

City of Casa Grande

Arizona



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

City of Casa Grande, Arizona

Annual Comprehensive Financial Report

For the Year Ended June 30, 2024



Prepared by:
Finance Department

City of Casa Grande, Arizona

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Introductory Section





CITY OF CASA GRANDE | STRONGER UNITED

510 E. Florence Blvd., Casa Grande, Arizona 85122

(520) 421-8600 | www.CasaGrandeAZ.gov

December 18, 2024

To the Honorable Mayor,
Members of the City Council,
City Manager, and
Citizens of Casa Grande, Arizona

Arizona State law requires that every general-purpose local government publish, within nine months of the close of each fiscal year, a complete set of audited financial statements presented in conformity with accounting principles generally accepted in the United States of America for local governments as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA); and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. This report is published to fulfill these requirements for the fiscal year ended June 30, 2024.

Management assumes full responsibility for the completeness and reliability of the information contained in the Annual Comprehensive Annual Financial Report (ACFR), based upon a comprehensive internal control framework that it has established for this purpose. The objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Baker Tilly US, LLP has issued an unmodified (“clean”) opinion on the City of Casa Grande financial statements for year ended June 30, 2024. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Casa Grande, for the fiscal year ended June 30, 2024, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor’s report is presented as the first component in the financial section of this report. The examination satisfies Article VI, Section 6, of the City Charter, which requires an annual audit of all accounts of the City by an independent certified public accountant. The results of the City’s financial statement audit for the fiscal year ended June 30, 2024, identified one significant deficiency in the internal control structure related to the capital asset reconciliation process. The financial statement finding is included in the Financial Statement Findings Required to be Reported in accordance with *Government Auditing Standards* in the separately issued Single Audit Report.

Additionally, the City is required to have an independent audit (“Single Audit”) of federal financial assistance received by the City directly from federal agencies or passed through to the City by the State of Arizona, or other governmental entities during the fiscal year. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government’s internal controls and compliance with legal requirements having a direct and material impact on major programs, with special emphasis on internal controls and compliance requirements involving the administration of major federal awards.

STRONGER UNITED

Founded in 1879, the mission of the City of Casa Grande is to provide a safe, pleasant community for all citizens.

The results of the City's Single Audit for the fiscal year ended June 30, 2024, found no material weaknesses in the internal control structure, and no instances of significant violations of applicable laws and regulations with respect to major programs. Additional information is available within the separately issued Single Audit Report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A includes additional information intended to enable the reader to gain an understanding of the City's financial activity and financial stability. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City

Located in the Heart of the Arizona Innovation and Technology Corridor, Casa Grande serves as the manufacturing, logistics, health care, retail and commercial hub for Pinal County, conveniently located between the state's major metropolitan areas of Phoenix and Tucson. Casa Grande is less than 30 minutes from Phoenix and 45 minutes from Tucson, making our City ideal for servicing both markets that boast a population of 5.9 million people.

Founded in 1879, Casa Grande is named after the Hohokam Indian Ruins. Since its incorporation in 1915, Casa Grande has grown to be the second largest city in Pinal County. The City of Casa Grande, chartered in December 1974, has operated under the council-manager form of government consisting of the Mayor and six Council members. The Mayor is elected at-large for a two-year term and cannot serve more than four consecutive terms. Council members are elected to four-year terms. A recent Charter Amendment, passed by voters in November 2022, limits the term of a Councilmember to three, four-year terms, for a total of 12 years. The City Council is vested with policy and legislative authority and is responsible for appointing the positions of City Manager, City Attorney and City Judge. The City Manager is responsible for carrying out the policies and ordinances of the City Council, as well as overseeing the day-to-day operations.

The City of Casa Grande's legal boundaries grew substantially over the past decade to just over 110 squares miles. The City's population has more than doubled from 25,224 in 2000 to 66,636 currently, with the majority of this population growth occurring from 2006 to 2009 and from 2019 to present. The City's growth is attributed to affordable housing, the arrival of several advanced manufacturing companies who have created a number of high paying jobs, proximity to labor opportunities in the metropolitan and local areas, and the rural quality of life offered to the residents.

The City provides a full range of municipal services, including police and fire protection, street maintenance, wastewater, and sanitation. The City also features a municipal airport, recreational and cultural events, an aquatic center, recreational center, senior center, two libraries, business friendly planning and development, and a municipal golf course. In addition, the City provides municipal water services to an area just outside city limits.

The Annual Comprehensive Financial Report (ACFR) consists of three sections: Introductory, Financial, and Statistical. As mentioned previously, the Financial section begins with the Independent Auditor's Report and is followed by the management's discussion and analysis that provides summary information about the results of operations.

The financial statements provided are on both a government-wide and fund basis for the primary government as well as its component units. Component units are separate legal entities included in the reporting entity due to the significance of their financial or operational relationship with the City. Criteria used by the City for inclusion of activities in preparing its financial statements are in conformity with GASB Statement No. 14, The Financial Reporting Entity. Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, the financial reporting entity consists of the City and four blended component units, Copper Mountain Ranch Community Facilities District, Mission Royale Community Facilities District, Villago Community Facilities District and Post Ranch Community Facilities District as discussed further in Note 1 (A) of the notes to the financial statements.

Budgetary Process

The City of Casa Grande, like all cities in the State Arizona, is subject to numerous budget and related legal requirements. Article IX, Section 20 (1) of the Arizona Constitution sets limits on the City's legal budget capacity. The City operates under the Permanent Base Adjustment Alternative Expenditure Limit. The limit provides a cap on expenditures for the City. The base year is 1979-80 and the base amount is increased annually by population change and by the implicit price deflator.

In May 2007, the voters approved a permanent base adjustment to the state-imposed expenditure limit. This option allowed Casa Grande to adjust the state-imposed expenditure base from the original 1979 -80 base of \$3,743,397 to \$18,793,221. After adjustments for inflation and population growth, the City's expenditure limitation for FY24 is \$277.9 million.

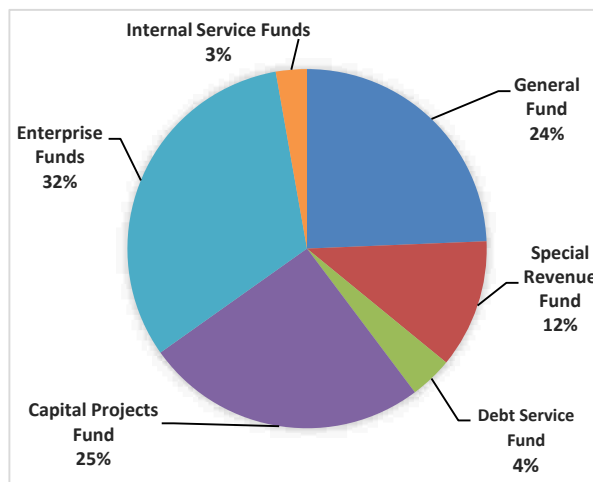
The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated operating budget approved by the Mayor and Council. Activities of the general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds, and internal service funds are included in the annual appropriated budget. The legal level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the total budget, as adopted by the City Council. The City additionally exercises management control and oversight of the budget at the department and project level within the capital projects fund.

City's FY24 final expenditure budget was \$299.9 million. The graph provides a percentage breakdown of the FY24 allocation of resources by fund type.

Economic Conditions and Outlook

The information presented in the financial statement is perhaps best understood when considered from the broader perspective of the specific environment within which the City operates.

The economy of Casa Grande is a diverse combination of manufacturing, logistics, health care, commercial, retail, and service activities, as well as a haven for retired individuals who spend winters in Arizona.



Because of the City's proximity to the metro areas, companies locating in Casa Grande have access to a highly educated and skilled workforce of over 3 million. Casa Grande residents enjoy a lower cost of living than the Phoenix metro area, especially when considering the cost of housing (20% – 50% lower) and cost of transportation (16%-30% lower). Developer's have built or are in the process of building 1,300 multi-family housing units. When these projects are completed there will be 1,800 multi-family housing units in Casa Grande.

The City's location, robust infrastructure, and unparalleled connectivity to modes of transportation (i.e., major interstate highways, commercial airports, and being directly served by the main line of the Union Pacific railroad) has led to the City's success in recruiting several new companies over this past year to include Businesses that have opened include: Kohler, KV Casa Grande, NRS, EcoBat, Freddy's Frozen Custard, Barro's Pizzeria, Su Casa Grande Mexican Grill and Home Goods.

The city's continued investment in infrastructure and support of ongoing workforce development efforts have helped the expansion of several of our existing companies to include Lucid Motor's current 2.8 million square feet expansion and their investment in another 1,300 acres for possible future expansion. Statistics related to new businesses planned or opened in Casa Grande as well as housing related statistics are included in MD&A.

The community serves as the provider of many goods and services to the rural areas surrounding the City, as well as several growing communities located in the area. This combination of diverse economic activities keeps the community from becoming overly dependent on any single segment of the economy. The Community has adopted a Strategic Plan for Community and Economic Development with the purpose of developing a process to successfully attract and retain diverse types of businesses, attract new revenue, and expand/maintain the community revenues essential to sustaining Casa Grande and improving the overall quality-of-life.

The continued expansion of Casa Grande's industrial sector resulting in population and economic growth has enabled the city to maintain a low unemployment rate of 3.3% in fiscal year 2024. The City's current labor force is primarily composed of workers in manufacturing, health care, social services, and logistics. Growth in the City's labor force is forecasted to continue in the manufacturing, technology, construction, transportation, and warehousing sectors. Over the next five years more than 7,500 new jobs are projected to be created throughout the City.

Long-term Financial Planning

The City engages in various types of long-term financial planning as part of the budget process. This includes ensuring that budget requests are aligned with the City's mission, vision, and strategic plan goals, establishing revenue and expenditure forecasts, and a five-year capital improvement plan. Mayor and Council seek to align the City's vision statement with well-defined strategic focus areas. Following are the City's Mission, Vision Statement, and Strategic Focus Areas:

Mission Statement

To Provide a Safe, Pleasant Community for All Citizens

Vision Statement

We will leverage the current economic climate, new opportunities, and our strong community to improve quality of life, civic pride and quality jobs. Casa Grande's strategic location and strongly motivated City leadership will honor diversity and provide opportunities for all residents to be successful. By building a sustainable and attractive community we can create a place where people can safely live, work and play.

WE ARE COMMITTED TO SERVICE:

Serve Casa Grande through a variety of City services designed to promote quality of life.

Ensure the safety of the community through aggressive public safety efforts and programs.

Respond to the needs of the community by promoting communications and transparency.

Value the tax dollar and maintain a fiscal policy that provides an efficient tax structure.

Incorporate safeguards to ensure fairness and equitable treatment of all citizens.

Continue to evaluate our services and ourselves to ensure quality and effectiveness.

Endeavor to hire the best people and help them develop professionally.

