible to accrual includes: property taxes, sales and use taxes, transient occupancy taxes, licenses, fees and permits, intergovernmental revenues (including motor vehicle license fees), charges for services, fines, forfeits and penalties, and investment income.
- Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been

accumulated in the debt service fund for payments to be made early in the following year.

- Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds are reported as other financing sources.

With this measurement focus, operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. This is the traditional basis of accounting for governmental funds and also is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance, 2) demonstrate the sources and uses of liquid resources, and 3) demonstrate how the City's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

The proprietary funds financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial statements. Therefore, most lines for the total enterprise funds on the proprietary funds financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the enterprise funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds are eliminated in the consolidation for the government-wide financial statements, but are included in the fund columns in the proprietary funds financial statements. The net costs of the internal service funds are also partially allocated to the business-type activities column on the government-wide financial statements. A reconciliation of the total enterprise funds on the fund financial statements to the business-type activities column on the government-wide financial statements is provided on the face of the fund financial statements.

Enterprise funds account for operations where the intent of the City is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and fees. Under GASB Statement No. 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) the cost of providing services for an activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges, or it is the policy of the City to establish activity fees or charges to recover the cost of providing services, including capital costs.

On the proprietary funds financial statements, operating revenues are those that flow directly from the operations of the activity, i.e. charges to customers or users who purchase or use the goods or services of that activity. Operating expenses are those that are incurred to provide those goods or services. Non-operating revenues and expenses are items such as investment income and interest expense that are not a result of the direct operations of the activity.

The Electric and Water Utility funds follow the uniform system of accounts prescribed by the Federal Energy Regulatory Commission (Electric Utility) and the California Public Utilities Commission (Water Utility). The utilities are not subject to the regulations of these commissions.

The reporting focus for the fiduciary funds is upon net position and changes in net position and employs accounting principles similar to proprietary funds.

Cash and investments

The City pools available cash from all funds for the purpose of increasing income through investment activities. Investments in U.S. Treasury obligations and agency securities and medium term corporate notes are carried at fair value based on quoted market prices. Nonparticipating guaranteed investment contracts, flexible repurchase agreements are carried at cost-based measure. Money market mutual funds and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less are carried at amortized cost (which approximates fair value). The City's investment in the State of California Local Agency Investment Fund (LAIF) is carried at fair value based on the value of each participating dollar as provided by LAIF. LAIF is authorized by California Government Code (Government Code) Section 16429 under the oversight of the Treasurer of the State of California. Commercial paper, participating guaranteed investment contracts and negotiable certificates of deposit are carried at amortized cost (which approximates fair value). Interest income, which includes changes in fair value, on investments is allocated to all funds on the basis of daily cash and investment balances. See note 3 for further discussion.

For purposes of the basic financial statements, the City considers cash equivalents to be highly liquid short-term investments that are readily convertible to known amounts of cash and mature within three months of the date they are acquired. Cash and cash equivalents are included in the City's cash and investments pool and in accounts held by fiscal agents.

Inventories

Inventories are stated at average cost which consist of expendable supplies, electrical parts, and vehicle repair parts. The cost of such Inventories are recorded as expenditures/expenses when consumed rather than when purchased.

Prepaid and other assets

Certain payments to vendors such as insurance premiums, prepaid power, prepaid rent, prepaid software maintenance and deposits for real property acquisitions reflect costs applicable to future periods and are recorded as prepaid and other assets in both government-wide and fund financial statements. The costs of these prepaid items are recorded as expenditures/expenses in the period when consumed or when the City receives title to the real property rather than when purchased.

Land held for resale

The Housing Authority has recorded parcels of land held for resale in their financial records. The properties held for resale are for the primary purpose of developing low and moderate income housing and are recorded at the lower of cost or estimated net realizable value. At June 30, 2022, land held for resale with an original cost of $10,454 was recorded net of the allowance for decline in value of $4,422 and totaled $6,032, with this amount offset by a restriction of fund balance for low and moderate income housing in the Housing Authority major governmental fund financial statement.

The Long Range Property Management Plan nonmajor Special Revenue Fund records parcels of land held for resale transferred from the Successor Agency to the Anaheim Redevelopment Agency on January 1, 2016 under the authorization of the approved Long Range Property Management Plan of the State of California Health and Safety Code Section 34191.5. The parcels are approved for future developments. The City has recorded the land held for resale equal to the net realizable value of these assets as recorded in the Successor Agency's financial records in the amount of $15,295 net of allowance for decline in value of $5,566 with a corresponding restriction in fund balance for future economic development.

Notes receivable

In the government-wide financial statements, notes receivable of $74,700 includes accrued interest receivable of $18,878, ranging from 3% to 10% interest per annum, and is net of allowances of $2,545 for uncollectible accounts at June 30, 2022. Allowances for uncollectible accounts were estimated based on certain assumptions; therefore, actual results could differ from the estimates.

In the governmental funds financial statements, disbursements for providing notes and loan receivables are recorded as expenditures while the collections of these receivables are recorded as revenues. Due to the extended period of time over which notes receivable are to be collected and the contingent nature of certain sources of repayment, the City has recorded deferred inflows of resources equal to the outstanding principal and accrued interest balance, net of allowances of the notes receivable.

Leases

Lessor: The City is a lessor for non-cancellable leases of office space, building and land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental and proprietary funds' financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the interest rate as stated on the lease agreements. When the interest rate is not stated, the City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will re-measure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The City is also a lessor of various ground leases that lease payment requirements are dependent on residual receipts generated from the leasing assets. The City records the residual receipts as inflow of resources when receives.

Lessee: The City is a lessee for noncancellable leases of equipment, building and land. The City recognizes a lease liability and an intangible right-to-use leased assets in the government-wide financial statements and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The leased asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the leased asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeassure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Leased assets are reported with other capital assets and lease liabilities are reported with long-term debts on the statement of net position.

Payments due under the lease contracts include fixed payments plus, for certain of the City's leases, variable payments, primarily maintenance charges. Maintenance charges are accounted for as outflow of resources when incurred, and are not included in the measurement of the lease liability.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the City under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the City exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of the city's land leases.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Variable payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate), initially measured using the index or rate as of the commencement of the lease term.

Restricted assets

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted on the Statement of Net Position or Balance Sheet, because they are maintained in separate bank accounts and their use is limited by applicable debt covenants. Additionally, resources set aside by the Electric Utility for the future decommissioning of its former ownership share of the San Onofre Nuclear Generating Station, Units 2 and 3 (SONGS) and the San Juan (SJ) Generating Station, Unit 4, are classified as restricted on both the government-wide Statement of Net Position and proprietary funds Statement of Net Position.

Capital assets

Under GASB Statement No. 34, all capital assets, whether owned by governmental activities or business-type activities are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the City), are defined as assets with an initial, individual cost of more than $5 ($50 for infrastructure) and an estimated useful life of greater than one year.

Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value rather than fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital assets lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Major outlays for capital assets and improvements are capitalized as the projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings, structures and improvements	5 to 85 years
Utility plant	5 to 75 years
Machinery and equipment	2 to 40 years
Infrastructure	25 to 75 years

The net book value of capital assets retired or disposed of, related salvage value proceeds and the costs of removal are recorded in accumulated depreciation in the Electric Utility and Water Utility Funds. In all other cases, these amounts are recorded as gains or losses on disposal of capital assets.

Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

Debt issuance costs

Debt issuance costs, with the exception of prepaid insurance costs, are recognized as outflow of resources (expense/expenditure) in the period when the debt is issued. Prepaid insurance costs are capitalized and amortized over the lives of the related debt issues on a basis that approximates the effective-interest method.

Bond refunding costs

Bond refunding costs are deferred and amortized over the life of the new bond or over the life of the old bond, whichever is shorter, on a basis that approximates the effective-interest method. These costs are shown as a deferred outflow of resources on the Statement of Net Position.

Accretion

Accretion is an adjustment of the difference between the prices of a bond or certificates of participation (COP) issued at an original discount and the par value of the bond or COP. The accreted value is recognized as it accrues by fiscal year.

Deferred outflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. In the government-wide statement of net position, the City reported the following in this category:

1. Deferred charges on refunding bonds - A deferred charge on refunding bonds results from the difference in the carrying value of debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The City reported $25,972 (this amount includes $3,825 deferred loss from refunding bonds and $22,147 payments of future interest resulting from partial defeasance of capital appreciation bonds) in governmental activities and $15,210 in business-type activities in this category.

2. Deferred outflows of OPEB related items - these balances represent current fiscal year contribution to the OPEB Trust that will be applied as a reduction in net OPEB liability in the next fiscal year; or other items arising from changes in actuarial assumptions, difference between actual and projected experience, difference between actual and projected investment gains/losses or changes in a fund's proportionate share of the net OPEB liability; the amount will be amortized and reported as a component in OPEB expense in future fiscal years (refer to discussion of OPEB Plan). The City reported $26,629 in governmental activities and $8,118 in business-type activities in this category.

3. Deferred outflows of resources of pension related items - these balances represent current fiscal year contribution to the pension plans that will be applied as a reduction in net pension liability in the next fiscal year; or other items arising from changes in actuarial assumptions, difference between actual and projected experience, difference between actual and projected investment gains/losses or changes in a fund's proportionate share of the net pension liability; the amount will be amortized and reported as a component in pension expense in future fiscal years (refer to discussion of Pension Plans). The City reported $90,512 in governmental activities and $22,895 in business-type activities in this category.

Deferred inflows of resources

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents acquisitions of net assets that apply to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reported the following in this category:

1. Deferred inflow related to unavailable resources, which include revenues, notes and long-term receivable, due from the Successor Agency, measured under the modified accrual basis of accounting reported in governmental funds. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

	General Fund	Housing Authority	Nonmajor Governmental Funds	Total
Governmental Funds:				
Grants		$ 894	$ 16,185	$ 17,079
Other revenues	$ 7,973		140	8,113
Long-term notes and loans receivable	657	49,863	21,775	72,295
Total	$ 8,630	$ 50,757	$ 38,100	$ 97,487

2. Regulatory credits - accumulated from collections of the Electric and Water Utility customers reported in business-type activities. These amounts provide recovery in current period for costs to be incurred in future periods (refer to the discussion of Regulatory Credits below).

	Business-type Activities
Enterprise Funds:	
Electric Utility	$ 103,227
Water Utility	2,426
Total	$ 105,653

3. Deferred inflow from regulated business activities reported in business-type activities totaled $15,703 represented the excess funding of asset retirement obligations primarily resulting from the accumulation of investment earnings from the decommissioning irrevocable trust account. Refer to note 1 on page 69 of the notes to the financial statements of this report.

4. Deferred inflow related to leases - the City, as lessor, recognizes a lease receivable and a deferred inflow of resources which is initially measured at the present value of lease payments expected to be received during the lease term adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources is recognized as a revenue over the life of the lease term. The City reports $12,706 in governmental activities and $10,166 in business-type activities in this category.

5. Deferred inflow related to refunding bonds includes gains from debt refunding. The City reports a total of $13,728 in business-type activities in this category.

6. Deferred inflows of resources related to OPEB represents changes in total OPEB liability arising from changes in actuarial assumptions; difference between actual and projected plan experiences; difference between actual and projected investment gains/losses or changes of the Fund's proportionate share of the net OPEB liability. This amount will be amortized and included as a component in OPEB expenses in future fiscal years. Refer to discussion of the OPEB Plan in note 14 of the notes to the financial statements on pages 109-112 of this report. The City reported $51,214 in governmental activities and $18,470 in business-type activities in this category.

7. Deferred inflows of resources related to pension are certain changes in total pension liability and fiduciary net position that are to be amortized and recognized as a component in pension expenses in future fiscal years. These are the balances that arise from changes in actuarial assumptions; difference between actual and projected experience; difference between actual and projected investment gains/losses or changes in the Fund's proportionate share of the Plan's net pension liability. Refer to discussion of Pension Plans in note 13 of the notes to the financial statements on pages 103-108 of

this report. The City reported $187,023 in governmental activities and $57,927 in business-type activities in this category.

Regulatory credits

The Electric Utility's Rates, Rules, and Regulations provide for the Rate Stabilization Account (RSA), which contains two components: the Power Cost Adjustment (PCA) that was adopted by City Council on April 1, 2001, and the Environmental Mitigation Adjustment (EMA) that was adopted by the City Council on January 13, 2009. The PCA has mitigated variations in the power supply or fuel costs. The EMA allows the recovery of environmental mitigation costs, such as greenhouse gas emissions costs, the marginal cost differential between renewable power and traditional fossil-fuel-based power. The RSA provides the City with operational and billing flexibility to mitigate material fluctuations in the cost of energy, loss of revenues, or unplanned costs including unexpected long-term loss of a generating facility, unplanned limits on the ability to transmit energy to the City, or major disasters. The RSA funded by PCA and EMA collections is billed to customers through standard rates.

The Electric Utility restructured its rates effective September 1, 2015 in order to more effectively align the recovery of the Electric Utility's costs with the nature of the costs incurred. This was accomplished by reducing the Power Cost Adjustment (PCA) and the Environmental Mitigation Adjustment (EMA) with corresponding increases to base rates. The restructuring was designed to be revenue neutral to the customer.

During fiscal year 2022 the Electric Utility recognized $40,000 in RSA revenues to mitigate the impact of environmental mitigation costs. This amount is included in the operating revenues Sales of retail and wholesale electricity of the Electric Utility Enterprise Fund.

As of June 30, 2022, the PCA rates were $0.0100 per kWh for residential, general commercial, industrial and municipal customers and $0.0048 for large commercial customers. The Electric Utility recorded deferred inflows of resources for regulatory credits related to PCA totaled $45,638. The EMA rates were $0.0105 per kWh for residential, general commercial, industrial and municipal customers and $0.0128 per KWh for large commercial customers. The deferred inflows of resources recorded for regulatory credits related to EMA totaled $57,589.

The Water Utility's rates, rules and regulations provide for a water regulatory credit account to reflect variations in the cost of water to the Water Utility and provide more stable retail water rates to the customers of the City's Water Utility. This rate stabilization account (RSA) provides increased flexibility by allowing the Water Utility to maintain financial performance indicators and goals specified in bond covenants. The account is funded through expense reimbursements such as water supply cost refunds received from the Metropolitan Water District and Orange County Water District and other miscellaneous credits and revenue. At June 30, 2022, the deferred inflows of resources recorded for regulatory credits totaled $2,426 for the Water Utility. During fiscal year 2022, no RSA revenue was recognized.

Compensated absences

Compensated absences, vacation and sick pay, for all City employees are generally paid by the General Benefits and Insurance Fund, an internal service fund. The General Benefits and Insurance Fund is reimbursed through payroll charges to all other funds based on estimates of benefits to be earned and used during the fiscal year. It is the policy of the City to pay all accumulated vacation pay when an employee retires or terminates. Accumulated sick pay in excess of 175 hours per employee is paid to employees at their then current rate of pay in January each year or upon termination from the City. Employees are paid for all accumulated sick pay when they retire from the City. Vested vacation and sick pay benefits are accrued when incurred in the General Benefits and Insurance Fund and at June 30, 2022, totaled $23,752 and is included in other long-term liabilities in the Statement of Net Position. Also included in long-term liabilities in the Statement of Net Position at June 30, 2022, is compensatory time liability of $707.

Changes in the City's compensated absences liability in fiscal year 2022 were as follows:

Estimated compensated absences liability at beginning of year	$ 24,665
Estimated compensated absence benefits earned	26,923
Compensated absences used	(27,129)
Compensated absences liability at end of year	$ 24,459

Asset Retirement Obligations (ARO)-Provision for decommissioning costs

GASB Statement No. 83, *Certain Asset Retirement Obligations* effective July 1, 2018. This standard requires the City to record a liability and deferred outflow of resources associated with the retirement of tangible capital assets that it has an enforceable legal obligation to take specific actions to retire. GASB Statement No. 83 requires governmental entities to record a liability and a corresponding deferred outflow at the time there is an external obligating event such as a federal or state regulation, a legally binding contract or court judgment and when there is an internal obligating event which is at the time an asset is acquired or if constructed when placed in service.

Federal regulations require the City's Electric Utility to provide for the future decommissioning costs of its former ownership share of the San Onofre Nuclear Generating Station (SONGS). Prior to the implementation of GASB Statement No. 83, the Electric Utility has established a provision for decommissioning costs of SONGS and the restoration of the beachfront at San Onofre, California, that is used by the plant. A separate irrevocable trust account was established for amounts funded, and these amounts are classified as restricted assets in the Statement of Net Position. The Electric Utility estimated and recorded its asset retirement obligations at the current value of outlays expected to be incurred using a site specific cost study performed by a third-party consultant. Current value is the amount that would be paid if all equipment, facilities, and services included in the estimate were acquired at the end of the current reporting period. This approach includes probability weighting of potential outcomes when this data can be obtained at a reasonable cost.

On June 7, 2013, Southern California Edison (SCE) announced the permanent retirement of the SONGS plant. The Electric Utility's minority interest in SONGS units 2 and 3 is approximately 2.4681% of the total decommissioning costs estimated at $5,242,984 at June 30, 2022. SCE has decommissioning responsibility as well as majority interest of 75.7419%. Other minority owners are San Diego Gas and Electric 20.0%, and the City of Riverside Public Utilities 1.79%. The Electric Utility's minority share interest in SONGS of 2.4681% of the total decommissioning liability, net of payments already made by the Electric Utility, is $76,351 at June 30, 2022. The Electric Utility currently has assets of $90,803 including accrued interest of $472 in an irrevocable trust for the decommissioning costs. The overfunding amounts of $14,452, recorded in the deferred inflows from regulated business activities at June 30, 2022, are held in trust that will be used to reduce rates in the future or return to Electric rate customers if there are any funds remaining at the completion of decommissioning which is expected to take approximately 30 to 40 years. During fiscal year 2022, the Electric Utility paid $4,180 related to SONGS decommissioning costs.

The Electric Utility was also previously a minority owner of the San Juan Generation Station (SJ) located in San Juan, New Mexico and is responsible for the future decommission costs related to its former ownership share in Units 2 and 3. The Electric Utility's minority share interest in SJ is 3.1% of the total estimated decommissioning liability of $174,130. PNM Resources, Inc. has decommissioning responsibility as well as majority interest of 46.297%. Other minority owners are Texas-New Mexico Power Company 19.8%; Southern California Public Power Authority 12.71%; M-S-R Public Power Agency 8.7%; the City of Farmington, New Mexico 2.559%; Tri State Generation and Transmission Associates, Inc. 2.49%; the Incorporated County of Los Almos, New Mexico 2.175%; and Utah Associated Municipal Power Systems 2.169%. In fiscal year 2022, The Electric Utility's percentage liability decreased from 3.1% to 2.7% as the plant continues to operate after the Electric Utility transferred its ownership rights on December 31, 2017. As of June 30, 2022, the Electric Utility has recorded a provision for decommissioning costs for SJ of $5,398 with assets of $6,079 in the City's restricted cash account for the decommissioning costs. The overfunding amount of $681, recorded in the deferred inflows from regulated business activities at June 30, 2022, will be returned to Electric rate customers if there are any funds remaining at the completion of the decommissioning which is expected to take approximately 20 to 40 years. The Electric Utility recorded its proportionate share of the asset retirement obligations based on its former ownership percentages of estimates made by the primary owners of the assets which measured their respective liability under standards set by the GASB.

In 2020, the Kraemer Combustion Turbine plant (CT) located in the northeast part of the City was taken out of service and will be decommissioned as part of the Electric Utility's responsibility to provide for the repurposing of the site for use for future needs of our customers. The Electricity Utility owns 100% of the plant. The Electric Utility has recorded a provision for decommissioning costs for the CT of $6,030.

The Electric Utility had the following asset retirement obligations as of June 30, 2022:

Asset	Obligating Event	Beginning	Additions	Payments	Ending
SONG	Ownership Agreement	$ 69,461	$ 11,070	$ (4,180)	$ 76,351
SJ	Ownership Agreement	5,398			5,398
CT	Ownership	6,030			6,030
		$ 80,889	$ 11,070	$ (4,180)	$ 87,779

Pension plan

Full-time City employees are members of the State of California Public Employees' Retirement System (CalPERS). The City's policy is to fund all annual required actuarially determined contribution (ADC); such costs to be funded are determined annually as of July 1 by the CalPERS's actuary. The City maintains three Pension Plans with CalPERS - Miscellaneous Plan, Police Safety Plan and Fire Safety Plan. See note 13 for further discussion.

Payments of the ADC are liquidated from the Funds where the employees' payroll expenses are charged. The Police and Fire Safety Plans are liquidated from the General Fund, and the Grant nonmajor special revenue funds. The Miscellaneous Plan is allocated among all City Funds that include the General Fund, the Housing Authority major special revenue fund, all nonmajor capital project funds, all nonmajor special revenue funds, and all proprietary funds, in proportion to the Fund's payroll expenses.

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

Postemployment benefits other than pension (OPEB)

Regular, full time employees meeting certain eligibility requirements are provided the OPEB benefits. The City is a participant in the California Employers Retiree Benefit Trust (CERBT). It is the City's policy to fund all annual required actuarially determined contributions (ADC) determined by an actuarial valuation.

Payments of the ADC are allocated among all City Funds in proportion to the Fund's full time payroll expenses in the General Fund, the Housing Authority major special revenue fund, all nonmajor capital project funds, all nonmajor special revenue funds and all proprietary funds.

For purposes of measuring the net OPEB liability and deferred outflows/ inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plan and additions to/ deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CERBT. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See note 14 for further discussion.

On October 1, 2005, the City and the International Brotherhood of Electrical Workers (IBEW), Local 47, entered into a Letter of Understanding related to the Retiree Medical Plan. Under the Plan, the IBEW would establish a union trust (Trust) for the sole and exclusive purpose of providing post-retirement medical benefits to IBEW bargaining unit employees employed by City of Anaheim on October 1, 2005, and their eligible surviving spouses and dependents. The City agreed to transfer to the Trust for each employee in the IBEW bargaining unit the one-time post-retirement medical reserve allocations, and the IBEW and City also agreed that the sum of four percent of base biweekly pay shall be contributed by the employees of the IBEW bargaining unit to the Retiree Medical Plan. It should be noted that the Trust does not constitute a City-sponsored OPEB defined benefit plan and furthermore, that the City's responsibility is limited to contributions negotiated with the IBEW, as such, there is no related retiree-medical liability included in the City's OPEB plan.

Net position restricted by enabling legislation

The government-wide Statement of Net Position reports $277,443 of governmental activities restricted net position, of which $68,223 is restricted by enabling legislation.

Fund balances

In the fund financial statements, governmental funds report the following classifications:

- Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories, prepaid or long term loans and notes receivable.
- Restricted fund balance includes amounts when constraints placed on the use of the resources are either imposed by external resource providers, constitutional provisions or enabling legislation.
- Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the City's highest level of the decision-making authority. The City Council is the highest level of decision-making authority that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action by the City Council to remove or revise the limitation.
- Assigned fund balance includes amounts that the City intends to use for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council has by Resolution authorized the City Manager or his designee to establish, modify or rescind an assigned fund balance.
- Unassigned fund balance accounts for the residual balance of the City's general fund and includes all spendable amounts not contained in other classifications. In other governmental funds, the unassigned classification reports a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

Generally, the City would first apply restricted resources when expenditures incurred for which both restricted and unrestricted resources are available. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is applied first, followed by assigned fund balance. Unassigned fund balance is applied last.

In all governmental funds, encumbered amounts have been restricted or assigned for specific purposes for which resources have already been allocated. On June 30, 2022, encumbrances totaled $1,228, $126 and $7,023 in the General Fund, Housing Authority Special Revenue Fund, and other nonmajor governmental funds, respectively.

The accumulated deficit fund balances at June 30, 2022 of $11,899 in the Streets Construction, and $309 in the Transportation Improvement Projects non major Capital Project Funds, will be eliminated in future years by the receipt of reimbursements for grant expenditures.

Deficit Net Position - Internal Service Funds

The accumuated deficit net position at June 30, 2022 of $13,988 in the General Benefits and Insurance, and $2,156 in the Information and Communication Services will be eliminated in future years by charges to user departments.

Deficit Net Position - Successor Agency Fiduciary Fund

The accumulated deficit net position at June 30, 2022 of $137,094 will be eliminated in future years by the receipts of Redevelopment Property Tax Trust Fund (RPTTF) revenue allocations.

Budgetary principles

The City is required by its charter to adopt an annual budget on or before June 30 for the ensuing fiscal year. The General, special revenue, debt service, and capital projects governmental fund types and proprietary fund types have legally adopted budgets approved by City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level. From the effective date of the budget, the amounts stated herein as proposed expenditures/expenses become appropriations to the various City departments. Throughout the fiscal year the budget was amended to add supplemental appropriations. All amendments to the budget which change the total appropriation amount for any department require City Council approval and all increases in appropriations in operating expenditures must be accompanied by an increase in revenue sources of a likely amount to maintain a balanced budget. The City Manager has the authority to change individual budget line items within a department as long as the total department's appropriation amount is not changed.

The City utilizes an encumbrance system as a management control technique to assist in controlling expenditures. All appropriations lapse at the end of the fiscal year, except for capital projects which are carried forward until such time as the project is completed or terminated and for encumbered balances that are re-appropriated in the next fiscal year.

GASB Statement No. 34 allows that budgetary comparison statements for the General Fund and major special revenue funds be presented in the basic financial statements rather than as Required Supplementary Information. These statements must display original budget, amended budget and actual results.

Budgeted revenue amounts represent the original budget modified by City Council authorized adjustments during the year, which were contingent upon new or additional revenue sources. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. Budgets are generally prepared in conformity with GAAP using the modified accrual basis of accounting, with the exception of capital leases, or other similar instruments, and land held for resale, which are budgeted on a cash basis.

Property taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments due on November 1 and February 1 and become delinquent after December 10 and April 10. The County of Orange, California (County) bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when levied in the governmental funds to the extent that they result in current receivables collectible within 60 days after year-end. See note 10 for discussion of pledged property tax revenues.

The County is permitted by State law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the property tax rate no more than 2% per year from the full market value at the time of purchase. The City receives a share of this basic levy proportional to what it received in the 1976 and 1978 periods.

Entitlements, shared revenues and grants

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized in the fund financial statements as revenue when the qualifying expenditures have been incurred, all eligibility requirements have been met, and reimbursement is received within the availability period.

Revenue recognition for Electric Utility, Water Utility, and Sanitation Utility Funds

Revenue, net of uncollectible amount, is recorded in the period in which services are provided. Most residential and smaller commercial customers are billed bimonthly and all other customers monthly. At June 30, 2022 unbilled but earned service charges recorded in accounts receivable for the Electric Utility, Water Utility, and Sanitation Utility Funds amounted to $24,491, $1,508, and $4,302, respectively. See note 10 for discussion of pledged revenues.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. As such, actual results could differ from those estimates.

NOTE 2 – NEW ACCOUNTING PRONOUNCEMENTS

The City adopted the following new accounting pronouncements issued by the GASB during the current fiscal year ended June 30, 2022:

- Statement No. 87, *Leases*. This statement establishes accounting and financial reporting standards focused on certain lease liabilities that currently are not reported. Comparability of financial statements among governments will be enhanced by requiring lessees and lessors to report leases under a single model. Decision-usefulness will also be enhanced by requiring notes to financial statements related to the timing, significance, and purpose of leasing arrangements. The City implemented the requirements of this Statement effective July 1, 2021.

In implementing Statement No. 84, the City re-measured the previously recorded Technology equipment capital leases. As there were no stated interest rates on these lease agreements, the City applied the incremental borrowing rate. The re-measurement causes a reduction to previously recorded net position by $500. An adjustment was also made to reduce the previously recorded net position by $5,793 from de-recognizing the lease receivable balances of certain ground leases. Lease payments of these ground leases are dependent on the leasing assets' annual residual receipts.

The following table provides a reconciliation of net position at June 30, 2021 as previously reported, to net position at June 30, 2021, as restated:

Governmental activities:	
Net position as previously reported at 6/30/2021	$ 684,062
Adjustment- ground lease receivable with no fixed payment terms	(5,793)
Adjustment - remeasurement of previously recorded equipment capital lease	(500)
Total adjustments	(6,293)
Net position, as restated at 6/30/2021	$ 677,769

- Statement No. 92, *Omnibus 2020*. The Statement addresses a variety of practice issues that have been identified during implementation and application of certain GASB Statements including specific provisions in the effective date of Statement No. 87, Leases, and implementation Guide No 2019-3, Leases; accounting and financial reporting for pension and other postemployment benefits, reporting for intra-entity transfers of assets, fiduciary activities, measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition, reporting by public entity risk pools for amounts that are recoverable for reinsurers or excess insurers, nonrecurring fair value measurements of assets or liabilities and terminology used to refer to derivative instruments. The City implemented the requirements of this statement effective July 1, 2021.
- Statement No. 93, *Replacement of Interbank Offered Rates*. The City implemented the requirements of this Statement effective July 1, 2021.
- Statement No. 99, *Omnibus 2022*. The requirement related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

The City had early implemented Statement No. 89, No. 97 and 98 in the prior fiscal year. Implementations of the above GASB Statements have no material effect on amounts reported in the City's financial statements at June 30, 2022.

The City is currently reviewing its accounting practices to determine the potential impacts on the financial statements for the following GASB Statements:

- Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The Requirements of this Statement are effective for reporting periods beginning after December 15, 2021.
- Statement No. 94, *Private-Private and Public-Public Partnerships and Availability Payment Arrangements*. A Public-Private and Public-Public Partnership (PPP) is an arrangement in which a government (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Availability payment arrangements (APS) have also been used in practice to procure governmental services. This Statement establishes standards of accounting and financial reporting for PPPs and APAs for governments. The requirements of this Statement are effective for the fiscal year that ends June 30, 2023.
- Statement No. 96, *Subscription-Based Information Technology Arrangements*. Subscription-Based Information Technology Arrangements (SBITAS) are arrangements that governments enter into vendor-provided information technology, software and associated tangible capital assets for subscription payments without granting governments perpetual license or title to the IT software and associated tangible capital assets. This Statement establishes accounting and financial reporting for SBITAS. The requirements for this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.
- Statement No. 99, *Omnibus 2022*. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.
- Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62.* The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.
- Statement No. 101, *Compensated Absences*. This Statement amends the existing requirements to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability. In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning December 15, 2023, and all reporting periods thereafter.

NOTE 3 – DEPOSITS AND INVESTMENTS:

The City maintains a cash and investment pool, which includes the cash balances of all funds, and is invested by the City Treasurer to enhance interest earnings. The pooled interest earned, net of administrative fees, is reallocated to each fund based on their respective average daily cash balances.

The City's pooled investment fund is rated AA+f/S1 by Standard and Poor's Corporation (S&P).

The City's investment policy further limits the permitted investments in Government Code Sections 53600 et al, 16429.1 and 53684 to the following: obligations of the United States government, federal agencies, and government sponsored enterprises; medium-term corporate notes; certificates of deposit; bankers' acceptances; commercial paper; LAIF; repurchase agreements; reverse repurchase agreements; supranationals; asset-backed securities, and money market mutual funds.

Deposits and investments are comprised of the following at June 30, 2022:

	Cash and Cash Equivalents	Investments	Restricted Cash and Cash Equivalents	Restricted Investments	Total
Governmental activities:					
General Fund	$ 46,447	$ 129,910	$ 6,150	$ 12,059	$ 194,566
Housing Authority	18,542	48,166	5,805		72,513
Nonmajor governmental funds	40,975	105,743	78,115	79,865	304,698
Internal service funds	20,628	53,492	6,500		80,620
Total governmental activities	126,592	337,311	96,570	91,924	652,397
Business-type activities:					
Electric Utility	41,841	53,094	166,820	162,225	423,980
Water Utility	21,975	23,289	39,592	6,211	91,067
Sanitation Utility	13,659	35,419	7,808	17,442	74,328
Golf Courses	718	680			1,398
Convention, Sports & Entertainment Venues	10,213	26,483	9,070		45,766
Total business-type activities	88,406	138,965	223,290	185,878	636,539
Government-wide totals	214,998	476,276	319,860	277,802	1,288,936
Fiduciary funds			32,097	6,387	38,484
Total cash and investments	$ 214,998	$ 476,276	$ 351,957	$ 284,189	$ 1,327,420

Deposits and investments are comprised of the following at June 30, 2022:

Deposits	$ 20,758
Investments and cash equivalents	1,306,662
Total deposits and investments	$ 1,327,420

At June 30, 2022, deposits of $20,758 with a corresponding bank balance of $30,441, were maintained in various federally regulated financial institutions. The difference of $9,683 represents deposits in transit, outstanding checks, and other reconciling items. Deposits with bank balances of $1,750 are insured by the Federal Depository Insurance Corporation. For deposits with bank balances totaling $28,691, California state statutes require federally regulated financial institutions to secure a city's deposits by pledging collateral consisting of either government securities with a value of 110% of a city's total deposits or by pledging first trust deed mortgage notes having a value of 150% of a city's total deposits. The collateral is required by regulation to be held by the counterparty's agent in the name of the City.

Investments

The City Treasurer prepares an investment policy statement annually, which is presented to the Budget, Investment and Technology Commission for review and the City Council for approval. The approved investment policy Statement is submitted to the California Debt and Investment Advisory Committee in accordance with Government Code.

The policy provides the basis for the management of a prudent, conservative investment program. Public funds are invested for the maximum security of principal and to meet daily cash flow needs while providing a return. All investments are made in accordance with the Government Code and, in general, the City Treasurer's policy is more restrictive than Government Code.

Investments authorized by the Government Code and the City's investment policy

The following table identifies the investment types that are authorized for the City by its investment policy which is more restrictive than Government Code. The table also identifies certain provisions of the City's investment policy that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer	(S&P/ Moody's / Fitch)
U.S. Treasury obligations	5 Years	100%	None	None
U.S. agency securities	5 Years	100%	40%	None
Banker's acceptances	180 days	40%	5%	None
Commercial paper	270 days	25%	5%	A-1;P-1;F-1
Negotiable certificates of deposit	365 days	25%	5%	None
Repurchase agreements	1 Year	30%	None	None
Reverse repurchase agreements	90 days	20%	None	None
Medium-term corporate notes	5 Years	30%	5%	A-
Money market mutual funds	N/A	20%	10%	AAA
LAIF	N/A	$75 million per account	$75 million per account	None
Time Certificate of Deposit	1 year	20%	5%	None
Supranationals	5 Years	20%	10%	AA

*Excluding amounts held by bond trustees that are not subject to Government Code restrictions

The City's pooled investments comply with the requirements of the investment policy. GAAP requires disclosure of certain investments in any one issuer that exceeds five percent concentration of the total investments. At June 30, 2022, the following investments represent five percent or more of the City's total pooled investments.

Issuer	Investment Type	Fair Value	%
U.S. Treasury obligations	Treasury securities	$ 161,168	23%
Federal Home Loan Bank	U.S. agency securities	118,116	17%
Federal Farm Credit Bank	U.S. agency securities	110,524	16%
LAIF	Local Agency Investment Fund	81,037	12%
Wells Fargo Government Institution	Money Market Mutual Funds	47,254	7%
Federal National Mortgage Association	U.S. agency securities	42,816	6%

Investments authorized by debt agreements

Investment of debt proceeds held by bond trustees is governed by provisions of the debt agreements, rather than the general provisions of the Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage Allowed	Investment in One Issuer
U.S. Treasury obligations	None	None	None
U.S. agency securities	None	None	None
Guaranteed investment contracts	None	None	None
Collateralized investment contracts	None	None	None
Flexible repurchase agreements	None	None	None
Money market mutual funds	None	None	None
LAIF	None	None	None

At June 30, 2022, the following invetments represent five percent or more of the City's total investments controlled by bond trustees:

Issuer	Investment Type	Fair Value	%
First American Treasury Obligations	Money market mutual fund	$ 263,124	42%
U.S. Treasury obligations	Treasury securities	164,684	26%
Dreyfus Treasury	Money market mutual fund	57,591	9%
Morgan Stanley	Flexible Repurchase Agreement	41,755	7%
Federal Farm Credit Bank	U.S. agency securities	30,317	5%

All guaranteed investment contracts have downgrade language that requires collateral should credit ratings drop below certain levels.

Investment in the State of California Local Agency Investment Fund (LAIF):

The City is a voluntary participant in LAIF that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investment in LAIF is carried at fair value in the accompanying financial statement based on the pro-rata share of the fair value of each participating dollar as provided by LAIF. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Regular LAIF accounts are subject to limitation of $75 million cap per account and 15 transactions a month. Withdrawal can be made same day but LAIF requires one day advanced notice for withdrawal amount $10 million or greater.

Custodial credit risk

Custodial credit risk for investments is the risk that the City will not be able to recover the value of investment securities that are in the possession of an outside party. All securities owned by the City with the exception of LAIF and money market mutual funds are deposited in trust for safekeeping with a custodial bank different from the City's primary bank. Securities are not held in broker accounts. Funds held by LAIF and money market mutual funds are held in the City's name.

