YEAR ENDED JUNE 30, 2024

ANNUAL COMPREHENSIVE FINANCIAL REPORT

ANAHEIM, CALIFORNIA

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PREPARED BY THE FINANCE DEPARTMENT

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JOSE DIAZ
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Council Member

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Council Member

CITY COUNCIL

ANAHEIM

ANAHEIM, CALIFORNIA

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INTRODUCTORY SECTION

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ANAHEIM, CALIFORNIA

City of Anaheim, California
Finance Department

December 23, 2024

To the Honorable Mayor, City Council, and Residents of the 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 ended June 30, 2024. 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 2,084 in 2024, of whom 603 were assigned to the Police Department and 349 to Fire & Rescue. The latter has eleven stations; the City enjoys a Class One fire insurance rating, the highest rating possible.

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

ECONOMIC CONDITION AND OUTLOOK

Nestled at the heart of Orange County, California, the City of Anaheim stands as a beacon of diversity, offering an array of services tailored to the needs and interests of its vibrant population. From its world-renowned entertainment venues to its expansive recreational facilities, and robust public transportation systems, Anaheim sets the stage for unparalleled experiences and opportunities.

Anaheim, with a population of 340,160 in 2024, 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. Anaheim has over 26,000 active business licenses, of which over 17,000 are businesses operating within the City's boundaries.

The unemployment rate in Anaheim in June 2024 was 4.0%, while the national average was at 4.1% and the state average at 5.2%.

The U.S. economy entered the fiscal year on a positive trajectory and has exceeded expectations. Consumer spending remains steady, inflation has eased, asset markets have climbed to record high levels, and the challenges faced in the banking and real estate sectors due to elevated interest rates have been balanced by encouraging trends in the construction industry. All indications suggest that the current economic expansion will persist[1].

The U.S. Bureau of Labor Statistics reported the national unemployment rate in June of 2024 was 4.1%. Unemployment rates have been in a narrow range of 3.7% to 4.1% since August of 2023. In addition, over the last 12 months, average hourly earnings have increased by 3.9%[2]. Despite a decrease in consumer confidence, consumer spending experienced a robust increase of 2.6%, with inflation adjustments considered over the year[3]. Interest rates are expected to remain within the same range as they have been for the past year.

While the national economy was resilient in 2023 and is moving along so far this year, California has not fared as well. It has the highest unemployment rate among all states at 5.2% in June 2024. Orange County has also been on a slower growth path since the middle of 2023. The unemployment rate has climbed up, rising to 4.0% in June 2024 from 3.6% a year ago. Median incomes in California are now 14.3% higher than the nation as a whole-the largest gap ever for the state. California has historically experienced growth that surpasses the national average, so merely maintaining pace represents a shortfall in the overall trend[4]. Various factors suggest that the current slowdown in the construction industry in Orange Country will likely continue in the long run. One factor that has contributed to the slowdown is the decline in the County's population growth which is mainly caused by negative net domestic migration. Orange County lost 50,000 in population from 2018 to 2022. The fact that 43,000 of the 50,000 loss was caused by more residents moving out of the county than those moving in (net domestic migration) means that vacated homes are adding to the supply of housing. People are leaving California in droves, and they are taking their earnings with them.

On a more positive note, tourism in Orange County has expanded swiftly in recent years due in large to the delivery of new hotel properties and new attractions at the Disneyland Resort[5]. Total utilization of John Wayne Airport reached an all-time record high in 2023, accommodating 11.7 million passengers. Visit Anaheim has confirmed 50 conventions, 77 meetings and 21 events for 2024. ocVIBE has broken ground and is on schedule to be completed by the 2028 Olympics and development continues in the Platinum Triangle[6]. Anaheim is enthusiastic about the recent approval of the DisneylandFoward project which updates zoning to allow for new lands and attractions like those seen at Disney parks around the world and is anticipated to attract more visitors to the resort.

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.

<u>MAINTAIN FINANCIAL RESPONSIBILITY</u>**:** Support financial health through long-term planning, budgeting, cost recovery, and increased revenue.

- Identifying new funding sources - The City will identify potential new funding sources to enhance revenue, thereby maintaining and improving City services. Additionally, the City will remain proactive in seeking state and federal grant funds. This year, the

1 The Beacon Outlook: California Beacon Economics. Spring 2024. Christopher Thornberg, PhD, Founding Partner.
2 The Employment Situation-April 2024. Bureau of Labor Statistics., www.bls.gov.
3 The Beacon Outlook United States. Beacon Economics. Spring 2024. Christopher Thornberg, PhD, Founding Partner.
4 The Beacon Outlook: California. Beacon Economics. Spring 2024. Christopher Thornberg, PhD, Founding Partner.
5 UCLA Forecast: 2024 Orange County Regional Economic Outlook. April 09, 2024.
6 UCLA Forecast: 2024 Orange County Regional Economic Outlook. April 09, 2024.

City has secured grant awards aimed at supporting homelessness, workforce development, parks, and infrastructure improvements.

SUPPORT PUBLIC SAFETY**:** Implement a broad range of strategies to ensure Anaheim is a safe city. Public safety is one of the City's top priorities with the Anaheim Police Department (APD) and Anaheim Fire & Rescue (AF&R) leading the charge and delivering the highest level of Service focused on the safety of our residents, visitors and businesses**.**

- Ensuring public safety - ensuring public safety is not just a priority for the City but a comprehensive endeavor that involves strategic planning, resource allocation, and innovative approaches. Through several key programs, APD is actively working towards creating a safer environment for our communities. One such initiative is the Organized Retail Theft (ORT) Grant Program which is poised to tackle the rising issue of organized retail theft head-on. By adding three detectives and a criminal analyst to the unit, the department aims to conduct thorough investigations into these crimes, thereby disrupting the networks behind them. Another initiative is the Orange County Human Trafficking Task Force (OCHTTF). OCHTTF received grant funding to underscore Anaheim's commitment to combating human trafficking. With a substantial grant of $750 allocated to support investigations, the department can intensify its efforts to identify and support victims of trafficking.

  In line with its commitment to innovation, APD is also spearheading the implementation of the Real Time Crime Center (RTCC), a cutting-edge hub for intelligence and tactical support. Equipped with state-of- the- art technology and staffed by trained personnel, the RTCC serves as a central nerve center for monitoring and analyzing data streams from various sources, including camera feeds, license plate readers, and drone surveillance. By harnessing real-time information and leveraging predictive analytics, responding field units are equipped with actionable intelligence to enhance their operational effectiveness and situational awareness. Moreover, the strategic location of the RTCC within the former Department Operations Center underscores its significance as a critical asset in emergency management and response efforts. As the RTCC project nears completion, APD remains steadfast in its commitment to leveraging public-private partnerships and securing additional funding to sustain and expand its capabilities. By fostering collaboration, investing in technology, and prioritizing community engagement, APD continues to set a precedent for proactive law enforcement and public safety initiatives in Anaheim.

  This year, AF&R organized multi-agency training sessions with neighboring fire departments to ensure compliance, enhance proficiency, and promote interoperability during multijurisdictional responses. The focus of this year's training was on Natural Gas Emergencies. Additionally, AF&R continues to provide ongoing Emergency Preparedness training to the community as a valuable resource for disaster preparedness.

  The former Emergency Operations Center (EOC) served Anaheim for 20 years. After the closure of the former EOC, City staff identified a new location. The newly relocated EOC is fully functional and maintained and ready to be activated for any events and disasters that might occur in the future. To further improve the EOC, the City will implement target hardening measures to improve the security of the space. The Emergency Management & Preparedness Division maintains the necessary plans and resources to protect the City from hazards and threats to life and property. The EOC is one of these resources, serving as a central location from which Anaheim and neighboring local governments can provide interagency coordination and executive decision-making in response to and recovery from planned and unplanned incidents.

  Lastly, AF&R's efforts to remodel Fire Station 4 and to build new fire stations will help the City be better equipped to keep up with new, innovative enhancements in the future.

- Securing a safer future **–** Building a safer future is a collaborative effort between law enforcement agencies, educational institutions, and the community at large. Through a variety of strategic programs and partnerships, the City is taking proactive steps to enhance safety and security for its residents and visitors. At the cornerstone of Anaheim's safety strategy is community-oriented policing efforts. By reinvigorating district policing, increasing youth engagement initiatives, and leveraging advanced technology like the Real Time Crime Center, APD is enhancing its problem-solving capabilities and fostering stronger bonds with residents.

  Initiatives such as the Youth Advisory Board for the Chief's Office demonstrate a commitment to empowering young voices and involving them in shaping the City's safety priorities. Other initiatives such as the Safe Schools Detail bridges partnerships between Anaheim's youth, the Anaheim Police Department, and local school districts. Through this program, specially trained Safe Schools Investigators are deployed to high school and junior high campuses, working closely with district personnel, campus staff, and students to foster a safe learning environment. With recent expansions of this program into neighboring districts, Anaheim is ensuring that all its educational institutions benefit from dedicated law enforcement resources, enhancing campus safety across the City and bordering cities.

Additional efforts include the re-establishment of the Tourist Oriented Policing Detail (TOP) and underscore Anaheim's dedication to ensuring a safe and welcoming environment for the millions of visitors who flock to the City's renowned resort district each year. With additional personnel dedicated to this effort, APD is poised to enhance its presence in tourist areas, aiding, and addressing any safety concerns that may arise.

Moreover, APD's hiring efforts in 2023 have bolstered its ranks with a total of 102 hired and filled positions within the 2023 calendar year. This includes 45 sworn officers and 57 professional staff, reinforcing APD's capacity to address public safety challenges effectively. They are currently fully staffed with 421 sworn officers. Meanwhile, AF&R's hiring efforts signal a commitment to bolstering emergency response capabilities and safeguarding the community from fire-related risks. With a rigorous selection process underway for firefighter recruits and ambulance operators, Anaheim is investing in a skilled and dedicated firefighting force to complement its comprehensive public safety initiatives. By prioritizing collaboration, innovation, and community engagement, Anaheim is laying the groundwork for a safer and more resilient future. Through these concerted efforts, the City is poised to thrive as a beacon of safety and security for all who call it home.

ENHANCE LIVABILITY**:** Implement a broad range of strategies to ensure Anaheim is a safe city.

- Addressing housing insecurity – The City has adopted a comprehensive approach to addressing housing insecurity through various projects and initiatives aimed at both preventing homelessness and supporting those who are experiencing it. Tackling homelessness is a collaborative effort that involves multiple City departments. Resources are utilized to facilitate outreach, assessments, and connections to essential services for individuals living on the streets. The addition of two Homeless Assessment Liaison Officers (HALO) has enhanced coverage to seven days a week throughout the City. Additionally, the City continues to proactively reach out to individuals facing homelessness through the Community Care Response Team (CCRT), a partnership with City Net. CCRT addresses all non-emergency homeless calls with the goal of increasing outreach, providing services, addressing mental health issues, and assisting more people in overcoming homelessness.

  In collaboration with the County of Orange, the City Council established overnight cold weather shelters at the beginning of 2024. These shelters were activated during rainstorms, when nighttime temperatures fell below 45 degrees, and during other inclement weather. This initiative was a joint effort with local churches and nonprofit organizations to provide emergency shelter beds. The Community Care Response Team (CCRT) facilitated access and transportation for unhoused individuals to these shelters.

  Additionally, the construction of Finamore Place Affordable Housing stands as a beacon of hope for families facing housing challenges in Anaheim. Developed through a partnership between the Jamboree Housing Corporation and the City, this project offers not only affordable housing units but also a supportive community hub providing essential services like healthcare, education, and behavioral health support. Such initiatives not only provide housing but also address the underlying needs and vulnerabilities of residents, promoting stability and well-being. Moreover, the Center of Hope initiative exemplifies Anaheim's commitment to innovative solutions for the unhoused population. By integrating wrap-around services and a Mental Health Crisis Intake Center, this project seeks to facilitate a comprehensive transition for individuals from homelessness to stability

- Community enrichment - Addressing blight throughout the community is essential for fostering healthier, safer, and more prosperous environments. During this fiscal year, neighborhood rehabilitation projects were carried out in the Diane/Carol, Peary Way, Amboy, and Avenida neighborhoods. The City is dedicated to enhancing overall living conditions and ensuring that residents have access to safe and well-maintained infrastructure. To gain insights into the needs of youth, families, and older adult communities, the Anaheim Community Foundation has initiated a survey for residents. By engaging these populations, the community's feedback will enable the City to identify priorities and tackle challenges toward a healthier, more equitable, and prosperous future.

- Boots on the ground efforts to connect with the community - Commitment to nurturing meaningful connections and engagement with the community through a range of community-oriented projects remains a key priority. In 2023, City departments made concerted efforts to enhance community engagement in programs, projects, events, and workshops. A significant focus was placed on improving community relations within the Police Department, with an emphasis on trust-building, partnership development, and a comprehensive understanding of community needs. The Police Department Operations Division has shown its commitment to proactive community engagement through increased attendance at over 232 events by patrol personnel, facilitating constructive dialogue and fostering mutual respect between law enforcement and residents.

Anaheim Fire & Rescue (AF&R) remains committed to community engagement through its annual fire prevention initiatives. During the Fire Safety Fair held at Twila Reid Park, the department actively interacted with and educated residents on the significance of smoke alarms and safe cooking practices. The event drew over 700 attendees in alignment with Fire Prevention Week. Furthermore, AF&R distributed more than 1,850 fire prevention and safety handouts to students at Anaheim Elementary, provided smoke alarms to residents, and supported the annual “Spark of Love” toy drive, which directly benefits children in Anaheim.

The Anaheim Mobile Family Resource Center (MFRC) pop-up events represent another avenue that allows the City to connect with communities in high-demand neighborhoods. By bringing essential resources directly to these communities, the MFRC pop-up events have made over 3,750 contacts with residents across 28 Anaheim neighborhoods. With plans to expand to 34 MFRCs, this project demonstrates Anaheim’s proactive approach to addressing community needs and bridging gaps in access to vital services through localized, neighborhood-centered outreach efforts.

Lastly, the Community Food Distribution program at Brookhurst Community Center, operated in partnership with Dwelling Place Anaheim, exemplifies the City’s commitment to addressing food insecurity by providing essential resources to approximately 400 families each week, reinforcing Anaheim’s dedication to supporting its residents’ well-being and fostering a sense of community solidarity.

- Celebrating our communities – The City organizes a range of events and celebrations aimed at promoting civic pride and cultural engagement. The annual Nutcracker Tree Lighting Event features festive decorations in front of City Hall, helping to cultivate a sense of holiday cheer and community spirit. Additionally, events such as the Fourth of July Celebration at Peralta Park and the Cinco de Mayo Celebration at La Palma Park unite thousands of residents, providing opportunities for families and neighbors to connect and celebrate shared traditions.

  As Anaheim commemorates milestones from 2023 such as the 100th anniversary of the Fall Festival, we are looking forward to future milestones and are excited for the 100th anniversary of the Anaheim Halloween Parade coming this October 2024.

  These events not only honor the City’s rich history but also serve as catalysts for community cohesion and continued investment in neighborhood vitality. Through these programs and initiatives, the City of Anaheim demonstrates its commitment to building stronger, more resilient neighborhoods and fostering a sense of belonging among its residents.

INVEST IN INFRASTRUCTURE AND AMENITIES**:** Maintaining a community that residents are proud to call home is a priority for Anaheim.

- Investing in the future - Investing in the future of Anaheim through various projects, initiatives, and programs is crucial for promoting community growth. Through a series of strategic enhancements and comprehensive programs, Anaheim is not only improving its physical infrastructure but also enriching the experiences of its residents and visitors. A noteworthy initiative is the Anaheim Canyon Metrolink Station Improvements, led by the Public Works Department. These improvements aim to enhance the efficiency and reliability of Metrolink services by expanding platforms, adding amenities such as shade structures and benches, and upgrading traffic signals, all of which benefit commuters traveling to and from Anaheim.

  Additionally, there have been a series of historic rehabilitation projects that took place in 2023. The Carnegie Library/Muzeo and Woelke Stoeffle House rehabilitation efforts focused on historic preservation and maintenance, honoring the City’s heritage while ensuring the longevity of significant landmarks. By adhering to historic building codes and undertaking meticulous repairs, these projects contribute to the culture of the community, fostering a sense of pride and identity among residents.

  In addition to historic preservation, the Community Services Department is actively engaging in initiatives to enhance recreational spaces and community facilities. For example, the Brookhurst Splash Pad and the Haskett Makerspace/Media Lab, is not only fostering creativity and skill development but also nurturing future generations of innovators and entrepreneurs by helping Anaheim's youth with essential skills and tools for success in the ever-evolving workforce.

The expansion of the Brookhurst Teen Center and the renovation of parks such as Little People's Park and Ross Park Playground are a few projects that demonstrate the City's dedication to providing accessible and inclusive spaces for its youth and families.

- Maintaining and improving infrastructure and promoting sustainable solutions - Active pursuit of sustainable solutions to enhance infrastructure and promote sustainable solutions are underway. The Electric System Underground program, spearheaded by Anaheim Public Utilities, aims to improve reliability and aesthetics by undergrounding power and communication lines along major roadways. There have been recent completions on Santa Ana Canyon Road and Sycamore Street, and construction is ongoing along Beach Boulevard and Nutwood/Cerritos. Other infrastructure improvements include replacement of aging electric and water infrastructure, upgrading of streetlights, and installation of groundwater treatment systems.

  The City is also investing in sustainable energy and water resources. Energy resources are on track to comply with state mandates to supply 60% of power from renewable power such as solar, wind, and landfill gas by 2030. Utility scale battery systems will also be utilized to manage fluctuations in available solar and wind. Water sustainability is also of critical importance since droughts in California occur more frequently, Anaheim Public Utilities has invested in recycled water as a drought proof supply through its regional partners, as well as conservation programs to reduce water use in Anaheim.

  Furthermore, Anaheim's collaboration with the California Department of Transportation under the Clean California Maintenance Agreement underscores dedication to environmental stewardship. By participating in the Clean California Beautification Program, Anaheim aims to combat litter accumulation along State right-of- way within Anaheim's jurisdiction. Through community engagement, education, and proactive litter collection efforts, the City not only enhances roadside aesthetics but also fosters a cleaner, healthier environment for residents and visitors. While program funding is expected to sunset with the State's budget crisis, the Public Works' budget includes additional General Fund dollars to maintain these efforts, showcasing Anaheim's commitment to cleanliness and sustainability. All efforts contribute to a greener future for the community and beyond.

- Modernizing our green spaces - Anaheim's commitment to enhancing recreational and natural assets is exemplified through the OC River Walk initiative. This transformative endeavor aims to revitalize a 2-mile corridor along the Santa Ana River, creating an iconic riverfront experience for residents and visitors alike. Through infrastructure enhancements, including pedestrian bridges, trail extensions, and recreational amenities, the OC RiverWalk will serve as a vibrant nexus for outdoor enthusiasts, fostering community connectivity and ecological stewardship. As a multi-year, multi-jurisdictional effort, the project underscores Anaheim's collaborative spirit and dedication to encouraging major developments in Anaheim and all of Orange County.

  In parallel, Anaheim is investing in the revitalization of its public spaces through multiple projects such as the Center Greens Improvements project. Scheduled for completion in Spring 2024, this endeavor rejuvenates approximately 3.5 acres of Center Greens Park with an array of amenities which include a youth challenge course, skate park, landscaped plaza, and fitness loop. By combining efforts to enhance recreational opportunities and community gathering spaces in one project, Anaheim seeks to foster a sense of belonging and well-being among its residents, reinforcing the City's reputation as a desirable place to live, work, and play.

  Community Services also cultivated more family gathering locations by adding more park space and amenities, notably, bringing the community together to build new play areas at Peter Marshall, Citrus and Ross Parks. The City will also install a community requested splash pad at Brookhurst Park for children and families to enjoy. Splash pads are an extremely popular amenity. The City currently operates two splash pads at Ponderosa and Miraloma Parks, which are overwhelmed with users each summer and aren't easily accessible to Brookhurst neighborhood residents.

  In 2023, City Council adopted the Public Art Plan and will consider public art guidelines to outline the process and procedures to efficiently carry out the initiative that honors Anaheim's diverse character and history. Public art delivers high-impact public spaces that elevate the City's people, history, and imagination. In August, in honor of Chicano Heritage month, Little People's Park was refreshed with new plants, fresh paint on the signs, posts, and gazebo, and received a new colorful mural along the entire length of the southern wall. The Public Art Plan supports the

City's public art collection as it currently exists, but also fosters its growth and ongoing care

- Revitalizing our corridors - The City has undertaken several initiatives aimed at enhancing the quality of life and fostering community engagement within its neighborhoods. One notable effort is the Rebuild Beach Initiative, a cross-departmental collaboration focused on revitalizing the Beach Boulevard corridor, with a particular emphasis on crime reduction and improving overall safety. Through directed enforcement operations and strategic partnerships with community organizations and other agencies, the initiative aims to address concerns along Beach Boulevard and promote a safer environment for residents and businesses alike.

  As part of the City's multi-year effort to address crime and blight and to rebuild Beach as a livable, walkable street, the demolition of the former Anaheim Lodge motel was completed. The motel demolition is the City's third since 2021 and clears the way for eventual affordable apartments as well as townhomes in development with the neighboring Covered Wagon site, which was bought by Anaheim in 2022 and demolished in 2023. Additionally, the designation of the Little Arabia district came decades after activism by the local Middle Eastern and North African (MENA) community. With the area finally being designated in 2022, the Brookhurst Corridor Study (BCS) was commissioned by the City Council to study the best way to use the designation and was officially completed in late 2023. A series of community events, such as pop-ups, walking tours, and open houses, were hosted to learn more about the study and offer feedback. Through significant community engagement, it became clear that residents not only wanted to see more support for MENA businesses, but also wanted to see the Brookhurst Corridor revitalized. Congruently, the City has secured the DollarWise Innovation Grant Award from the United States Conference of Mayors to bolster the small business community in Little Arabia.

<u>FOSTERING A HIGH PERFORMING ORGANIZATION</u>**:** Create a strong team of dedicated employees who support the community through a commitment to local government best practices, and employee development, support, and retention.

- Empowering employees toward excellence - Anaheim provides high quality services and resources to the community while developing, supporting, and retaining a qualified team of employees. In the fall of 2023, the City engaged a professional consultant to assist in the development of a comprehensive classification and compensation study. The goal of the study is to ensure that staff are appropriately classified into the correct job title, update job descriptions to reflect the work currently being performed by employees and understand how Anaheim's total compensation compares to the market. The study will also help determine appropriate strategies to ensure that the City consistently maintains its ability to successfully recruit and retain a talented, highly qualified workforce, a safe and productive work environment with high employee engagement, and compensation practices that achieve internal equity and external competitiveness. The study is preliminary and ongoing recommendations are anticipated later this year.

  By December 2024, employees are required to complete the Diversity, Equity, and Inclusion (DEI) program. The program is designed to provide employees with a better understanding and practical applications to foster DEI in the work environment. The City also continues to offer employees structure, resources, and training to perform their jobs at the highest level of performance and professionalism and prepare them for the next step in their careers. As part of the Strategic Plan, the City will continue to integrate DEI principles into employee development and training and look into further expanding professional development programs for departments to build a pipeline of new talent and support professional growth.

- Streamlining communication and enhancing accessibility - The City has implemented several innovative projects and initiatives aimed at streamlining communication and enhancing accessibility for its residents. Through active social media marketing and outreach efforts, the City ensures that crucial information, such as City Hall closures, trash pick-up schedules, and available resources, is readily accessible to the public on a daily basis. Additionally, timely updates on construction projects, road closures, and new developments in specific neighborhoods are communicated through various social media platforms, facilitating transparent and efficient communication between the City and its residents.

  Recognizing the diverse linguistic needs of Anaheim's population, particularly its sizable Spanish-speaking community, the City has taken proactive steps to improve accessibility to City Council meetings. By providing real-time subtitles in Spanish for online broadcasts of City Council Meetings, the City aims to bridge communication barriers and ensure that all residents have equal access to vital information. This initiative not only demonstrates the City's commitment to inclusivity but also aligns with its goal of fostering greater civic engagement among its diverse population.

Furthermore, the introduction of ADUheim (ADU Express) reflects the City's dedication to streamlining processes and providing convenient services to its residents. This innovative program, which allows for the approval and issuance of building permits for Accessory Dwelling Units (ADUs) in just one day, represents a significant advancement in urban planning and regulatory efficiency. By leveraging pre-approved plans and optimizing internal processes, the City has successfully reduced both the time and cost associated with ADU construction, providing residents with valuable savings and expediting the realization of housing solutions. Through collaborative efforts across multiple departments, Anaheim continues to refine and expand the ADU Express program, exemplifying its commitment to innovation and resident-centric service delivery.

<u>PROMOTE ECONOMIC GROWTH AND TOURISM</u>**:** Pursue strategic economic development initiatives that attract and retain businesses, promote job creation, and provide a strong, diverse local economy for Anaheim.

- Support local businesses - A multifaceted approach to encourage business growth and foster economic vibrancy within the City has remained a constant priority. One prominent initiative is the official designation of the Little Arabia District. Situated along Brookhurst Street between the 5 Freeway and Katella Avenue, the Little Arabia District attracts thousands of visitors weekly. This designation not only celebrates the rich heritage of the Arab American community but also acknowledges its significant contributions to Anaheim's economy and cultural landscape. Through the establishment of restaurants, places of worship, retail outlets, and other establishments, Little Arabia has become a beacon for those seeking an authentic Middle Eastern experience.

  Moreover, creation of the City's first Storefront Improvement Program further supports the initiative to encourage business growth in Anaheim and stands as a testament to the City's commitment of enhancing its commercial corridors and fostering a conducive environment for business success. By offering grants up to $100,000 to Anaheim business and property owners, the program aims to alleviate financial burdens associated with building renovations and facade enhancements. This proactive approach not only safeguards against blight and deterioration but also promotes business retention and expansion. With two distinct grant options available, businesses can receive financial assistance for cosmetic improvements or structural enhancements, thereby revitalizing storefronts and enhancing the overall aesthetic appeal of Anaheim's commercial areas.

  In addition to financial support for Anaheim businesses, the City also prioritizes small business entrepreneurial empowerment through initiatives like the Emprendedor@s Program and SBDC Eats Program. The Emprendedor@s Program, specifically tailored for Spanish-speaking entrepreneurs, provides essential business educational assistance over an 8-week period. Participants graduate equipped with vital skills and receive recognition from City and County elected officials. This comprehensive program not only imparts practical business knowledge but also instills a sense of self-empowerment and leadership development. Similarly, SBDC Eats offers aspiring food entrepreneurs' guidance on navigating the complexities of starting a food business. By providing personalized assistance and covering crucial topics such as business planning, product development, and marketing strategies, SBDC Eats equips participants with the tools necessary to succeed in the competitive food industry. Together, these programs exemplify Anaheim's proactive efforts to foster a thriving entrepreneurial ecosystem and drive sustained economic growth.

  Furthermore, Anaheim facilitates community engagement through multiple Business Assistance Community Meetings held by the Economic Development Department, providing residents and business owners with opportunities to interact with key city departments, discuss city programs and services, and offer feedback. These events serve as platforms for collaboration and dialogue between the City and its business community, fostering a sense of inclusivity and shared responsibility in shaping Anaheim's economic landscape.

  On top of the Economic Development Department's efforts, The City's Workforce Development Division leads several initiatives aimed at enhancing career opportunities and skill development for residents. One such effort includes the Occupational Training/Eligible Training Provider Programs. Through these programs, residents can access approved training aligned with Workforce Innovation Opportunity Act standards, ensuring high-quality education and skill development opportunities. Additionally, the City offers On-the-Job Training initiatives that facilitate skill enhancement in real work environments, often resulting in permanent job placements.

Anaheim demonstrates a commitment to nurturing the growth of its youth through initiatives such as Anaheim YouthBuild, a collaboration with HOPE Builders that offers paid training and career placement prospects to young residents. The City also organizes a variety of career fairs, including ones specifically tailored to youth residents which serve as invaluable platforms for networking, job exploration, community involvement, and professional development.

- Encouraging major development - In addition to supporting local businesses, Anaheim is strategically fostering major developments to bolster its economic landscape and enhance the City's appeal as a premier destination. Among these initiatives is DisneylandFoward, a visionary project proposed by Walt Disney Parks and Resorts (Disney). This ambitious endeavor seeks to facilitate long-term growth of Disney within the Anaheim Resort District. By requesting flexibility in land use within specific plan areas and streamlining project reviews, Disney aims to propel Anaheim's tourism industry while respecting existing regulations. The City has facilitated extensive public engagement, including workshops and hearings, related to the Disneylandfoward project to underscore the City's commitment to transparency and community involvement in shaping its future.

  Similarly, the ocV!BE project demonstrates a significant leap forward in Anaheim's development narrative. This mixed-use and entertainment venture promises to transform 95 acres surrounding the Honda Center and the Anaheim Regional Transportation Intermodal Center (ARTIC). Ongoing review of construction plans has been taking place since October 2022 which includes meticulous planning and rigorous standards upheld by the City to ensure the project's seamless integration into the area. As plans for the development encompass over seven million square feet of construction, including residential units, dining establishments, entertainment venues, hotels, and public spaces, ocV!BE spearheads a new era of vitality in the heart of Anaheim.

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, 2024, the City's General Fund has a spendable, unassigned fund balance of $93 million. Excluding the long-term interfund payable of $31 million, the unassigned fund balance amount totaled $124 million, which represents 25% of the General Fund total fiscal year 2023-2024 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 are fully 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 18, 2024, the City Council adopted the fiscal year 2024-2025 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 2024, and totaled $920 million for the five-year fiscal period ending June 30, 2029. 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.

In 1996, the City made significant investments in the Anaheim Resort in order to revitalize the City's tourist serving infrastructure and expand the hospitality industry. Those investments have paid huge dividends as exemplified by the tripling of TOT over the past decade. However, the Anaheim Resort was glaringly missing development of four-diamond luxury hotels. In 2015, the City adopted the Hotel Incentive Program to bring other four-diamond hotels to the City. The Economic Assistance provided under the City's Hotel Incentive Program further the City's goals to create a Luxury Hotel market that did not exist in the City then. Incentivizing the development and operation of Luxury Hotels will in turn provide long-term public benefits to the City: 1) provide desirable and attractive experience, for tourists and local residents, 2) promote job creation opportunities in the City, 3) generate a net increase in TOT, retail sales tax and property taxes revenues to the City which will assist in the support of public services provided to residents, visitors and businesses and assist in the revitalization of neighborhoods, enhance property value, and 4) allow the City to remain economically competitive with other large cities that offer similar hotel incentive programs.

AWARD

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

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, 2023. This was the 48th consecutive year that the City has achieved this prestigious award (fiscal years ended June 30, 1976 through 2023). 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, Controller. 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	Deborah A. Moreno
City Manager	Finance Director/City Treasurer

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, 2023

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, 2023. 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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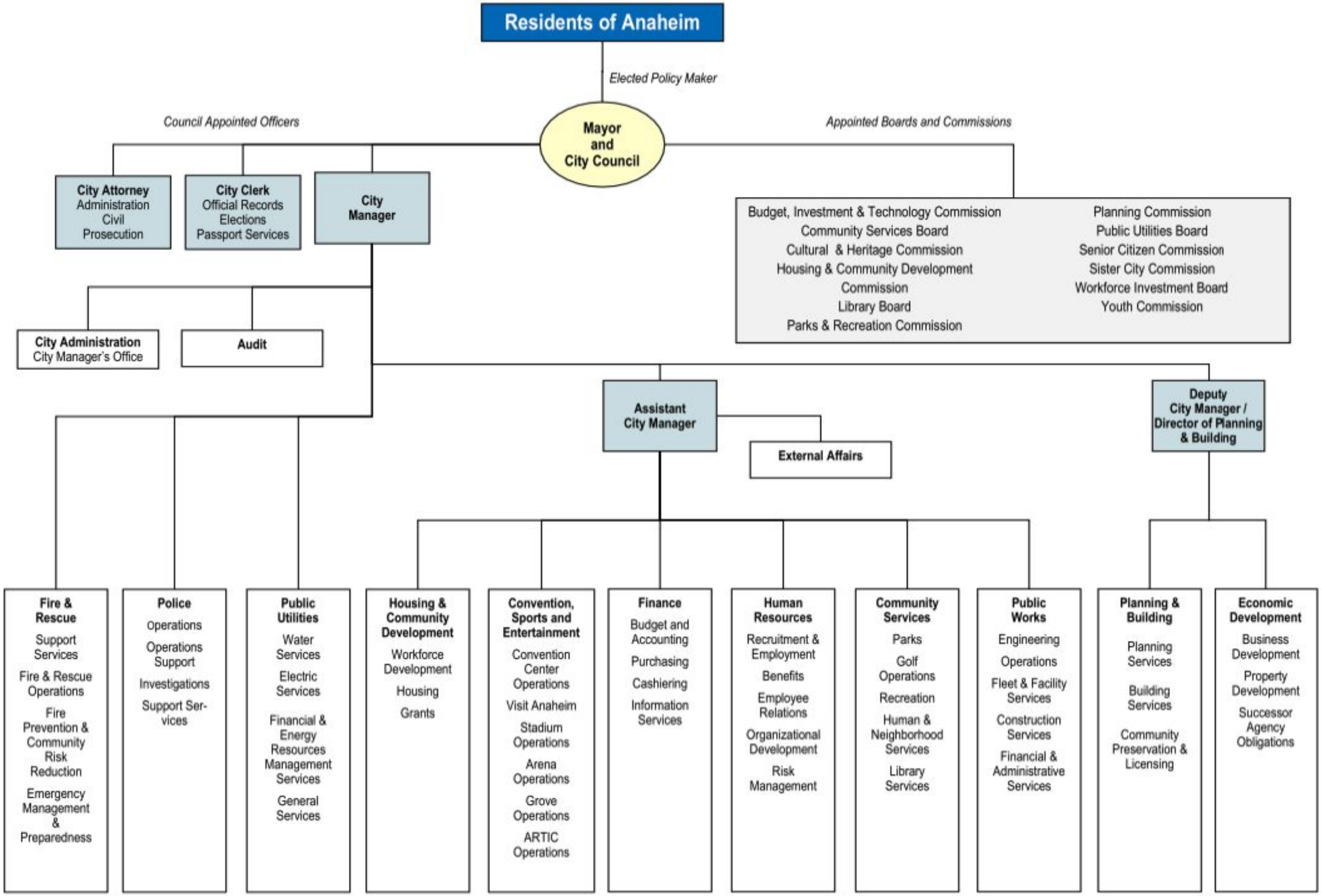
Residents of Anaheim
Elected Policy Maker
Mayor and City Council
Council Appointed Officers
Appointed Boards and Commissions
City Attorney
Administration
Civil
Prosecution
City Clerk
Official Records
Elections
Passport Services
City Manager
Budget, Investment & Technology Commission
Community Services 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 Investment Board
Youth Commission
City Administration
City Manager's Office
Audit
Assistant City Manager
External Affairs
Deputy City Manager / Director of Planning & Building
Fire & Rescue
Support Services
Fire & Rescue Operations
Fire Prevention & Community Risk Reduction
Emergency Management & Preparedness
Police
Operations
Operations Support
Investigations
Support Services
Public Utilities
Water Services
Electric Services
Financial & Energy Resources Management Services
General 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
Community Services
Parks
Golf Operations
Recreation
Human & Neighborhood Services
Library Services
Public Works
Engineering
Operations
Fleet & Facility Services
Construction Services
Financial & Administrative Services
Planning & Building
Planning Services
Building Services
Community Preservation & Licensing
Economic Development
Business Development
Property Development
Successor Agency Obligations

Administrative Personnel
As of June 30, 2024

City Manager	**James Vanderpool**
Assistant City Manager	**Gregory A. Garcia**
Deputy City Manager/Planning & Building Director	**Ted White**
Chief of Police	**Rick Armendariz**
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**
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

The 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, 2024, 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, 2024, 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 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 23, 2024 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 23, 2024

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MANAGEMENT’S DISCUSSION AND ANALYSIS

ANAHEIM, CALIFORNIA

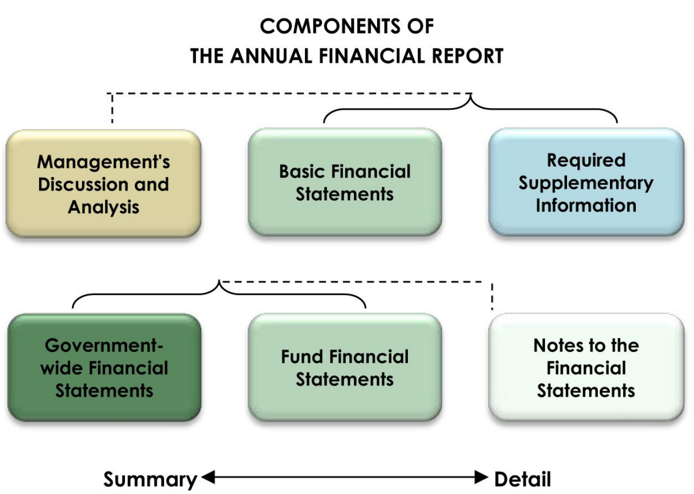
Management's Discussion and Analysis

(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, 2024. 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 comprise 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 comprise 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, The City National Grove of Anaheim operations, and the Anaheim Regional Transportation Intermodal Center (ARTIC) operations).