Strategic Focus Areas

Healthy-Safe-and-Vibrant Community Environments

The City of Casa Grande will strive to provide a safe and healthy community for Casa Grande Residents by 1) Utilizing baseline and statistical data to allocate the appropriate resources to Public Safety, 2) Marketing the success of the Police and Fire Departments through all available media avenues, 3) Continuing community outreach and education through the Community Policing initiative & City Manager's Office, 4) Aligning City initiatives with actionable goals established by my Homelessness Taskforce, and 5) Working collaboratively with various partners and organizations to promote a Healthy and Safe Community.

Community Connection

The City of Casa Grande must continue to build and strengthen collaborative relationships and partnerships that support the needs of, reflect and enriching our diverse and vibrant local community, and to promote tourism by: 1) Adopting and sustaining a culture and practice of engagement and partnerships to achieve outcomes that reflect our City's concerns, aspirations, and values, 2) Increasing positive citizen interaction, 3) Creating an image of the City that residents rate favorably, 4) Creating an image to attract residents to visit and live in Casa Grande, 5) Creating an image of the City that businesses rate favorably, 6) Increasing presence on the City's social media sites, and 7) Holding City events to fully reflect the composition of the entire community.

Education and Workforce Advancement

The City of Casa Grande will continue to partner with educational institutions and attract key industries by

1) Increase the number of baccalaureate degrees achieved by Casa Grande residents, 2) Assessing and improving workforce exposure to training and developing opportunities, 3) Increase the number of students attending post-graduate institutions or vocational education, 3) Welcome five (5) industrial companies participating in an apprenticeship/internship program to place five (5) apprentices each year for the next five (5) years, and 4) Place five (5) interns within City Departments each year for the next five (5) years.

Financial Stability and Sustainability

The City of Casa Grande must manage financial and human resources to provide maximum efficiency and effectiveness in the delivery of City services by focusing to; 1) Develop a sustainable budget that can withstand a 5% revenue reduction, 2) Continue to utilize the classification and compensation system to benchmark job positions against mid-point of the salary range with the market, 3) Analyze and evaluate 5 programs or services a year to ensure efficiency/effectiveness against the private sector, 4) Create a Comparative Analysis of service delivery by other municipalities, 5) Dispose of underutilized City Properties, and 6) Develop a sustainable 5-year Capital Infrastructure and Financing Plan.

Community Enhancement

The City of Casa Grande will maintain a high quality of life by striving to 1) Construct and improve quality of life infrastructure and facilities, 2) Expand broadband services to citizens, and 3) Eliminate slums or blight by allocating City resources.

Economic Expansion

The City of Casa Grande will continue to pursue and create economic opportunities by 1) Implementing the City's 2030 General, 2) Implementing Water Resources Plan, 3) I-10 Widening, 4) Implementing Economic Development Strategic Plan, and 5) Enhancing art and culture within the City.

Approximately 34% of the City's General Fund resources are derived from local taxes and intergovernmental revenues. With this concentration and reliance of resources, management conducts both short-term and long-term revenue and expenditure modeling. Key to modeling, are developing major assumptions, scenario planning and stress testing of the models and plans. This includes the evaluation of the fiscal impact that policy changes, legislation, changes in the federal, state or county fiscal policies, and the goals of local service providers may influence. County government and "other" coexisting jurisdictions, such as school districts, produce various and sometimes fluctuating policies which may influence local partnership arrangements. Local service providers such as the utility companies can also affect the City's ability to grow and may also affect the financial future of the community.

Financial Policies

The City has adopted a comprehensive set of financial policies to establish specific guidelines for the day- to-day financial activities of the City. Significant policies are highlighted below:

1. The City Council will strive to set a property tax levy that provides for a primary rate of less than \$1 per \$100 of net assessed value.
2. The City will maintain a consistent secondary property tax rate. Management calculates a secondary property tax rate for City Council consideration. The calculation includes the following factors: annual debt service, net cash available from the general obligation fund, estimated interest, property tax revenue, federal subsidy payments, voluntary contributions in lieu of property taxes, and anticipated cash defeasances, as applicable. The calculated rate is also adjusted for an estimated delinquency factor for uncollected taxes, and allowable cash reserves.
3. The City will maintain an equipment and vehicle replacement fund to replace vehicles and major equipment.
4. The City will focus on providing new programs and services that are financed with new revenue sources or reductions in existing programs or services.
5. The City will use one-time revenues to fund one-time expenses. One-time revenues and expenditures are defined as those items that are non-recurring.
6. The City will maintain a performance measurement program to ensure that services are provided in a cost-effective manner and produce the desired outcomes.
7. The City will evaluate the comprehensive fee schedule annually to ensure that the cost of services are fair and equitable.
8. The City will continue to maintain general fund reserve that equals up to 50% of annual anticipated general fund expenditures. The reserve is intended to establish resources that would be readily available in a fluctuating economy. The reserve also ensures that the City maintains a strong financial position.
9. The City will maintain its debt management policy to improve the quality of decisions, articulate policy goals, provide guidelines for the structure of debt issuance, and demonstrate a commitment to long-term capital and financial planning. The core objectives of this Debt Policy include the following:
 - Minimize debt service costs and issuance costs;
 - Maintain access to cost-effective borrowing;
 - Achieve and maintain the highest practical credit ratings;
 - Balance pay-go financing with debt financing;
 - Ensure full and timely repayment of debt;
 - Maintain full and complete financial and non-financial disclosure and reporting with respect to outstanding debt;
 - Ensure compliance with federal and State laws and regulations;
 - Promote the City's best interests and protect the City's financial stability when deciding whether to issue debt;
 - Increase transparency to debt stakeholders and consistency in debt decision making.
10. The City will present to Mayor and Council an annual mid-year budget report and a projected year-end report.

Major Initiatives

In FY24, the City focused on addressing the effect of rising personnel costs, while ensuring that the City remained competitive in the local job market. Highlighted below are some of the major initiatives that are reflected in the financial statements:

- Allocate General Fund resources to slums and blight removal and improvement;
- Continue to utilize the classification and compensation system to benchmark job positions against mid-point of the salary range with the market;
- Analyze and evaluate 5 programs or services a year to ensure efficiency/effectiveness;
- Budget to continue to minimize the City's unfunded liabilities with PSPRS.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended June 30, 2023. The City has received this award for 29 years. In order to be awarded this certificate, the City published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements. This certificate is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the programs' requirements and we are submitting it to GFOA to determine its eligibility for the fiscal year ended June 30, 2024, certificate.

Casa Grande has received recognition as/for:

- Distinguished Budget Presentation from the Government Finance Officers Association (23 years)
- A Tree City USA by the National Arbor Day Foundation (17 Years)
- A Playful City USA designated by Kaboom!

The preparation of the City's Annual Comprehensive Financial Report was made possible by the dedication and hard work of every member of the Finance Department, and the firm of Baker Tilly US, LLP. We offer our sincere thanks for their effort in the creation of this report.

Our thanks and appreciation go to the City Manager, and Mayor and Council for their continued support and leadership.

Sincerely,



Brenda K. Hasler, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Casa Grande
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

City of Casa Grande, Arizona
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024

CITY COUNCIL

Mayor

Craig McFarland

Mayor Pro-Tem

Anthony Edwards

Council Members

Lisa Fitzgibbons

Matt Herman

Robert Huddleston

Donna McBride

Jeff Lavender

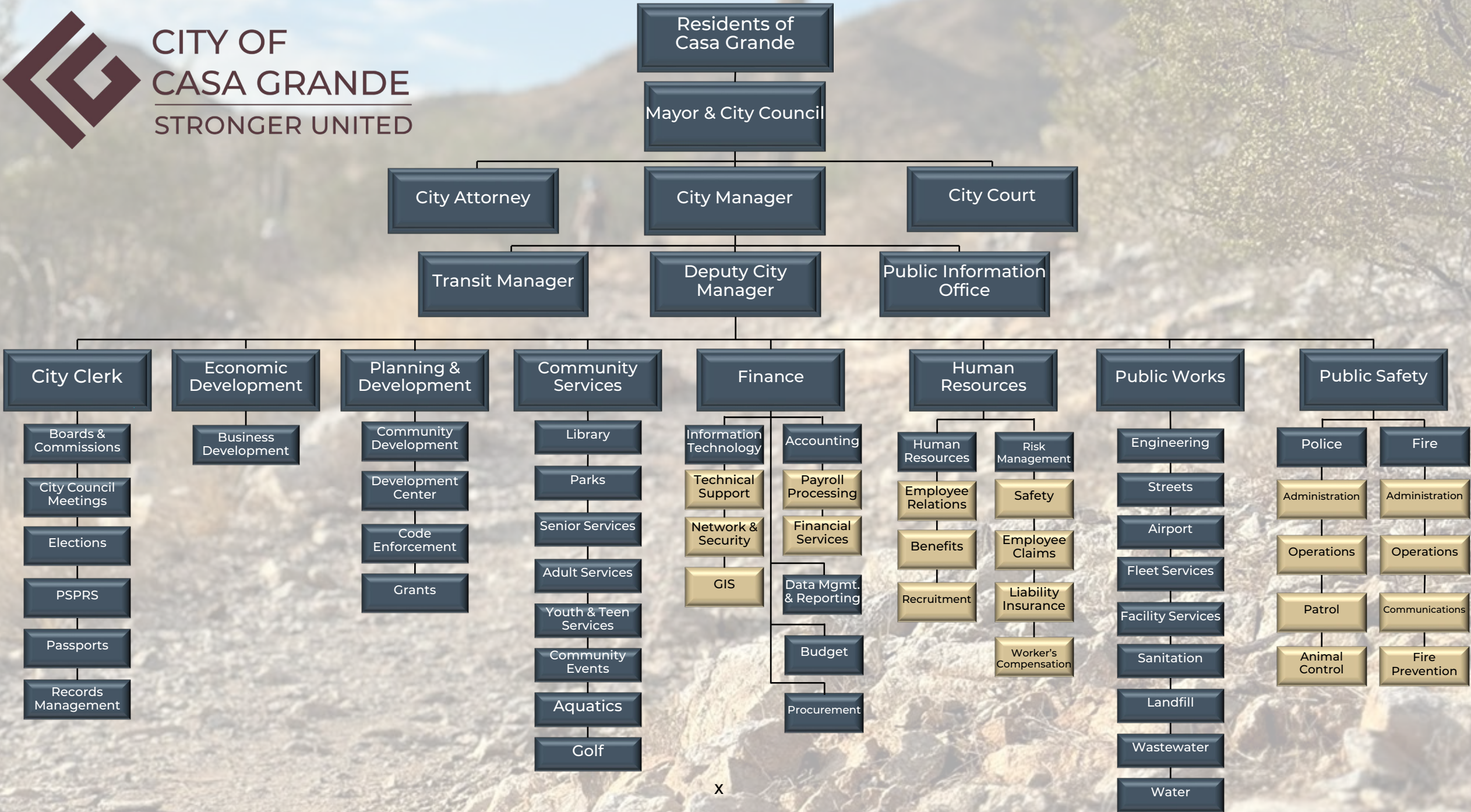


City Manager

Larry Rains



CITY OF
CASA GRANDE
STRONGER UNITED



Financial Section



Independent Auditors' Report

To the City Council of
City of Casa Grande, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Casa Grande, Arizona (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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 (*Government Auditing Standards*). 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.

