



POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR JULY 1, 2022 THROUGH JUNE 30, 2023



Pride of the Foothills

CITY of GLENDORA

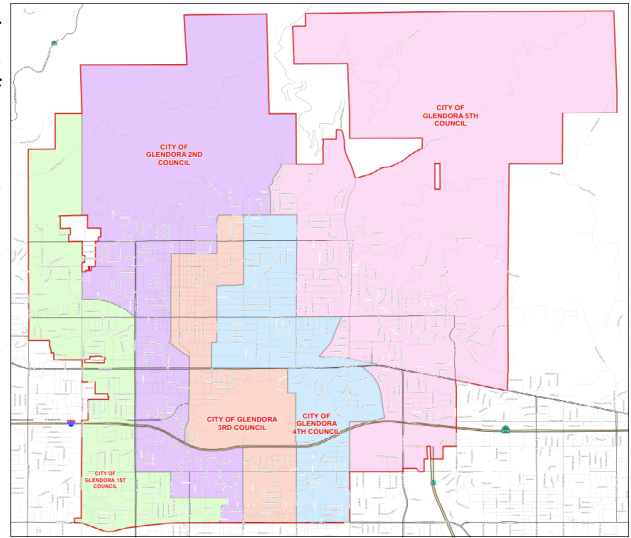
WELCOME AND TABLE OF CONTENTS

Dear Reader,

The City of Glendora is pleased to present our Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2023. Our PAFR provides an overview of the City's financial position in a manner that is easy to understand. The information in this report is based on the audited results presented in the City's Annual Comprehensive Financial Report (ACFR). This report also includes other pertinent information such as the City's outstanding debt.

It is important to note, this PAFR is unaudited and is presented on a non-GAAP basis*. This means the presentation of financial data in this report differs from the GAAP basis presentation in the City's ACFR.

We hope you find this report helpful and encourage you to access the City's website (www.cityofglendora.org/Finance) or contact Finance at (626) 914-8245 for more detailed information about the City's finances.




 Adam Raymond
 City Manager


 Kyle Johnson
 Finance Director/City Treasurer

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*Generally Accepted Accounting Principles (GAAP) is a combination of authoritative standards and the commonly accepted way of recording and reporting accounting information. To review the audited GAAP-based, full disclosure financial statements, please refer to the City's ACFR, which is available on the City's website at www.CityofGlendora.org/Finance

CITY of GLENDORA

ABOUT THE CITY

GLENDORA, THE COMMUNITY



The City of Glendora was founded in 1887 and incorporated as a City in 1911. Glendora is known as the *Pride of the Foothills*. The City is located in the eastern portion of the Los Angeles County metropolitan area, approximately 28 miles from downtown Los Angeles, and is accessible from all parts of Southern California by way of the Foothill (210) and Orange (57) freeways.

GLENDORA QUICK FACTS

Incorporation	1911
Form of Government	City Council/City Manager 5 Council Members
Governing Body	Mayor selected annually by/ from Council
Area in Square Miles	19.86
Median Age	40.4
2023 Adopted Budget	\$121,896,138
Employees	259
Unemployment Rate	5.0%
Sales & Use Tax Rate (as of 6/30/23)	10.25%

VISION STATEMENT

The City of Glendora strives to maintain our distinct sense of community values that fosters an environment of innovation, resiliency, safety, sustainability, and inspiration for everyone.

MISSION STATEMENT

The City of Glendora's mission is to provide its citizens and business community effective municipal service while maintaining our historical sense of community values.