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 47-49 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, the Housing Authority Special Revenue Fund, and the Anaheim Resort Improvements Debt Service Fund which are considered to be major funds and can be found on pages 50-51 and 53 of this report. Data for the remaining 16 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 137-140, 145-146, and 148-149 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 55-56 of this report. Additionally, budgetary schedules for the other nonmajor governmental funds and the major debt service fund have been provided to demonstrate compliance with the budget and can be found as part of other supplementary schedules on pages 141-144, 147, 150-153, and 157 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 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 57-63 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 64-65 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 66-122 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 125-133 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 137-170 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 $2,595,214.
- The City's governmental activities represent $1,162,213 (45%) and the business-type activities represent $1,433,001 (55%) of the City's total net position.
- The City's net position has a net increase of $220,364 (9%) as a result of the current fiscal year's operations. The net position of the City's governmental activities increased by $147,901 (15%) and the business-type activities net position increased by $72,463 (5%).
- The City's restricted net position of $450,462 represents amounts available for ongoing programs and obligations with external restrictions.
- The City's total capital assets, net of accumulated depreciation, increased by $86,939. Capital assets in the City's governmental activities increased by $11,391 (less than 1%) and business-type activities capital assets increased by $75,548 (3%) during the current fiscal year.
- The City's total long-term debts decreased by $93,727 (5%) during the current fiscal year; of this amount, long-term debts in the City's governmental activities decreased by $30,911 (4%), and business-type activities decreased by $62,816 (5%).
- The City's total other long-term liabilities increased by $25,787 (2%) during the current fiscal year; of this amount, other long-term liabilities in the City's governmental activities increased by $26,198 (3%), and business-type activities decreased by $411 (less than 1%).
- At the close of the current fiscal year, the City's governmental funds reported a combined fund balance of $779,539, an increase of $130,533 in comparison with the prior fiscal year. Approximately 35% of this amount or $274,911 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 $213,060 or 44% of total General Fund expenditures. Unassigned fund balance was $92,678 or 19% of total General Fund expenditures. Excluding the long-term interfund payable of $31 million, reserves were $123,678 or 25% of General Fund expenditures.
- The City received various COVID-19 pandemic related fundings during the fiscal year:

  $543 provided by HUD to assist with Food distribution (Love Anaheim) and administration.

  $569 provided by HUD for the Street Outreach, Emergency Shelters, and administration.

  $3,844 provided by the State of California for Emergency Rental Assistance, drawn down from prior year advances.

  $496 FEMA contract work reimbursement for material, disinfecting, signage and public communication.

  $106 FEMA reimbursement for law enforcement emergency protective measures.

  $282 provided by the California Department of Community Services and Development (CSD) for financial relief to eligible customers to pay down their residential water, and sewer utility costs.

  $325 provided by the State Water Resource Control Board for financial assistance to utility companies and their customers to reduce bill delinquencies accrued during the COVID-19 pandemic.

NET POSITION
JUNE 30, 2024 AND 2023

	Governmental Activities		Business-type Activities		Total Government	
	2024	2023 *	2024	2023	2024	2023
Current and other assets	$ 1,109,745	$ 971,956	$ 759,883	$ 799,911	$ 1,869,628	$ 1,771,867
Capital assets, net	1,533,698	1,522,307	2,380,280	2,304,732	3,913,978	3,827,039
Total assets	2,643,443	2,494,263	3,140,163	3,104,643	5,783,606	5,598,906
Deferred outflows of resources	272,606	286,758	78,860	84,574	351,466	371,332
Total assets and deferred outflows of resources	2,916,049	2,781,021	3,219,023	3,189,217	6,135,072	5,970,238
Current liabilities	185,714	175,370	201,341	182,165	387,055	357,535
Long-term liabilities less current portion	1,525,063	1,536,263	1,419,467	1,489,962	2,944,530	3,026,225
Total liabilities	1,710,777	1,711,633	1,620,808	1,672,127	3,331,585	3,383,760
Deferred inflows of resources	43,059	55,076	165,214	156,552	208,273	211,628
Total liabilities and deferred inflows of resources	1,753,836	1,766,709	1,786,022	1,828,679	3,539,858	3,595,388
Net position:						
Net investment in capital assets	1,232,369	1,198,057	1,238,121	1,173,010	2,470,490	2,371,067
Restricted	349,859	281,382	100,603	96,062	450,462	377,444
Unrestricted	(420,015)	(465,127)	94,277	91,466	(325,738)	(373,661)
Total net position	$ 1,162,213	$ 1,014,312	$ 1,433,001	$ 1,360,538	$ 2,595,214	$ 2,374,850

*As restated due to adoption of Governmental Accounting Standards Board Statement No. 101.

At the end of fiscal year 2024, the City's net position totaled $2,595,214 reflecting a net increase of $220,364 or 9% 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 $1,869,628 and had an increase of $97,761 (6%) as compared to the prior fiscal year; of this amount governmental activities increased by $137,789 and business-type activities decreased by $40,028.

- Cash, Cash equivalents and investments increased by $83,273 (6%).

  Governmental-activities had an increase of $129,370 (18%). The increase is primarily attributable to the increases of cash collections from tax revenues in transient occupancy taxes (TOT), property taxes, the Anaheim Tourism Improvement District (ATID) special assessment, and receipts of various grant reimbursements. In addition, a one-time transfer of $42,962 from the Convention, Sports, and Entertainment Venues business-type activities increased the cash balances.

  Business-type activities had a decrease of $46,097 (8%). The Water Utility had a decrease of $21,940 (37%) primarily due to capital spending. The Convention, Sports & Entertainment Venues had a decrease of $25,142 (50%) of which a decrease of $42,962 was due to a transfer made to the General Fund. In June 2024, The Convention, Sports & Entertainment Venues Fund sold the ownership of its portion of the Hilton Parking Garage (Garage) and transferred the City's portion of the Garage operation cash balance to the General Fund. Partially offsetting these decreases were increases in cash collection in operating revenues from user charges, facility rental and concession revenues in Convention, Sports & Entertainment ($17,820), Sanitation Utility ($1,646) and the Golf Courses ($673).

- Accounts receivable increased by $14,769 (11%).

Governmental activities had a decrease of $1,501 (3%). This decrease was primarily due to receipt of the prior year one-time general insurance excess liability recovery of $4,547; partially offset by an increase in TOT receivable of $1,269 due to higher accrued TOT revenues for the month of June 2024; paramedic services receivable had an increase of $1,365 due to increased emergency medical service transports and the time to process the claims and collection of payments.

Business-type activities had an increase of $16,270. The Electric Utility had an increase of $27,669 including an account receivable of $18,189 for installation of electrical facilities for the ocVIBE project, and an increase of $7,567 related to unbilled retail customer accounts at the end of the fiscal year. Partially offsetting the increases was a decrease of $11,600 from Water Utility due to receipt of prior year construction cost reimbursement related to the Per-and Polyfluoroalkyl Substances (PFAS) treatment facilities which partially offset an increase of $420 in Water Utility and $800 in Sanitation Utility from customer accounts.

- Due from Other Governments increased by $5,527 (10%). The increase is primarily due to higher accrued sales tax receivable ($1,113) at year end; pending grant reimbursements from the State of California ($3,484) and the federal government ($860) for the Oak Canyon Nature Center, The OC River Walk, Center Greens and the Boysen Park development projects.
- Prepaid and other assets decreased by $18,694 (13%). The amount was recognized as expense when the related expense incurred. Governmental activities had a decrease of $4,053 primarily related to the prepaid July 2023 employee health insurance premiums ($3,944). Business-type activities had a decrease of $14,641 primarily related to prepaid power costs ($14,544).
- Notes receivable increased by $7,493 (10%). The increase is mainly due to new loans made for low income housing development to LINC North Harbor Boulevard-Studio 6 ($2,847), Finamore Place ($2,750), and various low-to-moderate-income household mortgage assistance loans under the BEGIN program ($1,914); and an increase of $2,121 in accrued note interest receivable, net of allowance; partially offset by current year receipts for principal and interest payments of $2,198.

The City's capital assets, net of accumulated depreciation, increased by $86,939 (2%). Additional information about changes to the City's capital assets can be found on pages 40-41.

Deferred outflows of resources, including deferred charges on refunding bonds, deferred items related to pension and Other Postemployment Benefits (OPEB), totaling $351,466 decreased by $19,866 (5%). The decreases are primarily due to the following:

- Net change of deferred pension related items decreased by $15,184. This decrease is primarily due to current year amortization of the pension related deferred items of $129,526. Offsetting this decrease is a combined increase of $40,806 from plan actuarial valuation including an increase of $26,661 in changes of Plan experiences, and $14,145 in changes between projected and actual investment earnings. Other increases included an increase of $5,150 in pension contributions subsequent to measurement date and $5,307 in changes of proportion. Lastly, the deferred items related to the investment experience balance of $63,079 were netted from the deferred inflow of resources to deferred outflow in the aggregate.
- Net change in deferred OPEB related items decreased by $605 reflecting a decrease of $10,363 from current year amortization of deferred OPEB related items, offset by increases of $6,041 including an increase of $4,109 from changes in assumptions, $450 in OPEB contribution subsequent to measurement date, and $1,482 in changes in proportion. The deferred inflow of resources related to investment expenses of the OPEB plan ($3,717) was netted to the deferred outflow in the aggregate.
- Deferred charges on refunding bonds decreased by $4,077 from current year amortization.

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 $387,055 and increased by $29,520 (8%). The increases are primarily due to the following:

- Accounts payable increased by $10,635 mainly due to timing of scheduled disbursements to suppliers and construction contractors.
- The current portion of the long-term debt increased by $22,537 (23%). Included in the increase was a $10,380 draw on the Water Utility's line of credit with Wells Fargo Bank for capital needs. Scheduled debt service payments due within one year for bonds and loan payable had an increase of $12,152, lease payable had an increase of $307, and offset by a decrease of $302 in subscription payable.

- Deposit payable decreased by $2,538 primarily due to a decrease of $2,015 from customer deposits related to events booked in prior years being realized as revenues in the current year in the Convention, Sports and Entertainment Venues.

The City's long-term liabilities, less current portion, decreased by $81,695 (3%). Additional information about changes to the City's long-term liabilities can be found on pages 92-114.

Deferred inflows of resources, totaling $208,273 decreased by $3,355 (2%). The decreases include the following:

- Deferred items related to pension decreased by $10,812. This decrease is primarily due to $79,198 from current year amortization of the deferred items related to pension, and the netting of $63,079 balances of the deferred inflow of resources related to investment experience to deferred outflow of resources related to investment experience. Offsetting the decreases is an increase of $5,307 from change in proportion.
- Deferred items related to OPEB decreased by $6,493 primarily due to $17,392 from current year amortization of the deferred items related to OPEB, a combined increase of $10,899 including $5,249 in changes in plan experience, $451 in changes in investment experience, $1,482 in changes in proportion, and the netting of $3,717 in deferred inflow of resources related to investment experience to the deferred outflow of resources related to investment experience.
- Regulatory credits had an increase of $16,657 reflecting a net change in amount collected from Utilities customers ($50,657) reduced by amount recognized as Rate Stabilization Account revenues ($34,000) from the Electric 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 74.

The largest portion of the City's net position of $2,470,490 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 $99,423 (4%) 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 $450,462 represents resources that are subject to external restrictions on how they may be used. This amount increased by $73,018 from the prior fiscal year.

- Restricted net position of the governmental activities increased by $68,477 (24%). An increase of $42,535 in net position restricted for debt service is due to increases in the LPMR revenue bases. Additional information about LPMR can be found in note 10 on page 93 of the notes to the financial statements. Net position restricted for streets, roads and transportation improvement projects had an increase of $19,070 in unspent restricted resources including gas tax ($8,372), ATID revenues ($5,227), Street Construction ($5,261), and Anaheim Resort Maintenance District ($226). Net position restricted for Housing and Community Development had an increase of $5,623 primarily for grant purposes. Partially offsetting the increases is a decrease of $2,723 due to capital spending for the mello roos projects.
- Restricted net position in the business-type activities increased by $4,541 including an increase of $1,737 in resources restricted for debt service, an increase of $6,912 primarily for the Electric Utility public benefits projects and other purposes, partially offset by a decrease of $5,144 due to capital spending in the Sanitation Utility.

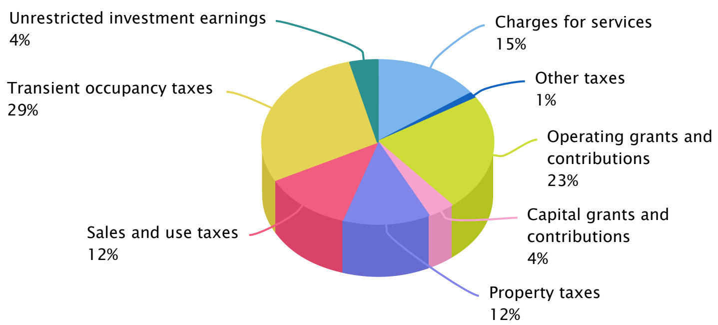
The remaining deficit balance of $325,738 is the unrestricted net position reflecting a decrease in deficit of $47,923 from the prior fiscal year.

- 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 $791,508; this deficit amount increased by $22,204 resulting from plan actuarial valuation for the measurement date of June 30, 2023. 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 $465,770 and may be used to meet the City's ongoing obligations to citizens and creditors. This amount increased by $67,719 reflecting results from current year operations.

CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2024 AND 2023

	Governmental Activities		Business-type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program revenues:						
Charges for services	$ 129,769	$ 118,875	$ 701,130	$ 721,850	$ 830,899	$ 840,725
Operating grants and contributions	199,403	189,010	941	85	200,344	189,095
Capital grants and contributions	32,669	40,512	56,692	56,022	89,361	96,534
General revenues:						
Taxes:						
Property taxes	106,399	99,439			106,399	99,439
Sales and use taxes	107,811	108,171			107,811	108,171
Transient occupancy taxes	247,584	224,352			247,584	224,352
Other taxes	10,457	9,952			10,457	9,952
Unrestricted investment earnings	33,353	14,978	23,965	10,619	57,318	25,597
Total revenues	867,445	805,289	782,728	788,576	1,650,173	1,593,865
EXPENSES						
Program activities:						
Governmental activities:						
General government	33,193	27,444			33,193	27,444
Police	233,467	199,328			233,467	199,328
Fire & Rescue	121,544	107,320			121,544	107,320
Housing & Community Development	156,711	135,971			156,711	135,971
Economic Development	9,232	6,560			9,232	6,560
Planning & Building	32,208	26,883			32,208	26,883
Public Works	73,146	62,687			73,146	62,687
Community Services	54,326	45,984			54,326	45,984
Public Utilities	2,152	2,128			2,152	2,128
Convention, Sports & Entertainment	29,539	28,469			29,539	28,469
Interest on long-term debt	31,701	32,403			31,701	32,403
Business-type activities:						
Electric Utility			390,022	426,491	390,022	426,491
Water Utility			100,013	91,864	100,013	91,864
Sanitation Utility			81,357	71,663	81,357	71,663
Golf Courses			11,930	11,456	11,930	11,456
Convention, Sports & Entertainment Venues			69,268	59,598	69,268	59,598
Total expenses	777,219	675,177	652,590	661,072	1,429,809	1,336,249
Excess before transfers	90,226	130,112	130,138	127,504	220,364	257,616
Transfers in (out)	57,675	15,122	(57,675)	(15,122)		
Increase in net position	147,901	145,234	72,463	112,382	220,364	257,616
Effect of implementing GASB Statement No. 101		(2,408)				(2,408)
Net position at beginning of year, as restated	1,014,312	871,486	1,360,538	1,248,156	2,374,850	2,119,642
Net position at end of year	$ 1,162,213	$ 1,014,312	$ 1,433,001	$ 1,360,538	$ 2,595,214	$ 2,374,850

REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES



Governmental activities increased the City's net position by $147,901. Key elements of this increase are as follows:

The most significant revenues of the governmental activities are general taxes (54%), which include transient occupancy taxes (29%), property taxes (12%), sales and use taxes (12%), and other taxes (1%). Program revenues are 42% of the total revenues of the governmental activities, which include operating grants and contributions (23%), capital grants and contributions (4%), and charges for services (15%); and unrestricted investment income (4%) of the total revenues.

Public safety (Police and Fire & Rescue) expenses are the most significant (46%) of all governmental activities' expenses, followed by Housing and Community Development (20%), Public Works (9%), Community Services (7%), interest on long-term debt (4%), and various other programs (14%). Included in these amounts is depreciation expense, which is 6% of the total expenses for governmental activities.

Governmental activities revenues increased by $62,156 (8%) as compared to the prior fiscal year due to the following:

- Taxes totaling $472,251 increased by $30,337 (7%).

  Transient occupancy taxes (TOT) revenues for fiscal year 2024 is $247,584 and had an increase of $23,232 (10%) 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. Measure J took effect in January 2023 and fiscal year 2024 was the first full year of associated revenue collections which far exceeded expectations. Measure J modernized the City's TOT ordinance allowing for the collection of TOT on the full value of hotel and short-term rental stays from Online Travel Companies and ratifying the collection of TOT on guest parking, resort fees, internet, and other room-related charges that were previously excluded from room revenues. Also, the Villas at Disneyland Hotel opened in September 2023 with a new 12-story tower that is home to Disney's latest Vacation Club.

  The Sales tax revenues totaling $107,811 had a decrease of $360 (less than 1%). 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). Sales tax revenues have slowed across all sectors with the exception of food products. Inflation contributes to higher prices providing residents and visitors less flexibility in how they spend available income.

  Property taxes totaling $106,399 had an increase of $6,960 (7%). All real and tangible personal property in the State of California is subject to a property tax equal to 1% of its "full cash value." Valuations of real property were frozen at the value of the property in 1975, with an allowable adjustment up to 2% per year for inflation. However, property is reassessed to its current value when a change of ownership occurs. The City receives a portion of the 1% basic levy tax rate. While the volume of property sales have slowed with higher interest rates, property values have remained stable.

- Charges for services increased by $10,894 (9%). Paramedic revenues increased by $3,612 primarily due to increases in both rate and numbers of medical transports, and from the phased implementation of the in-house Ambulance program. Police services provided to Disneyland and other entertainment and special events increased by $2,664 mainly due to increase in demand and billing rates. Residual receipts from the Housing Authority ground leases had an increase of $2,477 from the Hermosa Village phase 1 low income project providing one-time additional lease revenue. Accrued interest on the Housing and Community Development notes and loan, ground leases had an increase of $1,142. Anaheim Tourism Improvement District special assessments (ATID) had an increase of $1,785 resulting from increased hotel room rates and occupancy. The ATID is assessed 2% of the room rent for all hotel facilities located within the ATID boundaries (Anaheim Resort and the Platinum Triangle). Partially offsetting these increases is a decrease of $2,335 one-time gain from the sale of capital asset in the prior fiscal year.

- Operating grants increased by $10,393 (5%).

Housing & Community Development had an increase of $11,667 consisting of an increase of $15,183 in federal rental assistance and administrative funding for the Housing Choice Voucher (HCV), Mainstream and new Emergency Housing Voucher (EHV) programs as ongoing rental assistance funding per participant in the combined program increased 13% and the numbers of residents assisted increased over 3%. Workforce Development had an increase of $2,395 due to higher grant funding resulting from increased expenses in the CalYouth program; Emergency Rental Assistance program had an increase of $1,922 as more claims were processed during the year. Partially offsetting these increases were a decrease of $5,686 in Homeless Housing Assistance and Prevention (HHAP) grant provided by the State of California; and a decrease of $1,471 in Community Development Block Grant (CDBG) due to lower program spending.

Other increases included an increase of $1,986 in Gas Tax; a pass-through grant of $1,300 from the Department of Transportation and a one-time grant for the Mobile Family Resource Center of $1,500 provided by the State of California.

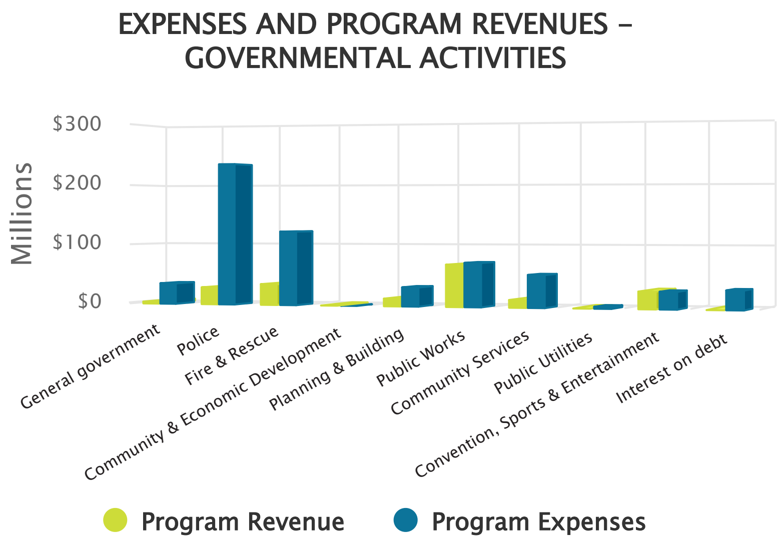
Decreases in the following operating grants partially offset the above increases: $3,590 in Narcotic asset forfeiture distribution; $576 in FEMA reimbursement for costs provided in support of COVID-19; and $2,360 in accrued revenue for SAFER grant provided by FEMA in support of hiring additional entry-level firefighters to improve staffing levesl.

- Capital grants and contributions decreased by $7,843 (19%) primarily due to decrease in capital asset contributions from developers in public infrastructure of $8,149, Park development of $1,134, and other improvements of $6,997; partially offset by increases in infrastructure construction grant reimbursements of $7,310 mainly due to timing of projects.
- Unrestricted investment income of $33,353 had an increase of $18,375 (123%). The increase is partly due to the City's Treasury investment portfolio having grown by $61 million or 8% over the year and partly due to investments being able to invest at higher interest rates with the Federal Reserve raising interest rates the previous year. Unrealized investment gain was $7,699 more favorable compared to last fiscal year.
- Governmental activities net transfer in increased by $42,553 (281%) primarily due to the following:

Transfer in increased by $45,918 including a one-time transfer of $42,962 from the Convention, Sports & Entertainment Venues Fund related to the sale of the Garage as previously discussed. An increase of $4,108 is from the Electric Utility of which an increase of $4,227 equals the maximum of 4% current fiscal year total operating revenues adjusted by the true-up of prior fiscal year transfer, offset by a decrease of $119 which is 1.5% of retail electric revenue. A one-time transfer of $1,323 is from the Sanitation Utility for its portion of the wastewater diversion on Brookhurst North Construction project. Other decreases in transfers totalling $2,475 offset the above increases including $701 from Water Utility, $807 from Sanitation Utility, and $958 from Convention, Sports, & Entertainment.

Partially offsetting the increases in the amount of transfer in is an increase of $3,332 in Transfer out including an increase of $2,665 to the Convention, Sports, & Entertainment Venues, for debt service subsidy; a transfer of $200 to the Water Utility, and $467 to Sanitation Utility.

Additional information about the City's interfund transfers can be found on note 4 of the notes to the financial statements, page 86 of this report.



Governmental activities expenses increased by $102,042 (15%) as compared to the prior fiscal year.

Key elements of the change are as follows:

- Pension and OPEB expenses totalling $123,739 accounted for an increase of $33,116 of which pension expense increased by $31,512 and OPEB expense increased by $1,604. This increase included amortization of deferred items related to the Pension and OPEB Plans due to change in assumption, the difference between projected and actual investment earnings on Pension Plan and OPEB Plan Investments, and the difference between expected and actual experience for the measurement period ended June 30, 2023.

- The increase in General government expenses of $5,749 (21%) is primarily due to an increase of $3,576 in pension and OPEB expenses. An increase of $1,084 was related to costs of general election expense, an increase of $1,578 in labor and employee benefit costs partly due to employee pay rate increases, and vacant positions being filled; partially offset by a decrease of $1,580 in the Salvation Army Shelter and Expansion operating costs.

- The increase in Public safety expenses of $48,363 (16%) is partly due to an increase in Pension and OPEB expenses of $20,648. Other than the increases in pension and OPEB expenses, public safety had an increase of $27,715 included the following:

  Fire Safety had an increase of $7,411 in operating expenses primarily due to increases of $4,340 in labor and employee benefit costs. Employee pay rate and other benefit cost increases contributed to higher labor costs. The increase was partially due to increased labor force operating the in-house ambulance program; vacant positions were also being filled, and partly due to increased costs in providing strike team assistance to various fire incidents in the State of California. Self insurance had an increase of $440.

  Police Safety operating expenses increased by $20,304 primarily due to an increase of $14,010 in labor and employee benefit costs. Full-time overtime had an increase of $3,293 to meet increased demand for police services including increases of $1,741 in police services provided to Disneyland and other special events. Labor cost increase was also partly due to council approved one-time enhancement in over-hiring 12 police officers in anticipation of expected retirements. Interdepartmental charges (IGS) for equipment and facility rental had an increase of $818; air support maintenance services, repairs and maintenance for equipment, fleet and facilities had an increase of $830 due to increased numbers of equipment and vehicles requiring maintenance services, IGS insurance expense had an increase of $1,655 and depreciation expense had an increase of $1,200 resulting from more capital assets being placed in service.

- The increase in Housing & Community Development expenses of $20,740 (15%) included an increase of $14,336 is due to ongoing rental assistance for the Section 8 Housing Choice Voucher (HCV), Mainstream and Emergency Housing Voucher program as rental assistance in the combined programs increased 10% and the numbers of residents assisted annually increased over 3%. Emergency rental assistance provided to eligible families in need had an increase of $2,267 as a higher volume of claims were processed. Subrecipient payments for the HHAP program had an increase of $1,071 and an increase of $1,699 in the Workforce Development program due to higher spending with increased enrollees in the programs. Labor and employee benefit costs had an increase of $1,561 including an increase of $1,326 in pension and OPEB expenses. A decrease of $844 in housing assistance and subrecipient payments in CDBG partially offset the above increases.

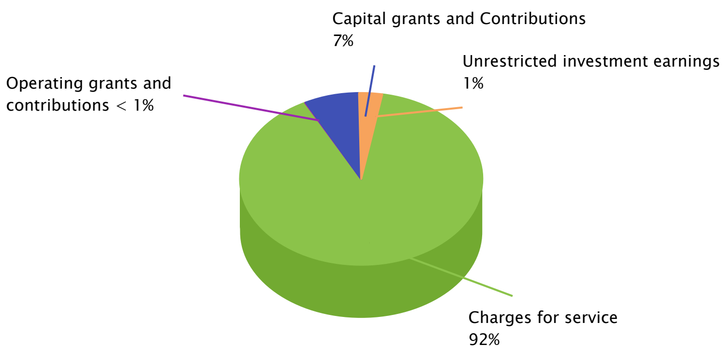
- The increase in Economic Development expenses of $2,672 (41%) consisted of an increase of $376 in property management due to increased security services for certain project areas; pension and OPEB expense had an increase of $312; and depreciation expense had an increase of $1,224 resulting from certain capital assets being transferred from other city department.

- The increase in Community Services expenses of $8,342 (18%) included an increase in pension and OPEB expenses of $2,348. Labor and employee benefit costs had an increase of $4,091. The increase in labor costs was partly due to an increase in new library positions to help staff with the extended library hours at five locations, and partly due to increased demand in community services, library, and recreational classes. Other operating expenses had an increase of $1,903 including an increase of $650 in equipment, facilities, and street tree maintenance expenses, and an increase of $567 for various auto equipment and facility rental primarily due to increase in usage.

- The increase in Public Works expenses of $10,459 (17%) included an increase of $3,082 in pension and OPEB expenses, and $2,029 in labor and employee benefit costs. Other operating expenses had an increase of $5,348. This increase included a $1,300 pass-through payment to Anaheim Transportation Network (ATN) as a subrecipient of the state earmark funds toward the construction of ATN facilities; the funding source of which was from the California Department of Transportation (CALTRANS). In June 2024, the ATID Transportation Committee approved an allocation of $2,700 to ATN to support ATN's fiscal year 2024 operational shortfall.

- The increase in Planning & Building expenses of $5,325 consisted of the increases in pension and OPEB expense of $1,799, labor and employee benefits of $501, an increase of $1,123 in information technology support primarily for the Permit System, and an increase of $1,087 in consultant expenses was due to increase in service demand.
- The increase in Convention, Sports & Entertainment expenses of $1,070 (4%) is primarily due to increased payment of $1,326 to Visit Anaheim. The payment is equal to 75% of the ATID revenues. The increase is partially offset by a decrease in depreciation expense as some older capital assets have been fully depreciated.
- The decrease in Interest on long-term debt expenses of $702 (2%) primarily due to lower amount of accrued accretion for the 1997 Anaheim Lease Revenue Bonds.

REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



May not sum to 100% due to rounding

Business-type activities increased the City's net position by $72,463. Key elements of this change are as follows:

Charges for services of $701,130 decreased by $20,720 (3%) due to the following:

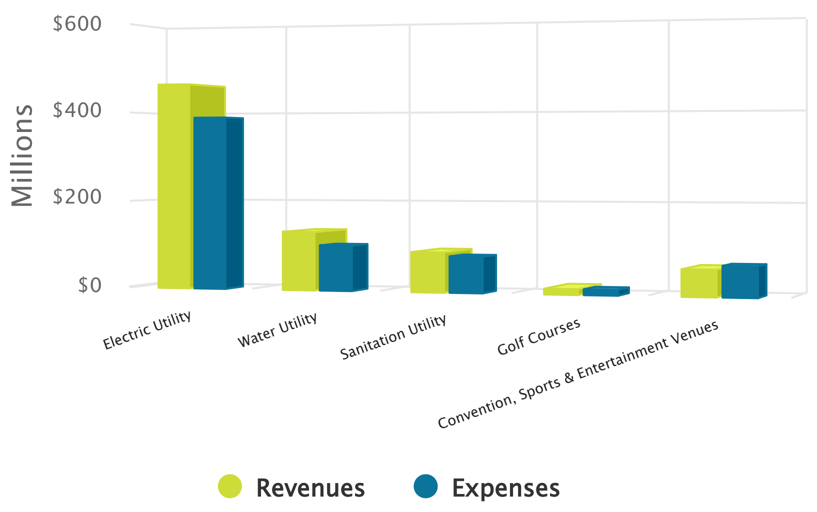
- The decrease of $39,407 (8%) in Electric Utilities charges for services is primarily attributable to the following: Retail sales of electricity totaled $357,316 (3%), net of uncollectible amounts, and had an increase of $8,727. The increase is mainly attributed to incremental increase in retail demand. Wholesales totaled $14,105 and had a decrease of $21,215. The decrease is mainly due to decreased demand in the wholesale sector and more energy being sold in the retail market. Rate Stabilization Account (RSA) revenue of $34,000 decreased by $24,637. Additional information about the RSA can be found in note 1 of the notes to the financial statement on page 74 of this report.
- The increase of $1,100 (1%) in Water Utilities charges for services included an increase of $1,178 (1%) in retail sales of water, net of uncollectible amounts. The Water Utility increased its water rates in fiscal year 2024, in conjunction with a decrease in customer demand which drove this relative decrease. Offsetting the increase was a decrease of $78 in other revenues.
- The increase of $6,069 (7%) in Sanitation Utility charges for services included an increase of $5,437 in solid waste and collection fees, an increase of $892 in wastewater fees, and an increase of $189 in street cleaning fees. The increase primarily reflected a 5% rate increase for solid waste during the fiscal year and is partly due to improved account collections with lower uncollectible account balances. Other revenues had a decrease of $449 primarily due to decreases in sewer mitigation fees.
- The increase of $870 (7%) in Golf Courses charges for services had an increase of $825 in revenue growth over prior year performance in green fees, cart rents, and driving range. Other revenues including merchandise sale, golf lessons had an increase of $35. Renovations to the Club House and the driving range provided customers with better experience in the Golf Courses resulting in increases in rounds and tournaments.
- The increase of $10,648 (22%) in the Convention, Sports and Entertainment Venues Fund is primarily due to higher volume of events booked post-pandemic. Facility rental had an increase of $5,909 and concession revenues had an increase of $1,823. An increase of $2,860 was from the gain on sale of the City's portion of the Car Park 2 Hilton Parking Garage.

Capital grants and contributions had an increase of $670 (1%) primarily due to an increase of $17,577 in Electric Utility related to the ocVIBE electric facilities installation; offset by a decrease of $16,623 (32%) in Water Utility due to reduced amount allowed as reimbursable capital spending per contract agreement for the PFAS Treatment Facilities.

Unrestricted investment had an increase of $13,346 (126%) primarily due to increase in realized investment income attributable to higher interest rate from investments. Unrealized investment gain was $8,013 more favorable compared to last fiscal year.

Business-type activities net transfer out increased by $42,553 (281%) as explained in the net transfer in the governmental activities. There were no other significant changes to note.

EXPENSES AND PROGRAM REVENUES – BUSINESS–TYPE ACTIVITIES



Total expenses of $652,590 decreased $8,482 (1%). Key elements of the changes are due to the following:

- The decrease in Electric Utility expenses of $36,469 (9%) is due to the following: a) power costs decreased by $57,962 (19%). The decrease is mostly due to a net decrease of $22,170 related to power generated by the Magnolia ($13,955) and Canyon ($8,215) generating stations resulting from the decline in demand in the wholesale sector coupled with lower gas prices. Power purchased through CAISO experienced a decrease of $18,094 due to less energy being purchased from the CAISO wholesale market resulting from decreased demand. The associated transmission costs also decreased by $21,559. Power supplied by other sources had a decrease of $10,591 due to decreased demand in the wholesale market. These decreases were offset by an increase of $11,329 in purchased power generated by renewable resources and an increase of $2,883 related to major maintenance at our Canyon generating station. Other ancillary service charges and carbon credits had an increase of $240. b) maintenance, operation and administration had an increase of $19,704 (5%). Pension and OPEB expenses had an increase of $4,586 as previously explained in governmental activities; an increase of $11,719 was due to maintenance of the aging electric infrastructure throughout the city, administration, other maintenance and interdepartmental charges had an increase of $3,399 partly due to general price increases. c) depreciation expense had an increase of $2,136 as new capital assets were placed in service.
- The increase in Water Utility expenses of $8,149 (9%) is due to the following: purchased water and treatment and pumping costs decreased by $2,732 resulting from lower water demand caused by more rainfall during the latter half of the fiscal year. In addition, during the fiscal year, more wells came back online which allowed the Water Utility to pump more groundwater as opposed to purchasing imported water. Groundwater production cost is less expensive than the purchase of imported water. Operation, maintenance, and administration costs increased by $2,915 including an increase of $534 in pension and OPEB expense; an increase of $157 was due to cancellation of a capital project which was found not to be feasible; other maintenance and administration had an increase of $2,224 due to increases in labor and employee benefit costs, contractual services and other miscellaneous maintenance expenses. Depreciation expense increased by $8,044 due to more capital assets being placed in service which included the Water Utility's largest Per-and polyfluoroalkyl substances treatment facilities (PFAS) during the fiscal year.
- The increase in Sanitation Utility expenses of $9,694 (14%) is primarily due to rate and volume increases of $6,118 in waste disposal services and gate fees; labor and employee benefits costs had an increase of $2,006; Other administration and maintenance expense had an increase of $789; infrastructure maintenance had an increase of $781. Timing of infrastructure maintenance also partly contributed to the increase in expenses.
- The increase in Golf Courses expenses of $474 (4%) reflected higher operating costs along with an increase of 7% in golf course revenues. These increases included increases in contracted services, credit card fees, landscape maintenance, costs of merchandise, costs of food and beverage, and depreciation expenses.
- Convention, Sports and Entertainment Venues expenses had an increase of $9,670 (16%). The increase is primarily due to increased event activities at the Convention Center. Labor and employee benefits expenses had an increase of $6,135 including increases in pension and OPEB expenses of $3,050. The increase is partly due to employee pay rate increase and vacant positions being filled. Property insurance and other insurance premiums had an increase of $1,133 due to a general rise in insurance premiums. Other expenses had an increase of $2,302 primarily driven by higher event activities including $494 in power-retail, $122 in refuse disposal

expenses and $225 in other maintenance. An increase of $100 was due to loss on retirement of capital assets.

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 $779,539, an increase of $130,533 in comparison with the prior fiscal year.

- Nonspendable fund balance totaled $955 (less than 1%), had an increase of $169;
- Restricted fund balance totaled $503,673 (64%), had an increase of $87,588;
- Assigned fund balance totaled $187,844 (24%), had an increase of $9,114;
- Committed fund balance totaled $4,186 (1%), had an increase of $179;
- Unassigned fund balance totaled $82,881 (11%) had an increase of $33,483.

Governmental revenues totaled $858,884 increased by $76,166 while expenditures were $786,234 and increased by $47,190. Information about the changes in fund balances, revenues and expenditures are provided in the following analysis of the General Fund, Housing Authority, Anaheim Resort Improvements, and nonmajor governmental funds, respectively.

General Fund:

The General Fund is the general operating fund of the City. At June 30, 2024, the General Fund reported a total ending fund balance totaling $231,069 and had an increase of $39,925 consisting of the following changes:

- Nonspendable fund balance totaling $728 had an increase of $82 consisting of an increase of $59 in prepaid and a decrease of $23 in inventory.
- Restricted fund balance totaling $17,281 had an increase of $3,471 consisting of an increase of $1,471 in unspent Mobile Family Resource Center grant provided by the State of California; an increase of $2,600 in various unspent resources including Fire & Rescue ($19), Community Services ($110) and Housing and Community Development resources ($2,471). Partially offset by a decrease of $600 in claims and judgment that was transferred to the Water Utility per the Measure N election result in November 2014.
- Assigned fund balance totaling $120,382 had an increase of $4,948 primarily due to an increase of $2,298 assigned for Economic Development; an increase of $4,613 in unspent investment income from the Working Capital Bond proceeds assigned for future cash flow purposes. These increases were offset by a decrease of $1,963 assigned to liquidate outstanding encumbrances.
- Unassigned fund balance totaling $92,678 had an increase of $31,424 reflecting results from current year activities.

General Fund total revenues increased $38,829 (7%) as compared to the prior fiscal year primarily attributable to the following:

- Total taxes increased by $30,130 (7%). Taxes are the largest revenue sources of the General Fund and they accounted for $470,821 of the total General Fund revenues. During fiscal year 2024, transient occupancy taxes (TOT) increased by $23,232 (10%), property taxes increased by $6,960 (7%), sales and use taxes decreased by $360 (less than 1%); and other taxes increased by $298 (less than 3%). Key elements of the changes in taxes are discussed in the government-wide financial analysis of the governmental activities on page 30 of this report.
- Intergovernmental revenues decreased by $309 (2%). The decrease is primarily due to a decrease of $5,686 of HHAP grants provided by the State of California; partially offset by increases of $1,771 in state and federal emergency rental assistance as higher claims were processed during the fiscal year; an increase of $1,948 in SAFER grant provided by FEMA was recognized as revenue from prior year deferred when the fund was received, and a one-time Mobile Family Resource Center grant of $1,500 provided by the State of California.
- Charges for services had an increase of $10,332 (23%) primarily due to an increase of $5,114 in emergency transport recovery revenues attributable to both in rate increases and from bringing the Ambulance program in-house. Police services provided to Disneyland and other entertainment and special events had an increase of $2,264 as demand for police services increased, paramedic services provided to Disneyland had an increase of $444. Opioids settlement distribution had an increase of $1,268.