Other Matter

Compliance Over Use of Highway User Revenue Fund and Other Dedicated State Transportation Revenue Monies

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to use highway user revenue fund monies received by the City pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2, and any other dedicated state transportation revenues received by the City solely for the authorized transportation purposes, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the use of highway user revenue fund monies and other dedicated state transportation revenues, insofar as they relate to accounting matters.

The communication related to compliance with the aforementioned indenture described in the Other Matter paragraph is intended solely for the information and use of the Arizona State Legislature, management and other responsible parties within the City and is not intended to be and should not be used by anyone other than these specified parties.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; 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

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the 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 auditing standards generally accepted in the United States of America, 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 supplementary information as listed in the table of contents is presented for purposes of additional analysis and is 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 auditing standards generally accepted in the United States of America. In our opinion, the supplementary 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 report. The other information comprises the other information included in the annual report 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 18, 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.

Baker Tilly US, LLP

Tempe, Arizona
December 18, 2024



Financial Section

Management's Discussion and Analysis



City of Casa Grande, Arizona

Management's Discussion and Analysis

June 30, 2024

As management of the City of Casa Grande, Arizona (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position, (4) identify any significant deviations from the approved annual budget and (5) identify individual fund issues or concerns. Please read it in conjunction with the Letter of Transmittal, Basic Financial Statements and the Accompanying Notes to the financial statements.

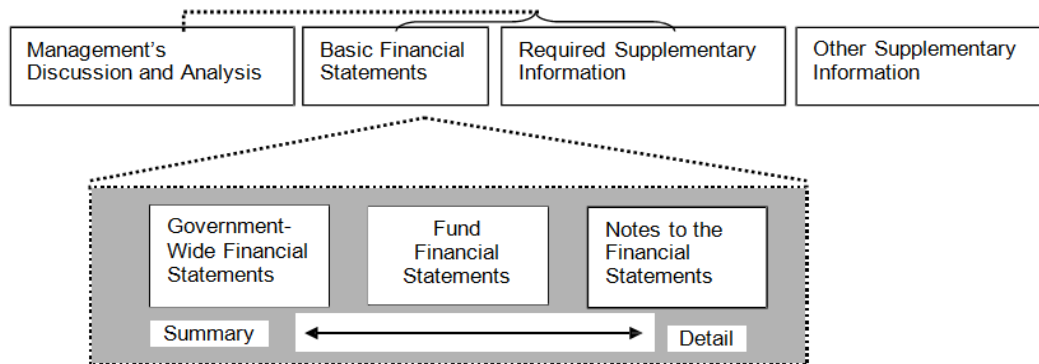
Financial Highlights

The following are some of the more significant financial highlights, on a government-wide basis.

- The City's total net position totaled \$455.8 million at June 30, 2024. This is an increase of \$69.1 million compared to fiscal year 2023.
- Net pension liabilities as of June 30, 2024 totaled \$28.0 million; \$24.5 million from Governmental Activities and \$3.5 million from Business-Type Activities. This is an increase of \$5.1 million compared to fiscal year 2023.
- Current and long-term debt totaled \$127.2 million as of June 30, 2024, compared to \$132.8 million in the previous year. This is a decrease of \$5.6 million.
- With no significant changes to operations, Government Activities ended fiscal year 2024 with Net Inflows of \$55.8 million. In fiscal year 2024, Government Activities outflows and inflows totaled \$90.2 million and \$146.0 million, respectively. In fiscal year 2023, total Government Activities outflows and inflows totaled \$82.0 million and \$128.8 million, respectively.
- There was a decrease of \$7.3 million in net income for Business-Type Activities compared to last year. In fiscal year 2024 there were \$13.3 million in net revenues including net transfers, compared to \$20.6 million in fiscal year 2023. In fiscal year 2024, expenses and revenues for Business-Type Activities totaled \$19.3 million and \$32.5 million, respectively. In fiscal year 2023, expenses and revenues for Business-Type Activities totaled \$19.5 million and \$30.0 million, respectively.
- General revenues for Government Activities in fiscal year 2024 were \$116.5 million, compared to \$85.8 million in the previous year. The net increase of \$30.7 million from the previous year was driven by increased revenues in property taxes of \$1.2 million, sales taxes of \$6.3 million, urban revenue sharing of \$5 million, and investment earnings of \$7.6 million.

Overview of the Financial Statements

Required Components of the Annual Financial Report



Government-Wide Financial Statements

The government-wide financial statements are designed to provide a broad overview of the City's finances in a manner similar to those used by private businesses. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The activities of the City are broken into two columns on these statements - Governmental Activities and Business-Type Activities. A total column is also provided.

Governmental Activities - include the basic services of the City including general government administration (finance, accounting, human resources, information technology, etc.), community services (parks, library, recreation, etc.), public safety (police, fire, communications and court), planning and development and public works (streets, engineering, etc.). Taxes and intergovernmental revenues support the majority of these activities.

Business-Type Activities - include the private sector type activities such as municipal golf, sanitation, water and wastewater. These activities are primarily supported through user charges and fees.

The *statement of net position* presents information on all of the City's assets and liabilities, both current and long-term. The difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources is reported as net position. The focus on net position is designed to focus on government as a business. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, to accurately assess the overall health of the City, other indicators, including nonfinancial indicators like the City's property tax base, GASB changes and condition of infrastructure should also be considered.

The *statement of activities* presents information showing how the City's net position changed over the most recent fiscal year. Full accrual accounting is used for the government-wide financial statements and all changes to net position are reported at the time that the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement also focuses on both the gross and net costs of the various functions of the City, based only on direct functional revenues and expenses. The statement is designed to show the extent to which the various functions depend on general taxes and revenue for support.

Fund Financial Statements

Also presented in the basic financial statements are the traditional fund financial statements for the major funds of the City. A major fund is determined based on the percentage a certain fund value is, in relation to all other funds of the same fund type - either governmental or proprietary. A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or conditions. Funds ensure and demonstrate compliance with finance-related legal requirements as well as for managerial control to demonstrate fiduciary responsibility over the assets of the City.

The City has four (4) types of funds:

Governmental Funds - Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at the year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide a reconciliation to facilitate this comparison between governmental funds and Governmental Activities.

Proprietary Funds - Proprietary funds account for Business-Type Activities of the City. Proprietary funds, like the government-wide statements, provide both long and short term financial information. Enterprise funds are used to account for activities that primarily serve customers for which fees are charged. The City has four enterprise funds: golf course, sanitation, water and wastewater funds.

Internal Service Funds - The internal service funds reflect activities in which the City is the customer. The fleet services, facilities maintenance, risk management and self-insurance funds are the City's four internal service funds. Their purpose is to provide vehicle maintenance and facilities services to City departments and to provide cost accounting for property, casualty and certain medical insurance costs and risk management.

Fiduciary Funds - Fiduciary funds account for resources held for the benefit of others. Fiduciary funds are not included in the government-wide financial statements because the resources of those funds are not available to support projects of the City.

Notes to Financial Statements - The notes to financial statements provide additional information essential to gaining a full understanding of the data provided in the government-wide and fund financial statements. They should be considered with the financial statements in their entirety.

Required Supplementary Information Other Than MD&A - Governments have an option of including the budgetary comparison schedules for the general fund and major special revenue funds as either part of the fund financial statements within the basic financial statements or as required supplementary information after the notes. The City has chosen to present these budgetary schedules as part of the required supplementary information. Additionally, governments are required to disclose certain information about employee pension funds. The City has disclosed this information in Note 9 to the financial statements.

City of Casa Grande, Arizona

Management's Discussion and Analysis

June 30, 2024

Government-Wide Financial Analysis

The following tables, graphs and analysis discuss the financial position and changes to the financial position for the City as a whole as of and for the year ended June 30, 2024.

Statement of Net Position

Net position may serve over time as a useful indicator of the City's financial position. The following table reflects the condensed statement of net position as of June 30, 2024 and 2023. The City has chosen to account for its golf course, water, wastewater and sanitation operations in enterprise funds which are shown as Business-Type Activities.

	Statement of Net Position (In Thousands)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 272,261	\$ 224,649	\$ 52,676	\$ 55,347	\$ 324,937	279,996
Capital assets:	184,734	174,580	114,374	92,862	299,108	267,442
Total assets	456,995	399,229	167,050	148,209	624,045	547,438
Deferred outflow of resources	16,020	15,948	464	549	16,484	16,497
Current liabilities	21,062	19,510	14,232	7,209	35,294	26,719
Long-term liabilities	120,991	120,883	25,550	27,116	146,541	147,999
Total liabilities	142,053	140,393	39,782	34,325	181,835	174,718
Deferred inflows of resources	2,723	2,373	141	123	2,864	2,496
Net Position:						
Net investment in capital assets	142,010	130,561	91,186	69,914	233,196	200,475
Restricted	106,047	90,318	28,399	24,395	134,446	114,713
Unrestricted	80,183	51,533	8,006	20,002	88,189	71,535
	<u>\$ 328,240</u>	<u>\$ 272,412</u>	<u>\$ 127,591</u>	<u>\$ 114,311</u>	<u>\$ 455,831</u>	<u>\$ 386,723</u>

As of June 30, 2024 the net position of the City totaled \$455.8 million, an increase of \$69.1 million from June 30, 2023. Net position is comprised of \$328.2 million in Governmental Activities and \$127.6 million in the Business-Type Activities.

Net position consists of three components. The largest portion of net position (\$233.2 million or 51%) reflects the City's investment in capital assets net of accumulated depreciation and any related outstanding debt used to acquire or construct those assets. The City uses these capital assets to provide services to its citizens. It is not the City's intent to sell these assets; therefore, they are not considered available resources.

The restricted portion of the City's net position (\$134.4 million or 30%) represents resources subject to external restrictions on how they may be spent. This component is primarily made up of required fund balance reserves and accumulated development impact fees collected by the City. These funds are specifically reserved for capital improvements pertaining to growth as it relates to maintaining a consistent level of service to all citizens.

The third portion consists of unrestricted net position (\$88.2 million or 19%), which may be used to meet the City's ongoing obligations to its residents and creditors.

City of Casa Grande, Arizona

Management's Discussion and Analysis

June 30, 2024

Changes in Net Position

The City's total revenues for the year ended June 30, 2024 were \$178.6 million. The total cost of all programs and services was \$109.5 million. This resulted in a net revenue of \$69.1 million. The following table presents a summary of the changes in net position for the year ended June 30, 2024.