CITY of GLENDORA

ELECTED AND APPOINTED OFFICIALS



Mendell Thompson
MAYOR



David Fredendall
MAYOR PRO TEM



Michael Allawos
COUNCIL MEMBER



Karen Davis
COUNCIL MEMBER



Gary Boyer
COUNCIL MEMBER

ADVISORY BODIES

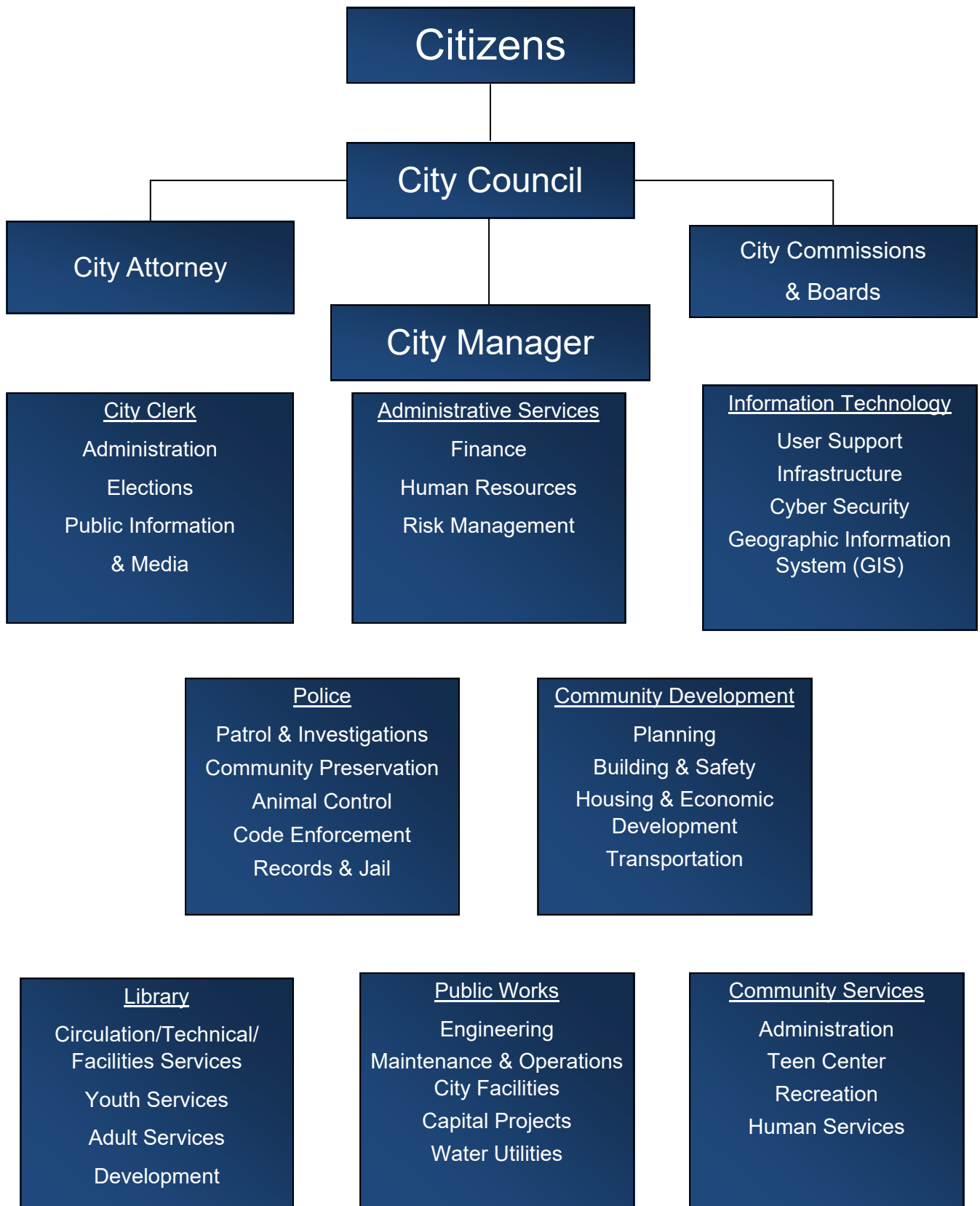
- Community Services Commission •
- Planning Commission • Board of Library Trustees •
- Water Commission • Business Improvement District Advisory Board •

APPOINTED OFFICIALS & DEPARTMENT HEADS

Adam M. Raymond.....	City Manager
Moises Lopez.....	Assistant City Manager
Marie Ricci.....	Deputy City Manger
Kathleen R. Sessman.....	City Clerk/Communications Director
Kyle Johnson.....	Finance Director/City Treasurer
Sam Robbin.....	Information Technology Director
Mike Randazoo.....	Police Chief
Jeff Kugel.....	Planning Director
William Wittkopf.....	Public Works Director
Janet Stone.....	Library Director
John Aguirre.....	Community Services Director

CITY of GLENDORA

CITY-WIDE ORGANIZATIONAL CHART



CITY of GLENDORA

CITY DEMOGRAPHICS AND KEY STATISTICS

CITY DEMOGRAPHICS



Population

52,558

SOURCE: US CENSUS BUREAU



Median Home Value

\$890,117

SOURCE: LOS ANGELES COUNTY RECORDER



Median Household Income

\$106,718

SOURCE: US CENSUS BUREAU



Median Age

40.4

SOURCE: US CENSUS BUREAU



Average Household Size

3.05

SOURCE: US CENSUS BUREAU

2023

Employer	Employees	Rank	% of Total City Employment
Citrus Community College District	700-750	1	1.49%
Glendora Unified School District	700-750	2	1.49%
Foothill Presbyterian Hospital	550-600	3	1.18%
County of Los Angeles—DCFS	550-600	4	1.18%
Walmart	350-400	5	0.77%
Glendora Grand	300-350	6	0.67%
Glendora Community Hospital	300-350	7	0.67%
City of Glendora	259	8	0.51%
Home Depot	150-200	9	0.36%
Sam's Club	150-200	10	0.36%