- Use of money and property had a decrease of $702. This decrease is primarily due to one-time land sale proceeds of $4,970 in the prior fiscal year. Partially offsetting the decrease were increases in realized investment income of $3,153 primarily due to higher interest rates earned; unrealized investment gain had a favorable decrease of $1,396 compared to last fiscal year.

General Fund expenditures increased by $31,050 (7%) primarily due to the following:

- A decrease of $2,712 in City Administration is primarily due to decreases in operating costs for the Salvation Army Shelters and other professional services.
- An increase of $17,881 in Police is primarily due to increased staffing provided for Disneyland and other special events, more position vacancies being filled, increases in employee pay rates and benefit costs, and increases in service demand. The increase is also attributable to increased Intragovernmental service charges (IGS) in self-insurance due to higher insurance premium and claim costs, fleet rental and replacement, maintenance, and air support maintenance.
- An increase of $5,672 in Fire and Rescue is mainly due to increases in labor and employee benefit costs attributable to vacant positions being filled, and the operation of the in-house ambulance program. IGS charges also had an increase as previously discussed.
- An increase of $3,358 in Public Works is primarily due to increase in deferred landscape and infrastructure maintenance expenses. IGS charges also had an increase as previously discussed.
- An increase of $3,053 in Planning & Building is primarily due to increased labor and employee costs, and contracted consultant and plan checks attributable to increased service demand for plan check, permit issuances, and building services.
- An increase of $5,722 in Community Services is primarily due to increased labor and employee benefit costs with an increased part-time labor to staff the increased demand in community services, library and recreation classes.
- An increase of $3,081 in Housing and Community Development primarily due to increased emergency rental assistance payments and HHAP subrecipient payments.
- An decrease of $9,151 in capital outlay is due to $10,730 implementation of a subscription technology in the prior fiscal year.

General Fund other financing sources decreased by $10,163 primarily due to the financing for leases and the SBITA subscriptions of cloud- based information technology used by the Police and Fire Departments in the prior fiscal year.

General Fund transfers in increased by $50,921 primarily due to a transfer in of $42,962 from the Convention, Sports & Entertainment Venues Enterprise Fund as previously discussed. An increase of $8,000 was a transfer from Other Capital Improvement nonmajor capital fund to support budget amendments adopted by the City Council.

General Fund transfers out increased by $22,735 (20%) including the following increases:

- An increase of $7,648 in transfers out to the Anaheim Resort Improvements major Debt Service Fund. This increase is due to increases in Lease Payment Measurement Revenues (LPMR). Additional information about LPMR can be found in note 10 on page 93 of the notes to the financial statements of this report;
- An increase of $2,782 to the Convention, Sports & Entertainment fund for debt services subsidy.
- An increase of $5,000 to the Gas Tax nonmajor special revenue Fund for street maintenance.
- An increase of $2,418 to the Municipal Facilities nonmajor debt service governmental fund for the 2021 working capital bonds as the capitalized interest had been fully spent.
- An increase in one-time transfer of $3,328 to the nonmajor capital project fund for Neighborhood projects, and
- A one-time transfer of $822 to the Grant nonmajor special revenue fund to support non-grant funded expenditures.

<u>Housing Authority</u>

The Housing Authority reported a fund balance totaling $85,056 at June 30, 2024, and had an increase of $6,750.

- Restricted fund balance totaling $33,324 decreased by $126. There are no significant changes to note.
- Assigned fund balance for housing projects totaling $51,683 had an increase of $6,874 primarily due to development and homebuyer loan payments and residual receipts from housing ground leases.

The Housing Authority revenues totaled $144,225 and had an increase of $17,954. The increase consists of the following:

- Intergovernmental revenues from Federal rental assistance and administrative funding for the Housing Choice Voucher (HCV), Mainstream Voucher and Emergency Housing Voucher (EHV) programs increased $15,183. Key elements of the changes in HCV and EHV are discussed in the government-wide financial analysis of the governmental activities on page 30 of this report.
- Lease revenues had an increase of $2,478 in residual receipts from ground leases.
- Use of money and property decreased $1,163 primarily due to a decrease of $2,831 in housing development and homebuyer loan payments as compared to prior fiscal year, partially offsetting the decrease by an increase in investment income of $1,564.
- Other revenues decreased by $2,221 due to the receipt of one-time casualty insurance proceeds from the fire and subsequent demolition of a Housing Authority owned property.

The Housing Authority expenditures totaled $140,130 increased by $1,111 (less than 1%). This increase is primarily due to the following:

- On-going rental assistance expenditures for the Section 8 HCV, Mainstream and Emergency Housing Voucher programs rose $14,337. Key elements for the changes are discussed in the government-wide financial analysis of the governmental activities on page 32 of this report.
- Project development costs had an increase of $891 primarily due to relocation payments to former residents of the Anaheim Lodge Motel; property repairs and maintenance costs at the Tampico and Anaheim Lodge Motels.
- Low income multifamily housing development loan disbursements had an increase of $3,967 including an increase of $1,217 for the Studio 6 Motel and $2,750 for the Finamore Place Apartment projects.
- Capital outlay decreased $19,639. The Housing Successor Low Mod Income Housing Fund purchased three motels totaling $19,750 for the purpose of developing low income housing in the prior fiscal year.

Net transfer decreased by $2,739 consisting of the following:

- The decrease is due to a one-time transfer of $5,394 related to the Permanent Local Allocation grant funding provided by the State of California to purchase the Tampico Motel in the prior fiscal year, offsetting the decrease by a one-time transfer from the Grant nonmajor special revenue fund to provide resources for low income housing development loans of $1,155 for the Studio 6 Motel, and $1,500 for the Finamore Place Apartment low income housing Project.

<u>Anaheim Resort Improvements</u>

The Anaheim Resort Improvements reported a fund balance totaling $247,612 at June 30, 2024, and had an increase of $71,764 for the Resort bonds resulting from the increases of LPMR (refer to note 10 on page 93 for discussion related to LPMR). The entire fund balance of the Anaheim Resort Improvements is restricted for debt service of the 1997 Anaheim Lease Revenue Bonds and the 2019 A Anaheim Senior Lease Revenue Refunding Bonds.

Investment income increased by $4,609 primarily due to favorable interest rates.

Debt services had an increase of $1,293 per the debt service payment schedule.

Transfer in from the General Fund had an increase of $7,648 attributable to increase in LPMR.

<u>Nonmajor governmental funds</u>

Nonmajor governmental funds reported fund balances totaled $215,802 reflecting an increase of $12,094. The change consists of the following:

- Nonspendable fund balance had a decrease of $85. There is no significant change to note.
- Restricted fund balance totaling $205,456 had an increase of $12,479. Of this increase, fund balance restricted for Streets, roads and transportation improvement had an increase of $13,613 resulting from the unspent resources of general fund transfer ($5,000), gas tax ($3,386), and ATID ($5,227). Fund balance restricted for grant purposes had an increase of $6,980 primarily due to receipts of grants. Partially offsetting the increases are decreases in fund balance restricted for development impact projects of $4,519 as resources were used for capital spending in park developments and public works infrastructures. A decrease of $1,741 was used for the 2021 Refunding bond debt service payment, and a decrease of $1,374 related to economic development projects.
- Assigned fund balance totaling $15,779 had a decrease of $2,708 primarily due to a net transfer out to the General Fund of $4,672.

- Unassigned fund balance deficit totaling $9,797 had a decrease in deficit of $2,059 primarily due to receipts of grant reimbursements for prior year deferred revenues mainly for street construction and workforce development. 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 $14,774 The most significant factors of the changes are discussed in the government-wide financial analysis of the governmental-activities.

- Charges for services increased by $2,214 (7%) attributable to increases in ATID assessment revenues ($1,785) as previously discussed.
- Intergovernmental revenues increased by $8,278 (14%). Gas tax had an increase of $1,986 partly due to increases in gas price. Grants had an increase of $5,406 primarily due to receipt of a $5,230 State Permanent Local Housing Allocation Program Grant which was deferred in the prior fiscal year. Workforce Development had an increase of $3,719 of which $1,263 was received from prior year deferred revenues; An increase of $2,504 was from grant revenue for the development of Center Green, Oak Canyon and Orange County River Walk projects. Offsetting these increases are decreases of $3,590 in the Narcotic Asset Forfeiture fund due to availability and timing of revenue distribution from the U.S. Treasury and Department of Justice. A decrease of $1,933 in CDBG was due to decreased expenditures.
- Use of money and property totaling $14,837 had an increase of $5,748 (63%) mainly due to increase in investment income of $4,355 attributable to the higher investment interest rates; and a one-time increase of $627 from gain on sale of land held for resale in the Long Range Property Management Fund.

Total nonmajor governmental funds expenditures increased by $13,732 (14%) due to the following:

- An increase of $4,000 is primarily due to payments to ATN as previously discussed on page 32.
- An increase of $1,699 in workforce development subrecipient payments primarily due to increased programs and enrollment.
- An increase of $1,601 is for the BEGIN loan disbursement.
- An increase of $1,358 is for the payment to Visit Anaheim which is equal to 75% of ATID, as previously discussed.
- An increase of $470 is payment to the County of Orange for distribution of the Long Range Property Management Plan land sale proceeds.
- Capital outlay had an increase of $4,476 primarily due to timing of projects. This increase included the construction of street improvements on the Orangewood Street Widening, Santa Ana Canyon UD 65, Amboy Street improvement.
- Offset by a decrease of $1,330 for the UASI expenditures primarily due to timing of project expenditures.

Total nonmajor governmental funds Other Financing sources and uses increased by $8,079 due to the following:

- Transfer in increased $13,167. Transfer in from the General Fund had an increase of $10,745 of which an increase of $5,000 was for the purposes of street maintenance, $2,418 was for the 2021 Working Capital bonds debt service, and $3,327 for neighborhood improvement projects. Another increase was a one-time $1,323 transfer from the Sanitation Utility for wastewater diversion on Brookhurst North
- Transfer out decreased by $3,670. A decrease of $5,394 was due to a one-time transfer to the Housing Authority of $5,394 in the prior fiscal year to provide funding for the acquisition of the Tampico Motel, offset by a transfer out of $2,655 during the current fiscal to provide funding for the low and moderate housing developments related to the Studio 6 and Finamore Place Apartment, and an increase of $6,534 transfer to the General Fund to support budget supplements approved by City Council.
- Other financing sources decreased by $1,418 primarily due to the financing for the subscription of the information technology used by the Police Department in the prior fiscal year.

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 $61,451 (12%) in the current fiscal year.
- The Water Utility fund net position increased by $34,437 (11%) in the current fiscal year.
- The Sanitation fund net position increased by $9,030 (7%) in the current fiscal year.

- The Golf Courses fund net position increased by $1,987 (22%) in the current fiscal year.
- The Convention, Sports and Entertainment Venues fund net position decreased by $34,121 (9%) in the current fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the original budget was amended to increase appropriations by $24,403 (5%). The increase in appropriations was primarily the result of the carryover of prior year appropriations and amendments amounting to $13,135 and the reallocation of appropriations from other funds of the same departments of $11,268. These amendments were to be funded from savings in other programs of the General Fund during the year.

General Fund revenues of $581,966 were greater than budgeted revenues of $566,935 by $15,031 (3%), primarily due to stronger than anticipated performance of transient occupancy taxes. The collection of TOT revenues associated with Measure J, which took effect in January 2023, had exceeded expectations for the fiscal year ended June 30, 2024. TOT accounted for $11,292 of the favorable variance between budget and actual. Sales and use tax was under budget by $4,171; Use of Money and Property had a favorable variance of $8,383 mainly due to investments being invested with higher interest rates. Charges for services were over budget by $12,526 due to increased service demand in police and paramedic services. Intergovernmental revenues were under budget by $15,919 partly due to actual expenditures that required grant reimbursement were lower than the amount being planned and partly due to projects timing.

General Fund expenditures were less than budgeted. Of the total appropriations of $508,756, approximately 4%, or $20,803, went unspent. Expenditures were below budget for the following:

City Administration - $2,579 primarily for the Salvation Army Homeless shelter operating costs.

Housing and Community Development - $4,745 primarily unspent appropriation for ERAP and HHAP.

Economic Development - $3,633 primarily unspent appropriations for the storefront improvement program and delays in capital improvement projects.

Planning & Building - $1,410 primarily for labor and employee benefit due to position vacancies.

Community Service - $5,763 primarily unspent appropriation for the Senior Mobility and Mobile Family Resource Center programs, and unspent capital outlay for various park developments mainly due to timing of project construction.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS
(net of accumulated depreciation)
JUNE 30, 2024 AND 2023

	Governmental Activities		Business-type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
Land	$ 714,492	$ 711,219	$ 93,914	$ 93,331	$ 808,406	$ 804,550
Construction in Progress	80,892	57,339	222,819	271,313	303,711	328,652
Building, structures, and improvements	204,294	218,517	633,710	645,836	838,004	864,353
Utility plant			1,409,908	1,273,265	1,409,908	1,273,265
Machinery and equipment	48,103	44,501	15,761	16,880	63,864	61,381
Lease assets	5,761	5,191	3,686	3,458	9,447	8,649
Subscription assets	23,672	27,841	482	649	24,154	28,490
Infrastructure	456,484	457,699			456,484	457,699
Total	$ 1,533,698	$ 1,522,307	$ 2,380,280	$ 2,304,732	$ 3,913,978	$ 3,827,039

Capital assets

The City's investment in capital assets for its governmental and business-type activities at June 30, 2024 amounted to $3,913,978 (net of accumulated depreciation). This investment in capital assets included land, construction in progress, buildings, structures, and improvements, intangible right-to-use assets, utility plant, machinery and equipment, and infrastructure. The total increase over the prior fiscal year was $86,939 (2%), of which governmental activities increased by $11,391 (less than 1%) and business-type activities increased by $75,548 (3%).

Governmental activities capital asset additions totaled $62,529, offset by current year depreciation of $50,791, and retirement of capital assets, net of accumulated depreciation of $347. Major capital asset activities during the current fiscal year include the following:

- Land had a net increase of $3,273 including an increase of $200 of land acquisition for the Santa Ana River Park development, and public right-of-way contribution by developers totalling $3,074.
- Construction in progress (CWIP) had a net increase of $23,553 consisting of $44,312 in project additions, completion of $20,707 and cancellation of $52. The additions of works in progress include $25,168 of infrastructure construction, $10,741 in park developments, $7,549 in building, structure and improvements, and $854 in information technology implementation.

  Major additions to construction in progress during the fiscal year included the following:

  Street improvements: Orangewood widening ($6,130), Santa Ana Canyon ($1,246), Project Amboy- Residential Street improvement ($6,369), Euclid street ($1,103), Lincoln Avenue improvement ($1,555), Avenida Bernardo street improvement ($996).

  Building, structures and improvements: Platinum Triangle Area-Riverwalk ($889), Downtown Open Space ($5,565), Oak Canyon Nature Center (1,363), Boysen Park Development ($1,063), Storage ($1,668), and various improvements at the Honda Center ($5,060).
- Building, structures and improvements had a net decrease of $14,223 offset by current year depreciation expense of $15,774.
- Machinery and equipment had a net increase of $3,602 including addition and transfer in from CWIP of $11,297, offset by retirements, net of accumulated depreciation, of $5 and current year depreciation of $7,690. Addition of $1,646 is for information technology and software, $5,750 is for vehicle acquisitions, office equipment and furniture of $1,508, and field equipment of $1,827.
- Infrastructure had a net decrease of $1,215 including additions of $2,022, transfer in from CWIP upon project completion of $18,131, offsetting by current year depreciation of $21,367, and retirement of infrastructure assets, net of accumulated depreciation of $1. Major projects of street improvements included the following: Euclid Street, State College Street, Weir Canyon, Project Amboy, Lincoln Avenues and La Palma. The additions to infrastructure assets also included storm drain construction and traffic signal modifications and installations at various city locations.
- Lease land, buildings, and equipment had a net increase of $570 primarily from current year addition of computer leases.
- Subscription assets had a net decrease of $4,169 including the cloud-based Integrated Library System of $647 offset by current year depreciation expense.

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

- The Electric Utility net increase of $20,068 (2%) included capital asset additions of $70,522, and offset by the current year additions to accumulated depreciation of $50,454. Construction in progress increased by $56,331 mainly due to $68,365 in additions of capital projects offset by work completed of $12,034. During the fiscal year, the Electric Utility completed the undergrounding district No. 66 on Beach Blvd, the undergrounding automation Project No. 12 which includes the Addie, Brenda, Cravens, Jeanne, and Moody and Servite circuits; on-going replacement of aging circuit, breakers, poles, transformers and switches throughout the City, fiber optic route and infrastructure modifications for underground conversion.
- The Water Utility increase of $68,300 (13%) included upgrades made by the Water Utility to water capital infrastructure. Capital asset additions for the fiscal year was $89,183, offset by current year accumulated depreciation addition of $20,726, and retirement of capital assets net of accumulated depreciation of $157. Construction in progress decreased by $48,484 primarily due to work in progress additions of $88,585 offset by works completed of $193,279. Major water projects completed during the fiscal year include: PFAS Water Treatment, Knott/Orange/Lincoln Main Replacement, Valve & Vault Rehab, and Opal/Eagle Main 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 to ensure that the water supply continues to be safe, reliable, and sufficient to meet future demands. For the fiscal year ended June 30, 2024, 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 $4,535 (4%) included capital asset additions of $8,544 and offset by the current year additions to accumulated depreciation of $2,982; cancellation of $1,017 in work in progress. Construction work in progress decreased by $2,517 primarily due to additions of $5,694 of sanitary improvements on various city locations, offset by work completed of $7,149 and cancellation of $1,017. Project completion including sanitary improvement on Del Monte Knott to Bella, Alley from Walnut Street to Ohio, Vine Street. The capital asset additions also included acquisitions totalling $2,244 in four street sweepers, a CCTV truck and a vehicle.
- The Golf Course's increase of $571 (5%) included current year additions of $1,568, offset by the current year addition to accumulated depreciation of $996. The additions to capital assets are primarily for the golf courses improvement and building improvements.
- The Convention, Sports and Entertainment Venues decrease of $17,926 (3%) is primarily due to current year depreciation of $20,634 offset by additions to capital assets of $4,254 and retirement of capital assets, net of accumulated depreciation of $1,546. The capital asset additions were upgrades and improvements to the facility. In June 2024, the Convention, Sports and Entertainment Venues sold its portion of the Hilton Parking Garage. The sales proceeds were $4,306. Net book value of the capital assets was $1,446 and generated a realized gain of $2,860. The realized gain was reported as program income in the Convention, Sports and Entertainment Venues Fund. Obsolete field equipment with a net book value of $100 were retired during the fiscal year. The loss on retirement of capital assets was reported as program expense.

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 72 and page 89 of this report.

LONG-TERM LIABILITIES
JUNE 30, 2024 AND 2023

	Governmental Activities		Business-type Activities		Total Government	
	2024	2023*	2024	2023	2024	2023
Long-term debts:						
Interest payable			$ 1,883	$ 3,766	$ 1,883	$ 3,766
Lease payable	$ 5,209	$ 4,727	3,264	2,880	8,473	7,607
Subscription payable	18,632	22,261	488	655	19,120	22,916
Notes and loans payable from direct borrowing	13,096	17,077	217	310	13,313	17,387
Revenue bonds	621,578	645,361	1,177,827	1,238,884	1,799,405	1,884,245
Total	658,515	689,426	1,183,679	1,246,495	1,842,194	1,935,921
Other long-term liabilities:						
Due to other governments	18,550	19,020			18,550	19,020
Self-insurance claim liability	60,911	59,088			60,911	59,088
Compensated absences*	28,976	26,870			28,976	26,870
San Juan reclamation liability			2,847	4,217	2,847	4,217
Provision for decommissioning liability			80,706	80,728	80,706	80,728
Net OPEB liability	87,918	92,971	26,951	29,751	114,869	122,722
Net pension liability	759,431	731,639	187,970	184,189	947,401	915,828
Total	955,786	929,588	298,474	298,885	1,254,260	1,228,473
Total long-term liabilities	$ 1,614,301	$ 1,619,014	$ 1,482,153	$ 1,545,380	$ 3,096,454	$ 3,164,394

* Restated 2023 Compensated Absences due to the adoption of GASB Statement No. 101.

Long-term liabilities

At June 30, 2024, The City's outstanding long-term liabilities totaled $3,096,454 decreased by $67,940 (2%) in which long-term debts decreased by $93,727, and other long-term liabilities increased by $25,787.

Long-term debts including revenue bonds, notes and loans payable, lease payable, subscription payable, and interest payable due in more than one year totaled $1,842,194 at June 30, 2024. Key changes include the following:

Long-term debts in Governmental activities totaled $658,515, and decreased by $30,911 (4%).

- Principal payments of $26,867 on bonds, notes, lease and subscription payable, payment made on the accretion of capital appreciation bonds of $20,454, and the annual amortization of discounts/premium of $2,828 decreased the long-term debt balances.
- New debt issuances and the accretion accrued totaling $19,238 offsetting the above decreases and included the following: a) an increase of $16,589 for the current year accrued accretion payable; b) an increase of $1,708 in lease equipment, and an increase of $2,002 in lease equipment; and c) an increase of $647 in subscription payable for the Community Service Class Registration Cloud System.

Long-term debt in the business-type activities totaled $1,183,679, decreased by $62,816 (5%) due to the following:

- Principal payments of $53,678 on bonds, notes, leases and subscription payable, interest payment of $1,883, and $7,956 for current year amortization of premium/discount decrease the long-term debt balances.

- Offsetting the decrease is an increase of $701 addition for an Electric Utility land lease.

Other long-term liabilities include self-insurance, compensated absences, provision for decommissioning liability, net OPEB liability, and net pension liability totaling $1,254,260 increased by $25,787 at June 30, 2024. Key changes include the following:

- Other long-term liabilities in the governmental activities totaled $955,786 increased by $26,198 (3%). Self-insurance claim liability, based on actuarial valuation, increased by $1,823, compensated absences liability increased by $2,106, net pension liability, per plan actuarial valuation, increased by $27,792 primarily due to the plan unfavorable difference between projected and actual investment earnings and change of assumption; Net OPEB liability had an decrease of $5,053 primarily due to plan unfavorable difference between projected and actual investment experience.
- Other long-term liabilities in the business-type activities totaled $298,474 decreased by $411 (36%). Net OPEB liabilities decreased by $2,800 and net pension liability increased by $3,781, as previously discussed, San Juan reclamation liability decreased by $1,370 from current year payment, Decommissioning liabilities had a net decrease of $22 due to current year payment of $3,570, offsetting by interest earned in the account of $3,548.

Additional information on the City's long-term liabilities can be found in notes 8, 10, 11, 12, 13, 14 and 15 of the notes to the financial statements, on pages 90-114 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. TOT for fiscal year 2024 was $248 million, the highest in the City's history and is expected to grow another 5% in fiscal year 2025. TOT is expected to moderate in fiscal year 2025 since the Measure J revenues will normalize and growth will be reflective of typical increases in occupancy and room rates.

For the 2025 fiscal year, the City appropriated $524,743 in estimated available resources of $614,256 for General Fund spending. This leaves $89,513 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 50% of their retail load by 2025, 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.

For fiscal year 2024, the Orange County Water District (OCWD) set the Basin Production Percentage (BPP) for all cities and water districts they serve at 85%. 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. As approved on March 18, 2008, the Water Utility instituted a charge to all customers for a Water System Reliability Adjustment (WSRA). The Water Utility increased the WSRA to $1.050 per 100 cubic foot on April 3, 2024 per the stipulated formula as approved by the Anaheim City Council. This charge recovers projected capital costs, including rehabilitation and construction of water and reclaimed water system infrastructure and the related debt service payments.

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.

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BASIC FINANCIAL STATEMENTS

ANAHEIM

CITY OF ANAHEIM CALIFORNIA
FOUNDED 1857

ANAHEIM, CALIFORNIA

Statement of Net Position
June 30, 2024 (In thousands)

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 191,086	$ 54,750	$ 245,836
Investments	370,925	176,768	547,693
Restricted cash and cash equivalents	83,601	29,131	112,732
Restricted Investments	20,349	88,622	108,971
Accounts receivable, net	43,393	104,527	147,920
Accrued interest receivable	5,096	3,419	8,515
Lease receivable, net	1,015	1,860	2,875
Internal balances, net	15,387	(15,387)	
Due from other governments	58,964		58,964
Inventories	1,868	35,269	37,137
Land held for resale, net	21,122		21,122
Prepaid and other assets	2,111	32,073	34,184
Total current assets	814,917	511,032	1,325,949
Noncurrent assets:			
Restricted cash and cash equivalents	144,911	63,115	208,026
Restricted investments	55,057	93,167	148,224
Prepaid and other assets		85,833	85,833
Unamortized prepaid bond insurance	721	509	1,230
Lease receivable, net	10,255	6,227	16,482
Notes receivable, net	81,312		81,312
Due from Successor Agency	2,572		2,572
Capital assets, net:			
Nondepreciable	795,384	316,733	1,112,117
Depreciable	738,314	2,063,547	2,801,861
Total noncurrent assets	1,828,526	2,629,131	4,457,657
Total assets	2,643,443	3,140,163	5,783,606
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charges on refunding bonds	20,195	12,392	32,587
Deferred OPEB related items	29,220	8,550	37,770
Deferred pension related items	223,191	57,918	281,109
Total deferred outflows of resources	272,606	78,860	351,466

(Continued)

Statement of Net Position
June 30, 2024 (In thousands)

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	$ 63,786	$ 100,068	$ 163,854
Wages payable	8,880	1,748	10,628
Interest payable	5,561	16,154	21,715
Lease payable, current portion	1,157	313	1,470
Subscription payable, current portion	3,752	116	3,868
Deposits	10,769	11,965	22,734
Unearned revenues	7,480	223	7,703
Other long-term liabilities, current portion	37,924		37,924
Long-term debts, current portion	46,405	70,754	117,159
Total current liabilities	185,714	201,341	387,055
Noncurrent liabilities:			
Lease payable	4,052	2,951	7,003
Subscription payable	14,880	372	15,252
Other long-term liabilities	70,513	83,553	154,066
Long-term debts	588,269	1,117,670	1,705,939
Net OPEB liability	87,918	26,951	114,869
Net pension liability	759,431	187,970	947,401
Total noncurrent liabilities	1,525,063	1,419,467	2,944,530
Total liabilities	1,710,777	1,620,808	3,331,585
DEFERRED INFLOWS OF RESOURCES			
Deferred item related to leases	10,695	7,882	18,577
Deferred Regulatory credits		113,988	113,988
Deferred Regulated business activities		15,801	15,801
Deferred item on refunding bonds		11,790	11,790
Deferred OPEB related items	25,944	10,017	35,961
Deferred pension related items	6,420	5,736	12,156
Total deferred inflows of resources	43,059	165,214	208,273
NET POSITION			
Net investment in capital assets	1,232,369	1,238,121	2,470,490
Restricted for:			
Debt services	42,674	39,781	82,455
Capital projects	91,915	35,390	127,305
Housing and Community development	113,093		113,093
Streets, roads and transportation improvement projects	76,015		76,015
Other purposes	26,162	25,432	51,594
Unrestricted	(420,015)	94,277	(325,738)
Total net position	$ 1,162,213	$ 1,433,001	$ 2,595,214

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

Statement of Activities
Year Ended June 30, 2024 (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	$ 49,280	$ (16,087)	$ 1,427	$ 1,971		$ (29,795)		$ (29,795)
Police	229,020	4,447	18,356	10,991	$ 227	(203,893)		(203,893)
Fire & Rescue	120,776	768	31,381	2,504	449	(87,210)		(87,210)
Housing & Community Development	156,329	382	12,882	149,493	4,857	10,521		10,521
Economic Development	8,804	428	4,203	688		(4,341)		(4,341)
Planning & Building	31,232	976	11,764	1,731		(18,713)		(18,713)
Public Works	73,279	(133)	24,329	29,229	15,498	(4,090)		(4,090)
Community Services	53,524	802	3,230	2,796	6,577	(41,723)		(41,723)
Public Utilities	2,152					(2,152)		(2,152)
Convention, Sports & Entertainment	29,294	245	22,197		5,061	(2,281)		(2,281)
Interest on long-term debt	31,701					(31,701)		(31,701)
Total governmental activities	785,391	(8,172)	129,769	199,403	32,669	(415,378)		(415,378)
Business-type activities:								
Electric Utility	385,053	4,969	442,584		21,196		$ 73,758	73,758
Water Utility	98,771	1,242	97,431		34,823		32,241	32,241
Sanitation Utility	80,605	752	88,695	941	22		8,301	8,301
Golf Courses	11,832	98	13,856				1,926	1,926
Convention, Sports and Entertainment Venues	68,157	1,111	58,564		651		(10,053)	(10,053)
Total business-type activities	644,418	8,172	701,130	941	56,692		106,173	106,173
Total government	$ 1,429,809	$	$ 830,899	$ 200,344	$ 89,361	(415,378)	106,173	(309,205)
General revenues:								
Taxes:								
Property taxes						106,399		106,399
Sales and use taxes						107,811		107,811
Transient occupancy taxes						247,584		247,584
Other taxes						10,457		10,457
Unrestricted investment income						33,353	23,965	57,318
Transfers						57,675	(57,675)	
Total general revenues and transfers						563,279	(33,710)	529,569
Change in net position						147,901	72,463	220,364
Net position at beginning of year, as restated						1,014,312	1,360,538	2,374,850
Net position at end of year						$ 1,162,213	$ 1,433,001	$ 2,595,214

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

Balance Sheet
Governmental Funds
June 30, 2024 (In thousands)

	General	Housing Authority	Anaheim Resort Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 122,173	$ 13,835		$ 36,120	$ 172,128
Investments	105,757	53,379		139,334	298,470
Restricted cash and cash equivalents	3,978	5,064	$ 191,759	27,356	228,157
Restricted investments	15,350		55,057	4,999	75,406
Accounts receivable, net	38,088	90		2,709	40,887
Accrued interest receivable	1,537	521	796	1,597	4,451
Due from other funds	4,210	8,558		8,248	21,016
Due from other governments	27,301	438		31,225	58,964
Inventories	357				357
Land held for resale, net		6,032		15,090	21,122
Prepaid and other assets	371	49		178	598
Due from Successor Agency				2,572	2,572
Lease receivable	2,359	77		8,834	11,270
Notes receivable, net	8,276	55,790		17,246	81,312
Total assets	$ 329,757	$ 143,833	$ 247,612	$ 295,508	$ 1,016,710
LIABILITIES					
Accounts payable	$ 29,884	$ 2,016		$ 19,780	$ 51,680
Wages payable	4,891	104		192	5,187
Deposits	9,010	212		1,547	10,769
Due to other funds	38,621			10,581	49,202
Unearned revenue	4,031	492		224	4,747
Total liabilities	86,437	2,824		32,324	121,585
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	9,147	90		19,208	28,445
Deferred item related to leases	2,266	73		8,356	10,695
Unavailable resources- long-term notes and loans	838	55,790		19,818	76,446
Total deferred inflows of resources	12,251	55,953		47,382	115,586

(Continued)

Balance Sheet
Governmental Funds
June 30, 2024 (In thousands)

	General	Housing Authority	Anaheim Resort Improvements	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES:					
Nonspendable related to inventory, prepaid and other assets	728	49		178	955
Restricted:					
Anaheim Resort maintenance and improvement				6,681	6,681
Capital projects				3,780	3,780
Claims and judgments	2,005				2,005
Economic development projects				19,497	19,497
Debt services			247,612	226	247,838
Development impact projects				85,078	85,078
Grant purposes	10,850			15,334	26,184
Homebuyer assistance programs		2,371		13,090	15,461
Low and moderate income housing		21,826			21,826
Rental assistance		9,127			9,127
Streets, roads and transportation improvement projects				61,770	61,770
Other purposes	4,426				4,426
Committed for neighborhood and community projects				4,186	4,186
Assigned:					
Capital projects				13,219	13,219
Debt service	10,000			1,830	11,830
Housing projects		51,683			51,683
Other purposes	110,382			730	111,112
Unassigned	92,678			(9,797)	82,881
Total fund balances	231,069	85,056	247,612	215,802	779,539
Total liabilities, deferred inflows of resources, and fund balances	$ 329,757	$ 143,833	$ 247,612	$ 295,508	$ 1,016,710

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, 2024 (In thousands)

Total fund balances - governmental funds		$ 779,539
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	$ 714,492	
Construction in progress	77,635	
Buildings, structures and improvements	443,854	
Machinery and equipment	79,472	
Infrastructure	1,021,833	
Lease land and buildings	3,059	
Subscription assets	12,532	
Accumulated depreciation	(871,761)	
Total capital assets, net		1,481,116
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.		104,891
Unamortized prepaid bond insurance ($721) and deferred charge on bonds ($20,195) are not current financial resources, and, therefore, are not reported in the funds.		
Unamortized prepaid bond insurance	$ 721	
Deferred loss on refunding bonds	3,064	
Deferred future interest on partial defeasance of capital appreciation bonds	17,131	20,916
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 the governmental activities in the Statement of Net Position.		37,413
Certain liabilities are not due and payable in the current period, and therefore, are not reported in the funds		(19,132)
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	$ 240,414	
Net OPEB liability	(82,365)	
Net pension liability	(725,223)	
Deferred inflows of resources	(28,006)	(595,180)
Long-term liabilities of governmental funds, including bonds ($621,578), notes and loan payable ($9,075), lease payable ($2,871), subscription payable ($8,617), and accrued interest payable ($5,209) are not due and payable in the current period and, therefore, are not reported in the funds.		(647,350)
Net position of governmental activities		$ 1,162,213

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, 2024 (In thousands)

	General	Housing Authority	Anaheim Resort Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 106,399				$ 106,399
Sales and use taxes	107,811				107,811
Transient occupancy taxes	247,584				247,584
Other taxes	9,027				9,027
Licenses, fees and permits	22,513	$ 107		$ 5,754	28,374
Intergovernmental revenues	16,123	132,888		66,064	215,075
Charges for services	55,599			35,509	91,108
Fines, forfeits and penalties	2,862				2,862
Use of money and property	13,211	4,677	$ 7,888	14,837	40,613
Lease revenues	793	6,371		350	7,514
Others	1,043	182		1,292	2,517
Total revenues	582,965	144,225	7,888	123,806	858,884
Expenditures:					
Current:					
City Council	1,088				1,088
City Administration	13,321				13,321
City Attorney	10,261			106	10,367
City Clerk	3,037				3,037
Human Resources	2,987				2,987
Finance	7,261		26	3	7,290
Police	204,815			6,723	211,538
Fire & Rescue	111,843			518	112,361
Housing & Community Development	8,831	139,801		14,279	162,911
Economic Development	3,338			5,059	8,397
Planning & Building	28,706			1,410	30,116
Public Works	32,754			18,732	51,486
Community Services	46,475			738	47,213
Public Utilities	2,104				2,104
Convention, Sports & Entertainment	452			22,008	22,460
Capital outlay	5,463	329		36,764	42,556
Debt service:					
Principal retirement	2,158		16,361	3,239	21,758
Interest charges	1,406		29,161	4,677	35,244
Total expenditures	486,300	140,130	45,548	114,256	786,234
Excess (deficiency) of revenues over (under) expenditures	96,665	4,095	(37,660)	9,550	72,650
Other financing sources (uses):					
Transfers in	81,593	2,655	109,424	15,596	209,268
Transfers out	(138,980)			(13,052)	(152,032)
SBITA financing	647				647
Total other financing sources	(56,740)	2,655	109,424	2,544	57,883
Net change in fund balances	39,925	6,750	71,764	12,094	130,533
Fund balances at beginning of year	191,144	78,306	175,848	203,708	649,006
Fund balances at end of year	$ 231,069	$ 85,056	$ 247,612	$ 215,802	$ 779,539

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, 2024 (In thousands)

Net change in fund balances - total governmental funds	$	130,533
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 expense ($42,827) exceeded capital outlay ($42,556) in the current period.		(271)
The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-in, retirements and contributions) is to increase net position.		9,159
Certain revenues in the governmental funds provide current financial resources but have been included in the Statement of Activities in prior fiscal year.		(2,855)
Certain expenditures in the governmental funds use current financial resources but have been included in the Statement of Activities in prior fiscal year.		144
Collections of notes and long-term receivables provide current financial resources to governmental funds but reduce receivables in the Statement of Net Position.		(1,188)
Loan disbursements in the governmental funds use current financial resources but increase receivables in the Statement of Net Position.		7,570
Accrued interest expense, amortization of bond premiums and the related deferred items on refunded bonds are not reported in the funds.		179
Financing for subscription-based information technology arrangements provides resources for capital outlay in the governmental funds, but increases long-term liabilities in the Statement of Net Position.		(647)
Payments of principal on long-term debt ($21,758), accretion payable ($20,454), and other long-term liabilities ($470) use current financial resources in the governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position.		42,682
Current year accrued accretion on bonds does not use current financial resources in the governmental funds but is reported as interest expense in the Statement of Activities.		(16,589)
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.		(23,091)
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.		2,275
Change in net position of governmental activities	$	147,901

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, 2024 (In thousands)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:				
Property taxes	$ 104,136	$ 104,136	$ 106,399	$ 2,263
Sales and use taxes	111,982	111,982	107,811	(4,171)
Transient occupancy taxes	236,292	236,292	247,584	11,292
Other taxes	8,626	8,626	9,027	401
Licenses, fees and permits	22,167	22,167	22,513	346
Intergovernmental revenues	23,336	32,042	16,123	(15,919)
Charges for services	43,433	43,073	55,599	12,526
Fines, forfeits and penalties	2,901	2,901	2,862	(39)
Use of money and property	3,829	3,829	12,212	8,383
Lease revenues	750	750	793	43
Other	1,137	1,137	1,043	(94)
Total revenues	558,589	566,935	581,966	15,031
Expenditures:				
City Council	1,085	1,147	1,088	(59)
City Administration	15,658	15,909	13,330	(2,579)
City Attorney	9,871	10,403	10,315	(88)
City Clerk	3,151	3,929	3,037	(892)
Human Resources	3,474	3,644	2,987	(657)
Finance	9,895	10,165	9,358	(807)
Police	200,845	207,361	207,361	
Fire & Rescue	107,609	113,006	113,006	
Housing & Community Development	11,265	13,898	9,153	(4,745)
Economic Development	6,436	7,056	3,423	(3,633)
Planning & Building	30,023	30,573	29,163	(1,410)
Public Works	32,932	35,859	35,859	
Community Services	49,394	53,080	47,317	(5,763)
Public Utilities	2,248	2,248	2,104	(144)
Convention, Sports and Entertainment	467	478	452	(26)
Total expenditures	484,353	508,756	487,953	(20,803)
Excess of revenues over expenditures	74,236	58,179	94,013	35,834
Other financing sources (uses):				
Transfers in	35,978	35,978	81,593	45,615
Transfers out	(143,322)	(143,322)	(138,980)	4,342
Issuance of bonds	16,600	16,600		(16,600)
Total other financing sources (uses)	(90,744)	(90,744)	(57,387)	33,357
Net change in fund balance	(16,508)	(32,565)	36,626	69,191
Fund balance at beginning of year	191,144	191,144	191,144	
Fund balance at end of year	$ 174,636	$ 158,579	227,770	$ 69,191
Adjustment to reconcile to GAAP:				
Unrealized investment gain			999	
Encumbrance			1,137	
Payment of interfund loan			1,163	
Capital outlay - SBITA			647	
Other financing sources - SBITA financing			(647)	
Ending fund balance - GAAP basis			$ 231,069	