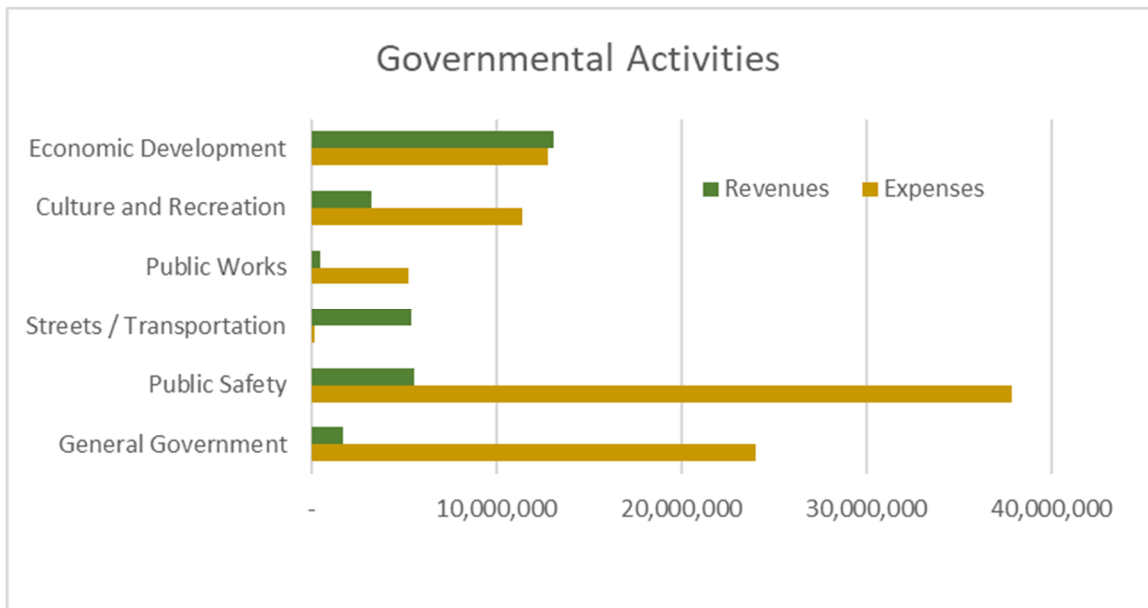
	Changes in Net Position (In Thousand)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for service	\$ 12,882	\$ 10,306	\$ 25,081	\$ 24,088	\$ 37,963	\$ 34,394
Operating grants and contributions	10,445	8,988	-	1,404	10,445	10,392
Capital grants and contributions	6,211	13,731	5,593	4,204	11,804	17,935
General revenues:						
Property taxes	7,990	6,823	-	-	7,990	6,823
Sales taxes	63,486	57,180	36	29	63,522	57,209
Franchise taxes	3,260	2,918	-	-	3,260	2,918
Share revenues	29,391	23,749	-	-	29,391	23,749
Other	12,390	5,152	1,825	244	14,215	5,396
Total revenues	146,055	128,847	32,535	29,969	178,590	158,816
Expenses:						
General government	19,982	11,764	-	-	19,982	11,764
Public safety	37,804	36,103	-	-	37,804	36,103
Streets/transportation	140	5,321	-	-	140	5,321
Public works	5,212	8,933	-	-	5,212	8,933
Culture and recreation	11,380	11,305	-	-	11,380	11,305
Economic development:	12,837	5,885	-	-	12,837	5,885
Interest on long-term debt	2,872	2,649	-	-	2,872	2,649
Water	-	-	362	380	362	380
Golf course	-	-	1,756	1,841	1,756	1,841
Wastewater	-	-	9,885	10,189	9,885	10,189
Sanitation	-	-	7,252	7,090	7,252	7,090
Total expenses	90,227	81,960	19,255	19,500	109,482	101,460
Net revenues (expense) before transfers	55,828	46,887	13,280	10,469	69,108	57,356
Net transfers in (out)	-	(10,105)	-	10,105	-	-
Increase in net position	55,828	36,782	13,280	20,574	69,108	57,356
Net position, beginning	272,412	235,630	114,311	93,737	386,723	329,367
Net position, ending	\$ 328,240	\$ 272,412	\$ 127,591	\$ 114,311	\$ 455,831	\$ 386,723

City of Casa Grande, Arizona

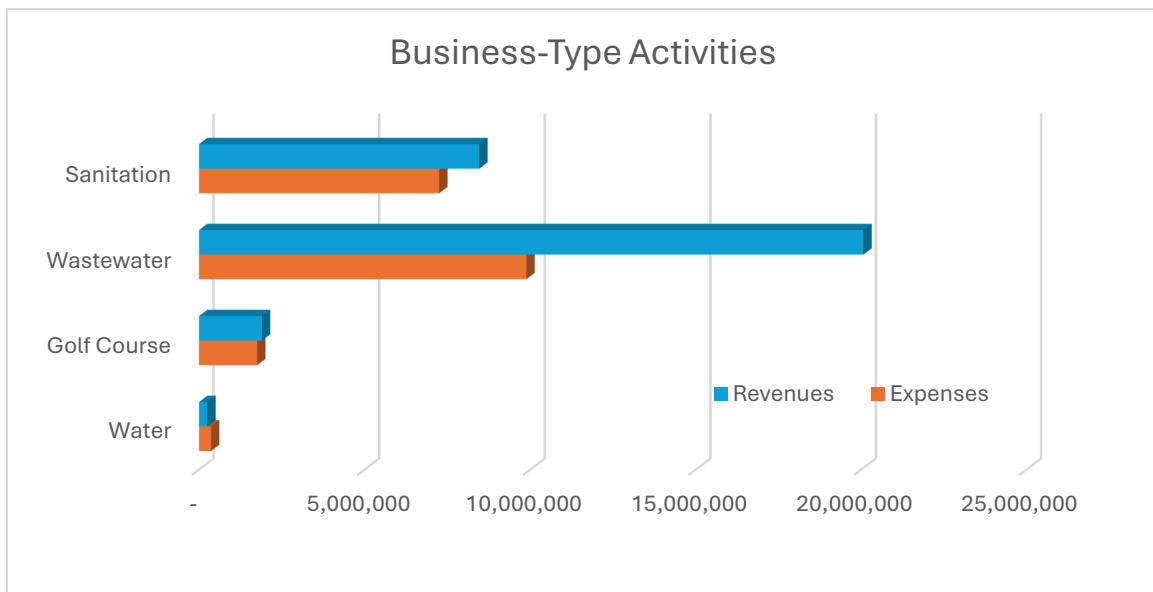
Management's Discussion and Analysis
June 30, 2024

In FY24, Governmental Activities accounted for 82% of the total revenues and 83% of the total expenses for the City, in the amount of \$146.1 million and \$90.2 million, respectively.

The following graph illustrates revenues and expenses for Governmental Activities by function. Program revenues partially offset program costs in the current year. The General Fund provides an allocation of resources to the various functions, where expenditures are not fully recovered through direct program revenues.



Business-Type Activities accounted for the remaining 18% of total revenues and 17% of total expenses, in the amount of \$32.5 million and \$19.3 million, respectively. The following graph illustrates revenues and expenses for the City's Business-Type Activities: Sanitation, Wastewater, Golf Course and Water. Operating revenues are generated by charging service fees to customers who use the services. User fees and charges are established with the goal of recovering the cost of providing services.



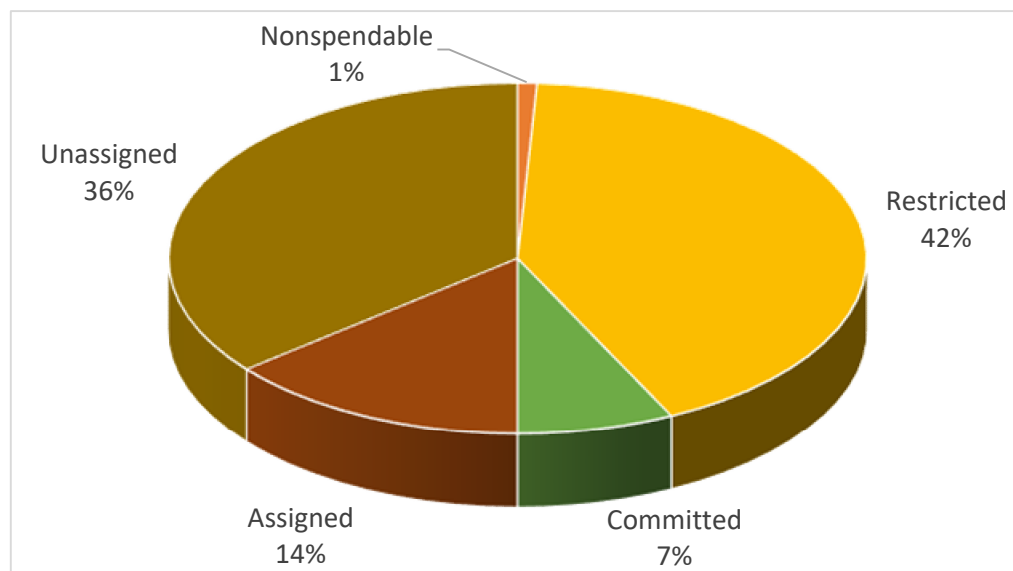
Financial Analysis of the City's Funds

The City maintains fund accounting to demonstrate compliance with budgetary and legal requirements. The following is a brief discussion of financial highlights from the fund financial statements.

Governmental Funds

The focus of governmental fund financial statements is to provide information on near-term inflows, outflows and the balance of spendable resources. All major governmental funds are presented, while nonmajor funds are combined into a single column.

The governmental fund financial statement provides fund balance by major fund, as well as a combined total for nonmajor funds. Fund balance serves as a useful indicator of a government's net resources available for spending at the end of the year. As of June 30, 2024, fund balance for the City's governmental funds totaled \$253.4 million. Total fund balance is categorized in one of five types on the financial statements. Nonspendable fund balance totaled \$2.3 million, representing fund resources that are not in a form that could be spent. Restricted fund balance totaled \$106 million, representing fund resources that are subject to restrictions that are legally enforceable by outside parties or enabling legislation. Committed fund balance totaled \$18.4 million, representing fund resources that have self-imposed limitations on its use. Assigned fund balance totaled \$35.8 million, representing fund resources that are less formally limited. Unassigned fund balance totaled \$91 million, representing resources that are in spendable form and are not otherwise restricted, committed nor assigned.