CITY of GLENDORA

CITY DEMOGRAPHICS AND KEY STATISTICS

CITY DEMOGRAPHICS

POLICE

92 Police Personnel
(Sworn & Non-Sworn) 

 **\$645,947**
Recovered Property Value

20,401 
Service Calls Received

 **1,259**
Arrests Made

COMMUNITY SERVICES

 **10** Public
Transit Vehicles

 **1,025.25**
Acres of Parks

34,050 
Special Event Participants

8 
Playgrounds

 **14,034**
Recreational
Class Participants

PUBLIC WORKS

163 
Streets (miles)

107 
Streetlights

227 
Water Mains (miles)

PUBLIC LIBRARY

 **18,474**
Library Meeting Room Attendees

 **31,127**
Library Program
Attendees

188,339 
Materials Checked Out

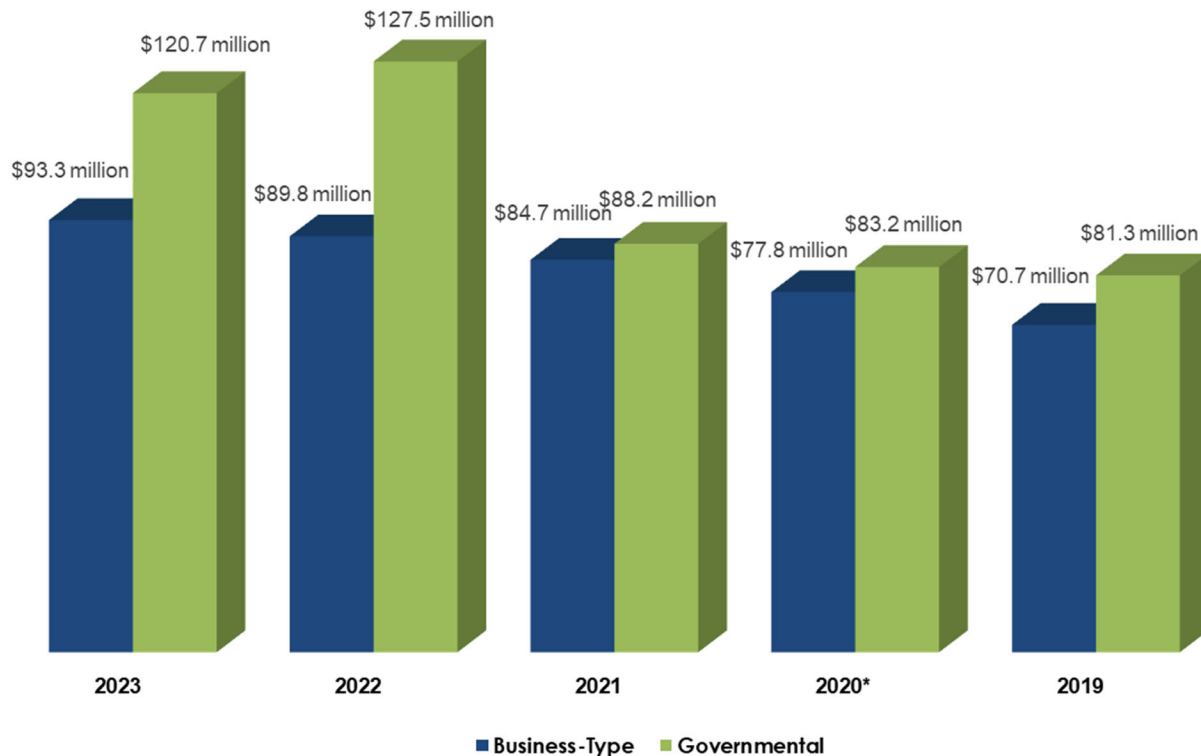
CITY of GLENDORA

THE CITY'S FINANCIAL POSITION

The Statement of Net Position presents information about all of the City's assets, liabilities, deferred outflows (e.g., prepaid items), and deferred inflows (e.g., advance collections). The City's net financial position is the balance of all assets and deferred outflows, less all liabilities and deferred inflows. Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. For the fiscal year ended June 30, 2023, the Citywide net position decreased by over \$3.3 million. The assets of the City exceeded its liabilities by approximately \$214 million (net position), which is the combined total of both governmental and business-type activities. The five-year history presented below, indicates positive growth for the City's net position.

STATEMENT OF NET POSITION - CITYWIDE					
	2023	2022	2021	2020*	2019
Assets - What We Own	\$ 318,635,091	\$ 340,500,368	\$ 286,338,492	\$ 262,686,079	\$ 247,237,136
Deferred Outflows	\$ 34,267,132	\$ 32,941,884	\$ 27,804,044	\$ 71,841,156	\$ 12,875,967
Liabilities - What We Owe	\$ 111,217,439	\$ 110,553,747	\$ 118,294,162	\$ 168,379,722	\$ 104,924,249
Deferred Inflows	\$ 27,708,619	\$ 45,578,827	\$ 22,975,951	\$ 5,236,796	\$ 3,177,794
TOTAL NET POSITION	\$ 213,976,165	\$ 217,309,678	\$ 172,872,423	\$160,910,717	\$ 152,011,060

NET POSITION - 5 YEAR COMPARISON



*Net Position restated in 2020 for GASB 84.
 GASB 84: required reporting change on fiduciary activities.

CITY of GLENDORA

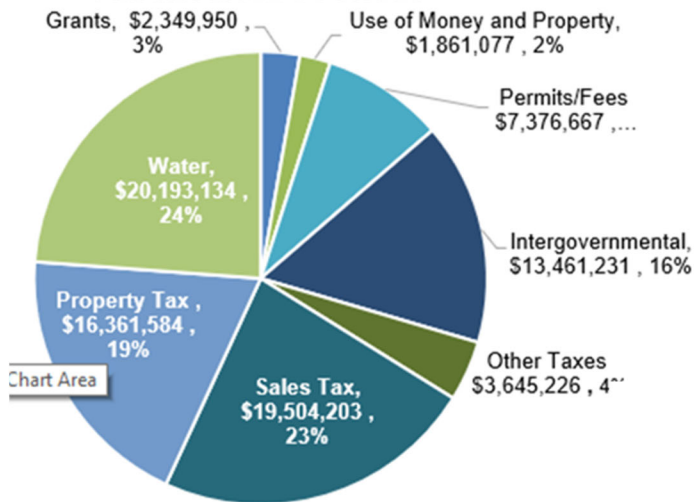
STATEMENT OF ACTIVITIES

More formally referred to as the Statement of Activities, the City's income statements reflect all the financial activity for the City during the fiscal year ended June 30, 20223. This statement presents information to illustrate how the City's net position changed during the year as a result of the financial activity (i.e. revenues and expenses). This is a summarized version of the more detailed statement found in the City's complete ACFR. For fiscal year ended June 30, 2023, the City's expenses exceeded revenues by \$3.3 million.