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, 2024 (In thousands)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:				
Licenses, fees and permits	$ 70	$ 70	$ 107	$ 37
Intergovernmental revenues	124,463	128,341	132,888	4,547
Use of money and property	6,311	6,311	4,184	(2,127)
Lease revenues	3,500	3,500	6,371	2,871
Other			182	182
Total revenues	134,344	138,222	143,732	5,510
Expenditures:				
Housing & Community Development	165,728	176,892	140,169	(36,723)
Total expenditures	165,728	176,892	140,169	(36,723)
Excess (deficiency) of revenues over (under) expenditures	(31,384)	(38,670)	3,563	42,233
Other financing (uses):				
Transfers in	33,719	43,346	2,655	(40,691)
Transfers out	(3,500)	(3,500)		3,500
Total other financing uses	30,219	39,846	2,655	(37,191)
Net change in fund balance	(1,165)	1,176	6,218	5,042
Fund balance at beginning of year	78,306	78,306	78,306	
Fund balance at end of year	$ 77,141	$ 79,482	84,524	$ 5,042
Adjustments to reconcile to GAAP:				
Unrealized investment gain			493	
Encumbrance			39	
Ending fund balance - GAAP basis			$ 85,056	

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

Statement of Net Position
Proprietary Funds
June 30, 2024 (In thousands)

	Business-type Activities - Enterprise Funds						
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports and Entertainment Venues	Total	Governmental Activities - Internal Service Funds
ASSETS							
Current assets:							
Cash and cash equivalents	$ 23,649	$ 4,803	$ 19,916	$ 1,098	$ 5,284	$ 54,750	$ 18,958
Investments	91,260	18,534	46,127	1,218	19,629	176,768	72,455
Restricted cash and cash equivalents	22,360	2,789	3,497		485	29,131	355
Restricted investments	67,253	10,682	10,687			88,622	
Accounts receivable, net	70,135	19,673	11,654	208	2,857	104,527	2,506
Accrued interest receivable	1,955	356	596	14	498	3,419	645
Interfund receivable	475					475	1,004
Inventories	34,050	1,027		192		35,269	1,511
Prepaid and other assets	30,221	1,852				32,073	1,513
Lease receivable	347				1,513	1,860	
Total current assets	341,705	59,716	92,477	2,730	30,266	526,894	98,947
Noncurrent assets:							
Restricted cash and cash equivalents, less current portion	63,115					63,115	
Restricted investments, less current portion	93,167					93,167	
Interfund receivable, less current portion	50					50	30,011
Lease receivable, less current portion	4,210				2,017	6,227	
Prepaid and other assets	85,833				509	86,342	
Capital assets:							
Land	34,243	2,970	900	1,948	53,853	93,914	
Buildings, structures and improvements			143,173	22,827	887,878	1,053,878	13,133
Utility plant	1,625,957	790,353				2,416,310	
Machinery and equipment			11,871	1,745	42,617	56,233	72,179
Lease land and building	3,901					3,901	185
Lease equipment				837		837	5,443
Subscription assets	658	164				822	17,598
Construction in progress	190,470	17,254	10,833	1,365	2,897	222,819	3,257
Total capital assets	1,855,229	810,741	166,777	28,722	987,245	3,848,714	111,795
Less accumulated depreciation	(785,302)	(222,236)	(41,605)	(16,693)	(402,598)	(1,468,434)	(59,213)
Capital assets, net	1,069,927	588,505	125,172	12,029	584,647	2,380,280	52,582
Total noncurrent assets	1,316,302	588,505	125,172	12,029	587,173	2,629,181	82,593
Total assets	1,658,007	648,221	217,649	14,759	617,439	3,156,075	181,540
DEFERRED OUTFLOWS OF RESOURCES:							
Deferred charges on refunding bonds	888	3,857			7,647	12,392	
Deferred OPEB related items	4,317	1,455	1,315	65	1,398	8,550	1,939
Deferred pension related items	29,907	9,111	5,780	359	12,761	57,918	10,058
Total deferred outflows of resources	35,112	14,423	7,095	424	21,806	78,860	11,997

(continued)

Statement of Net Position
Proprietary Funds
June 30, 2024 (In thousands)(continued)

	Business-type Activities - Enterprise Funds						
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports and Entertainment Venues	Total	Governmental Activities - Internal Service
LIABILITIES							
Current liabilities (payable from current assets):							
Accounts payable	$ 50,585	$ 33,388	$ 6,725	$ 1,339	$ 2,165	$ 94,202	$ 12,106
Wages payable	693	262	137	7	423	1,522	3,111
Interest payable					4,887	4,887	352
Lease payable, current portion	264			49		313	1,114
Subscription payable, current portion	93	23				116	1,840
Other long-term liabilities, current portion							37,924
Long-term debts, current portion	11,136	12,198	894	37	7,006	31,271	1,311
Unearned revenues					223	223	2,733
Deposits	5,158	802	825	838	4,342	11,965	
Interfund payable		344				344	3,010
Total current liabilities (payable from current assets)	67,929	47,017	8,581	2,270	19,046	144,843	63,501
Current liabilities (payable from restricted assets):							
Accounts payable	5,191		605		70	5,866	
Wages payable	219		7			226	
Interest payable	7,131	2,269	795		118	10,313	
Arbitrage rebate liability	954					954	
Long-term debts, current portion	33,407	5,453	623			39,483	
Total current liabilities (payable from restricted assets)	46,902	7,722	2,030		188	56,842	
Total current liabilities	114,831	54,739	10,611	2,270	19,234	201,685	63,501
Noncurrent liabilities:							
Interfund payable, less current portion							
Interest payable, less current portion							
Lease payable, less current portion	2,826			125		2,951	1,224
Subscription payable, less current portion	298	74				372	8,175
Other long-term liabilities, less current portion	2,847					2,847	51,963
Long-term debts, less current portion	640,276	226,628	42,000	34	208,732	1,117,670	2,710
Net OPEB liability	13,800	4,843	3,588	191	4,529	26,951	5,553
Net pension liability	102,420	31,348	18,664	1,268	34,270	187,970	34,208
Provision for decommissioning liability	80,706					80,706	
Total noncurrent liabilities	843,173	262,893	64,252	1,618	247,531	1,419,467	103,833
Total liabilities	958,004	317,632	74,863	3,888	266,765	1,621,152	167,334

(continued)

Statement of Net Position
Proprietary Funds
June 30, 2024 (In thousands)

	Business-type Activities - Enterprise Funds						
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports and Entertainment Venues	Total	Governmental Activities - Internal Service
DEFERRED INFLOWS OF RESOURCES							
Deferred item related to leases	4,466				3,416	7,882	
Regulatory credits	111,560	2,428				113,988	
Regulated business activities	15,801					15,801	
Deferred item on refunding bonds	9,752	1,663	375			11,790	
Deferred OPEB related items	4,993	1,965	1,336	93	1,630	10,017	2,646
Deferred pension related items	3,172	1,832	356	30	346	5,736	1,712
Total deferred inflows of resources	149,744	7,888	2,067	123	5,392	165,214	4,358
NET POSITION							
Net investment in capital assets	433,751	335,219	80,359	11,697	377,095	1,238,121	34,930
Restricted for:							
Debt service	33,683	5,473	625			39,781	
Capital projects	17,602	5,729	12,059			35,390	
Other purposes	25,432					25,432	
Unrestricted	74,903	(9,297)	54,771	(525)	(10,007)	109,845	(13,085)
Total net position	$ 585,371	$ 337,124	$ 147,814	$ 11,172	$ 367,088	1,448,569	$ 21,845
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(15,568)	
Net position of business-type activities						$ 1,433,001	

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, 2024 (In thousands)

	Business-type Activities - Enterprise Funds						
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports and Entertainment Venues	Total	Governmental Activities - Internal Service Funds
Operating revenues:							
Sales of retail and wholesale electricity, net	$ 405,571					$ 405,571	
Transmission revenues	31,968					31,968	
Sales of water, net		$ 95,943				95,943	
Solid waste collection fees			$ 65,237			65,237	
Wastewater fees			17,128			17,128	
Street cleaning fees			3,455			3,455	
Green fees and cart rentals				$ 9,629		9,629	
Facilities rental					$ 42,858	42,858	
Concession fees				3,708	10,201	13,909	
Charges for services				519		519	$ 199,451
Lease revenues	369				2,338	2,707	
Other	4,676	1,488	2,875		307	9,346	508
Total operating revenues	442,584	97,431	88,695	13,856	55,704	698,270	199,959
Operating expenses:							
Cost of purchased power	242,074					242,074	
Cost of purchased water		43,668				43,668	
Treatment and pumping of water		8,778				8,778	
Maintenance, operations and administration	74,723	18,356	76,965	10,923	41,617	222,584	70,408
Insurance premiums and claims							36,948
Compensated absences and other benefits							86,086
Depreciation	50,454	20,726	2,982	996	20,634	95,792	7,964
Total operating expenses	367,251	91,528	79,947	11,919	62,251	612,896	201,406
Operating income (losses)	75,333	5,903	8,748	1,937	(6,547)	85,374	(1,447)
Nonoperating income (expenses):							
Intergovernmental revenues			941			941	
Investment income	14,347	2,695	3,647	59	3,217	23,965	3,369
Interest expense	(22,603)	(8,432)	(1,379)	(8)	(6,857)	(39,279)	(501)
Gain (loss) from disposal of capital assets			7	(1)	2,760	2,766	94
Total nonoperating income (expenses)	(8,256)	(5,737)	3,216	50	(880)	(11,607)	2,962
Income (losses) before contributions and transfers	67,077	166	11,964	1,987	(7,427)	73,767	1,515
Capital contributions	21,196	34,823	22		651	56,692	
Transfers in	507	820	467		15,617	17,411	500
Transfers out	(27,329)	(1,372)	(3,423)		(42,962)	(75,086)	(61)
Change in net position	61,451	34,437	9,030	1,987	(34,121)	72,784	1,954
Net position at beginning of year, as restated	523,920	302,687	138,784	9,185	401,209		19,891
Net position at end of year	$ 585,371	$ 337,124	$ 147,814	$ 11,172	$ 367,088		$ 21,845
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						(321)	
Change in net position of business-type activities						$ 72,463	

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

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2024 (In thousands)

	Business-type Activities - Enterprise Funds						
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports & Entertainment Venues	Total	Governmental Activities - Internal Service Funds
Cash flows from operating activities:							
Receipts from customers and users	$ 444,388	$ 96,732	$ 84,896	$ 13,373	$ 52,705	$ 692,094	
Receipts from interfund services provided	2,952	392	29			3,373	$ 199,451
Receipts from leases	340				2,320	2,660	
Payments to suppliers	(218,433)	(49,164)	(58,674)	(10,366)	(11,707)	(348,344)	(43,001)
Payment of decommissioning costs	(3,570)					(3,570)	
Payments for salaries, wages and other benefits	(60,899)	(18,610)	(11,173)	(554)	(24,528)	(115,764)	(102,706)
Payments for interfund services used	(19,191)	(6,020)	(5,703)	(330)	(5,304)	(36,548)	(5,857)
Payments for insurance premiums and claims							(29,092)
Other receipts			2,790	519		3,309	562
Net cash provided by operating activities	145,587	23,330	12,165	2,642	13,486	197,210	19,357
Cash flows from noncapital financing activities:							
Receipt of grants			941			941	
Receipt of interfund balances	496					496	4,021
Payment of interfund balances		(344)				(344)	(1,504)
Transfers in	507	820	467			1,794	(61)
Transfers out	(27,329)	(1,372)	(3,423)		(42,962)	(75,086)	500
Net cash provided by (used for) noncapital financing activities	(26,326)	(896)	(2,015)		(42,962)	(72,199)	2,956
Cash flows from capital and related financing activities:							
Proceeds from sale of capital assets			17		4,306	4,323	96
Capital contributions	2,853	46,346				49,199	
Capital purchases	(73,602)	(87,245)	(8,477)	(1,925)	(3,418)	(174,667)	(8,930)
Proceeds from draw on Line of Credit		10,380				10,380	
Principal payments on long-term debts	(37,788)	(6,990)	(1,451)	(36)	(6,929)	(53,194)	(1,279)
Principal payment on leases	(269)			(48)		(317)	(1,457)
Principal payment on subscription payable	(133)	(34)				(167)	(2,105)
Interest payments	(29,707)	(9,388)	(1,980)	(9)	(8,168)	(49,252)	(215)
Transfer in for capital purpose					15,617	15,617	
Net cash provided by (used for) capital and related financing activities	(138,646)	(46,931)	(11,891)	(2,018)	1,408	(198,078)	(13,890)
Cash flows from investing activities:							
Purchase of investment securities	(95,917)	(10,868)	(21,008)	(450)	(7,257)	(135,500)	(26,771)
Proceeds from sale and maturity of investment securities	58,685	17,934	18,762	238	28,507	124,126	17,505
Interest received	15,296	1,767	2,719	41	1,817	21,640	2,439
Interest paid							(47)
Net cash provided by (used for) investing activities	(21,936)	8,833	473	(171)	23,067	10,266	(6,874)
Increase (decrease) in cash and cash equivalents	(41,321)	(15,664)	(1,268)	453	(5,001)	(62,801)	1,549
Cash and cash equivalents at beginning of the year	150,445	23,256	24,681	645	10,770	209,797	17,764
Cash and cash equivalents at end of the year	$ 109,124	$ 7,592	$ 23,413	$ 1,098	$ 5,769	$ 146,996	$ 19,313

(continued)

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2024 (In thousands)

	Business-type Activities - Enterprise Funds						
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports & Entertainment Venues	Total	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:							
Operating income (loss)	$ 75,333	$ 5,903	$ 8,748	$ 1,937	$ (6,547)	$ 85,374	$ (1,447)
Adjustment to reconcile operating income (loss)							
to net cash provided by (used for) operating activities:							
Depreciation	50,454	20,726	2,982	996	20,634	95,792	7,964
Cancellation of construction in progress		157	1,017			1,174	
Changes in assets, deferred outflows of resources,							
liabilities, and deferred inflows of resources:							
Accounts receivable	(9,480)	(420)	(1,009)	(127)	1,355	(9,681)	4,779
Inventories	(4,637)	(64)		(10)		(4,711)	(26)
Prepaid and other assets	14,544	96			1	14,641	4,199
Lease receivable	340				924	1,264	
Accounts payable and other accrued liability	9,420	(2,833)	18	(350)	556	6,811	654
Wages and benefits payable	317	(348)	380	33	(479)	(97)	(852)
Unearned revenues					(1)	(1)	156
Deposits	(2,050)	111	29	163	(2,015)	(3,762)	
Compensated absences and self-insurance liabilities							3,930
Other long-term liability	(1,370)					(1,370)	
Provision for decommissioning liabilities	(3,570)					(3,570)	
Deferred inflow related to leases	(369)				(942)	(1,311)	
Deferred outflow related to regulatory credits	16,655	2				16,657	
Total adjustments	70,254	17,427	3,417	705	20,033	111,836	20,804
Net cash provided by operating activities	$ 145,587	$ 23,330	$ 12,165	$ 2,642	$ 13,486	$ 197,210	$ 19,357

(Continued)

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2024 (In thousands)

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Electric Utility	Water Utility	Sanitation Utility	Golf Courses	Convention, Sports & Entertainment Venues	Total	
Schedule of noncash operating, investing, capital and noncapital financing activities:							
Increase in fair value of investments	$ 2,755	$ 790	$ 668	$ 8	$ 1,109	$ 5,330	$ 617
Lease assets financing	701					701	2,002
Capital contributions	154	77	22		651	904	
Increase (decrease) in account receivable related to capital contribution	18,189	(11,600)				6,589	
Increase in deferred inflow of resources - regulated business activity	961					961	
Increase (decrease) in accounts payable related to capital purchases	(3,935)	1,861	45	(357)	185	(2,201)	(195)
Amortization of premium/discounts, deferred charge/gain on refunding bonds, net	(7,492)	(892)	(572)		611	(8,345)	
Decrease in accrued interest payable	(401)	(65)	(29)	(1)	(1,922)	(2,418)	286
Increase in accrued interest receivable	805	138	260	10	291	1,504	341
Reconciliation of cash and cash equivalents:							
Cash and cash equivalents	$ 23,649	$ 4,803	$ 19,916	$ 1,098	$ 5,284	54,750	$ 18,958
Restricted cash and cash equivalents, current portion	22,360	2,789	3,497		485	29,131	355
Restricted cash and cash equivalents, noncurrent portion	63,115					63,115	
Total cash and cash equivalents	$ 109,124	$ 7,592	$ 23,413	$ 1,098	$ 5,769	$ 146,996	$ 19,313

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

Statement of Fiduciary Net Position (Deficit)
Fiduciary Funds
June 30, 2024 (In thousands)

	Successor Agency Private Purpose Trust Fund	Custodial Funds: External Investment Pools	Custodial Funds: Others
ASSETS			
Cash and cash equivalents	$ 39,323	$ 784	$ 8,528
Investments	61	3,025	
Accrued interest receivable	312	38	12
Special assessment receivable			19
Notes receivable, net	780		
Prepaid and other assets	283		
Unamortized prepaid bond insurance	246		
Lease receivable, net	1,313		
Lease land	19,613		
Accumulated depreciation	(2,467)		
Total assets	59,464	3,847	8,559
LIABILITIES			
Accounts payable	67		1
Wages payable	3		
Interest payable	2,657		
Long-term liabilities:			
Other long term liabilities, current portion	17,016		
Lease payable, current portion	444		
Long-term debt, current portion	10,275		
Other long term liabilities, less current potion	22,056		
Lease payable, less current portion	17,926		
Long term debt, less current portion	106,650		
Total liabilities	177,094		1
DEFERRED INFLOWS OF RESOURCES			
Deferred item on refunding bonds	187		
Deferred item related to leases	1,244		
Total deferred outflows of resources	1,431		
NET POSITION			
Restricted for individuals, organizations, and other governments		3,847	8,558
Unrestricted (net deficit) position	(119,061)		
Total net position(deficit)	$ (119,061)	$ 3,847	$ 8,558

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, 2024 (In thousands)

	Successor Agency Private Purpose Trust Fund	Custodial Funds	
		External Investment Pools	Others
ADDITIONS			
Property tax increments	$ 30,276		
Special assessment collections from Community Facility Districts			$ 4,374
Deposits to pooled investments		$ 9,189	
Lease revenues	85		
Deposits			1,108
Donation collections			5
Interest income	2,418	235	375
Total collections on behalf of other individuals, organizations and other governments	32,779	9,424	5,862
DEDUCTIONS			
Salaries and administration	283		57
Program expenses	12,155		
Payments			2,355
Distributions from pool investments		10,251	
Interest payments	4,754		
Depreciation	1,011		
Debt service payments - Community Facilities Districts			2,895
Total deductions	18,203	10,251	5,307
Change in net position	14,576	(827)	555
Net position (deficit) at beginning of year	(133,637)	4,674	8,003
Net position (deficit) at end of year	$ (119,061)	$ 3,847	$ 8,558

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

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 sessions, 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 sessions, 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 19), 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 nonprofit 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, nonprofits, 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 Anaheim Resort Improvements Debt Service Fund accounts for the accumulation of resources for payment of the principal and interest on the lease revenue bonds for the Anaheim Resort Improvements.

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, Anaheim Regional Transportation Intermodal Center (ARTIC) Management Fund, and The City National Grove of Anaheim. See note 20 for further discussions of the Angel Stadium of Anaheim and The City National Grove of Anaheim.

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 majority of 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 judgment 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. Nonoperating 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, 2024, 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 in the amount of $15,090.

Notes receivable

In the government-wide financial statements, notes receivable related to homebuyer mortgage assistance, and affordable housing development financing, totaling $81,312 includes principal balance of $62,688, accrued interest receivable of $21,423, ranging from 3% to 10% interest per annum, and is net of allowances of $2,799 for uncollectible accounts at June 30, 2024. 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.

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.

Leases

Lessor: The City is a lessor for noncancellable 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 in which lease payment requirements are dependent on residual receipts generated from the leasing assets. The City records the residual receipts as inflow of resources when received.

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 assets (lease 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 lease 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 lease 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 remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease 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 lease 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.

Subscription-based information technology arrangements (SBITAs)

Under GASB No. 96, SBITA is an information technology (IT) arrangement that conveys to governments control of the right to use vendor-provided IT 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.

SBITA are noncancellable IT arrangements for a specified period of time. The City recognizes a subscription liability and intangible right-to-use subscription assets in the government-wide financial statements and proprietary fund financial statements.

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

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

- The City uses the interest rate charged by the vendor-provider as the discount rate. When the interest rate charged by the vendor-provider is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for measuring the subscription liability. SBITA payments that change based 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 contract term.
- The subscription term includes the noncancellable period of the IT arrangement.
- Subscription payments included in the measurement of the subscription liability are composed of the original term and the extension options that the City is reasonably certain to exercise. In determining the subscription 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 subscription term if the SBITA is reasonably certain to be extended (or not terminated).

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

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debts on the 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 $20,195 (this amount includes $3,064 deferred loss from refunding bonds and $17,131 payments of future interest resulting from partial defeasance of capital appreciation bonds) in governmental activities and $12,392 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 $29,220 in governmental activities and $8,550 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 $223,191 in governmental activities and $57,918 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	$ 4,000		$ 18,731	$ 22,731
Other revenues	5,147	$ 90	477	5,714
Long-term notes and loans receivable	838	55,790	19,818	76,446
Total	$ 9,985	$ 55,880	$ 39,026	$ 104,891

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	$ 111,560
Water Utility	2,428
Total	$ 113,988

3. Deferred inflow from regulated business activities reported in business-type activities totaled $15,801 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 75 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 $10,695 in governmental activities and $7,882 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 $11,790 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 15 of the notes to the financial statements on pages 111-114 of this report. The City reported $25,944 in governmental activities and $10,017 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 14 of the notes to the financial statements on pages 105-110 of this report. The City reported $6,420 in governmental activities and $5,736 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 2024, the Electric Utility recognized $34,000 in PCA 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.

On May 1, 2024, the PCA rates were $0.0000 adjusted from $0.0150 per kWh for residential, general commercial, industrial, and municipal customers and for large commercial customers. The Electric Utility recorded deferred inflows of resources for regulatory credits related to PCA totaled $54,155. The EMA rates were $0.0005 per kWh for residential, general commercial, industrial, and municipal customers. The deferred inflows of resources recorded for regulatory credits related to EMA totaled $57,405.

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, 2024, the deferred inflows of resources recorded for regulatory credits totaled $2,428 for the Water Utility. During fiscal year 2024, 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. Accrued vacation and sick pay benefits at June 30, 2024, totaled $28,976. Compensated absence of $24,264 is included in the current portion of other long-term liabilities, and $4,712 is included in other long-term liabilities less the current portion in the Statement of Net Position.

Changes in the City's compensated absences liability in fiscal year 2024 were as follows:

Estimated compensated absences liability at beginning of year	$ 26,870
Estimated compensated absence benefits earned	30,706
Compensated absences used	(28,600)
Compensated absences liability at end of year	$ 28,976

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, 2024. 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 balance is $69,405 at June 30, 2024. The Electric Utility currently has assets of $83,681 including accrued interest of $408 in an irrevocable trust for the decommissioning costs. The overfunding amounts of $14,276, recorded in the deferred inflows from regulated business activities at June 30, 2024, 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 2024, the Electric Utility paid $3,548 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, 2024, the Electric Utility has recorded a provision for decommissioning costs for SJ of $5,398 with assets of $5,398 in the City's restricted cash account and an additional $810 in an irrevocable trust for the decommissioning costs. The overfunding amount of $681, recorded in the deferred inflows from regulated business activities at June 30, 2024, 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 $5,903. During fiscal year 2024, the Electric Utility paid $22 related to the CT decommissioning costs.

The Electric Utility had the following asset retirement obligations as of June 30, 2024:

Asset	Obligating Event	Beginning	Additions	Payments	Ending
SONG	Ownership Agreement	$ 69,405	$ 3,548	$ (3,548)	$ 69,405
SJ	Ownership Agreement	5,398			5,398
CT	Ownership	5,925		(22)	5,903
		$ 80,728	$ 3,548	$ (3,570)	$ 80,706

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 14 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 15 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 postretirement 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 postretirement 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 $349,859 of governmental activities restricted net position, of which $80,295 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, 2024, encumbrances totaled $1,137, $39 and $26,552 in the General Fund, Housing Authority Special Revenue Fund, and other nonmajor governmental funds, respectively.

The accumulated deficit fund balances at June 30, 2024 of $697 in the Workforce Development nonmajor Special Revenue Fund, $9,002 in the Streets Construction, and $98 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 accumulated deficit net position at June 30, 2024 of $2,989 in the General Benefits and Insurance Fund, and $2,019 in the Information and Communication Services Fund 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, 2024 of $119,061 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 reappropriated 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, 2024, unbilled but earned service charges recorded in accounts receivable for the Electric Utility, Water Utility, and Sanitation Utility Funds amounted to $28,059, $1,480, and $5,278, 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, 2024:

- Statement No. 99, *Omnibus 2022*. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 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 Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial entity and describes the transaction or other events that

constitute those changes. 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 requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used. This Statement also 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.

Implementation Guide No. 2023-1, *Implementation Guidance Update—2023*. The requirements of this Implementation Guide are effective for financial statements starting with the fiscal year that ends June 30, 2024.

Implementations of Statement No. 99 and Statement No. 100 had no material effect on amounts reported in the City's financial statements.

The City early implemented Statement No. 101 in fiscal year 2024. Implementation of this Statement required the City to re-measure compensated absence liabilities that were earned, accumulated and are more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. In accordance with Statement 100, the requirements of change in accounting principles apply to the implementation of a new pronouncement. Accordingly, the City restated the prior year net position in governmental-activities by reducing the aggregate amount of the estimated additional compensated absence liability. The restatement does not have any effect on net position in business-type activities. Information related to the City's policy on Compensated Absence can be found on note 1 Summary of Significant Accounting Policies on page 75.

The following table provides a reconciliation of net position at June 30, 2023, as previously reported, to net position at June 30, 2023, as restated:

Governmental activities:		
Net position as previously reported at 6/30/2023	$	1,016,720
Adoption of GASB 101		(2,408)
Net position as restated	$	1,014,312

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

- Statement No. 102, *Certain Risk Disclosures*. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date of the financial statements are issued. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2025.

- Statement No. 103, *Financial Reporting Model Improvements*. The Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI), MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statement, (2) Financial Summary, (3) Detailed Analysis, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amount or percentages by which they changed. The Statement also describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Finally, the Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

- Statement No. 104, *Disclosure of Certain Capital Assets*. The Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases,* and intangible right-to-use assets recognized in accordance with Statement No 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital asset note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements,* also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. The Statement also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, 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, 2024:

	Cash and Cash Equivalents	Investments	Restricted Cash and Cash Equivalents	Restricted Investments	Total
Governmental activities:					
General Fund	$ 122,173	$ 105,757	$ 3,978	$ 15,350	247,258
Housing Authority	13,835	53,379	5,064		72,278
Anaheim Resort Improvements			191,759	55,057	246,816
Nonmajor governmental funds	36,120	139,334	27,356	4,999	207,809
Internal service funds	18,958	72,455	355		91,768
Total governmental activities	191,086	370,925	228,512	75,406	865,929
Business-type activities:					
Electric Utility	23,649	91,260	85,475	160,420	360,804
Water Utility	4,803	18,534	2,789	10,682	36,808
Sanitation Utility	19,916	46,127	3,497	10,687	80,227
Golf Courses	1,098	1,218			2,316
Convention, Sports & Entertainment Venues	5,284	19,629	485		25,398
Total business-type activities	54,750	176,768	92,246	181,789	505,553
Government-wide totals	245,836	547,693	320,758	257,195	1,371,482
Fiduciary funds			48,635	3,086	51,721
Total cash and investments	$ 245,836	$ 547,693	$ 369,393	$ 260,281	$ 1,423,203

Deposits and investments are comprised of the following at June 30, 2024:

Deposits	$ 2,651
Investments and cash equivalents	1,420,552
Total deposits and investments	$ 1,423,203

On June 30, 2024, deposits of $2,651 with a corresponding bank balance of $14,473, were maintained in various federally regulated financial institutions. The difference of $11,822 represents deposits in transit, outstanding checks, and other reconciling items. Deposits with bank balances of $1,961 are insured by the Federal Depository Insurance Corporation. For deposits with bank balances totaling $12,512, 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%	20%	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, 2024, 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	$ 475,448	57%
Federal Farm Credit Bank	U.S. agency securities	72,146	9%
Federal National Mortgage Association	U.S. agency securities	43,693	5%
Wells Fargo Government Institution	Money Market Mutual Funds	38,672	5%

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, 2024, the following investments 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	$ 200,502	34%
Dreyfus Treasury	Money market mutual fund	188,269	32%
U.S. Treasury obligations	Treasury securities	76,643	13%
Morgan Stanley	Flexible Repurchase Agreement	41,051	7%
LAIF	Local Agency Investment Fund	36,392	6%

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 the 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, 2024.

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, 2024:

Cash Equivalents & Investments	Credit Rating (Moody's/S&P)	Fair Value 6/30/2024	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	$ 475,448	$ 202,185	$ 74,438	$ 96,120	$ 102,705
U.S. agency securities	Aaa, AA+	179,008	58,659	42,330	23,691	54,328
Medium term notes	Aaa, AA+	24,182	14,662	4,624		4,896
Medium term notes	Aa2, AA	9,770				9,770
Medium term notes	A3, A	19,503	19,503			
Medium term notes	A2, A-	4,624		4,624		
Medium term notes	A1, A-	14,295				14,295
Medium term notes	A1, A+	9,571			9,571	
Medium term notes	A1, AA	9,589			9,589	
Medium term notes	Aa1, A+	5,036			5,036	
Medium term notes	Aa2, A+	10,014		10,014		
Supranationals	Aaa, AAA	20,726		11,557	9,169	
Money market mutual funds	AAA, Aaa	50,471	50,471			
LAIF	Unrated	321	321			
Total cash equivalents & investments controlled by City Treasurer		832,558	345,801	147,587	153,176	185,994
Cash equivalents & investment controlled by bond trustees:						
U.S. treasury obligations	N/A	76,643	54,674	20,826	748	395
U.S. agency securities	AA+.Aaa	17,724	9,789	7,704	231	
Flexible repurchase agreements	Unrated	55,560	41,051	14,509		
Money market mutual funds	Unrated	401,775	401,775			
LAIF	Unrated	36,292	36,292			
Total cash equivalents & investments controlled by bond trustees		587,994	543,581	43,039	979	395
Total cash equivalents & Investments		$ 1,420,552	$ 889,382	$ 190,626	$ 154,155	$ 186,389

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 is 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 is 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, 2024:

		Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets	Significant other Observable Inputs	Not Required to be leveled
Investment by fair value level	6/30/2024	(Level 1)	(Level 2)	
Debt securities:				
U.S. Treasury Obligations	$ 552,091		$ 552,091	
U.S. Agency Securities	196,732		196,732	
Supranational	20,726		20,726	
Medium Term Corporate Notes	106,584		106,584	
LAIF	36,613			$ 36,613
Subtotal	912,746		$ 876,133	$ 36,613
Investments measured at cost-based:				
Flexible repurchase agreements	55,560			
Money Market Mutual Funds	452,246			
Subtotal	507,806			
Total	$ 1,420,552			

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, 2024, are as follows:

	Accounts Receivable	Less Allowance for Uncollectible	Accounts Receivable, Net
Governmental activities:			
General Fund	$ 43,515	$ (5,427)	$ 38,088
Housing Authority	317	(227)	90
Nonmajor governmental funds	2,709		2,709
Internal service funds	2,535	(29)	2,506
Total governmental activities	49,076	(5,683)	43,393
Business-type activities:			
Electric Utility	74,298	(4,163)	70,135
Water Utility	20,366	(693)	19,673
Sanitation Utility	13,248	(1,594)	11,654
Golf Courses	208		208
Convention, Sports & Entertainment Venues	2,975	(118)	2,857
Total business-type activities	111,095	(6,568)	104,527
Total accounts receivable, net	$ 160,171	$ (12,251)	$ 147,920

Due from other governments

Due from other governments for the City's governmental activities at June 30, 2024, are as follows:

	Taxes	Grants	Other	Total
Governmental activities:				
General Fund	$ 20,173	$ 5,398	$ 1,730	$ 27,301
Housing Authority		438		438
Nonmajor governmental funds		31,217	8	31,225
Total due from other governments	$ 20,173	$ 37,053	$ 1,738	$ 58,964

Revenues are reported net of estimated uncollectible amounts. Total uncollectible written-off for the current period are as follows:

General fund	$ 466
Electric Utility	870
Water Utility	80
Sanitation Utility	170
Convention, Sports & Entertainment Venues	78
Total	$ 1,664

Due from the Successor Agency

As of June 30, 2024, the amount due from the Successor Agency is $2,572. 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. 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 ($2,572).

Interfund receivable and payable balances

Net internal balances between governmental activities and business-type activities of $15,387 are included in the government-wide financial statements as of June 30, 2024.

Interfund receivables and payables that are included in the fund financial statements at June 30, 2024, 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		$ 31,015	$ 181	$ 38,621
Nonmajor governmental funds	$ 1,200	1,133	$ 8,248			10,581
Enterprise Funds:						
Water Utility					344	344
Internal Service Funds	3,010					3,010
Total	$ 4,210	$ 8,558	$ 8,248	$ 31,015	$ 525	$ 52,556

All interfund balances at June 30, 2024 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, a $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 10 years at the City of Anaheim Treasury Investment Portfolio earning rate. At June 30, 2024, the balance is $31 million.

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, 2024 is $344.
- The Public Utility and Community Services Departments entered into 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 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, 2024, the balance is $26.
  2. In January 2023, $213 was provided to fund the costs of the security lights with new energy efficient LED lamps and fixtures at the Hasket Library and Boysen Park. Interest rate is 2.69% per annum. Monthly principal and interest payment is $4 payable from unrestricted general fund resources. At June 30, 2024, the balance is $155.

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 fair 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, 2024, 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, 2024:

	Transfer In:									
						Enterprise Funds				
	General Fund	Housing Authority	Anaheim Resort Improvements	Nonmajor governmental funds	Internal Service Funds	Electric Utility	Water Utility	Sanitation Utility	Convention, Sports & Entertainment Venues	Total
Transfer Out:										
General Fund			$ 109,424	$ 14,055	$ 500		$ 800	$ 467	$ 13,734	$ 138,980
Nonmajor governmental funds	$ 8,296	$ 2,655		218					1,883	13,052
Electric Utility	27,329									27,329
Water Utility	900					472				1,372
Sanitation Utility	2,100			1,323						3,423
Convention, Sports and Entertainment Venues	42,962									42,962
Internal Service Funds	6					35	20			61
Total	$ 81,593	$ 2,655	$ 109,424	$ 15,596	$ 500	$ 507	$ 820	$ 467	$ 15,617	$ 227,179

The net transfers between governmental funds and proprietary funds is $57,236 which are primarily operational subsidies from enterprise funds to the General Fund and are offset by debt service subsidies to the Convention, Sports & Entertainment Venues Funds.

The City made the following major transfers during fiscal year ended June 30, 2024:

- Transfer of $109,424 represents Lease Payment Measurement Revenues (LPMR) from the General Fund to the Anaheim Resort Improvements major Debt Service Fund, which is held by the Trustee, see discussion on note 10 of the notes to the financial statements on page 93 of this report.
- Transfer of $13,734 from the General Fund to the Convention, Sports & Entertainment Venues Enterprise Fund for debt services.
- Transfer of $3,218 from the General Fund to the Municipal Facilities nonmajor Debt Service Fund for debt services.

- Transfer of $4,380 from the General Fund to the Other Capital Improvements nonmajor Capital Project Fund for Public Safety 800 Megahertz (MHz) communication debt service ($803); and various neighborhood capital improvement projects ($3,577).
- Transfer of $500 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 $5,000 from the General Fund to the Gas Tax nonmajor Special Revenue Fund for street maintenance projects.
- Transfer of $200 from the General Fund to Water Utility, and $467 to Sanitation Utility per the Settlement Agreement.
- Transfers totaling $1,256 from the General Fund to other nonmajor governmental funds to support nongrant funded expenditures: $827 to Grants, $83 to Gas Tax, $343 to Street Construction, and $3 to Transportation Improvements.
- Transfer of $8,000 from the Other Capital Improvements nonmajor Capital Project Fund to the General Fund to support budget amendments adopted by City Council for Community Services.
- Transfer of $2,655 provided by the HOPWA ($1,155) and CalOptima ($1,500) grant 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 gap financing for the acquisition of the Studio 6 Motel and Finanmore Place Apartment project for the purpose of creating affordable housing opportunities.
- Transfer of $1,883 from the Gas Tax nonmajor Special Revenue Fund to the Convention, Sports & Entertainment Venues Enterprise Fund for debt services related to the ARTIC land acquisition loan as discussed on note 10 of the notes to the financial statements on page 97 of this report.
- Transfer of $42,962 from the Convention, Sports & Entertainment Venues Fund to the General Fund. In June 2024, the City sold the City portion of the Hilton Parking Garage (Garage) air space. This amount represented the net sales proceeds and the City's portion of the Garage's operating cash balance.
- Transfers totaling $1,323 from the Sanitation Utility Fund to the Street Construction nonmajor Capital Project Fund. This amount represented the Sanitation Utility's grant match for the wastewater diversion ($1,264) on Brookhurst North Construction Environmental Cleanup Program (ECP) and the Catch Basin Installation Project ($60). The storm drain and street construction costs of the projects were partially funded by Orange County Transportation Authority (OCTA) grants.
- Transfers of $21,221 from the Electric Utility Enterprise Fund and $2,100 from the Sanitation Utility Enterprise Fund to the General Fund (the General Fund subsequently transferred this $2,100 to the Gas Tax nonmajor Special Revenue Fund per the Settlement Agreement). The transfer is equal to the maximum of 4% of total operating revenues of the current fiscal year.
- Transfer of $6,108 from the Electric Utility Enterprise Fund and $900 from the Water Utility Enterprise Fund to the General Fund (the General Fund subsequently transferred this $900 to the Gas Tax nonmajor Special Revenue Fund per the Settlement Agreement). The amount represents the transfer of 1.5% retail electric revenue and net water revenue of the prior fiscal year.