The General Fund is the chief operating fund of the City and accounts for our major Governmental Activities, including public safety, community services, planning and development, and general administrative services. The following activity resulted in a positive net change in fund balance of \$18.1 million, bringing ending fund balance to \$124.3 million. General Fund revenues totaled \$99.5 million, an increase of \$17.4 million over fiscal year 2023. The increase was driven primarily from city sales tax, intergovernmental revenues and investment earnings. Expenses before transfers (in/out) totaled \$52.1 million, an increase of \$3.2 million compared to fiscal year 2023. The increase is due to increases in spending for public safety, culture and recreation, and planning and economic development. Transfers-In and Transfers-Out totaled \$67 thousand and \$29.3 million, respectively.

City of Casa Grande, Arizona

Management's Discussion and Analysis

June 30, 2024

The Highway User Revenue Fund (HURF) is governed by Arizona Revised Statutes. The HURF fund tracks the state allocation of gasoline taxes and other state shared revenues that are restricted for transportation. The following activity resulted in a net change of \$574 thousand, bringing ending fund balance to \$14.4 million. Revenues totaled \$11.5 million, an increase of \$1.3 million from the prior fiscal year. Expenses totaled \$10.9 million, an increase of \$0.6 million from the prior fiscal year. There were no Net Transfers-In or Out in FY24.

The Grants Funds account for resources derived from local, state, and federal grant funding. The following activity resulted in a net decrease in fund balance of \$52.6 thousand, bringing ending fund balance to \$231 thousand. Revenues totaled \$2.4 million, an increase of \$1.3 million from the prior fiscal year. Expenses totaled \$2.4 million, an increase of \$1.4 million from the prior fiscal year. There were no Net Transfers-In or Out in FY24.

The Capital Replacement and Recreation Development Funds account for accumulated resources and capital expenses related to construction and the replacement of infrastructure and equipment. The following activity resulted in a net increase in fund balance of \$19.2 million, bringing ending fund balance to \$64.7 million. Revenues totaled \$17.2 million, an increase of \$2.5 million from the prior fiscal year. Expenses totaled \$16.4 million, an increase of \$4.1 million from the prior fiscal year. Transfers-In totaled \$18.3 million in FY24, compared to Transfers-In of \$8.2 in the prior fiscal year.

The Development Impact Fee Funds account for accumulated resources and costs associated with necessary infrastructure and public services to provide growth areas with the same level of services provided to existing developments. The following activity resulted in a net increase in fund balance of \$4.2 million, bringing ending fund balance to \$39.4 million. Revenues totaled \$6.2 million, a decrease of \$8 million from the prior fiscal year. Expenses totaled \$2 million, a decrease of \$4.8 million from the prior fiscal year. There were no Net Transfers-In or Out in FY24.

All nonmajor governmental funds are combined into Nonmajor Governmental Funds. The following activity resulted in a net increase in fund balance of \$2.4 million, bringing ending fund balance to \$10.3 million. Revenues totaled \$7.7 million, an increase of \$0.9 thousand from the prior fiscal year. Expenses totaled \$18.7 million, an increase of \$7.6 million from the prior fiscal year. Net Transfers-In totaled \$9.3 million in FY24, compared to \$4.6 million in the prior fiscal year.

Proprietary Funds

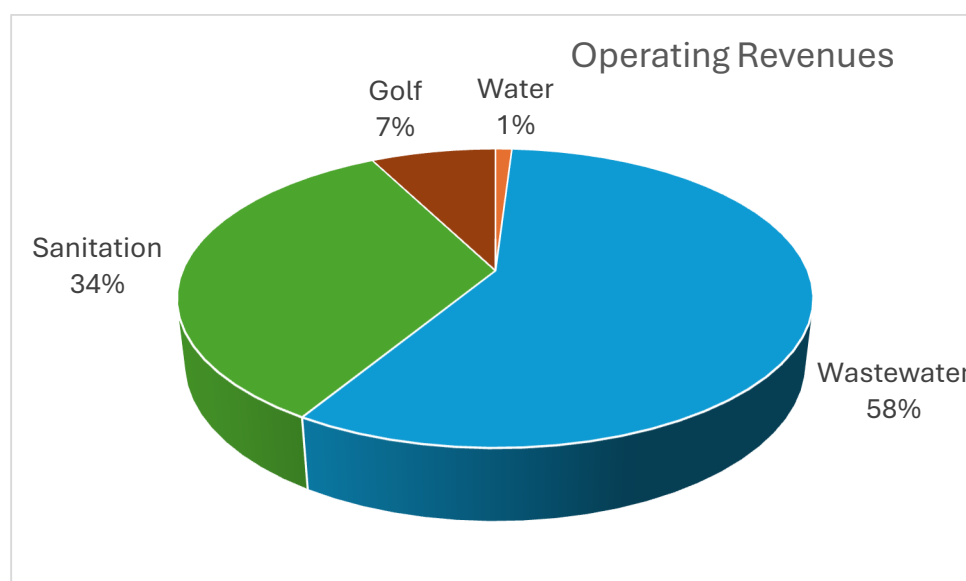
The proprietary funds financial statements are prepared on the same accounting basis and measurement focus as the government-wide financial statements but provide additional detail since each enterprise fund is shown individually on the fund statement. In addition to the enterprise funds, the proprietary fund statements include the internal service funds.

Consolidated net position of the City's enterprise funds totaled \$127.6 million, an increase of \$13.3 million from the prior year. The change in net position was based on the following activity.

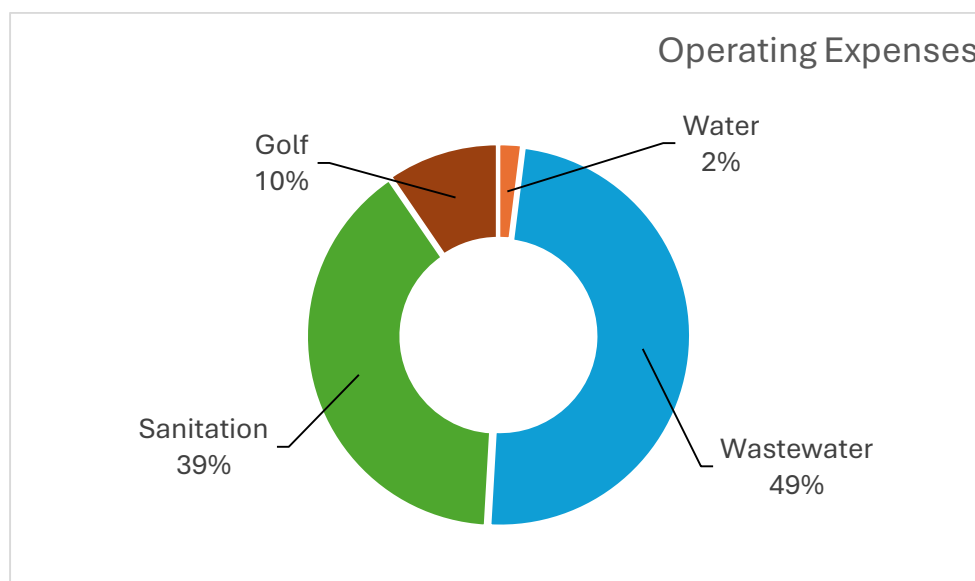
Consolidated revenues totaled \$25.1 million, an increase of \$1 million from the prior year. The chart below illustrates the percentage of revenues that each business-type activity contributed to consolidated revenues. Water, Wastewater, Sanitation, and Golf Course revenues totaled \$249 thousand, \$14.5 million, \$8.5 million and \$1.9 million, respectively.

City of Casa Grande, Arizona

Management's Discussion and Analysis
June 30, 2024



Consolidated operating expenses totaled \$18.4 million, an increase of \$0.3 million from the prior year. The chart below illustrates the percentage of expenses that each business-type activity contributed to consolidated revenues. Water, Wastewater, Sanitation and Golf Course expenses totaled \$362 thousand, \$9 million, \$7.3 million and \$1.8 million, respectively.



Consolidated operating income totaled \$6.7 million. Water, Wastewater, Sanitation, and Golf Course net operating income (loss) totaled (\$113 thousand), \$5.5 million, \$1.2 million and \$145 thousand, respectively.

After nonoperating revenues and (expenses) of \$955 thousand, developer fees of \$4.6 million and capital contributions of \$1 million, the total change in net position totaled \$13.3 million.

City of Casa Grande, Arizona

Management's Discussion and Analysis
June 30, 2024

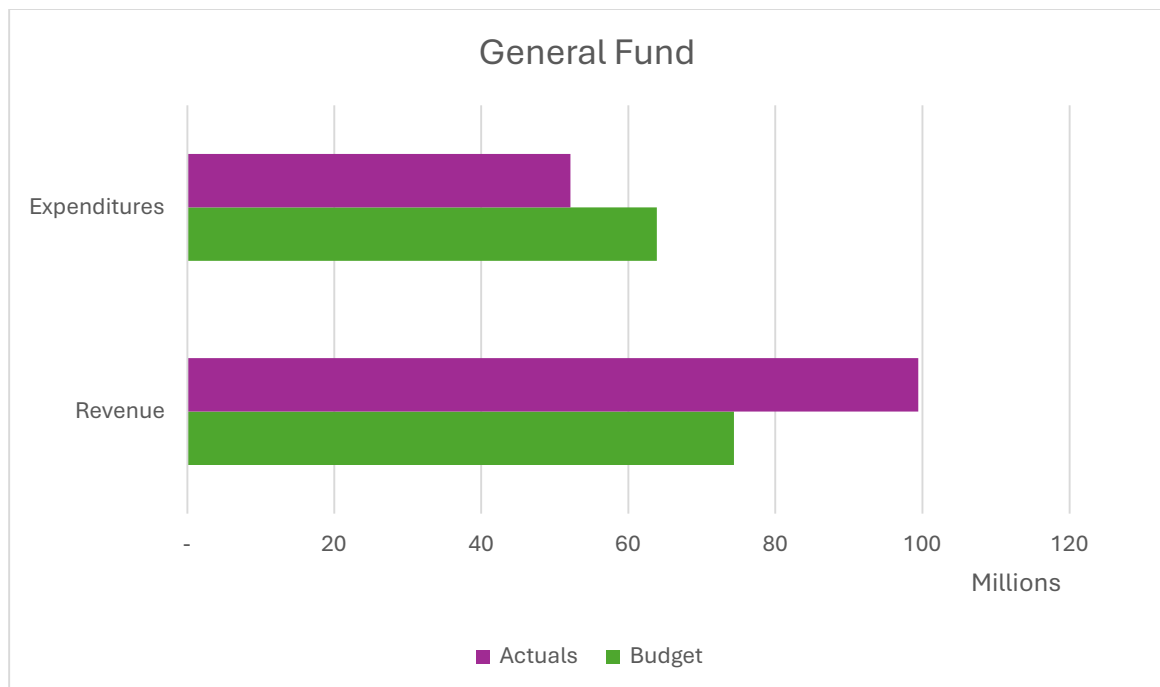
Budgetary Highlights

The City's annual budget is the legally adopted expenditure control document of the City. A statement showing the budget amounts for the general fund is provided as required supplementary information. This statement compares the original adopted budget, the budget as amended throughout the fiscal year, and the actual expenditures prepared on a budgetary basis.