Custodial credit risk for investments held by bond trustees is the risk that the City will not be able to recover the value of investment securities that are in the possession of an outside party. All securities held by bond trustees are in the name of the bond issue in trust for safekeeping with the bond trustee, which is different from the City's primary bank.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City Treasurer mitigates this risk by investing in longer-term securities only with funds that are not needed for current cash flow purposes and holding these securities to maturity. The City Treasurer uses the segmented time distribution method to identify and manage interest rate risk. In accordance with the City investment policy, the City Treasurer monitors the segmented time distribution of its investment portfolio and analysis of cash flow demand.

Investments held by bond trustees are typically long-term securities which are not adversely affected by interest rate changes. Guaranteed investment contracts for construction funds are usually limited to three years or less. Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity at June 30, 2022.

City's investments (including investments held by bond trustees) to market interest rate fluctuations and the distribution of the City's investments by maturity at June 30, 2022:

Cash Equivalents & Investments	Credit Rating (S&P/Moody's)	Fair Value 6/30/2022	12 months or less	13 to 24 Months	25 to 36 Months	37 to 60 Months
Cash equivalents & investments controlled by City Treasurer:						
U.S. treasury obligations	N/A	$ 161,167	$ 84,317	$ 9,970	$ 19,498	$ 47,382
U.S. agency securities	AA+, Aaa	295,662	113,035	82,054	57,384	43,189
Medium term notes	AA+, Aaa	38,571	14,974	4,938	14,162	4,497
Medium term notes	AA, Aa2	4,999	4,999			
Medium term notes	AA-, Aa3	17,953	7,995	9,958		
Medium term notes	A+, A2	9,371			9,371	
Medium term notes	A, A2	14,129			9,618	4,511
Supranationals	AAA, Aaa	9,118				9,118
Supranationals	AA+, Aaa	11,496				11,496
Money market mutual funds	Unrated	48,405	48,405			
LAIF	Unrated	81,037	81,037			
Total cash equivalents & investments controlled by City Treasurer		691,908	354,762	106,920	110,033	120,193
Cash equivalents & investment controlled by bond trustees:						
U.S. treasury obligations	N/A	164,684	122,909	21,242	18,861	1,672
U.S. agency securities	AA+.Aaa	39,234	1,454	20,503	9,580	7,697
Flexible repurchase agreements	Unrated	57,001				57,001
Money market mutual funds	Unrated	334,912	334,912			
LAIF	Unrated	18,923	18,923			
Total cash equivalents & investments controlled by bond trustees		614,754	478,198	41,745	28,441	66,370
Total cash equivalents & Investments		$ 1,306,662	$ 832,960	$ 148,665	$ 138,474	$ 186,563

Fair Value Measurement:

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices.

However, in certain instances, there are no quoted market prices for the City's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including discount rates and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

The City groups its assets and liabilities measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. The three levels of the fair value hierarchy are as follows:

- Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities for identical assets or liabilities that the City has the ability to access at the measurement date.
- Level 2 of the fair value hierarchy are valued using a matrix pricing technique utilizing market data including, but not limited to benchmark yields, reported trades, and broker-dealer quotes. Matrix pricing is the process of estimating the market price of a bond based on the quoted prices of more frequently traded comparable bonds.
- Level 3 inputs are unobservable inputs for the asset or liability. This valuation is accomplished using management's best estimate of fair value, with inputs into the determination of fair value that require significant management judgment or estimation. The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The City has the following recurring measurements as of June 30, 2022:

		Fair Value Measurement Using		
Investment by fair value level	6/30/2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant other Observable Inputs (Level 2)	Not Required to be leveled
Debt securities:				
U.S. Treasury Obligations	$ 325,851		$ 325,851	
U.S. Agency Securities	334,896		334,896	
Supranational	20,614		20,614	
Medium Term Corporate Notes	85,023		85,023	
LAIF	99,960			$ 99,960
Subtotal	866,344		$ 766,384	$ 99,960
Investments measured at cost-based:				
Flexible repurchase agreements	57,001			
Money Market Mutual Funds	383,317			
Subtotal	440,318			
Total	$1,306,662			

NOTE 4 – ACCOUNTS RECEIVABLE, DUE FROM OTHER GOVERNMENTS, DUE FROM THE SUCCESSOR AGENCY, INTERFUND RECEIVABLE AND PAYABLE BALANCES, AND CERTAIN INTERFUND TRANSACTIONS:

Accounts receivable

Accounts receivable for the City's governmental and business-type activities, including the applicable allowance for uncollectible accounts at June 30, 2022, are as follows:

	Accounts Receivable	Less Allowance for Uncollectible	Total
Governmental activities:			
General Fund	$ 37,238	$ (5,977)	$ 31,261
Housing Authority	237	(154)	83
Nonmajor governmental funds	2,497	(8)	2,489
Internal service funds	2,509	(9)	2,500
Total governmental activities	42,481	(6,148)	36,333
Business-type activities:			
Electric Utility	60,879	(8,628)	52,251
Water Utility	25,778	(1,577)	24,201
Sanitation Utility	13,286	(3,158)	10,128
Golf Courses	85		85
Convention, Sports & Entertainment Venues	5,807	(126)	5,681
Total business-type activities	105,835	(13,489)	92,346
Total accounts receivable, net	$ 148,316	$ (19,637)	$ 128,679

Due from other governments

Due from other governments for the City's governmental activities at June 30, 2022, are as follows:

	Taxes	Grants	Other	Total
Governmental activities:				
General Fund	$ 22,272	$ 305	$ 3,166	$ 25,743
Housing Authority		934		934
Nonmajor governmental funds	5	24,336	230	24,571
Total due from other governments	$ 22,277	$ 25,575	$ 3,396	$ 51,248

Revenues are reported net of estimated uncollectible amounts. Total estimated uncollectible amounts related to revenues of the current period are as follows:

General fund	$ 220
Electric Utility	782
Water Utility	271
Sanitation Utility	1,314
Convention, Sports & Entertainment Venues	31
Total	$ 2,618

Due from the Successor Agency

At June 30, 2022, the amount due from the Successor Agency is $5,000. Due to the extended period of time over which the receivables for the HUD loan agreements are to be collected, the City has recorded expenditures at the time the loans were provided and deferred inflows of resources equal to the amount due in the nonmajor special revenues funds ($3,295) and the nonmajor capital project fund ($1,705).

- On April 1, 2003, the City and the former Anaheim Redevelopment Agency entered into a Cooperation Agreement whereby the City assisted the Redevelopment Agency with the development of Westgate utilizing $10,000 of funds from the HUD Section 108 loan program. The amount is due to the City by annual installment through June 2024. At June 30, 2022, the amount due is $1,705.
- On June 1, 2010, the City and the former Anaheim Redevelopment Agency entered into a Cooperation Agreement whereby the City assisted the Redevelopment Agency with the rehabilitation of the historic Packing House site utilizing $7,000 of funds from the HUD Section 108 $15,000 loan proceeds. The amount is due to the City by annual installment through June 2031. At June 30, 2022, the amount due is $3,295.

Interfund receivable and payable balances

Net internal balances between governmental activities and business-type activities of $25,386 are included in the government-wide financial statements at June 30, 2022.

Interfund receivables and payables that are included in the fund financial statements at June 30, 2022, are as follows:

	Interfund Receivable:					
	General Fund	Housing Authority	Nonmajor governmental funds	Internal service funds	Electric Utility	Total
Interfund Payable:						
Governmental Funds:						
General Fund		$ 7,425		$ 33,031	$ 310	$ 40,766
Nonmajor governmental funds		1,133	$ 11,409			12,542
Enterprise Funds:						
Water Utility					1,032	1,032
Convention, Sports & Entertainment Venues	$ 7,301					7,301
Internal Service Funds					39	39
Total	$ 7,301	$ 8,558	$ 11,409	$ 33,031	$ 1,381	$ 61,680

All interfund balances at June 30, 2022 are generally short-term loans to relieve temporary cash deficits in various funds, except the following interfund balances that are expected to be repaid in more than one year:

General Fund

In 2020, $33 million interfund loan was made between the General Fund and the General Benefits and Insurance Fund, an Internal Service Fund of the City, to provide cash relief due to general tax revenue shortfall resulting from the COVID-19 pandemic and the California Stay-At-Home order. The fund will be repaid over ten years at the City of Anaheim Treasury Investment Portfolio earning rate.

Electric Utility

- In 2015, the Public Utility Customer Service Information System Project was completed and placed in service. The Electric Utility paid for the total cost of the project. The Water Utility portion of the total cost is $3,484, payable in annual amounts of not less than $344 beginning July 2016 until July 2024. The outstanding balance at June 30, 2022 is $1,032.
- The Public Utility, Public Works and Community Services Departments entered in various Memorandum of Understanding (MOU) whereby the Public Utility agreed to provide low-interest financial assistance to fund project costs in implementing resource efficiency measures in various City facilities, City Parks and City libraries. The funds will be repaid over five years.

1. In October 2016, $309 was provided to fund the costs of the security light and photocell replacement resource efficiency upgrading projects in various City parks. Interest rate is 0.65% per annum. Monthly principal and interest payment is $5 payable from unrestricted general fund resources. At June 30, 2022, the balance is $53.

2. In November 2016, $231 was provided to fund the costs of the general office lighting and parking garage structure resource efficiency upgrading projects. Interest rate is 0.65% per annum. Monthly principal and interest payment is $4 payable from unrestricted resources of the Municipal Facility Maintenance internal service fund. At June 30, 2022, the balance is $39.

3. In February 2019, $295 was provided for the security lighting upgrade projects in various City parks. The interest rate is 2.11% per annum, principal and interest payment is $5 payable from unrestricted general fund resources. At June 30, 2022, the balance is $110.

4. In August 2019, $296 was provided for the replacing, upgrading, retrofitting, and construction project materials, contract labor, and design services in various City-owned libraries. Interest rate is 2.35% per annum. Monthly principal and interest payment is $5 payable from unrestricted general fund resources. At June 30, 2022, the balance is $147.

Housing Authority

- In February 2018, the City and the Anaheim Housing Authority (Authority) entered into a Cooperation Agreement whereby the City and Housing Authority exchanged real property for the purpose of developing affordable housing. The market value of the Housing Authority property exceeded that of the City property by $2,150; hence, the City agreed to provide $2,150 in future Park Fee Credits to the Housing Authority for the benefit of affordable housing development. At June 30, 2022, the park fee credit due to the Housing Authority is $1,133 from the Community Services Facilities nonmajor special revenue fund.

- On July 30, 2019, the Authority purchased 1213 & 1227 South Claudina Street ("Properties") from B&AINV 1 & 2 LLC at a purchase price of $7,250. The Authority wishes to exchange the Properties for property owned by the City (yet to be determined) of equal value and suitable for low and moderate income housing purposes. Concurrently, the City entered into a Purchase & Sale Agreement dated July 30, 2019 with ATN Asset Holding Co. LLC (ATN) for the sale of Properties for $7,405 secured by a note and deed of trust for the entire amount. To facilitate the sale, the Properties were transferred from the Authority to the City. The City and the Authority entered into an Agreement and Escrow Instructions for Delayed Exchange of Real Property for a replacement property, yet to be determined. Interfund due from and to in the amount of $7,425 were reported in the Housing Authority and General Fund respectively with the General Fund reported a note receivable from ATN in the amount of $7,405.

Certain interfund transactions

The following interfund transfers are reflected in the fund financial statements at June 30, 2022:

	Transfer In:									
					Enterprise Funds					
Transfer Out:	General Fund	Housing Authority	Nonmajor governmental funds	Internal Service Funds	Electric Utility	Water Utility	Sanitation Utility	Convention, Sports & Entertainment Venues	ARTIC Management	Total
General Fund			$ 101,666	$ 5,740		$ 600		$ 5,706	$ 51	$ 113,763
Housing Authority	$ 1,260		487							1,747
Nonmajor governmental funds	3,720	$ 2,557	130		$ 1,251		$ 128		4,000	11,786
Electric Utility	20,281									20,281
Water Utility	1,378		12		156					1,546
Sanitation Utility	2,747		42							2,789
Internal Service Funds					15	13				28
Total	$ 29,386	$ 2,557	$ 102,337	$ 5,740	$ 1,422	$ 613	$ 128	$ 5,706	$ 4,051	$ 151,940

The net transfers between governmental funds and proprietary funds is $6,984 which are primarily comprised of operational subsidies from enterprise funds to the General Fund and are offset by debt service subsidies to the ARTIC Management and Convention, Sports & Entertainment Venues Funds.

The City made the following major transfers during fiscal year ended June 30, 2022:

- Transfer of $79,132 represents Lease Payment Measurement Revenues (LPMR) from the General Fund to the Anaheim Resort Improvements Debt Service Fund, which is held by the Trustee, see discussion on note 10 of the notes to the financial statements on page 88 of this report.
- Transfer of $5,706 from the General Fund to the Convention, Sports & Entertainment Venues Enterprise Fund for debt service.
- Transfer of $7,977 from the General Fund to the Municipal Facilities nonmajor Debt Service Fund for debt services. This amount includes $7,433 capitalized interest account balance from the 2021 Working Capital bonds.
- Transfer of $14,053 from the General Fund to the Other Capital Improvements nonmajor Capital Project Fund for Neighborhood projects ($10,000), Fire Station 4 improvements ($3,000), Public Safety 800 Megahertz (MHz) communication debt service ($803); and various neighborhood capital improvement projects ($250).
- Transfer of $5,740 from the General Fund to the Municipal Facilities Maintenance, Internal Service Funds for deferred maintenance projects.
- Transfer of $600 from the General Fund to the Water Utility Enterprise Fund per the result of Measure N in the November 2014 election.
- Transfer of $1,260 from the Housing Authority to the General Fund for the purchase of the Matrix/Midway right-of-way at fair market value, to complete the Miraflores multifamily project.
- Transfer of $2,451 of the federal HOME funds from the Grant nonmajor Special Revenue Fund to the Housing Authority, per the Cooperation Agreement between the City and the Housing Authority, to provide resources for a HOME Loan Note to the developer for the Miraflores Apartment multifamily project.
- Transfer of $4,000 from the Gas Tax nonmajor Special Revenue Fund to the ARTIC Management Enterprise Fund for debt services on the ARTIC land acquisition loan as discussed on note 10 of the notes to the financial statements on page 93 of this report.
- Transfer of $1,251 from the Mello-Roos Projects nonmajor Capital Projects Fund to Electric Utility Enterprise Fund for the construction of various electric infrastructure in the Platinum Triangle ARTIC project.
- Transfers of $15,239 from the Electric Utility Enterprise Fund and $2,747 from the Sanitation Utility Enterprise Fund to the General

Fund. As defined by City Charter, the transfer is equal to the maximum of 4% of total operating revenues of the current fiscal year.

- Transfer of $5,042 from the Electric Utility Enterprise Fund and $1,378 from the Water Utility Enterprise Fund to the General Fund. The amount represents the City Council approved transfer of 1.5% retail electric revenue and net water revenue of the prior fiscal year.

The net transfer of $13,056 from the business-type activities to governmental activities in the government-wide Statement of Activities consisted of a $360 transfer of capital assets from the Sanitation Utility business-type activities to the governmental activities and the net transfers described above.

Except for the transfers detailed above, there were no other significant transfers during the fiscal year that were either non-routine in nature or inconsistent with the activities of the Fund making the transfer.

NOTE 5- LEASE RECEIVABLES

The City leases out its office space, buildings and land for various operational purposes to third parties. The City's lease receivables at June 30, 2022 were valued at $12,918 for Governmental Activities and $10,254 for Business-type Activities. The deferred inflow of resources related to these lease receivables of $12,706 and $10,166, respectively, will be recognized as revenues over the term of the leases.

The City's incremental borrowing rate of 1.75% (July 2021 rate) was applied on these leases since there were no specific interest rates for each of the Lease Agreements.

Lease receivables of the governmental activities consist the following:

- Office space and building totaling $660, annual principal and interest lease payment ranges from $6 to $133; the remaining lease terms range from April 18, 2023 to August 20, 2037;
- Land leases totaling $12,258, annual principal and interest lease payment ranges from $129 to $1,213, the remaining lease terms range from December 31, 2022 to March 11, 2076.

Lease receivables of the Business-type activities consist the following:

- Land leases totaling $10,254; annual principal and interest lease payment ranges from $134 to $1,947, the remaining lease terms range from January 1, 2023 to March 28, 2039.

The total amount of inflows of resources relating to leases recognized in the current fiscal year are as follows:

	Governmental Activities	Business-type Activities	Total
Lease revenue	$ 1,384	$ 1,857	$ 3,241
Interest revenue	$ 195	$ 177	$ 372

The Fiduciary Fund - Successor Agency leases out its land and subleases a portion of the leased land to third parties. The Successor Agency's lease receivables at June 30, 2022 were valued at $7,681. The deferred inflow of resources related to these lease receivables of $7,523 will be recognized as revenues over the term of the leases. The Successor Agency also recorded an allowance for uncollected of $48 and included in the Lease receivable balance on the Statement of Fiduciary Net Position.

- Land leases totaling $7,633 net of an allowance for uncollectible of $48; annual principal and interest lease payment rangers from $78 to $500; at the Successor Agency's incremental borrowing rate of 1.75%; the remaining lease terms range from June 30, 2036 to March 5, 2039.

The Successor Agency's total amount of inflows of resources relating to leases recognized in the current fiscal year are as follows:

	Fiduciary Funds Activities
Lease revenue	$ 375
Interest revenue	$ 89

NOTE 6 – ECONOMIC ASSISTANCE AGREEMENTS - TAX ABATEMENTS (as defined by GASB Statement No. 77)

As of June 30, 2022, the City has three active Economic Assistance Agreements (Agreements) to developers. These Agreements related to constructions of Hotels and retail spaces (Projects) within the City of Anaheim. There has been analysis of the feasibility gap between the costs of developing and operating the Projects and the costs that the Projects can finance and viably support. The feasibility gap for the Projects is the economic assistance that the City has committed to partially provide and is capped at $244,726, per the Agreements. As of June 30, 2022, the City has made payments totaling $8,566.

The economic assistance that the City provides under these three Agreements are in the form of tax abatements - rebates of transient occupancy taxes (TOT) and sales tax that these Projects generated and the City receives. These tax abatements are reported as reductions to tax revenues in the General Fund. During fiscal year 2022, the City paid $6,095 for TOT abatements and $291 for sales tax abatement.

In addition, the City entered into several economic assistance agreements to provide assistance to partially fill the feasibility gap of the four-diamond hotel developments within the City. Provision of economic assistance is contingent upon completion of construction of the hotels, the commencement of and continued operations as a four-diamond quality hotel, and the generation of and payment to the City of TOT. The contemplated hotels have yet to be built, and therefore cannot operate, generate nor pay TOT, and as such no economic assistance is required by the City at this time. Once the hotels are constructed and operated at the required quality level, the City will use an amount equal to 70% of the TOT generated and paid to the City to fund the corresponding economic assistance. All Agreements have terms of twenty years and are capped with maximum amount of economic assistance payments.

NOTE 7 – CAPITAL ASSETS

Capital asset activities for the year ended June 30, 2022, were as follows:

	Beginning Balance, as restated	Additions	Transfer In (Out)	Deletions	Ending Balance
Governmental activities:					
Nondepreciable assets:					
Land	$ 693,257	$ 967			$ 694,224
Construction in progress	41,840	29,704	$ (27,731)	$ (139)	43,674
Total	735,097	30,671	(27,731)	(139)	737,898
Depreciable assets:					
Buildings, structures and improvements	428,518	3,671	7,799	(263)	439,725
Machinery and equipment	142,200	5,364	183	(2,478)	145,269
Infrastructure	954,740	2,019	20,109	(40)	976,828
Right-to-use leased Land	2,926				2,926
Right-to-use leased Buildings	53				53
Right-to-use leased Equipment	1,849	834			2,683
Total	1,530,286	11,888	28,091	(2,781)	1,567,484
Total assets	2,265,383	42,559	360	(2,920)	2,305,382
Less accumulated depreciation for:					
Buildings, structures and improvements	(204,813)	(16,670)		263	(221,220)
Machinery and equipment	(95,915)	(7,416)		2,444	(100,887)
Infrastructure	(499,879)	(23,464)		40	(523,303)
Right-to-use leased Land		(72)			(72)
Right-to-use leased Buildings		(38)			(38)
Right-to-use leased Equipment		(853)			(853)
Total accumulated depreciation	(800,607)	(48,513)		2,747	(846,373)
Total governmental activities capital assets, net	$ 1,464,776	$ (5,954)	$ 360	$ (173)	$ 1,459,009
Business-type activities:					
Nondepreciable assets:					
Land	$ 93,331				$ 93,331
Construction in progress	198,665	$ 118,315	$ (148,232)	$ (1,153)	167,595
Total	291,996	118,315	(148,232)	(1,153)	260,926
Depreciable assets:					
Buildings, structures and improvements	1,034,248	2,291	1,907	(11)	1,038,435
Utility plant	2,014,573	3,493	145,890	(7,108)	2,156,848
Machinery and equipment	52,574	773	75	(425)	52,997
Right to use leased land	3,200				3,200
Right to use leased equipment	266				266
Total	3,104,861	6,557	147,872	(7,544)	3,251,746
Total assets	3,396,857	124,872	(360)	(8,697)	3,512,672
Less accumulated depreciation for:					
Buildings, structures and improvements	(359,188)	(21,071)		11	(380,248)
Utility plant	(831,728)	(61,427)		7,108	(886,047)
Machinery and equipment	(30,736)	(3,877)		423	(34,190)
Right-to-use leased Land		(260)			(260)
Right to use leased equipment	(119)	(68)			(187)
Total accumulated depreciation	(1,221,771)	(86,703)		7,542	(1,300,932)
Total business-type activities capital assets, net	$ 2,175,086	$ 38,169	$ (360)	$ (1,155)	$ 2,211,740

Depreciation expense was charged to functions/programs of the City during fiscal year 2022 as follows:

Governmental activities:		
General government	$	83
Police		1,915
Fire		2,054
Housing & Community Development		2,125
Planning		45
Public Works		24,533
Community Services		5,689
Convention, Sports and Entertainment		7,035
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		5,034
Total depreciation expense - governmental activities	$	48,513
Business-type activities:		
Electric Utility	$	48,247
Water Utility		13,440
Sanitation Utility		2,920
Golf Courses		682
Convention, Sports & Entertainment Venues		19,043
ARTIC Management		2,371
Total depreciation expense - business-type activities	$	86,703

Successor Agency

Right to use leased assets for the Successor Agency for the fiscal year ended June 30, 2022 were as follows:

	Beginning Balance as restated	Addition	Deletion	Ending Balance
Right to use leased land	$ 19,613			$ 19,613
Less accumulated depreciation		$ (729)		(729)
Right to use leased land, net	$ 19,613	$ (729)	$	$ 18,884

NOTE 8 – SELF INSURANCE:

The Insurance Fund (a function of the General Benefits and Insurance Fund), an internal service fund, is used to account for self-funded workers' compensation related benefits, self-funded general liability claims, commercial insurance purchases, and alternative risk financing vehicles. Revenues of the Insurance Fund are derived from cost-allocation charges to City departments using estimates of anticipated risk-transfer costs, new losses, payments on existing claims, and reserve development on known claims. In addition, the Insurance Fund receives interest income from reserves.

At June 30, 2022, the City was funded at an actuarially acceptable level for self-funded retention for workers' compensation and general liability claim exposures (with retention levels of $2,000 per occurrence for workers' compensation claims and $1,000 per occurrence for general liability claims). Above these retained levels, the City's potential liability is covered through various commercial insurance and intergovernmental risk pooling programs (collectively, "Insurance"). Settled claims have not exceeded total Insurance in any of the past three years, nor does management believe that there are any pending claims that will exceed total Insurance coverage.

The unpaid claims liability included in the Insurance Fund is based on the results of actuarial studies and includes amounts for claims incurred-but- not-reported, known-claim development, and allocated loss adjustment expenses. Claims liabilities are calculated using a discount rate of 2.25% and consider the effects of inflation, multi-year loss development trends, and other economic and social factors. It is the practice of the City to obtain full annual actuarial studies annually for its retained levels for general liability and workers' compensation exposures. "Premiums" are charged by the Insurance Fund using allocation methods that include actual costs, trends in claims experience and applicable exposure bases.

Changes in claims liability of the General Benefits and Insurance Fund related to the governmental funds that are reported in the governmental activities in the government-wide Statement of Net Position in fiscal years 2022 and 2021 were as follows:

	2022	2021
Claims liability at beginning of year	$ 59,119	$ 58,548
Current year claims and changes in estimates	13,700	16,459
Claims payments	(14,300)	(15,888)
Claims liability at end of year	$ 58,519	$ 59,119

Above the retained limit of $2,000 per occurrence for workers' compensation losses, the City purchases excess coverage, utilizing both commercial insurance and an intergovernmental risk pooling program (PRISM), to statutory limits.

Above the retained limit of $1,000 per occurrence for liability losses, the City maintains excess coverage for all City operations to $55,000 per occurrence, excluding helicopter operations for which the City purchases $50,000, per occurrence, of commercial aviation liability insurance (on a first-dollar basis). The first layer of excess liability loss coverage is procured through the Authority for California Cities Excess Liability (ACCEL), a joint powers insurance authority, formed in 1986, pooling catastrophic general, automobile, personal injury, and public officials errors and omissions liability losses among twelve California cities, through both risk-sharing and commercial insurance joint-purchase arrangements. The City, therefore, continues to maintain some limited excess liability risk sharing exposure, above $1,000 per occurrence, directly with ACCEL. This pooled coverage has exposure from the run-out periods from prior years in the ACCEL retained layer of $4,000 or $9,000 in excess of $1,000. Each ACCEL member's share of pooled losses is based on a retrospectively-rated risk-sharing formula which includes, but is not limited to, exposure and loss experience factors.

In order to provide funds to pay claims, ACCEL collects an annual deposit from each member. The deposits are credited with investment income at the rate earned on ACCEL's investments. As of June 30, 2022, ACCEL's cash and investments totaled $59,970. The City has no specific equity interest in ACCEL. Deposits provided to ACCEL by the City are expensed when paid by the General Benefits and Insurance Fund.

ACCEL is responsible for deciding the risks it will underwrite, the monitoring, and handling of large claims, and arranging excess risk- financing programs. ACCEL does not have any debt outstanding. For a copy of ACCEL's separate financial statements, contact the Finance Director of the City.

NOTE 9 – REVOLVING LINE OF CREDIT

On January 1, 2021, the Public Utility Department renewed the Revolving Credit Agreement (Agreement) with Wells Fargo Bank, National Association for a maximum note amount not to exceed $100,000, of which $86,000 is made available for the Electric Utility and $14,000 for the Water Utility. The note was renewed with the same three year term with a maturity date of December 31, 2023, at variable interest rates based on the LIBOR Daily Index Rate and a spread. The annual commitment fee is 0.30% of the total note amount of $100,000. The current U.S. Dollar LIBOR publication is scheduled to end by June 30, 2023. The Public Utility will transition from using the LIBOR Rate to the Secure Overnight Financial Rate (SOFR) at the earlier of June 30, 2023 or when Wells Fargo Bank makes modifications to the Agreement to replace reference to existing LIBOR rates to SOFR.

The purpose of the Agreement is to provide temporary financing for the costs of acquisition and construction to capital improvements of the Utility's electric and water systems. There was no draw from the Agreement during fiscal year 2022.

NOTE 10 – LONG-TERM DEBTS:

The following is a summary of changes in long-term debts reported in the government-wide financial statements for the year ended June 30, 2022:

	Beginning Balance	Additions/ Proceeds	Refunded	Reductions/ Payments	Ending Balance	Dune Within One Year
Governmental activities:						
Bonds payable:						
City lease revenue	$ 428,243	$ 23,546	$ (21,195)	$ (15,586)	$ 415,008	$ 15,796
Accretion	225,874	17,468		(18,063)	225,279	19,217
Unamortized bond discount/premium, net	30,040			(4,160)	25,880	
Total	684,157	41,014	(21,195)	(37,809)	666,167	35,013
Notes and loans payable from direct borrowing:						
City	16,403	1,500		(2,982)	14,921	3,144
Internal Service Funds	63	6,500		(11)	6,552	1,251
Total	16,466	8,000		(2,993)	21,473	4,395
Leases (note 12):						
City	2,979			(64)	2,915	39
Internal Service Funds	1,849	834		(1,223)	1,460	886
Total	4,828	834		(1,287)	4,375	925
Governmental activities total	705,451	49,848	(21,195)	(42,089)	692,015	40,333
Business-type activities:						
Bonds payable:						
Electric Utility	$ 645,425	$ 310,640	$ (195,545)	$ (33,065)	$ 727,455	$ 36,295
Water Utility	186,750	155,815	(103,060)	(5,375)	234,130	4,745
Sanitation	42,225			(1,295)	40,930	1,355
Convention, Sports & Entertainment Venues	210,166	226,704	(204,063)	(6,103)	226,704	4,047
Unamortized bond discount/premium, net	88,442	34,614		(47,753)	75,303	
Total	1,173,008	727,773	(502,668)	(93,591)	1,304,522	46,442
Notes and loans payable from direct borrowing:						
Electric Utility	180			(31)	149	32
Sanitation Utility	117			(20)	97	21
Golf Courses	53	117		(28)	142	35
Convention, Sports and Entertainment Venues	16			(2)	14	3
ARTIC Management	6,000			(4,000)	2,000	2,000
Total	6,366	117		(4,081)	2,402	2,091
Leases (note 12):						
Electric Utility	3,200			(278)	2,922	264
Golf Courses	137			(62)	75	64
Total	3,337			(340)	2,997	328
Interest payable						
ARTIC Management	3,669	78			3,747	
Total	3,669	78			3,747	
Business-type activities total	1,186,380	727,968	(502,668)	(98,012)	1,313,668	48,861
Government-wide total	$ 1,891,831	$ 777,816	$ (523,863)	$ (140,101)	$ 2,005,683	$ 89,194

Bond ratings for the City's revenue bonds are as follows:

	Standard & Poor's	Fitch Ratings	Moody's
1997 A Lease Revenue Bonds	AA	A-	A2
1997 C Lease Revenue Bonds	AA	Unrated	A1
2019 Senior Lease Revenue Bonds	BBB	A-	A1
2021 A Lease Revenue Bonds	AA	Unrated	A2
2021 Working Capital Bonds	AA	Unrated	A1
Electric Revenue Bonds	AA-	AA-	Aa3
Water Revenue Bonds	AA-	AA+	Unrated
Sewer Revenue Bonds	AA+	Unrated	Unrated

GOVERNMENTAL ACTIVITIES:

BONDS PAYABLE

At June 30, 2022, bonds payable consisted of the followings:

	Date Issued	Final Maturity	Range of Interest Rates at Issue Date	Authorized and Issued	Outstanding 6/30/2022
1997 Anaheim Lease Revenue Bonds	2/1/1997	3/1/2037	4.5% - 6.1%	$ 251,182	$ 91,977
Accretion					225,279
2019 A Anaheim Senior Lease Revenue Refunding Bonds	4/30/2019	9/1/2036	5.0% - 5.0%	169,065	160,730
2021 Lease Revenue Refunding Bonds	12/14/2021	7/1/2046	0.9% - 3.3%	23,546	23,546
2021A Lease Revenue Bonds (Working Capital Financing)	6/22/2021	7/1/2051	0.6% - 3.1%	138,755	138,755
Total					640,287
Unamortized bond premium/discounts, net					25,880
Total governmental activities bonds				$ 582,549	$ 666,167

The bond indentures of the respective bond issue contain provisions of 1) in the event of default, the entire outstanding principal shall become due and payable; 2) requirement of maintaining fund reserve of maximum annual debt service or a Bond Debt Reserve Insurance Policy equal to the debt service reserve requirement.

Bonds Payable - City

Lease payment measurement revenues (LPMR)

In February 1997, the Anaheim Public Financing Authority sold $510,427 of lease revenue bonds to finance the construction of public improvements in The Anaheim Resort. In June 2007, the Authority sold $256,320 of lease revenue bonds to defease $248,335 of the 1997 lease revenue bonds. In April 2019, the Authority sold $175,565 of Senior Lease Revenue Refunding Bonds to defease the $209,065 outstanding balance of the 2007 A1 and A2 bonds. On January 13, 2020, the Authority transferred $58,600 from the LPMR Special Reserve Fund to the escrow bank to defease a portion of the outstanding lease revenue Capital Appreciation Bonds 1997 series C with the maturity value at defeasance of $84,270 maturing on September 1, 2035, September 1, 2036 and March 1, 2037.

The bonds are special obligations of the Authority payable solely from lease payments to be made by the City to the Authority for the use and occupancy of the leased premises. Debt service requirements to maturity for these lease revenue bonds are paid from lease payment measurement revenues (LPMR) measured by portions of the three largest revenue sources (TOT, sales tax, and property tax). Lease payments made by the City under the lease agreement are equal to LPMR, which in general means the sum of an amount equal to the following will be transferred in the a debt service fund:

1) 3% of the 15% TOT rate (i.e. 20% of the total TOT revenue) for all hotel properties in the City, excluding certain Disney properties constructed prior to 2009;

2) 100% of the TOT revenues from certain Disney properties constructed prior to 2009 over the 1995 base (adjusted annually by the change in CPI) with a minimum of 2% increase;

3) 100% of sales tax revenues from certain Disney properties over the 1995 base (adjusted annually by the change in CPI) with a minimum 2% increase;

4) 100% property tax revenues from certain Disney properties in excess of the 1995 base property tax amount, adjusted annually by 2%.

The City is not required to pay any additional sums should the LPMR fall short of the amount required to pay debt service on the bonds. The Walt Disney Company provided a guarantee to the bond insurer to enable the issuer to obtain municipal bond insurance.

LPMR began on January 1, 2001, with the first payment made to the trustee on July 7, 2001, for the LPMR generated during the period January through June 2001. Subsequent to that date, LPMR is collected and remitted to the trustee monthly. During the fiscal year ended June 30, 2022, $65,430 was remitted to the trustee.

Debt service requirements to maturity for the 1997 Anaheim Lease Revenue Bonds and the 2019 Anaheim Lease Revenue Refunding Bonds to be paid by the Anaheim Resort Improvements Debt Service Fund from future LPMR are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 15,693	$ 28,536	$ 44,229
2024	16,361	29,161	45,522
2025	17,089	29,759	46,848
2026	17,800	30,376	48,176
2027	18,404	31,045	49,448
2028-2032	79,498	167,726	247,224
2033-2037	87,862	134,172	222,034
Total	252,707	450,775	703,481
Unamortized bond premiums	25,880		25,880
Total bonds	$ 278,587	$ 450,775	$ 729,361

Included in interest is $225,279 related to accretion on capital appreciation bonds.

Lease revenue bonds – City

The City purchased a Surety Policy and a Reserve Policy in satisfaction of the bond reserve requirements. Debt service requirements to maturity for the City's lease revenue bonds to be paid from unrestricted revenues of the Municipal Facilities Debt Service Fund are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 103	$ 696	$ 798
2024	729	661	1,390
2025	737	652	1,389
2026	748	641	1,389
2027	760	628	1,388
2028-2032	4,053	2,878	6,931
2033-2037	4,631	2,282	6,913
2038-2042	5,418	1,485	6,903
2043-2048	6,367	533	6,900
Total Bonds	$ 23,546	$ 10,456	$ 34,002

Lease Revenue Bonds - Working Capital Financing

On June 10, 2021, the Anaheim Public Financing Authority sold $138,755 of Lease Revenue Bonds (Working Capital Financing), Series 2021 A, at par. Proceeds of the bonds provide financing for projected cash flow deficits attributable to significant declines in General Fund revenues for fiscal year 2020-2021 through 2023-2024 impacted by the COVID-19 pandemic. The bonds will be repaid from unrestricted general fund revenues.

The City also purchased a Surety Policy and a Reserve Policy in satisfaction of the bond reserve requirements. The Reserve requirement, as of the date of any calculation, an amount equal to the least of 1) 10% of the proceeds of the issue, 2) the maximum Annual Debt Service on the outstanding bonds, and 3) 125% of the average Annual Debt Service on the Outstanding Bonds.