The net transfer of $57,675 from the business-type activities to governmental activities in the government-wide Statement of Activities consisted of the net transfers described above.

Except for the transfers detailed above, there were no other significant transfers during the fiscal year that were either nonroutine 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, 2024 were valued at $11,270 for governmental activities and $8,087 for business-type activities. The deferred inflow of resources related to these lease receivables of $10,695 and $7,882, respectively, will be recognized as revenues over the term of the leases.

The City's incremental borrowing rate for the lease inception was applied to the leases that do not have specific interest rates for each of the Lease Agreements.

Lease receivables of the governmental activities consist the following:

- Office space and building totaling $504 at the interest rate of 1.75%, annual principal and interest lease payment is $43; the remaining lease terms is August 20, 2037.
- Land leases totaling $10,766 at the interest rate of 1.75%, annual principal and interest lease payment ranges from $129 to $1,159, the remaining lease terms range from December 23, 2023 to March 11, 2076.

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

- Land leases totaling $8,087 at the interest rate of 1.75%; annual principal and interest lease payment ranges from $134 to $1,987, the remaining lease terms range from May 31, 2024 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	$ 7,514	$ 2,707	$ 10,221
Interest revenue	$ 199	$ 150	$ 349

Lease revenues include variable lease revenues not previously measured in lease receivable. The variable portion of the lease revenues include amount collected based on a percentage of the lessees' income on the leasing assets, and the residual receipts of the Housing Authority ground leases. The amount collected of the variable portion during fiscal year 2024 is $6,340 in governmental activities and $839 in business-type activities.

The Fiduciary Fund - Successor Agency leases out its land to a third party. The Successor Agency's lease receivable at June 30, 2024 was valued at $1,313. The deferred inflow of resources related to this lease receivables of $1,244 will be recognized as revenues over the term of the leases.

- Annual principal and interest lease payment ranges from $77 to $114; at the Successor Agency's incremental borrowing rate of 1.75%; the remaining lease term through 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	$ 85
Interest revenue	$ 23

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

As of June 30, 2024, the City has three active Economic Assistance Agreements (Agreements) to developers. These Agreements related to construction 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, 2024, the City has made payments totaling $29,072 for these Agreements.

The economic assistance that the City provides under these three Agreements is 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 2024, the City paid $10,279 for TOT abatements and $348 for sales tax abatement.

In June 2015, the City adopted the Hotel Incentive Program to bring other four-diamond hotels to the City. In accordance with the Hotel Incentive Program, 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. Some of 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.

These Agreements create the desired number of luxury hotel rooms within the City. As such the program was rescinded for future developments in December 2016.

NOTE 7 – CAPITAL ASSETS

Capital asset activities for the year ended June 30, 2024, were as follows:

	Beginning Balance	Additions	Transfer In (Out)	Deletions	Ending Balance
Governmental activities:					
Nondepreciable assets:					
Land	$ 711,219	$ 3,074	$ 200	$ (1)	$ 714,492
Construction in progress	57,339	44,312	(20,707)	(52)	80,892
Total	768,558	47,386	(20,507)	(53)	795,384
Depreciable assets:					
Buildings, structures, and improvements	455,436	1,551			456,987
Machinery and equipment	148,921	8,921	2,376	(8,567)	151,651
Infrastructure	1,001,850	2,022	18,131	(170)	1,021,833
Lease land and buildings	3,244				3,244
Lease equipment	4,078	2,002		(637)	5,443
Subscription assets	29,997	647		(514)	30,130
Total	1,643,526	15,143	$ 20,507	(9,888)	1,669,288
Total assets	2,412,084	62,529		(9,941)	2,464,672
Less accumulated depreciation for:					
Buildings, structures, and improvements	(236,919)	(15,774)			(252,693)
Machinery and equipment	(104,420)	(7,690)		8,562	(103,548)
Infrastructure	(544,151)	(21,367)		169	(565,349)
Lease land and buildings	(258)	(168)			(426)
Lease equipment	(1,873)	(1,264)		637	(2,500)
Subscription assets	(2,156)	(4,528)		226	(6,458)
Total accumulated depreciation	(889,777)	(50,791)		9,594	(930,974)
Total governmental activities capital assets, net	$ 1,522,307	$ 11,738		$ (347)	$ 1,533,698
Business-type activities:					
Nondepreciable assets:					
Land	$ 93,331	$ 584		$ (1)	$ 93,914
Construction in progress	271,313	165,524	$ (212,844)	(1,174)	222,819
Total	364,644	166,108	(212,844)	(1,175)	316,733
Depreciable assets:					
Buildings, structures, and improvements	1,046,911	2,355	7,349	(2,737)	1,053,878
Utility plant	2,214,623	2,054	205,313	(5,680)	2,416,310
Machinery and equipment	54,677	2,853	182	(1,479)	56,233
Lease land	3,200	701			3,901
Lease equipment	837				837
Subscription assets	822				822
Total	3,321,070	7,963	$ 212,844	(9,896)	3,531,981
Total assets	3,685,714	174,071		(11,071)	3,848,714
Less accumulated depreciation for:					
Buildings, structures, and improvements	(401,076)	(20,950)		1,858	(420,168)
Utility plant	(941,358)	(70,724)		5,680	(1,006,402)
Machinery and equipment	(37,665)	(3,609)		802	(40,472)
Lease land	(508)	(288)			(796)
Lease equipment	(203)	(53)			(256)
Subscription assets	(172)	(168)			(340)
Total accumulated depreciation	(1,380,982)	(95,792)		8,340	(1,468,434)
Total business-type activities capital assets, net	$ 2,304,732	$ 78,279		$ (2,731)	$ 2,380,280

Depreciation expense was charged to functions/programs of the City during fiscal year 2024 as follows:

Governmental activities:		
General government	$	84
Police		4,108
Fire		1,736
Housing & Community Development		885
Economic Development		1,224
Planning		56
Public Works		22,045
Community Services		5,616
Convention, Sports and Entertainment		7,073
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets		7,964
Total depreciation expense - governmental activities	$	50,791
Business-type activities:		
Electric Utility	$	50,454
Water Utility		20,726
Sanitation Utility		2,982
Golf Courses		996
Convention, Sports & Entertainment Venues		20,634
Total depreciation expense - business-type activities	$	95,792

Successor Agency

Lease assets for the Successor Agency for the fiscal year ended June 30, 2024 were as follows:

	Beginning Balance	Addition	Deletion	Ending Balance
Lease land	$ 19,613			$ 19,613
Less accumulated depreciation	(1,456)	$ (1,011)		(2,467)
Lease assets, net	$ 18,157	$ (1,011)		$ 17,146

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 cost of insurance, and actuarial loss data for self-funded claims, which includes payments on existing claims, and analysis of reserve development. In addition, the Insurance Fund receives interest income from reserve funds.

At June 30, 2024, 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 commercial insurance and intergovernmental risk pooling (collectively, "Insurance"). Settled claims have not exceeded total Insurance in any of the past three (3) 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, multiyear 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, claims experience and applicable exposure bases.

Changes in claims liability of the Self-Insurance portion 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 2024 and 2023 were as follows:

	2024	2023
Claims liability at beginning of year	$ 59,088	$ 58,519
Current year claims and changes in estimates	18,092	13,388
Claims payments	(16,269)	(12,819)
Claims liability at end of year	$ 60,911	$ 59,088

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 $60,000 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 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, 2024, ACCEL's cash and investments totaled $98,900. 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 claims within its layer of coverage, 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 December 7, 2023, 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 a five-year term with a maturity date of December 6, 2028, at variable interest rates based on 80% of SOFR plus 0.64%. The annual commitment fee is 0.27% of the total note amount of $100,000.

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. During fiscal year 2024, the Water Utility made $10,380 drawdowns for qualifying capital expenditures from the Agreement. The outstanding balance of $10,380 was reported as current liability on the Water Utility's current portion of long-term debts, and will be repaid from bond proceeds from future bond issuances.

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, 2024:

	Beginning Balance	Additions/ Proceeds	Refunded	Reductions/ Payments	Ending Balance	Due Within One Year
Governmental activities:						
Bonds payable:						
City lease revenue	$ 399,212			$ (17,090)	$ 382,122	$ 21,476
Accretion	223,137	$ 16,589		(20,454)	219,272	21,711
Unamortized bond discount/premium, net	23,012			(2,828)	20,184	
Total	645,361	16,589		(40,372)	621,578	43,187
Notes and loans payable from direct borrowing:						
City	11,777			(2,702)	9,075	1,907
Internal Service Funds	5,300			(1,279)	4,021	1,311
Total	17,077			(3,981)	13,096	3,218
Leases (note 12):						
City	2,934			(63)	2,871	43
Internal Service Funds	1,793	2,002		(1,457)	2,338	1,114
Total	4,727	2,002		(1,520)	5,209	1,157
Subscription payable (note 13):						
City	10,141	647		(2,171)	8,617	1,912
Internal Service Funds	12,120			(2,105)	10,015	1,840
Total	22,261	647		(4,276)	18,632	3,752
Governmental activities total	689,426	19,238		(50,149)	658,515	51,314
Business-type activities:						
Bonds payable:						
Electric Utility	$ 679,260			$ (37,755)	$ 641,505	$ 44,510
Water Utility	229,385			(6,990)	222,395	7,271
Sanitation	39,575			(1,430)	38,145	1,495
Convention, Sports, and Entertainment Venues	222,657			(6,926)	215,731	7,003
Unamortized bond discount/premium, net	68,007			(7,956)	60,051	
Total	1,238,884			(61,057)	1,177,827	60,279
Notes and loans payable from direct borrowing:						
Electric Utility	117			(33)	84	33
Sanitation Utility	76			(21)	55	22
Golf Courses	107			(36)	71	37
Convention, Sports, and Entertainment Venues	10			(3)	7	3
Total	310			(93)	217	95
Leases (note 12):						
Electric Utility	2,658	$ 701		(269)	3,090	264
Golf Courses	222			(48)	174	49
Total	2,880	701		(317)	3,264	313
Subscription payable (note 13):						
Electric Utility	524			(133)	391	93
Water Utility	131			(34)	97	23
Total	655			(167)	488	116
Interest payable						
Convention, Sports and Entertainment Venues	3,766			(1,883)	1,883	1,883
Total	3,766			(1,883)	1,883	1,883
Business-type activities total	1,246,495	701		(63,517)	1,183,679	62,686
Government-wide total	$ 1,935,921	$ 19,939		$ (113,666)	$ 1,842,194	$ 114,000

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	A1
1997 C Lease Revenue Bonds	AA	Unrated	A1
2019 Senior Lease Revenue Bonds	A-	A	A2
2021 A Lease Revenue Bonds	A+	Unrated	A1
2021 Working Capital Bonds	A+	Unrated	A1
Electric Revenue Bonds	AA-	AA-	Unrated
Water Revenue Bonds	AA+	AA+	Unrated
Sewer Revenue Bonds	AA+	Unrated	Unrated

GOVERNMENTAL ACTIVITIES:

BONDS PAYABLE

At June 30, 2024, bonds payable consisted of the followings:

	Date Issued	Final Maturity	Range of Interest Rates at Issue Date	Authorized and Issued	Outstanding 6/30/2024
1997 Anaheim Lease Revenue Bonds	2/1/1997	3/1/2037	4.5% - 6.1%	$ 251,182	$ 64,222
Accretion					219,272
2019 A Anaheim Senior Lease Revenue Refunding Bonds	4/30/2019	9/1/2036	5.0% - 5.0%	169,065	156,430
2021 Lease Revenue Refunding Bonds	12/14/2021	7/1/2046	0.9% - 3.3%	23,546	22,715
2021A Lease Revenue Bonds (Working Capital Financing)	6/22/2021	7/1/2051	0.6% - 3.1%	138,755	138,755
Total					601,394
Unamortized bond premium/discounts, net					20,184
Total governmental activities bonds				$ 582,548	$ 621,578

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, 2024, $110,495 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
2025	$ 17,089	$ 29,759	$ 46,848
2026	17,800	30,376	48,176
2027	18,405	31,045	49,450
2028	17,649	31,797	49,446
2029	16,866	32,579	49,445
2030-2034	69,348	177,872	247,220
2035-2039	63,495	59,650	123,145
Total	220,652	393,078	613,730
Unamortized bond premiums	20,184		20,184
Total bonds	$ 240,836	$ 393,078	$ 633,914

Included in interest is $219,272 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
2025	$ 737	$ 652	$ 1,389
2026	748	641	1,389
2027	760	628	1,388
2028	775	612	1,387
2029	791	596	1,387
2030-2034	4,257	2,667	6,924
2035-2039	4,925	1,983	6,908
2040-2044	5,776	1,124	6,900
2045-2050	3,946	196	4,142
Total Bonds	$ 22,715	$ 9,099	$ 31,814

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 impacted by the COVID-19 pandemic for fiscal year 2020-2021 through 2023-2024. The bonds will be repaid from unrestricted general fund revenues. During fiscal year 2024, there was no draw from the bond proceeds.

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 unrestricted general fund revenues as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 3,650	$ 3,644	$ 7,294
2026	3,675	3,615	7,290
2027	3,710	3,576	7,286
2028	3,755	3,527	7,282
2029	3,810	3,468	7,278
2030-2034	20,180	16,166	36,346
2035-2039	22,715	13,544	36,259
2040-2044	26,160	10,032	36,192
2045-2049	30,455	5,656	36,111
2050-2054	20,645	980	21,625
Total	$ 138,755	$ 64,208	$ 202,963

NOTES AND LOANS PAYABLE

Notes and loans payable from direct borrowing contain a provision that in the event of default, the entire outstanding principal amount is due and payable.

Notes and Loan Payable - City

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. 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.

The outstanding balance of the loan at June 30, 2024 was $5,770. 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
2025	$ 835	$ 229	$ 1,064
2026	865	194	1,059
2027	900	157	1,057
2028	930	118	1,048
2029	970	77	1,047
2030-2032	1,270	40	1,310
Total notes and loans	$ 5,770	$ 815	$ 6,585

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, 2024 was $179 .

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. The amount of this financing allocated to governmental activities totaled $6,235. The outstanding balance at June 30, 2024 was $1,685 .

Loan debt service requirements to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 784	$ 31	$ 815
2026	737	17	754
2027	343	3	346
Total notes and loans	$ 1,864	$ 51	$ 1,915

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 $98 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 $118 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, 2024 was $1,471. Loan debt service requirement to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 300	$ 32	$ 332
2026	307	25	332
2027	314	19	333
2028	321	12	333
2029	229	3	232
Total notes and loans	$ 1,471	$ 91	$ 1,562

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, 2024 was $3,991. Total debt services to maturity are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 1,299	$ 87	$ 1,386
2026	1,330	56	1,386
2027	1,362	24	1,386
Total notes and loans	$ 3,991	$ 167	$ 4,158

BUSINESS-TYPE ACTIVITIES:

BONDS PAYABLE

At June 30, 2024, bonds payable consisted of the following:

	Date Issued	Maturity	Range of Interest Rates at Issue Date	Authorized and Issued	Outstanding 6/30/2024
Electric Utility					
2014 Revenue Bonds	10/8/2014	10/1/2025	2.0% - 5.0%	$ 109,350	$ 19,660
2015B Revenue Bonds	10/1/2016	10/1/2035	3.0% - 5.0%	92,865	49,115
2017A Revenue Bonds	12/21/2017	10/1/2028	5.0% - 5.0%	42,955	30,005
2020A Revenue Bonds	3/4/2020	10/1/2050	5.0% - 5.0%	59,215	56,465
2020B Revenue Bonds	3/4/2020	10/1/2034	1.6% - 3.0%	121,795	107,965
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	155,855
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	71,750
2022E Revenue Bonds	7/6/2022	10/1/2030	5.0% - 5.0%	34,095	34,095
Total					641,505
Unamortized bond premiums/discounts, net					43,230
Total Electric Utility					684,735
Water Utility					
2015 Revenue Bonds	4/21/2015	10/1/2040	4.0% - 5.0%	$ 44,725	$ 39,385
2020A Revenue Bonds	3/4/2020	10/1/2025	5.0% - 5.0%	2,680	1,405
2020B Revenue Bonds	3/4/2020	10/1/2038	1.6% - 3.0%	32,445	27,840
2022A Revenue Bonds	4/12/2022	10/1/2052	5.0% - 5.0%	44,955	44,295
2022B Revenue Bonds	4/12/2022	10/1/2049	2.5% - 4.3%	79,260	78,705
2022C Revenue Bonds	4/12/2022	10/1/2040	5.0% - 5.0%	31,600	30,765
Total					222,395
Unamortized bond premiums/discounts, net					11,504
Total Water Utility					233,899
Sanitation Utility					
2018 Revenue Bonds	1/25/2018	2/1/2048	5.0% - 5.0%	$ 45,705	$ 38,145
Unamortized bond premium					5,317
Total Sanitation Utility					43,462
Convention, Sports and Entertainment Venues					
2021 Revenue Bonds					
Bonds	12/15/2021	2/1/2048	0.9% - 3.3%	$ 226,704	$ 215,731
Total Convention, Sports and Entertainment Venues					215,731
Total business-type activities bonds				$ 1,321,329	$ 1,177,827

Bonds Payable - Electric Utility

The City's Electric Utility has pledged future electric revenues, net of certain costs, to repay a total of $884,132 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, 2024, the annual principal, and interest payments on the bonds were 50.00% of net revenues. Principal and interest paid for the current fiscal year and total net revenues were $67,013 and $134,026, 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
2025	$ 44,510	$ 27,517	$ 72,027
2026	46,395	25,629	72,024
2027	43,655	23,645	67,300
2028	45,720	21,576	67,296
2029	47,855	19,456	67,311
2030-2034	236,995	66,487	303,482
2035-2039	81,145	29,724	110,869
2040-2044	41,655	18,778	60,433
2045-2049	35,635	8,346	43,981
2050-2054	17,940	1,469	19,409
Total	641,505	242,627	884,132
Unamortized bond premiums/discounts, net	43,230		43,230
Total bonds	$ 684,735	$ 242,627	$ 927,362

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 $342,890 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, 2024, the annual principal and interest payments on the bonds were 56.97% of net revenues. Principal and interest paid for the current fiscal year and total net revenues were $16,192 and $28,424 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
2025	$ 7,271	$ 8,926	$ 16,197
2026	7,575	8,620	16,195
2027	7,865	8,336	16,201
2028	8,125	8,076	16,201
2029	8,400	7,801	16,201
2030-2034	46,690	34,313	81,003
2035-2039	56,645	24,363	81,008
2040-2044	40,530	13,042	53,572
2045-2049	26,450	5,886	32,336
2050-2054	12,844	1,132	13,976
Total	222,395	120,495	342,890
Unamortized bond premiums/discount, net	11,504		11,504
Total bonds	$ 233,899	$ 120,495	$ 354,394

Bonds Payable – Sanitation Utility

The City's Sanitation Utility has pledged future sanitation system net revenues to pay a total of $58,470 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, 2024, total principal and interest payments on the bonds were 35.62% of net revenues. Total principal and interest paid and total system net revenues for the current fiscal year were $3,409 and $9,570, 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
2025	$ 1,495	$ 1,907	$ 3,402
2026	1,575	1,833	3,408
2027	1,645	1,754	3,399
2028	1,730	1,672	3,402
2029	1,820	1,585	3,405
2030-2034	10,560	6,466	17,026
2035-2039	13,465	3,549	17,014
2040-2044	2,935	1,185	4,120
2045-2049	2,920	374	3,294
Total	38,145	20,325	58,470
Unamortized bond premium	5,317		5,317
Total bonds	$ 43,462	$ 20,325	$ 63,787

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
2025	$ 7,006	$ 6,197	$ 13,203
2026	7,102	6,091	13,193
2027	7,225	5,964	13,188
2028	7,360	5,818	13,180
2029	7,519	5,659	13,177
2030-2034	40,438	25,338	65,777
2035-2039	46,790	18,838	65,628
2040-2044	54,869	10,680	65,549
2045-2049	37,422	1,860	39,281
Total bonds	$ 215,731	$ 86,445	$ 302,176

NOTES AND LOANS PAYABLE

Note Payable – Convention, Sports, and Entertainment

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 May 20, 2025. The City may elect to provide alternative funding from other City funds for transportation related purposes. On June 30, 2024, there was no outstanding balance of the ARTIC loan. Accrued interest payable for the ARTIC loan was $1,883.

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
2025	$ 33	$ 1	$ 34
2026	34	1	35
2027	17		17
Total notes and loans	$ 84	$ 2	$ 86

Sanitation Utility

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 22	$ 1	$ 23
2026	22	1	23
2027	11		11
Total notes and loans	$ 55	$ 2	$ 57

Convention, Sports, & Entertainment Venues

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 3		$ 3
2026	3		3
2027	1		1
Total notes and loans	$ 7		$ 7

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, 2024, the principal loan balance is $17.

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, 2024, the principal loan balance is $22.

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, 2024, the principal loan balance is $32..

Loan debt service to maturity requirements are as follows:

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 37	$ 1	$ 38
2026	28	1	29
2027	6		6
Total notes and loans	$ 71	$ 2	$ 73

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. On June 30, 2024, the arbitrage rebate liability for governmental and business-type activities was zero and $954, 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 2023-2024 gross assessed valuation for taxation purposes of $60,650,221, the City has a debt limit of $2,274,383 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 $2,274,383.

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 RETIREMENTS

Debt Defeased

The City defeased the following bonds prior to June 30, 2024:

	Outstanding 6/30/2024
City	
1997-C APFA Capital Appreciation Bonds	$ 84,270
Water Utility	
2015- A Water Revenue Bonds	39,065
2020- A Water Revenue Bonds	34,305
	$ 157,640

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

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, 2024, were as follows:

	Date Issued	Final Maturity	Amount Issued	Outstanding 6/30/2024
Sage Park Project	11/1/1998	11/1/2028	$ 5,500	$ 5,500
Solara Court Apartments	11/28/2004	12/1/2034	8,200	3,626
Pradera Apartments (Lincoln Anaheim) Phase B	5/15/2009	4/15/2039	23,217	5,151
Crossings at Cherry Orchard Apartments Tranche A	8/23/2012	12/1/2044	9,365	927
Crossings at Cherry Orchard Apartments Tranche B	8/23/2012	12/1/2029	2,985	1,349
Paseo Village Apartments	2/28/2013	9/1/2045	19,750	11,245
Village Center Apartments	8/7/2014	3/1/2047	15,000	13,920
Pebble Cove Apartments Series A	8/19/2015	9/1/2031	13,000	11,443
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	25,003
Miracle Terrace Apartments Series B-1	1/10/2017	2/1/2050	26,555	26,555
Cobblestone Apartments Series A-1	3/14/2017	10/1/2054	6,185	5,776
Sea Wind Apartments Series B-1	3/14/2017	10/1/2054	11,015	10,220
Jamboree Anaheim PSH Apartments Series A	4/30/2020	5/1/2038	12,200	5,264
Hermosa Village Apartments Phase 2 Series A 1-3	10/30/2020	5/1/2038	20,798	13,337
The Salvation Army Anaheim Center of Hope Apts A-1	2/1/2022	2/1/2025	18,000	18,000
The Salvation Army Anaheim Center of Hope Apts A-2	2/1/2022	2/1/2025	850	459
Total			$ 237,198	$ 161,325

FIDUCIARY FUNDS

Successor Agency

The following is a summary of changes in long-term debts for the year ended June 30, 2024:

	Beginning Balance	Additions/ Proceeds	Reductions/ Payments	Ending Balance	Due Within One Year
Bonds payable	$ 116,225		$ (9,405)	$ 106,820	$ 9,905
Premium	9,574		(2,041)	7,533	
Lease payable	18,788		(418)	18,370	444
Due to City of Anaheim	3,666		(1,094)	2,572	370
	$ 148,253		$ (12,958)	$ 135,295	$ 10,719

Bonds Payable

2007 Tax Allocation Refunding Bonds

The Successor Agency will repay a total of $36,977, principal and interest, for the outstanding 2007 tax allocation bonds issued in December 2007 from the semiannual 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, 2024, total principal and interest paid was $3,848.

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
2025	$ 1,990	$ 1,851	$ 3,841
2026	2,130	1,722	3,852
2027	4,270	1,583	5,853
2028	4,550	1,305	5,855
2029	4,850	1,009	5,859
2030-2034	10,665	1,052	11,717
Total bonds	$ 28,455	$ 8,522	$ 36,977

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 $95,258, principal and interest, from the semiannual 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
2025	$ 7,915	$ 3,918	$ 11,833
2026	9,990	3,523	13,513
2027	10,255	3,023	13,278
2028	11,650	2,510	14,160
2029	12,230	1,928	14,158
2030-2033	26,325	1,991	28,316
Total bonds	78,365	16,893	95,258
Unamortized bond premium	7,533		7,533
Total bonds	$ 85,898	$ 16,893	$ 102,791

The Successor Agency will repay a total of $2,952 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, 2024, the outstanding principal due to the City for the Packing House site project obligation was $2,573. Principal and interest paid for the current fiscal year were $481.

Fiscal Year Ending 6/30	Principal	Interest	Total
2025	$ 370	$ 102	$ 472
2026	375	87	462
2027	382	71	453
2028	388	55	443
2029	395	38	433
2030-2035	663	26	689
Total notes and loans	$ 2,573	$ 379	$ 2,952

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, 2024, the City has the following outstanding Mello-Roos special tax bonds:

	Outstanding 6/30/2024
CFD 06-02	$ 5,380
CFD 08-01	45,605
	$ 50,985

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 $6,643 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 $72,687 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, 2024:

	Beginning Balance, as restated	Additions	Reductions/ Payments	Ending Balance	Due Within One Year
Governmental activities:					
Claims liabilities (note 8)	$ 59,088	$ 18,092	$ (16,269)	$ 60,911	$ 13,660
Compensated absences (note 1)	* 26,870	30,706	(28,600)	28,976	24,264
Due to other governments	19,020		(470)	18,550	
Other Postemployment Benefits (OPEB) (note 15)					
Governmental Funds	86,711		(4,346)	82,365	
Internal Service Funds	6,260		(707)	5,553	
Total	92,971		(5,053)	87,918	
Pension (note 14):					
Governmental Funds	697,454	27,769		725,223	
Internal Service Funds	34,185	23		34,208	
Total	731,639	27,792		759,431	
Governmental activities total	929,588	76,590	(50,392)	955,786	37,924
Business-type activities:					
San Juan reclamation liability	4,217		(1,370)	2,847	
Provision for decommissioning liability (note 1)	80,728	3,548	(3,570)	80,706	
Other Postemployment Benefits (OPEB) (note 15)					
Electric Utility	15,052		(1,252)	13,800	
Water Utility	5,558		(715)	4,843	
Sanitation Utility	3,993		(405)	3,588	
Golf Courses	216		(25)	191	
Convention, Sports, and Entertainment Venues	4,932		(403)	4,529	
Total	29,751		(2,800)	26,951	
Pension (note 14)					
Electric Utility	101,160	1,260		102,420	
Water Utility	32,740		(1,392)	31,348	
Sanitation Utility	18,331	333		18,664	
Golf Courses	1,255	13		1,268	
Convention, Sports, and Entertainment Venues	30,703	3,567		34,270	
Total	184,189	5,173	(1,392)	187,970	
Business-type activities total	298,885	8,721	(9,132)	298,474	
Government-wide total	$ 1,228,473	$ 85,311	$ (59,524)	$ 1,254,260	$ 37,924

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 2024, payment of $470 was paid to the County of Orange for the distribution to other taxing entities. The balance of the estimated accrued liability at June 30, 2024 was $18,550.

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 $3,691 including accrued interest of $11 in an irrevocable trust as of June 30, 2024 for reclamation costs and with a reclamation obligation of $2,847. During fiscal year 2024, the Electric Utility paid $1,370 related to San Juan reclamation obligation and transferred amount of the overfunding ($203) 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 $844 at June 30, 2024.

Successor Agency

Other long-term liabilities

The Successor Agency has the following other long-term liabilities at June 30, 2024:

	Beginning Balance	Additions/ Proceeds	Reductions/ Payments	Ending Balance	Within One Year
Notes and loans payable	$ 2,707			$ 2,707	$ 121
Pollution remediation liability	39,904	$ 11,900	$ (15,439)	36,365	16,895
	$ 42,611	$ 11,900	$ (15,439)	$ 39,072	$ 17,016

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.

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 in fiscal years 2015, 2021 and 2023, management identified potential additional pollution remediation costs including ongoing maintenance responsibilities required for the Westgate project amounting to $48,346. In fiscal year 2024, management estimated additional engineering and construction contract costs of $11,900 necessary to complete the pollution remediation project. The Successor Agency paid $15,439 related to the Westgate pollution remediation cost during fiscal year 2024. The pollution remediation liability at June 30, 2024 is estimated to be $36,365.

NOTE 12 – LEASE PAYABLE:

The City is a lessee for noncancellable leases of land, building, and equipment. The City's lease payable at June 30, 2024 were valued at $5,209 for governmental activities and $3,264 for business-type activities.

At June 30, 2024, lease assets, net of accumulated amortization, related to these leases were $5,761 and $3,686 for the governmental and business-type activities respectively. Lease equipment in the Business-type activities included upfront payments by the City of $596 for the leasing of the golf carts. The lease asset balances and the related accumulated amortization are displayed on note 7 on page 89 of the notes to the financial statements.

The City's incremental borrowing rates range from 1.75% to 3.37% were applied for those leases that do have a specific interest rate.

Lease payable of the governmental activities totaling $5,209 consist the following:

- Lease payable for lease building totaling $161, the remaining lease terms are November 30, 2024 and March 31, 2028, Annual principal and interest payment range from $32 to $56.
- Lease payable for lease land totaling $2,854 , the remaining lease terms are April 10, 2027 and January 31, 2065, annual principal and interest payments range from $72 to $140.
- Lease payable for lease equipment totaling $2,194 for the City's computer leases, the remaining lease terms range from June 30, 2024 to May 31, 2028. Annual principal and interest payment ranges from $164 to $1,149.

Lease payable of the business-type activities totaling $3,264 consist the following:

- Lease payable for lease equipment totaling $174 at a rate of 2.77% and the remaining lease terms range from September 30, 2027 to December 31, 2027, annual principal and interest payment ranges from $21 to $54
- Lease payable for lease land totaling $3,090, the remaining lease terms range from March 18, 2024 to April 30, 2046; annual principal and interest payment ranges from $61 to $322.

The future principal and lease payment as of June 30, 2024, were as follows

	Governmental Activities			Business-type Activities		
Fiscal year	Principal	Interest	Total	Principal	Interest	Total
2025	$ 1,157	$ 124	$ 1,280	$ 313	$ 58	$ 371
2026	692	90	782	321	52	373
2027	395	67	462	328	46	374
2028	214	54	268	304	40	344
2029	24	47	71	144	35	179
2030-2034	160	230	390	782	133	915
2035-2039	216	214	430	611	64	675
2040-2044	280	192	472	322	27	349
2045-2049	354	165	519	139	2	141
2050-2054	441	131	572			
Thereafter	1,276	125	1,401			
Total	**$ 5,209**	**$ 1,439**	**$ 6,648**	**$ 3,264**	**$ 457**	**$ 3,721**

The Fiduciary Fund - Successor Agency is a lessee for noncancellable leases of land. Lease payable at June 30, 2024 was $18,370. The Successor Agency recorded the lease land of $19,613 with an accumulated amortization of $2,467, and the lease payable on the Statement of Fiduciary Fund net position. The applied interest rate for the leases was 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 payment as of June 30, 2024 were as follows:

	Fiduciary Fund		
Fiscal year	Principal	Interest	Total
2025	$ 444	$ 316	$ 760
2026	452	308	760
2027	478	300	778
2028	516	292	808
2029	529	283	812
2030-2034	3,071	1,263	4,334
2035-2039	3,801	967	4,768
2040-2044	1,909	674	2,583
2045-2049	597	606	1,203
2050-2054	771	547	1,318
Thereafter	5,803	1,387	7,190
Total	$ 18,370	$ 6,943	$ 25,314

NOTE 13 – SUBSCRIPTION PAYABLE:

The City entered into various subscription-based information technology arrangements (SBITAs) with various technology providers for the noncancellable right to use the underlying IT assets. The City's subscription payable at June 30, 2024 were valued at $18,632 for governmental activities and $488 for business-type activities.

At June 30, 2024, subscription assets, net of accumulated amortization, related to these SBITAs were $23,672 and $482 for the governmental and business-type activities, respectively. The subscription assets of the governmental activities included implementation costs paid by the City in the amount of $3,365 related to the Enterprise Resource Planning (ERP) cloud-based subscription. The subscription asset balances and the related accumulated amortization are displayed on note 7 on page 89 of the notes to the financial statements.

The City's incremental borrowing rate ranging from 2.02% to 3.67% was applied to those SBITAs that do not have a specific interest rate at implementation. The rates at the subscription inception were used to the new SBITAs added during the year.

- Subscription payable in the governmental activities totaling $18,632, were applied at the interest rates range from 2.02% to 3.67%, the remaining subscription terms range from July 31, 2024 to June 30, 2031, annual principal and interest payment ranges from $1,386 to $4,410.

- Subscription payable of the business-type activities totaling $488, were applied at the interest rate of 2.02%, the remaining subscription terms range from April 14, 2024 to July 31, 2028, annual principal and interest payment ranges from $10 to $124.

The future principal and interest subscription payments as of June 30, 2024, were as follows:

	Governmental Activities			Business-type Activities		
Fiscal year	Principal	Interest	Total	Principal	Interest	Total
2025	$ 3,752	$ 554	$ 4,306	$ 116	$ 9	$ 125
2026	3,778	449	4,227	118	6	124
2027	3,096	345	3,441	121	4	125
2028	2,716	252	2,968	123	2	125
2029	2,651	170	2,821	10		10
2030-2034	2,639	133	2,772			
Total	$ 18,632	$ 1,903	$ 20,535	$ 488	$ 21	$ 509

NOTE 14 – 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 at 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 nonduty 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, 2024 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%	8.00%
Required employer contribution rates	13.07%	13.07%

	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	26.65%	26.65%

	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	20.87%	20.87%

Employees Covered

As of the June 30, 2023 actuarial valuation, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Police Safety	Fire Safety
Retired employees or beneficiaries currently receiving benefits	2,397	666	332
Separated / transferred employees entitled to but not yet receiving benefits	2,031	93	80
Active employees	1,739	412	218
Total	6,167	1,171	630

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 2024. 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 2024 UAL Contribution[3]
Miscellaneous Employees									$ 38,400
Management; confidential (AFSCME)	Classic	2.7% @ 55	8.00%	4.00%	9.07%	12.00%	9.07%	21.07%	
Anaheim Municipal Employees Association (AMEA)	New	2% @ 62	8.00%	0.00%	13.07%	8.00%	13.07%	21.07%	
International Brotherhood of Electrical Workers (IBEW)									
Anaheim Police Association Trainees									
Unrepresented Management									
Safety - Fire Employees									$ 11,216
Fire Management	Classic	3% @ 50	9.00%	3.00%	17.87%	12.00%	17.87%	29.87%	
Anaheim Fire Association (AFA)	Classic	2% @ 50	9.00%	3.00%	17.87%	12.00%	17.87%	29.87%	
	New	2.7% @ 57	12.00%	0.00%	20.87%	12.00%	20.87%	32.87%	
Safety - Police Employees									$ 20,311
Police Management	Classic	3% @ 50	9.00%	3.00%	23.65%	12.00%	23.65%	35.65%	
Anaheim Police Management Association (APMA)	New	2.7% @ 57	13.50%	0.00%	26.65%	13.50%	26.65%	40.15%	
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, 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, 2023. Liabilities are based on the results of the actuarial valuations performed as of June 30, 2022 and were rolled forward to determine the June 30, 2023 total pension liability. Fiduciary net position is based on fair value of investments as of June 30, 2023.

<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, 2022
Measurement Date (MD)	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023
Reporting Date (RD)	June 30, 2024
Actuarial Cost Method	Entry Age Normal Actuarial Cost Method
Asset Valuation Method	Fair Value of Assets
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
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
Mortality Rate Table	Derived using CalPERS' membership data for all funds. The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporates full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.
Postretirement Benefits Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.30% thereafter.

<u>Change of Assumptions</u>

There was no change of assumption for the measurement year.

<u>Discount Rate</u>

The discount rate used to measure the total pension liability was 6.90%. 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. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

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

Asset Class[1]	Current Target Allocation	Real Return [1 2]
Global Equity - Cap-weighted	30.00 %	4.54 %
Global Equity - Non-cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Prive Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
	100.00	

[1] An expected inflation of 2.3% used for this period.
[2] Figures are based on the 2021 Asset Liability Management study.