Amendments to the adopted budget may occur throughout the year in a legally permissible manner (see Note 1 for more information on budget policies). Use of contingency is required for capital projects with budget overages, and other unanticipated expenses. Budget amendments are processed to provide expenditure authority from unanticipated revenue sources. These include new or increased grants and intergovernmental agreements. It is generally the policy of the City to not include revenues and operational expenditure authority for these types of items in the operational budgets unless the funding is reasonably assured at the time of completion of the annual budget. Instead, the City budgets contingency accounts to allow for later transfer to operational budgets when the funding is received.

The City's total adopted budget was \$274 million during fiscal year 2024, compared to the Economic Estimates Commission Expenditure Limitation of \$278 million. Budget amendments between funds or departments or from budgeted contingencies into operational expense/expenditure accounts did occur. However, the total amount of the amended budget remained the same overall.

Actual General Fund revenues of \$99.5 million were \$25.1 million more than the estimated \$74.4 million of budgeted General Fund revenues. Actual General Fund expenses of \$52.1 million were \$11.8 million less than budgeted expenditures of \$63.9 million.



City of Casa Grande, Arizona

Management's Discussion and Analysis

June 30, 2024

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2024, the City had \$299.1 million invested in various capital assets, net of accumulated depreciation. Of this amount, \$184.7 million (61.8%) is invested in Governmental Activities and \$114.4 million (38.2%) is invested in Business-Type Activities.

The table below provides a breakdown of the capital asset balances net of accumulated depreciation at June 30, 2024 and 2023. Additional information on the City's capital assets may be found in Note 7 Capital Assets.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land and construction in progress	\$ 57,021	\$ 40,984	\$ 35,654	\$ 12,705	\$ 92,675	\$ 53,689
Building and improvements	115,637	118,466	68,773	72,153	184,410	190,619
Heavy machinery and equipment	11,171	11,023	9,947	-	21,118	11,023
Right-to-use assets:						
Buildings, leases	-	-	-	-	-	-
Improvements, leases	-	2,601	-	-	-	2,601
Subscription arrangements	906	1,506	-	-	906	1,506
Total	<u>\$ 184,735</u>	<u>\$ 174,580</u>	<u>\$ 114,374</u>	<u>\$ 84,858</u>	<u>\$ 299,109</u>	<u>\$ 259,438</u>

Long-Term Debt

The City's outstanding long-term debt, including bonds, leases, subscriptions, compensated absences, excise tax revenue bonds, net pension liabilities, notes and post closure costs, was \$159.4 million at June 30, 2024, with \$12.8 million due within one year. Of this total, \$130 million was in Governmental Activities and \$29.3 million was in Business-Type Activities. Of the outstanding debt, \$65.0 million is excise tax revenue obligation bond collateralized by the City's excise tax stream.

The following schedule shows the outstanding debt of the City (both current and long term), including the Landfill Closure and Post Closure and Net Pension Liabilities as of June 30, 2024. Further details can be found in Notes 10 through Note 16.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 32,850	\$ 30,235	\$ -	\$ -	\$ 32,850	\$ 30,235
Subscription payable	653	1,227	-	-	653	1,227
Leases payable	881	3,684	-	-	881	3,684
Compensated absences	4,236	3,615	359	351	4,595	3,966
Excise tax revenue obligations	64,960	68,675	-	-	64,960	68,675
Bond premium	1,923	2,105	-	-	1,923	2,105
Net pension liability	24,526	19,388	3,459	3,471	27,985	22,859
Notes and loans payable	-	-	21,332	22,948	21,332	22,948
Post closure	-	-	4,192	3,972	4,192	3,972
Total	<u>\$ 130,029</u>	<u>\$ 128,929</u>	<u>\$ 29,342</u>	<u>\$ 30,742</u>	<u>\$ 159,371</u>	<u>\$ 159,671</u>

Economic Factors

The local economy continues to experience consistent growth. Casa Grande's population has grown steadily since FY2012, when the city's population was 49,804. The growth rate over the past 10 years has averaged 2.57%. Casa Grande's current population is 63,743. The unemployment rate in Casa Grande (Pinal County) has improved from 9.1% in FY2013 to 3.3% in FY24. In FY24, we attracted exciting new businesses and saw new housing increase significantly across the city.

During the fiscal year, construction began on a new Fire Station 503, with an anticipated completion date of mid calendar year 2025. Other major renovations totaling \$1.25 million included new play and shade structures at three of the City's parks, wrought iron fencing at Peart Park, retrofit lighting at the Paul Mason Sports Complex and an expansion of the fitness loft at the Community Recreation Center.

Projects in Casa Grande

Lucid Motors has completed their manufacturing facility and is currently producing the company's electric-powered sedans. During fiscal year 2024, the company continued its expansion by adding 3 million additional square footage to its facility to support the production of additional Lucid Air Vehicles and the upcoming Lucid Gravity SUV. Lucid Air sets new records in performance including the longest range, most aero-efficient, most comprehensive sensor suite (Dream Drive), quickest ¼ mile, fastest charging, class leading interior space and largest trunk ever offered in a production EV. All of these, and its incredible design, is helping to solidify the Lucid Air as the next generation luxury electric sedan. The plant has created jobs for the City and will continue to create thousands more driving billions of dollars in related economic activity.

New businesses planned and opened include Freddy's Frozen Custard and Steakburgers, Barro's Pizzeria, Su Casa Grande Mexican Grill and Cantina, and Home Goods. Industrial and manufacturing projects underway or announced include NRS Logistics, KV Casa Grande, FrameTec and Ecobat. These companies represent upwards of 1,000 new jobs and help to further diversify our economy and assist with attracting additional companies to Casa Grande.

The housing market is still strong with 759 new single-family building permits issued in fiscal year 2024. This projection continues to be higher than the activity occurring over the past decade. Single-family home construction trends continue as land developers seek approval for new Preliminary and Final Plats that create thousands of new single family home lots to meet the housing demands created. During the fiscal year, the City received applications for the construction of 322 Build to Rent single-family homes and 508 apartment units. Several are currently under construction.

Financial Contact

This financial report is designed to provide a general overview of the City of Casa Grande, Arizona's finances and to demonstrate accountability for the use of public funds. Questions about any of the information provided in this report, or requests for additional information should be addressed to the City's Finance Director at the following address: City of Casa Grande, 510 E. Florence Blvd. Casa Grande, Arizona 85122 or send an e-mail to <mailto:finance@casagrandeaz.gov>. Copies of this report and other financial information can also be found on the City's website www.casagrandeaz.gov.

Financial Section

Basic Financial Statements

Government-Wide Financial Statements - Include the Statement of Net Position and Statement of Activities and use the accrual basis of accounting for financial reporting.

Governmental Funds Financial Statements - Include the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the major governmental funds that use the modified accrual basis of reporting. Also includes the reconciliations to the government-wide financial statements and the Budget and Actual statements for the General Fund and all major Special Revenue Funds.

Proprietary Funds Financial Statements - Include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Fund Net Position and Statement of Cash Flows for the business-type activities that use the accrual basis of accounting for financial reporting.

Fiduciary Funds Financial Statements - Include the Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position that use the accrual basis of accounting for financial reporting.

Notes to Financial Statements



City of Casa Grande, Arizona

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 123,928,881	\$ 25,283,454	\$ 149,212,335
Investments	124,825,961	18,459,650	143,285,611
Receivables, net	3,917,971	4,178,337	8,096,308
Lease receivables	1,794,916	-	1,794,916
Internal balances	301,103	(301,103)	-
Due from other governments	11,640,373	-	11,640,373
Inventories	594,229	112,611	706,840
Prepays	1,300,372	8,000	1,308,372
Restricted cash and cash equivalents	3,956,770	4,935,049	8,891,819
Capital assets, not being depreciated/amortized	57,020,512	35,653,765	92,674,277
Capital assets, being depreciated/amortized, net	127,713,882	78,720,044	206,433,926
Total assets	456,994,970	167,049,807	624,044,777
Deferred Outflows of Resources			
Deferred outflows of resources related to pensions	14,646,878	463,790	15,110,668
Deferred amount on refunding	1,373,221	-	1,373,221
Total deferred outflows of resources	16,020,099	463,790	16,483,889
Liabilities			
Accounts payable and other current liabilities	6,378,827	7,586,132	13,964,959
Retainages payable	824,699	1,855,637	2,680,336
Deposits held	1,981,075	785,297	2,766,372
Accrued wages and benefits	1,952,239	12,638	1,964,877
Accrued interest payable	885,296	200,696	1,085,992
Noncurrent liabilities:			
Due within one year:			
Compensated absences	1,946,671	161,827	2,108,498
Subscription payable	588,792	-	588,792
Leases payable	234,000	-	234,000
Notes/loans payable	-	3,629,469	3,629,469
Excise tax revenue obligations	4,460,000	-	4,460,000
Bonds payable	1,810,000	-	1,810,000
Due in more than one year:			
Compensated absences	2,289,563	197,306	2,486,869
Subscription payable	64,563	-	64,563
Leases payable	647,000	-	647,000
Notes/loans payable	-	17,702,542	17,702,542
Excise tax revenue obligations	60,500,000	-	60,500,000
Bonds payable	32,963,477	-	32,963,477
Closure and postclosure liability	-	4,191,789	4,191,789
Net pension liability	24,526,129	3,458,711	27,984,840
Total liabilities	142,052,331	39,782,044	181,834,375
Deferred Inflows of Resources			
Deferred inflows of resources related to pensions	959,966	140,824	1,100,790
Deferred inflows of resources related to leases	1,762,585	-	1,762,585
Total deferred inflows of resources	2,722,551	140,824	2,863,375
Net Position			
Net investment in capital assets	142,010,084	91,186,161	233,196,245
Restricted for:			
Highways and streets	14,417,051	-	14,417,051
Grant purposes	230,783	-	230,783
Community development	322,846	-	322,846
Public safety purposes	533,357	-	533,357
Debt service	4,692,874	4,935,049	9,627,923
Capital projects	85,850,236	23,463,370	109,313,606
Unrestricted	80,182,956	8,006,149	88,189,105
Total net position	\$ 328,240,187	\$ 127,590,729	\$ 455,830,916