STATEMENT OF ACTIVITIES - CITYWIDE					
	2023	2022	2021	2020*	2019
Revenues	\$ 84,753,072	\$ 76,413,322	\$ 76,409,449	\$ 68,983,326	\$ 61,587,373
Expenses	\$ 88,086,585	\$ 31,976,067	\$ 64,447,743	\$ 63,520,982	\$ 57,339,400
Change in Net Position	\$ (3,333,513)	\$ 44,437,255	\$ 11,961,706	\$ 5,462,344	\$ 4,247,973
Restatement of Net Position	\$ -	\$ -	\$ -	\$ 3,437,313	\$ -
Beginning Net Position	\$ 217,309,678	\$ 172,872,423	\$ 160,910,717	\$ 152,011,060	\$ 147,763,087
ENDING NET POSITION	\$ 213,976,165	\$ 217,309,678	\$ 172,872,423	\$ 160,910,717	\$ 152,011,060

*Restatements noted above were the implementation of GASB 84.

WHERE MONEY CAME FROM ALL REVENUE SOURCES



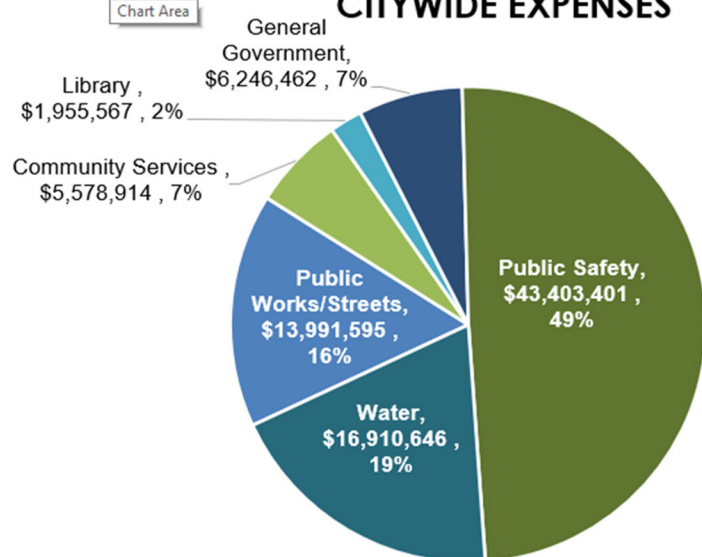
The City's expenses increased overall by \$56.3 million due to the following:

- Public Safety increased by \$50.7 million due to Net Pension Liability increase.
- Inflation caused slight increase in expenses across all departments.
- City has been restored to full service levels since pre-COVID-19.

The City's revenues increased by \$8.3 million from last year, mainly due to :

- Increase in interest and unrealized investment gain totaling \$6.8 million.
- Increase in Intergovernmental revenues totaling \$3.4 million.
- \$2.9 million increase from Sales Tax revenues.

WHERE THE MONEY WENT CITYWIDE EXPENSES



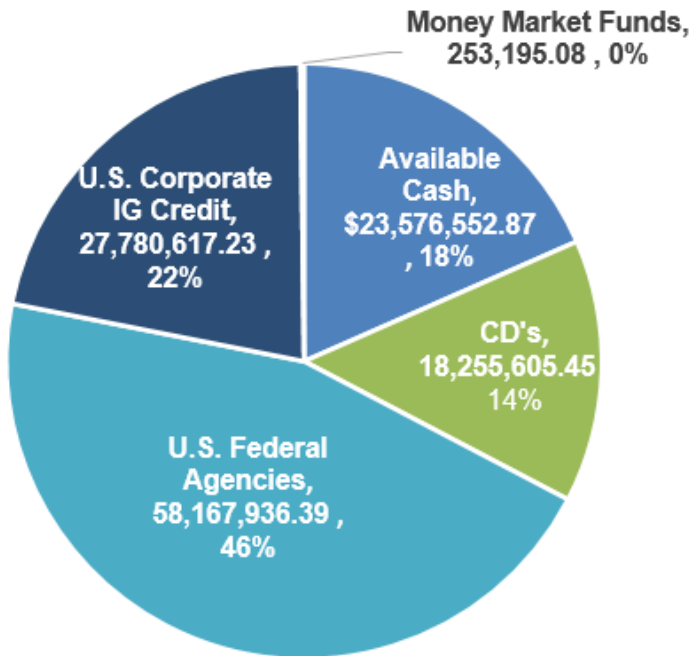
CITY of GLENDORA

THE CITY'S ASSETS AND INVESTMENTS

INVESTMENT MANAGEMENT AND FUNDS ALLOCATION

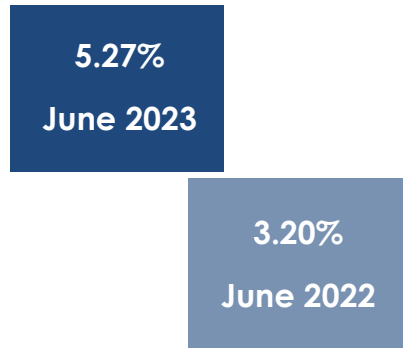
The prioritized objective of the City's investment policy is to invest public funds in a manner which will provide the maximum security, allow the City to meet daily cash flow demands and provide the highest investment return while conforming to all state and local statutes governing the investment of public funds. The objectives of the Policy are met in the following priority order: Safety, Liquidity and Return on Investments. The chart below reflects the types of investments held by the City as of June 30, 2023.