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 (EARSL) 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, 2022 (VD)	$ 1,644,875	$ 1,183,393	$ 461,482
Changes recognized for the Measurement Period:			
Service Cost	24,756		24,756
Interest on Total Pension Liability	112,407		112,407
Changes of Assumptions			
Difference between Expected and Actual Experience	17,025		17,025
Contribution from Employer		55,621	(55,621)
Contributions from Employees		9,995	(9,995)
Net Investment Income		73,187	(73,187)
Benefit Payments, including Refunds of Employee Contributions	(90,383)	(90,383)	
Administrative Expenses		(870)	870
Net Changes	63,805	47,550	16,255
Balance at June 30, 2023 (MD)	$ 1,708,680	$ 1,230,943	$ 477,737

Police Safety Plan:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2022 (VD)	$ 967,948	$ 675,686	$ 292,262
Changes recognized for the Measurement Period:			
Service Cost	19,525		19,525
Interest on Total Pension Liability	66,075		66,075
Changes of Assumptions			
Difference between Expected and Actual Experience	5,166		5,166
Contributions from Employer		34,015	(34,015)
Contributions from Employees		6,058	(6,058)
Net Investment Income		41,894	(41,894)
Benefit Payments, including Refunds of Employee Contributions	(50,524)	(50,524)	
Administrative Expenses		(497)	497
Net Changes	40,242	30,946	9,296
Balance at June 30, 2023 (MD)	$ 1,008,190	$ 706,632	$ 301,558

Fire Safety Plan:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2022 (VD)	$ 518,707	$ 356,623	$ 162,084
Changes recognized for the Measurement Period:			
Service Cost	8,513		8,513
Interest on Total Pension Liability	35,388		35,388
Changes of Assumptions			
Difference between Expected and Actual Experience	4,470		4,470
Contributions from Employer		17,530	(17,530)
Contributions from Employees		3,122	(3,122)
Net Investment Income		21,959	(21,959)
Benefit Payments, including Refunds of Employee Contributions	(29,171)	(29,171)	
Administrative Expenses		(262)	262
Net Changes	19,200	13,178	6,022
Balance at June 30, 2023 (MD)	$ 537,907	$ 369,801	$ 168,106

Combined Total:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (c) = (a) - (b)
Balance at June 30, 2022 (VD)	$ 3,131,530	$ 2,215,702	$ 915,828
Changes recognized for the Measurement Period:			
Service Cost	52,794		52,794
Interest on Total Pension Liability	213,870		213,870
Changes of Assumptions			
Difference between Expected and Actual Experience	26,661		26,661
Contribution from the Employer		107,166	(107,166)
Contributions from Employees		19,175	(19,175)
Net Investment Income		137,040	(137,040)
Benefit Payments, including Refunds of Employee Contributions	(170,078)	(170,078)	
Administrative Expenses		(1,629)	1,629
Net Changes	123,247	91,674	31,573
Balance at June 30, 2023 (MD)	$ 3,254,777	$ 2,307,376	$ 947,401

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 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

Plans' Net Pension Liability	Discount Rate - 1% (5.90%)	Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Miscellaneous	$ 699,372	$ 477,737	$ 294,763
Police Safety	437,467	301,558	190,219
Fire Safety	237,600	168,106	110,709
Combine total	$ 1,374,439	$ 947,401	$ 595,691

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, 2024, the City recognized pension expenses of $148,258, which included $71,679 from the Miscellaneous Plan, $50,585 from the Police Safety Plan, and $25,994 from the Fire Safety Plan.

At June 30, 2024, 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	$ 57,279	
Changes of Assumptions	14,674	
Difference between Expected and Actual Experiences	11,350	$ 4,820
Net difference between projected and actual earnings on plan investments	55,800	
Change in proportions	5,206	5,206
Total	$ 144,309	$ 10,026

Police Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 36,900	
Changes of Assumptions	15,887	
Difference between Expected and Actual Experiences	4,481	$ 1,413
Net difference between projected and actual earnings on plan investments	32,042	
Total	$ 89,310	$ 1,413

Fire Safety Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 18,138	
Changes of Assumptions	7,910	
Difference between Expected and Actual Experiences	4,464	$ 717
Net difference between projected and actual earnings on plan investments	16,978	
Total	$ 47,490	$ 717

Combined Total	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 112,317	
Changes of Assumptions	38,471	
Difference between Expected and Actual Experiences	20,295	$ 6,950
Net difference between projected and actual earnings on plan investments	104,820	
Change in proportions	5,206	5,206
Total	$ 281,109	$ 12,156

The combined total $112,317 ($57,279 from the Miscellaneous Plan, $36,900 from the Police Safety Plan and $18,138 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
2025	$ 25,332	$ 16,321	$ 8,019	$ 49,672
2026	11,034	10,551	5,746	27,331
2027	39,142	23,258	13,737	76,137
2028	1,496	867	1,133	3,496
	$ 77,004	$ 50,997	$ 28,635	$ 156,636

NOTE 15 – 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 at 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]
Council, Management - Unrepresented AFSCME[2] AMEA[3]	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
[2] American Federation of State, County, and Municipal Employees
[3] Anaheim Municipal Employee Associations

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, 2023 actuarial valuation, the following employees were covered by the benefit terms of the OPEB Plan:

Inactive employees or beneficiaries currently receiving benefit payments	1,337
Inactive employees entitled to but not yet receiving benefit payments	104
Active employees	1,807
Total	3,248

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, 2024 is 11 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, 2024, the City contributed $15,215, an excess of $7 of the required ADC of $15,208 to the OPEB plan. This amount included insurance premiums of $18,332, implicit subsidy of $2,927, offset by retiree contributions of $6,044.

Net OPEB Liability

The City's OPEB liability was measured as of June 30, 2023, 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, 2023
Measurement Date (MD)	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023
Reporting Date (RD)	June 30, 2024
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: 45% 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. 25% of retirees under age 70 and eligible for benefits but currently waiving coverage are assumed to rejoin the plan. 20% of retirees under age 70 eligible for paid dental benefits are assumed to reenroll. Retirees age 70 and older waiving coverage and eligible for coverage are assumed never to enroll.
Demographic	Based on the 2021 experience study of the CalPERS using data from 1997 to 2019, except for a different basis used to project future mortality improvements. The representative mortality rates were those published by CalPERS rates.
Mortality Improvement	Macleod Watts Scale 2022 applied generationally from 2017.
Healthcare Trend	Medical plan premiums and claims costs by age are assumed to increase once each year. Assumed to start at 5.60% in 2024 and grade down to 3.9% per year by year 2076 and later. This model was developed using the Getzen Model 2024-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 4% 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, 2023 actuarial valuation had the following changes since the prior valuation:

Demographic	Updated from those in the 2017 CalPERS experience study to those recommended in the CalPERS 2021 Experience Study report issued in November 2021.
Healthcare Trend	Updated the base healthcare trend scale from Getzen Model 2022_b to Getzen Model 2023_b, as published by the Society of Actuaries.
Medicare Part B Increases	Assumed increases in Medicare Part B premiums were changed from 5.00% to 4.00% per year.

Participation Rate	The following changes were made following a review of recent retiree elections: Active employees eligible for City-paid retiree dental benefits: the percentage expected to enroll for retiree dental coverage was decreased from 90% to 85%. Retired employees waiving coverage: The reenrollment rate for those retirees currently waiving coverage was decreased for retirees under age 70, (a) for medical coverage, from 35% to 25%, and (b) for dental coverage, from 36% to 20%.

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 6-20.

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%

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 is 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 06/30/2022	$ 230,645	$ 107,923	$ 122,722
Changes for the year:			
Service cost	1,461		1,461
Interest on Total OPEB Liability	13,491		13,491
Expected investment income		6,482	(6,482)
Changes of Assumptions	4,109		4,109
Differences between Expected and Actual Experience	(5,249)		(5,249)
Contributions - Employer		14,764	(14,764)
Investment experience		451	(451)
Benefit payments	(14,519)	(14,519)	
Trust administrative expense		(32)	32
Net Change	(707)	7,146	(7,853)
Balance at 06/30/2023	$ 229,938	$ 115,069	$ 114,869

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	$ 140,095	$ 114,869	$ 93,660

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 healthcare cost trend rates assumed to start at 6.50% and grade down to 3.9% for years 2075 and thereafter. The impact of 1 percentage-point lower or 1 percentage point higher than the current rate:

	1% Decrease 5.50%	Current Trend Rate 6.50%	1% Increase 7.50%
Net OPEB Liability	$ 93,595	$ 114,869	$ 139,923

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, 2024, the City recognized OPEB expense of $1,472. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	$ 15,215	
Changes of Assumptions	12,308	$ 1,477
Difference between Expected and Actual Experiences		30,811
Net difference between projected and actual earnings on plan investments	6,574	
Change in proportion	3,673	3,673
Total	$ 37,770	$ 35,961

$15,215 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	
2025	$ (7,226)
2026	(4,871)
2027	(8)
2028	(1,044)
2029	(176)
Thereafter	(81)
Total	$ (13,406)

NOTE 16 – 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	$ 15,720
Investments	29,933
Other current assets	2,571
Restricted cash & cash equivalents	3,497
Restricted investments	10,687
Capital assets, net	120,959
Total assets	183,367
Deferred outflows of resources	2,890
Liabilities	
Current liabilities	2,051
Long-term debt due within one year	894
Current liabilities payable from restricted assets	1,407
Long-term debt due within one year payable from restricted assets	623
Long-term debt less current portion	42,000
Other long-term liabilities	9,955
Total liabilities	56,930
Deferred inflows of resources	1,269
Net Position	
Net investment in capital assets	76,146
Restricted for debt services	625
Restricted for capital projects	12,059
Unrestricted	39,228
Total net position	$ 128,058

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

Waste water fees (pledged against bonds)	$ 17,128
Other revenues	341
Depreciation and amortization	(2,622)
Other operating expenses	(10,397)
Total operating income	4,450
Nonoperating income(expenses)	
Investment income	2,839
Interest expense	(1,379)
Loss on retirement of capital assets	(11)
Capital contribution	22
Transfer in	100
Transfer out	(1,773)
Total nonoperating expenses	(202)
Change in net position	4,248
Net position at beginning of year	123,810
Net position at end of year	$ 128,058

Condensed Statement of Cash Flows

Net cash provided (used for) by:	
Operating activities	$ 7,581
Noncapital financing activities	(1,673)
Capital and related financing activities	(9,518)
Investing activities	1,600
Net decrease	(2,010)
Beginning cash and cash equivalents	21,227
Ending cash and cash equivalents	$ 19,217
Reconciliation of cash and cash equivalent	
Cash and cash equivalent	$ 15,720
Restricted cash and cash equivalent	3,497
Total cash and cash equivalent	$ 19,217

NOTE 17 – 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.

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 18 – 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, 2024 was 0% - 3% 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 $5,542 for the fiscal year ended on June 30, 2024. The accumulated assets of the RHS are not required to be reported in the accompanying basic financial statements.

NOTE 19 – 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, 2024, was as follows:

Total assets	$	342
Total liability		23
Members' equity		319
Total revenues		111
Total expenses		100
Change in net position		11

Hazmat does not have any debt outstanding as of June 30, 2024.

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, 2024, was as follows:

Total assets	$	4,247
Total liability		1,746
Members' equity		2,501
Total revenues		7,905
Total expenses		7,350
Change in net position		555

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, 2024, was as follows:

Total assets	$	3,998
Total liability		176
Members' equity		3,822
Total revenues		1,524
Total expenses		1,349
Change in net position		175

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 of 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 (SJ) 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. As of June 30, 2024, the Electric Utility has recorded a provision for reclamation costs for SJ of $2,847. The Electric Utility has $3,681 in an irrevocable trust as of June 30, 2024, for the reclamation costs for the SJ Unit with excess funding of $834 which included $11 of accrued interest recorded in deferred inflow of resources related to the regulated business activities for the benefits of utility rate papers.

NOTE 20 – 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	13.225%	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:		
Southern 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
2025	$ 5,204	$ 5,976	$ 7,397	$ 3,299	$ 19,422	$ 41,298
2026	5,204	6,808	7,457	3,054	20,240	42,763
2027	8,352	7,673	7,524	2,831	18,007	44,387
2028	5,382	7,425	7,594	2,624	17,926	40,951
2029			7,665	2,441	19,311	29,417
2030-2034			39,523	8,061	96,412	143,996
2035-2039			30,302		94,546	124,848
2040-2044					38,607	38,607
	$ 24,142	$ 27,882	$ 107,462	$ 22,310	$ 324,471	$ 506,267

The fiscal year 2024 expenses for fuel, O&M, A&G and other costs at these projects were as follows:

	Fiscal Year Ending 6/302024
IPA	$ 37,211
STS	6,615
MAP	195
MPP	356
Magnolia	33,849
Natural Gas	594
Canyon	15,631
Total	$ 94,451

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 $13,326 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. As of June

30, 2024, the value of prepaid Cap and Trade allowance is $20,755 and the value of the Cap and Trade obligation is $7,308.

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. 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.

On June 29, 2023, an amendment and restatement was signed to extend the initial term of the facility management agreement from June 30, 2048, to June 30, 2053. In addition, the agreement reduces the number of optional term extensions from five (5) additional periods of sixty (60) calendar months to four (4) additional periods of sixty (60) calendar months. The amended and restated agreement increases the excess general liability insurance policy coverage from $60 million as of August 15, 2043, to $70 million as of August 15, 2053. The Manager is also required to operate the Facility in accordance with the 2023 Facility Financing document.

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 at any time, without cause, to be effective no later than December 31, 2020. The Team did not provide notice to terminate, therefore, the term of the agreement will continue in full effect through December 31, 2029. Thereafter, and so long as the Team is not then in default under the Agreement. The Team has the right and option to extend the term for up to three (3) additional periods of three (3) years each.

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. A fifth amendment extended the agreement through December 31, 2023, which included the City's sole right to extend it through December 31, 2024. The City sent the extension letters to Nederlander exercising the right on July 25, 2023, extending the agreement through 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, 2024, Nederlander paid the City $250 for parking license fees.

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 underutilized 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, 2024, 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, 2024, 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 is a County public works project with a maximum construction amount of $35 million of which the County funded $7.2 million and contributed the land at no cost. The remaining $27.3 million of the maximum construction amount is 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 2024, the City paid $777 with an estimated committed balance of $1,544.

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 extend the funding termination to January 31, 2023 and approve a funding reimbursement amount of $11 million for the period from February 1, 2021 through January 31, 2023. On February 1, 2023, the City approved the Second Amendment extending the contract term through June 30, 2023. On June 30, 2023, the City approved the Third Amendment extending the terms by an additional twelve (12) months through June 30, 2024, and approved an additional funding reimbursement amount up to $6,768 to the total Agreement up to a maximum of $17,768. The City paid $5,998 for the fiscal year ended June 30, 2024.

On April 22, 2020, the City entered into an Agreement for the Homeless Shelter Expansion (Expansion Agreement) with the Salvation Army to obtain additional temporary shelter capacity. The City fully reimbursed 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 Expansion was completed in fiscal year 2021. Additionally, the City fully reimbursed the Salvation Army for its costs actually incurred in operating the Expansion up to $1,726 annually. On September 21, 2023, the City approved the First Amendment to the Expansion Agreement by two years beginning on the commencement date with three successive one-year renewal periods. The Amendment also increased the reimbursable operating costs to $2,432 annually. For the fiscal year ended June 30, 2024, the City paid $2,278.

In June 2020, the State of California established the Homeless Housing Assistance, and Prevention Program Round 2 (HHAP-2), and in 2021 round 3. The City was awarded HHAP-2 and HHAP-3 grant funds for use in the City to address homelessness in order to achieve maximum impact. On January 1, 2024, the City entered into a Community Care Response Team (CCRT) Homeless Housing, Assistance and Prevention Program Subrecipient Agreement ("Agreement") with Kingdom Causes, Inc, doing business as City Net (Subrecipient) to receive a subgrant provided by the State of California and perform the scope of work of the grant program. The term of the Agreement began on January 1, 2024 and shall terminate on December 31, 2025 at a total reimbursable amount not to exceed $8,355. The City paid $1,694 during fiscal year 2024 with a committed balance of $6,661.

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, 2024, 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 Year
15KV Outdoor Metal Clad Switchgear	$ 3,186	2024
Anaheim West Tower HVAC Rehabilitation Project	979	2024
Center Street Parking Structure Elevator Modernization	926	2024
City Hall Elevators Modernization	1,237	2025
Dupont Drive Rehabilitation Loops S/O Orangewood Avenue	575	2024
Edwards Utilities Center EV Charging Stations - Design Build	1,970	2024
Electric Line Extension (Wanda Circuit)	2,319	2024
Euclid Street Improvement Project from Crescent Avenue to Glenoaks Street	879	2024
Groundwater Treatment Plants Phase A	2,091	2025
Groundwater Treatment Plants Phase B	7,433	2025
Knott Ave Rehabilitation	1,349	2024
La Palma Avenue and East Street Sanitary Sewer Improvement	1,777	2025
LED Street Light Improvement Project Design-Build	2,859	2024
Lincoln Avenue Street Widening from East Street to Evergreen	12,380	2025
Orangewood Ave Improvement from State College Boulevard to Santa Ana River	2,847	2024
Overhead Electric Reliability Improvement	7,009	2024
Overhead Electric System Inspection Services	4,623	2025
Perimeter Wall and Gate Upgrade Katella Substation	2,273	2024
Perimeter Wall and Gate Upgrade Project for Edwards Utilities Center	2,510	2024
Residential Street Improvement Project Peary & Avenida Group 16	4,685	2025
Sharp Substation Transformer & Switchgear Upgrade - Design-Build	1,209	2025
Sustainability Education Center Project	7,687	2025
Transformers	20,631	2024
Transmission & Distribution Wood Pole Replacement	2,328	2025
Underground District No. 65 Phase 2 SA Canyon Rd	1,309	2024
Underground District No. 67 Sycamore Street	1,068	2024
Underground District No. 68 Eucalyptus Drive	19,275	2025
Underground District No. 69 Nutwood & Cerritos	16,412	2025
Underground Reliability Improvement Project Peralta Hills	2,775	2024
Underground Reliability Improvement Project Phase 3	774	2024
Vehicle Acquisitions	20,679	2024
Water Main Replacement La Palma Avenue & Tustin Avenue	1,409	2025
	$ 159,463	

NOTE 21 – SUBSEQUENT EVENTS

On August 20, 2024, the Electric Utility issued Anaheim Housing and Public Improvements Authority Revenue Refunding Bonds, Series 2024-A (Electric Utility Distribution System Refunding), in the principal amount of $109,380 and at a premium of $12,360 for a total of $121,740. The true interest cost is 3.38%. The bonds will mature serially from October 1, 2025, through 2039 in annual principal installments ranging from $405 to $20,845. The total debt service to maturity is $152,842. The proceeds from the bonds will be used to refund a portion of the remaining outstanding balances of the 2015-B, 2020-B, 2020-C, 2022-D bonds and to pay the cost of issuance of the 2024-A bonds. The Electric Utility reduced the total debt service payment of the refunded bonds by $24,167 with a net present value saving of $18,188.

On August 1, 2024, the Anaheim Housing and Public Improvements Authority issued $65,000 Water Revenues Bonds, Series 2024-A at par, Variable Rate Demand Bonds, Second Lien Qualified Obligations, for the purpose of financing the acquisition and construction of certain capital improvements to the water system, and to pay the cost of issuance of the bonds. On August 1, 2024, a portion of the bond proceeds were used to repay the $10,380 of borrowed principal on the Revolving Credit Agreement with Wells Fargo Bank.

REQUIRED SUPPLEMENTARY INFORMATION

ANAHEIM, CALIFORNIA

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

(In thousands)

Measurement Period:	Miscellaneous 2022-2023	Police Safety 2022-2023	Fire Safety 2022-2023	Total 2022-2023	Miscellaneous 2021-2022	Police Safety 2021-2022	Fire Safety 2021-2022	Total 2021-2022
TOTAL PENSION LIABILITY								
Service cost	$ 24,756	$ 19,525	$ 8,513	$ 52,794	$ 23,628	$ 19,460	$ 8,115	$ 51,203
Interest on the Total Pension Liability	112,407	66,075	35,388	213,870	108,220	63,365	34,121	205,706
Changes of Assumptions[1]					47,281	34,577	14,788	96,646
Difference between Expected and Actual Experience	17,025	5,166	4,470	26,661	(13,322)	(3,076)	(1,340)	(17,738)
Benefit Payments, including Refunds of Employee Contributions	(90,383)	(50,524)	(29,171)	(170,078)	(87,125)	(46,959)	(27,945)	(162,029)
Net Change in Total Pension Liability	63,805	40,242	19,200	123,247	78,682	67,367	27,739	173,788
Total Pension Liability - Beginning	1,644,875	967,948	518,707	3,131,530	1,566,193	900,581	490,968	$ 2,957,742
Total Pension Liability - Ending (a)	$ 1,708,680	$ 1,008,190	$ 537,907	$ 3,254,777	$ 1,644,875	$ 967,948	$ 518,707	$ 3,131,530
PLAN FIDUCIARY NET POSITION								
Contributions - Employer	$ 55,621	$ 34,015	$ 17,530	$ 107,166	$ 51,643	$ 31,090	$ 15,990	$ 98,723
Contributions - Employees	9,995	6,058	3,122	19,175	9,681	5,482	2,823	17,986
Net Investment Income	73,187	41,894	21,959	137,040	(98,954)	(56,217)	(29,918)	(185,089)
Benefit Payments, including Refunds of Employee Contributions	(90,383)	(50,524)	(29,171)	(170,078)	(87,125)	(46,959)	(27,945)	(162,029)
Administrative Expense	(870)	(497)	(262)	(1,629)	(815)	(463)	(247)	(1,525)
Other Miscellaneous Income (Expense)[2]								
Net Change in Fiduciary Net Position	47,550	30,946	13,178	91,674	(125,570)	(67,067)	(39,297)	(231,934)
Plan Fiduciary Net Position - Beginning[3]	1,183,393	675,686	356,623	2,215,702	1,308,963	742,753	395,920	2,447,636
Plan Fiduciary Net Position - Ending (b)	1,230,943	706,632	369,801	2,307,376	1,183,393	675,686	356,623	2,215,702
Plan Net Pension Liability (Asset) - Ending (a) - (b)	$ 477,737	$ 301,558	$ 168,106	$ 947,401	$ 461,482	$ 292,262	$ 162,084	$ 915,828
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	72.04%	70.09%	68.75%	70.89%	71.94%	69.81%	68.75%	70.75%
Covered Payroll[4]	$ 123,041	$ 55,015	$ 28,916	$ 206,972	$ 114,862	$ 54,341	$ 27,132	$ 196,335
Plan Net Pension Liability (Asset) as a Percentage of Covered Payroll	388.27%	548.14%	581.36%	457.74%	401.77%	537.83%	597.39%	466.46%

Notes:

[1] Effective with the June 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns of all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) return over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

[2] 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).

[3] Includes any beginning of year adjustment.

[4] Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended June 30, 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended June 30, 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended June 30, 2014 through 2017.

(Continued)

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

(In thousands) (continued)

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[1]								
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)
Administrative Expense	(1,086)	(614)	(331)	(2,031)	(1,490)	(838)	(460)	(2,788)
Other Miscellaneous Income (Expense)[2]								
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[3]	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[4]	$ 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] Effective with the June 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns of all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) return over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

[2] 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).

[3] Includes any beginning of year adjustment.

[4] Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended June 30, 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended June 30, 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended June 30, 2014 through 2017.

(Continued)

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

(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[1]					(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)[2]	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[3]	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[4]	$ 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] In 2018, demographic assumptions and the inflation rate assumption were changed in accordance with CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There was no change in discount rates. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

[2] 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).

[3] Includes any beginning of year adjustment.

[4] Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended June 30, 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended June 30, 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended June 30, 2014 through 2017.

(Continued)

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

(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[1]	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)[2]								
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] In 2017, the accounting discount rate reduced from 7.65% to 7.15%. There was no change in 2016.

[2] There were no changes in 2017 and 2016.

[3] Includes any beginning of year adjustment.

[4] Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended June 30, 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended June 30, 2014 through 2017.

(Continued)

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

(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[1]	(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)[2]								
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] In 2015, the discount rate was changed from 7.5% (net of administrative expense) to 7.65%.
[2] There were no changes in 2015 and 2014.
[3] Includes any beginning of year adjustment.
[4] Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal year ended June 30, 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended June 30, 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended June 30, 2014 through 2017.

See accompanied independent auditors' report

Schedule of Pension Plan Contributions
Last Ten Fiscal Years
(In thousands)

Fiscal Year	Pension Plan	Actuarially Determined Contribution[1]	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll[2]	Contributions as a Percentage of Covered Payroll [2]
2023-2024	Miscellaneous	$ 57,279	$ 57,279		$ 144,682	39.59%
	Police Safety	36,900	36,900		62,280	59.25%
	Fire Safety	18,138	18,138		33,263	54.53%
	Total	$ 112,317	$ 112,317		$ 240,225	46.75%
2022-2023	Miscellaneous	$ 55,621	$ 55,621		$ 123,041	45.21%
	Police Safety	34,015	34,015		55,015	61.83%
	Fire Safety	17,530	17,530		28,916	60.62%
	Total	$ 107,166	$ 107,166		$ 206,972	51.78%
2021-2022	Miscellaneous	$ 51,643	$ 51,643		$ 114,862	44.96%
	Police Safety	31,090	31,090		54,341	57.21%
	Fire Safety	15,990	15,990		27,132	58.93%
	Total	$ 98,723	$ 98,723		$ 196,335	50.28%
2020-2021	Miscellaneous	$ 49,044	$ 49,044		$ 128,129	38.28%
	Police Safety	29,139	29,139		54,707	53.26%
	Fire Safety	14,317	14,317		26,771	53.48%
	Total	$ 92,500	$ 92,500		$ 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%

See accompanied independent auditors' report

Schedule of Pension Plan Contributions
Last Ten Fiscal Years

(In thousands)

Fiscal Year	Pension Plan	Actuarially Determined Contribution[1]	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll[2]	Contributions as a Percentage of Covered Payroll [2]
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%

[1] Employers are assumed to make contributions equal to the actuarially determined contributions. However, employers may choose to make additional contributions toward the unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.
[2] Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended June 30, 2022 and 2023; 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3% payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedules of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for fiscal years 2023-24, 2022-23, and 2021-22 were derived from the June 30, 2022, 2020, and 2019 funding valuation reports, respectively.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2022 Funding Valuation Report
Asset Valuation Method	Fair Value of Assets.
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. Preretirement and postretirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries for the period from 1997 to 2015.

Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Related Ratios
Last Ten Fiscal Years[1]

(Amounts in Thousands)

Measurement Period:	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
TOTAL OPEB LIABILITY							
Service cost	$ 1,461	$ 1,418	$ 1,714	$ 1,667	$ 1,900	$ 1,840	$ 2,032
Interest on the Total OPEB Liability	13,491	13,510	16,840	16,741	19,577	19,229	19,550
Difference Between Expected and Actual Experience	(5,249)		(45,405)		(15,626)		(14,382)
Changes of Assumptions	4,109		17,191		(7,583)		4,617
Benefit Payments, including Refunds of Employee Contributions	(14,519)	(16,065)	(16,393)	(17,541)	(16,629)	(16,061)	(16,016)
Net Change in Total OPEB Liability	(707)	(1,137)	(26,053)	867	(18,361)	5,008	(4,199)
Total OPEB Liability - Beginning	230,645	231,782	257,835	256,968	275,329	270,321	274,520
Total OPEB Liability - Ending (a)	229,938	230,645	231,782	257,835	256,968	275,329	270,321
PLAN FIDUCIARY NET POSITION							
Contributions - Employer	14,764	16,065	16,393	16,488	16,049	16,367	16,016
Net investment income	6,933	(16,678)	26,935	3,374	5,582	6,658	8,010
Benefit payments	(14,519)	(16,065)	(16,393)	(17,541)	(16,629)	(16,061)	(16,016)
Administrative Expense	(32)	(32)	(37)	(47)	(19)	(44)	(41)
Other Expense						(111)	
Net Change in Fiduciary Net Position	7,146	(16,710)	26,898	2,274	4,983	6,809	7,969
Plan Fiduciary Net Position - Beginning	107,923	124,633	97,735	95,461	90,478	83,669	75,700
Plan Fiduciary Net Position - Ending (b)	115,069	107,923	124,633	97,735	95,461	90,478	83,669
Plan Net OPEB Liability - Ending (a) - (b)	$ 114,869	$ 122,722	$ 107,149	$ 160,100	$ 161,507	$ 184,851	$ 186,652
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	50.04%	46.79%	53.77%	37.91%	37.15%	32.86%	30.95%
Covered-Employee Payroll[2]	$ 227,873	$ 211,176	$ 203,773	$ 209,656	$ 209,942	$ 209,435	$ 203,473
Plan Net OPEB Liability as a Percentage of Covered-Employee Payroll	50.41%	58.11%	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 Other Postemployment Benefits (OPEB) Plan Contributions Last Ten Fiscal Years[1]

(In thousands)

Fiscal Year	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018	2016-2017
Actuarially Determined Contribution (ADC)	$ 15,208	$ 14,765	$ 14,523	$ 14,180	$ 16,488	$ 16,049	$ 16,367	$ 15,937
Contributions in relation to ADC	$ 15,215	$ 14,765	$ 16,065	$ 16,393	$ 16,488	$ 16,049	$ 16,367	$ 16,016
Contribution deficiency (excess)	$ (7)		$ (1,542)	$ (2,213)				$ (79)
Covered-Employee Payroll[2]	$ 249,880	$ 227,873	$ 211,176	$ 203,733	$ 209,656	$ 209,942	$ 209,435	$ 203,473
Contributions as a Percentage of Covered-employee Payroll	6.09%	6.48%	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 ended June 30, 2023, and 2024 were from the July 1, 2021 Actuarial Valuation Report, for fiscal year ended 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 years ended 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 Cost, level percent of pay
Amortization Method/Period	Level % of Pay
Asset Valuation Method	Fair Value of Assets
General Inflation Rate	2.5% for 2021-2024 and 2.75% for 2017-2020
Salary Increase	3.0% for 2021-2024 and 3.25% for 2017-2020
Long-Term Return on Assets	6.0% for 2023 and 2024, 6.6% for 2021-2022 and 7.28% for 2017-2020
Healthcare Trend	Assumed to start at 6.5% in 2024, fluctuating down to 3.9% per year by 2076 & thereafter
Retirement Age	From 50 to 75
Mortality Improvement	MacLeod Watts Scale 2022 applied generationally for 2023 and 2024, MacLeod Watts Scale 2020 for 2021-2022, MacLeod Watts Scale 2017 for 2019-2020, and MacLeod Watts Scale 2014 for 2017-2018.

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NONMAJOR GOVERNMENTAL FUNDS

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 FUNDS are 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.

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, 2024 (In thousands)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 21,044	$ 374	$ 14,702	$ 36,120
Investments	81,199	1,444	56,691	139,334
Accounts receivable, net	2,709			2,709
Accrued interest receivable	799	14	784	1,597
Due from other funds			8,248	8,248
Due from other governments	12,933		18,292	31,225
Land held for resale	15,090			15,090
Prepaid and other assets	178			178
Restricted cash and cash equivalents	84	224	27,048	27,356
Restricted investments			4,999	4,999
Due from Successor Agency	2,572			2,572
Lease receivable	8,834			8,834
Notes receivable, net	17,246			17,246
Total assets	$ 162,688	$ 2,056	$ 130,764	$ 295,508
LIABILITIES				
Accounts payable	$ 12,621		$ 7,159	$ 19,780
Wages payable	176		16	192
Deposits	273		1,274	1,547
Unearned revenues			224	224
Due to other funds	1,200		9,381	10,581
Total liabilities	14,270		18,054	32,324
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	3,661		15,547	19,208
Unearned lease revenues	8,356			8,356
Unavailable resources- long-term notes receivable	19,818			19,818
Total deferred inflows of resources	31,835		15,547	47,382
FUND BALANCES				
Nonspendable prepaid and other assets	178			178
Restricted:				
Anaheim Resort maintenance and improvement	6,681			6,681
Capital projects			3,780	3,780
Community and economic development projects	19,497			19,497
Debt service		$ 226		226
Development impact projects			85,078	85,078
Grant purposes	15,334			15,334
Homebuyer assistance program	13,090			13,090
Streets, roads and transportation improvement projects	61,770			61,770
Committed for neighborhood and community projects			4,186	4,186
Assigned:				
Debt service		1,830		1,830
Capital projects			13,219	13,219
Other purposes	730			730
Unassigned	(697)		(9,100)	(9,797)
Total fund balances	116,583	2,056	97,163	215,802
Total liabilities, deferred inflows of resources, and fund balances	$ 162,688	$ 2,056	$ 130,764	$ 295,508

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, 2024 (In thousands)

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Licenses, fees, and permits	$ 6		$ 5,748	$ 5,754
Intergovernmental revenues	58,235		7,829	66,064
Charges for services	35,424		85	35,509
Use of money and property	8,811	$ 178	5,848	14,837
Lease revenues	350			350
Others	52		1,240	1,292
Total revenues	102,878	178	20,750	123,806
Expenditures:				
Current:				
City Attorney	106			106
Finance		3		3
Police	6,661		62	6,723
Fire & Rescue	214		304	518
Housing & Community Development	14,170		109	14,279
Economic Development	4,967		92	5,059
Planning & Building	1,174		236	1,410
Public Works	16,833		1,899	18,732
Community Services	341		397	738
Convention, Sports, & Entertainment	22,008			22,008
Capital outlay	15,992		20,772	36,764
Debt service:				
Principal retirement	1,023	729	1,487	3,239
Interest charges	293	4,317	67	4,677
Total expenditures	83,782	5,049	25,425	114,256
Excess (deficiency) of revenues over (under) expenditures	19,096	(4,871)	(4,675)	9,550
Other financing sources (uses):				
Transfers in	6,144	3,218	6,234	15,596
Transfers out	(5,024)		(8,028)	(13,052)
Total other financing sources (uses)	1,120	3,218	(1,794)	2,544
Net change in fund balances	20,216	(1,653)	(6,469)	12,094
Fund balances at beginning of year	96,367	3,709	103,632	203,708
Fund balances at end of year	$ 116,583	$ 2,056	$ 97,163	$ 215,802

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024 (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	$ 6,817	$ 5	$ 86	$ 4,668	$ 1,502	$ 6,096	$ 648	$ 1,222	$ 21,044
Investments	26,307	21	334	18,016	5,795	23,524	2,500	4,702	81,199
Accounts receivable, net		173			28	2,502		6	2,709
Accrued interest receivable	228		3	209	58	227	23	51	799
Due from other governments	4,663	1,800	643	5,820	7				12,933
Prepaid and other assets	2			161				15	178
Land held for resale								15,090	15,090
Restricted cash and cash equivalents							84		84
Due from Successor Agency			2,572						2,572
Lease receivable								8,834	8,834
Notes receivable, net			1,867	15,379					17,246
Total assets	$ 38,017	$ 1,999	$ 5,505	$ 44,253	$ 7,390	$ 32,349	$ 3,255	$ 29,920	$ 162,688
LIABILITIES									
Accounts payable	$ 2,143	$ 365	$ 253	$ 1,586	$ 699	$ 6,248	$ 27	$ 1,300	$ 12,621
Wages payable	79	22	21	41	10	1		2	176
Due to other Funds		1,200							1,200
Deposits								273	273
Total liabilities	2,222	1,587	274	1,627	709	6,249	27	1,575	14,270
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenues	123	1,109	55	1,897				477	3,661
Unearned leases revenues								8,356	8,356
Unavailable resources- long-term notes and loans receivable			4,439	15,379					19,818
Total deferred inflows of resources	123	1,109	4,494	17,276				8,833	31,835
FUND BALANCES									
Nonspendable prepaid and other assets	2			161				15	178
Restricted:									
Anaheim Resort maintenance and improvement					6,681				6,681
Economic development projects								19,497	19,497
Grant purposes			737	11,369			3,228		15,334
Homebuyer assistance program				13,090					13,090
Streets, roads and transportation improvement projects	35,670					26,100			61,770
Assigned for other purposes				730					730
Unassigned		(697)							(697)
Total fund balances	35,672	(697)	737	25,350	6,681	26,100	3,228	19,512	116,583
Total liabilities, deferred inflows of resources, and fund balances	$ 38,017	$ 1,999	$ 5,505	$ 44,253	$ 7,390	$ 32,349	$ 3,255	$ 29,920	$ 162,688

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Nonmajor Special Revenue Funds
Year Ended June 30, 2024 (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	$ 6								$ 6
Intergovernmental revenues	26,930	$ 6,514	$ 4,030	$ 20,453			$ 308		58,235
Charges for services	66				$ 5,762	$ 29,596			35,424
Use of money and property	1,115	221	738	1,764	306	980	133	$ 3,554	8,811
Lease revenues								350	350
Other		7		3	32			10	52
Total revenues	28,117	6,742	4,768	22,220	6,100	30,576	441	3,914	102,878
Expenditures:									
Current:									
City Attorney			106						106
Police				5,961			700		6,661
Fire & Rescue				214					214
Housing & Community Development		6,409	1,714	6,017				30	14,170
Economic Development								4,967	4,967
Planning & Building			1,099		75				1,174
Public Works	8,816				5,040	2,977			16,833
Community Services			329	12					341
Convention, Sports, & Entertainment						22,008			22,008
Capital outlay	13,957		533	38	959	83	112	310	15,992
Debt service:									
Principal retirement			805	218					1,023
Interest charges			261	32					293
Total expenditures	22,773	6,409	4,847	12,492	6,074	25,068	812	5,307	83,782
Excess (deficiency) of revenues over (under) expenditures	5,344	333	(79)	9,728	26	5,508	(371)	(1,393)	19,096
Other financing sources (uses):									
Transfers in	5,092		10	827	200	15			6,144
Transfers out	(2,073)			(2,655)		(296)			(5,024)
Total other financing sources (uses)	3,019		10	(1,828)	200	(281)			1,120
Net change in fund balances	8,363	333	(69)	7,900	226	5,227	(371)	(1,393)	20,216
Fund balances (deficit) at beginning of year	27,309	(1,030)	806	17,450	6,455	20,873	3,599	20,905	96,367
Fund balances (deficit) at end of year	$ 35,672	$ (697)	$ 737	$ 25,350	$ 6,681	$ 26,100	$ 3,228	$ 19,512	$ 116,583