Debt service requirements to maturity for the 2021 Anaheim Lease Revenue Bonds to be paid from the capitalized interest funds for the first three years and from unrestricted general fund revenues thereafter are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023		$ 3,656	$ 3,656
2024		3,656	3,656
2025	$ 3,650	3,644	7,294
2026	3,675	3,615	7,290
2027	3,710	3,576	7,286
2028-2032	19,420	16,958	36,378
2033-2037	21,590	14,701	36,291
2038-2042	24,680	11,545	36,225
2043-2047	28,640	7,500	36,140
2048-2052	33,390	2,669	36,059
Total	$ 138,755	$ 71,520	$ 210,275

NOTES AND LOANS PAYABLE

Notes and loan payable from direct borrowing contain provision that in the event of default, the entire outstanding principal amount are due and payable. Additionally, the City had pledged certain real properties, park land, and a portion of its annual Community Development Block Grants entitlement as securities interest for the HUD Section 108 guaranteed loans. At June 30, 2022 notes and loans payable are as follows:

Notes and Loans Payable – City

HUD Section 108 guaranteed loans payable

In May 2003, the City entered into an agreement with HUD, making available $10,000 to provide financial assistance related to the development of Westgate on a former landfill site located at the northeast corner of Beach Boulevard and Lincoln Avenue. The loan is payable from the receipts of the Successor Agency receivable. The outstanding balance at June 30, 2022 was $1,705. The loan bears interest ranging from 1.74% to 5.97% and is payable over 20 years beginning on February 1, 2005, until August 1, 2023. Loan debt service requirements to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 975	$ 72	$ 1,047
2024	730	22	752
Total notes and loans	$ 1,705	$ 94	$ 1,799

In March 2010, the City entered into an agreement with HUD, making available $15,000 to fund the acquisitions of the Orange County Family Justice Center and Miraloma Park site, construction of the Thornton Brady storm drain and the rehabilitation of the historic Packing House site. The loan is payable from the Community Development Block Grant yearly entitlement and from the receipts of the Successor Agency receivable. The outstanding balance of the loan at June 30, 2022, was $7,355. The loan bears interest ranging from 1.74% to 3.97% and is payable over 20 years beginning on February 1, 2011 through August 1, 2030. Loan debt service requirements to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 780	$ 292	$ 1,072
2024	805	261	1,066
2025	835	229	1,064
2026	865	194	1,059
2027	900	157	1,057
2028-2031	3,170	235	3,405
Total notes and loans	$ 7,355	$ 1,368	$ 8,723

800 Megahertz Communication Equipment

On November 30, 2015, the City entered into a Master Equipment Lease/ Purchase Agreement (Agreement) with Banc of America Public Capital Corp., to finance the acquisitions and replacement of the City portion of the 800 Megahertz (MHz) Countywide Coordinated Communications System (CCCS). The CCCS project includes a plan for replacement of three main components: Backbone Equipment, Subscriber Equipment, and Dispatch Consoles.

On November 30, 2015, the Agreement provided $1,100 financing for the acquisition of a portion of the mobile radio equipment payable over 10 years and bears interest of 1.98% per annum, Principal and interest payments of $61 are due semi-annually beginning on May 30, 2016, until November 30, 2025. The outstanding balance at June 30, 2022 was $410 .

On November 30, 2016, the Agreement provided $6,840 financing for the acquisition of the remaining radio equipment payable over 10 years and bears interest of 1.87% per annum. Principal and interest of $377 are due semi-annually beginning on May 30, 2017, until November 30, 2026. Amount of this financing allocated to the governmental activities totaled $6,235. The outstanding balance at June 30, 2022 was 2,977 .

Loan debt service requirements to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 755	$ 60	$ 815
2024	769	46	815
2025	783	31	814
2026	737	17	754
2027	343	3	346
Total notes and loans	$ 3,387	$ 157	$ 3,544

Ambulance Loan Payable

On January 15, 2020, the Agreement with Banc of America Public Capital Corp. provided $799 financing for the acquisition of five (5) ambulances, payable over 7 years and bearing interest at 1.69% per annum. Principal and interest payment of $121 are due annually beginning on January 15, 2022 until January 15, 2028.

On March 4, 2022, the Agreement provided $1,500 financing for the acquisition of additional eight (8) ambulances, payable over 7 years and bears interest at 2.48% per annum. Principal and interest payment of $117 are due semi-annually beginning on September 7, 2022 until March 4, 2029.

Debt services of the ambulance loans will be funded from the unrestricted revenue sources of the Fire & Rescue Department's in-house Emergency Medical Transportation Program revenues. The outstanding balance of the loans at June 30, 2022 was $2,190. Loan debt service requirement to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 309	$ 48	$ 357
2024	316	41	357
2025	323	34	357
2026	330	27	357
2027	337	19	357
2028-2031	575	16	591
Total notes and loans	$ 2,190	$ 185	$ 2,375

Technology Equipment Loan

On March 4, 2022, the Agreement with Banc of America provided $6,500 financing for the acquisition of various Technology Equipment. The loan has a term of 5 years and bears interest at 2.36% per annum. Principal and interest of $693 are due semi-annually beginning on September 4, 2022 until March 4, 2027. Debt services of the loan will be funded from the unrestricted revenue sources of the Information and Communication

Services internal service funds. The outstanding balance of the loan at June 30, 2022 was $6,500. Total debt services to maturity are as follows:

IT Equipment-Purchase

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 1,240	$ 146	$ 1,386
2024	1,269	117	1,386
2025	1,299	87	1,386
2026	1,330	56	1,386
2027-2030	1,362	24	1,386
Total notes and loans	$ 6,500	$ 430	$ 6,930

Community Learning Center property acquisition loan payable

On September 1, 2017, the City entered into an Agreement with Los Altos V. LP (Seller) for the purchase and sale of the former Northgate Market site located at 718-744 N. Anaheim Boulevard for the development of a Community Learning Center. The purchase price of the property is $4,750 of which $2,500 was paid in cash from resources of the Community Development Block Grant with the balance of $2,250 will be payable to Seller over five years at an annual interest rate of 5%. Principal and interest of $43 are due on the first of each month commencing on March 1, 2018 until February 1, 2023. The annual loan payment will be funded from the restricted resources of the Community Development Block Grant yearly entitlement. The outstanding balance of the loan at June 30, 2022 was $336. Total debt service to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 336	$ 8	$ 344
Total notes and loans	$ 336	$ 8	$ 344

BUSINESS-TYPE ACTIVITIES:

BONDS PAYABLE

At June 30, 2022, bonds payable consisted of the following:

	Date Issued	Maturity	Range of Interest Rates at Issue Date	Authorized and Issued	Outstanding 6/30/2022
Electric Utility					
2012 Revenue Bonds	10/1/2012	10/1/2031	3.1% - 5.0%	$ 47,200	$ 47,200
2014 Revenue Bonds	10/8/2014	10/1/2025	2.0% - 5.0%	109,350	43,355
2015B Revenue Bonds	10/1/2016	10/1/2035	3.0% - 5.0%	92,865	61,835
2017A Revenue Bonds	12/21/2017	10/1/2028	5.0% - 5.0%	42,955	38,855
2017B Revenue Bonds	12/21/2017	10/1/2023	5.0% - 5.0%	9,205	9,205
2020A Revenue Bonds	3/4/2020	10/1/2050	5.0% - 5.0%	59,215	58,345
2020B Revenue Bonds	3/4/2020	10/1/2034	1.6% - 3.0%	121,795	115,680
2020C Revenue Bonds	3/4/2020	10/1/2045	5.0% - 5.0%	42,340	42,340
2022A Revenue Bonds	4/28/2022	10/1/2052	5.0% - 5.0%	156,530	156,530
2022B Revenue Bonds	4/28/2022	10/1/2034	5.0% - 5.0%	74,255	74,255
2022D Revenue Bonds	4/28/2022	10/1/2033	2.3% - 4.1%	79,855	79,855
Total					727,455
Unamortized bond premiums/discounts, net					55,231
Total Electric Utility					782,686
Water Utility					
2015 Revenue Bonds	4/21/2015	10/1/2040	4.0% - 5.0%	$ 44,725	$ 44,725
2020A Revenue Bonds	3/4/2020	10/1/2025	5.0% - 5.0%	2,680	2,680
2020B Revenue Bonds	3/4/2020	10/1/2038	1.6% - 3.0%	32,445	30,910
2022A Revenue Bonds	4/12/2022	10/1/2052	5.0% - 5.0%	44,955	44,955
2022B Revenue Bonds	4/12/2022	10/1/2049	2.5% - 4.3%	79,260	79,260
2022C Revenue Bonds	4/12/2022	10/1/2040	5.0% - 5.0%	31,600	31,600
Total					234,130
Unamortized bond premiums/discounts, net					13,675
Total Water Utility					247,805
Sanitation Utility					
2018 Revenue Bonds	1/25/2018	2/1/2048	5.0% - 5.0%	$ 45,705	$ 40,930
Unamortized bond premium					6,397
Total Sanitation Utility					47,327
Convention, Sports and Entertainment Venues					
2021 Revenue Bonds					
Bonds	12/15/2021	2/1/2048	0.9% - 3.3%	$ 226,704	$ 226,704
Total Convention, Sports and Entertainment Venues					226,704
Total business-type activities bonds				$ 1,343,639	$ 1,304,522

Bonds Payable - Electric Utility

The City's Electric Utility has pledged future electric revenues, net of certain costs, to repay a total of $1,030,350 outstanding long-term obligations, principal and interest. Proceeds from bonds provided financing for various capital improvements, primarily distribution assets. The Electric Utility's bonds are payable solely from electric customer net revenues and are payable through 2053. At June 30, 2022, the annual principal and interest payments on the bonds, were 49.71% of net revenues. Principal and interest paid for the current fiscal year and total net revenues were $60,840 and $122,398 respectively.

The bond indentures of the respective Electric Revenue Bonds contain provisions of 1) in the event of default, the entire outstanding principal shall become due and payable; 2) requirement of a fund reserve for the maximum annual debt service; 3) requirement of a fund reserve for renewals and replacements in an amount equal to a maximum of 2% of depreciated book value of the Electric Utility plant in service; and 4) requirement of a minimum debt service coverage ratio of 1.25.

Bond debt service requirements to maturity for the Electric Utility to be paid from revenues are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 36,295	$ 29,847	$ 66,142
2024	37,755	29,301	67,056
2025	44,510	27,560	72,070
2026	46,395	25,672	72,067
2027	43,655	23,688	67,343
2028-2032	248,575	87,489	336,064
2033-2037	160,685	40,497	201,182
2038-2042	38,280	22,773	61,053
2043-2047	42,205	12,241	54,446
2048-2052	26,225	3,756	29,981
2053	2,875	72	2,947
Total	727,455	302,895	1,030,350
Unamortized bond			
premiums/discounts, net	55,231		55,231
Total bonds	$ 782,686	$ 302,895	$ 1,085,581

Bonds Payable - Water Utility

The City's Water Utility has pledged future revenues from the sale of water, net of certain costs, to repay a total of $373,044 for outstanding long-term obligations, principal and interest. Proceeds from bonds provided financing for various capital improvements, primarily distribution assets. The bonds are payable solely from water net revenues and are payable through 2053. At June 30, 2022, the annual principal and interest payments on the bonds were 51.0% of net revenues. Principal and interest paid for the current fiscal year and total net revenues were $13,475 and $26,436 respectively.

The bond indentures of the respective Water Revenue Bonds contain provisions of 1) in the event of default, the entire outstanding principal shall become due and payable; 2) requirement of a fund reserve for renewals and replacements in an amount equal to a maximum of 2% of depreciated book value of the Water Utility plant in service; and 3) requirement of a minimum debt service coverage ratio of 1.0.

Bond debt service requirements to maturity for the Water Utility to be paid from revenues are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 4,745	$ 9,216	$ 13,961
2024	6,990	9,203	16,193
2025	7,270	8,926	16,196
2026	7,575	8,620	16,195
2027	7,865	8,336	16,201
2028-2032	43,520	37,477	80,997
2033-2037	52,295	28,719	81,014
2038-2042	52,360	17,176	69,536
2043-2047	29,735	8,437	38,172
2048-2052	18,955	2,733	21,688
2053	2,820	71	2,891
Total	234,130	138,914	373,044
Unamortized bond			
premiums/discount, net	13,675		13,675
Total bonds	$ 247,805	$ 138,914	$ 386,719

Bonds Payable – Sanitation Utility

The City's Sanitation Utility has pledged future sanitation system net revenues to pay a total of $65,279 outstanding revenue bonds issued in January 2018. Proceeds from the bonds provided financing for capital improvements to the sanitation sewer collection system. The bonds are payable solely from system net revenues and are payable through February 2048. At June 30, 2022, total principal and interest payments on the bonds were 49.9% of net revenues. Total principal and interest paid and total system net revenues for the current fiscal year were $3,406 and $6,827 respectively.

The bond indenture contains a provision that in the event of default, the entire outstanding principal shall become due and payable.

Bond debt service requirements to maturity for the Sanitation Utility to be paid from revenues are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 1,355	$ 2,047	$ 3,402
2024	1,430	1,979	3,409
2025	1,495	1,907	3,402
2026	1,575	1,833	3,408
2027	1,645	1,754	3,399
2028-2032	9,575	7,447	17,022
2033-2037	12,220	4,801	17,021
2038-2042	7,455	1,820	9,275
2043-2047	3,395	722	4,117
2048-2049	785	39	824
Total	40,930	24,349	65,279
Unamortized bond premium	6,397		6,397
Total bonds	$ 47,327	$ 24,349	$ 71,676

Bonds Payable – Convention, Sports and Entertainment Venues

The bond indenture contains a provision in the event of default, the entire outstanding principal shall become due and payable, and the requirement of maintaining a fund reserve equal to the maximum of annual debt service. The City purchased a Surety Policy and a Reserve Policy in satisfaction of the bond reserve requirement. Bond debt service requirements to maturity for the Convention, Sports and Entertainment Venues to be paid from revenues are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 4,047	$ 6,623	$ 10,670
2024	6,926	6,284	13,210
2025	7,003	6,197	13,200
2026	7,102	6,091	13,193
2027	7,225	5,964	13,189
2028-2032	38,502	27,340	65,842
2033-2037	43,994	21,682	65,676
2038-2042	51,472	14,109	65,581
2043-2047	60,433	5,061	65,494
Total bonds	$ 226,704	$ 99,351	$ 326,055

NOTES AND LOANS PAYABLE

Note Payable – ARTIC Management

Anaheim Regional Transportation Intermodal Center (ARTIC) Land Acquisition Loan payable

In July 2012, the City entered into an agreement with the Orange County Transportation Authority (OCTA) for the Purchase and Sale of a 13.58 acres real property located at 1750 South Douglass Road in Anaheim. The purchase price for the site is $32,500. The City paid $1,000 at the close of escrow and the remaining $31,500 will be payable to OCTA over 13 years and bears 2% simple interest per annum. Annual principal payments are due on or before July 10th each year commencing 2012. The payment of accrued interest is deferred until equal payments of $1,883 are due and payable on or before July 10, 2024 and July 10, 2025. The loan is payable with the Anaheim Tourism Improvement Special District (ATID) special assessments and Measure M2 Local Fair Share funds. OCTA will retain payments from Anaheim's "Local Fair Share" funds allocated by OCTA under Measure M2 each year until the final payment is made on July 10, 2025. At June 30, 2022, accrued interest payable for the ARTIC loan was $3,747 . The City may elect to provide alternative funding from other City funds for transportation related purposes. At June 30, 2022, the outstanding balance of the ARTIC loan was $2,000. Loan debt service requirements to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 2,000		$ 2,000
2024		$ 1,883	1,883
2025		1,883	1,883
Total notes and loans	$ 2,000	$ 3,766	$ 5,766

800 Megahertz Communication Equipment loan payable

Portion of the 800 Megahertz Communication Equipment financing were allocated to The Electric Utility, the Sanitation Utility and the Convention, Sports & Entertainment Venues. Loan debt service requirements to maturity are as follows:

Electric Utility

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 32	$ 3	$ 35
2024	33	2	35
2025	33	1	34
2026	34	1	35
2027-2031	17		17
Total notes and loans	$ 149	$ 7	$ 156

Sanitation Utility

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 21	$ 2	$ 23
2024	21	1	22
2025	22	1	23
2026	22	1	23
2027-2031	11		11
Total notes and loans	$ 97	$ 5	$ 102

Convention, Sports and Entertainment Venues

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 3		$ 3
2024	3		3
2025	3		3
2026	3		3
2027-2031	2		2
Total notes and loans	$ 14		$ 14

Golf Courses Equipment Loans

The City entered into various long-term noncancellable finance-purchased agreements of Golf Course equipment. The debt services of these equipment loans will be repaid from the unrestricted revenue sources of the Golf Courses Enterprise Fund.

An Agreement with DDL Finance on October 5, 2020 to provide financing of $62 for the acquisition of golf carts at Dad Millers Golf Course. The interest rate for the loan is 4.58% per annum, payable monthly beginning on November 5, 2020 and ending on November 5, 2025. Total debt service to maturity is $69. At June 30, 2022, the principal loan balance is $42.

An Agreement with PNC Equipment Finance on September 15, 2021 to provide financing of $50 for the acquisition of golf course equipment. The interest rate for the loan is 2.0% per annum, payable monthly beginning on September 15, 2021 and ending on August 15, 2026. Total debt service to maturity is $53. At June 30, 2022, the principal loan balance is $42.

An Agreement with PNC Equipment Finance on November 1, 2021 to provide financing of $67 for the acquisition of golf course equipment. The interest rate for the loan is 2.0% per annum, payable monthly beginning on November 1, 2021 and ending on November 1, 2026. Total debt service to maturity is $70. At June 30, 2022, the principal loan balance is $58.

Loan debt service to maturity requirements are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 35	$ 4	$ 39
2024	36	3	39
2025	37	2	39
2026	28		28
2027	6		6
Total notes and loans	$ 142	$ 9	$ 151

ARBITRAGE

The Tax Reform Act of 1986 (Act) substantially revised the treatment to be afforded to earnings on the proceeds of tax-exempt debt, and requires the City to calculate and remit rebatable arbitrage earnings to the Internal Revenue Service. Certain of the City's debt and interest earned on the proceeds thereof are subject to the requirements of the Act. The City has accrued a liability for estimated rebatable arbitrage earnings and has set aside such earnings as restricted cash. At June 30,2021, the arbitrage rebate liability for governmental and business-type activities was zero and $130, respectively.

LEGAL DEBT MARGIN

The City of Anaheim has a general obligation debt limit that cannot exceed 3.75% of the total assessed valuation of all real and personal property within the City. Based on the fiscal year 2021-2022 gross assessed valuation for taxation purposes of $53,036,796, the City has a debt limit of $1,988,880 or 3.75%. Currently the City does not have any outstanding bonded indebtedness in the form of general obligation bonds. Since the outstanding bond principal is zero, the City has a net debt margin of $1,988,880.

COMPLIANCE WITH DEBT COVENANTS

There are various limitations and restrictions contained in the City's bonds indentures. The City believes they are in compliance with all significant limitations and restrictions.

DEBT ISSUANCES

City - Debt Issuances

On December 15, 2021, the City issued Anaheim Public Financing Authority (APFA) Lease Revenue Bonds (Convention Center Refunding) Series 2021-A in the principal amount of $250,250 at par to refund the outstanding principal balance of the 2014-A Lease Revenue Bonds. Interest rates for the bonds range from 0.863% to 3.265%. Total debt service to maturity is $360,057 payable semi-annually beginning from July 1, 2022 and ending on July 1, 2046. Annual principal payment ranges from $4,150 to $14,240. The bond proceeds, net of underwriter discount of $723 and along with the 2014-A bond reserve fund of $8,079 totaled $257,606 was disbursed by the bond trustee as follows: $671 for the acquisitions of an insurance and a surety policies in satisfaction of the bond reserve requirements; $685 for the Cost of issuance fund, and $256,250 to the refunding bond escrow agent of which $8,079 representing current accrued debt service due and $248,171 to advance refund the $225,258 outstanding principal balance of the 2014A bonds. The City reduced its total debt service payments over the life of the refunded bonds by $45,331 and obtained a present value savings of $25,777.

Consistent with the components of the sources and uses of funds, the 2021-A Lease Revenue Bonds refunded principal of $250,250 have been allocated to the Municipal Facilities nonmajor governmental Debt Service Fund and the Convention, Sports and Entertainment Enterprise Fund in the amount of $23,546 and $226,704 respectively. The debt services will be repaid with unrestricted resources transferred from the General Fund.

On March 4, 2022, the City executed two separate Escrow and Account Control Agreements from an existing Master Equipment Lease/Purchase Agreement with Banc of America Public Capital Corp to finance the acquisitions of eight Emergency Transport Ambulances and various technology infrastructure equipment. The Emergency Transportation Ambulances financing is $1,500, at an interest rate of 2.48%, payable semi-annually beginning on September 4, 2022 and ending on March 4, 2029. Annual principal and interest payment is $235. Total debt service to maturity is $1,643 and will be repaid from the unrestricted General Fund resources. The technology infrastructure equipment financing is $6,500, at an interest rate of 2.3631%, payable semi-annually beginning on September 4, 2022 and ending on March 4, 2027. The annual principal and interest payment is $1,386. Total debt service to maturity is $6,930 and will be repaid from the unrestricted Information and Communication Services Internal Service Fund.

On September 15, 2021 and on November 1, 2021, the Golf Courses entered into separate finance-purchased agreements totaling $117 with an interest rate of 2% per annum, payable monthly, to purchase various golf course equipment. Total debt services to maturity of the loans totaling $123 and will be repaid from the unrestricted resources of the Golf Courses enterprise fund.

Electric Utility - Debt Issuances

The Electric Utility's bonds are payable from the electric system net revenues.

On April 28, 2022, the Electric Utility issued Anaheim Housing and Public Improvement Authority (AHPIA) 2022-A Revenue/Revenue Refunding Bonds in the principal amount of $156,530, at a premium of $17,203, totaling $173,734. The true interest cost of the 2022-A bonds is 3.80%, payable semi-annually beginning from October 1, 2022 and ending on October 1, 2052. Annual principal payment ranges from $675 to $19,560. Total debt service to maturity of the refunded bonds is $249,592. Proceeds of the bonds, net of underwriter discount ($353) and cost of issuance ($522), provides $50,000 financing for the acquisition and construction of certain capital improvements to the Electric System Projects, the remaining balance of $122,860 was transferred to the refunded bond escrow agent to partially refund the $14,335 outstanding principal balance of the 2012-A Electric Revenue bonds, and partially refund $104,235 of the outstanding principal balance of the 2017-B Electric Revenue bonds. The Electric Utility reduced its total debt service payments over the life of the refunded bonds by $9,570 and obtained a net present value savings of $7,970.

On April 28, 2022, the Electric Utility issued AHPIA 2022-B Revenue Bonds in the principal amount of $74,255, at a premium of $8,177, totaling $82,432. Proceeds of the bonds, net of underwriter discounts ($167) and cost of issuance ($118), provides $75,000 financing for the acquisition and construction of certain infrastructure improvement to the Electric System Projects, and provides funding for a Capitalized Interest Fund account of $7,147. The true interest cost of the 2022-B bonds is 3.41%, payable semi-annually beginning on October 1, 2022 and ending on October 1, 2034. Annual principal payment ranges from $5,190 to $8,560. Total debt service to maturity is $103,670.

On April 28, 2022, The Electric Utility issued AHPIA 2022-D Revenue Refunding Bonds in the principal amount of $79,855. The true interest cost of the 2022-D bonds is 3.85%, payable semi-annually beginning on October 1, 2022 and ending on October 1, 2023. Annual principal payment ranges from $1,950 to $16,755. Total debt service to maturity is $100,697. Proceeds of the bonds, net of underwriter discount ($181) and cost of issuance ($135) totaling $79,539 was transferred to the refunding bond escrow agent to partially refund $76,975 outstanding principal balance of the 2017-B Electric Revenue Bonds. The Electric Utility reduced its total debt service payment over the life of the refunded bonds by $9,834 and obtained a net present value savings of $4,909.

Water Utility - Debt Issuances

The Water Utility's bonds are payable from the water system net revenues.

On April 12, 2022, the Water Utility issued AHPIA 2022-A Revenue Bonds in the principal amount of $44,955, at a premium of $5,320, totaling $50,275. Proceeds from the bonds, net of underwriter discount ($140) and cost of issuance ($135) provides $50,000 financing for the acquisition and construction of various water system capital improvements. The true interest cost of the 2022-A is 4.1%, payable semi-annually beginning on October 1, 2022 and ending on October 1, 2052. Annual principal payment ranges from $660 to $2,800. Total debt service to maturity is $88,973.

On April 12, 2022, the Water Utility issued AHPIA 2022-B Revenue Bonds in the principal amount of $79,260 at par. The true interest cost of the bonds is 3.96%, payable semi-annually beginning from October 1, 2022 and ending on October 1, 2049. Annual principal payment ranges from $555 to $4,840. Total debt service to maturity is $125,220. Proceeds from the bonds, net of underwriter discount ($245) and cost of issuance ($243), totaled $78,772 was transferred to the refunding bonds escrow agent to partially refund the $39,065 outstanding principal balance of the 2015-A Water Revenue Bonds, and partially refunded the $34,305 outstanding principal balance of the 2020-A Water Revenue Bonds. The Water Utility reduced its total debt service payment over the life of the refunded bonds by $3,651 and obtained a net present value savings of $2,466.

On April 12, 2022, the Water Utility issued AHPIA 2022-C in the principal amount of $31,600, at a premium of $3,914, totaling $35,514. The true interest cost of the 2022-C bonds is 3.8%, payable semi-annually beginning from October 1, 2022 and ending on October 1, 2040. Annual principal payment ranges from $835 to $6,085. Total debt service to maturity is $52,187. Proceeds from the bonds, net of underwriter discount ($98) and cost of issuance ($96), totaled $35,320 was transferred to the refunded bond escrow agent to refund the 2010 Water revenue bonds outstanding balance of $29,690. The Water Utility increased its total debt service payment over the life of the refunded bonds by $8,375 at a present value cost of $5,707. The refunding will remove the interest rate risk associated with the Build America Bonds interest rate cost subsidy, which is scheduled to expire on December 21, 2022.

DEBT RETIREMENTS

Debt Defeased

The City defeased the following bonds prior to June 30, 2022:

	Outstanding 6/30/2022
City	
1997-C APFA Capital Appreciation Bonds	$ 84,270
2014 A Lease Revenue Bonds (Anaheim Convention Center Expansion Project)	227,990
Electric Utility	
2012-A Electric Revenue Bonds	76,340
2017-B Electric Revenue Bonds	76,975
Water Utility	
2015- A Water Revenue Bonds	39,065
2020- A Water Revenue Bonds	34,305
	$ 538,945

In the refunding, the proceeds of the refunding issue were placed in irrevocable escrow accounts and invested in government securities that, together with interest earnings thereon, will provide amounts sufficient for future payments of interest and principal on the issues refunded. Refunded debt is not included in the City's accompanying basic financial statements as the City has satisfied its obligation through the in-substance defeasance of these issues.

CONDUIT FINANCINGS

City

The City has entered into a conduit financings to facilitate the management agreement for the Honda Center (formerly the Arrowhead Pond) of Anaheim. In accordance with applicable agreements, the City has no obligation for debt service payments and therefore, the debt is not reflected in the accompanying basic financial statements. Bonds payable and certificates of participation related to conduit financings outstanding at June 30, 2022, were as follows:

	Date Issued	Final Maturity	Amount Issued	Outstanding 6/30/2022
2003 Anaheim Arena Financing Project	12/11/2003	6/1/2023	$ 42,600	$ 4,500

Anaheim Housing Authority

The Anaheim Housing Authority has entered into conduit debt financings on behalf of various developers to assist with the acquisition, construction, equipping, rehabilitation and refinancing of multifamily residential rental projects within the City of Anaheim. In accordance with the bond documents, neither the City nor the Housing Authority has an obligation for debt service payments and therefore, the debt is not reflected in the accompanying basic financial statements. Housing Authority revenue bonds related to conduit financings outstanding at June 30,2022 , were as follows:

	Date Issued	Final Maturity	Amount Issued	Outstanding 6/30/2022
Sage Park Project	11/1/1998	11/1/2028	$ 5,500	$ 5,500
Solara Court Apartments	11/28/2004	12/1/1934	8,200	4,078
Pradera Apartments (Lincoln Anaheim) Phase B	5/15/2009	4/15/1939	23,217	5,999
Anton Monaco Apartments	12/14/2012	1/1/2046	35,460	31,749
Crossings at Cherry Orchard Apartments Tranche A	8/23/2012	12/1/2044	9,365	976
Crossings at Cherry Orchard Apartments Tranche B	8/23/2012	12/1/2029	2,985	1,758
Paseo Village Apartments	2/28/2013	9/1/2045	19,750	11,683
Village Center Apartments	8/7/2014	3/1/2047	15,000	14,413
Pebble Cove Apartments Series A	8/19/2015	9/1/2031	13,000	11,885
Pebble Cove Apartments Taxable Subordinate Series 2015A	8/19/2015	8/1/2055	3,550	3,550
Hermosa Village Apartments Phase 1 Series A-1/A-2	12/28/2016	7/1/2049	41,028	25,698
Miracle Terrace Apartments Series B-1	1/10/2017	2/1/2050	26,555	25,672
Cobblestone Apartments Series A-1	3/14/2017	10/1/2054	6,185	5,919
Sea Wind Apartments Series B-1	3/14/2017	10/1/2054	11,015	10,479
Jamboree Anaheim PSH Apartments Series A	4/30/2020	5/1/2038	12,200	12,200
Hermosa Village Apartments Phase 2 Series A 1-3	10/30/2020	5/1/2038	20,798	9,727
The Salvation Army Anaheim Center of Hope Apts A-1	2/1/2022	2/1/2025	1,800	1,800
The Salvation Army Anaheim Center of Hope Apts A-2	2/1/2022	2/1/2025	850	850
Total			$ 256,458	$ 183,936

FIDUCIARY FUNDS

Successor Agency

The following is a summary of changes in long-term debts for the year ended June 30, 2022:

	Beginning Balance	Additions/ Proceeds	Reductions/ Payments	Ending Balance	Due Within One Year
Bonds payable	$ 133,620		$ (8,460)	$ 125,160	$ 8,935
premium/(discount), net			(2,368)	(2,368)	
Lease payable	19,613		(443)	19,170	382
Due to City of Anaheim	6,261		(1,261)	5,000	1,334
	$ 159,494		$ (12,532)	$ 146,962	$ 10,651

Bonds Payable

2007 Tax Allocation Refunding Bonds

The Successor Agency will repay a total of $44,695, principal and interest, for the outstanding 2007 tax allocation bonds issued in December 2007 from the semi-annual Redevelopment Property Tax Trust Fund (RPTTF) revenue allocations. Proceeds from the bonds provided financing for public improvements related to the merged project areas, for the supply of low-and moderate–income housing within the City, to repay certain Redevelopment Agency loan obligations and to advance refund the 1992, 1997 and 2000 bonds. The bonds bear interest at rates ranging from 4.25% to 6.50% and are payable through February 2031. During the fiscal year ended June 30, 2022, total principal and interest paid was $5,636.

In January 2018, series A and C of the 2007 Tax Allocation Bonds were refunded through the issuance of the 2018 Tax Allocation Refunding Bonds.

Debt service requirements to maturity for 2007 Tax Allocation bonds, series B and D are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 1,780	2,089	$ 3,869
2024	1,875	1,973	3,848
2025	1,990	1,851	3,841
2026	2,130	1,722	3,852
2027	4,270	1,583	5,853
2028-2032	20,065	3,367	23,432
Total bonds	$ 32,110	$ 12,585	$ 44,695

2018 Tax Allocation Refunding Bonds

On January 25, 2018, the Successor Agency issued Tax Allocation Refunding Bonds, 2018 Series A and B. The bond proceeds together with the 2007 series A and C bond reserve funds were used to refund the 2007 Tax Allocation Bonds series A and C, and the 2010 Recovery Economic Zone Development Bonds. The Successor Agency will repay a total of $118,891, principal and interest, from the semi-annual RPTTF revenue allocations. The refunding bonds bear interest at rates ranging from 2.27% to 2.50% and are payable through February 2031.

Debt service requirements to maturity for the 2018 Tax Allocation Refunding bonds are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 7,155	$ 4,653	$ 11,808
2024	7,530	4,295	11,825
2025	7,915	3,918	11,833
2026	9,990	3,523	13,513
2027	10,255	3,023	13,278
2028-2032	50,205	6,429	56,634
Total bonds	93,050	25,841	118,891
Unamortized bond premium/ discounts, net	11,795		11,795
Total bonds	$ 104,845	$ 25,841	$ 130,686

Due to the City of Anaheim

The Successor Agency will repay a total of $1,799 outstanding long-term obligations, principal and interest, from the semi-annual RPTTF revenue allocations for the $10,000 Cooperation Agreement dated April 1, 2003, between the former Redevelopment Agency and the City, whereby the City assisted the former Agency with the development of the Anaheim Westgate Center (Westgate project) utilizing $10,000 of funds from the HUD Section 108 loan. This Cooperation Agreement obligation (HUD Section 108 loan) bears interest ranging from 1.74% to 5.97% and is payable semi- annually through August 2023. At June 30, 2022, outstanding principal due to the City for the Westgate project obligation was $1,705. Principal and interest paid for the current fiscal year were $1,034.

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 975	$ 72	$ 1,047
2024	730	22	752
Total notes and loans	$ 1,705	$ 94	$ 1,799

The Successor Agency will repay a total of $3,922 outstanding long-term obligations, principal and interest, from the semi-annual RPTTF revenue allocations for the $7,000 Cooperation Agreement dated June 2010 between the former Redevelopment Agency and the City, whereby the City assisted the former Redevelopment Agency with the rehabilitation of the historic Packing House site utilizing proceeds from the HUD Section 108 loan. This Cooperation Agreement obligation (HUD 108 Section loan) bears interest ranging from 1.68% to 3.98% and is payable over 20 years beginning on February 1, 2011 through August 1, 2030. As of June 30, 2022, the outstanding principal due to the City for the Packing House site project obligation was $3,295. Principal and interest paid for the current fiscal year were $498.

Fiscal Year Ending 6/30	Principal	Interest	Total
2023	$ 359	$ 131	$ 490
2024	364	117	481
2025	369	102	471
2026	375	87	462
2027	382	71	453
2028-2033	1,446	119	1,565
Total notes and loans	$ 3,295	$ 627	$ 3,922

Mello-Roos Community Facilities Districts

The City issued special tax bonds to finance construction in various Community Facilities Districts (CFD). These bonds were authorized pursuant to the Mello-Roos Community Facilities Act of 1982. The bonds are payable from a special assessment tax and are non-recourse bonds secured by the properties. Neither the faith and credit nor the taxing power of the City, the State of California or any political subdivision of either of the foregoing is pledged to the payment of the bonds. The bonds are not general or special obligations of the City, nor do they contain any credit enhancements that secondarily pledge existing or future resources of the City, accordingly they are not reflected in the accompanying basic financial statements. The City is acting as agent only for the property owners in collecting the special assessments and forwarding the collections to the fiscal agent. This activity is recorded in the Custodial fund of the Fiduciary Funds in the basic financial statements.

At June 30, 2022, the City has the following outstanding Mello-Roos special tax bonds:

	Outstanding 6/30/2022
CFD 06-02	$ 6,015
CFD 08-01	46,690
	$ 52,705

In February 2007, the City issued $9,060 in special tax bonds to finance a portion of the cost of acquisition and construction of facilities in the Platinum Triangle of Anaheim, Community Facility District 06-2. Stadium Loft. On August 10, 2016, the outstanding balance of $7,680 of the 2007 special tax bonds were refunded by Special Tax Refunding Bonds, Series 2016, CFD 06-02, in the principal amount of $7,540 and at a premium of $91. The City reduced the CFD 06-2 total debt service payments over the life of the refunded bonds by $1,989 with a present value savings of $1,352. The true interest cost is 2.89% payable semi-annually commencing from March 1, 2017 through September 1, 2037. Balance of total debt service is $7,601 to maturity.

In August 2010, the City issued $28,630 in special tax bonds, Series 2010 to finance a portion of the cost of acquisition and construction of facilities in the Platinum Triangle of Anaheim, Community Facility District 08-1 and to fund a reserve fund for the Series 2010 Bonds. On August 10, 2016 the City issued Special Tax Bonds, Series 2016, CFD 08-1 in the principal amount of $60,000 and at a premium of $5,923. The bonds are being used to provide financing for acquisition and construction of certain public facilities necessary for the continued development of the District, and to refund $22,730 outstanding principal of the CFD 08-1, Special Tax Bonds, Series 2010. The City reduced the CFD 08-1 total debt service payments over the life of the refunded bonds by $13,325 with a present value savings of $8,649. The true interest cost is 3.38% payable semiannually commencing from March 1, 2017 through September 1, 2037. Balance of total debt service is $77,465 to maturity.