See notes to financial statements

City of Casa Grande, Arizona

Statement of Activities

Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 19,982,414	\$ 938,071	\$ 302,900	\$ 470,533	\$ (18,270,910)	\$ -	\$ (18,270,910)
Public safety	37,803,539	1,299,878	3,207,846	1,041,498	(32,254,317)	-	(32,254,317)
Streets/transportation	139,769	-	5,401,699	-	5,261,930	-	5,261,930
Public works	5,211,602	459,677	-	-	(4,751,925)	-	(4,751,925)
Culture and recreation	11,380,008	1,617,378	285,630	1,371,101	(8,105,899)	-	(8,105,899)
Economic development	12,836,783	8,567,459	1,246,473	3,327,531	304,680	-	304,680
Interest on long-term debt	2,871,865	-	-	-	(2,871,865)	-	(2,871,865)
Total governmental activities	90,225,980	12,882,463	10,444,548	6,210,663	(60,688,306)	-	(60,688,306)
Business-type activities:							
Water	362,269	249,144	-	-	-	(113,125)	(113,125)
Wastewater	9,884,938	14,472,192	-	5,593,234	-	10,180,488	10,180,488
Sanitation	7,251,935	8,460,054	-	-	-	1,208,119	1,208,119
Golf course	1,756,361	1,899,461	-	-	-	143,100	143,100
Total business-type activities	19,255,503	25,080,851	-	5,593,234	-	11,418,582	11,418,582
Total primary government	\$ 109,481,483	\$ 37,963,314	\$ 10,444,548	\$ 11,803,897	(60,688,306)	11,418,582	(49,269,724)
General Revenues							
		Property taxes			7,989,521	-	7,989,521
		Sales taxes			63,486,422	36,275	63,522,697
		Franchise taxes			3,259,503	-	3,259,503
		Shared revenues, unrestricted:					
		State sales taxes			9,133,560	-	9,133,560
		Urban revenue sharing			15,907,972	-	15,907,972
		Auto-in-lieu			4,349,678	-	4,349,678
		Investment income:					
		Interest earnings			12,167,777	1,824,831	13,992,608
		Miscellaneous			222,451	-	222,451
		Transfers in (out)			-	-	-
		Total general revenues and transfers			116,516,884	1,861,106	118,377,990
		Change in net position			55,828,578	13,279,688	69,108,266
		Net Position, Beginning			272,411,609	114,311,041	386,722,650
		Net Position, Ending			\$ 328,240,187	\$ 127,590,729	\$ 455,830,916

See notes to financial statements

Financial Section

Governmental Funds Financial Statements



City of Casa Grande, Arizona

Balance Sheet - Governmental Funds

June 30, 2024

	General	Highway Users	Grants	Capital Replacement/ Recreation/ Development	Development Impact Fee Funds	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Assets							
Cash and cash equivalents	\$ 40,107,788	\$ 4,982,263	\$ -	\$ 36,408,427	\$ 34,504,312	\$ 6,886,183	\$ 122,888,973
Investments	81,572,265	9,090,186	-	26,840,159	4,968,234	2,355,117	124,825,961
Accounts receivable, net	1,410,913	-	-	-	-	2,011,910	3,422,823
Lease receivables	1,341,300	-	-	-	-	453,616	1,794,916
Due from other governments	7,091,736	1,481,835	848,391	1,804,135	-	414,276	11,640,373
Due from other funds	2,281,413	-	-	-	-	-	2,281,413
Inventories	-	-	-	-	-	61,530	61,530
Prepays	3,870	-	-	1,296,502	-	-	1,300,372
Restricted assets, cash and cash equivalents	1,580,008	-	-	-	-	2,376,762	3,956,770
Advances to other funds	900,273	-	-	-	-	-	900,273
Total assets	<u>\$ 136,289,566</u>	<u>\$ 15,554,284</u>	<u>\$ 848,391</u>	<u>\$ 66,349,223</u>	<u>\$ 39,472,546</u>	<u>\$ 14,559,394</u>	<u>\$ 273,073,404</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable and other current liabilities	\$ 3,818,186	\$ 236,630	\$ 87,643	\$ 1,619,499	\$ 55,393	\$ 330,696	\$ 6,148,047
Retainages payable	824,699	-	-	-	-	-	824,699
Deposits held	1,688,616	-	-	-	-	7,308	1,695,924
Accrued wages and benefits	1,948,522	330	-	-	-	313	1,949,165
Due to other funds	-	-	514,653	-	-	1,465,657	1,980,310
Advance from other funds	-	900,273	-	-	-	-	900,273
Total liabilities	<u>8,280,023</u>	<u>1,137,233</u>	<u>602,296</u>	<u>1,619,499</u>	<u>55,393</u>	<u>1,803,974</u>	<u>13,498,418</u>
Deferred Inflows of Resources							
Unavailable revenue	2,417,561	-	15,312	-	-	1,978,335	4,411,208
Leases	1,316,610	-	-	-	-	445,975	1,762,585
Total deferred inflows of resources	<u>3,734,171</u>	<u>-</u>	<u>15,312</u>	<u>-</u>	<u>-</u>	<u>2,424,310</u>	<u>6,173,793</u>
Fund Balances							
Nonspendable	904,143	-	-	1,296,502	-	61,530	2,262,175
Restricted	-	14,417,051	230,783	44,524,696	39,417,153	7,457,464	106,047,147
Committed	14,177,539	-	-	-	-	4,211,352	18,388,891
Assigned	16,868,194	-	-	18,908,526	-	-	35,776,720
Unassigned (deficit)	92,325,496	-	-	-	-	(1,399,236)	90,926,260
Total fund balances	<u>124,275,372</u>	<u>14,417,051</u>	<u>230,783</u>	<u>64,729,724</u>	<u>39,417,153</u>	<u>10,331,110</u>	<u>253,401,193</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 136,289,566</u>	<u>\$ 15,554,284</u>	<u>\$ 848,391</u>	<u>\$ 66,349,223</u>	<u>\$ 39,472,546</u>	<u>\$ 14,559,394</u>	<u>\$ 273,073,404</u>

See notes to financial statements

City of Casa Grande, Arizona

Reconciliation of the Balance Sheet to the Statement of Net Position - Governmental Funds

June 30, 2024

Fund Balance, Total Governmental Funds Balance Sheet

\$ 253,401,193

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds:

Governmental capital assets	\$ 473,273,321	
Governmental right-to-use lease and subscription assets	8,986,739	
Less accumulated depreciation/amortization	(298,406,946)	
Internal service capital assets	1,253,478	
Less internal service accumulated depreciation/amortization	<u>(372,198)</u>	184,734,394

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the funds:

Compensated absences	(4,131,717)	
Subscription-based information technology arrangements	(653,355)	
Leases	(881,000)	
Bonds payable	(97,810,000)	
Bond premiums	(1,923,477)	
Net pension liability	<u>(23,649,857)</u>	(129,049,406)

Delayed revenue is shown on the governmental funds, but is not on the statement of net position:

Property tax, grants, and other revenue		4,411,208
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Deferred outflows and inflows of resources related to pensions and deferred charges on debt refundings are applicable to future reporting periods, and therefore, are not reported in the funds:

Deferred amount on refunding	1,373,221	
Deferred outflows of resources related to pensions	14,545,036	
Deferred inflows of resources related to pensions	<u>(932,238)</u>	14,986,019

Interest payable on long-term debt is not reported in the governmental funds.

(885,296)

Internal service funds are used by management to charge the costs of certain activities to individual funds:

The assets, deferred outflows of resources, liabilities and deferred inflow of resources of the internal services funds are reported with governmental activities.		<u>642,075</u>
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Net Position of Governmental Activities, Statement of Net Position

\$ 328,240,187

City of Casa Grande, Arizona

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2024

	General	Highway Users	Grants	Capital Replacement/ Recreation/ Development	Development Impact Fee Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes:							
Property taxes	\$ 5,277,663	\$ -	\$ -	\$ -	\$ -	\$ 2,710,192	\$ 7,987,855
City sales tax	43,830,213	-	-	13,805,760	-	1,041,816	58,677,789
Franchise tax	3,259,503	-	-	-	-	-	3,259,503
Licenses and permits	3,664,914	-	-	-	-	3,546	3,668,460
Intergovernmental revenues	29,527,513	10,620,045	2,292,353	926,093	-	2,086,714	45,452,718
Charges for services	4,523,161	-	75,251	-	5,784,570	1,160,863	11,543,845
Fines	600,565	-	-	-	-	-	600,565
Investment earnings	8,035,619	838,225	-	2,475,539	458,070	360,324	12,167,777
Contributions and donations	102,167	-	-	-	-	1,357	103,524
Rental and sale of city property	464,012	-	-	-	-	300,159	764,171
Miscellaneous	178,628	100	-	2,787	-	39,208	220,723
Total revenues	99,463,958	11,458,370	2,367,604	17,210,179	6,242,640	7,704,179	144,446,930
Expenditures							
Current:							
General government	10,129,840	-	670,381	-	76,550	237,560	11,114,331
Public safety	29,406,737	-	1,592,769	-	-	142,522	31,142,028
Streets/transportation	-	6,396,163	-	-	-	-	6,396,163
Public works	1,299,385	-	-	-	-	-	1,299,385
Culture and recreation	8,084,350	-	137,441	-	-	704,246	8,926,037
Planning and economic development	2,972,230	-	-	-	-	2,416,094	5,388,324
Capital outlay	33,337	4,468,712	19,570	15,989,896	1,944,952	4,301,014	26,757,481
Debt service:							
Principal	190,542	-	-	382,674	-	8,152,592	8,725,808
Interest and fiscal charges	10,025	19,203	-	20,598	-	2,538,006	2,587,832
Issuance costs	-	-	-	-	-	250,673	250,673
Total expenditures	52,126,446	10,884,078	2,420,161	16,393,168	2,021,502	18,742,707	102,588,062
Excess (deficiency) of revenues over (under) expenditures	47,337,512	574,292	(52,557)	817,011	4,221,138	(11,038,528)	41,858,868
Other Financing Sources (Uses)							
Transfers in	66,607	-	-	18,339,233	-	9,264,910	27,670,750
Transfers out	(29,304,143)	-	-	-	-	(66,607)	(29,370,750)
General obligation bond issued	-	-	-	-	-	4,250,000	4,250,000
Total other financing sources (uses)	(29,237,536)	-	-	18,339,233	-	13,448,303	2,550,000
Net change in fund balances	18,099,976	574,292	(52,557)	19,156,244	4,221,138	2,409,775	44,408,868
Fund Balances, Beginning	106,175,396	13,842,759	283,340	45,573,480	35,196,015	7,921,335	208,992,325
Fund Balances, Ending	\$ 124,275,372	\$ 14,417,051	\$ 230,783	\$ 64,729,724	\$ 39,417,153	\$ 10,331,110	\$ 253,401,193

See notes to financial statements

City of Casa Grande, Arizona

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

Net Change in Fund Balances - Total Governmental Funds

\$ 44,408,868

Amounts reported for governmental activities in the statement of activities
are different because:

Governmental funds report capital outlays as expenditures. However, in the
statement of activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation/amortization expense. This is the
amount by which capital outlay exceeded depreciation/amortization
in the current period:

Expenditures for capital assets	\$ 24,752,639	
Less current year depreciation/amortization	(14,639,643)	10,112,996

The net effect of various miscellaneous transactions involving capital assets
(i.e., sales, trade-ins and donations) is to decrease net position:

Loss on capital assets	(222,246)
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Revenues in the statement of activities that do not provide current financial
resources are not reported as revenues in the funds:

Property taxes, permit revenues, grants and other revenue	1,607,648
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City pension contributions are reported as expenditures in the governmental
funds when made. However, they are reported as deferred outflows of
resources in the statement of net position because the reported net pension
liability is measured a year before the City's report date. Pension expense,
which is the change in the net pension liability adjusted for changes in
deferred outflows and inflows of resources related to pensions, is reported
in the statement of activities:

City pension contributions	3,692,424	
Pension expense	(8,506,026)	(4,813,602)

Debt proceeds provide current financial resources to governmental funds,
but issuing debt increases long-term liabilities in the statement of net position.
Repayment of debt principal is an expenditure in the governmental funds, but
reduces long-term liabilities in the statement of net position. Also, governmental
funds report the effect of premiums, discounts and similar items when debt is
issued, whereas these amounts are amortized in the statement of activities:

Issuance of bond proceeds	(4,250,000)	
Bond payments	5,350,000	
Amortization of bond premium	181,100	
Deferred amount on refunding	(159,613)	
Subscription payments	573,216	
Lease payments	2,802,591	4,497,294

The internal service fund net revenue is reported with governmental activities.