INVESTMENT TYPE • \$128,033,907



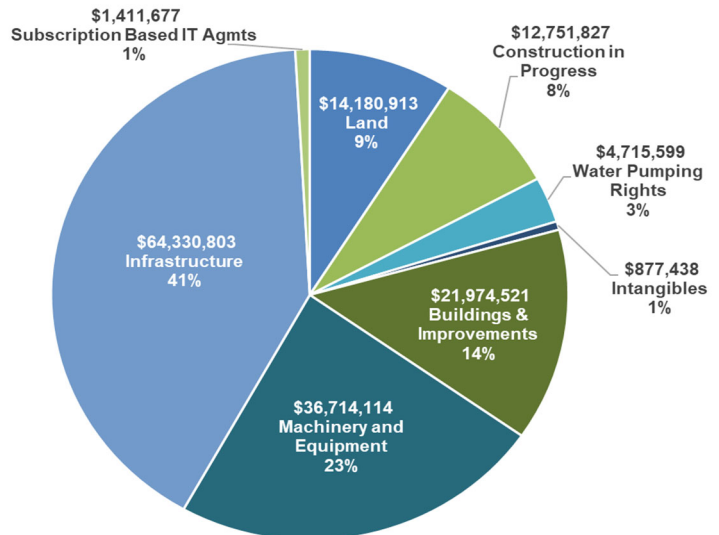
AVERAGE YIELD TO MATURITY

Yield to maturity is the total return of investment anticipated if the investment is held until maturity, this figure is expressed as monthly average. Based on information prepared by the City staff, at June 30th, the City's average yield to maturity is trending up from previous years due to continued high rates.



CAPITAL ASSETS, NET OF DEPRECIATION

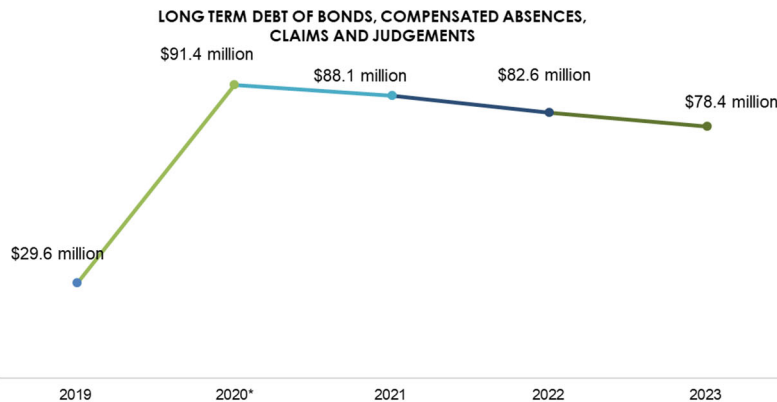
The City develops a five-year Capital Improvement Program (CIP) that projects capital needs with a focus on public safety, street repair and maintenance, water main systems, water operations, parks, and general infrastructure. In fiscal year 2023, major capital improvement additional included projects for roads (\$1.4 million), water main replacements and major reservoir rehabilitations (\$1.9 million), and improvements to facilities and parks (\$1.2 million).



CITY of GLENDORA

WHAT THE CITY OWES

As of June 30, 2023, the City had outstanding long-term debt totaling \$77.0 million. The debt increased by \$64.4 million in 2020 due to the issuance of the 2019 Pension Obligation Bond. A five-year history of the long-term debt for governmental and business-type activities shows the City has been reducing debt levels over time up until that point but continues to pay down the debt.



Country Club Reservoir

*In FY2020, the City issued a Pension Obligation Bond in the amount of \$64,420,000.

PINNACLE PUBLIC LEASE \$0.47 million
2019 PENSION OBLIGATION BONDS \$56.21 million
WATER REVENUE BONDS \$14.57 million
COMPENSATED ABSENCES \$1.11 million
CLAIMS AND JUDGEMENTS \$4.66 million

The City entered into a lease agreement for the Energy Efficiency Performance project.

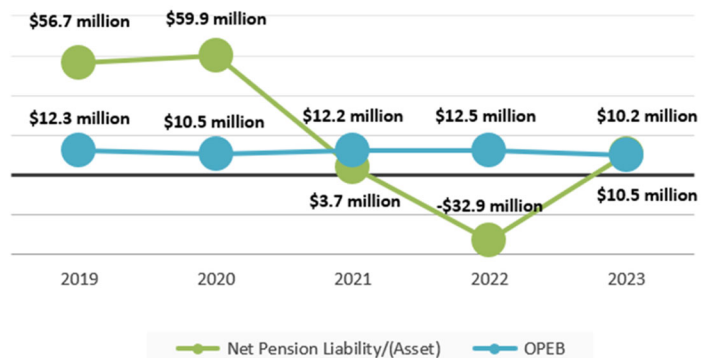
Bonds issued to pay down a portion of the City's unfunded employee pensions.

The bonds were issued to acquire, purchase, construct, or improve major infrastructure related to Water operations.

Assigned liability related to unused employee earned vacation and compensatory leave time.

Actuarial estimates of current and potential insurance claims and settlements.