NOTE 11 – OTHER LONG-TERM LIABILITIES:

The following is a summary of other long-term liabilities reported in the government-wide financial statements for the fiscal year ended June 30, 2022:

	Beginning Balance	Additions	Reductions/ Payments	Ending Balance	Due Within One Year
Governmental activities:					
Claims liabilities (note 8)	$ 59,119	$ 13,700	$ (14,300)	$ 58,519	$ 13,826
Compensated absences (note 1)	24,665	26,923	(27,129)	24,459	18,202
Due to other governments	22,580		(3,560)	19,020	
Other Postemployment Benefits (OPEB) (note 14)					
Governmental Funds	110,369		(35,022)	75,347	
Internal Service Funds	9,073		(3,393)	5,680	
Total	119,442		(38,415)	81,027	
Pension (note 13):					
Governmental Funds	621,869		(233,733)	388,136	
Internal Service Funds	33,541		(13,264)	20,277	
Total	655,410		(246,997)	408,413	
Governmental activities total	881,216	40,623	(330,401)	591,438	32,028
Business-type activities:					
San Juan reclamation liability	5,411		(469)	4,942	
Provision for decommissioning liability (note 1)	80,889	11,070	(4,180)	87,779	
Other Postemployment Benefits (OPEB) (note 14)					
Electric Utility	20,912		(7,517)	13,395	
Water Utility	7,571		(2,634)	4,937	
Sanitation Utility	5,057		(1,806)	3,251	
Golf Courses	299		(111)	188	
Convention, Sports and Entertainment Venues	6,819		(2,468)	4,351	
Total	40,658		(14,536)	26,122	
Pension (note 13)					
Electric Utility	98,035		(39,858)	58,177	
Water Utility	31,067		(12,522)	18,545	
Sanitation Utility	16,006		(6,288)	9,718	
Golf Courses	1,146		(472)	674	
Convention, Sports and Entertainment Venues	33,182		(18,603)	14,579	
Total	179,436		(77,743)	101,693	
Business-type activities total	306,394	11,070	(96,928)	220,536	
Government-wide total	$ 1,187,610	$ 51,693	$ (427,329)	$ 811,974	$ 32,028

Governmental activities

Due to other governments

The California Department of Finance (DOF) approved the Successor Agency's Long Range Property Management Plan (LRPMP) on December 31, 2015; the LRPMP authorized the transfer of all of the properties formerly held by the Successor Agency to the City for either governmental use or future development. The California Redevelopment Agency Dissolution Law (ABx1 26, AB 1484, AB 471 and SB 107, as the same may be amended from time to time) addresses the distribution of land sale proceeds from the sale of those properties and suggests that such distribution be memorialized in agreements (Compensation Agreements) among the entities that receive the former redevelopment agency's property tax increment. To date, no Compensation Agreements have been executed, but such distribution may involve the transfer of $0 up to the estimated net total liability at June 30, 2020 of $22,580 to those taxing entities. During fiscal year 2022, payment of $3,560 was paid to the County of Orange for the distribution to other taxing entities. The balance of the estimated accrued liability at June 30, 2022 was $19,020.

Business-type activities

Other liability - San Juan reclamation obligation

The Electric Utility is providing for the future reclamation costs allocation based on its former ownership share of Unit 4 of 10.04% of the San Juan (SJ) Generation Station. The Electric Utility has $5,512 in an irrevocable trust as of June 30, 2022 for reclamation costs and with a reclamation obligation of $4,942. During fiscal year 2022, the Electric Utility paid $375 related to San Juan reclamation obligation and transferred amount of the overfunding ($93) to deferred inflow of resources related to regulated business activities for the benefits of utility rate payers. Balance of the regulated business activities related to SJ reclamation was $570 at June 30, 2022.

SUCCESSOR AGENCY

Other long-term liabilities

The Successor Agency has the following other long-term liabilities at June 30, 2022:

	Beginning Balance	Additions/ Proceeds	Reductions/ Payments	Ending Balance	Within One Year
Notes and loans payable	$ 2,707			$ 2,707	
Pollution remediation liability	19,834		$ (2,026)	17,808	$ 1,992
	$ 22,541		$ (2,026)	$ 20,515	$ 1,992

Savi Ranch Associates note payable

In July 1989, the former Redevelopment Agency executed a note with Savi Ranch Associates, a California general partnership. The amount of the note totaled $2,707 and bears interest at 9.5% per annum. The note is payable from net property tax increment as defined in the Redevelopment Agency note. If there is insufficient RPTTF revenue to pay for principal and interest at the termination of the River Valley project area plan in November 2031, the note ceases to be an obligation of the Successor Agency. For the fiscal year ended June 30, 2022, total interest paid was $443.

Westgate Pollution Remediation Obligation

In June 2003, the former Redevelopment Agency acquired property located at 2951 West Lincoln Avenue as part of a redevelopment project named the Westgate project. Approximately 11 acres of the property were formerly known as the Sparks and Rains Landfills. The County of Orange was the operator of these landfills until 1960. In November 2008, the County paid the Redevelopment Agency $5,176 in settlement of claims related to the pollution remediation for the Westgate project site prior to the development of a shopping center. The total costs of the pollution remediation work amounted to $12,420 based on the actual contract received for the project. Subsequently, management identified potential additional pollution remediation costs including ongoing maintenance responsibilities required for the Westgate project amounting to $18,576 in Fiscal Year 2015 and $4,351 in Fiscal Year 2021. During fiscal year 2022, the Successor Agency paid $2,026 related to the Westgate pollution remediation cost. The pollution remediation liability at June 30, 2022 is estimated to be $17,808.

NOTE 12 – LEASE PAYABLE:

The City is a lessee for non cancellable leases of land, building and equipment. The City's lease payable at June 30, 2022 were valued at $4,375 for Governmental Activities and $2,997 for Business-type Activities. At June 30, 2022, Right-to-use leased assets, net of accumulated amortization, related to these leases were $4,699 and $3,019 for the Governmental and Business-type Activities respectively. The right-to-use leased asset balances and the related accumulated amortization are displayed on note 7 on page 84 of the notes to the financial statements.

The City's incremental borrowing rate of 1.75% (rate in July 2021) was applied to those leases that do not have a specific interest rate.

Lease payable of the governmental activities totaling $4,375 consist the following:

- Lease payable for right-to-use leased building totaling $16 has a remaining lease term that ends on November 30, 2022, principal and interest for the remaining lease payment is $16.
- Lease payable for right-to-use leased land totaling $2,899, the remaining lease terms range from April 10, 2027 to January 31, 2065, annual principal and interest payment ranges from $81 to $140.
- Lease payable for right-to use leased equipment totaling $1,460 for the City's computer leases, the remaining lease terms range from July 30, 2022 to June 29, 2026. Annual principal and interest payment ranges from $133 to $912.

Lease payable of the business-type activities totaling $2,997 consist the following:

- Lease payable for right-to-use leased equipment totaling $75 at a rate of 2.37% and ends on August 1, 2023, annual principal and interest payment ranges from $11 to $65.
- Lease payable for right-to-use leased land totaling $2,922, the remaining lease terms range from March 18, 2024 to April 30, 2046; annual principal and interest payment ranges from $65 to $315.

The future principal and interest lease payments as of June 30, 2022, were as follows:

	Governmental Activities		Business-type Activities	
Fiscal year	Principal	Interest	Principal	Interest
2023	$ 925	$ 76	$ 328	$ 52
2024	464	60	135	46
2025	158	52	128	44
2026	30	49	132	42
2027	23	48	136	39
2028-2032	141	235	739	160
2033-2037	193	221	830	91
2038-2042	253	201	291	37
2043-2047	324	177	278	10
2048-2052	405	145		
2053-2057	499	106		
2058-2062	607	58		
2063-2067	353	8		
Total	$ 4,375	$ 1,436	$ 2,997	$ 521

The Fiduciary Fund - Successor Agency is a lessee for non cancellable leases of land. Lease payable at June 30, 2022 was $19,170. The Successor Agency recorded the right-to-use leased land of $19,613 with an accumulated amortization of $729, and the lease payable on the Statement of Fiduciary Fund net position. The Successor Agency subleased a portion of the leased land to a third party and has recorded a lease receivable of $6,196 with a corresponding deferred inflow of resources of $6,109.

- Lease payable for right-to-use leased land totaling $19,170, at the Successor Agency's incremental borrowing rate of 1.75%, the remaining lease term range from April 30, 2041 to January 29, 2078; annual principal and interest payment ranges from $216 to $1,026.

The future principal and interest lease payments as of June 30, 2022, for the Successor Agency were as follows:

	Fiduciary Fund	
Fiscal year	Principal	Interest
2023	$ 382	$ 330
2024	419	324
2025	444	316
2026	452	308
2027	478	300
2028-2032	2,798	1,364
2033-2037	3,513	1,093
2038-2042	3,320	765
2043-2047	525	624
2048-2052	706	572
2053-2057	899	505
2058-2062	919	425
2063-2067	1,116	340
2068-2077	3,202	328
Total	$ 19,170	$ 7,596

NOTE 13 – PENSIONS:

General information about the Pension Plans

Plan Description

The City provides pension benefits to eligible full-time employees in three separate pension plans: Miscellaneous Plan, Police Safety Plan and Fire Safety Plan. These plans are agent multiple-employer public employee defined benefit plans and are administered through the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website @ www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employee's Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2022 are summarized as follows:

	Miscellaneous	
	Prior to	On or after
Hire Date	January 1, 2013	January 1, 2013
Benefit formula	2.7% @ 55	2.0% @ 62
Benefit vesting schedule	5 years' service	5 years' service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-65
Monthly benefits, as a% of eligible compensation	2.70%	2.00%
Required employee contribution rates	8.00%	7.50%
Required employer contribution rates	11.960%	11.960%

	Police Safety	
	Prior to	On or after
Hire Date	January 1, 2013	January 1, 2013
Benefit formula	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 years' service	5 years' service
Benefit payments	monthly for life	monthly for life
Retirement age	50	52-57
Monthly benefits, as a % of eligible compensation	3.00%	2.70%
Required employee contribution rates	9.00%	13.50%
Required employer contribution rates	24.080%	24.080%

	Fire Safety	
	Prior to	On or after
Hire Date	January 1, 2013	January 1, 2012; January 1, 2013
Benefit formula	3.0% @ 50	2% @ 50; 2.7% @ 57
Benefit vesting schedule	5 years' service	5 years' service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50; 57
Monthly benefits, as a % of eligible compensation	3.00%	2.0%; -2.7%
Required employee contribution rates	9.00%	9.00%; 12.00%
Required employer contribution rates	19.030%	19.030%

Employees Covered

As of the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Police Safety	Fire Safety
Inactive employees or beneficiaries currently receiving benefits	2,330	626	328
Inactive employees entitled to but not yet receiving benefits	1,853	79	71
Active employees	1,439	392	203
Total	5,622	1,097	602

Contributions

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

The total required minimum employer contribution is the sum of the Employer Normal Cost Rate (Employer Rate, expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution amount (in dollar). The following table summarizes the required contribution rates by employee and employer effective for fiscal year 2022. The contribution requirements of plan members and the City are established and may be amended by CalPERS.

				Employer Rate		Total Rate			
Employee Group	CalPERS Membership[1]	Retirement Formula	Employee Rate	Employee[2]	City	Employee	City	Total Rate	FY 2022 UAL Contribution[3]
Miscellaneous Employees									
Management; confidential	Classic	2.7% @ 55	8.000%	4.000%	7.960%	12.000%	7.960%	19.960%	
Anaheim Municipal Employees Association (AMEA) General	New	2% @ 62	7.500%	0.000%	11.960%	7.500%	11.960%	19.460%	$ 37,532
Anaheim Municipal Employees Association (AMEA) Clerical									
International Brotherhood of Electrical Workers (IBEW)									
Anaheim Police Association Trainees									
Safety Employees									
Fire Management	Classic	3% @ 50	9.000%	3.000%	16.030%	12.000%	16.030%	28.030%	
Anaheim Fire Association (AFA)	Classic	2% @ 50	9.000%	3.000%	16.030%	12.000%	16.030%	28.030%	
	New	2.7% @ 57	12.000%	0.000%	19.030%	12.000%	19.030%	31.030%	$ 10,579
Police Management	Classic	3% @ 50	9.000%	3.000%	21.080%	12.000%	21.080%	33.080%	
Anaheim Police Management Association (APMA)	New	2.7% @ 57	13.500%	0.000%	24.080%	13.500%	24.080%	37.580%	$ 18,028
Anaheim Police Association (APA)									

[1] Definition of a 'New' PERS member
A new hire who is brought in CalPERS membership for the first time on or after January 1, 2013, and who has no prior membership in any California public retirement system.
A new hire who is brought into CalPERS membership for the first time on or after January 1, 2013, and who is not eligible for reciprocity with another California public retirement system.
A member who first established CalPERS membership prior to January 1, 2013, and who is rehired by a different CALPERS employer after a break in service of greater than six months.

[2] PERS Cost Share is the employee contribution towards the employer's Normal Cost (NC) Rate. Normal cost is the annual cost of service accrual for the upcoming fiscal year for active employees. Normal cost is shown as a percentage of payroll and paid as part of the payroll reporting process.

[3] The Unfunded Accrued Liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for members who are currently receiving benefits, active members, and for members entitled to deferred benefits, as of the valuation date. Effective in fiscal year 2018, CalPERS began collecting employer contributions toward the plan's UAL as a dollar amount instead of the prior method of a contribution rate.

The pension plans (pensions) are recognized in the government-wide financial statements and proprietary funds financial statements on an accrual basis of accounting, while the contributions to the pension plan are recognized as expenditures on modified accrual basis of accounting on the governmental fund statements.

The net pension liability in the Statement of Net Position represents the City's excess of the total pension liability over the fiduciary net position reflected on the Valuation Reports provided by CalPERS. The net pension liabilities are measured as of the City's prior fiscal year. Changes in net pension liability are recorded as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change.

The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which the difference incurred.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plan is measured as of June 30, 2021. Liabilities are based on the results of the actuarial calculations performed as of June 30, 2020 and were rolled forward to determine the June 30, 2021 total pension liability. Fiduciary net position is based on fair value of investments as of June 30, 2021.

<u>Actuarial Assumptions</u>:

A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Valuation Date (VD)	June 30, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021
Reporting Date (RD)	June 30, 2022
Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increase	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	Derived using CalPERS' membership data for all funds. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.
Post-Retirement Benefits Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.5% thereafter

<u>Change of Assumptions</u>

There was no change of assumptions for the measurement year.

<u>Discount Rate</u>

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

Long-term expected rate of return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for the assumed administrative expenses.

The expected real rates of return by asset class are as followed:

Asset Class[1]	Current Target Allocation	Real Return Years 1-10[2]	Real Return Years 11+[3]
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets		0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%		-0.92%
	100.00%		

[1] CalPERS' ACFR, Fixed income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

[2] An expected inflation of 2.0% used for this period

[3] An expected inflation of 2.92% used for this period

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

Difference between projected and actual earnings on investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

Change in the Net Pension Liability

Net pension liability is the plan's total pension liability based on the entry age normal actuarial cost method less the plan's fiduciary net position.

The following tables show the changes in net pension liability for each Plan recognized over the measurement period:

Miscellaneous Plan:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2020 (VD)	$ 1,528,159	$ 1,087,411	$ 440,748
Changes recognized for the Measurement Period:			
Service Cost	24,229		24,229
Interest on the Total Pension Liability	106,426		106,426
Difference between Expected and Actual Experience	(10,970)		(10,970)
Contribution from the Employer		49,044	(49,044)
Contributions from Employees		9,589	(9,589)
Net Investment Income		245,656	(245,656)
Benefit Payments, including Refunds of Employee Contributions	(81,651)	(81,651)	
Administrative Expenses		(1,086)	1,086
Net Changes during 2020-2021	38,034	221,552	(183,518)
Balance at June 30, 2021 (MD)	$ 1,566,193	$ 1,308,963	$ 257,230

Police Safety Plan:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2020 (VD)	$ 863,354	$ 614,341	$ 249,013
Changes recognized for the Measurement Period:			
Service Cost	17,747		17,747
Interest on the Total Pension Liability	60,990		60,990
Difference between Expected and Actual Experience	3,081		3,081
Contributions from Employer		29,138	(29,138)
Contributions from Employees		5,525	(5,525)
Net Investment Income		138,954	(138,954)
Benefit Payments, including Refunds of Employee Contributions	(44,591)	(44,591)	
Administrative Expenses		(614)	614
Net Changes during 2020-2021	37,227	128,412	(91,185)
Balance at June 30, 2021 (MD)	$ 900,581	$ 742,753	$ 157,828

Fire Safety Plan:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2020 (VD)	$ 476,582	$ 331,497	$ 145,085
Changes recognized for the Measurement Period:			
Service Cost	7,330		7,330
Interest on the Total Pension Liability	33,408		33,408
Difference between Expected and Actual Experience	337		337
Contributions from Employer		14,317	(14,317)
Contributions from Employees		2,745	(2,745)
Net Investment Income		74,381	(74,381)
Benefit Payments, including Refunds of Employee Contributions	(26,689)	(26,689)	
Administrative Expenses		(331)	331
Net Changes during 2020-2021	14,386	64,423	(50,037)
Balance at June 30, 2021 (MD)	$ 490,968	$ 395,920	$ 95,048

Combined Total:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2020 (VD)	$ 2,868,095	$ 2,033,249	$ 834,846
Changes recognized for the Measurement Period:			
Service Cost	49,306		49,306
Interest on the Total Pension Liability	200,824		200,824
Difference between Expected and Actual Experience	(7,552)		(7,552)
Contribution from the Employer		92,499	(92,499)
Contributions from Employees		17,859	(17,859)
Net Investment Income		458,991	(458,991)
Benefit Payments, including Refunds of Employee Contributions	(152,931)	(152,931)	
Administrative Expenses		(2,031)	2,031
Net Changes during 2020-2021	89,647	414,387	(324,740)
Balance at June 30, 2021 (MD)	$ 2,957,742	$ 2,447,636	$ 510,106

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

The following presents the net pension liability of the City's three Plans of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

Plans' Net Pension Liability	Discount Rate - 1% (6.15%)	Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Miscellaneous	$ 457,064	$ 257,230	$ 91,632
Police Safety	277,351	157,828	59,480
Fire Safety	157,849	95,048	43,033
Combine total	$ 892,264	$ 510,106	$ 194,145

Pension Plan Fiduciary Net Position

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

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

Pension expense is the change in net pension liability from the previous fiscal year to the current fiscal year less adjustments. For the fiscal year ended June 30, 2022, the City recognized pension expenses of $19,384 which included $2,468 from the Miscellaneous Plan, $10,045 from the Police Safety Plan, and $6,871 from the Fire Safety Plan.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Miscellaneous Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 51,639	
Changes of Assumptions		
Difference between Expected and Actual Experiences	174	$ 9,545
Net difference between projected and actual earnings on plan investments		122,471
Change in proportions	6,281	6,281
Total	$ 58,094	$ 138,297

Police Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 31,089	
Changes of Assumptions		
Difference between Expected and Actual Experiences	3,155	$ 453
Net difference between projected and actual earnings on plan investments		69,110
Total	$ 34,244	$ 69,563

Fire Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 15,990	
Changes of Assumptions		$ 239
Difference between Expected and Actual Experiences	5,079	
Net difference between projected and actual earnings on plan investments		36,851
Total	$ 21,069	$ 37,090

Combined Total	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 98,718	
Changes of Assumptions		$ 239
Difference between Expected and Actual Experiences	8,408	9,998
Net difference between projected and actual earnings on plan investments		228,432
Change in proportions	6,281	6,281
Total	$ 113,407	$ 244,950

The combined total $98,718 ($51,639 from the Miscellaneous Plan, $31,089 from the Police Safety Plan and $15,990 from Fire Safety Plan) reported as deferred outflows of resources related to contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. Other amount reported in deferred outflow of resources and inflows of resources related to pensions will be recognized as a component in pension expense (benefit) as follows:

Fiscal year Ended 6/30	Miscellaneous Plan	Police Safety Plan	Fire Safety Plan	Total
2023	$ (35,815)	$ (16,032)	$ (7,247)	$ (59,094)
2024	(32,220)	(15,419)	(6,678)	(54,317)
2025	(30,024)	(15,870)	(7,906)	(53,800)
2026	(33,783)	(19,087)	(10,180)	(63,050)
	$ (131,842)	$ (66,408)	$ (32,011)	$ (230,261)

Payable to the Pension Plans

At June 30, 2022, the City reported a payable of $1,211 for the outstanding amount of contributions to the pension plan required for the fiscal year ended June 30, 2022.

NOTE 14 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City provides other postemployment benefits (OPEB) to eligible regular full-time employees who retired from city services in a single-employer defined benefit healthcare plan (Plan). The Plan participates in the California Employers' Retiree Benefit Trust (CERBT) to pre-fund OPEB liabilities. The CERBT is an agent multiple employer plan consisting of an aggregation of single-employer plans, with pooled administrative and investment functions that are administered by CalPERS. A copy of the aggregated CERBT annual financial report may be obtained @www.calpers.ca.gov.

The City's OPEB Plan provides medical, dental and life insurance coverage to eligible retirees. This coverage is available for employees who retire from City services with PERS and meet the eligibility requirements in accordance with City Personnel Resolutions and various Memoranda of Understanding summarized as follows:

Employee Group	Date of Hire	Eligibility Requirement	City Contribution Formulas[1]
Management, Council - Unrepresented Anaheim Municipal Employee Associations (AMEA)	Before 1/1/1996	Age 50 with 10 years of continuous full time City services; must have been awarded a retirement from PERS as the reason for separation from City service	1.5 multiplied by Miscellaneous 2% @ 60 PERS retirement schedule based on employee's age at retirement & City service accrued through 12/31/2005
Police Safety	Before 7/6/2001	Age 50 with 10 years of continuous full time City services; must have been awarded a retirement from PERS as the reason for separation from City service	1.2 multiplied by 2% @ 50 Safety PERS based on the employee's age and years of City service at the time of retirement
Fire Safety	Before 11/9/2001	Age 50 with 10 years of continuous full time City services; must have been awarded a retirement from PERS as the reason for separation from City service	1.2 multiplied by 2% @ 50 Safety PERS based on the employee's age and years of City service at the time of retirement

[1] The maximum City contribution for the retiree's OPEB is 95% of the annual contribution amount for active employees

Regular full time employees hired after the dates above have access to the City's medical and dental plans but do not receive a defined benefit.

Benefits provided

The City provides healthcare, dental and vision benefits for retirees and their dependents. Benefits are provided through payment of insurance premiums.

Additionally, full time employees who retire from the City at age 50 or older with 5 years of City service receive life insurance benefits. Retirees receive a paid-up life insurance policy at retirement. The City pays the full cost of the life insurance coverage.

Employees Covered

At the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms of the OPEB Plan:

Inactive employees or beneficiaries currently receiving benefit payments	1,331
Inactive employees entitled to but not yet receiving benefit payments	106
Active employees	1,789
Total	3,226

Contributions

The contribution requirements of plan members and the City are established in accordance with City Personnel Resolutions, Council Resolution and various Memoranda of Understanding. The retired plan members receiving benefits make varying contributions toward the cost of these benefits. The City contributes an amount not less than the annual Actuarially Determined Contribution (ADC) measured in accordance with the parameters of GASB Statement No. 75. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortization of any unfunded actuarial liabilities over a closed 30-year period. The remaining amortization at June 30, 2022 is sixteen years.

City contributions to the Plan occur as benefits are paid to retirees or contributions to the OPEB Trust. Benefit payments occur in the form of direct payments for premiums and taxes (explicit subsidies) and indirect payments to retirees in the form of higher premiums for active employees (implicit subsidies).

For the fiscal year ended June 30, 2022, the City contributed $16,065 to the OPEB plan, which is $1,542 in excess of the $14,523 ADC. This amount included insurance premiums of $18,156, implicit subsidy of $3,197, offsetting retiree contributions of $5,288.

Net OPEB Liability

The City's OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

A summary of principal assumptions and methods used to determine the net OPEB liability is shown below.

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021
Reporting Date (RD)	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Long Term Return on Assets	6.00% net of plan investment expenses and including inflation
Discount Rate	6.00% net of plan investment expenses and including inflation
General Inflation Rate	2.50% per year
Salary Increase	3.00% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Participation Rates	Active employees expected to qualify for explicit City benefits in retirement: 90% of future retirees are assumed to elect coverage through the City in retirement; Active employees not eligible for explicit City benefits in retirement: 50% are assumed to continue their current medical plan elections in retirement. Current retirees: All currently participating retirees are assumed to continue their existing medical and dental plan elections for the remainder of their lifetime. 35% of retirees under age 70 and eligible for benefits but currently waiving coverage are assumed to rejoin the plan. Retirees age 70 and older waiving coverage and eligible for coverage are assumed never to enroll.
Demographic	Based on the 2017 experience study of the CalPERS using data from 1997 to 2015, except for a different basis used to project future mortality improvements. The representative mortality rates were those published by CalPERS rates, adjusted to back out 15 years of Scale MP 2016 to central year 2015.
Mortality Improvement	Macleod Watts Scale 2022 applied generationally from 2015.
Healthcare Trend	Medical plan premiums and claims costs by age are assumed to increase once each year. Assumed to start at 5.8% in 2022 and grade down to 3.9% for year 2076 and later. This model was developed using the Getzen Model 2022-b published by the Society of Actuaries. Dental premiums are assumed to increase by 3.5% per year. Medicare Part B premiums (for a small closed group of retirees) are assumed to increase by 5% per year.
Employer Cost Sharing	The City's contribution toward active employee's health coverage is assumed to increase by the general inflation rate (2.5%) plus 75% of the healthcare trend rate in excess of the general inflation rate.
Life Insurance	Life insurance is valued by taking the present value of all future death benefits for future retirees, plus a "load" of 10% to reflect insurance company expenses and profit. A 4% interest rate was used for determining the single premium value of life insurance at retirement.

Change of Assumptions

The June 30, 2021 actuarial valuation has the following changes since the prior valuation:

Trust rate of return and discount rate	Decreased from 6.70% to 6.00%, reflecting updated long-term rates of return projections on trust assets.
Mortality Improvement	The mortality improvement scale was updated from MacLeod Watts Scale 2020 to MacLeod Watts Scale 2022.
Healthcare Trend	Updated the base healthcare trend scale from Getzen Model 2019_b to Getzen Model 2021_b, as published by the Society of Actuaries.
Participation Rate	Active employees: For those eligible for retiree coverage only (no City paid premium), the participation rate was increased from 45% to 50%, following a review of recent retiree elections. Retired employees waiving coverage: the re-enrollment rate for those retirees currently waiving coverage was changed (a) for retirees under age 70, from 50% to 35%, and (b) for retirees age 70 and older, from 25% to 0%. These changes were made following a review of recent retiree elections.

Medicare Eligibility	Certain active employees and retirees have been identified as not eligible for Medicare enrollment based on City employment, though many eventually have qualified for coverage through a spouse or from other employment. For those under the age of 65 on the valuation date, the actuarial valuation increased the percentage assumed never to become eligible for Medicare from 20% to 40%, based on an analysis of recent experience.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The expected long-term return on trust assets was derived from information published by CalPERS for CERBT Strategy 1. CalPERS determined its returns using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). CalPERS' expected returns are split for years 1-5 and years 16-20.

To derive the single equivalent long-term expected return specific to the City's OPEB Plan, the actuarial valuation first adjusted CalPERS's future return expectations to align with the 2.5% general inflation assumption. Then applying the plan specific benefit payments to CalPERS' bifurcated return expectations. The City's OPEB Plan participates in CERBT portfolio investment Strategy 1. The target allocation and best estimates of geometric real rates of return published by CalPERS for each major asset class of Strategy 1 are summarized in the following table:

Asset Class	Target Allocation	Years 1-5	Years 6-20
Global Equity	49%	4.00%	4.50%
Fixed Income	23%	-1.00%	2.20%
Global Real Estate (REITs)	20%	3.00%	3.90%
Treasury Inflation Protected Securities	5%	-1.80%	1.30%
Commodities	3%	0.80%	1.20%
Cash	-		

* General inflation rate assumption for Years 1-5 is 2.4% and for Years 6-20 is 2.3%

Recognition of Plan Changes and Gains and Losses

Under GASB 75, gains and losses related to changes in Total OPEB Liability and Fiduciary Net Position are recognized in OPEB expense systematically over time.

Timing of recognition: Changes in the Total OPEB Liability relating to changes in plan benefits are recognized immediately (fully expensed) in the year in which the change occurs. Gains and Losses are amortized, with the applicable period based on the type of gain or loss. The first amortized amount are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expenses.

Difference between projected and actual earnings on investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.

Changes in the OPEB Liability

The following table shows the changes in the net OPEB liability of the City's Plan recognized over the measurement period.

	Increase (Decrease)		
	Total OPEB Liabilities (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at 06/30/2020	$ 257,835	$ 97,735	$ 160,100
Changes for the year:			
Service cost	1,714		1,714
Interest on Total OPEB Liability	16,840		16,840
Expected investment income		6,547	(6,547)
Changes of Assumptions	17,191		17,191
Differences between Expected and Actual Experience	(45,405)		(45,405)
Contributions - Employer		16,393	(16,393)
Investment experience		20,388	(20,388)
Benefit payments	(16,393)	(16,393)	
Trust administrative expense		(37)	37
Net Change	(26,053)	26,898	(52,951)
Balance at 06/30/2021	$ 231,782	$ 124,633	$ 107,149

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

The following presents the net OPEB liability of the City if it were calculated using a discount rate of 6.00% and the impact of 1 percentage-point lower (5.00%) or 1 percentage-point higher (7.00%) than the current rate:

	1% Decrease 5.00%	Discount Rate 6.00%	1% Increase 7.00%
Net OPEB Liability	$ 134,961	$ 107,149	$ 84,005

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates assumed to start at 5.8% and grade down to 3.9% for years 2076 and thereafter. The impact of 1 percentage-point lower or 1 percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease 4.80%	Current Trend Rate 5.80%	1% Increase 6.80%
Net OPEB Liability	$ 83,811	$ 107,149	$ 134,952

OPEB Plan fiduciary net position

Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued CERBT annual financial report which may be obtained @www.calpers.ca.gov

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

For the year ended June 30, 2022, the City recognized OPEB expense of ($1,889). At June 30, 2022, the City reported deferred outflows of resources and deferred nflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 16,065	
Changes of Assumptions	14,941	$ 3,920
Difference between Expected and Actual Experiences		47,784
Net difference between projected and actual earnings on plan investments		14,239
Change in proportion	3,741	3,741
Total	$ 34,747	$ 69,684

$16,065 reported as deferred outflows of resources related to contribution made subsequent to measurement date will be recognized as a reduction in net OPEB liability in the next fiscal year. Other amount reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as a component in OPEB expense (benefit) as follows:

Fiscal Year Ended June 30	
2023	$ (12,833)
2024	(11,594)
2025	(11,791)
2026	(9,435)
2027	(4,573)
Thereafter	(776)
Total	$ (51,002)

NOTE 15 – SEGMENT INFORMATION:

The Sanitation Utility Fund issued revenue bonds to finance sewer system expansion and improvements. The Sanitation Utility Fund accounts for three activities: solid waste collection, wastewater, and street cleaning. However, investors in the revenue bonds rely solely on revenue generated through wastewater activities for repayment. Summary financial information for wastewater activities is presented below:

Condensed Statement of Net Position

Assets	
Cash & cash equivalents	$ 9,746
Investments	25,273
Other current assets	2,199
Restricted cash & cash equivalents	7,808
Restricted investments	17,442
Capital assets, net	115,130
Total assets	177,598
Deferred outflows of resources	1,867
Liabilities	
Current liabilities	984
Long-term debt due within one year	811
Current liabilities payable from restricted assets	1,201
Long-term debt due within one year payable from restricted assets	565
Long-term debt less current portion	46,048
Other long-term liabilities	6,269
Total liabilities	55,878
Deferred inflows of resources	3,770
Net Position	
Net investment in capital assets	75,061
Restricted for debt services	565
Restricted for capital projects	15,553
Unrestricted	28,638
Total net position	$ 119,817

Condensed Statement of Revenues, Expenses and Changes in Fund Net Position

Waste water fees (pledged against bonds)	$ 15,225
Other revenues	533
Depreciation and amortization	(2,518)
Other operating expenses	(7,042)
Total operating Income	6,198
Nonoperating income(expenses)	
Investment loss	(1,356)
Interest expense	(1,476)
Capital contribution	177
Transfer in	128
Transfer out	(647)
Total nonoperating expenses	(3,174)
Change in net position	3,024
Net position at beginning of year	116,793
Net position at end of year	$ 119,817

Condensed Statement of Cash Flows

Net cash provided (used for) by:	
Operating activities	$ 7,387
Noncapital financing activities	(647)
Capital and related financing activities	(6,352)
Investing activities	(8,520)
Net increase	(8,132)
Beginning cash and cash equivalents	25,686
Ending cash and cash equivalents	$ 17,554
Reconciliation of cash & cash equivalent	
Cash & cash equivalent	$ 9,746
Restricted cash & cash equivalent	7,808
Total cash & cash equivalent	$ 17,554

NOTE 16 – DEFERRED COMPENSATION PLAN

City employees may participate (voluntarily) in the deferred compensation 457 Plan (Plan) offered by the City. Maximum contributions are as defined by law. The primary purpose of the 457 Plan is to provide retirement income and other deferred benefits to the employees and their beneficiaries in accordance with the provisions of Section 457 of the Internal Revenue Code of 1986, as amended.

City contributions to the 457 Plan are limited to certain employment contracts. Per the Memorandum of Understanding between the Anaheim Firefighters Association and the City of Anaheim, the City shall make a contribution to the 457 deferred compensation plan account for each Association-represented employee with an active 457 deferred compensation plan account in the amount of thirty-eight dollars and forty six cents per bi-weekly pay period. The contribution was effective from June 28, 2019 and shall sunset on the last day of the last full pay period in June 2022. For the fiscal year ended June 30, 2022, the City contributed $198.

All amounts of annual deferred, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights shall be held and invested in the Trust Fund for the exclusive benefit of participants and beneficiaries under the Plan. The Deferred Compensation Committee consisting of the Plan Administrator and City employees serve in the capacity of Trustee. While the Trustee administers the Plan and makes selection of investment options available to the participants, decisions for investment choices are the responsibilities of Plan participants. Neither the City nor the Trustee shall be liable for any losses incurred by virtue of following a Plan participants' or beneficiary's directions regarding an investment option.

The accumulated assets of the Plan are not required to be reported in the accompanying basic financial statements.

NOTE 17 – RETIREMENT HEALTH SAVINGS PLAN AND TRUST

The City has a Retirement Health Savings Plan and Trust (RHS) that is funded by a City contribution and an employee contribution. The RHS is an employer-sponsored health savings vehicle that allows for the accumulation of assets to pay for certain eligible medical expenses in retirement on a tax-free basis.

City employees, depending on the unit of representation, may be mandatorily required to participate in the RHS Plan. The mandatory salary contribution effective for the fiscal year ended June 30, 2022 was 0% - 1% of base salary for the City and 0% - 3% employee contribution based upon the employee group. The City's Deferred Compensation Committee also administers the RHS and makes selection of investment options available to the participants; but decisions for investment choices are the responsibilities of participants. Neither the City nor the Trustee shall be liable for any losses incurred by virtue of following a participants' or beneficiary's directions regarding an investment option.

Total employer contributions from the City amounted to $2,565 for the fiscal year ended on June 30, 2022. The accumulated assets of the RHS are not required to be reported in the accompanying basic financial statements.

NOTE 18 – JOINT VENTURES AND JOINTLY-OWNED PROPERTIES

Authority for Orange County - City Hazardous Materials Emergency Response

The City participates in joint powers authority (JPA), the Authority for Orange County-City Hazardous Materials Emergency Response (Hazmat), for the purposes of responding to, assessing the nature of, and stabilizing any emergency created by the release or threatened release of hazardous materials.

The following entities are members of Hazmat: City of Anaheim and City of Huntington Beach (provider agencies). Members of the Board of Directors (Hazmat Board) consists of one voting Board member and an alternate appointed by the governing body from the provider agencies. Under the Fifth Amendment to the JPA agreement, three representatives from the subscribing agencies are also voting Board Members. The following cities were subscribing agencies: Brea, Costa Mesa, Fountain Valley, Fullerton, Placentia, Newport Beach and Orange.

Public entities in Orange County may receive hazardous materials response services from the Hazmat by executing an agreement and paying a fair share contribution. Audited financial information for the joint powers authority as of and for the year ended June 30, 2022, was as follows:

Total assets	$	370
Total liability		30
Members' equity		340
Total revenues		69
Total expenses		102
Change in net position		(33)

Hazmat does not have any debt outstanding as of June 30, 2022.

The City has no significant equity interest in Hazmat, and accordingly neither assets nor liabilities of Hazmat have been recorded in the City's basic financial statements. For a copy of Hazmat's separate financial statements, contact the Finance Director of the City.

Metro Cities Fire Authority

The City participates in a joint powers authority, Metro Cities Fire Authority (Fire Authority), for the purpose of providing a central communication network and record keeping system to support fire suppression, emergency medical assistance, rescue service, and related services provided by the members of the Fire Authority.

The following entities are members of the Fire Authority: City of Anaheim, City of Brea, City of Fountain Valley, City of Fullerton, City of Huntington Beach, City of Newport Beach, and the City of Orange. Members of the Board of Directors (the "Board") consist of one voting Board member and an alternate appointed by their governing body.

Public entities in Orange County may receive services from the Fire Authority by executing an agreement and paying a fair share contribution. Audited financial information for the Fire Authority as of and for the year ended June 30, 2022, was as follows:

Total assets	$	4,071
Total liability		1,897
Members' equity		2,174
Total revenues		6,630
Total expenses		6,737
Change in net position		(107)

The City has no significant equity interest in the Fire Authority, and accordingly neither assets nor liabilities of the Fire Authority have been recorded in the City's basic financial statements. For a copy of the Fire Authority's separate financial statements, contact the Finance Director of the City.

North Net Joint Training Authority

The City participates in a joint powers authority, North Net Training Authority (Authority), for the purpose of providing a joint use of a consolidated Training Center and record keeping system for fire training services.

The following entities are members of the North Net Training Authority: City of Anaheim and City of Orange. Members of the Board of Directors (the "Board") consist of one voting Board member and an alternate appointed by their governing body.