See accompanied independent auditors' report

Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficit) Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds Year Ended June 30, 2024 (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	$ 3	$ 6	$ 3			
Intergovernmental revenues	27,358	26,930	(428)	$ 9,937	$ 6,514	$ (3,423)
Charges for services	67	66	(1)			
Use of money and property	1	909	908	197	221	24
Other	1		(1)		7	7
Total revenues	27,430	27,911	481	10,134	6,742	(3,392)
Expenditures:						
Housing & Community Development				10,259	6,409	(3,850)
Public Works	48,028	38,063	(9,965)			
Total expenditures	48,028	38,063	(9,965)	10,259	6,409	(3,850)
Excess (deficiency) of revenues over (under) expenditures	(20,598)	(10,152)	10,446	(125)	333	458
Other financing sources (uses):						
Transfers in	66	5,092	5,026	304		(304)
Transfers out	(1,883)	(2,073)	(190)	(304)		304
Total other financing sources (uses)	(1,817)	3,019	4,836			
Net change in fund balances	(22,415)	(7,133)	15,282	(125)	333	458
Fund balances at beginning of year	27,309	27,309		(1,030)	(1,030)	
Fund balance (deficit) at end of year	$ 4,894	20,176	$ 15,282	$ (1,155)	(697)	$ 458
Adjustment to reconcile to GAAP:						
Unrealized investment gain		206				
Encumbrance		15,290				
Ending fund balance (deficit) - GAAP basis		$ 35,672			$ (697)	

(continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds
Year Ended June 30, 2024 (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	$ 8,919	$ 4,030	$ (4,889)	$ 57,544	$ 20,453	$ (37,091)
Use of money and property	1,031	738	(293)	1,447	1,764	317
Other					3	3
Total revenues	9,950	4,768	(5,182)	58,991	22,220	(36,771)
Expenditures:						
City Attorney	106	106				
Police				11,425	6,781	(4,644)
Fire & Rescue				495	335	(160)
Housing & Community Development	5,586	2,881	(2,705)	15,873	6,017	(9,856)
Economic Development	481	480	(1)			
Planning & Building	1,221	1,099	(122)			
Public Works	1,520		(1,520)			
Community Services	1,541	350	(1,191)	1,268	19	(1,249)
Total expenditures	10,455	4,916	(5,539)	29,061	13,152	(15,909)
Excess (deficiency) of revenues over (under) expenditures	(505)	(148)	357	29,930	9,068	(20,862)
Other financing sources (uses):						
Transfers in	1,267	10	(1,257)		827	827
Transfers out	(1,267)		1,267	(26,223)	(2,655)	23,568
Total other financing sources (uses)		10	10	(26,223)	(1,828)	24,395
Net change in fund balances	(505)	(138)	367	3,707	7,240	3,533
Fund balances at beginning of year	806	806		17,450	17,450	
Fund balances at end of year	$ 301	668	$ 367	$ 21,157	24,690	$ 3,533
Adjustment to reconcile to GAAP:						
Encumbrance		69			660	
Ending fund balance - GAAP basis		$ 737			$ 25,350	

(continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds
Year Ended June 30, 2024 (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	$ 5,804	$ 5,762	$ (42)	$ 30,658	$ 29,596	$ (1,062)
Use of money and property	106	230	124	200	887	687
Other	14	32	18			
Total revenues	5,924	6,024	100	30,858	30,483	(375)
Expenditures:						
Planning & Building	74	75	1			
Public Works	7,785	6,044	(1,741)	12,389	3,081	(9,308)
Convention, Sports, & Entertainment				22,764	22,008	(756)
Total expenditures	7,859	6,119	(1,740)	35,153	25,089	(10,064)
Excess (deficiency) of revenues over (under) expenditures	(1,935)	(95)	1,840	(4,295)	5,394	9,689
Other financing sources (uses):						
Transfers in	200	200			15	15
Transfers out				(307)	(296)	11
Total other financing sources (uses)	200	200		(307)	(281)	26
Net change in fund balances	(1,735)	105	1,840	(4,602)	5,113	9,715
Fund balances at beginning of year	6,455	6,455		20,873	20,873	
Fund balances at end of year	$ 4,720	6,560	$ 1,840	$ 16,271	25,986	$ 9,715
Adjustment to reconcile to GAAP basis:						
Unrealized investment gain		76			93	
Encumbrance		45			21	
Ending fund balance - GAAP basis		$ 6,681			$ 26,100	

(continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Budgetary Basis Actual – All Nonmajor Special Revenue Funds
Year Ended June 30, 2024 (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	$ 2,109	$ 308	$ (1,801)			
Use of money and property	19	133	114	$ 2,973	$ 3,677	$ 704
Lease revenues					350	350
Other					10	10
Total revenues	2,128	441	(1,687)	2,973	4,037	1,064
Expenditures:						
Police	2,128	1,673	(455)			
Housing & Community Development				30	30	
Economic Development				7,431	6,203	(1,228)
Total expenditures	2,128	1,673	(455)	7,461	6,233	(1,228)
Excess (deficiency) of revenues over (under) expenditures		(1,232)	(1,232)	(4,488)	(2,196)	2,292
Other financing sources (uses):						
Transfers in						
Transfers out						
Total other financing sources (uses)						
Net change in fund balance		(1,232)	(1,232)	(4,488)	(2,196)	2,292
Fund balances at beginning of year	3,599	3,599		20,905	20,905	
Fund balances at end of year	$ 3,599	2,367	$ (1,232)	$ 16,417	18,709	$ 2,292
Adjustment to reconcile to GAAP basis:						
Unrealized investment gain					80	
Encumbrance		861			926	
Cost of land held for resale					(203)	
Ending fund balance - GAAP basis		$ 3,228			$ 19,512	

(continued)

Balance Sheet
Nonmajor Debt Service Fund
June 30, 2024 (In thousands)

		Municipal Facilities
ASSETS		
Cash and cash equivalents	$	374
Investments		1,444
Accrued interest receivable		14
Restricted cash and cash equivalents		224
Total assets	$	2,056
Fund balances:		
Restricted for debt service	$	226
Assigned for debt service		1,830
Total fund balances		2,056
Total liabilities and fund balances	$	2,056

Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Debt Service Fund
Year Ended June 30, 2024 (In thousands)

	Municipal Facilities
Revenues:	
Use of money and property	$ 178
Total revenues	178
Expenditures:	
Current:	
Finance	3
Debt service:	
Principal retirement	729
Interest charges	4,317
Total expenditures	5,049
Deficiency of revenues under expenditures	(4,871)
Other financing sources:	
Transfers in	3,218
Transfers out	
Total other financing sources	3,218
Net change in fund balances	(1,653)
Fund balances at beginning of year	3,709
Fund balances at end of year	$ 2,056

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Nonmajor Debt Service Fund
Year Ended June 30, 2024 (In thousands)

	Municipal Facilities		
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Use of money and property		$ 178	$ 178
Total revenues		178	178
Expenditures:			
Finance	$ 5,049	5,049	
Total expenditures	5,049	5,049	
Excess (deficiency) of revenues over (under) expenditures	(5,049)	(4,871)	178
Other financing sources:			
Transfers in	3,218	3,218	
Transfers out			
Total other financing sources	3,218	3,218	
Net change in fund balance	(1,831)	(1,653)	178
Fund balance at beginning of year	3,709	3,709	
Fund balance at end of year	$ 1,878	$ 2,056	$ 178

Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2024 (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	$ 53	$ 6	$ 7,156	$ 2,267	$ 839	$ 2,251	$ 2,130	$ 14,702
Investments	205	23	27,610	8,748	3,239	8,645	8,221	56,691
Accrued interest receivable			257	93	28	134	272	784
Due from other funds			1,098			7,150		8,248
Due from other governments	13,607	105	2,784	1,560		236		18,292
Restricted cash and cash equivalents						2,636	24,412	27,048
Restricted investment							4,999	4,999
Total assets	$ 13,865	$ 134	$ 38,905	$ 12,668	$ 4,106	$ 21,052	$ 40,034	$ 130,764
LIABILITIES								
Accounts payable	$ 1,232	$ 26	$ 884	$ 1,356	$ 1,105	$ 90	$ 2,466	$ 7,159
Wages payable	5		6	1			4	16
Deposits					1,274			1,274
Unearned revenues	224							224
Due to other funds	8,147	101		1,133				9,381
Total liabilities	9,608	127	890	2,490	2,379	90	2,470	18,054
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenues	13,259	105	1,023	1,160				15,547
Total deferred inflows of resources	13,259	105	1,023	1,160				15,547
FUND BALANCES								
Restricted:								
Capital projects						3,780		3,780
Development impact projects			36,992	8,795	1,727		37,564	85,078
Committed for neighborhood and community projects						4,186		4,186
Assigned for Capital projects				223		12,996		13,219
Unassigned	(9,002)	(98)						(9,100)
Total fund balances (deficits)	(9,002)	(98)	36,992	9,018	1,727	20,962	37,564	97,163
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 13,865	$ 134	$ 38,905	$ 12,668	$ 4,106	$ 21,052	$ 40,034	$ 130,764

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Nonmajor Capital Projects Funds
Year Ended June 30, 2024 (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	95		4,131	$ 1,522				$ 5,748
Intergovernmental revenues	4,603	$ 90	1,761	743		$ 632		7,829
Charges for services	85							85
Use of money and property	(472)	3	1,583	478	$ 118	1,966	$ 2,172	5,848
Other							1,240	1,240
Total revenues	4,311	93	7,475	2,743	118	2,598	3,412	20,750
Expenditures:								
Current:								
Police			62					62
Fire & Rescue			263			41		304
Housing & Community Development						109		109
Economic Development						92		92
Planning & Building						236		236
Public Works	1,639	103	118				39	1,899
Community Services			244	55		98		397
Capital outlay	2,999		4,001	7,363		313	6,096	20,772
Debt service:								
Principal retirement						1,487		1,487
Interest charges						67		67
Total expenditures	4,638	103	4,688	7,418		2,443	6,135	25,425
Excess (deficiency) of revenues over (under) expenditures	(327)	(10)	2,787	(4,675)	118	155	(2,723)	(4,675)
Other financing sources (uses):								
Transfers in	1,851	3				4,380		6,234
Transfers out		(9)	(9)	(10)		(8,000)		(8,028)
Total other financing sources	1,851	(6)	(9)	(10)		(3,620)		(1,794)
Net change in fund balances	1,524	(16)	2,778	(4,685)	118	(3,465)	(2,723)	(6,469)
Fund balances (deficits) at beginning of year	(10,526)	(82)	34,214	13,703	1,609	24,427	40,287	103,632
Fund balances (deficits) at end of year	$ (9,002)	$ (98)	$ 36,992	$ 9,018	$ 1,727	$ 20,962	$ 37,564	$ 97,163

Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficits) Budget and Budgetary Basis Actual - All Nonmajor Capital Projects Funds Year Ended June 30, 2024 (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	$ 500	95	$ (405)			
Intergovernmental revenues	29,963	4,603	(25,360)	$ 381	$ 90	$ (291)
Charges for services		85	85			
Use of money and property		(312)	(312)			
Other	100		(100)			
Total revenues	30,563	4,471	(26,092)	381	90	(291)
Expenditures:						
Public Works	19,987	10,540	(9,447)	397	103	(294)
Total expenditures	19,987	10,540	(9,447)	397	103	(294)
Excess (deficiency) of revenues over (under) expenditures	10,576	(6,069)	(16,645)	(16)	(13)	3
Other financing sources (uses):						
Transfers in		1,851	1,851		3	3
Transfers out					(9)	(9)
Total other financing sources		1,851	1,851		(6)	(6)
Net change in fund balances	10,576	(4,218)	(14,794)	(16)	(19)	(3)
Fund balances (deficits) at beginning of year	(10,526)	(10,526)		(82)	(82)	
Fund balances (deficits) at end of year	$ 50	(14,744)	$ (14,794)	$ (98)	(101)	$ (3)
Adjustment to reconcile to GAAP:						
Unrealized investment gain (loss)		(160)			3	
Encumbrance		5,902				
Ending fund balances (deficits) - GAAP basis		$ (9,002)			$ (98)	

(continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Budgetary Basis Actual - All Nonmajor Capital Projects Funds
Year Ended June 30, 2024 (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	$ 6,432	4,131	$ (2,301)	$ 2,207	$ 1,522	$ (685)
Intergovernmental revenues		1,761	1,761	6,049	743	(5,306)
Use of money and property	209	1,183	974	221	478	257
Total revenues	6,641	7,075	434	8,477	2,743	(5,734)
Expenditures:						
Police	1,015	726	(289)			
Fire & Rescue	2,036	417	(1,619)			
Public Works	1,419	1,419				
Community Services	5,484	2,424	(3,060)	18,004	7,418	(10,586)
Total expenditures	9,954	4,986	(4,968)	18,004	7,418	(10,586)
Excess (deficiency) of revenues over (under) expenditures	(3,313)	2,089	5,402	(9,527)	(4,675)	4,852
Other financing sources (uses):						
Transfers in						
Transfers out		(8)	(8)		(10)	(10)
Total other financing sources (uses)		(8)	(8)		(10)	(10)
Net change in fund balances	(3,313)	2,081	5,394	(9,527)	(4,685)	4,842
Fund balances at beginning of year	34,214	34,214		13,703	13,703	
Fund balances at end of year	$ 30,901	36,295	$ 5,394	$ 4,176	9,018	$ 4,842
Adjustment to reconcile to GAAP:						
Unrealized investment gain (loss)		400				
Encumbrance		297				
Ending fund balance - GAAP basis		$ 36,992			$ 9,018	

(continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Budgetary Basis Actual - All Nonmajor Capital Projects Funds
Year Ended June 30, 2024 (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:						
Intergovernmental revenues				$ 455	$ 632	$ 177
Use of money and property	$ 70	$ 118	$ 48	1,063	1,565	502
Total revenues	70	118	48	1,518	2,197	679
Expenditures:						
Police				517	517	
Fire & rescue				3,242	298	(2,944)
Housing & Community Development				479	130	(349)
Economic Development				1,079	932	(147)
Planning & Building				484	251	(233)
Community Services				806	564	(242)
Total expenditures				6,607	2,692	(3,915)
Excess (deficiency) of revenues over (under) expenditures	70	118	48	(5,089)	(495)	4,594
Other financing sources (uses):						
Transfers in				1,053	4,380	3,327
Transfers out				(8,000)	(8,000)	
Total other financing sources (uses)				(6,947)	(3,620)	3,327
Net change in fund balances	70	118	48	(12,036)	(4,115)	7,921
Fund balances at beginning of year	1,609	1,609		24,427	24,427	
Fund balances at end of year	$ 1,679	1,727	$ 48	$ 12,391	20,312	$ 7,921
Adjustment to reconcile to GAAP:						
Unrealized investment gain (loss)					401	
Encumbrance					249	
Ending fund balance - GAAP basis		$ 1,727			$ 20,962	

(continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Budgetary Basis Actual - All Nonmajor Capital Projects Funds
Year Ended June 30, 2024 (In thousands)

	Mello-Roos Projects		
	Final Budgeted Amounts	Actual on Budgetary Basis	Variance with Final Budget
Revenues:			
Use of money and property		$ 1,969	$ 1,969
Other		1,240	1,240
Total revenues		3,209	3,209
Expenditures:			
Public Works	$ 39,191	8,367	(30,824)
Total expenditures	39,191	8,367	(30,824)
Excess (deficiency) of revenues over (under) expenditures	(39,191)	(5,158)	34,033
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Net change in fund balances	(39,191)	(5,158)	34,033
Fund balances at beginning of year	40,287	40,287	
Fund balances at end of year	$ 1,096	35,129	$ 34,033
Adjustment to reconcile to GAAP:			
Unrealized investment gain (loss)		203	
Encumbrance		2,232	
Ending fund balance - GAAP basis		$ 37,564	

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OTHER BUDGETARY SCHEDULE

ANAHEIM, CALIFORNIA

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Major Debt Service Fund
Year Ended June 30, 2024 (In thousands)

	Anaheim Resort Improvements		
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Use of money and property	$ 100	$ 7,888	$ 7,788
Total revenues	100	7,888	7,788
Expenditures:			
Finance	45,556	45,548	(8)
Total expenditures	45,556	45,548	(8)
Deficiency of revenues under expenditures	(45,456)	(37,660)	7,796
Other financing sources:			
Transfers in	110,352	109,424	(928)
Transfers out			
Total other financing sources	110,352	109,424	(928)
Net change in fund balance	64,896	71,764	6,868
Fund balance at beginning of year	175,848	175,848	
Fund balance at end of year	$ 240,744	$ 247,612	$ 6,868

See accompanied independent auditors' report

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INTERNAL SERVICE FUNDS

ANAHEIM, CALIFORNIA

INTERNAL SERVICE FUNDS

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.

ANAHEIM, CALIFORNIA

Combining Statement of Net Position
Internal Service Funds
June 30, 2024 (In thousands)

	General Benefits and Insurance	Motorized Equipment	Information and Communication Services	Municipal Facilities Maintenance	Total
ASSETS					
Current assets:					
Cash and cash equivalents	$ 14,571	$ 3,100	$ 191	$ 1,096	$ 18,958
Investments	56,229	11,962	34	4,230	72,455
Restricted cash and cash equivalents			355		355
Accounts receivable, net	2,420	86			2,506
Accrued interest receivable	484	125		36	645
Interfund receivable	1,004				1,004
Inventories		1,241		270	1,511
Prepaid and other assets	135	69	1,193	116	1,513
Total current assets	74,843	16,583	1,773	5,748	98,947
Noncurrent assets:					
Interfund receivable, less current portion	30,011				30,011
Capital assets:					
Buildings, structures and improvements		3,280		9,853	13,133
Machinery and equipment	111	49,354	17,582	5,132	72,179
Lease building			185		185
Lease equipment			5,443		5,443
Subscription assets			17,598		17,598
Construction in progress		65	698	2,494	3,257
Less accumulated depreciation	(88)	(35,279)	(15,847)	(7,999)	(59,213)
Capital assets, net	23	17,420	25,659	9,480	52,582
Total noncurrent assets	30,034	17,420	25,659	9,480	82,593
Total assets	104,877	34,003	27,432	15,228	181,540
DEFERRED OUTFLOW OF RESOURCES					
Deferred OPEB-related items	497	612	302	528	1,939
Deferred pension-related items	2,638	2,667	1,954	2,799	10,058
Total deferred outflow of resources	3,135	3,279	2,256	3,327	11,997

(Continued)

Combining Statement of Net Position
Internal Service Funds
June 30, 2024 (In thousands)(continued)

	General Benefits and Insurance	Motorized Equipment	Information and Communication Services	Municipal Facilities Maintenance	Total
LIABILITIES					
Current liabilities:					
Accounts payable	3,703	1,811	3,271	3,321	12,106
Wages payable	2,905	64	43	99	3,111
Interest payable			352		352
Due to other Funds			3,010		3,010
Lease payable, current portion			1,114		1,114
Subscription payable, current portion			1,840		1,840
Compensated absences, current portion	24,264				24,264
Self-insurance liability, current portion	13,660				13,660
Long-term debts, current portion		12	1,299		1,311
Unearned revenues	2,733				2,733
Total current liabilities	47,265	1,887	10,929	3,420	63,501
Noncurrent liabilities:					
Lease payable, less current portion			1,224		1,224
Subscription payable, less current portion			8,175		8,175
Compensated absences, less current portion	4,712				4,712
Self-insurance liability, less current portion	47,251				47,251
Long-term debts, less current portion		18	2,692		2,710
Net OPEB liability	1,342	1,757	896	1,558	5,553
Net pension liability	9,076	9,059	6,732	9,341	34,208
Total noncurrent liabilities	62,381	10,834	19,719	10,899	103,833
Total liabilities	109,646	12,721	30,648	14,319	167,334
DEFERRED INFLOW OF RESOURCES					
Deferred OPEB-related items	639	734	503	770	2,646
Deferred pension-related items	716	111	556	329	1,712
Total deferred inflow of resources	1,355	845	1,059	1,099	4,358
NET POSITION					
Net investment in capital assets	22	16,483	9,669	8,756	34,930
Unrestricted	(3,011)	7,233	(11,688)	(5,619)	(13,085)
Total net position (deficts)	$ (2,989)	$ 23,716	$ (2,019)	$ 3,137	$ 21,845

See accompanied independent auditors' report

Combining Statement of Revenues, Expenses, and Changes in Net Position (Deficit)
Internal Service Funds
Year Ended June 30, 2024 (In thousands)

	General Benefits and Insurance	Motorized Equipment	Information and Communication Services	Municipal Facilities Maintenance	Total
Operating revenues:					
Charges for services	$ 132,477	$ 18,493	$ 27,868	$ 20,613	$ 199,451
Other	378	51		79	508
Total operating revenues	132,855	18,544	27,868	20,692	199,959
Operating expenses:					
Salaries and wages	6,696	5,131	3,134	6,109	21,070
Maintenance and operations	3,032	9,274	21,055	15,977	49,338
Insurance premiums and claims	36,948				36,948
Compensated absences and other benefits	86,086				86,086
Depreciation	2	2,196	5,177	589	7,964
Total operating expenses	132,764	16,601	29,366	22,675	201,406
Operating income (loss)	91	1,943	(1,498)	(1,983)	(1,447)
Nonoperating income (expenses):					
Investment income	2,351	693	(28)	353	3,369
Interest expense		(1)	(500)		(501)
Gain (loss) from disposal of capital assets		96	(2)		94
Total nonoperating income (loss)	2,351	788	(530)	353	2,962
Income (Loss)	2,442	2,731	(2,028)	(1,630)	1,515
Transfer in				500	500
Transfer out		(61)			(61)
Change in net position	2,442	2,670	(2,028)	(1,130)	1,954
Net position (deficit) at beginning of year, as restated	(5,431)	21,046	9	4,267	19,891
Net position (deficit) at end of year	$ (2,989)	$ 23,716	$ (2,019)	$ 3,137	$ 21,845

See accompanied independent auditors' report

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2024 (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	$ 132,477	$ 18,493	$ 27,868	$ 20,613	$ 199,451
Payments to suppliers	(1,191)	(7,898)	(19,977)	(13,935)	(43,001)
Payments for salaries and wages to employees	(7,091)	(5,081)	(3,484)	(6,204)	(21,860)
Payments for interfund services used	(1,859)	(1,135)	(1,073)	(1,790)	(5,857)
Payments for insurance premiums and claims	(29,092)				(29,092)
Payments for compensated absences and other benefits	(80,846)				(80,846)
Other receipts	378	105		79	562
Net cash provided by (used for) operating activities	12,776	4,484	3,334	(1,237)	19,357
Cash flows from noncapital financing activities:					
Receipt of interfund balances	1,011		3,010		4,021
Payment of interfund balances			(1,504)		(1,504)
Transfer in				500	500
Transfer out		(61)			(61)
Net cash provided by (used for) noncapital financing activities	1,011	(61)	1,506	500	2,956
Cash flows from capital and related financing activities:					
Proceeds from sale of capital assets		96			96
Capital purchases	(18)	(4,530)	(2,043)	(2,339)	(8,930)
Principal payments on long-term debt		(10)	(1,269)		(1,279)
Principal payments on leases			(1,457)		(1,457)
Principal payments on subscription payable			(2,105)		(2,105)
Interest payments		(1)	(214)		(215)
Net cash provided by (used for) capital and related financing activities	(18)	(4,445)	(7,088)	(2,339)	(13,890)
Cash flows from investing activities:					
Purchase of investment securities	(20,788)	(4,422)		(1,561)	(26,771)
Proceeds from sale and maturity of investment securities	9,150	4,266	105	3,984	17,505
Interest received	1,779	473		187	2,439
Interest paid			(47)		(47)
Net cash provided by (used for) investing activities	(9,859)	317	58	2,610	(6,874)
Increase (decrease) in cash and cash equivalents	3,910	295	(2,190)	(466)	1,549
Cash and cash equivalents at beginning of the year	10,661	2,805	2,736	1,562	17,764
Cash and cash equivalents at end of the year	$ 14,571	$ 3,100	$ 546	$ 1,096	$ 19,313

(continued)

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2024 (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)	$ 91	$ 1,943	$ (1,498)	$ (1,983)	$ (1,447)
Adjustment to reconcile operating income to net cash provided by operating activities:					
Depreciation	2	2,196	5,177	589	7,964
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:					
Accounts receivable	4,725	54			4,779
Inventories		(11)		(15)	(26)
Prepaid and other assets	3,931	(3)	284	(13)	4,199
Accounts payable	398	255	(279)	280	654
Wages and benefit payable	(457)	50	(350)	(95)	(852)
Unearned revenues	156				156
Compensated absences	2,107				2,107
Self-insurance liability	1,823				1,823
Total adjustments	12,685	2,541	4,832	746	20,804
Net cash provided by (used for) operating activities	$ 12,776	$ 4,484	$ 3,334	$ (1,237)	$ 19,357
Schedule of noncash financing and investing activities:					
Lease assets financing			$ 2,002		$ 2,002
Increase in fair value of investments	$ 299	$ 156		$ 162	617
Increase (decrease) in accounts payable related to capital asset purchases		698	(731)	(162)	(195)
Increase in accrued interest payable			286		286
Increase in accrued interest receivable	273	64		4	341
Reconciliation of cash and cash equivalents:					
Cash and cash equivalents	$ 14,571	$ 3,100	$ 191	$ 1,096	$ 18,958
Restricted cash and cash equivalents			355		355
Total cash and cash equivalents	$ 14,571	$ 3,100	$ 546	$ 1,096	$ 19,313

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FIDUCIARY FUNDS

ANAHEIM, CALIFORNIA

Combining Statement of Fiduciary Net Position
Custodial Funds - Others
June 30, 2024 (In thousands)

	Custodial Funds - Others			
	Community Facility Districts	Unclaimed Money Seized	Miscellaneous	Total
ASSETS				
Cash and cash equivalents	$ 8,478		$ 50	$ 8,528
Special assessment receivable	19			19
Accrued interest receivable	12			12
Total assets	8,509		50	8,559
LIABILITIES				
Accounts payable	1			1
Total liabilities	1			1
NET POSITION				
Restricted for individuals, organizations, and other governments	8,508		50	8,558
Total net position	$ 8,508		$ 50	$ 8,558

See accompanied independent auditors' report

Combining Statement of Changes in Fiduciary Net Position
Custodial Funds - Others
Year Ended June 30, 2024 (In thousands)

	Custodial - Others				
	Community Facility Districts	Unclaimed Money Seized	Bail Bond Deposits	Miscellaneous	Total
ADDITIONS					
Special assessment collections from Community Facility Districts	$ 4,374				$ 4,374
Deposits		$ 1,063	$ 45		1,108
Donation collections				$ 5	5
Interest income	375				375
Total additions	4,749	1,063	45	5	5,862
DEDUCTIONS					
Debt service payments for Community Facility Districts	2,895				2,895
Payments	1,240	1,063	45		2,348
Payments - Charity distributions				7	7
Administration	57				57
Total deductions	4,192	1,063	45	7	5,307
Change in net position	557			(2)	555
Net position at beginning of year	7,951			52	8,003
Net position at end of year	$ 8,508			$ 50	$ 8,558

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.

ANAHEIM, CALIFORNIA

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's economic condition.

Contents

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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities										
Net investment in capital assets	$ 1,232,369	$ 1,198,057	$ 1,147,895	$ 1,138,182	$ 1,112,914	$ 1,040,595	$ 1,008,489	$ 974,071	$ 968,473	$ 894,651
Restricted	349,859	281,382	277,443	260,160	251,942	266,447	266,983	274,830	211,338	210,934
Unrestricted [1 2 3 4]	(420,015)	(465,127)	(553,852)	(720,573)	(629,091)	(554,529)	(551,607)	(557,245)	(417,976)	(447,817)
Total Governmental Activities	1,162,213	1,014,312	871,486	677,769	735,765	752,513	723,865	691,656	761,835	657,768
Business-type Activities										
Net investment in capital assets	1,238,121	1,173,010	1,091,868	1,074,102	1,074,006	1,058,213	1,009,302	1,016,113	997,292	993,075
Restricted	100,603	96,062	81,344	70,372	66,069	61,808	86,863	83,811	76,749	83,448
Unrestricted [1 2]	94,277	91,466	74,944	35,842	22,284	51,630	15,661	(26,767)	36,644	(1,725)
Total Business-type Activities	1,433,001	1,360,538	1,248,156	1,180,316	1,162,359	1,171,651	1,111,826	1,073,157	1,110,685	1,074,798
Total Government										
Net investment in capital assets	2,470,490	2,371,067	2,239,763	2,212,284	2,186,920	2,098,808	2,017,791	1,990,184	1,965,765	1,887,726
Restricted	450,462	377,444	358,787	330,532	318,011	355,181	353,846	358,641	288,087	294,382
Unrestricted	(325,738)	(373,661)	(478,908)	(684,731)	(606,807)	(529,825)	(535,946)	(584,012)	(381,332)	(449,542)
Total Government	$ 2,595,214	$ 2,374,850	$ 2,119,642	$ 1,858,085	$ 1,898,124	$ 1,924,164	$ 1,835,691	$ 1,764,813	$ 1,872,520	$ 1,732,566

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 this Statement 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 this Statement is not available.

4 The City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the fiscal year ended June 30, 2024. Implementation of this Statements required the City to restate prior period net position and is reflected in the fiscal year 2023 unrestricted net position of the governmental activities. Information prior to the implementation of this Statement 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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Program Revenues										
Governmental activities:										
Charges for services										
General government	$ 1,427	$ 1,560	$ 1,477	$ 2,115	$ 1,796	$ 1,742	$ 1,749	$ 1,903	$ 2,034	$ 2,398
Police	18,356	14,861	13,279	9,040	13,595	15,901	15,361	15,441	11,775	10,001
Fire & Rescue	31,381	27,211	23,338	18,819	21,024	10,949	11,621	10,582	9,814	9,024
Housing & Community Development [2]	12,882	8,891	13,033	14,625	6,796	5,441	5,438	17,171	9,295	13,796
Economic Development [2]	4,203	5,949	2,867	3,003	3,110	2,090	1,983	1,875	915	227
Planning & Building	11,764	13,761	11,198	12,178	11,059	11,715	16,573	11,357	11,515	9,800
Public Works	24,329	22,695	20,846	17,422	20,123	21,075	17,378	16,140	15,817	13,309
Community Services	3,230	3,089	3,153	1,573	2,491	3,174	3,227	11,190	3,430	3,408
Convention, Sports & Entertainment	22,197	20,858	16,560	2,195	11,075	14,802	14,231	13,672	12,528	11,124
Total charges for services	129,769	118,875	105,751	80,970	91,069	86,889	87,561	99,331	77,123	73,087
Operating grants and contributions	199,403	189,010	247,271	226,525	158,750	130,335	115,520	109,989	108,131	109,968
Capital grants and contributions	32,669	40,512	30,090	36,376	43,191	21,335	39,340	65,937	85,782	67,014
Governmental activities program revenues	361,841	348,397	383,112	343,871	293,010	238,559	242,421	275,257	271,036	250,069
Business-type activities:										
Charges for services										
Electric Utility	442,584	481,991	448,286	433,734	417,912	459,182	443,755	433,561	430,485	453,697
Water Utility	97,431	96,331	102,239	96,351	84,943	79,649	79,074	70,777	60,509	63,495
Sanitation Utility	88,695	82,626	74,574	69,482	70,812	68,036	65,138	63,893	61,006	60,076
Golf Courses	13,856	12,986	10,709	6,978	4,282	4,306	4,273	4,062	4,114	4,435
Convention, Sports & Entertainment	58,564	47,916	32,253	4,410	35,950	52,102	46,327	38,065	36,241	35,190
Total charges for services	701,130	721,850	668,061	610,955	613,899	663,275	638,567	610,358	592,355	616,893
Operating grants and contributions	941	85	603	88	143	231	88	425	776	287
Capital grants and contributions	56,692	56,022	31,363	9,751	12,339	28,408	8,353	4,381	11,743	8,734
Business-type activities program revenues	758,763	777,957	700,027	620,794	626,381	691,914	647,008	615,164	604,874	625,914
Total government program revenues	1,120,604	1,126,354	1,083,139	964,665	919,391	930,473	889,429	890,421	875,910	875,983
Expenses										
Governmental activities:										
General government	33,193	27,444	20,418	25,415	31,866	22,005	15,645	11,825	10,331	12,370
Police	233,467	199,328	147,972	182,509	202,064	175,409	173,921	151,559	132,889	135,161
Fire & Rescue	121,544	107,320	79,516	103,696	96,803	82,948	81,528	70,365	62,520	61,794
Housing & Community Development [2]	156,711	135,971	149,709	122,411	104,153	87,443	90,475	95,472	90,081	79,492
Economic Development [2]	9,232	6,560	3,806	5,928	6,659	11,375	5,592	5,248	20,537	1,484
Planning & Building	32,208	26,883	22,419	25,695	27,929	26,248	25,376	21,944	19,862	18,303
Public Works	73,146	62,687	56,366	60,664	60,693	53,742	55,981	61,806	48,719	66,023
Community Services	54,326	45,984	38,547	39,721	50,513	43,218	39,020	34,799	34,212	31,587
Public Utilities	2,152	2,128	2,075	2,171	2,381	2,476	2,346	2,530	2,687	2,599
Convention, Sports & Entertainment	29,539	28,469	23,879	8,071	17,713	27,663	19,930	19,238	18,503	17,026
Interest on long-term debt	31,701	32,403	33,093	31,527	29,734	35,149	34,938	34,876	35,185	35,340
Governmental Activities Expenses	777,219	675,177	577,800	607,808	630,508	567,676	544,752	509,662	475,526	461,179

(Continued)

Changes in Net Position
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting) (continued)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Business-type Activities:										
Electric Utility	390,022	426,491	389,898	378,087	404,272	425,072	394,574	412,424	390,732	401,243
Water Utility	100,013	91,864	95,407	96,920	88,554	76,484	75,755	72,715	61,620	68,011
Sanitation Utility	81,357	71,663	64,186	66,022	67,375	64,659	61,145	58,218	56,564	55,979
Golf Courses	11,930	11,456	8,432	6,046	5,017	4,954	4,898	4,465	4,405	4,418
Convention, Sports & Entertainment Venues	69,268	59,598	54,301	53,787	78,570	74,735	72,276	53,695	50,520	61,790
Business-type activities expense	652,590	661,072	612,224	600,862	643,788	645,904	608,648	601,517	563,841	591,441
Total government expenses	1,429,809	1,336,249	1,190,024	1,208,670	1,274,296	1,213,580	1,153,400	1,111,179	1,039,367	1,052,620
Net (Expense)Revenue										
Governmental activities	(415,378)	(326,780)	(194,688)	(263,937)	(337,498)	(329,117)	(302,331)	(234,405)	(204,490)	(211,110)
Business-type activities	106,173	116,885	87,803	19,932	(17,407)	46,010	38,360	13,647	41,033	34,473
Total government, net (expense) revenue	(309,205)	(209,895)	(106,885)	(244,005)	(354,905)	(283,107)	(263,971)	(220,758)	(163,457)	(176,637)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	106,399	99,439	94,554	90,222	86,256	80,822	76,547	72,909	70,646	68,405
Sales and use taxes [1]	107,811	108,171	103,374	76,811	76,851	84,982	80,732	77,732	76,975	72,356
Transient occupancy taxes [1]	247,584	224,352	177,057	29,797	122,735	161,948	154,925	149,566	137,570	119,744
Other taxes	10,457	9,952	9,592	8,902	8,796	8,893	9,076	8,946	8,731	8,318
Gain on sale on capital assets							6,258			
Unrestricted investment earnings	33,353	14,978	(9,228)	1,470	15,371	15,654	2,783	2,116	3,692	2,725
Other				762	100	98	105	106	87	55
Transfers	57,675	15,122	13,056	4,270	10,641	5,368	4,114	7,701	10,856	(169,119)
Special item								(8,218)		
Governmental activities	563,279	472,014	388,405	212,234	320,750	357,765	334,540	310,858	308,557	102,484
Business-type activities:										
Unrestricted investment earnings (losses)	23,965	10,619	(6,907)	2,295	18,756	19,183	4,423	4,001	5,710	8,086
Transfers	(57,675)	(15,122)	(13,056)	(4,270)	(10,641)	(5,368)	(4,114)	(7,701)	(10,856)	169,119
Business-type activities	(33,710)	(4,503)	(19,963)	(1,975)	8,115	13,815	309	(3,700)	(5,146)	177,205
Total government	529,569	467,511	368,442	210,259	328,865	371,580	334,849	307,158	303,411	279,689
Change in Net Position										
Governmental activities	147,901	145,234	193,717	(51,703)	(16,748)	28,648	32,209	76,453	104,067	(108,626)
Business-type activities	72,463	112,382	67,840	17,957	(9,292)	59,825	38,669	9,947	35,887	211,678
Total government change in net position	$ 220,364	$ 257,616	$ 261,557	$ (33,746)	$ (26,040)	$ 88,473	$ 70,878	$ 86,400	$ 139,954	$ 103,052

[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 reorganized 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
2024	$ 106,399	$ 107,811	$ 247,584	$ 10,457	$ 472,251
2023	99,439	108,171	224,352	9,952	441,914
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

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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	$ 728	$ 646	$ 601	$ 402	$ 308	$ 756	$ 519	$ 819	$ 958	$ 1,538
Restricted	17,281	13,810	10,030	13,538	12,547	4,627	5,194	6,238	7,730	6,124
Committed					2,250					
Assigned [1]	120,382	115,434	114,039	104,212	6,752	15,221	11,008	2,056	7,442	513
Unassigned	92,678	61,254	52,351	17,975	10,954	43,455	41,556	42,336	39,850	39,615
Total General fund	231,069	191,144	177,021	136,127	32,811	64,059	58,277	51,449	55,980	47,790
Housing Authority Fund										
Nonspendable	49	47	42	41	39	36	34		2	4
Restricted	33,324	33,450	44,143	51,320	48,285	61,641	60,180	62,338	48,974	43,703
Assigned	51,683	44,809	41,475	35,840	31,579	28,434	26,574	22,904	16,129	14,283
Total Housing Authority Fund	85,056	78,306	85,660	87,201	79,903	90,111	86,788	85,242	65,105	57,990
Anaheim Resort Improvements										
Restricted [2]	247,612	175,848	115,044	78,832	110,303	156,286	147,270	124,915	104,091	83,812
Total Anaheim Resort Improvements	247,612	175,848	115,044	78,832	110,303	156,286	147,270	124,915	104,091	83,812
Nonmajor Governmental Funds										
Nonspendable	178	93	186	155	252	11,503	9,091	8,713	6,000	6,270
Restricted	205,456	192,977	190,034	175,775	166,301	163,126	172,764	178,121	133,839	113,548
Committed	4,186	4,007	3,943	4,057	4,039	3,812	4,063			
Assigned	15,779	18,487	19,641	8,288	7,475	6,696	6,797	9,612	5,875	3,040
Unassigned	(9,797)	(11,856)	(13,069)	(13,146)	(15,080)	(9,217)	(11,535)	(12,202)	(17,991)	(20,071)
Total nonmajor governmental funds	215,802	203,708	200,735	175,129	162,987	175,920	181,180	184,244	127,723	102,787
Total governmental funds	$ 779,539	$ 649,006	$ 578,460	$ 477,289	$ 386,004	$ 486,376	$ 473,515	$ 445,850	$ 352,899	$ 292,379