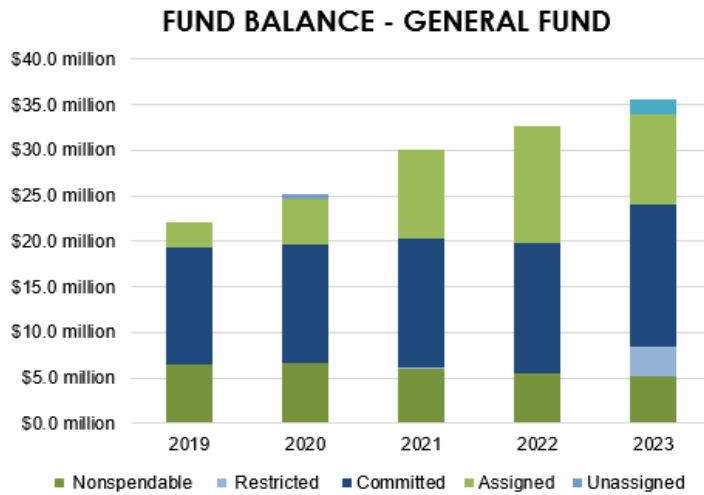
Not included above, are the increases in pension costs from CalPERS and Other Postretirement Employment Benefits (OPEB). In September 2019, the City issued \$64.4 million in pension obligation bonds to pay down the actuarial accrued liability. Reduction in pension costs have been reflected as of June 30, 2023.



CITY of GLENDORA

GOVERNMENTAL ACTIVITIES: HIGHLIGHTS

The General Fund is the government’s primary operating fund and the most discretionary. It accounts for all financial resources of the general government, except those required to be recorded in another fund. A five-year history of the fund balance and its designations is below. The fund balance of the General Fund at June 30, 2023 was \$35.6 million, a \$2.9 million increase from 2022.



Fund Balance Components

- Nonspendable**—Inherently non-spendable (e.g., advance to Successor Agency)
- Restricted**—Externally enforceable limitations on use (e.g., grant funds)
- Committed**—Self-imposed limitations on use (e.g., contingency reserve)
- Assigned**—Limitation resulting from intended use (e.g., PERS)
- Unassigned**—Residual net resources (e.g., discretionary)

Functions of the City can be separated into two categories, those principally supported by taxes and intergovernmental revenues (governmental activities) and those intended to recover all or a significant portion of its costs through user fees and charges (business-type).

Sales and Use Tax—consumable tax levied at the point-of-sale.

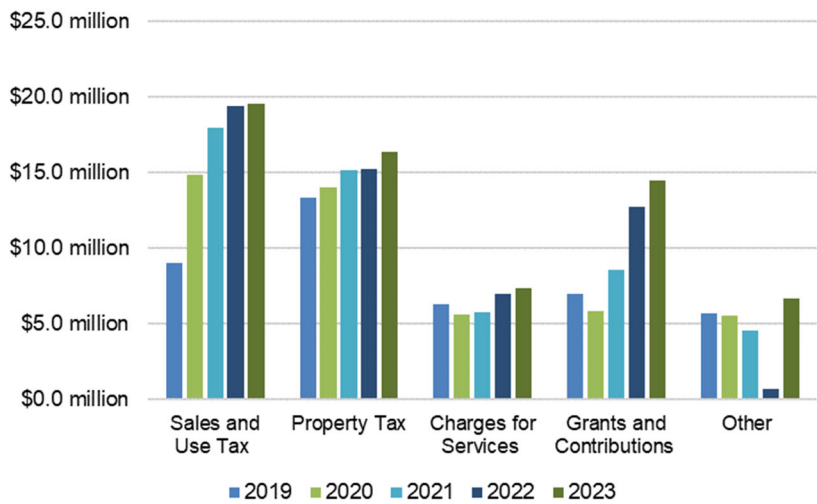
Property Tax—legally enforceable liens on property as of January 1.

Charges for Services—revenue from charges to customers, applicants, or others who purchase, use, or directly benefits from the goods, services, or privileges provided, or are otherwise directly affected by the service.

Grants and Contributions—revenue arising from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for use in a specified program.

Other—includes transit occupancy tax, franchise fees, miscellaneous revenues and investment income.