Public entities in Orange County may receive training services from the Authority by executing a "subscription agreement" and by paying the annual fee and other costs. Audited financial information for the Authority as of and for the year ended June 30, 2022, was as follows:

Total assets	$	3,434
Total liability		210
Members' equity		3,224
Total revenues		1,373
Total expenses		1,020
Change in net position		353

SONGS

On December 29, 2006, The Electric Utility sold its 3.16% ownership interest of SONGS to SCE. As such, the Electric Utility ceased recording all related operating expenses, except marine mitigation costs, and spent fuel storage charges. Based on the SONGS settlement agreement, the Electric Utility is responsible for the City's share of marine mitigation costs up to $2,300, and SCE is responsible for costs approximately $2,300 to $7,300. The Electric Utility is responsible for spent fuel storage charges until the federal government takes possession. The Decommissioning Trust Fund will continue to pay for spent fuel storage charges.

As a former participant in SONGS, the Electric Utility is subject to assessment of retrospective insurance premiums in the event of a nuclear incident at SONGS or any other licensed reactor in the United States of America.

San Juan Generating Station

On July 31, 2015, the Electric Utility and the other Parties involved with the San Juan Generating Plants, agreed to a plan for the closure of two of the four units. As co-owner of one of the units that is not being closed, on December 31, 2017, the Electric Utility relinquished its 10.04% ownership interest in the existing coal-fired SJ, Unit 4, located near Waterflow, New Mexico to the parties that will continue in the Plant. Other participants include Public Service of New Mexico, 45.485%; the City of Farmington, 8.475%; the County of Los Alamos, 7.200%; and M-S-R Public Power Agency, 28.800%. The Electric Utility's original purchase cost and cumulative share of ongoing construction costs included in the utility plant at December 31, 2017 amounted to $84,616. All capital assets related to the San Juan unit were fully depreciated and retired as of June 30, 2018. There are no separate financial statements for this venture, as each participant's interest is reflected in its respective financial statements. Refer to note 1 on page 69 Provision for decommissioning costs related to the decommissioning trust fund set-aside for the future decommissioning of the Plant.

NOTE 19 – COMMITMENTS AND CONTINGENCIES:

Intermountain Power Agency

The Electric Utility has entered into a power purchase contract with the Intermountain Power Agency (IPA) for delivery of electric power. The share of IPA power is equal to 13.225% of the generation output of IPA's two recently uprated coal-fueled generating units located in Delta, Utah (Unit 1 and 2 net output is 900 megawatts each). The City is obligated for the following percentage of electrical facilities at IPA:

	Entitlement	Expiration
Generation:		
Intermountain Power Project	13.23%	2027

The contract constitutes an obligation of the Electric Utility to make payments from revenues and requires payment of certain minimum charges. These minimum charges include debt service requirements on the financial obligations used to construct the plant. These requirements are considered a cost of purchased power.

Southern California Public Power Authority

The Electric Utility is a member of the Southern California Public Power Authority (SCPPA), a joint powers agency. SCPPA provides for the financing and construction of electric generating and transmission projects for participation by some or all of its members. To the extent the Electric Utility participates in projects developed by SCPPA, it is obligated for its proportional share of the cost of the project. The City is obligated for the following percentage of electrical facilities owned by SCPPA:

	Entitlement	Expiration
Transmission:		
Souther Transmission System (STS)	17.6%	2027
Mead-Adelanto Project (MAP)	13.5	2030
Mead-Phoenix Project (MPP)	24.2	2030
Generation:		
Magnolia Generating Station (Magnolia)	39.7	2037
Canyon Power Project (Canyon)	100.0	2040
Natural Gas Reserve Projects (Natural Gas)		
SCPAA Natural Gas Project-Pinedale, Wyoming	35.7%	2033
SCPPA Natural Gas Project-Barnett, Texas	45.5	2033

Take or pay commitments

As part of the take or pay commitments with IPA and SCPPA, the Electric Utility has agreed to pay its share of current and long-term obligations. Payment for these obligations will be made from the operating revenues received during the year that the payment is due. A long-term obligation has not been recorded on the accompanying basic financial statements as these commitments do not represent an obligation of the Electric Utility until the year the power is available to be delivered to the Electric Utility. The following schedule details the amount of take-or-pay commitments that are due and payable by the Electric Utility for each project and the final maturity date.

In addition to take-or-pay commitments referenced above, the City's entitlement requires the payment for fuel costs, operations and maintenance (O&M), administration 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; however, prior experience indicates that annual costs are generally consistent from year to year.

Fiscal Year Ending 6/30	IPA	STS	Magnolia	Natural Gas	Canyon	Total
2023	$ 9,461	$ 12,647	$ 7,408	$ 3,631	$ 19,726	$ 52,873
2024	(129)	5,780	7,476	3,364	19,733	36,224
2025	(152)	5,780	7,541	3,119	19,743	36,031
2026		5,780	7,612	2,894	19,750	36,036
2027		5,779	7,688	2,684	19,764	35,915
2028-2032			39,667	10,774	98,708	149,149
2033-2037			39,053		98,221	137,274
2038-2042					58,654	58,654
	$ 9,180	$ 35,766	$ 116,445	$ 26,466	$ 354,299	$ 542,156

The fiscal year 2022 expenses for fuel, O&M, A&G and other costs at these projects were as follows:

	Fiscal Year Ending 6/302022
IPA	$ 38,036
STS	5,201
MAP	390
MPP	146
Magnolia	35,093
Natural Gas	614
Canyon	22,994
Total	$ 102,474

Cap-and-Trade Program

California Assembly Bill (AB) 32 requires that Utilities in California reduce their greenhouse gas (GHG) emissions to 1990 levels by the year 2020. It directed the California Air Resources Board (CARB) to develop regulations of GHG that became effective January 2012. Emission compliance obligations under the Cap-and-Trade regulation began in January 2013.

The Cap-and-Trade program (Program) was implemented beginning January 1, 2013. This Program requires Electric Utilities to have GHG allowances on an annual basis to offset GHG emissions associated with generating electricity. CARB will provide a free allocation of GHG allowance to each electric utility to mitigate retail rate impacts. This free allocation of GHG allowance is expected to be sufficient to meet Electric Utility's GHG compliance obligations for retail sales. During this fiscal year, an unused portion of retail allowance was sold for $11,059 to reduce future renewable energy costs for retail customers. The compliance obligation for the wholesale sales requires allowance to be obtained through the auction or in the secondary market quarterly. At June 30, 2022, the value of prepaid Cap and Trade allowance is $18,052 and the value of the Cap and Trade obligation is $5,517.

The Honda Center

On January 26, 1999, the City entered into a series of lease transactions for the Honda Center. Subsequently on December 16, 2003, the City and Anaheim Arena Management LLC (AAM) entered into a Facility Management Agreement (FMA) whereby AAM has the exclusive right and license to manage, maintain and operate all aspects of the Honda Center in accordance with the FMA through June 30, 2023, with an option to extend the term for an additional period not to exceed 10 years.

In November 2018, an amendment was signed to extend the term of agreement from June 30, 2023 to June 30, 2048, with five 5-year extension options. Under the amendment, AAM assumed responsibility to provide 3,900 parking spaces for Honda Center, relieving the City of this long-term obligation. Annual distributions to the City, AAM and the County of Orange are required for their respective share of adjusted net revenues, as defined in the FMA. In the event that cash on hand is insufficient to pay operating expenses, debt service, distributions to the City, the County of Orange, or other amounts payable, AAM shall make or cause an affiliate or third-party lending institution to make loans for such purposes, as defined in the FMA. Such funds will be repaid from gross revenues or adjusted net revenues, if any, as defined in and in accordance with disbursement priorities established in the FMA. At June 30, 2022, the outstanding conduit debt on the Honda Center totaled $4,500. The debt is non-recourse, payable from revenues generated by the facility. Neither the faith and credit nor the taxing power of the City is pledged to the payment of the debt. The debt is not a general or special obligation of the City, nor does it contain any credit enhancements that secondarily pledge existing or future resources of the City (other than revenues generated by the facility), and accordingly it is not reflected in the accompanying basic financial statements.

Angel Stadium of Anaheim

On May 15, 1996, the City and the California Angels, LP (Team), which was then managed by Disney Sports Enterprises, Inc. (subsequently known as Anaheim Sports, Inc.), entered into an agreement to provide for the operation and refurbishment of the Stadium. Pursuant to the agreement, the Team assumed responsibility for the operation of the Stadium on October 1, 1996. The agreement runs for 33 years (subject to a limited Team option to cancel at 20 years and the Team's right to extend the term). In September 2013, the agreement was modified extending the Team's right to terminate the agreement by three years to October 16, 2019. In January 2019, an amendment was signed to extend the Team's right to terminate the agreement by fourteen months to December 31, 2020.

On December 19, 2019, the Anaheim City Council ratified a resolution approving the Purchase and Sale Agreement between the City and SRB Management Company, LLC (SRB) for the sale of approximately 153 acres of City-owned property generally located at 2000 E. Gene Autry Way and 2200 East Katella Avenue, including improvements commonly referred to as Angel Stadium of Anaheim, the City National Grove, and surrounding parking areas. Key transaction terms included a purchase price of $325 million, a commitment by the Angels to play home games in Anaheim through at least 2050, waiver of Angels Baseball's right to terminate the existing lease, $70 million in periodic deposits to be made by SRB and credited against the purchase price, and a milestone schedule for establishing development entitlements. On May 12, 2020, the City entered into a letter of understanding (LOU) with SRB extending the inspection deadline by ninety (90) days from June 30, 2020 to September 30, 2020, and accelerating the time required for making the third deposit.

On September 29, 2020, the City Council approved an amended and restated purchase and sale agreement with updated terms related to the purchase price, method of payment, closing schedule and conditions precedent for closing. The purchase price was reduced to $320 million to adjust for land that the City will retain for a fire station and for the City's retention of the adjacent municipal water utility building. SRB will pay the purchase price with $50 million in cash, due at closing, drawn from escrow deposits; construction of 466 affordable housing units for lower and very low income households (credited at $123.68 million); the construction and maintenance by SRB of a 7-acre public park (credited at $46.23 million); and five annual installments of the approximately $100 million balance of the purchase price, with interest, with the first installment due the day after closing. The City Council also, by motion, approved the Angels Commitment Agreement between the City and Angels Baseball LP, memorializing Angels Baseball's commitment not to relocate and to play its home games at Angels Stadium of Anaheim (or its replacement) until at least December 31, 2050, with options to extend for an additional 25 years; and; approved the assignment and assumption of the Stadium Lease between the City and SRB, to assign the City's interest, as landlord, in the existing Stadium Lease between the City and Angeles Baseball to SRB upon closing of the sale of the project site.

On May 24, 2022, the members of the Anaheim City Council unanimously voted to halt the sale of Angel Stadium and the surrounding property to SRB, which was a management company led by Angels owner Arte Moreno and the Angels agreed to the City's request to cancel the sale.

The May 14, 1996 Agreement also provided the City the right to develop approximately 42 acres of the parking lot development site. In 1998 a land sale of $1,000 for a 1.25 acre site was approved for the construction of a 1,100-seat theater called "Tinseltown Studios" (now known as "City National Grove of Anaheim"). In November 2002, the City purchased the facility and the land for $6,700 from its then owner, SMG. Concurrent with the purchase, the City granted to Nederlander-Grove LLC (Nederlander) a license to operate the facility for three years with the right to extend another five years. In May 2009, the management agreement was amended extending the term to December 31, 2015 with the right to extend another five year period. In June 2015, the option to extend was exercised, which extends the term to December 31, 2020. A fourth amendment extended the expiration date to December 31, 2022. In August 2022, a fifth amendment was approved that resulted in an expiration date of December 31. 2023 with an optional renewal that would result in an expiration date of December 31, 2024. Additionally, under the amended management agreement, effective January 1, 2009, Nederlander no longer receives a management fee of $150 and the City's share in the annual net profits and losses from operations increased from 50% to 60%. Nederlander is responsible for 100% of losses in excess of $400, thereby limiting the City's share of net losses to a maximum of $240 in any given year. The City may elect to terminate the agreement prior to expiration of the term under certain conditions, and pay the unamortized balance of capital assets purchased during the term to Nederlander. Concurrent with the amendment to the management agreement, the parking license fee agreement was amended, wherein the parking license fees from Nederlander were reduced to $176 and is subject to adjustment annually based on CPI increases. For the fiscal year ended June 30, 2022, Nederlander paid the City $229 for parking and common area maintenance.

Anaheim Regional Transportation Intermodal Center - ARTIC

In December 2014, the City opened ARTIC, a transit hub in the Platinum Triangle, a growing and dynamic mixed use area, and within walking distance of both the Angel Stadium and the Honda Center. ARTIC serves as a transit hub for Orange County and the entire Southern California region with bus and rail services.

In January 2018, the City and AAM entered into negotiations to secure opportunities to create an entertainment district with the Platinum Triangle, keep the Anaheim Ducks in Anaheim, remove the City's $2.5 million general fund obligation from operating the ARTIC, and create opportunities to create and secure revenues and other economic benefits that could be realized through development of the under-utilized City land.

On November 20, 2018, the City Council approved the Facility Management Agreement to be effective on July 1, 2019, for the Anaheim Regional Transportation Intermodal Center (ARTIC), between the City as owner and ATCM, LLC (an affiliate of AAM and controlled by H&S Ventures, LLC) ("ATCM") as manager (the "ARTIC FMA"), as guaranteed by AAM pursuant to a Guaranty of Payment and Performance in favor of the City.

Under the terms of The Facility Management Agreement, ATCM assumes management of ARTIC through June 30, 2048, with the option to extend its management obligations for five five-year extension terms; ATCM will be responsible for all operating losses up to $2.5 million annually; AAM/ATCM will advance all expenses of a sign "Spectacular" at ARTIC, with all proceeds applied to operating expenses; AAM fully guarantees ATCM performance; and City and ATCM share in net profits, 60% to City and 40% to ATCM. For the fiscal year ended June 30, 2022, there was no revenue share distribution.

Muzeo

In October 2007, the City and the former Redevelopment Agency entered into a property operating agreement (Agreement) with the Muzeo Foundation to operate and provide programming for the Muzeo, the downtown museum. The Agreement is for a term of 30 years and provides for a line of credit (LOC) for the first 3 years from the City to the Muzeo Foundation in an amount not to exceed $1,000 or 95% of pledges at an annual interest rate of 5%. The Agreement was amended on August 1, 2010, to extend the maturity date to June 30, 2015. It also amended the aggregate amount of the line of credit to $500 during fiscal year 2011 and $200 during each fiscal year thereafter with amounts being converted to grants upon achieving fundraising thresholds. On June 30, 2014, the agreement was amended to extend the maturity date to June 30, 2019 and increased the line of credit amount from $200 to $250 annually.

In June 2019, The City and the Muzeo Foundation entered Amendment No. 4 to the Property Operating Agreement which includes the continuance of the annual LOC in the amount of $250 per annum for a term of five years expiring June 30, 2024. Additionally, the Muzeo Foundation is also granted a Capital Working LOC (CWLOC) for up to $150 each fiscal year. For the fiscal year ended June 30, 2022, there was no fund drawn from the CWLOC.

Participation Agreement – Construction of Regional Animal Care Shelter

On April 12, 2016 the City Council approved a Participation Agreement between the County of Orange and City of Anaheim for the construction of a new regional animal shelter at the former Tustin Air Base. Participants of this Participation Agreement are the County of Orange and fourteen

Orange County Cities. The Shelter will be a County public works project with a maximum construction amount of $35 million of which the County will fund $7.2 million and contribute the land at no cost. The remaining $27.3 million of the maximum construction amount will be divided proportionately among the contract cities based on the percentage of actual shelter usage over the last five years. The City's proportionate share is 28.28% or $7.7 million for an estimated annual payment of $798 payable quarterly over 10 years starting with fiscal year 2017. During fiscal year 2022, the City paid $800 with an estimated committed balance of $3,088.

Homeless Shelters and Homeless Prevention

On November 10, 2020, the City approved the First Amendment of the Agreement (Shelter Reimbursement) between the City and the Salvation Army for the continuation of the 224 beds shelter services at the Salvation Army homeless shelter located at 1455 South Salvation Place to 1) extend the funding termination date by two additional years from January 31, 2021 to January 31, 2023; and 2) approve a funding reimbursement amount of $11 million for the period from February 1, 2021 through January 31, 2023. The City paid $2,069 for the fiscal year ended June 30, 2022 an estimated committed balance of $6,794 (before crediting amount paid from the Agreement as described in the subsequent paragraph).

On April 22, 2020, the City entered an Agreement for the Homeless Shelter Expansion (Expansion Agreement) with the Salvation Army to obtain additional temporary shelter capacity. The City agreed to fully reimburse the Salvation Army up to $1,800 for its costs in constructing the Expansion with a minimum of 101 beds located in large trailers or similar structures with roof and four walls. The City completed the commitment of the construction payments in the prior fiscal year. Additionally, the City agreed to fully reimburse the Salvation Army for its costs actually incurred in operating the Expansion up to $1,726 annually. The term of the Agreement is two years beginning on the Commencement Date. For the fiscal year ended June 30, 2022, the City paid $629.

On June 20, 2019, the City entered into an Agreement with Illumination Foundation for the operation of an emergency homeless shelter (Shelter) located at 3035 East La Mesa Street. The Agreement commenced upon the effective date and continued for one year, and was extended for up to two additional one year periods. The City pays a fee of fifty-five dollars and thirty three cents ($55.33) per day for each person housed in the Shelter for a total contract agreement not to exceed $6,500. During fiscal year 2022, the City paid the $1,620 and completed the obligation of the commitment.

On December 1, 2021, the City entered into an Agreement ("Agreement") with the Salvation Army (Subrecipient) to passthrough $4,000 of the ESG grant that the City received from HUD for the purposes to prevent, prepare for, and respond to the COVID-19 among individuals and families who are homeless or receiving homeless assistance and to support additional homeless assistance and homeless prevention activities to mitigate the impacts of COVID-19. The term is from the period from December 1, 2021 through September 1, 2022. Per the Agreement, funds that the Subrecipient received from the City pursuant to the Agreement shall offset and serve as credit against City's obligation for the Shelter Reimbursement and/or Expansion Reimbursement Agreements, if any. During fiscal year 2022, the City paid $3,500.

On December 15, 2020, the City entered into a CARES Emergency Solutions Grants Program Subrecipient Agreement with Kingdom Causes, Inc, doing business as City Net (Subrecipient), whereby the Subrecipient received federal funds ("ESG-CV Funds") for the operation of emergency solutions program for homeless individuals or families at risk of homelessess due to COVID-19 in the City of Anaheim. The Agreement is for one-year at an amount not to exceed $2,500. On December 21, 2021, the City and Subrecipient entered into a First Amendment to Agreement for an additional two year term effective January 1, 2022 and shall terminate on December 31, 2023 for an amount not to exceed $8,592, inclusive of the original agreement amount of $2,500. The City paid $2,284 during fiscal year 2022 with a committed balance of $4,918.

Litigation

A number of claims and suits are pending against the City for alleged damages to persons and/or property and for other alleged liabilities arising out of matters usually incident to the operation of a city such as Anaheim. Although the aggregate amount asserted for such lawsuits and claims is significant, in the opinion of City management, the City has strong defenses against such claims, and thus the ultimate loss, if any, relating to these claims and suits not covered by insurance or reflected in the financial statements, will not materially affect the financial position of the City.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Construction and other significant commitments

At June 30, 2022, the City had the following commitments with respect to unfinished capital projects, disposition and development agreements, reimbursement agreements and cooperation agreements:

Capital Projects	Remaining Construction Commitment	Expected Completion Date
Alley Sanitary Sewer Improvements	$ 2,153	2022
Anaheim West Tower HVAC Rehabilitation	5,055	2023
Brookhurst Community Center- Teen Room Addition	615	2022
Direct Buried Cable Replacement Phase 14	3,147	2022
Electric Meters	5,490	2022
Euclid Street Rehabilitation	2,110	2022
Go 165 Underground Electric System Inspections	773	2023
Groundwater Treatment Plants Phase A	103,721	2023
Miscellaneous Water Vault Nos 26,33 And 55 Rehabilitation	687	2023
Neighborhood Improvements-Northeast Anaheim Colony (Sabina)	2,191	2022
Overhead Electric Reliability Improvement	10,874	2022
Portable Water Valve Replacement-Phase I	2,624	2022
Transformers	8,225	2022
Underground District No. 65 Phase I	1,667	2022
Underground District No. 65 Phase 2 Santa Ana Canyon Road	4,739	2022
Underground District No. 67 Sycamore Street	10,464	2023
Vehicle Acquisition	6,266	2022
Water Main Replacement - Dwyer Dr., Lincoln Ave & Dahlia Dr.	2,817	2022
Water Main Replacement - Felicidad St, Lemon St.,& Freedom Ave	2,824	2023
Water Main Replacement - Imperial Highway & Big Sky Lane	1,586	2022
Water Main Replacement - La Palma Ave & Tustin Ave	2,658	2023
Water Main Replacement - Rural Ridge Cir And Wilshire Ave	2,227	2022
Water Main Replacement - Shady Lane, Olive St & Country Hill Rd	1,602	2022
	$ 184,515	

NOTE 20 – SUBSEQUENT EVENTS

On July 6, 2022, the Electric Utility issued Anaheim Housing and Public Improvements Authority Revenue Refunding Bonds, Series 2022-E (Electric Utility Distribution System Refunding), in the principal amount of $34,095 and at a premium of $3,773. The bond proceeds, net of underwriter discount ($83) and cost of issuance ($57), together with the 2012-A Bond Reserve Fund of $8,816, and debt service fund of $1,560, totaled $48,104 was used to refund the remaining $47,200 outstanding principal balance of the 2012-A revenue bonds. The Electric Utility reduced the total debt service payment of the refunded bonds by $2,788 with a net present value saving of $2,129.

Required Supplementary Information

Anaheim, California

Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Fiscal Years[1]

(In thousands)

Measurement Period:	Miscellaneous 2020-2021	Police Safety 2020-2021	Fire Safety 2020-2021	Total 2020-2021	Miscellaneous 2019-2020	Police Safety 2019-2020	Fire Safety 2019-2020	Total 2019-2020
TOTAL PENSION LIABILITY								
Service cost	$ 24,229	$ 17,747	$ 7,330	$ 49,306	$ 24,446	$ 17,304	$ 6,933	$ 48,683
Interest on the Total Pension Liability	106,426	60,990	33,408	200,824	103,706	58,403	32,429	194,538
Changes of Assumptions								
Difference Between Expected and Actual Experience	(10,970)	3,081	337	(7,552)	(5,084)	(930)	6,423	409
Benefit Payments, including Refunds of Employee Contributions	(81,651)	(44,591)	(26,689)	(152,931)	(76,418)	(41,047)	(25,727)	(143,192)
Net Change in Total Pension Liability	38,034	37,227	14,386	89,647	46,650	33,730	20,058	100,438
Total Pension Liability - Beginning	1,528,159	863,354	476,582	2,868,095	1,481,509	829,624	456,524	2,767,657
Total Pension Liability - Ending (a)	$ 1,566,193	$ 900,581	$ 490,968	$ 2,957,742	$ 1,528,159	$ 863,354	$ 476,582	$ 2,868,095
PLAN FIDUCIARY NET POSITION								
Contributions - Employer	$ 49,044	$ 29,138	$ 14,317	$ 92,499	$ 46,238	$ 26,639	$ 13,174	$ 86,051
Contributions - Employees	9,589	5,525	2,745	17,859	9,878	5,398	2,589	17,865
Net Investment Income	245,656	138,954	74,381	458,991	52,399	29,601	15,959	97,959
Benefit Payments, including Refunds of Employee Contributions	(81,651)	(44,591)	(26,689)	(152,931)	(76,418)	(41,047)	(25,727)	(143,192)
Plan to Plan Resource Movement								
Administration Expense	(1,086)	(614)	(331)	(2,031)	(1,490)	(838)	(460)	(2,788)
Other Miscellaneous Income (Expense)								
Net Change in Fiduciary Net Position	221,552	128,412	64,423	414,387	30,607	19,753	5,535	55,895
Plan Fiduciary Net Position - Beginning[2]	1,087,411	614,341	331,497	2,033,249	1,056,804	594,588	325,962	1,977,354
Plan Fiduciary Net Position - Ending (b)	1,308,963	742,753	395,920	2,447,636	1,087,411	614,341	331,497	2,033,249
Plan Net Pension Liability (Asset) - Ending (a) - (b)	$ 257,230	$ 157,828	$ 95,048	$ 510,106	$ 440,748	$ 249,013	$ 145,085	$ 834,846
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	83.58%	82.47%	80.64%	82.75%	71.16%	71.16%	69.56%	70.89%
Covered Payroll[3]	$ 128,129	$ 54,707	$ 26,771	$ 209,607	$ 127,786	$ 52,999	$ 25,092	$ 205,877
Plan Net Pension Liability (Asset) as a Percentage of Covered Payroll	200.76%	288.50%	355.04%	243.36%	344.91%	469.84%	578.21%	405.51%

Notes:

[1] Historical information is required only for measurement periods for which GASB 68 is applicable, Additional years will be presented as they become available

[2] Includes any beginning of year adjustment

[3]Includes one year's payroll growth using 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

(Continued)

Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Fiscal Years[1]

(In thousands) (continued)

Measurement Period:	Miscellaneous 2018-2019	Police Safety 2018-2019	Fire Safety 2018-2019	Total 2018-2019	Miscellaneous 2017-2018	Police Safety 2017-2018	Fire Safety 2017-2018	Total 2017-2018
TOTAL PENSION LIABILITY								
Service cost	$ 23,998	$ 17,241	$ 6,617	$ 47,856	$ 24,265	$ 16,628	$ 6,625	$ 47,518
Interest on the Total Pension Liability	100,471	56,054	31,074	187,599	96,660	53,413	29,971	180,044
Changes of Assumptions[2]					(7,462)	(3,208)	(1,830)	(12,500)
Difference Between Expected and Actual Experience	2,789	3,458	3,076	9,323	(3,467)	(2,322)	1,245	(4,544)
Benefit Payments, including Refunds of Employee Contributions	(72,294)	(38,058)	(24,915)	(135,267)	(68,285)	(35,675)	(23,587)	(127,547)
Net Change in Total Pension Liability	54,964	38,695	15,852	109,511	41,711	28,836	12,424	82,971
Total Pension Liability - Beginning	1,426,545	790,929	440,672	2,658,146	1,384,834	762,093	428,248	2,575,175
Total Pension Liability - Ending (a)	$ 1,481,509	$ 829,624	$ 456,524	$ 2,767,657	$ 1,426,545	$ 790,929	$ 440,672	$ 2,658,146
PLAN FIDUCIARY NET POSITION								
Contributions - Employer	$ 40,546	$ 23,375	$ 11,654	$ 75,575	$ 35,753	$ 20,412	$ 10,600	$ 66,765
Contributions - Employees	9,653	5,003	2,436	17,092	9,985	4,869	2,487	17,341
Net Investment Income	66,398	37,234	20,553	124,185	80,859	45,025	25,372	151,256
Benefit Payments, including Refunds of Employee Contributions	(72,294)	(38,058)	(24,915)	(135,267)	(68,285)	(35,675)	(23,587)	(127,547)
Plan to Plan Resource Movement					(2)	(1)	(1)	(4)
Administrative Expense	(723)	(405)	(226)	(1,354)	(1,495)	(834)	(472)	(2,801)
Other Miscellaneous Income (Expense)[3]	1	1	1	3	(2,839)	(1,584)	(897)	(5,320)
Net Change in Fiduciary Net Position	43,581	27,150	9,503	80,234	53,976	32,212	13,502	99,690
Plan Fiduciary Net Position - Beginning[4]	1,013,223	567,438	316,459	1,897,120	959,247	535,226	302,957	1,797,430
Plan Fiduciary Net Position - Ending (b)	1,056,804	594,588	325,962	1,977,354	1,013,223	567,438	316,459	1,897,120
Plan Net Pension Liability (Asset) - Ending (a) - (b)	$ 424,705	$ 235,036	$ 130,562	$ 790,303	$ 413,322	$ 223,491	$ 124,213	$ 761,026
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	71.33%	71.67%	71.40%	71.45%	71.03%	71.74%	71.81%	71.37%
Covered Payroll[5]	$ 123,499	$ 52,491	$ 23,383	$ 199,373	$ 124,068	$ 50,771	$ 23,214	$ 198,053
Plan Net Pension Liability (Asset) as a Percentage of Covered Payroll	343.89%	447.76%	558.36%	396.39%	333.14%	440.19%	535.08%	384.25%

Notes:

[1] Historical information is required only for measurement periods for which GASB 68 is applicable, Additional years will be presented as they become available

[2] in 2018, demographic assumptions and inflation rate were changed in accordance with CalPERS experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

[3] During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participants in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting Pension (GASB 68).

[4] Includes any beginning of year adjustment

[5] Includes one year's payroll growth using 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

(Continued)

Schedule of Changes in the Net Pension Liability and Related Ratios Last Ten Fiscal Years[1]

(In thousands) (continued)

Measurement Period:	Miscellaneous 2016-2017	Police Safety 2016-2017	Fire Safety 2016-2017	Total 2016-2017	Miscellaneous 2015-2016	Police Safety 2015-2016	Fire Safety 2015-2016	Total 2015-2016
TOTAL PENSION LIABILITY								
Service cost	$ 23,736	$ 15,914	$ 6,600	$ 46,250	$ 19,841	$ 13,551	$ 5,572	$ 38,964
Interest on the Total Pension Liability	93,754	51,464	29,093	174,311	89,941	49,349	28,550	167,840
Changes of Assumptions[2]	76,961	43,497	23,564	144,022				
Difference Between Expected and Actual Experience	8,902	225	(3,028)	6,099	(28,822)	6,919	(2,504)	(24,407)
Benefit Payments, including Refunds of Employee Contributions	(64,059)	(34,195)	(22,071)	(120,325)	(60,039)	(32,039)	(20,907)	(112,985)
Net Change in Total Pension Liability	139,294	76,905	34,158	250,357	20,921	37,780	10,711	69,412
Total Pension Liability - Beginning	1,245,540	685,188	394,090	2,324,818	1,224,619	647,408	383,379	2,255,406
Total Pension Liability - Ending (a)	$ 1,384,834	$ 762,093	$ 428,248	$ 2,575,175	$ 1,245,540	$ 685,188	$ 394,090	$ 2,324,818
PLAN FIDUCIARY NET POSITION								
Contributions - Employer	$ 33,275	$ 19,615	$ 10,350	$ 63,240	$ 31,595	$ 17,527	$ 9,483	$ 58,605
Contributions - Employees	9,744	4,741	2,316	16,801	9,812	4,726	2,328	16,866
Net Investment Income	97,855	54,262	31,036	183,153	4,556	2,607	1,449	8,612
Benefit Payments, including Refunds of Employee Contributions	(64,059)	(34,195)	(22,071)	(120,325)	(60,039)	(32,039)	(20,907)	(112,985)
Plan to Plan Resource Movement	2			2	(34)			(34)
Administrative Expense	(1,305)	(725)	(416)	(2,446)	(548)	(304)	(177)	(1,029)
Other Miscellaneous Income (Expense)								
Net Change in Fiduciary Net Position	75,512	43,698	21,215	140,425	(14,658)	(7,483)	(7,824)	(29,965)
Plan Fiduciary Net Position - Beginning[3]	883,735	491,528	281,742	1,657,005	898,393	499,011	289,566	1,686,970
Plan Fiduciary Net Position - Ending (b)	959,247	535,226	302,957	1,797,430	883,735	491,528	281,742	1,657,005
Plan Net Pension Liability (Asset) - Ending (a) - (b)	$ 425,587	$ 226,867	$ 125,291	$ 777,745	$ 361,805	$ 193,660	$ 112,348	$ 667,813
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	69.27%	70.23%	70.74%	69.80%	70.95%	71.74%	71.49%	71.27%
Covered Payroll[4]	$ 120,653	$ 48,294	$ 22,688	$ 191,635	$ 111,398	$ 46,479	$ 21,600	$ 179,477
Plan Net Pension Liability (Asset) as a Percentage of Covered Payroll	352.74%	469.76%	552.23%	405.85%	324.79%	416.66%	520.13%	372.09%

Notes:

[1] Historical information is required only for measurement periods for which GASB 68 is applicable, Additional years will be presented as they become available

[2] In 2017, the discount rate was reduced from 7.65% to 7.15%.

[3] Includes any beginning of year adjustment

[4] Includes one year's payroll growth using 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

See accompanied independent auditors' report

Schedule of Changes in the Net Pension Liability and Related Ratios
Last Ten Fiscal Years[1]

(In thousands) (continued)

Measurement Period:	Miscellaneous 2014-2015	Police Safety 2014-2015	Fire Safety 2014-2015	Total 2014-2015	Miscellaneous 2013-2014	Police Safety 2013-2014	Fire Safety 2013-2014	Total 2013-2014
TOTAL PENSION LIABILITY								
Service cost	$ 20,334	$ 12,193	$ 5,419	$ 37,946	$ 21,254	$ 13,088	$ 5,961	$ 40,303
Interest on the Total Pension Liability	88,334	46,658	27,760	162,752	85,591	45,898	27,044	158,533
Changes of Assumptions[2]	(21,249)	(11,546)	(6,582)	(39,377)				
Difference Between Expected and Actual Experience	(16,296)	(19,370)	(4,549)	(40,215)				
Benefit Payments, including Refunds of Employee Contributions	(57,158)	(30,517)	(19,944)	(107,619)	(53,552)	(28,845)	(18,657)	(101,054)
Net Change in Total Pension Liability	13,965	(2,582)	2,104	13,487	53,293	30,141	14,348	97,782
Total Pension Liability - Beginning	1,210,654	649,990	381,275	2,241,919	1,157,361	619,849	366,927	2,144,137
Total Pension Liability - Ending (a)	$ 1,224,619	$ 647,408	$ 383,379	$ 2,255,406	$ 1,210,654	$ 649,990	$ 381,275	$ 2,241,919
PLAN FIDUCIARY NET POSITION								
Contributions - Employer	$ 25,375	$ 14,663	$ 7,622	$ 47,660	$ 23,841	$ 13,505	$ 7,723	$ 45,069
Contributions - Employees	8,877	4,192	2,075	15,144	8,893	4,064	2,337	15,294
Net Investment Income	20,081	10,967	6,515	37,563	135,468	75,115	44,305	254,888
Benefit Payments, including Refunds of Employee Contributions	(57,158)	(30,517)	(19,944)	(107,619)	(53,552)	(28,845)	(18,657)	(101,054)
Plan to Plan Resource Movement	(5)	5						
Administrative Expense	(1,011)	(562)	(326)	(1,899)				
Other Miscellaneous Income (Expense)								
Net Change in Fiduciary Net Position	(3,841)	(1,252)	(4,058)	(9,151)	114,650	63,839	35,708	214,197
Plan Fiduciary Net Position - Beginning[3]	902,234	500,263	293,624	1,696,121	787,584	436,424	257,916	1,481,924
Plan Fiduciary Net Position - Ending (b)	898,393	499,011	289,566	1,686,970	902,234	500,263	293,624	1,696,121
Plan Net Pension Liability (Asset) - Ending (a) - (b)	$ 326,226	$ 148,397	$ 93,813	$ 568,436	$ 308,420	$ 149,727	$ 87,651	$ 545,798
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	73.36%	77.08%	75.53%	74.80%	74.52%	76.96%	77.01%	75.65%
Covered Payroll[4]	$ 112,039	$ 41,800	$ 20,935	$ 174,774	$ 110,815	$ 43,204	$ 22,107	$ 176,126
Plan Net Pension Liability (Asset) as a Percentage of Covered Payroll	291.17%	355.02%	448.12%	325.24%	278.32%	346.56%	396.49%	309.89%

Notes:

[1] Historical information is required only for measurement periods for which GASB 68 is applicable, Additional years will be presented as they become available

[2] In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense).