[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] Increase in restricted fund balance in fiscal year 2023 is due to increased amount of LPMR transferred in for the Resort debt services resulting from higher TOT and sales tax revenues. 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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Property taxes	$ 106,399	$ 99,439	$ 94,554	$ 90,222	$ 86,256	$ 80,822	$ 76,547	$ 72,909	$ 70,646	$ 68,405
Sales and use taxes [3]	107,811	108,171	103,421	76,907	76,898	84,792	81,680	80,500	81,844	71,977
Transient occupancy taxes [3]	247,584	224,352	177,057	30,180	122,351	161,948	154,925	149,566	137,570	119,744
Other taxes	9,027	8,729	8,689	8,139	8,024	8,175	8,311	8,287	8,024	7,478
Licenses, fees, and permits	28,374	31,794	26,460	29,451	26,627	24,397	38,258	30,365	24,851	23,893
Intergovernmental revenues [4]	215,075	188,278	252,796	234,891	167,085	139,776	124,696	123,797	121,055	155,314
Charges for services	91,108	78,562	60,109	35,199	50,927	51,308	50,771	48,186	41,949	37,975
Fines, forfeits, and penalties	2,862	2,875	3,257	3,096	2,658	2,937	2,988	2,756	2,875	2,823
Use of money and property [2]	40,613	32,121	12,770	31,798	29,323	37,459	26,801	47,505	67,204	20,068
Contribution from property owners[1]		298	1,534	5,175	3,124			36,864		
Lease revenues	7,514	5,102	1,195							
Others	2,517	2,997	1,379	2,029	1,597	1,086	1,178	2,127	1,368	9,738
Total revenues	858,884	782,718	743,221	547,087	574,870	592,700	566,155	602,862	557,386	517,415
Expenditures										
General government	38,090	37,532	32,927	32,660	33,715	26,936	21,358	19,447	18,679	19,052
Police	211,538	194,467	169,922	161,633	170,308	160,355	156,338	148,801	139,775	127,226
Fire & Rescue	112,361	106,641	91,310	92,793	85,677	76,604	74,888	70,164	66,399	61,483
Housing & Community Development	162,911	136,147	159,591	120,165	105,386	92,699	88,263	86,841	87,007	87,962
Economic Development	8,397	6,804	7,625	5,928	6,659	11,375	5,592	5,248	20,537	1,484
Planning & Building	30,116	27,262	24,595	24,662	24,498	24,196	23,649	21,997	19,935	17,667
Public Works	51,486	43,062	36,681	39,606	37,022	32,329	34,331	30,886	30,388	29,814
Community Services	47,213	41,669	36,241	33,306	40,690	36,339	34,042	32,258	31,980	28,394
Public Utilities	2,104	2,126	2,121	2,187	2,397	2,448	2,341	2,496	2,727	2,622
Convention, Sports & Entertainment	22,460	21,033	16,871	2,484	11,774	15,575	14,639	14,023	13,089	11,608
Capital outlay	42,556	66,870	22,318	29,250	71,117	43,191	46,366	44,532	32,589	79,710
Debt service:										
Principal	21,758	21,144	18,632	17,409	18,575	32,128	14,749	26,123	28,448	25,289
Interest charges	35,244	34,287	31,700	29,694	78,065	30,943	28,412	15,571	16,930	18,085
Bond issuance costs			198	1,411		1,748				127
Total expenditures	786,234	739,044	650,732	593,188	685,883	586,866	544,968	518,387	508,483	510,523
Revenues over (under) expenditures	72,650	43,674	92,489	(46,101)	(111,013)	5,834	21,187	84,475	48,903	6,892
Other Financing Sources (Uses)										
Transfers in	209,268	140,271	134,280	42,141	78,434	107,804	97,513	103,797	95,920	85,818
Transfers out	(152,032)	(125,627)	(127,296)	(44,309)	(67,793)	(102,556)	(93,285)	(101,446)	(85,403)	(79,373)
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
Payments to refunded bond escrow agent			(23,348)			(209,065)				(6,200)
Lease financing		80								
SBITAs Financing	647	12,148								
Total other financing sources	57,883	26,872	8,682	137,386	10,641	7,027	6,478	8,476	11,617	30,889
Net change in fund balances	$ 130,533	$ 70,546	$ 101,171	$ 91,285	$ (100,372)	$ 12,861	$ 27,665	$ 92,951	$ 60,520	$ 37,781
Debt service as a percentage of non capital expenditures	7.66%	8.25%	8.01%	8.35%	15.72%	11.60%	8.66%	8.80%	9.54%	10.07%

[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
2024	54,471	1,641	1,415	4,397	44,475	107,811	247,584	9,027	470,821
2023	50,857	1,492	2,160	3,473	41,457	108,171	224,352	8,729	440,691
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

[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 2024	2023	2022	2021	2020
City of Anaheim					
Secured property	$ 50,011,023	$ 46,640,449	$ 43,892,712	$ 42,491,830	$ 40,745,451
Unsecured property	1,528,056	1,422,066	1,679,279	1,315,829	1,273,871
Total City of Anaheim	51,539,079	48,062,515	45,571,991	43,807,659	42,019,322
Redevelopment Project Areas					
Secured property	8,008,853	7,351,216	6,565,882	6,333,408	5,938,225
Unsecured property	1,102,289	1,121,686	898,924	957,529	893,906
Total Anaheim Redevelopment Agency	9,111,142	8,472,902	7,464,806	7,290,937	6,832,131
Total Taxable Assessed Value	$ 60,650,221	$ 56,535,417	$ 53,036,797	$ 51,098,596	$ 48,851,453
Total Direct Tax Rate	1.00000%	1.00000%	1.00000%	1.00000%	1.00000%

	Fiscal Year 2019	2018	2017	2016	2015
City of Anaheim					
Secured property	$ 38,098,867	$ 36,199,163	$ 34,732,460	$ 33,338,748	$ 32,023,757
Unsecured property	1,302,121	1,175,627	1,172,650	1,243,307	1,515,905
Total City of Anaheim	39,400,988	37,374,790	35,905,110	34,582,055	33,539,662
Redevelopment Agency Project Areas					
Secured property	5,593,018	5,182,683	4,773,715	4,479,386	4,102,931
Unsecured property	737,385	720,305	684,544	753,736	759,729
Total Anaheim Redevelopment Agency	6,330,403	5,902,988	5,458,259	5,233,122	4,862,660
Total Taxable Assessed Value	$ 45,731,391	$ 43,277,778	$ 41,363,369	$ 39,815,177	$ 38,402,322
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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
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	0.00173	0.00173	0.00198
Anaheim City School Districts	0.04644	0.04667	0.06321	0.06595	0.05943	0.05059	0.04502	0.04461	0.04227	0.02867
Anaheim Union High School Districts	0.03164	0.03016	0.03804	0.03971	0.03968	0.04244	0.02211	0.04259	0.04948	0.02412
North Orange County Community College	0.01715	0.02778	0.02877	0.03198	0.02409	0.02829	0.02927	0.02885	0.03043	0.01704
Water District Rate	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
	0.09873	0.10811	0.13352	0.14114	0.12670	0.12482	0.10163	0.12128	0.12741	0.07531
Total Direct and Overlapping Rates	1.09873	1.10811	1.13352	1.14114	1.12670	1.12482	1.10163	1.12128	1.12741	1.07531
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					
	2024			2015		
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	11.45%	$ 6,645,853	1	12.80%	$ 4,625,941
Waterford Property Company	2	0.53%	307,431			
Bridge WF II CA Madison Park LLC	3	0.49%	283,080			
C3J LP	4	0.40%	234,576			
HHC HA Investment II Inc.	5	0.40%	232,624	2	0.54%	196,533
FJS Inc.	6	0.38%	218,293			
Anaheim Concourse ILP LLC	7	0.36%	209,961			
PR 1910 Union LLC	8	0.34%	197,870			
PR 1921 Union LLC	9	0.33%	189,720			
Chapman University	10	0.27%	159,470			
PPC Anaheim Apartments				3	0.31%	113,448
Irvine Company LLC				4	0.31%	111,096
Teachers Insurance & Annuity Association				5	0.28%	100,856
Prologis California I LLC				6	0.26%	93,461
Angeli LLC				7	0.25%	88,944
Mary Susan Samia Trust				8	0.24%	87,264
Kaiser Foundation Health				9	0.23%	83,268
Essex Anavia LP				10	0.23%	82,976
Total		14.96%	$ 8,678,878		15.45%	$ 5,583,787

Source: Finance Department, City of Anaheim, California Municipal Statistics, Inc.

Property Tax Levies and Collections
Last Ten Fiscal Years (In thousands)

		Collected within the Fiscal Year of the Levy			Total Collections to Date	
Fiscal Year	Total Taxes Levy	Amount [1]	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2024	$ 58,260	$ 56,971	97.79%	$ 277	$ 57,248	98.26%
2023	55,336	54,065	97.70%	557	54,622	98.71%
2022	51,577	50,270	97.47%	378	50,648	98.20%
2021	49,162	48,306	98.26%	489	48,795	99.25%
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%

[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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities										
Bonds	$ 621,578	$ 645,361	$ 666,167	$ 684,157	$ 562,005	$ 600,444	$ 621,675	$ 627,589	$ 632,321	$ 640,891
Notes and loans	13,096	17,077	21,473	16,466	19,681	23,796	28,008	29,577	20,820	21,372
Leases	5,209	4,727	4,375	4,828	2,297	1,988	1,550	1,738	2,088	2,346
Subscription payable[1]	18,632	22,261	3,432							
Total governmental activities	658,515	689,426	695,447	705,451	583,983	626,228	651,233	658,904	655,229	664,609
Business-Type Activities										
Bonds	1,177,827	1,238,884	1,304,522	1,173,008	1,220,797	1,172,354	1,214,339	1,235,400	1,124,159	1,116,443
Notes and loans	217	310	2,402	6,366	9,866	13,418	16,972	20,523	36,200	57,399
Leases	3,264	2,880	2,997	3,337	198					
Subscription payable[1]	488	655	822							
Total business-type activities	1,181,796	1,242,729	1,310,743	1,182,711	1,230,861	1,185,772	1,231,311	1,255,923	1,160,359	1,173,842
Total Government	$1,840,311	$1,932,155	$2,006,190	$1,888,162	$1,814,844	$1,812,000	$1,882,544	$1,914,827	$1,815,588	$1,838,451
Percentage of Personal Income	15.20%	17.31%	17.87%	16.69%	16.87%	16.20%	18.06%	20.12%	20.18%	21.26%
Per Capita	$ 5,410	$ 5,880	$ 5,867	$ 5,479	$ 5,083	$ 5,080	$ 5,272	$ 5,341	$ 5,070	$ 5,231

Notes:
[1] Implementation of GASB No. 96 in fiscal year 2023.
Per capita personal income for 2024 is unavailable. The Per Capita personal income for fiscal year 2024 used the 2023 Per Capita Income personal 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; US Census Yearly American Community Survey; 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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Bonds										
General Obligation									$ 700	$ 1,360
Lease Revenue[1]	$ 621,578	$ 645,361	$ 666,167	$ 684,157	$ 562,005	600,444	621,675	627,589	631,621	639,531
	621,578	645,361	$ 666,167	684,157	562,005	600,444	621,675	627,589	632,321	640,891
Less amount available for principal	42,674								700	813
Total net obligation bonds outstanding	$ 578,904	$ 645,361	$ 666,167	$ 684,157	$ 562,005	$ 600,444	$ 621,675	$ 627,589	$ 631,621	$ 640,078
Percentage of Assessed Value of Property	0.95%	1.14%	1.26%	1.34%	1.15%	1.31%	1.44%	1.52%	1.59%	1.67%
Per capita	$ 1,702	$ 1,964	$ 1,952	$ 1,985	$ 1,574	$ 1,683	$ 1,741	$ 1,750	$ 1,764	$ 1,821

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 years' data to conform to current presentation.

Source: Finance Department, City of Anaheim

Direct and Overlapping Governmental Activities Debt
As of June 30, 2024 (In thousands)

		Debt Outstanding June 30, 2024	% Applicable[1]	Estimated City's Share of Overlapping Debt
2023-24 Assessed Valuation	$ 60,650,221			
DIRECT DEBT:				
City of Anaheim [2]				
Lease Revenue Bonds		$ 621,578	100%	$ 621,578
Notes and Loans from direct borrowing		13,096	100	13,096
Leases		5,209	100	5,209
Subscription payable		18,632	100	18,632
TOTAL CITY OF ANAHEIM DIRECT DEBT [2]		$ 658,515		$ 658,515
OVERLAPPING TAX AND ASSESSMENT DEBT:				
Metropolitan Water District		$ 18,210	1.566%	$ 285
North Orange Joint Community College District		291,561	28.570	83,299
Rancho Santiago Community College District		154,276	11.943	18,425
Rancho Santiago Community College District School Facilities Improvement District No 1		144,765	0.360	521
Anaheim Union High School District		229,079	68.754	157,501
Fullerton Joint Union High School District		177,700	0.249	442
Garden Grove Unified School District		517,805	0.546	2,827
Orange Unified School District		276,295	25.389	70,149
Placentia - Yorba Linda Unified School District		197,151	19.855	39,144
Anaheim School District		345,876	99.291	343,424
Magnolia School District		17,868	65.814	11,760
Other School Districts		153,113	Various	23,126
City of Anaheim Community Facilities Districts		50,985	100	50,985
California Statewide Community Development Authority Assessment Districts		2,898	100	2,898
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		$ 2,577,582		$ 804,786
OVERLAPPING GENERAL FUND DEBT:				
Orange County General Fund Obligations		$ 440,385	7.878%	$ 34,694
Orange County Board of Education General Fund Obligations		10,030	7.878	760
North Orange County Regional Occupation Program Certificates of Participation		7,350	29.379	2,159
Orange Unified School District Certificates of Participation		8,440	25.389	2,143
Orange Unified School District Benefit Obligations		56,260	25.389	14,284
Placentia-Yorba Linda Unified School District Certificates of Participation		79,900	19.855	15,864
Anaheim Union High School District Certificates of Participation		28,320	68.754	19,471
Fullerton Joint Union High School District Certificates of Participation		14,940	0.249	37
Fullerton School District General Fund Obligations		2,410	0.171	4
Magnolia School District General Fund Obligations		11,874	65.814	7,815
TOTAL GROSS OVERLAPPING GENERAL FUND OBLIGATION DEBT		$ 659,909		$ 97,231
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):				
City of Anaheim Tax Allocation Bonds	-	$ 106,820	100%	$ 106,820
TOTAL OVERLAPPING TAX INCREMENT DEBT				106,820
TOTAL GROSS OVERLAPPING DEBT				1,008,837
TOTAL NET OVERLAPPING DEBT				1,008,837
TOTAL DIRECT AND OVERLAPPING DEBT				$ 1,667,352

[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, leases, and SBITA payable.

Source: California Municipal Statistics, Inc., City of Anaheim

Legal Debt Margin
Last Ten Fiscal Years (In thousands)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Debt limit	$ 2,274,383	$ 2,120,078	$ 1,988,880	$ 1,916,197	$ 1,831,929	$ 1,714,927	$ 1,622,917	$ 1,551,126	$ 1,493,069	$ 1,440,087
Total net debt applicable to limit									(700)	(1,360)
Legal debt margin	$ 2,274,383	$ 2,120,078	$ 1,988,880	$ 1,916,197	$ 1,831,929	$ 1,714,927	$ 1,622,917	$ 1,551,126	$ 1,492,369	$ 1,438,727
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.09%
Legal Debt Margin										
Assessed value	$ 60,650,221	$ 56,535,417	$ 53,036,797	$ 51,098,596	$ 48,851,453	$ 45,731,391	$ 43,277,778	$ 41,363,369	$ 39,815,177	$ 38,402,322
Debt limit (3.75% of total assessed value)[1]	$ 2,274,383	$ 2,120,078	$ 1,988,880	$ 1,916,197	$ 1,831,929	$ 1,714,927	$ 1,622,917	$ 1,551,126	$ 1,493,069	$ 1,440,087

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.

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
2024	$ 456,931	$ 322,905	$ 134,026	$ 37,755	$ 29,258	$ 67,013	2.0000
2023	489,147	363,411	125,736	35,090	29,324	64,414	1.9520
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

[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
2024	$100,126	$71,702	$28,424	$6,990	$9,202	$16,192	1.7554
2023	97,972	72,804	25,168	4,745	9,217	13,962	1.8026
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

[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	Principal	Debt Service Interest	Total	Coverage
2024	$19,967	$10,397	$9,570	$1,430	$1,979	$3,409	2.8073
2023	17,373	10,154	7,219	1,355	2,047	3,402	2.1220
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

[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 [1]	Education Level in Years of Schooling	School Enrollment [1] [2]	Orange County Unemployment Rate
2024	340,160	12,106,294	35,590	37.1	12.2	48,041	4.00%
2023	328,580	11,159,563	35,590	36.0	12.2	50,303	3.70%
2022	341,245	11,589,704	33,963	36.0	12.2	50,303	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%

[1] Per capita personal income, median age, and school enrollment for year 2024 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					
	2024			2015		
Employer	Rank	Employees	Percentage of Total City Employment	Rank	Employees	Percentage of Total City Employment
Disneyland Resort	1	36,000	21.29%	1	26,550	16.40%
Kaiser Permanente Anaheim Medical Center	2	4,500	2.66%	2	6,040	3.70%
OC Sports & Entertainment*	3	2,000	1.18%			
Northgate Market	4	1,000	0.59%			
Hilton Anaheim	5	900	0.53%	6	975	0.60%
Anaheim Regional Medical Center	6	885	0.52%	3	1300	0.80%
L-3 Harris Technologies	7	850	0.50%	5	1,070	0.70%
West Anaheim Medical Center	8	740	0.44%	9	750	0.50%
Angels Baseball LP	9	700	0.41%	4	1,139	0.70%
Anaheim Marriott	10	550	0.33%			
Time Warner Cable Business Class				7	900	0.60%
Carrington Morthage Services LLC (CMS)				8	800	0.50%
Honda Center				10	700	0.40%
Total		48,125	28.45%		40,224	24.90%

*includes Honda Center, Anaheim Ducks, OCVibe, other operations

Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Function/Program										
City Council	9	9	9	9	9	9	9	9	6	7
City Administration	19	19	19	18	19	19	19	19	19	20
City Attorney	36	35	33	30	33	33	33	33	33	33
City Clerk	8	8	8	7	8	8	8	8	8	7
Human Resources	43	40	39	39	40	40	40	40	39	37
Finance [1]	56	54	52	50	55	55	55	55	54	44
Police	603	587	584	557	591	590	590	576	569	561
Fire & Rescue	349	331	327	273	276	276	276	276	274	267
Housing & Community Development	80	76	70	73	73	73	73	73	73	71
Economic Development[2]	10	7	7							
Planning & Building	86	77	74	72	76	76	76	76	76	75
Public Works	243	240	236	236	236	236	236	236	235	237
Community Services	103	94	84	84	93	93	93	92	92	91
Public Utilities	353	353	352	352	352	352	352	352	352	354
Convention, Sports & Entertainment	86	85	85	74	85	85	85	85	85	85
Total	2,084	2,015	1,979	1,874	1,946	1,945	1,945	1,930	1,915	1,889

[1] Increase in Fiscal Year 2016 is due to reorganization of the Citywide Geographic Information System (GIS) and Police Information System into Finance.

[2] Economic Development Department was created in FY 2021/22 and included the transfer of three positions from Housing & Community Development

Source: City of Anaheim

Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year									
Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police Department										
Number of calls for service	202,578	195,719	202,134	192,471	193,998	192,422	200,934	200,695	208,710	195,305
Number of 911 calls received	149,071	161,896	164,859	138,985	148,895	163,445	146,770	150,555	155,371	158,447
Number of Part I Crimes per 100,000 population [2]	N/A	N/A	1,598	3,008	2,719	2,731	2,925	2,917	3,279	2,950
Group A Offenses Rate [2]	6,097	6,700	3,200							
Number of Arrest	8,484	8,063	8,057	10,491	10,576	12,575	11,865	11,010	11,604	11,405
Number of Field Reports processed by Records Bureau	34,884	37,713	36,745	34,268	35,971	39,373	45,402	41,208	41,655	39,191
Number of traffic collisions	5,575	3,635	4,454	3,399	4,276	4,378	4,757	4,817	5,179	4,833
Number of Hours of Volunteer service	12,329	11,278	11,099	4,018	11,435	18,380	19,270	21,132	21,647	22,885
Fire Department										
Fire responses	708	699	1,323	1,129	996	1,025	1,057	1,035	1,082	952
False alarm responses	1,524	1,473	1,266	1,184	2,432	2,038	1,803	1,903	1,848	3,910
Mutual aid responses	2,431	3,193	3,514	3,018	3,596	3,906	4,069	5,450	5,506	4,322
Medical responses	27,097	31,777	30,489	26,759	29,195	29,232	29,385	28,437	28,858	27,158
Hazardous condition responses	269	293	158	173	180	204	190	222	211	213
Public Works										
Centerline miles of arterial highway pavement improved	6.60	0.60	4.60	9.93	3.40	9.15	1.29	1.2	4.7	3.6
Square feet of deteriorated pavement replaced	2,426,933	2,515,513	3,739,337	4,000,210	2,746,130	3,389,786	2,960,600	4,017,828	2,487,188	2,101,231
Square feet of deteriorated pavement slurry sealed	59,544	1,096,200	84,295	708,860	2,017,000	3,003,023	4,704,400	5,519,982	1,941,187	7,253,633
Number of traffic intersections maintained	340	339	339	395	394	376	360	335	333	321
Number of traffic control hubs maintained	19	19	18	20	20	18	18	18	18	18
Square feet of deteriorated sidewalk replaced	174,451	126,318	127,323	244,043	93,243	194,674	162,774	102,305	232,922	153,531
Linear feet of damaged curb/gutter replaced	19,188	58,737	27,284	34,275	29,311	78,147	65,569	6,797	33,373	30,152
Square feet of medians/parkways maintained	6,305,775	6,305,775	6,301,655	6,301,655	6,297,655	6,297,655	6,101,098	6,063,299	6,063,299	5,721,764
Square feet of landscape maintained in the Anaheim Resort	1,674,600	1,674,600	1,674,600	1,656,500	1,656,500	1,656,500	1,605,958	1,554,886	1,554,886	1,542,442
Square feet of hardscape maintained in the Anaheim Resort	991,860	991,860	991,860	991,860	991,360	991,360	991,350	991,360	991,360	991,370
Number of vehicles maintained	914	858	868	887	887	1,059	1,050	1,036	1,025	1,097
Number of vehicles per mechanic	46	73	45	44	44	46	52	49	49	57
Square feet of interior space maintained	2,409,427	2,409,427	2,409,427	2,409,427	2,409,427	2,408,734	2,399,337	2,379,100	2,379,100	2,379,100
Square feet of exterior space maintained	37,746,100	37,746,100	37,746,100	37,746,100	37,746,100	37,746,100	37,698,184	37,662,184	37,662,184	37,662,184
Number of facility square feet (interior) per worker	114,735	120,471	120,471	120,471	120,471	120,437	126,281	125,215	1,459,000	1,459,000
Number of construction projects	1,101	1,164	1,411	1,072	708	590	180	80	120	100
Number of permit inspections	7,689	7,294	8,212	9,426	1,007	1,691	900	650	510	429
Parks										
Number of park acres maintained per full-time equivalent employee	78	78	78	78	78	77	77	77	77	76
Number of sports fields prepared	66	66	66	66	66	66	66	66	66	66
Cost per acre of parks maintained	$ 11,756	$ 11,196	$ 10,663	$ 9,873	$ 9,585	$ 9,325	$ 9,497	$ 9,221	$ 8,952	$ 8,691
Cost per sports field maintained	$ 6,400	$ 6,095	$ 5,805	$ 5,375	$ 5,219	$ 5,082	$ 4,934	$ 4,791	$ 4,655	$ 4,519
Golf Courses										
Cost per acre of golf course maintained	$ 19,769	$ 14,651	$ 18,328	$ 15,176	$ 9,712	$ 10,906	$ 11,147	$ 10,434	$ 10,076	$ 9,455
Number of rounds played	169,300	154,623	169,037	145,025	94,746	105,952	102,498	102,542	102,234	110,855
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									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Function/Program										
City Libraries										
Hours open	17,661	15,574	11,310	9,992	14,668	16,965	17,065	16,023	15,461	16,929
Total circulation of materials, including eBooks	1,067,329	1,015,939	901,499	783,392	1,012,328	1,006,276	1,026,997	1,117,096	1,169,829	1,257,127
Patron assistance (reference, information, computer)	161,861	155,308	154,148	132,623	225,468	191,269	207,724	226,429	185,436	207,305
Patron visits	5,094,788	2,380,345	3,013,726	4,045,310	1,184,487	1,382,433	1,460,551	981,637	1,098,146	1,221,982
Library cardholders	317,524	280,047	269,532	260,441	254,093	297,256	233,312	230,951	217,661	201,194
Programs offered	5,335	4,025	2,495	1,570	3,585	4,449	4,770	4,507	3,900	3,800
Program attendance	176,113	134,306	96,403	367,901	196,521	141,504	144,660	142,098	125,609	117,226
Hours of public internet usage	57,295	40,733	36,385	16,289	89,344	136,671	151,709	144,364	150,712	184,851
Community Services Programs										
Number of youth program participants	158,002	155,127	52,284	52,284	152,791	165,264	197,228	181,697	183,967	177,746
Number of youth program participants in recreation classes	9,279	7,636	6,088	6,088	9,894	8,291	7,957	8,500	13,026	10,136
Number of adult program sports teams	759	405	112	112	343	537	588	679	725	750
Number of park ranger contacts	343,211	404,217	530,361	530,361	547,707	781,176	641,320	382,310	278,599	327,893
Public Utilities Department										
Electric Utility:										
Number of meters	123,725	123,333	104,561	121,526	121,227	120,400	119,564	118,248	117,593	115,682
Megawatt-hours - sales	2,535,799	2,191,488	2,682,392	2,652,150	2,687,030	3,109,157	3,217,353	3,298,340	3,229,569	3,725,386
Megawatt-hours - purchased power	2,621,754	2,721,712	2,781,257	2,745,977	2,760,933	3,120,824	2,985,962	2,990,931	3,050,657	3,417,459
Megawatt-hours - owned generation[1]				[1]	2	60,890	231,391	398,068	318,921	371,657
Water Utility:										
Number of meters	64,814	64,751	64,698	64,592	64,421	64,188	64,001	63,489	63,775	63,145
Millions of gallons sold	15,738	16,046	17,968	17,733	17,861	17,760	19,308	17,422	16,607	19,804
Millions of gallons purchased from Metropolitan Water District	6,349	11,916	13,715	13,673	7,877	3,581	8,767	4,170	4,373	4,717
Millions of gallons pumped from water system wells	10,764	4,925	5,470	4,921	10,947	14,603	10,742	14,217	13,213	15,180
Anaheim Convention Center										
Number of events serviced	117	115	101	13	135	168	171	179	181	197
Number of attendees	1,100,000	866,000	641,000	377,000	916,000	1,083,000	960,000	925,000	954,000	986,000
Percentage of occupancy	65.00%	59.00%	42.00%	19.00%	46.00%	55.00%	68.00%	72.00%	59.00%	63.00%

[1] The City sold its shares of SONGS and SJ.

[2] Data collection for the Anaheim Police Department transitioned from Part 1 Crime reporting to the National Incident-Based Reporting System (NIBRS) effective November 1, 2021.

Sources: Various City departments

Capital Assets Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police Department										
Police Facilities	9	9	9	9	9	10	10	10	10	10
Motorized Equipment	278	277	277	277	277	256	256	260	260	250
Police Helicopters	3	3	3	3	3	3	3	3	2	2
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	95	93	91	88	85	79	76	75	75	74
Public Works										
Streets (center lane miles)	582	584	584	584	584	584	584	585	584	584
Traffic signals	340	339	392	395	394	376	360	335	321	321
Sewers (miles)	578.70	578.43	578.43	578.43	578.43	578.43	578.43	578.17	578.13	577.60
Storm Drains (miles)	151.82	151.82	151.82	151.82	151.82	151.82	151.82	151.82	151.30	151.30
Parks										
Community parks	9	9	9	9	9	9	9	11	11	11
Mini parks	12	11	11	10	10	10	10	15	15	9
Neighborhood parks	23	23	23	23	23	23	23	23	23	21
Special use parks	5	3	3	3	3	3	3	8	8	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	8	8
Book mobiles	2	2	2	2	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)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Function/Program										
Public Utilities Department										
Electric Utility:										
Transmission, 69 kV, circuit miles	89	89	89	89	88	90	90	88	87	86
Distribution, 12 kV and lower, circuit miles										
Overhead	384	389	389	391	393	401	402	408	414	420
Underground	783	769	769	764	742	709	708	693	680	666
Water Utility:										
Active Wells	15	4[1]	4	17	19	15	18	17	18	17
Reservoirs	13	13	13	13	13	13	14	14	14	14
Water Mains (miles)	758	758	757	757	758	754	753	753	753	753
Fire Hydrants	7,945	7,953	7,946	7,943	7,912	7,835	7,842	7,832	7,840	7,832
Anaheim Convention Center										
Square footage available	1,370,000	1,370,000	1,370,000	1,370,000	1,370,000	1,370,000	1,130,000	1,130,000	1,130,000	1,130,000
Number of exhibit halls	7	7	7	7	7	7	5	5	5	5

Source: Various City Departments

[1] Fourteen (14) groundwater wells are offline during the Groundwater Treatment Project Construction.

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OTHER INFORMATION

ANAHEIM

CITY OF ANAHEIM CALIFORNIA

FOUNDED 1857

ANAHEIM, CALIFORNIA

Summary of Pension Liability Funding Progress

(in thousands)

June 30, 2023 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	$ 1,230,615	$ 1,741,021	$ 510,406	70.7%	$ 133,453	382.5%
Police Safety	706,442	1,020,219	313,777	69.2%	57,489	545.8%
Fire Safety	369,700	553,163	183,463	66.8%	31,239	587.3%
Total	$ 2,306,757	$ 3,314,403	$ 1,007,646	69.6%	$ 222,182	453.5%

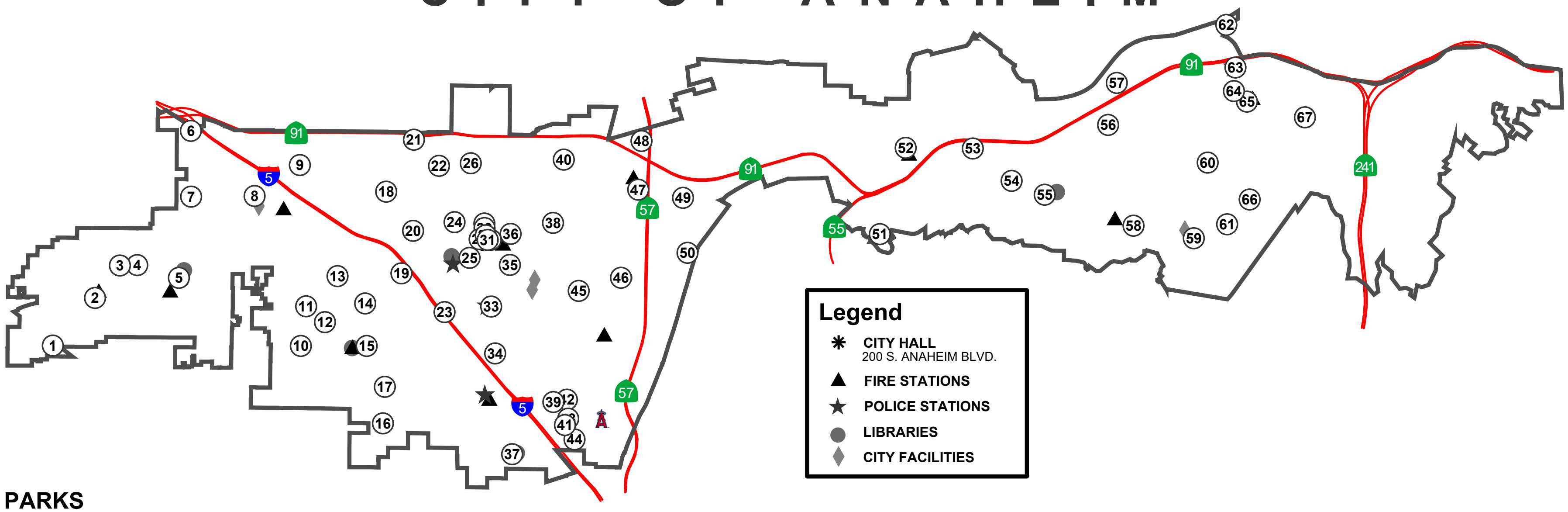
June 30, 2022 Actuarial Valuation Date	Fair Value of Assets (FVA)	Accrued Liability (AL)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll	UAL as a % of Payroll
Miscellaneous	$ 1,183,362	$ 1,681,617	$ 498,255	70.4%	$ 119,690	416.3%
Police Safety	675,666	985,062	309,396	68.6%	53,517	578.1%
Fire Safety	356,612	529,357	172,745	67.4%	28,129	614.1%
Total	$ 2,215,640	$ 3,196,036	$ 980,396	69.3%	$ 201,336	486.9%

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%

Schedule of Other Post Employment Benefits Funding Progress
(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, 2023	122,112	229,938	107,826	53.1%	227,873	47.3%
June 30, 2021	110,402	231,781	121,379	47.6%	203,733	59.6%
June 30, 2019	102,332	262,908	160,576	38.9%	209,942	76.5%

CITY OF ANAHEIM



PARKS

1	HANSEN PARK	3347 W Thornton Ave
2	TWILA REID PARK	3100 W Orange Ave
3	WEST ANAHEIM YOUTH CENTER	320 S Beach Blvd
4	SCHWEITZER PARK	238 S Bel Air St
5	MAXWELL PARK	2655 W Orange Ave
6	DELPHI PARK	1211 N Magnolia Ave
7	PETER MARSHALL PARK	801 N Magnolia Ave
8	BROOKHURST PARK	2271 W Crescent Ave
9	JOHN MARSHALL PARK	2001 W La Palma Ave
10	MODJESKA PARK	1331 S Nutwood St
11	BARTON PARK	800 S Agate St
12	CIRCLE PARK	924 S Park Cir
13	CHAPARRAL PARK	1770 W Broadway
14	WILLOW PARK	1625 W Crone Ave
15	PALM LANE PARK	1595 W Palais Rd
16	STODDARD PARK	1901 S Ninth St
17	ENERGY FIELD PARK	1625 S Ninth St
18	SAGE PARK	1313 W Lido Pl
19	BETSY ROSS PARK	1280 W Santa Ana St
20	FOUNDERS' PARK	400 N West St
21	MANZANITA PARK	1260 N Riviera St
22	LA PALMA PARK	1151 N La Palma Parkway
23	COTTONWOOD PARK	835 W Cottonwood Cir
24	PEARSON PARK	400 N Harbor Blvd
25	LITTLE PEOPLE'S PARK	220 W Elm St
26	JULIANNA PARK	309 E Julianna Ave
27	FRIENDSHIP PLAZA	200 S Anaheim Blvd
28	GEORGE WASHINGTON PARK	250 E Cypress St
29	COLONY SQUARE	210 E Lincoln Ave
30	DOWNTOWN COMMUNITY CENTER & GYMNASIUM	250 E Center St
31	DOWNTOWN ANAHEIM YOUTH CENTER	225 S Philadelphia St
32	CENTER GREENS	311 E Broadway
33	WALNUT GROVE PARK	905 S Anaheim Blvd
34	PAUL REVERE PARK	160 Guinida Ln
35	COLONY PARK	501 E Water St
36	CITRUS PARK	104 S Atchison St
37	PONDEROSA PARK	2100 S Haster St
38	LINCOLN PARK	1535 E Broadway Ave
39	CORAL TREE PARK	1711 S Betmor Ln
40	EDISON PARK	1145 N Baxter St
41	ALOE PROMENADE	1402 E Meridian St
42	MAGNOLIA PARK	1515 Wright Cir
43	ALOE GREENS	1400 E Park St
44	JACARANDA PARK	1955 S Jacaranda Way
45	BOYSEN PARK	951 S State College Blvd
46	JUAREZ PARK	841 S Sunkist St
47	PIONEER PARK	2565 E Underhill Ave
48	MIRALOMA PARK	2600 E Miraloma Way
49	RIO VISTA PARK	201 N Park Vista St
50	ANAHEIM COVES	962 Rio Vista St
51	OLIVE HILLS PARK	700 S Nohl Canyon Rd
52	RIVERDALE PARK	4545 E Riverdale Ave
53	PERALTA CANYON PARK	115 N Pinney Dr
54	PELANCONI PARK	222 S Avenida Margarita
55	IMPERIAL PARK	450 S Imperial Hwy
56	EUCALYPTUS PARK	100 N Quintana Dr
57	YORBA PARK	7400 E La Palma Ave
58	OAK PARK	6400 E Nohl Ranch Rd
59	OAK CANYON NATURE CENTER	6700 E Walnut Canyon Rd
60	DEER CANYON PARK	7502 E Hollow Oak Rd
61	WALNUT CANYON RESERVOIR	7097 E Shorecrest Dr
62	WETLANDS PARK	8500 E La Palma Ave
63	EAST ANAHEIM COMMUNITY CENTER & GYMNASIUM	8201 E Santa Ana Canyon Rd
64	ROOSEVELT PARK	8160 E Bauer Rd
65	SYCAMORE PARK	8268 E Monte Vista Rd
66	CANYON RIM PARK	7305 E Canyon Rim Road
67	RONALD REAGAN PARK	945 S Weir Canyon Rd

Date: 11/18/2024
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See accompanied independent auditors' report

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ANAHEIM, CALIFORNIA

ANAHEIM, CALIFORNIA