FIVE-YEAR REVENUE HISTORY - GOVERNMENTAL ACTIVITIES

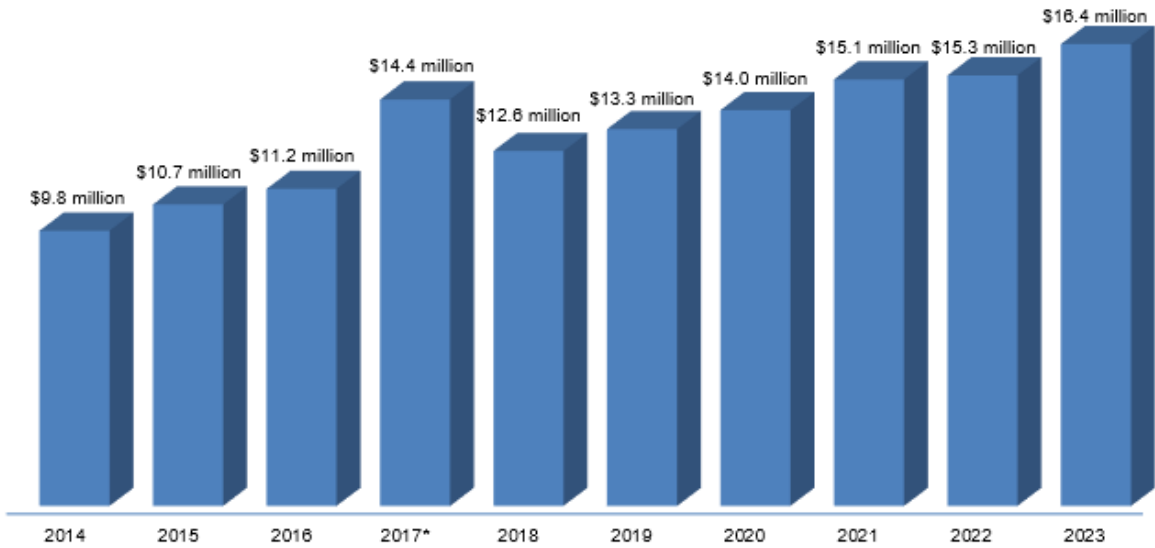


CITY of GLENDORA

PROPERTY TAX HIGHLIGHTS

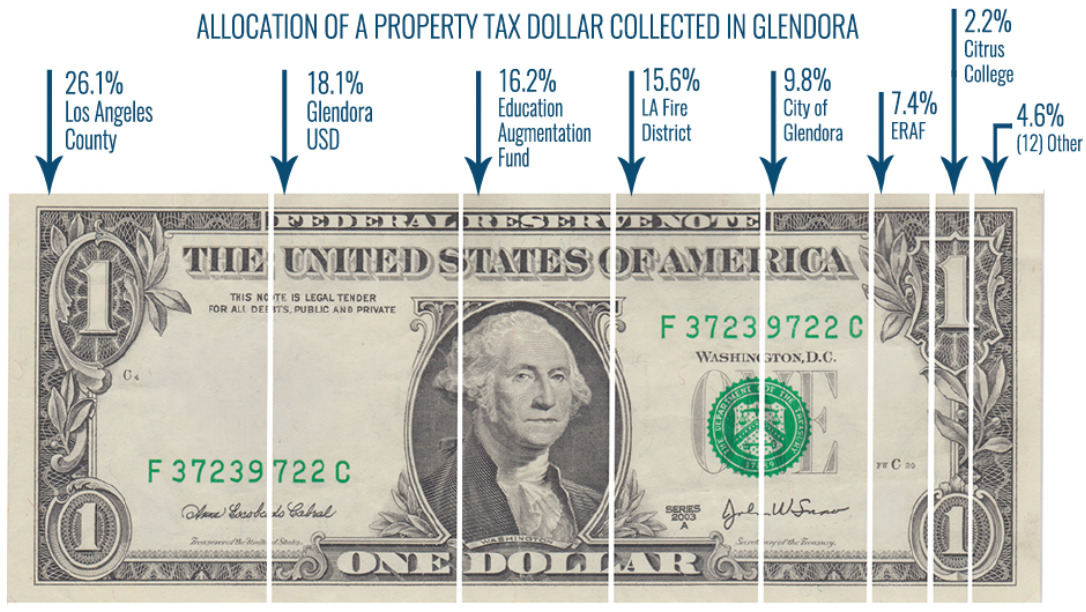
Property Tax is a major revenue source for the City and the majority belongs to the General Fund. The tax is imposed on real (secured) and personal (unsecured) property. It's constitutionally limited to one percent of assessed value by Proposition 13. It is important to note the City's share of the base property tax amounts to approximately 10% percent of the Proposition 13 one percent levy limitation. As of June 30, 2023, the City received \$16.4 million, which is \$1.1 million more than the prior year.

PROPERTY TAX - 10 YEAR COMPARISON



*The City received a one-time settlement payment from the County of Los Angeles.