[3] Includes any beginning of year adjustment

[4] Includes one year's payroll growth using 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

See accompanied independent auditors' report

Schedule of Pension Plan Contributions
Last Ten Fiscal Years[1]

(In thousands)

Fiscal Year	Pension Plan	Actuarially Determined Contribution[2]	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll[3]	Contributions as a Percentage of Covered Payroll [3]
2021-2022	Miscellaneous	$ 51,639	$ 51,639		$ 118,048	43.74%
	Police Safety	31,089	31,089		54,358	57.19%
	Fire Safety	15,990	15,990		28,395	56.31%
	Total	$ 98,718	$ 98,718	$	$ 200,801	49.16%
2020-2021	Miscellaneous	$ 49,044	$ 49,044		$ 128,129	38.28%
	Police Safety	29,138	29,138		54,707	53.26%
	Fire Safety	14,317	14,317		26,771	53.48%
	Total	$ 92,499	$ 92,499	$	$ 209,607	44.13%
2019-2020	Miscellaneous	$ 46,238	$ 46,238		$ 127,786	36.18%
	Police Safety	26,639	26,639		52,999	50.26%
	Fire Safety	13,174	13,174		25,092	52.50%
	Total	$ 86,051	$ 86,051	$	$ 205,877	41.80%
2018-2019	Miscellaneous	$ 40,546	$ 40,546		$ 123,499	32.83%
	Police Safety	23,375	23,375		52,491	44.53%
	Fire Safety	11,654	11,654		23,383	49.84%
	Total	$ 75,575	$ 75,575	$	$ 199,373	37.91%
2017-2018	Miscellaneous	$ 35,753	$ 35,753		$ 124,068	28.82%
	Police Safety	20,412	20,412		50,771	40.20%
	Fire Safety	10,600	10,600		23,214	45.66%
	Total	$ 66,765	$ 66,765	$	$ 198,053	33.71%
2016-2017	Miscellaneous	$ 33,275	$ 33,275		$ 120,653	27.58%
	Police Safety	19,615	19,615		48,294	40.62%
	Fire Safety	10,350	10,350		22,688	45.62%
	Total	$ 63,240	$ 63,240	$	$ 191,635	33.00%
2015-2016	Miscellaneous	$ 31,141	$ 31,595	$ (454)	$ 111,398	28.36%
	Police Safety	17,527	17,527		46,479	37.71%
	Fire Safety	9,483	9,483		21,600	43.90%
	Total	$ 58,151	$ 58,605	$ (454)	$ 179,477	32.65%
2014-2015	Miscellaneous	$ 25,375	$ 25,375		$ 112,039	22.65%
	Police Safety	14,663	14,663		41,800	35.08%
	Fire Safety	7,622	7,622		20,935	36.41%
	Total	$ 47,660	$ 47,660	$	$ 174,774	27.27%

(Continued)

Schedule of Pension Plan Contributions
Last Ten Fiscal Years[1]

(In thousands)

Fiscal Year	Pension Plan	Actuarially Determined Contribution[2]	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll[3]	Contributions as a Percentage of Covered Payroll [3]
2013-2014	Miscellaneous	$ 23,841	$ 23,841		$ 110,815	21.51%
	Police Safety	13,505	13,505		43,204	31.26%
	Fire Safety	7,723	7,723		22,107	34.93%
	Total	$ 45,069	$ 45,069	$	$ 176,126	25.59%

[1] Historical information is required only for measurement periods for which GASB 68 is applicable. Additional years will be presented as they become available.
[2] Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions toward their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.
[3] Includes one year's payroll growth using 2.75% payroll assumption for fiscal year ended June 30, 2018-21; 3% payroll assumption for fiscal years ended June 30, 2014-2017.

Notes to Schedules of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal years 2021-22 and 2020-21 were derived from the June 30, 2019 and 2018 funding valuation reports respectively.

Actuarial Cost Method	Entry Age Normal
Amortization Method/ Period	For details, see June 30, 2018 Funding Valuation Report
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2018 Funding Valuation Report
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Study for period from 1997 to 2015
Mortality	The probabilities of Mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-Retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Schedule of Changes in the Net Other OPEB Liability and Related Ratios
Last Ten Fiscal Years[1]

(Amounts in Thousands)

Measurement Period:	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
TOTAL OPEB LIABILITY					
Service cost	$ 1,714	$ 1,667	$ 1,900	$ 1,840	$ 2,032
Interest on the Total OPEB Liability	16,840	16,741	19,577	19,229	19,550
Difference Between Expected and Actual Experience	(45,405)		(15,626)		(14,382)
Changes of Assumptions	17,191		(7,583)		4,617
Benefit Payments, including Refunds of Employee Contributions	(16,393)	(17,541)	(16,629)	(16,061)	(16,016)
Net Change in Total OPEB Liability	(26,053)	867	(18,361)	5,008	(4,199)
Total OPEB Liability - Beginning	257,835	256,968	275,329	270,321	274,520
Total OPEB Liability - Ending (a)	231,782	257,835	256,968	275,329	270,321
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	16,393	16,488	16,049	16,367	16,016
Net investment income	26,935	3,374	5,582	6,658	8,010
Benefit payments	(16,393)	(17,541)	(16,629)	(16,061)	(16,016)
Administrative Expense	(37)	(47)	(19)	(44)	(41)
Other Expense				(111)	
Net Change in Fiduciary Net Position	26,898	2,274	4,983	6,809	7,969
Plan Fiduciary Net Position - Beginning	97,735	95,461	90,478	83,669	75,700
Plan Fiduciary Net Position - Ending (b)	124,633	97,735	95,461	90,478	83,669
Plan Net OPEB Liability - Ending (a) - (b)	$ 107,149	$ 160,100	$ 161,507	$ 184,851	$ 186,652
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	53.77%	37.91%	37.15%	32.86%	30.95%
Covered-Employee Payroll[2]	$ 203,773	$ 209,656	$ 209,942	$ 209,435	203,473
Plan Net OPEB Liability as a Percentage of Covered-Employee Payroll	52.58%	76.36%	76.93%	88.26%	91.73%

[1] Historical information is required only for measurement periods for which GASB 75 is applicable, Additional years will be presented as they become available.

[2] OPEB provided and contributions made by the City are not dependent on payroll.

Schedule of OPEB Plan Contributions
Last Ten Fiscal Years[1]
(In thousands)

Fiscal Year	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Actuarially Determined Contribution (ADC)	$ 14,523	$ 14,180	$ 16,488	$ 16,049	$ 16,367	$ 15,937
Contributions in relation to ADC	$ 16,065	$ 16,393	$ 16,488	$ 16,049	$ 16,367	$ 16,016
Contribution deficiency (excess)	$ (1,542)	$ (2,213)				$ (79)
Covered-Employee Payroll[2]	$ 211,176	$ 203,733	$ 209,656	$ 209,942	$ 209,435	$ 203,473
Contributions as a Percentage of Covered-employee Payroll	7.61%	8.05%	7.86%	7.64%	7.82%	7.87%

[1] Historical information is required only for measurement periods for which GASB 68 is applicable. Additional years will be presented as they become available.

[2] OPEB provided and contribution to the OPEB plan by the City are not dependent on payroll.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal years ending June 30, 2021, and 2022 were from the July 1, 2019 Actuarial Valuation Report, for June 30, 2019 and 2020 were from the July 1, 2017 Actuarial Valuation Report, and for Fiscal Year ending June 30, 2017 and 2018 were from the July 1, 2015 Actuarial Valuation Report.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal Close Group Level Dollar Basis.
Amortization Method/Period	Level % of Pay
Asset Valuation Method	15-year Smoothed value
General Inflation Rate	2.5% for 2019-2021 and 2.75% for 2016-2021
Salary Increase	3.0% for 2019-2021 and 3.25% for 2016-2021
Long Term Return on Assets	6.0% for 2021, 6.7% for 2019-2020 and 7.28% for 2016-2019
Healthcare Trend	Assumed to start at 6.5 in January 2021, fluctuating down to 4.0% per year for year 2076 & thereafter
Retirement Age	From 50 to 75
Mortality Improvement	McCleod Watts Scale 2020 applied generationally for 2019-2021 and 2015 for prior years

Nonmajor Governmental Funds

ANAHEIM

CITY OF ANAHEIM CALIFORNIA

FOUNDED 1857

Anaheim, California

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS are used to account for revenues derived from specific taxes or other earmarked revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

GAS TAX FUND—Established to account for the construction and maintenance of the road network system of the City. Financing is provided primarily by the City's share of State and local gasoline taxes. Federal, State, and local regulations require that these gasoline taxes be used to improve and maintain streets, and includes programs intended to improve the air quality of the region.

WORKFORCE DEVELOPMENT FUND—Established to account for the City's involvement in Federal, State, and local programs to create jobs and provide the unemployed citizens in the Anaheim area with job training opportunities.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND—Established to account for financing of the development of viable urban communities through the provision of decent housing, suitable living environments and economic opportunity, principally for persons of low and moderate income. Financing is provided by the Federal Housing and Urban Development (HUD) grants.

GRANTS FUND—Established to account for various grants requiring segregated fund accounting. Financing is provided by Federal, State, and local agencies.

ANAHEIM RESORT MAINTENANCE DISTRICT FUND—Established to account for the levy and collection of special assessments to pay the cost of annual maintenance and improvements within the district against those parcels that specifically benefit from the enhanced maintenance and improvement.

ANAHEIM TOURISM IMPROVEMENT DISTRICT FUND—Established to account for the collection of a special assessment supporting marketing, promotion and transit project costs in support of the City's tourism and convention industry.

NARCOTIC ASSET FORFEITURE FUND—Established to account for funds received from Federal and State agencies that are derived from monies and property seized by the Police Department in drug related incidents. These funds are used to supplement existing resources of the City's law enforcement activities.

LONG RANGE PROPERTY MANAGEMENT PLAN FUND—Established to account for future development and property management activities of the assets that were transferred from the Successor Agency to the Former Anaheim Redevelopment Agency's approved Long Range Property Management Plan.

DEBT SERVICE FUND is used to account for the accumulation of resources and the payment of principal and interest on general debt of the City and related entities.

MUNICIPAL FACILITIES FUND—Established to accumulate resources for payment of the principal and interest on the lease revenue bonds for the Fire Facilities and other various acquisitions and capital improvements.

ANAHEIM RESORT IMPROVEMENTS FUND—Established to accumulate resources for payment of the principal and interest on the lease revenue bonds for the Anaheim Resort improvements.

CAPITAL PROJECTS FUNDS are used to account for resources used for the acquisition and construction of capital assets by the City, except for those financed by proprietary funds.

STREET CONSTRUCTION FUND—Established to account for transportation improvement construction in the City's right-of-way. Financing is provided primarily by Federal, State and local grants, and Measure M2 allocations by the County of Orange.

TRANSPORTATION IMPROVEMENT PROJECT FUND—Established to account for transportation improvement projects in the City. Financing is provided by Federal, State and local agencies.

DEVELOPMENT IMPACT PROJECTS FUND—Established to account for infrastructure improvements, primarily in the Platinum Triangle area, which provide development opportunities for high density, mixed use, office, restaurant, and residential projects. Financing is provided primarily by development impact fees.

COMMUNITY SERVICES FACILITIES FUND—Established to account for the development of new park sites, playgrounds and library facilities. Financing is provided by Federal and State grant programs, in conjunction with fees charged to residential and commercial developers. Much of this revenue is used to support the capital construction of parks and other recreational facilities throughout the City.

STORM DRAIN CONSTRUCTION FUND—Established to account for the City's storm drain construction. Financing is provided by drainage assessment fees charged to residential and commercial developers.

OTHER CAPITAL IMPROVEMENTS FUND—Established to account for various capital projects as determined by the City Council. Currently, financing for these projects is provided by bond proceeds and subsidies from the General Fund.

MELLO-ROOS PROJECTS FUND—Established to account for road, sewer and water improvements in the community facility districts. Financing is provided by the sale of special tax bonds that are secured by and payable from the proceeds of an annual special assessment on the properties within the district.

Combining Balance Sheet
Nonmajor Governmental Funds by Fund Type
June 30, 2022 (In thousands)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 20,121	$ 345	$ 20,509	$ 40,975
Investments	51,665	894	53,184	105,743
Accounts receivable, net	2,489			2,489
Accrued interest receivable	316	55	276	647
Due from other funds			11,409	11,409
Due from other governments	11,007		13,564	24,571
Land held for resale	15,295			15,295
Prepaid and other assets	186			186
Restricted cash and cash equivalents	82	64,195	13,838	78,115
Restricted investments		56,719	23,146	79,865
Due from Successor Agency	3,295		1,705	5,000
Lease receivable	9,482			9,482
Notes receivable, net	16,775			16,775
Total assets	$ 130,713	$ 122,208	$ 137,631	$ 390,552
LIABILITIES				
Accounts payable	$ 10,090		$ 1,082	$ 11,172
Wages payable	243		47	290
Deposits	273		1,200	1,473
Unearned revenues	22		1,834	1,856
Due to other funds			12,542	12,542
Total liabilities	10,628		16,705	27,333
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	3,063		13,262	16,325
Unearned lease revenues	9,340			9,340
Unavailable resources- long-term notes receivable	20,070		1,705	21,775
Total deferred inflows of resources	32,473		14,967	47,440
FUND BALANCES				
Nonspendable prepaid and other assets	186			186
Restricted:				
Anaheim Resort maintenance and improvement	6,441			6,441
Capital projects			3,811	3,811
Community and economic development projects	21,552			21,552
Debt service		$ 120,970		120,970
Development impact projects			92,108	92,108
Grant purposes	8,973			8,973
Homebuyer assistance program	12,913			12,913
Streets, roads and transportation improvement projects	38,310			38,310
Committed for neighborhood and community projects			3,943	3,943
Assigned:				
Debt service		1,238		1,238
Capital projects			18,305	18,305
Other purposes	98			98
Unassigned	(861)		(12,208)	(13,069)
Total fund balances	87,612	122,208	105,959	315,779
Total liabilities, deferred inflows of resources, and fund balances	$ 130,713	$ 122,208	$ 137,631	$ 390,552

See accompanied independent auditors' report

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds by Fund Type
Year Ended June 30, 2022 (In thousands)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Licenses, fees and permits	$ 3		$ 6,085	$ 6,088
Intergovernmental revenues	49,814		2,139	51,953
Charges for services	27,141		205	27,346
Use of money and property	4,829	$ 51	(19)	4,861
Lease revenues	433			433
Others	32		1	33
Contribution from property owners			1,534	1,534
Total revenues	82,252	51	9,945	92,248
Expenditures:				
Current:				
City Attorney	91			91
City Clerk			5	5
Finance		31		31
Police	4,375		29	4,404
Fire & Rescue	242		4	246
Housing & Community Development	11,245		10	11,255
Economic Development	5,945		35	5,980
Planning & Building	1,045		259	1,304
Public Works	11,080		1,186	12,266
Community Services	675		568	1,243
Convention, Sports and Entertainment	16,399			16,399
Capital outlay	15,004		3,195	18,199
Debt service:				
Principal retirement	1,238	15,586	1,636	18,460
Interest charges	354	30,544	200	31,098
Total expenditures	67,693	46,161	7,127	120,981
Excess (deficiency) of revenues over (under) expenditures	14,559	(46,110)	2,818	(28,733)
Other financing sources (uses):				
Transfers in	927	87,109	14,301	102,337
Transfers out	(10,278)		(1,508)	(11,786)
Issuance of refunding bonds		23,546		23,546
Payment to refunded bond escrow agent		(23,348)		(23,348)
Bond issuance costs		(198)		(198)
Total other financing sources (uses)	(9,351)	87,109	12,793	90,551
Net change in fund balances	5,208	40,999	15,611	61,818
Fund balances at beginning of year	82,404	81,209	90,348	253,961
Fund balances at end of year	$ 87,612	$ 122,208	$ 105,959	$ 315,779

See accompanied independent auditors' report

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022 (In thousands)

	Gas Tax	Workforce Development	Community Development Block Grant	Grants	Anaheim Resort Maintenance District	Anaheim Tourism Improvement District	Narcotic Asset Forfeiture	Long Range Property Management Plan	Total
ASSETS									
Cash and cash equivalents	$ 6,275	$ 67	$ 439	$ 4,925	$ 1,905	$ 4,409	$ 40	$ 2,061	$ 20,121
Investments	16,272	175	1,098	12,770	4,939	11,435	105	4,871	51,665
Accounts receivable, net		2				2,477		10	2,489
Accrued interest receivable	102			86	30	63	1	34	316
Notes receivable, net			2,062	14,713					16,775
Due from other governments	4,027	231	1,189	5,556	4				11,007
Prepaid and other assets	35			72				79	186
Land held for resale								15,295	15,295
Restricted cash and cash equivalents							82		82
Due from Successor Agency			3,295						3,295
Lease receivable		90						9,392	9,482
Total assets	$ 26,711	$ 565	$ 8,083	$ 38,122	$ 6,878	$ 18,384	$ 228	$ 31,742	$ 130,713
LIABILITIES									
Accounts payable	$ 2,403	$ 261	$ 911	$ 1,558	$ 420	$ 4,120		$ 417	$ 10,090
Wages payable	109	25	36	47	17	2		7	243
Due to other Funds									
Unearned revenues								22	22
Deposits								273	273
Total liabilities	2,512	286	947	1,605	437	4,122		719	10,628
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	116	93	193	2,521				140	3,063
Unearned leases revenues		88						9,252	9,340
Unavailable resources- long-term notes & loans receivable			5,357	14,713					20,070
Total deferred inflows of resources	116	181	5,550	17,234				9,392	32,473
FUND BALANCES									
Nonspendable prepaid and other assets	35			72				79	186
Restricted:									
Anaheim Resort maintenance and improvement					6,441				6,441
Economic development projects								21,552	21,552
Grant purposes			1,586	7,159			$ 228		8,973
Homebuyer assistance program				12,913					12,913
Streets, roads and transportation improvement projects	24,048					14,262			38,310
Assigned for other purposes		98							98
Unassigned				(861)					(861)
Total fund balances	24,083	98	1,586	19,283	6,441	14,262	228	21,631	87,612
Total liabilities, deferred inflows of resources, and fund balances	$ 26,711	$ 565	$ 8,083	$ 38,122	$ 6,878	$ 18,384	$ 228	$ 31,742	$ 130,713

See accompanied independent auditors' report

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended June 30, 2022 (In thousands)

	Gas Tax	Workforce Development	Community Development Block Grant	Grants	Anaheim Resort Maintenance District	Anaheim Tourism Improvement District	Narcotic Asset Forfeiture	Long Range Property Management Plan	Total
Revenues:									
Licenses, fees and permits	$ 3								$ 3
Intergovernmental revenues	23,060	$ 2,752	$ 4,630	$ 19,331			$ 41		49,814
Charges for services	76			8	$ 4,977	$ 22,080			27,141
Use of money and property	(619)	129	1,989	2,132	(205)	(430)	14	$ 1,819	4,829
Lease revenues		111						322	433
Other	3	8		1	5	10		5	32
Total revenues	22,523	3,000	6,619	21,472	4,777	21,660	55	2,146	82,252
Expenditures:									
Current:									
City Attorney			91						91
Police				4,252			123		4,375
Fire & Rescue			14	228					242
Housing & Community Development		2,859	1,514	6,413				459	11,245
Economic Development								5,945	5,945
Planning & Building			1,043			2			1,045
Public Works	5,902				4,365	813			11,080
Community Services			527	148					675
Convention, Sports & Entertainment						16,399			16,399
Capital outlay	12,939	28	768	161	428	680			15,004
Debt service:									
Principal retirement			1,238						1,238
Interest charges			354						354
Total expenditures	18,841	2,887	5,549	11,202	4,793	17,894	123	6,404	67,693
Excess (deficiency) of revenues over (under) expenditures	3,682	113	1,070	10,270	(16)	3,766	(68)	(4,258)	14,559
Other financing sources (uses):									
Transfers in	93	25		487	200	122			927
Transfers out	(4,000)			(6,057)		(221)			(10,278)
Total other financing sources (uses)	(3,907)	25		(5,570)	200	(99)			(9,351)
Net change in fund balances	(225)	138	1,070	4,700	184	3,667	(68)	(4,258)	5,208
Fund balances(deficit) at beginning of year	24,308	(40)	516	14,583	6,257	10,595	296	25,889	82,404
Fund balances at end of year	$ 24,083	$ 98	$ 1,586	$ 19,283	$ 6,441	$ 14,262	$ 228	$ 21,631	$ 87,612

See accompanied independent auditors' report

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds
Year Ended June 30, 2022 (In thousands)

	Gas Tax			Workforce Development		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:						
Licenses, fees and permits	$ 7	3	$ (4)			
Intergovernmental revenues	22,022	23,060	1,038	$ 8,372	2,752	$ (5,620)
Charges for services	72	76	4			
Use of money and property		(619)	(619)		129	129
Lease revenues					111	111
Other	1	3	2		8	8
Total revenues	22,102	22,523	421	8,372	3,000	(5,372)
Expenditures:						
City Attorney						
Police						
Fire & Rescue						
Housing & Community Development				8,855	2,887	(5,968)
Economic Development						
Planning & Building						
Public Works	36,595	24,867	(11,728)			
Community Services						
Convention, Sports & Entertainment						
Total expenditures	36,595	24,867	(11,728)	8,855	2,887	(5,968)
Excess (deficiency) of revenues over (under) expenditures	(14,493)	(2,344)	12,149	(483)	113	596
Other financing sources (uses):						
Transfers in	66	93	27	523	25	(498)
Transfers out	(4,000)	(4,000)				
Total other financing sources (uses)	(3,934)	(3,907)	27	523	25	(498)
Net change in fund balances	(18,427)	(6,251)	12,176	40	138	98
Fund balances at beginning of year	24,308	24,308		(40)	(40)	
Fund balance at end of year	$ 5,881	18,057	$ 12,176	$	98	$ 98
Adjustment to reconcile to GAAP:						
Encumbrance		6,026				
Ending fund balance - GAAP basis		$ 24,083			$ 98	

(continued)

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds
Year Ended June 30, 2022 (In thousands)

	Community Development Block Grant			Grants		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:						
Intergovernmental revenues	$ 9,870	$ 4,630	$ (5,240)	$ 45,107	$ 19,331	$ (25,776)
Charges for services					8	8
Use of money and property	1,764	1,989	225	1,448	2,132	684
Other					1	1
Total revenues	11,634	6,619	(5,015)	46,555	21,472	(25,083)
Expenditures:						
City Attorney	99	91	(8)			
Police				13,168	4,405	(8,763)
Fire & Rescue	17	14	(3)	642	325	(317)
Housing & Community Development	9,255	3,819	(5,436)	24,526	6,413	(18,113)
Economic Development	499	69	(430)			
Planning & Building	1,453	1,043	(410)			
Public Works						
Community Services	827	1,160	333	410	148	(262)
Convention, Sports & Entertainment						
Total expenditures	12,150	6,196	(5,954)	38,746	11,291	(27,455)
Excess (deficiency) of revenues over (under) expenditures	(516)	423	939	7,809	10,181	2,372
Other financing sources (uses):						
Transfers in					487	487
Transfers out				(13,171)	(6,057)	7,114
Total other financing sources (uses)				(13,171)	(5,570)	7,601
Net change in fund balances	(516)	423	939	(5,362)	4,611	9,973
Fund balances at beginning of year	516	516		14,583	14,583	
Fund balances at end of year	$	939	$ 939	$ 9,221	19,194	$ 9,973
Adjustment to reconcile to GAAP:						
Encumbrance		647			89	
Ending fund balance - GAAP basis		$ 1,586			$ 19,283	

(continued)

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds
Year Ended June 30, 2022 (In thousands)

	Anaheim Resort Maintenance District			Anaheim Tourism Improvement District		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:						
Charges for services	$ 5,047	$ 4,977	$ (70)	$ 18,220	$ 22,080	$ 3,860
Use of money and property	106	(205)	(311)	200	(430)	(630)
Other	14	5	(9)		10	10
Total revenues	5,167	4,777	(390)	18,420	21,660	3,240
Expenditures:						
Economic Development						
Planning & Building				2	2	
Public Works	4,928	4,793	(135)	12,486	1,500	(10,986)
Convention, Sports & Entertainment				16,399	16,399	
Total expenditures	4,928	4,793	(135)	28,887	17,901	(10,986)
Excess (deficiency) of revenues over (under) expenditures	239	(16)	(255)	(10,467)	3,759	14,226
Other financing sources (uses):						
Transfers in	200	200			122	122
Transfers out				(128)	(221)	(93)
Total other financing sources (uses)	200	200		(128)	(99)	29
Net change in fund balances	439	184	(255)	(10,595)	3,660	14,255
Fund balances at beginning of year	6,257	6,257		10,595	10,595	
Fund balances at end of year	$ 6,696	6,441	$ (255)	$	14,255	$ 14,255
Adjustment to reconcile to GAAP basis:						
Encumbrance					7	
Ending fund balance - GAAP basis		$ 6,441			$ 14,262	

(Continued)

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds
Year Ended June 30, 2022 (In thousands)

	Narcotic Asset Forfeiture			Long Range Property Management Plan		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:						
Intergovernmental revenues	$ 258	$ 41	$ (217)			
Use of money and property	8	14	6	$ 1,919	$ 1,819	$ (100)
Lease revenues				322	322	
Other					5	5
Total revenues	266	55	(211)	2,241	2,146	(95)
Expenditures:						
City Attorney						
Police	328	123	(205)			
Fire & Rescue						
Housing & Community Development				459	459	
Economic Development				9,661	5,951	(3,710)
Planning & Building						
Public Works						
Community Services						
Convention, Sports & Entertainment						
Total expenditures	328	123	(205)	10,120	6,410	(3,710)
Excess (deficiency) of revenues over (under) expenditures	(62)	(68)	(6)	(7,879)	(4,264)	3,615
Other financing sources (uses):						
Transfers in						
Transfers out						
Total other financing sources (uses)						
Net change in fund balance (deficits)	(62)	(68)	(6)	(7,879)	(4,264)	3,615
Fund balances (deficits) at beginning of year	296	296		25,889	25,889	
Fund balances at end of year	$ 234	228	$ (6)	$ 18,010	21,625	$ 3,615
Adjustment to reconcile to GAAP basis:						
Book value on the sale of land held for resale					6	
Ending fund balance - GAAP basis		$ 228			$ 21,631	

Balance Sheet
Nonmajor Debt Service Funds
June 30, 2022 (In thousands)

	Municipal Facilities	Anaheim Resort Improvements	Total
ASSETS			
Cash and cash equivalents	$ 345		$ 345
Investments	894		894
Accrued interest receivable	8	$ 47	55
Restricted cash and cash equivalents	2,341	61,854	64,195
Restricted investments	3,576	53,143	56,719
Total assets	$ 7,164	$ 115,044	$ 122,208
Fund balances:			
Nonspendable - prepaid and other assets			
Restricted for debt service	$ 5,926	$ 115,044	$ 120,970
Assigned for debt service	1,238		1,238
Total fund balances	7,164	115,044	122,208
Total liabilities and fund balances	$ 7,164	$ 115,044	$ 122,208

Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Debt Service Funds
Year Ended June 30, 2022 (In thousands)

	Municipal Facilities	Anaheim Resort Improvements	Total
Revenues:			
Use of money and property	$ (33)	$ 84	$ 51
Total revenues	(33)	84	51
Expenditures:			
Current:			
Finance	1	30	31
Debt service:			
Principal retirement	559	15,027	15,586
Interest charges	2,596	27,948	30,544
Total expenditures	3,156	43,005	46,161
Deficiency of revenues under expenditures	(3,189)	(42,921)	(46,110)
Other financing sources:			
Transfers in	7,977	79,132	87,109
Transfers out			
Issuance of refunding bonds	23,546		23,546
Payment to refunding bonds escrow agent	(23,348)		(23,348)
Bond issuance costs	(198)		(198)
Total other financing sources	7,977	79,132	87,109
Net change in fund balances	4,788	36,211	40,999
Fund balances at beginning of year	2,376	78,833	81,209
Fund balances at end of year	$ 7,164	$ 115,044	$ 122,208

See accompanied independent auditors' report

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Debt Service Funds
Year Ended June 30, 2022 (In thousands)

	Municipal Facilities			Anaheim Resort Improvements		
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:						
Use of money and property		$ (33)	$ (33)	$ 200	$ 84	$ (116)
Total revenues		(33)	(33)	200	84	(116)
Expenditures:						
Finance	$ 3,156	3,156		43,005	43,005	
Total expenditures	3,156	3,156		43,005	43,005	
Excess (deficiency) of revenues over (under) expenditures	(3,156)	(3,189)	(33)	(42,805)	(42,921)	(116)
Other financing sources:						
Transfers in	1,128	7,977	6,849	45,368	79,132	33,764
Transfers out						
Issuance of refunding bonds	23,546	23,546				
Payments to refunding bond escrow agent	(23,348)	(23,348)				
Bond issuance costs	(198)	(198)				
Total other financing sources	1,128	7,977	6,849	45,368	79,132	33,764
Net change in fund balances	(2,028)	4,788	6,816	2,563	36,211	33,648
Fund balances at beginning of year	2,376	2,376		78,833	78,833	
Fund balances at end of year	$ 348	$ 7,164	$ 6,816	$ 81,396	$ 115,044	$ 33,648

See accompanied independent auditors' report

Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2022 (In thousands)

	Streets Construction	Transportation Improvement Projects	Development Impact Projects	Community Services Facilities	Storm Drain Construction	Other Capital Improvements	Mello-Roos Projects	Total
ASSETS								
Cash and cash equivalents	$ 255	$ 15	$ 7,794	$ 3,228	$ 806	$ 5,569	$ 2,842	$ 20,509
Investments	659	38	20,213	8,372	2,088	14,443	7,371	53,184
Accounts receivable, net								
Accrued interest receivable	8		105	49	13	49	52	276
Due from other funds			8,059			3,350		11,409
Due from other governments	13,310	254						13,564
Restricted cash and cash equivalents						2,624	11,214	13,838
Restricted investment							23,146	23,146
Due from the Successor Agency						1,705		1,705
Total assets	$ 14,232	$ 307	$ 36,171	$ 11,649	$ 2,907	$ 27,740	$ 44,625	$ 137,631
LIABILITIES								
Accounts payable	$ 209	$ 11	$ 106	$ 353	$ 192	$ 183	$ 28	$ 1,082
Wages payable	22		8	5		3	9	47
Deposits					1,200			1,200
Unearned revenues	1,834							1,834
Due to other funds	11,058	351		1,133				12,542
Total liabilities	13,123	362	114	1,491	1,392	186	37	16,705
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	13,008	254						13,262
Unavailable resources-long-term notes & receivable						1,705		1,705
Total deferred inflows of resources	13,008	254				1,705		14,967
FUND BALANCES								
Restricted:								
Capital projects						3,811		3,811
Development impact projects			36,057	9,948	1,515		44,588	92,108
Committed for neighborhood and community projects						3,943		3,943
Assigned for Capital projects				210		18,095		18,305
Unassigned	(11,899)	(309)						(12,208)
Total fund balances (deficits)	(11,899)	(309)	36,057	10,158	1,515	25,849	44,588	105,959
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 14,232	$ 307	$ 36,171	$ 11,649	$ 2,907	$ 27,740	$ 44,625	$ 137,631

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Capital Projects Funds
Year Ended June 30, 2022 (In thousands)

	Streets Construction	Transportation Improvement Projects	Development Impact Projects	Community Services Facilities	Storm Drain Construction	Other Capital Improvements	Mello-Roos Projects	Total
Revenues:								
Licenses, fees and permits			$ 3,413	$ 2,372		$ 300		$ 6,085
Intergovernmental revenues	$ 2,084			55				2,139
Charges for services	205							205
Use of money and property	317	$ 8	(1,018)	188	$ 48	726	$ (288)	(19)
Other			1					1
Contribution from property owners							1,534	1,534
Total revenues	2,606	8	2,396	2,615	48	1,026	1,246	9,945
Expenditures:								
Current:								
City clerk						5		5
Police			29					29
Fire & Rescue			4					4
Housing & Community Development						10		10
Economic Development						35		35
Planning & Building						259		259
Public Works	792	68	217		2	85	22	1,186
Community Services			395	111		62		568
Capital outlay	976		820	467		353	579	3,195
Debt service:								
Principal retirement						1,636		1,636
Interest charges						200		200
Total expenditures	1,768	68	1,465	578	2	2,645	601	7,127
Excess (deficiency) of revenues over (under) expenditures	838	(60)	931	2,037	46	(1,619)	645	2,818
Other financing sources (uses):								
Transfers in	248					14,053		14,301
Transfers out		(128)	(122)		(7)		(1,251)	(1,508)
Total other financing sources	248	(128)	(122)		(7)	14,053	(1,251)	12,793
Net change in fund balances	1,086	(188)	809	2,037	39	12,434	(606)	15,611
Fund balances (deficits) at beginning of year	(12,985)	(121)	35,248	8,121	1,476	13,415	45,194	90,348
Fund balances (deficits) at end of year	$ (11,899)	$ (309)	$ 36,057	$ 10,158	$ 1,515	$ 25,849	$ 44,588	$ 105,959

Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) Budget and Budgetary Basis Actual - All Capital Projects Funds Year Ended June 30, 2022 (In thousands)

	Streets Construction			Transportation Improvement Projects		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:						
Licenses, fees and permits						
Intergovernmental revenues	$ 24,357	$ 2,084	$ (22,273)	$ 1,035		$ (1,035)
Charges for services		205	205			
Use of money and property		317	317		$ 8	8
Total revenues	24,357	2,606	(21,751)	1,035	8	(1,027)
Expenditures:						
City clerk						
Finance						
Police						
Fire & Rescue						
Housing & Community Development						
Economic Development						
Planning & Building						
Public Works	9,521	1,778	(7,743)	754	68	(686)
Community Services						
Total expenditures	9,521	1,778	(7,743)	754	68	(686)
Excess (deficiency) of revenues over (under) expenditures	14,836	828	(14,008)	281	(60)	(341)
Other financing sources (uses):						
Transfers in		248	248			
Transfers out					(128)	(128)
Total other financing sources		248	248		(128)	(128)
Net change in fund balances	14,836	1,076	(13,760)	281	(188)	(469)
Fund balances at beginning of year	(12,985)	(12,985)		(121)	(121)	
Fund balances at end of year	$ 1,851	(11,909)	$ (13,760)	$ 160	(309)	$ (469)
Adjustment to reconcile to GAAP:						
Encumbrance		10				
Ending fund balance - GAAP basis		$ (11,899)			$ (309)	

(continued)

Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) Budget and Budgetary Basis Actual - All Capital Projects Funds Year Ended June 30, 2022 (In thousands)

	Development Impact Projects			Community Services Facilities		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:						
Licenses, fees and permits	$ 3,360	$ 3,413	$ 53	$ 800	$ 1,916	$ 1,116
Intergovernmental revenues				960	55	(905)
Charges for services						
Use of money and property	209	(1,018)	(1,227)	324	188	(136)
Other		1	1			
Total revenues	3,569	2,396	(1,173)	2,084	2,159	75
Expenditures:						
City clerk						
Finance						
Police	320	29	(291)			
Fire & Rescue	1,569	126	(1,443)			
Community & Economic Development						
Planning & Building						
Public Works	12,302	945	(11,357)			
Community Services	1,187	436	(751)	5,802	734	(5,068)
Total expenditures	15,378	1,536	(13,842)	5,802	734	(5,068)
Excess (deficiency) of revenues over (under) expenditures	(11,809)	860	12,669	(3,718)	1,425	5,143
Other financing sources (uses):						
Transfers in						
Transfers out		(122)	(122)			
Total other financing sources (uses)		(122)	(122)			
Net change in fund balances	(11,809)	738	12,547	(3,718)	1,425	5,143
Fund balances at beginning of year	35,248	35,248		8,121	8,121	
Fund balances at end of year	$ 23,439	35,986	$ 12,547	$ 4,403	9,546	$ 5,143
Adjustment to reconcile to GAAP:						
Encumbrance		71			156	
Park fee credit provided					456	
Ending fund balance - GAAP basis		$ 36,057			$ 10,158	

(continued)

Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) Budget and Budgetary Basis Actual - All Capital Projects Funds Year Ended June 30, 2022 (In thousands)

	Storm Drain Construction			Other Capital Improvements		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:						
Licenses, fees and permits					$ 300	$ 300
Intergovernmental revenues				$ 1,300		(1,300)
Use of money and property	$ 70	$ 48	$ (22)	1,051	726	(325)
Other						
Total revenues	70	48	(22)	2,351	1,026	(1,325)
Expenditures:						
City clerk				5	5	
Finance						
Police				517	517	
Fire & rescue				277	269	(8)
Housing & Community Development				1,468	1,016	(452)
Economic Development				1,669	299	(1,370)
Planning & Building				878	274	(604)
Public Works	2	2		190	190	
Community Services				292	86	(206)
Total expenditures	2	2		5,296	2,656	(2,640)
Excess (deficiency) of revenues over (under) expenditures	68	46	(22)	(2,945)	(1,630)	1,315
Other financing sources (uses):						
Transfers in				1,053	14,053	13,000
Transfers out		(7)	(7)			
Total other financing sources (uses)		(7)	(7)	1,053	14,053	13,000
Net change in fund balances	68	39	(29)	(1,892)	12,423	14,315
Fund balances at beginning of year	1,476	1,476		13,415	13,415	
Fund balances at end of year	$ 1,544	1,515	$ (29)	$ 11,523	25,838	$ 14,315
Adjustment to reconcile to GAAP:						
Encumbrance					11	
Ending fund balance - GAAP basis		$ 1,515			$ 25,849	

(continued)

Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficits) Budget and Budgetary Basis Actual - All Capital Projects Funds Year Ended June 30, 2022 (In thousands)

	Mello-Roos Projects		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:			
Licenses, fees and permits			
Intergovernmental revenues			
Charges for services			
Use of money and property		$ (288)	$ (288)
Contribution from property owners		1,534	1,534
Total revenues		1,246	1,246
Expenditures:			
City clerk			
Finance			
Police			
Fire & Rescue			
Housing & Community & Development			
Economic Development			
Planning & Building			
Public Works	$ 26,915	601	(26,314)
Community Services			
Total expenditures	26,915	601	(26,314)
Excess (deficiency) of revenues over (under) expenditures	(26,915)	645	27,560
Other financing sources (uses):			
Transfers in			
Transfers out		(1,251)	(1,251)
Total other financing sources (uses)		(1,251)	(1,251)
Net change in fund balances	(26,915)	(606)	26,309
Fund balances at beginning of year	45,194	45,194	
Fund balances at end of year	$ 18,279	44,588	$ 26,309
Adjustment to reconcile to GAAP:			
Encumbrance			
Ending fund balance - GAAP basis		$ 44,588	

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Internal Service Funds

ANAHEIM

CITY OF ANAHEIM CALIFORNIA
FOUNDED 1857

Anaheim, California

Internal Service Funds

INTERNAL SERVICE FUNDS are used to account for the financing of centralized services to City departments on a cost-reimbursement basis (including depreciation).

GENERAL BENEFITS AND INSURANCE FUND—Established to account for employee compensated absences, retirement and health benefits, and self-insurance programs.

MOTORIZED EQUIPMENT FUND—Established to account for motorized equipment used by City departments.

INFORMATION AND COMMUNICATION SERVICES FUND—Established to account for data processing and communication services to City departments.

MUNICIPAL FACILITIES MAINTENANCE FUND—Established to account for City building maintenance services and equipment used by City departments.

Combining Statement of Net Position
Internal Service Funds
June 30, 2022 (In thousands)

	General Benefits and Insurance	Motorized Equipment	Information and Communication Services	Municipal Facilities Maintenance	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 14,448	$ 3,279	$ 404	$ 2,497	$ 20,628
Investments	37,468	8,499	1,049	6,476	53,492
Accounts receivable, net	2,409	91			2,500
Accrued interest receivable	154	51		11	216
Inventories		1,332		250	1,582
Prepaid and other assets	20	21	1,267		1,308
Total current assets	54,499	13,273	2,720	9,234	79,726
Noncurrent assets:					
Restricted cash and cash equivalents			6,500		6,500
Interfund receivable, less current portion	33,031				33,031
Capital assets:					
Buildings, structures and improvements		3,230		8,079	11,309
Machinery and equipment	93	45,610	21,630	4,524	71,857
Rights to use leased equipment			2,683		2,683
Construction in progress			1,274	471	1,745
Less accumulated depreciation	(84)	(33,280)	(16,763)	(7,028)	(57,155)
Capital assets, net	9	15,560	8,824	6,046	30,439
Total noncurrent assets	33,040	15,560	15,324	6,046	69,970
Total assets	87,539	28,833	18,044	15,280	149,696
DEFERRED OUTFLOW OF RESOUCES					
Deferred OPEB related items	558	535	349	675	2,117
Deferred pension related items	1,977	1,132	857	1,307	5,273
Total deferred outflow of resources	2,535	1,667	1,206	1,982	7,390
LIABILITIES					
Current liabilities:					
Accounts payable	2,962	788	4,950	1,316	10,016
Wages payable	5,061	89	57	112	5,319
Interest payable			43		43
Due to other Funds				39	39
Lease payable			886		886
Compensated absences	17,495				17,495
Self-insurance liability	13,826				13,826
Long-term debts		11	1,240		1,251
Unearned revenues	2,431				2,431
Total current liabilities	41,775	888	7,176	1,467	51,306
Noncurrent liabilities:					
Lease payable, less current portion			574		574
Compensated absences, less current portion	6,257				6,257
Self-insurance liability, less current portion	44,693				44,693
Long-term debts, less current portion		41	5,260		5,301
Net OPEB liability	1,463	1,606	970	1,641	5,680
Net pension liability	5,725	4,800	4,303	5,449	20,277
Total noncurrent liabilities	58,138	6,447	11,107	7,090	82,782
Total liabilities	99,913	7,335	18,283	8,557	134,088
DEFERRED INFLOW OF RESOURCES					
Deferred OPEB related items	1,028	1,397	798	1,232	4,455
Deferred pension related items	3,121	2,623	2,325	2,797	10,866
Total deferred inflow of resources	4,149	4,020	3,123	4,029	15,321
NET POSITION					
Net investment in capital assets	9	15,454	7,142	5,790	28,395
Unrestricted,	(13,997)	3,691	(9,298)	(1,114)	(20,718)
Total net position	$ (13,988)	$ 19,145	$ (2,156)	$ 4,676	$ 7,677

See accompanied independent auditors' report

Combining Statement of Revenues, Expenses and Changes in Net Position (deficits)
Internal Service Funds
Year Ended June 30, 2022 (In thousands)

	General Benefits and Insurance	Motorized Equipment	Information and Communication Services	Municipal Facilities Maintenance	Total
Operating revenues:					
Charges for services	$ 97,990	$ 12,500	$ 26,925	$ 16,868	$ 154,283
Other	204	17			221
Total operating revenues	98,194	12,517	26,925	16,868	154,504
Operating expenses:					
Salaries and wages	4,082	2,804	1,978	3,800	12,664
Maintenance and operations	3,988	6,832	21,148	10,053	42,021
Insurance premiums and claims	23,676				23,676
Compensated absences and other benefits	75,966				75,966
Depreciation	1	2,608	1,990	435	5,034
Total operating expenses	107,713	12,244	25,116	14,288	159,361
Operating income (loss)	(9,519)	273	1,809	2,580	(4,857)
Nonoperating income (expenses):					
Investment income	(1,655)	(337)	22	(78)	(2,048)
Interest expense		(1)	(54)		(55)
Gain (loss) from disposal of capital assets		59			59
Total nonoperating income (loss)	(1,655)	(279)	(32)	(78)	(2,044)
Income (Loss)	(11,174)	(6)	1,777	2,502	(6,901)
Transfer in				5,740	5,740
Transfer out		(28)			(28)
Change in net position	(11,174)	(34)	1,777	8,242	(1,189)
Net position (deficits) at beginning of year, as restated	(2,814)	19,179	(3,933)	(3,566)	8,866
Net position (deficits) at end of year	$ (13,988)	$ 19,145	$ (2,156)	$ 4,676	$ 7,677

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2022 (In thousands)

	General Benefits and Insurance	Motorized Equipment	Information and Communication Services	Municipal Facilities Maintenance	Total
Cash flows from operating activities:					
Receipts from interfund services provided	$ 97,990	$ 12,088	$ 26,925	$ 16,868	$ 153,871
Payments to suppliers	(2,091)	(5,844)	(17,262)	(9,177)	(34,374)
Payments for salaries and wages to employees	(4,550)	(4,051)	(2,977)	(4,616)	(16,194)
Payments for interfund services used	(1,876)	(961)	(1,190)	(1,040)	(5,067)
Payments for insurance premiums and claims	(21,975)				(21,975)
Payments for compensated absences and other benefits	(77,260)				(77,260)
Other receipts	204	434			638
Net cash provided by (used for) operating activities	(9,558)	1,666	5,496	2,035	(361)
Cash flows from noncapital financing activities:					
Receipt of interfund balances	22				22
Payment of interfund balances			(310)	(47)	(357)
Transfer in		(28)			(28)
Transfer out				5,740	5,740
Net cash provided by (used for) noncapital financing activities	22	(28)	(310)	5,693	5,377
Cash flows from capital and related financing activities:					
Proceeds from sale of capital assets		83			83
Capital purchases		(923)	(3,073)	(215)	(4,211)
Proceeds from issuance of loan payable			6,500		6,500
Principal payments on long-term debt		(11)			(11)
Principal payments on leases			(1,223)		(1,223)
Interest payments		(1)	(11)		(12)
Net cash provided by (used for) capital and related financing activities		(852)	2,193	(215)	1,126
Cash flows from investing activities:					
Purchase of investment securities	(12,587)	(2,856)	(615)	(5,424)	(21,482)
Proceeds from sale and maturity of investment securities	20,017	2,336			22,353
Interest received	815	185	4	22	1,026
Net cash provided by (used for) investing activities	8,245	(335)	(611)	(5,402)	1,897
Increase (decrease) in cash and cash equivalents	(1,291)	451	6,768	2,111	8,039
Cash and cash equivalents at beginning of the year	15,739	2,828	136	386	19,089
Cash and cash equivalents at end of the year	$ 14,448	$ 3,279	$ 6,904	$ 2,497	$ 27,128

(continued)

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2022 (In thousands) (continued)

	General Benefits and Insurance	Motorized Equipment	Information and Communication Services	Municipal Facilities Maintenance	Total
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	$ (9,519)	$ 273	$ 1,809	$ 2,580	$ (4,857)
Adjustment to reconcile operating income to net cash provided by operating activities:					
Depreciation	1	2,608	1,990	435	5,034
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:					
Accounts receivable	1,932	5			1,937
Inventories		(304)		(16)	(320)
Prepaid and other assets		11	521		532
Accounts payable	(856)	320	2,175	(148)	1,491
Wages and benefit payable	(389)	(1,247)	(999)	(816)	(3,451)
Unearned revenues	126				126
Compensated absences	(253)				(253)
Self-insurance liability	(600)				(600)
Total adjustments	(39)	1,393	3,687	(545)	4,496
Net cash provided by operating activities	$ (9,558)	$ 1,666	$ 5,496	$ 2,035	$ (361)
Schedule of noncash financing and investing activities:					
Capital assets financed through leases			$ 834		$ 834
Increase (decrease) in fair value of investments	$ (2,419)	$ (522)	27	$ (109)	(3,023)
Increase in accounts payable related to capital asset purchases		54	222	256	532

Fiduciary Funds

ANAHEIM

CITY OF ANAHEIM CALIFORNIA
FOUNDED 1857

Anaheim, California

Combining Statement of Fiduciary Net Position
Custodial Funds - Others
Year Ended June 30, 2022 (In thousands)

	Custodial Funds - Others			
	Community Facility Districts	Unclaimed Money Seized	Miscellaneous	Total
ASSETS				
Cash and cash equivalents	$ 3,311		$ 45	$ 3,356
Investments	3,479			3,479
Special assessment receivable	9			9
Total assets	6,799		45	6,844
LIABILITIES				
Accounts payable	6			6
Total liabilities	6			6
NET POSITION				
Restricted for individuals, organizations, and other governments	6,793		45	6,838
Total net position	$ 6,793		$ 45	$ 6,838

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds - Others

Year Ended June 30, 2022 (In thousands)

	Custodial - Others				
	Community Facility Districts	Unclaimed Money Seized	Bail Bond Deposits	Miscellaneous	Total
ADDITIONS					
Special assessment collections from Community Facility Districts	$ 3,218				$ 3,218
Deposits		$ 18	$ 76		94
Donation collections				$ 2	2
Miscellaneous receipts on behalf of inmates				3	3
Interest and investment income	10				10
Total additions	3,228	18	76	5	3,327
DEDUCTIONS					
Debt service payments for Community Facility Districts	3,023				3,023
Payments	1,534	103	76		1,713
Payments - Charity distributions				19	19
Administration	63				63
Total deductions	4,620	103	76	19	4,818
Change in net position	(1,392)	(85)		(14)	(1,491)
Net position at beginning of year, as adjusted	8,185	85		59	8,329
Net position at end of year	$ 6,793			$ 45	$ 6,838

See accompanied independent auditors' report

Statistical Section

Anaheim, California

Statistical Section

The STATISTICAL SECTION is included to provide detailed data on the physical, economic, social and political characteristics of the reporting government. It is intended to provide the user with a broader and more complete understanding of the government and its financial affairs than is possible from the basic financial statements and supplementary information included in the Financial Section.

STATISTICAL INFORMATION

(Unaudited)

The Statistical Section is included to provide financial statement users with additional historical perspective, context, and detail for them to use in evaluating the information contained within the financial statements, notes to the financial statements, and required supplementary information with the goal of providing the user a better understanding of the City[1]s economic condition.

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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Net Position by Component
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities										
Net investment in capital assets	$ 1,147,895	$ 1,138,182	$ 1,112,914	$ 1,040,595	$ 1,008,489	$ 974,071	$ 968,473	$ 894,651	$ 1,016,259	$ 894,625
Restricted	277,443	260,160	251,942	266,447	266,983	274,830	211,338	210,934	205,998	196,853
Unrestricted [1 2 3]	(553,852)	(720,573)	(629,091)	(554,529)	(551,607)	(557,245)	(417,976)	(447,817)	(455,863)	30,341
Total Governmental Activities	871,486	677,769	735,765	752,513	723,865	691,656	761,835	657,768	766,394	1,121,819
Business-type Activities										
Net investment in capital assets	1,091,868	1,074,102	1,074,006	1,058,213	1,009,302	1,016,113	997,292	993,075	823,505	787,459
Restricted	81,344	70,372	66,069	61,808	86,863	83,811	76,749	83,448	77,311	71,131
Unrestricted [1 2]	74,944	35,842	22,284	51,630	15,661	(26,767)	36,644	(1,725)	(37,696)	121,083
Total Business-type Activities	1,248,156	1,180,316	1,162,359	1,171,651	1,111,826	1,073,157	1,110,685	1,074,798	863,120	979,673
Total Government										
Net investment in capital assets	2,239,763	2,212,284	2,186,920	2,098,808	2,017,791	1,990,184	1,965,765	1,887,726	1,839,764	1,682,084
Restricted	358,787	330,532	318,011	355,181	353,846	358,641	288,087	294,382	283,309	267,984
Unrestricted	(478,908)	(684,731)	(606,807)	(529,825)	(535,946)	(584,012)	(381,332)	(449,542)	(493,559)	151,424
Total Government	$ 2,119,642	$ 1,858,085	$ 1,898,124	$ 1,924,164	$ 1,835,691	$ 1,764,813	$ 1,872,520	$ 1,732,566	$ 1,629,514	$ 2,101,492

Note: 1 The City implemented Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and Financial Reporting for Pension, and Statement No. 71 Pension Transition for Contributions Made Subsequent to the Measurement Date, for the fiscal year ended June 30, 2015. Implementation of these Statements required the City to restate prior period net position and are reflected in the fiscal year 2014 Unrestricted net position. Information prior to the implementation of these Statements is not available.

2 The City implemented Governmental Accounting Standards Board (GASB) Statement No. 75 Accounting and Financial Reporting for Other Postemployment Benefits Other Than Pension for the fiscal year ended June 30, 2018. Implementation of this Statements required the City to restate prior period net positions and are reflected in the fiscal year 2017 Unrestricted net position. Information prior to the implementation of these Statements is not available.

3 The City implemented Governmental Accounting Standards Board (GASB) Statement No. 87 Accounting for Leases for the fiscal year ended June 30, 2022. Implementation of this Statements required the City to restate prior period net position and are reflected in the fiscal year 2021 Net Investment in capital assets and Unrestricted net position. Information prior to the implementation of these Statements is not available.

Certain reclassifications have been made to prior year data to conform to the current presentation.

Source: Finance Department, City of Anaheim

Changes in Net Position
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 1,477	$ 2,115	$ 1,796	$ 1,742	$ 1,749	$ 1,903	$ 2,034	$ 2,398	$ 1,779	$ 2,001
Police	13,279	9,040	13,595	15,901	15,361	15,441	11,775	10,001	9,927	9,859
Fire & Rescue	23,338	18,819	21,024	10,949	11,621	10,582	9,814	9,024	10,166	9,912
Housing & Community Development [2]	13,033	14,625	6,796	5,441	5,438	17,171	9,295	13,796	17,144	9,002
Economic Development [2]	2,867	3,003	3,110	2,090	1,983	1,875	915	227	161	149
Planning & Building	11,198	12,178	11,059	11,715	16,573	11,357	11,515	9,800	7,746	6,404
Public Works	20,846	17,422	20,123	21,075	17,378	16,140	15,817	13,309	13,037	14,012
Community Services	3,153	1,573	2,491	3,174	3,227	11,190	3,430	3,408	3,479	3,556
Convention, Sports & Entertainment	16,560	2,195	11,075	14,802	14,231	13,672	12,528	11,124	10,236	9,574
Total charges for services	105,751	80,970	91,069	86,889	87,561	99,331	77,123	73,087	73,675	64,469
Operating grants and contributions	247,271	226,525	158,750	130,335	115,520	109,989	108,131	109,968	114,584	112,507
Capital grants and contributions	30,090	36,376	43,191	21,335	39,340	65,937	85,782	67,014	110,295	71,472
Governmental activities program revenues	383,112	343,871	293,010	238,559	242,421	275,257	271,036	250,069	298,554	248,448
Business-type activities:										
Charges for services										
Electric Utility	448,286	433,734	417,912	459,182	443,755	433,561	430,485	453,697	426,051	451,958
Water Utility	102,239	96,351	84,943	79,649	79,074	70,777	60,509	63,495	65,946	60,785
Sanitation Utility	74,574	69,482	70,812	68,036	65,138	63,893	61,006	60,076	57,843	57,230
Golf Courses	10,709	6,978	4,282	4,306	4,273	4,062	4,114	4,435	4,667	4,759
Convention, Sports & Entertainment	32,253	4,371	35,909	51,072	44,984	37,015	35,363	34,742	32,084	29,656
ARTIC Management		39	41	1,030	1,343	1,050	878	448		
Total charges for services	668,061	610,955	613,899	663,275	638,567	610,358	592,355	616,893	586,591	604,388
Operating grants and contributions	603	88	143	231	88	425	776	287	452	952
Capital grants and contributions	31,363	9,751	12,339	28,408	8,353	4,381	11,743	8,734	8,441	6,698
Business-type activities program revenues	700,027	620,794	626,381	691,914	647,008	615,164	604,874	625,914	595,484	612,038
Total government program revenues	1,083,139	964,665	919,391	930,473	889,429	890,421	875,910	875,983	894,038	860,486
Expenses										
Governmental activities:										
General government	20,418	25,415	31,866	22,005	15,645	11,825	10,331	12,370	15,790	13,275
Police	147,972	182,509	202,064	175,409	173,921	151,559	132,889	135,161	127,037	124,556
Fire & Rescue	79,516	103,696	96,803	82,948	81,528	70,365	62,520	61,794	59,510	58,508
Housing & Community Development [2]	149,709	122,411	104,153	87,443	90,475	95,472	90,081	79,492	78,789	80,923
Economic Development [2]	3,806	5,928	6,659	11,375	5,592	5,248	20,537	1,484	1,254	1,846
Planning & Building	22,419	25,695	27,929	26,248	25,376	21,944	19,862	18,303	17,030	16,917
Public Works	56,366	60,664	60,693	53,742	55,981	61,806	48,719	66,023	60,262	44,740
Community Services	38,547	39,721	50,513	43,218	39,020	34,799	34,212	31,587	34,130	28,925
Public Utilities	2,075	2,171	2,381	2,476	2,346	2,530	2,687	2,599	2,514	2,405
Convention, Sports & Entertainment	23,879	8,071	17,713	27,663	19,930	19,238	18,503	17,026	15,586	13,935
Interest on long-term debt	33,093	31,527	29,734	35,149	34,938	34,876	35,185	35,340	35,514	35,880
Governmental Activities Expenses	577,800	607,808	630,508	567,676	544,752	509,662	475,526	461,179	447,416	421,910

(Continued)

Changes in Net Position
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting) (continued)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Business-type Activities:										
Electric Utility	389,898	378,087	404,272	425,072	394,574	412,424	390,732	401,243	411,246	417,008
Water Utility	95,407	96,920	88,554	76,484	75,755	72,715	61,620	68,011	62,996	57,056
Sanitation Utility	64,186	66,022	67,375	64,659	61,145	58,218	56,564	55,979	53,508	52,813
Golf Courses	8,432	6,046	5,017	4,954	4,898	4,465	4,405	4,418	4,399	4,473
Convention, Sports & Entertainment Venues	51,776	51,239	75,621	68,187	66,058	47,321	44,285	56,715	46,385	45,001
ARTIC Management	2,525	2,548	2,949	6,548	6,218	6,374	6,235	5,075		
Business-type activities expense	612,224	600,862	643,788	645,904	608,648	601,517	563,841	591,441	578,534	576,351
Total government expenses	1,190,024	1,208,670	1,274,296	1,213,580	1,153,400	1,111,179	1,039,367	1,052,620	1,025,950	998,261
Net (Expense)/Revenue										
Governmental activities	(194,688)	(263,937)	(337,498)	(329,117)	(302,331)	(234,405)	(204,490)	(211,110)	(148,862)	(173,462)
Business-type activities	87,803	19,932	(17,407)	46,010	38,360	13,647	41,033	34,473	16,950	35,687
Total government, net (expense) revenue	(106,885)	(244,005)	(354,905)	(283,107)	(263,971)	(220,758)	(163,457)	(176,637)	(131,912)	(137,775)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	94,554	90,222	86,256	80,822	76,547	72,909	70,646	68,405	66,282	64,311
Sales and use taxes [1]	103,374	76,811	76,851	84,982	80,732	77,732	76,975	72,356	67,505	65,445
Transient occupancy taxes [1]	177,057	29,797	122,735	161,948	154,925	149,566	137,570	119,744	110,134	102,936
Other taxes	9,592	8,902	8,796	8,893	9,076	8,946	8,731	8,318	7,780	7,756
Gain on sale on capital assets					6,258					
Unrestricted investment earnings	(9,228)	1,470	15,371	15,654	2,783	2,116	3,692	2,725	2,930	1,094
Other		762	100	98	105	106	87	55	49	
Lease Revenues										1,857
Transfers	13,056	4,270	10,641	5,368	4,114	7,701	10,856	(169,119)	7,288	12,824
Special item						(8,218)				
Governmental activities	388,405	212,234	320,750	357,765	334,540	310,858	308,557	102,484	261,968	256,223
Business-type activities:										
Unrestricted investment earnings (losses)	(6,907)	2,295	18,756	19,183	4,423	4,001	5,710	8,086	6,986	3,323
Transfers	(13,056)	(4,270)	(10,641)	(5,368)	(4,114)	(7,701)	(10,856)	169,119	(7,288)	(12,824)
Business-type activities	(19,963)	(1,975)	8,115	13,815	309	(3,700)	(5,146)	177,205	(302)	(9,501)
Total government	368,442	210,259	328,865	371,580	334,849	307,158	303,411	279,689	261,666	246,722
Change in Net Position										
Governmental activities	193,717	(51,703)	(16,748)	28,648	32,209	76,453	104,067	(108,626)	113,106	82,761
Business-type activities	67,840	17,957	(9,292)	59,825	38,669	9,947	35,887	211,678	16,648	26,186
Total government change in net position	$ 261,557	$ (33,746)	$ (26,040)	$ 88,473	$ 70,878	$ 86,400	$ 139,954	$ 103,052	$ 129,754	$ 108,947

[1] Decreases in Sales and use taxes, and Transient Occupancy taxes in Fiscal Years 2020 and 2021 are due to impacts of COVID-19 Pandemic and California Stay-At-Home Order.

[2] The previously Community & Economic development was re-organized to Housing & Community Development and Economic Department in fiscal year 2022.

Note: Certain reclassifications have been made to prior fiscal years' data to conform to the current presentation.

Source: Finance Department, City of Anaheim

See accompanied independent auditors' report

Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

	Amounts				
Fiscal Year	Property Taxes	Sales and Use Taxes	Transient Occupancy Taxes	Other Taxes	Total
2022	$ 94,554	$ 103,374	$ 177,057	$ 9,592	$ 384,577
2021	90,222	76,811	29,797	8,902	205,732
2020	86,256	76,851	122,735	8,796	294,638
2019	80,822	84,982	161,948	8,893	336,645
2018	76,547	80,732	154,925	9,076	321,280
2017	72,909	77,732	149,566	8,946	309,153
2016	70,646	76,975	137,570	8,731	293,922
2015	68,405	72,356	119,744	8,318	268,823
2014	66,282	67,505	110,134	7,780	251,701
2013	64,311	65,445	102,936	7,756	240,448

Note: Certain reclassifications have been made to prior fiscal years' data to conform to the current presentation.

Source: Finance Department, City of Anaheim

Fund Balances of Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund										
Nonspendable	$ 601	$ 402	$ 308	$ 756	$ 519	$ 819	$ 958	$ 1,538	$ 2,099	$ 2,531
Restricted	10,030	13,538	12,547	4,627	5,194	6,238	7,730	6,124	6,449	1,766
Committed			2,250							788
Assigned [1]	114,039	104,212	6,752	15,221	11,008	2,056	7,442	513	4,073	6,879
Unassigned	52,351	17,975	10,954	43,455	41,556	42,336	39,850	39,615	30,394	26,920
Total General fund	177,021	136,127	32,811	64,059	58,277	51,449	55,980	47,790	43,015	38,884
Housing Authority Fund										
Nonspendable	42	41	39	36	34		2	4	7	38
Restricted	44,143	51,320	48,285	61,641	60,180	62,338	48,974	43,703	41,134	32,234
Assigned	41,475	35,840	31,579	28,434	26,574	22,904	16,129	14,283	11,664	11,823
Total Housing Authority Fund	85,660	87,201	79,903	90,111	86,788	85,242	65,105	57,990	52,805	44,095
Nonmajor Governmental Funds										
Nonspendable	186	155	252	11,503	9,091	8,713	6,000	6,270	3,542	4,619
Restricted [2]	305,078	254,607	276,604	319,412	320,034	303,036	237,930	197,360	170,950	164,870
Committed	3,943	4,057	4,039	3,812	4,063					
Assigned	19,641	8,288	7,475	6,696	6,797	9,612	5,875	3,040	3,291	8,055
Unassigned	(13,069)	(13,146)	(15,080)	(9,217)	(11,535)	(12,202)	(17,991)	(20,071)	(19,005)	(11,231)
Total nonmajor governmental funds	315,779	253,961	273,290	332,206	328,450	309,159	231,814	186,599	158,778	166,313
Total governmental funds	$ 578,460	$ 477,289	$ 386,004	$ 486,376	$ 473,515	$ 445,850	$ 352,899	$ 292,379	$ 254,598	$ 249,292

[1] Increase in assigned fund balance in Fiscal Year 2021 is due to unspent bond proceeds from the 2021 APFA Lease Revenue Bonds (Working Capital Financing) issued in June 2021.

[2] Decrease in restricted fund balance in Fiscal Year 2020 is due to $59 million used for the partially defeasance of the 1996 APFA Series C Capital Appreciation Bonds.

Note: Certain reclassifications have been made to prior fiscal years data to conform to the current presentation.

Source: Finance Department, City of Anaheim

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues										
Property taxes	$ 94,554	$ 90,222	$ 86,256	$ 80,822	$ 76,547	$ 72,909	$ 70,646	$ 68,405	$ 66,282	$ 64,311
Sales and use taxes [3]	103,421	76,907	76,898	84,792	81,680	80,500	81,844	71,977	68,581	62,793
Transient occupancy taxes [3]	177,057	30,180	122,351	161,948	154,925	149,566	137,570	119,744	110,134	102,936
Other taxes	8,689	8,139	8,024	8,175	8,311	8,287	8,024	7,478	7,012	7,078
Licenses, fees, and permits	26,460	29,451	26,627	24,397	38,258	30,365	24,851	23,893	16,653	17,835
Intergovernmental revenues [4]	252,796	234,891	167,085	139,776	124,696	123,797	121,055	155,314	215,755	186,018
Charges for services	60,109	35,199	50,927	51,308	50,771	48,186	41,949	37,975	37,269	35,353
Fines, forfeits, and penalties	3,257	3,096	2,658	2,937	2,988	2,756	2,875	2,823	2,656	2,907
Use of money and property [2]	12,770	31,798	29,323	37,459	26,801	47,505	67,204	20,068	22,427	12,141
Contribution from property owners[1]	1,534	5,175	3,124			36,864				
Lease revenues	1,195									
Others	1,379	2,029	1,597	1,086	1,178	2,127	1,368	9,738	809	4,843
Total revenues	743,221	547,087	574,870	592,700	566,155	602,862	557,386	517,415	547,578	496,215
Expenditures										
General government	32,927	32,660	33,715	26,936	21,358	19,447	18,679	19,052	21,070	18,270
Police	169,922	161,633	170,308	160,355	156,338	148,801	139,775	127,226	120,962	117,702
Fire & Rescue	91,310	92,793	85,677	76,604	74,888	70,164	66,399	61,483	57,529	56,127
Housing & Community Development	159,591	120,165	105,386	92,699	88,263	86,841	87,007	87,962	82,404	84,436
Economic Development	7,625	5,928	6,659	11,375	5,592	5,248	20,537	1,484	1,254	1,846
Planning & Building	24,595	24,662	24,498	24,196	23,649	21,997	19,935	17,667	16,086	15,785
Public Works	36,681	39,606	37,022	32,329	34,331	30,886	30,388	29,814	29,737	25,387
Community Services	36,241	33,306	40,690	36,339	34,042	32,258	31,980	28,394	30,602	25,268
Public Utilities	2,121	2,187	2,397	2,448	2,341	2,496	2,727	2,622	2,510	2,398
Convention, Sports & Entertainment	16,871	2,484	11,774	15,575	14,639	14,023	13,089	11,608	10,714	10,002
Capital outlay	22,318	29,250	71,117	43,191	46,366	44,532	32,589	79,710	136,597	98,601
Debt service:										
Principal	18,632	17,409	18,575	32,128	14,749	26,123	28,448	25,289	24,220	18,948
Interest charges	31,700	29,694	78,065	30,943	28,412	15,571	16,930	18,085	18,797	19,808
Total expenditures	650,534	591,777	685,883	565,118	544,968	518,387	508,483	510,396	552,482	494,578
Revenues over (under) expenditures	92,687	(46,101)	(111,013)	5,834	21,187	84,475	48,903	6,892	(4,904)	1,637
Other Financing Sources (Uses)										
Transfers in	134,280	42,141	78,434	107,804	97,513	103,797	95,920	85,818	84,813	73,470
Transfers out	(127,296)	(44,309)	(67,793)	(102,556)	(93,285)	(101,446)	(85,403)	(79,373)	(75,953)	(59,393)
Premium on long term debt				35,279				1,790		
Issuance of long-term debt	25,046	139,554		175,565	2,250	6,125	1,100	28,854	1,350	31,500
Payments to refunded bond escrow agent	(23,348)			(209,065)				(6,200)		
Bonds issuance costs	(198)	(1,411)		(1,748)				(127)		
Total other financing sources	8,484	135,975	10,641	5,279	6,478	8,476	11,617	30,762	10,210	45,577
Net change in fund balances	$ 101,171	$ 91,285	$ (100,372)	$ 12,861	$ 27,665	$ 92,951	$ 60,520	$ 37,781	$ 5,306	$ 47,214
Debt service as a percentage of non-capital expenditures	8.01%	8.35%	15.72%	11.60%	8.66%	8.80%	9.54%	10.07%	10.34%	9.79%

[1] Contribution from property owners pursuant to the issuances of Community Facility District 08-1 Platinum Triangle Series 2010 (Fiscal Year 2011), and Series 2016 (Fiscal year 2017) Special Tax Bonds.
[2] Increase in Use of money and property in Fiscal Year 2016 is due to one-time land held for resale transferred from the Successor Agency
[3] Decreases in Sales and Use Taxes and Transient Occupancy Taxes in Fiscal Years 2020 and 2021 are due to COVID-19 pandemic and California Stay-At-Home Order
[4] Increases in Intergovernmental revenues in Fiscal years 2020, 2021 and 2022 are due to CARES and ARP fundings.
Note: Certain reclassifications have been made to prior fiscal years' data to conform to the current presentation.
Source: Finance Department, City of Anaheim

General Government Tax Revenues By Source
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

Amounts in Dollars

	Property Taxes								
Fiscal Year	Secured Property Taxes	Unsecured Property Taxes	Supplemental Property Taxes	Residual	Property Taxes in-lieu of VLF [2]	Sales and Use Taxes [1 3]	Transient Occupancy Taxes [3]	Other Taxes	Total
2022	$ 48,113	$ 1,499	$ 1,107	$ 4,943	$ 38,892	$ 103,421	$ 177,057	$ 8,689	$ 383,721
2021	46,499	1,371	933	3,949	37,470	76,907	30,180	8,139	205,448
2020	44,285	1,378	920	3,850	35,823	76,898	122,351	8,024	293,529
2019	41,529	1,263	1,173	3,322	33,535	84,792	161,948	8,175	335,737
2018	39,396	1,265	1,259	2,892	31,735	81,680	154,925	8,311	321,463
2017	37,771	1,214	1,108	2,484	30,332	80,500	149,566	8,287	311,262
2016	37,000	1,256	991	2,203	29,196	81,844	137,570	8,024	298,084
2015	35,624	1,358	1,001	2,262	28,160	71,977	119,744	7,478	267,604
2014	33,976	1,243	832	2,873	27,358	68,581	110,134	7,012	252,009
2013	33,114	1,194	806	2,834	26,363	62,793	102,936	7,078	237,118

[1] Increase in sales and use taxes in Fiscal Year 2016 was due to the sales tax triple flip final distribution.

[2] Collection of property taxes in-lieu of VLF starting in fiscal year 2005 is due to the shifting of revenue from motor vehicle license fees category to the property tax category. This was part of the State of California 2004 Budget Act.

[3] Decreases in Sales and Use Taxes and Transient Occupancy Taxes in Fiscal Years 2020 and 2021 are due to impacts of COVID-19 and the California Stay-At-Home order.

Note: Certain reclassifications have been made to prior fiscal years' data to conform to the current presentation.

Source: Finance Department, City of Anaheim

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years (In thousands)
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	2022	2021	2020	2019	2018
City of Anaheim					
Secured property	$ 43,892,712	$ 42,491,830	$ 40,745,451	$ 38,098,867	$ 36,199,163
Unsecured property	1,679,279	1,315,829	1,273,871	1,302,121	1,175,627
Total City of Anaheim	45,571,991	43,807,659	42,019,322	39,400,988	37,374,790
Redevelopment Project Areas					
Secured property	6,565,882	6,333,408	5,938,225	5,593,018	5,182,683
Unsecured property	898,924	957,529	893,906	737,385	720,305
Total Anaheim Redevelopment Agency	7,464,806	7,290,937	6,832,131	6,330,403	5,902,988
Total Taxable Assessed Value	$ 53,036,797	$ 51,098,596	$ 48,851,453	$ 45,731,391	$ 43,277,778
Total Direct Tax Rate	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%

	Fiscal Year				
	2017	2016	2015	2014	2013
City of Anaheim					
Secured property	$ 34,732,460	$ 33,338,748	$ 32,023,757	$ 30,548,214	$ 29,608,967
Unsecured property	1,172,650	1,243,307	1,515,905	1,266,403	1,265,519
Total City of Anaheim	35,905,110	34,582,055	33,539,662	31,814,617	30,874,486
Redevelopment Agency Project Areas					
Secured property	4,773,715	4,479,386	4,102,931	3,916,169	4,338,935
Unsecured property	684,544	753,736	759,729	654,982	683,237
Total Anaheim Redevelopment Agency	5,458,259	5,233,122	4,862,660	4,571,151	5,022,172
Total Taxable Assessed Value	$ 41,363,369	$ 39,815,177	$ 38,402,322	$ 36,385,768	$ 35,896,658
Total Direct Tax Rate	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%

Note: 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 reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed 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.

Source: Auditor-Controller, County of Orange; California Municipal Statistics, Inc.

Property Tax Rates
Direct and Overlapping Governments

Last Ten Fiscal Years (Rate per $100 assessed value)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Direct Rate										
Basic Levy[1]	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Overlapping Rates[2] :										
Anaheim General Obligation Bond Fund							0.00173	0.00198	0.00211	0.00227
Anaheim City School Districts	0.06321	0.06595	0.05943	0.05059	0.04502	0.04461	0.04227	0.02867	0.05848	0.05382
Anaheim Union High School Districts	0.03804	0.03971	0.03968	0.04244	0.02211	0.04259	0.04948	0.02412	0.02620	0.02858
North Orange County Community College	0.02877	0.03198	0.02409	0.02829	0.02927	0.02885	0.03043	0.01704	0.01704	0.01902
Water District Rate	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
	0.13352	0.14114	0.12670	0.12482	0.0999	0.11955	0.12741	0.07531	0.10733	0.10719
Total Direct and Overlapping Rates	1.13352	1.14114	1.12670	1.12482	1.09990	1.11955	1.12741	1.07531	1.10733	1.10719
City's share of 1% Basic Levy per Prop 13[3]	0.10851	0.10851	0.10851	0.10851	0.10851	0.10851	0.10851	0.10851	0.10851	0.10851

[1] In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides. In 1986, the State Constitution was amended to allow rates over the 1% base rate for voter approved general obligation debt. Valuations of real property are frozen at the value of the property in 1975, with an allowable adjustment up to 2% per year for inflation. However, property is assessed to its current value when a change of ownership occurs. New construction, including tenant improvements, is assessed at its current value.

[2] Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

[3] City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City.

Source: Auditor Controller, Orange County

Principal Property Tax Payers
Current Year and Nine Years Ago (In thousands)

	Fiscal year					
	2022			2013		
Tax Payer	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value
Walt Disney World Company	1	10.88%	$ 5,488,729	1	12.28%	$ 4,170,132
HHC HA Investment II Inc.	2	0.44%	222,575			
Anaheim Concourse ILP LLC	3	0.40%	201,808			
C3J LP	4	0.39%	194,728			
Jefferson at Stadium Park	5	0.34%	173,390			
US REIF MG Madison Park CA LLC	6	0.27%	135,460			
Mary Susan Samia Trust	7	0.25%	126,895			
Irvine Company LLC	8	0.25%	124,983	2	0.45%	152,654
Advance Group 18-116	9	0.23%	117,312			
CH Realty VIII - Redhill MF	10	0.22%	111,261			
Makar Anaheim LLC				3	0.39%	133,282
Reef America REIT II				4	0.33%	133,127
Kilroy Realty LP				5	0.33%	111,419
La Palma/Miller Owner LLC				6	0.29%	98,611
PPC Anaheim Apartments				7	0.27%	92,491
Angeli LLC				8	0.26%	86,806
Lennar Platinum Triangle				9	0.22%	75,000
BRE Properties Inc.				10	0.22%	73,042
Total		13.67%	$ 6,897,141		15.04%	$ 5,126,564

Source: Finance Department, City of Anaheim, California Municipal Statistics, Inc.