ALLOCATION OF A PROPERTY TAX DOLLAR COLLECTED IN GLENDORA

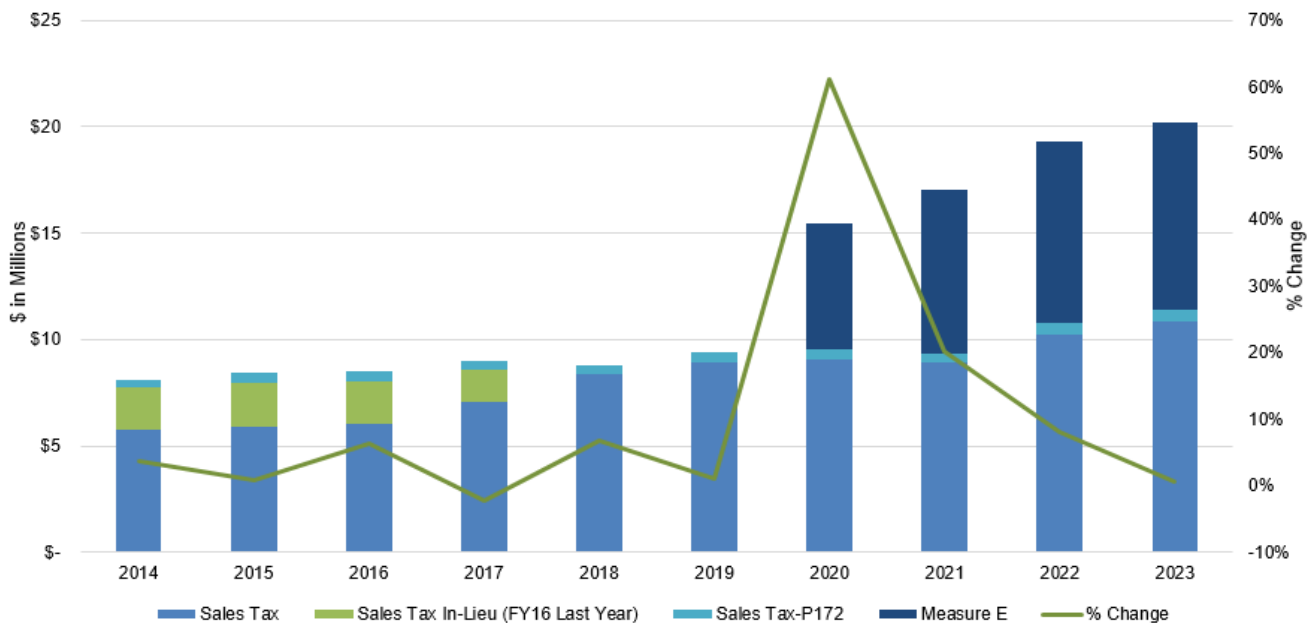


CITY of GLENDORA

SALES TAX HIGHLIGHTS

Sales Tax is the largest revenue source for the General Fund and is levied at the point-of-sale. The amount of money collected through Sales Tax is contingent upon dollars spent on goods and services throughout the year. For fiscal year 2023, the City of Glendora's Sales Tax rate was 10.25%. The Sales Tax rate is set and imposed at the County level and is divided as seen in the below chart. The voters approved Measure E (a Transaction & Use Tax of 0.75%) in March 2019, which became effective in July 2019. Fiscal year 2023 saw an increase of \$0.23 million from the previous year. In the graph below, the percent change line represents change year to year and demonstrates the volatility of sales tax revenues. The passage of Measure E drastically increased the revenues for the City of Glendora.

SALES TAX COLLECTED - 10 YEAR COMPARISON



Tax Rate and Recipient		Distribution of Sales Tax on a \$100 Purchase	
3.94%	State of California	\$ 3.94	General Fund
1.00%	City of Glendora	\$ 1.00	General Fund 100% Discretionary
0.75%	City of Glendora Use Tax	\$ 0.75	Measure E Approved - Transaction Use Tax
0.50%	County Public Safety (Prop 172)	\$ 0.50	County and City (General Fund-Public Safety)
1.56%	County Realignment	\$ 1.56	Mental Health/Welfare/Public Safety
0.25%	Countywide Transportation Fund	\$ 0.25	County Transportation
2.00%	County of Los Angeles	\$ 2.00	Measure M & R and Proposition A & C
0.25%	County of Los Angeles	\$ 0.25	Homelessness Services Tax

Top 5 Taxable Sales by Category (in millions)

Source: HdL Coren & Cone

All Other Outlets	\$241.6
Other Retail Stores	\$221.5
Auto Dealers	\$215.1
General Merchandise	\$158.7
Restaurants/Fast Food	\$132.3

CITY of GLENDORA

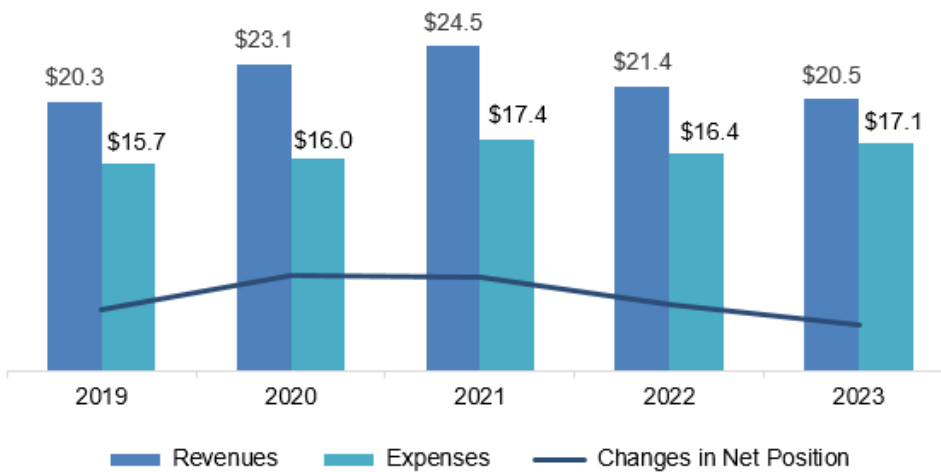
BUSINESS-TYPE ACTIVITIES: HIGHLIGHTS

The Water Fund is the only operating fund within the City’s business-type activities. It accounts for the activities, operational and capital improvement, for the City’s water utility system. A five-year history of the fund balance is below. The fund balance increased by \$3.3 million from FY2022, and these funds are required to be set aside for capital improvement projects.



**Fund balance was restated in 2020 to implement GASB 84*

REVENUE AND EXPENSES - FIVE YEAR COMPARISON (in millions)



The Statement of Revenues, Expenses, and Changes in Net Position presents information in an

The Water fund has consistently operated well from year to year, with revenue exceeding expenses averaging around \$5.5 million over the past five years.

Per City policy, the Water fund maintains a Water Operations Working Capital and Emergency Reserve, in an amount equal to the cost to fund operations for a six-month period.

After funding is met for the Water Operations Reserve, any unencumbered funds at the end of the fiscal year are transferred from the Water Operations Fund to the Water Capital Projects Fund. This is to fund future capital and maintenance improvements. At the end of fiscal year 2023, the City transferred \$5.55 million to the Water Capital Projects Fund.

CITY of GLENDORA

GFOA PAFR AWARD

GFOA AWARDS

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Report to the City of Glendora for its Popular Annual Financial Report for the fiscal year ended June 30, 2022. The Award for Outstanding achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. The City of Glendora received the Popular Award for the third time in a row for the fiscal year ended June 30, 2022. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements and we are submitting it to GFOA to determine its eligibility for another award.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Glendora
California**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

CITY of GLENDORA



CITY OF GLENDORA
116 E. FOOTHILL BOULEVARD
GLENDORA, CA 91741
www.CityofGlendora.org
Pride of the Foothills