Property Tax Levies and Collections
Last Ten Fiscal Years (In thousands)

Fiscal Year	Total Taxes Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount [1]	Percentage of Levy		Amount	Percentage of Levy
2022	$ 51,577	$ 50,270	97.47%	$ 237	$ 50,507	97.93%
2021	49,162	48,306	98.26%	450	48,814	99.29%
2020	47,082	46,223	98.18%	497	46,720	99.23%
2019	44,588	43,630	97.85%	360	43,990	98.66%
2018	42,432	41,578	97.99%	336	41,914	98.78%
2017	40,787	39,710	97.36%	342	40,052	98.20%
2016	40,026	38,832	97.02%	382	39,214	97.97%
2015	38,365	37,456	97.63%	414	37,870	98.71%
2014	36,293	35,558	97.97%	460	36,018	99.24%
2013	34,813	34,116	98.00%	384	34,500	99.10%

[1] Excludes property taxes in-lieu of vehicle license fees

Note: Certain reclassifications have been made to prior fiscal years' data to conform to the current presentation.
Source: Auditor-Controller, County of Orange

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(In thousands, except per capita amount)

	Fiscal Year 2022	2021	2020	2019	2018
Governmental Activities					
Bonds	$ 666,167	$ 684,157	$ 562,005	$ 600,444	$ 621,675
Notes and loans	21,473	16,466	19,681	23,796	28,008
Leases	4,375	4,828	2,297	1,988	1,550
Total governmental activities	692,015	705,451	583,983	626,228	651,233
Business-Type Activities					
Bonds	1,304,522	1,173,008	1,220,797	1,172,354	1,214,339
Notes and loans	2,402	6,366	9,866	13,418	16,972
Leases	2,997	3,337	198		
Total business-type activities	1,309,921	1,182,711	1,230,861	1,185,772	1,231,311
Total Government	$ 2,001,936	$ 1,888,162	$ 1,814,844	$ 1,812,000	$ 1,882,544
Percentage of Personal Income	17.87%	16.69%	16.87%	16.20%	18.06%
Per Capita	$ 5,867	$ 5,479	$ 5,083	$ 5,080	$ 5,272

	Fiscal Year 2017	2016	2015	2014	2013
Governmental Activities					
Bonds	$ 627,589	$ 632,321	$ 640,891	$ 614,757	$ 616,086
Certificates of participation				8,880	10,020
Notes and loans	29,577	20,820	21,372	50,757	54,877
Capital leases	1,738	2,088	2,346	1,325	1,369
Total governmental activities	658,904	655,229	664,609	675,719	682,352
Business-Type Activities					
Bonds	1,235,400	1,124,159	1,116,443	780,553	863,987
Certificates of participation				38,000	38,000
Notes and loans	20,523	36,200	57,399	48,271	62,722
Total business-type activities	1,255,923	1,160,359	1,173,842	866,824	964,709
Total Government	$ 1,914,827	$ 1,815,588	$ 1,838,451	$ 1,542,543	$ 1,647,061
Percentage of Personal Income	20.12%	20.18%	21.26%	17.22%	19.74%
Per Capita	$ 5,341	$ 5,070	$ 5,231	$ 4,429	$ 4,758

Note: Per capita income for 2022 is unavailable. Estimate the Per Capita for fiscal 2022 is estimated by using the 2021 Per Capita Income.
Certain reclassifications have been made to prior year data to conform to the current presentation

Sources: California Department of Finance, Demographic Research Unit, E-1 City/County Population Estimates with Annual Percent Change; and Finance Department, City of Anaheim
US Census Yearly American Community Survey

Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

(In thousands, except per capita amount)

	Fiscal Year				
	2022	2021	2020	2019	2018
Bonds					
Lease Revenue[1]	$ 666,167	$ 684,157	$ 562,005	$ 600,444	$ 621,675
Less amount available for principal					
Total net obligation bonds outstanding	$ 666,167	$ 684,157	$ 562,005	$ 600,444	$ 621,675
Percentage of Assessed Value of Property	1.26%	1.34%	1.15%	1.31%	1.44%
Per capita	$ 1,952	$ 1,985	$ 1,574	$ 1,683	$ 1,741

	Fiscal Year				
	2017	2016	2015	2014	2013
Bonds					
General Obligation		$ 700	$ 1,360	$ 1,995	$ 2,605
Lease Revenue[1]	$ 627,589	631,621	639,531	612,762	613,481
Tax Allocation					
	627,589	632,321	640,891	614,757	616,086
Less amount available for principal		700	813	725	703
Total net obligation bonds outstanding	$ 627,589	$ 631,621	$ 640,078	$ 614,032	$ 615,383
Percentage of Assessed Value of Property	1.52%	1.59%	1.67%	1.69%	1.71%
Per capita	$ 1,750	$ 1,764	$ 1,821	$ 1,763	$ 1,778

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements

[1] Include Accretion on revenue bonds

Certain reclassifications have been made to prior year data to conform to current presentation.

Source: Finance Department, City of Anaheim

Direct and Overlapping Governmental Activities Debt
As of June 30, 2022 (In thousands)

	Debt Outstanding June 30, 2022	% Applicable[1]	Estimated City's Share of Overlapping Debt
2021-22 Assessed Valuation	$ 53,036,796		
DIRECT DEBT:			
City of Anaheim [2]			
Lease Revenue Bonds	$ 666,167	100%	$ 666,167
Notes and Loans from direct placements	21,473	100	21,473
Leases	4,375	100	4,375
TOTAL CITY OF ANAHEIM DIRECT DEBT [2]	$ 692,015		$ 692,015
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Metropolitan Water District	$ 20,175	1.562%	$ 315
North Orange Joint Community College District	209,339	28.139	58,906
Rancho Santiago Community College District	196,773	11.964	23,542
Rancho Santiago Community College District School Facilities Improvement District No 1	154,720	0.363	562
Anaheim Union High School District	256,269	68.371	175,214
Fullerton Joint Union High School District	187,410	0.244	457
Garden Grove Unified School District	532,420	0.553	2,944
Orange Unified School District	277,865	25.367	70,486
Placentia - Yorba Linda Unified School District	228,564	19.456	44,469
Anaheim School District	253,610	99.223	251,639
Magnolia School District	19,498	64.781	12,631
Other School Districts	147,487	Various	23,931
City of Anaheim Community Facilities Districts	52,705	100	52,705
California Statewide Community Community Development Authority Assessment Districts	1,155	100	1,155
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	$ 2,537,990		718,956
OVERLAPPING GENERAL FUND DEBT:			
Orange County General Fund Obligations	$ 375,780	7.782%	29,321
Orange County Pension Obligation Bonds	521,784	7.782	40,605
Orange County Board of Education Certificates of Participation	11,620	7.782	904
North Orange County Regional Occupation Program Certificates of Participation	8,200	28.974	2,376
Orange Unified School District Certificates of Participation	17,195	25.367	4,362
Orange Unified School District Benefit Obligations	60,835	25.367	15,432
Placentia-Yorba Linda Unified School District Certificates of Participation	87,930	19.456	17,108
Anaheim Union High School District Certificates of Participation	30,670	68.371	20,969
Fullerton Joint Union High School District Certificates of Participation	16,535	0.244	40
Fullerton School District General Fund Obligations	3,265	0.172	6
Magnolia School District General Fund Obligations	13,010	64.781	8,428
TOTAL GROSS OVERLAPPING GENERAL FUND OBLIGATION DEBT	$ 1,146,824		139,551
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	-		
City of Anaheim Tax Allocation Bonds	$ 125,950	.080-100 %	125,161
TOTAL OVERLAPPING TAX INCREMENT DEBT			125,161
TOTAL GROSS OVERLAPPING DEBT			983,668
TOTAL NET OVERLAPPING DEBT			983,668
TOTAL DIRECT AND OVERLAPPING DEBT			$ 1,675,683

[1] The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

[2] Includes all long-term debt instruments of the governmental activities, including bonds, notes, loans, and leases.

Source: California Municipal Statistics, Inc., City of Anaheim

Legal Debt Margin
Last Ten Fiscal Years (In thousands)

	Fiscal Year 2022	2021	2020	2019	2018
Debt limit	$ 1,988,880	$ 1,916,197	$ 1,831,929	$ 1,714,927	$ 1,622,917
Total net debt applicable to limit					
Legal debt margin	$ 1,988,880	$ 1,916,197	$ 1,831,929	$ 1,714,927	$ 1,622,917
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%
Legal Debt Margin					
Assessed value	$ 53,036,796	$ 51,098,596	$ 48,851,453	$ 45,731,391	$ 43,277,778
Debt limit (3.75% of total assessed value)[1]	$ 1,988,880	$ 1,916,197	$ 1,831,929	$ 1,714,927	$ 1,622,917

	Fiscal Year 2017	2016	2015	2014	2013
Debt limit	$ 1,551,126	$ 1,493,069	$ 1,440,087	$ 1,364,466	$ 1,346,125
Total net debt applicable to limit		(700)	(1,360)	(1,995)	(2,605)
Legal debt margin	$ 1,551,126	$ 1,492,369	$ 1,438,727	$ 1,362,471	$ 1,343,520
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.05%	0.09%	0.15%	0.19%
Legal Debt Margin					
Assessed value	$ 41,363,369	$ 39,815,177	$ 38,402,322	$ 36,385,768	$ 35,896,658
Debt limit (3.75% of total assessed value)[1]	$ 1,551,126	$ 1,493,069	$ 1,440,087	$ 1,364,466	$ 1,346,125

Note:

[1] California Government Code sets the debt limit at 15%. The Code section was enacted when assessed valuation were based on 25% of full market value. This has since changed to 100% of full market value. Thus the limit shown is 3.75% (one-fourth the limit of 15%).

By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Note: Certain reclassifications have been made to prior fiscal years' data to conform to the current presentation.

Source: Finance Department, City of Anaheim, California Municipal Statistics, Inc.

Pledged-Revenue Coverage
Last Ten Fiscal Years (In thousands)

Electric Utility Revenue Bonds							
				Debt Service			
Fiscal Year	Electric Revenue	Less Operating Expenses[1]	Net Available Revenue	Principal	Interest	Total	Coverage
2022	$ 445,184	$ 322,786	$ 122,398	$ 33,065	$ 27,775	$ 60,840	2.0118
2021	435,231	314,374	120,857	29,010	29,755	58,765	2.0566
2020	426,746	339,624	87,122	25,005	26,145	51,150	1.7033
2019	469,076	365,983	103,093	20,975	30,386	51,361	2.0072
2018	446,156	330,376	115,780	21,305	30,613	51,918	2.2301
2017	435,805	338,888	96,917	18,950	28,948	47,898	2.0234
2016	433,744	319,169	114,575	14,040	27,995	42,035	2.7257
2015	458,211	341,206	117,005	12,950	27,878	40,828	2.8658
2014	430,782	347,290	83,492	11,590	30,039	41,629	2.0056
2013	453,949	349,835	104,114	18,995	33,335	52,330	1.9896

[1] Operating expenses include transfer for right of way and exclude amortization and depreciation.

(continued)

Pledged-Revenue Coverage
Last Ten Fiscal Years (In thousands) (continued)

Water Utility Revenue Bonds

Fiscal Year	Water Revenue	Less Operating Expenses [1]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
2022	$101,191	$74,755	$26,436	$5,375	$8,100	$13,475	1.9619
2021	97,096	78,210	18,886	4,970	8,511	13,481	1.4009
2020	88,549	69,479	19,070	3,640	7,242	10,882	1.7524
2019	83,079	59,273	23,806	3,490	7,519	11,009	2.1624
2018	80,131	59,975	20,156	3,370	7,638	11,008	1.8310
2017	71,790	56,487	15,303	3,380	6,815	10,195	1.5010
2016	61,721	46,383	15,338	5,885	1,775	7,660	2.0023
2015	65,518	52,883	12,635	960	4,178	5,138	2.4591
2014	66,979	50,046	16,933	920	4,217	5,137	3.2963
2013	61,849	44,838	17,011	950	4,255	5,205	3.2682

[1] Operating expenses include transfer for right of way and exclude amortization and depreciation.
Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
Source: Finance Department, City of Anaheim

Sanitation Revenue Bonds

Fiscal Year	Wastewater Revenue [2]	Less Operating Expenses [3]	Net Available Revenue	Debt Service Principal	Debt Service Interest	Debt Service Total	Coverage
2022	$13,869	$7,042	$6,827	$1,295	$2,111	$3,406	2.0044
2021	14,669	7,047	7,622	1,230	2,173	3,403	2.2398
2020	17,044	8,012	9,032	1,170	2,231	3,401	2.6557
2019	16,740	7,767	8,973	1,080	2,323	3,403	2.6368
2018	13,963	6,779	7,184	1,095	1,902	2,997	2.3971
2017	13,771	6,252	7,519	1,045	1,954	2,999	2.5072
2016	13,291	5,733	7,558	1,005	1,994	2,999	2.5202
2015	13,373	6,103	7,270	955	2,042	2,997	2.4258
2014	12,572	5,594	6,978	920	2,079	2,999	2.3268
2013	12,106	5,477	6,629	880	2,118	2,998	2.2111

[2] Amounts based on the notes to the basic financial statement, segment reporting
[3] Operating expenses exclude amortization and depreciation.
Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.
Source: Finance Department, City of Anaheim

Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income [1]	Median Age	Education Level in Years of Schooling	School Enrollment [2]	Orange County Unemployment Rate
2022	341,245	$11,202,050	32,827	37.2	12.2	53,135	2.90%
2021	344,604	11,312,316	32,827	37.2	12.2	53,135	6.00%
2020	357,059	10,755,331	30,122	35.2	12.2	51,110	9.00%
2019	356,669	11,187,993	31,368	35.2	12.2	51,110	2.80%
2018	357,084	10,422,568	29,188	34.4	12.2	59,580	3.00%
2017	358,546	9,515,094	26,538	34.3	12.2	58,761	3.50%
2016	358,136	8,998,883	25,127	34.1	12.2	58,972	4.10%
2015	351,433	8,649,469	24,612	33.6	12.2	58,435	4.50%
2014	348,305	8,955,966	25,713	34.2	12.2	58,366	5.60%
2013	346,161	8,344,211	24,105	33.8	12.2	59,703	6.70%

[1] Per capita personal income for year 2022 data not readily available.
[2] Public school district, Kindergarten to 12th grade

Sources:
California State Department of Finance
State of California, Employment Development Department
State Department of Commerce and Labor
US Census Yearly American Community Survey

Principal Employers
Current Year and Nine Years Ago

	Fiscal Year					
	2022			2013		
Employer	Rank	Employees	Percentage of Total City Employment	Rank	Employees	Percentage of Total City Employment
Disneyland Resort	1	34,000	20.15%	1	23,512	14.00%
Kaiser Permanente	2	2,300	1.36%	2	6,040	3.60%
Northgate Gonzalez Supermarkets	3	1,000	0.59%	10	850	0.50%
L-3 Communications	4	950	0.56%	9	940	0.60%
Anaheim Regional Medical Center	5	879	0.52%	5	1300	0.80%
Hilton Anaheim	6	850	0.50%	3	1,572	0.90%
West Anaheim Medical Center	7	805	0.48%			
Angels Baseball	8	800	0.47%	7	1,051	0.60%
St. Joseph Health	9	800	0.47%			
Anaheim Marriott Hotel	10	425	0.25%	8	1,030	0.60%
CashCall Inc. Mortgage Division				4	1,400	0.80%
Republic Services				6	1,300	0.80%
Total		42,809	25.35%		38,995	23.20%

Source: Econovue,Inside Prospects Inc., Orange County Business Journal

Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Function/Program										
City Council	9	9	9	9	9	9	6	7	7	7
City Administration	19	19	19	19	19	19	19	20	20	20
City Attorney	33	33	33	33	33	33	33	33	31	30
City Clerk	8	8	8	8	8	8	8	7	7	7
Human Resources	40	40	40	40	40	40	39	37	37	38
Finance [1]	55	55	55	55	55	55	54	44	44	44
Police	617	591	591	590	590	576	569	561	549	536
Fire & Rescue	330	276	276	276	276	276	274	267	262	262
Housing & Community Development	70	73	73	73	73	73	73	71	68	78
Economic Development	7									
Planning & Building	77	76	76	76	76	76	76	75	71	69
Public Works	236	236	236	236	236	236	235	237	236	234
Community Services	93	93	93	93	93	92	92	91	87	87
Public Utilities	352	352	352	352	352	352	352	354	353	352
Convention, Sports & Entertainment	85	85	85	85	85	85	85	85	84	83
Total	2,031	1,946	1,946	1,945	1,945	1,930	1,915	1,889	1,856	1,847

[1] Increase in Fiscal Year 2016 is due to reorganization of the Citywide Geographic Information System (GIS) and Police Information System into Finance.

*Economic Development Department was created in FY 2021/22 and included the transfer of three positions from Housing & Community Development

Source: City of Anaheim

(continued)

Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	Fiscal Year									
Police Department										
Number of calls for service	202,134	192,471	193,998	192,422	200,934	200,695	208,710	195,305	186,042	186,461
Number of 911 calls received	164,859	138,985	148,895	163,445	146,770	150,555	155,371	158,447	145,813	182,856
Number of Part I Crimes per 100,000 population	4,798	3,008	2,719	2,731	2,925	2,917	3,279	2,950	2,883	3,326
Number of Arrest	8,057	10,491	10,576	12,575	11,865	11,010	11,604	11,405	11,846	11,617
Number of Field Reports processed by Records Bureau	36,745	34,268	35,971	39,373	45,402	41,208	41,655	39,191	38,362	39,066
Number of traffic collisions	4,454	3,399	4,276	4,378	4,757	4,817	5,179	4,833	4,686	4,414
Number of Hours of Volunteer service	11,099	4,018	11,435	18,380	19,270	21,132	21,647	22,885	24,124	23,470
Fire Department										
Fire responses	1,323	1,129	996	1,025	1,057	1,035	1,082	952	885	902
False alarm responses	1,266	1,184	2,432	2,038	1,803	1,903	1,848	3,910	1,735	1,424
Mutual aid responses	3,514	3,018	3,596	3,906	4,069	5,450	5,506	4,322	3,001	2,860
Medical responses	30,489	26,759	29,195	29,232	29,385	28,437	28,858	27,158	24,912	24,735
Hazardous condition responses	158	173	180	204	190	222	211	213	211	207
Public Works										
Centerline miles of arterial highway pavement improved	4.60	9.93	3.40	9.15	1.29	1.22	4.7	3.6	7.1	5.9
Square feet of deteriorated pavement replaced	3,739,337	4,000,210	2,746,130	3,389,786	2,960,600	4,017,828	2,487,188	2,101,231	4,345,480	4,029,806
Square feet of deteriorated pavement slurry sealed	84,295	708,860	2,017,000	3,003,023	4,704,400	5,519,982	1,941,187	7,253,633	4,422,148	2,850,939
Number of traffic intersections maintained	339	395	394	376	360	335	333	321	327	318
Number of traffic control hubs maintained	18	20	20	18	18	18	18	18	19	18
Square feet of deteriorated sidewalk replaced	127,323	244,043	93,243	194,674	162,774	102,305	232,922	153,531	96,399	77,590
Linear feet of damaged curb/gutter replaced	27,284	34,275	29,311	78,147	65,569	6,797	33,373	30,152	29,996	25,187
Square feet of medians/parkways maintained	6,301,655	6,301,655	6,297,655	6,297,655	6,101,098	6,063,299	6,063,299	5,721,764	5,644,799	5,644,818
Square feet of landscape maintained in the Anaheim Resort	1,674,600	1,656,500	1,656,500	1,656,500	1,605,958	1,554,886	1,554,886	1,542,442	1,542,442	1,430,486
Square feet of hardscape maintained in the Anaheim Resort	991,860	991,860	991,360	991,360	991,350	991,360	991,360	991,370	991,360	858,828
Number of vehicles maintained	868	887	887	1,059	1,050	1,036	1,025	1,097	1,144	1,106
Number of vehicles per mechanic	45	44	44	46	52	49	49	57	58	58
Square feet of interior space maintained	2,409,427	2,409,427	2,409,427	2,408,734	2,399,337	2,379,100	2,379,100	2,379,100	2,700,000	2,362,992
Square feet of exterior space maintained	37,746,100	37,746,100	37,746,100	37,746,100	37,698,184	37,662,184	37,662,184	37,662,184	37,655,278	37,645,278
Number of facility square feet (interior) per worker	120,471	120,471	120,471	120,437	126,281	125,215	1,459,000	1,459,000	150,000	139,000
Number of construction projects	1,411	1,072	708	590	180	80	120	100	165	120
Number of permit inspections	8,212	9,426	1,007	1,691	900	650	510	429	486	380
Parks										
Number of park acres maintained per full-time equivalent employee	78	78	78	77	77	77	77	76	75	75
Number of sports fields prepared	66	66	66	66	66	66	66	66	66	66
Cost per acre of parks maintained	$ 10,663	$ 9,873	$ 9,585	$ 9,325	$ 9,497	$ 9,221	$ 8,952	$ 8,691	$ 8,438	$ 8,192
Cost per sports field maintained	$ 5,805	$ 5,375	$ 5,219	$ 5,082	$ 4,934	$ 4,791	$ 4,655	$ 4,519	$ 4,387	$ 4,260
Golf Courses										
Cost per acre of golf course maintained	$ 18,328	$ 15,176	$ 9,712	$ 10,906	$ 11,147	$ 10,434	$ 10,076	$ 9,455	$ 9,931	$ 9,595
Number of rounds played	169,037	145,025	94,746	105,952	102,498	102,542	102,234	110,855	117,652	118,879
Number of acres maintained	200	200	200	200	200	200	200	200	200	200

(Continued)

Operating Indicators by Function
Last Ten Fiscal Years
(Continued)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Function/Program										
City Libraries										
Hours open	11,310	9,992	14,668	16,965	17,065	16,023	15,461	16,929	16,820	16,243
Total circulation of materials, including eBooks	832,155	783,392	1,012,328	1,006,276	1,026,997	1,117,096	1,169,829	1,257,127	1,397,239	1,520,841
Patron assistance (reference, information, computer)	154,148	132,623	225,468	191,269	207,724	226,429	185,436	207,305	240,287	291,960
Patron visits	3,013,726	4,045,310	1,184,487	1,382,433	1,460,551	981,637	1,098,146	1,221,982	1,264,972	1,317,689
Library cardholders	269,532	260,441	254,093	297,256	233,312	230,951	217,661	201,194	186,891	158,396
Programs offered	2,495	1,570	3,585	4,449	4,770	4,507	3,900	3,800	3,397	3,097
Program attendance	96,403	367,901	196,521	141,504	144,660	142,098	125,609	117,226	111,380	102,728
Hours of public internet usage	36,885	16,289	89,344	136,671	151,709	144,364	150,712	184,851	209,953	237,340
Community Services Programs										
Number of youth program participants	52,284	52,284	152,791	165,264	197,228	181,697	183,967	177,746	126,429	136,345
Number of youth program participants in recreation classes	6,088	6,088	9,894	8,291	7,957	8,500	13,026	10,136	13,897	10,906
Number of adult program sports teams	112	112	343	537	588	679	725	750	791	841
Number of park ranger contacts	530,361	530,361	547,707	781,176	641,320	382,310	278,599	327,893	263,765	233,308
Public Utilities Department										
Electric Utility:										
Number of meters	104,561	121,526	121,227	120,400	119,564	118,248	117,593	115,682	115,474	115,418
Megawatt-hours - sales	2,682,392	2,652,150	2,687,030	3,109,157	3,217,353	3,298,340	3,229,569	3,725,386	4,065,552	3,312,018
Megawatt-hours - purchased power	2,781,257	2,745,977	2,760,933	3,120,824	2,985,962	2,990,931	3,050,657	3,417,459	3,751,220	3,029,766
Megawatt-hours - owned generation[1]		[1]	2	60,890	231,391	398,068	318,921	371,657	467,348	410,601
Water Utility:										
Number of meters	64,698	64,592	64,421	64,188	64,001	63,489	63,775	63,145	63,002	62,917
Millions of gallons sold	17,968	17,733	17,861	17,760	19,308	17,422	16,607	19,804	20,743	20,464
Millions of gallons purchased from Metropolitan Water District	13,715	13,673	7,877	3,581	8,767	4,170	4,373	4,717	5,286	6,878
Millions of gallons pumped from water system wells	5,470	4,921	10,947	14,603	10,742	14,217	13,213	15,180	16,749	14,659
Anaheim Convention Center										
Number of events serviced	101	13	135	168	171	179	181	197	221	263
Number of attendees	641,000	377,000	916,000	1,083,000	960,000	925,000	954,000	986,000	1,020,000	1,070,000
Percentage of occupancy	42.00%	19.00%	46.00%	55.00%	68.00%	72.00%	59,0%	63,0%	63,0%	58,0%

[1] The City sold its shares of SONGS and SJ ownserships

Sources: Various City departments

Capital Assets Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Police Department										
Police Facilities	9	9	9	10	10	10	10	10	10	10
Motorized Equipment	277	277	277	256	256	260	260	250	247	247
Police Helicopters	3	3	3	3	3	3	2	2	2	3
Shooting Range	1	1	1	1	1	1	1	1	1	1
Communication/Radio Tower	1	1	1	1	1	1	1	1	1	1
Fixed Wing	1	1	1	1	1	1	1	1	1	1
Fire Department										
Fire stations	11	11	11	11	11	11	11	11	11	11
Training center	1	1	1	1	1	1	1	1	1	1
Fire trucks, engines, and other vehicles	91	88	85	79	76	75	75	74	74	79
Public Works										
Streets (center lane miles)	584	584	584	584	584	585	584	584	578	578
Traffic signals	392	395	394	376	360	335	321	321	321	318
Sewers (miles)	578.43	578.43	578.43	578.43	578.43	578.17	578.13	577.60	575.52	575.52
Storm Drains (miles)	151.82	151.82	151.82	151.82	151.82	151.82	151.30	151.30	151.30	151.30
Parks										
Community parks	9	9	9	9	9	11	11	11	11	11
Mini parks	11	10	10	10	10	15	15	9	7	7
Neighborhood parks	23	23	23	23	23	23	23	21	21	21
Special use parks	3	3	3	3	3	8	8	7	7	7
Golf Courses	2	2	2	2	2	2	2	2	2	2
City Libraries										
Branch libraries	8	8	8	8	8	8	8	8	7	7
Book mobiles	2	2	1	1	1	1	1	1	1	1
Museums/Historic properties	5	5	5	5	5	5	5	5	5	5

(Continued)

Capital Assets Statistics by Function
Last Ten Fiscal Years
(continued)

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
	Fiscal Year									
Public Utilities Department										
Electric Utility:										
Transmission, 69 kV, circuit miles	89	89	88	90	90	88	87	86	87	86
Distribution, 12 kV and lower, circuit miles										
Overhead	389	391	393	401	402	408	414	420	426	428
Underground	769	764	742	709	708	693	680	666	662	656
Water Utility:										
Active Wells	18	17	19	15	18	17	18	17	18	18
Reservoirs	13	13	13	13	14	14	14	14	14	14
Water Mains (miles)	757	757	758	754	753	753	753	753	753	753
Fire Hydrants	7,946	7,943	7,912	7,835	7,842	7,832	7,840	7,832	7,816	7,812
Anaheim Convention Center										
Square footage available	1,370,000	1,370,000	1,370,000	1,370,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000
Number of exhibit halls	7	7	7	7	5	5	5	5	5	5

Source: Various City Departments

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Other Information

Anaheim, California

Summary of Pension Liability Funding Progress
(in thousands)

June 30, 2021 Actuarial Valuation Date	Fair Value of Assets (FVA)	Accrued Liability (AL)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Payroll
Miscellaneous	$ 1,308,881	$ 1,619,285	$ 310,404	80.8%	$ 111,733	277.8%
Police Safety	742,705	943,632	200,927	78.7%	52,861	380.1%
Fire Safety	395,894	510,417	114,523	77.6%	26,393	433.9%
Total	$ 2,447,480	$ 3,073,334	$ 625,854	79.6%	$ 190,987	327.7%

June 30, 2020 Actuarial Valuation Date	Fair Value of Assets (FVA)	Accrued Liability (AL)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Payroll
Miscellaneous	$ 1,084,188	$ 1,543,927	$ 459,739	70.2%	$ 124,700	368.7%
Police Safety	612,525	882,257	269,732	69.4%	53,243	506.6%
Fire Safety	330,503	485,339	154,836	68.1%	26,055	594.3%
Total	$ 2,027,216	$ 2,911,523	$ 884,307	69.6%	$ 203,998	433.5%

June 30, 2019 Actuarial Valuation Date	Fair Value of Assets (FVA)	Accrued Liability (AL)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Payroll
Miscellaneous	$ 1,057,123	$ 1,502,706	$ 445,583	70.3%	$ 124,366	358.3%
Police Safety	594,766	843,974	249,208	70.5%	51,581	483.1%
Fire Safety	326,062	471,152	145,090	69.2%	24,421	594.1%
Total	$ 1,977,951	$ 2,817,832	$ 839,881	70.2%	$ 200,368	419.2%

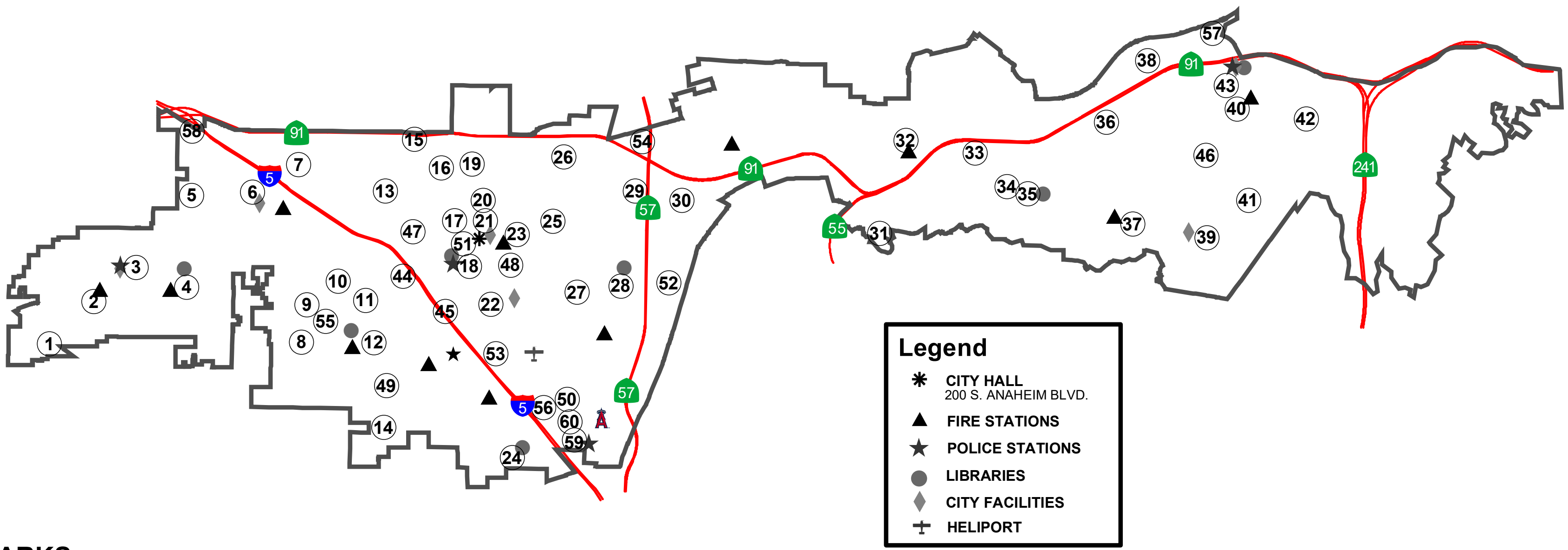
See accompanied independent auditors' report

Schedule of Funding Progress for Other Post-Employment Benefits

(Amounts in Thousands)

Actuarial Valuation Date	Fair Value of Assets (FVA)	Accrued Liability (AL)	Unfunded Accrued Liability (UAL)	Funded Ratios	Annual Covered-Employee Payroll	UAL as a % of Covered-Employee Payroll
June 30, 2021	$ 110,402	$ 231,781	$ 121,379	47.6%	$ 203,733	59.6%
June 30, 2019	102,332	262,907	160,575	38.9%	209,656	76.6%
June 30, 2017	89,953	273,950	183,997	32.8%	203,473	90.4%

CITY OF ANAHEIM



PARKS

1. **HANSEN PARK**
   1300 S. Knott St.
2. **REID PARK**
   3100 W. Orange Ave.
3. **SCHWEITZER PARK**
   238 S. Bel Air St.
4. **MAXWELL PARK**
   2660 W. Orange Ave.
5. **PETER MARSHALL PARK**
   801 N. Magnolia Ave.
6. **BROOKHURST COMMUNITY PARK**
   2271 W. Cresent Ave.
7. **JOHN MARSHALL PARK**
   2066 Falmouth Ave.
8. **MODJESKA PARK**
   1331 S. Nutwood St.
9. **CLARA BARTON PARK**
   1926 Clearbrook Ln.
10. **CHAPARRAL PARK**
    1770 E. Broadway
11. **WILLOW PARK**
    1625 W. Crone Ave.
12. **PALM LANE PARK**
    1595 Palais Rd.
13. **SAGE PARK**
    1313 Lido Pl.
14. **STODDARD PARK**
    901 S. Ninth St.
15. **MANZANITA PARK**
    1260 Riviera St.
16. **LA PALMA PARK & STADIUM**
    1151 La Palma Park Way
17. **PEARSON PARK**
    400 N. Harbor Blvd.
18. **LITTLE PEOPLES PARK**
    220 W. Elm St.
19. **JULIANNA PARK**
    309 E. Juliana St.
20. **GEORGE WASHINGTON PARK**
    250 E. Cypress St.
21. **COLONY SQUARE**
    210 E. Lincoln Ave.
22. **WALNUT GROVE PARK**
    905 S. Anaheim Blvd.
23. **CITRUS PARK**
    104 S. Atchison St.
24. **PONDEROSA PARK**
    2100 S. Haster St.
25. **LINCOLN PARK**
    1440 E. Lincoln Ave.
26. **EDISON PARK**
    1145 Baxter St.
27. **BOYSEN PARK**
    951 State College Blvd.
28. **JUAREZ PARK**
    841 S. Sunkist St.
29. **PIONEER PARK**
    2565 E. Underhill Ave.
30. **RIO VISTA PARK**
    201 N. Park Vista St.
31. **OLIVE HILLS PARK**
    4200 Nohl Ranch Rd.
32. **RIVERDALE PARK**
    4545 E. Riverdale Ave.
33. **PERALTA CANYON PARK**
    115 N. Pinney Dr.
34. **PELANCONI PARK**
    222 S. Avenida Margarita
35. **IMPERIAL PARK**
    450 S. Imperial Hwy.
36. **EUCALYPTUS PARK**
    100 N. Quintana Dr.
37. **OAK PARK**
    6400 E. Nohl Ranch Rd.
38. **YORBA REGIONAL PARK**
    7600 E. La Palma Ave.
39. **OAK CANYON NATURE CENTER**
    6700 Walnut Canyon Rd.
40. **SYCAMORE PARK**
    8268 Monte Vista Rd.
41. **CANYON RIM PARK**
    7305 E. Canyon Rim Rd.
42. **RONALD REAGAN PARK**
    945 S.Weir Canyon Rd.
43. **ROOSEVELT PARK**
    8160 E.Bauer Rd.
44. **ROSS PARK**
    1280 W. Santa Ana St.
45. **COTTONWOOD PARK**
    853 W. Cottonwood Cir.
46. **DEER CANYON PARK**
    Mohler & Santa Ana Rd.
47. **FOUNDERS PARK**
    400 N. West St.
48. **COLONY PARK**
    501 E. Water St.
49. **ENERGY FIELD**
    1625 S. Ninth St.
50. **MAGNOLIA PARK**
    1515 Wright Cir.
51. **FRIENDSHIP PLAZA PARK**
    200 S. Anaheim Blvd.
52. **ANAHEIM COVES**
    962 S. Rio Vista St.
53. **PAUL REVERE PARK**
    160 Guinida Ln.
54. **MIRALOMA PARK**
    2600 E. Miraloma Way
55. **CIRCLE PARK**
    924 S.Park Cir.
56. **CORAL TREE PARK**
    1711 S. Betmor Ln.
57. **ANAHEIM WETLANDS PARK**
    8500 E. La Palma Ave.
58. **DELPHI PARK**
    1211 N Magnolia Ave.
59. **JACARANDA PARK**
    1955 Jacaranda Way
60. **ALOE GREEN**
    1400 E. Park St.

Date: 10/12/2021

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Anaheim, California

ANAHEIM

Anaheim, California