894,335

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

Compensated absences	(601,868)	
Interest expense on long-term debt	(54,847)	(656,715)

Change in Net Position of Governmental Activities

\$ 55,828,578

Financial Section

Proprietary Fund Financial Statements



City of Casa Grande, Arizona

Statement of Net Position - Proprietary Funds
June 30, 2024

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Wastewater	Sanitation	Golf Course	Total	
Assets						
Current assets:						
Cash and cash equivalents	\$ -	\$ 16,306,862	\$ 7,437,880	\$ 1,538,712	\$ 25,283,454	\$ 1,039,908
Investments	-	9,581,511	8,878,139	-	18,459,650	-
Receivables, net	47,811	3,013,428	1,094,174	22,924	4,178,337	495,148
Restricted assets, cash and cash equivalents	-	4,935,049	-	-	4,935,049	-
Prepaid expense	-	-	-	8,000	8,000	-
Inventories	-	-	72,125	40,486	112,611	532,699
Total current assets	47,811	33,836,850	17,482,318	1,610,122	52,977,101	2,067,755
Noncurrent assets:						
Capital assets, not being depreciated/amortized	149,000	35,206,629	-	298,136	35,653,765	258,993
Capital assets, being depreciated/amortized, net	112,288	68,541,141	9,066,252	1,000,363	78,720,044	622,287
Total noncurrent assets	261,288	103,747,770	9,066,252	1,298,499	114,373,809	881,280
Total assets	309,099	137,584,620	26,548,570	2,908,621	167,350,910	2,949,035
Deferred Outflows of Resources						
Deferred outflows of resources related to pensions	8,547	119,078	318,428	17,737	463,790	101,842
Liabilities						
Current liabilities:						
Accounts payable	17,448	5,090,583	2,321,006	157,095	7,586,132	230,780
Retainages payable	-	1,855,637	-	-	1,855,637	-
Deposits held	1,585	394,010	389,702	-	785,297	285,151
Accrued wages and benefits	272	3,371	7,845	1,150	12,638	3,074
Accrued interest payable	-	200,696	-	-	200,696	-
Due to other funds	301,103	-	-	-	301,103	-
Compensated absences	-	44,559	103,523	13,745	161,827	47,032
Notes/loans payable	-	3,629,469	-	-	3,629,469	-
Total current liabilities	320,408	11,218,325	2,822,076	171,990	14,532,799	566,037
Noncurrent liabilities:						
Compensated absences	-	53,980	126,527	16,799	197,306	57,485
Notes/loans payable	-	17,702,542	-	-	17,702,542	-
Closure and postclosure liability	-	-	4,191,789	-	4,191,789	-
Net pension liability	50,581	1,014,408	2,253,005	140,717	3,458,711	876,272
Total noncurrent liabilities	50,581	18,770,930	6,571,321	157,516	25,550,348	933,757
Total liabilities	370,989	29,989,255	9,393,397	329,506	40,083,147	1,499,794
Deferred Inflows of Resources						
Deferred inflows of resources related to pensions	4,239	46,632	89,085	868	140,824	27,728
Net Position						
Net investment in capital assets	261,288	80,560,122	9,066,252	1,298,499	91,186,161	881,280
Restricted for:						
Debt service	-	4,935,049	-	-	4,935,049	-
Capital projects	-	23,463,370	-	-	23,463,370	-
Unrestricted (deficit)	(318,870)	(1,290,730)	8,318,264	1,297,485	8,006,149	642,075
Total net position (deficit)	\$ (57,582)	\$ 107,667,811	\$ 17,384,516	\$ 2,595,984	\$ 127,590,729	\$ 1,523,355

See notes to financial statements

City of Casa Grande, Arizona

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Wastewater	Sanitation	Golf Course	Total	
Operating Revenues						
Service fees	\$ 249,019	\$ 14,465,064	\$ 8,449,897	\$ 363,000	\$ 23,526,980	\$ 4,358,187
Rental	-	-	-	354,120	354,120	-
Green fees	-	-	-	1,182,335	1,182,335	-
Miscellaneous	125	7,128	10,157	6	17,416	793,986
Total operating revenues	249,144	14,472,192	8,460,054	1,899,461	25,080,851	5,152,173
Operating Expenses						
Personal services	103,441	1,284,820	2,928,947	399,485	4,716,693	1,194,090
Contractual services	153,437	2,838,024	1,511,344	903,482	5,406,287	3,066,430
Materials and supplies	70,850	1,375,788	1,261,113	252,296	2,960,047	1,660,695
Depreciation	34,541	3,481,767	1,331,052	199,576	5,046,936	36,623
Closure and postclosure costs	-	-	219,479	-	219,479	-
Other expenses	-	-	-	46	46	-
Total operating expenses	362,269	8,980,399	7,251,935	1,754,885	18,349,488	5,957,838
Operating income (loss)	(113,125)	5,491,793	1,208,119	144,576	6,731,363	(805,665)
Nonoperating Revenues (Expense)						
Investment earnings	-	991,533	828,813	4,485	1,824,831	-
Interest expense	-	(894,106)	-	-	(894,106)	-
City sales tax	-	-	-	36,275	36,275	-
Gain (loss) on sale of equipment	-	(10,433)	-	(1,476)	(11,909)	-
Total nonoperating revenues (expense)	-	86,994	828,813	39,284	955,091	-
Income (loss) before developer fees, capital contributions and transfers	(113,125)	5,578,787	2,036,932	183,860	7,686,454	(805,665)
Developer Fees	-	4,593,234	-	-	4,593,234	-
Capital Contributions	-	1,000,000	-	-	1,000,000	-
Transfers in	-	-	-	-	-	1,700,000
Change in net position	(113,125)	11,172,021	2,036,932	183,860	13,279,688	894,335
Net Position, Beginning	55,543	96,495,790	15,347,584	2,412,124	114,311,041	629,020
Net Position, Ending	<u>\$ (57,582)</u>	<u>\$ 107,667,811</u>	<u>\$ 17,384,516</u>	<u>\$ 2,595,984</u>	<u>\$ 127,590,729</u>	<u>\$ 1,523,355</u>

See notes to financial statements

City of Casa Grande, Arizona

Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Wastewater	Sanitation	Golf Course	Total	
Cash Flows From Operating Activities						
Receipts from customers and users	\$ 228,660	\$ 14,468,416	\$ 8,658,588	\$ 1,896,537	\$ 25,252,201	\$ 4,952,850
Receipt (payments) from/to other funds	117,939	-	-	-	117,939	-
Payments to suppliers	(219,248)	(1,483,344)	(615,768)	(1,069,173)	(3,387,533)	(5,011,664)
Payments to employees	(103,352)	(1,292,835)	(2,962,761)	(401,698)	(4,760,646)	(1,179,629)
Net cash provided by (used in) operating activities	23,999	11,692,237	5,080,059	425,666	17,221,961	(1,238,443)
Cash Flows From Noncapital Financing Activities						
Proceeds from city sales tax	-	-	-	36,275	36,275	-
Transfers from other funds	-	-	-	-	-	1,700,000
Net cash provided by (used in) noncapital financing activities	-	-	-	36,275	36,275	1,700,000
Cash Flows From Capital and Related Financing Activities						
Purchases of capital assets	(23,999)	(21,636,390)	(2,921,522)	(133,108)	(24,715,019)	(300,165)
Proceeds from capital debt	-	696,092	-	-	696,092	-
Proceeds from capital contributions	-	1,000,000	-	-	1,000,000	-
Proceeds from developer contributions	-	4,593,234	-	-	4,593,234	-
Principal paid on capital debt	-	(3,468,436)	-	-	(3,468,436)	-
Interest paid on capital debt	-	(924,547)	-	-	(924,547)	-
Net cash provided by (used in) capital and related financing activities	(23,999)	(19,740,047)	(2,921,522)	(133,108)	(22,818,676)	(300,165)
Cash Flows From Investing Activities						
Purchase of investments	-	(436,886)	(404,062)	-	(840,948)	-
Interest and dividends received	-	991,533	828,813	4,485	1,824,831	-
Net cash provided by (used in) investing activities	-	554,647	424,751	4,485	983,883	-
Net increase (decrease) in cash	-	(7,493,163)	2,583,288	333,318	(4,576,557)	161,392
Cash and Cash Equivalents, Beginning	-	28,735,074	4,854,592	1,205,394	34,795,060	878,516
Cash and Cash Equivalents, Ending	\$ -	\$ 21,241,911	\$ 7,437,880	\$ 1,538,712	\$ 30,218,503	\$ 1,039,908

See notes to financial statements

City of Casa Grande, Arizona

Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2024

	Business-Type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water	Wastewater	Sanitation	Golf Course	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities						
Operating income (loss)	\$ (113,125)	\$ 5,491,793	\$ 1,208,119	\$ 144,576	\$ 6,731,363	\$ (805,665)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Closure and postclosure costs	-	-	219,479	-	219,479	-
Depreciation expense	34,541	3,481,767	1,331,052	199,576	5,046,936	36,623
Provision for bad debt	-	467,205	157,924	-	625,129	-
(Increase) decrease in:						
Accounts receivable	(12,594)	(560,714)	(47,344)	(2,924)	(623,576)	(484,474)
Inventory	-	-	(27,944)	61	(27,883)	13,511
Deferred outflows of resources related to pensions	3,649	33,612	44,650	3,558	85,469	30,000
Increase (decrease) in:						
Accounts payable	5,039	2,730,468	2,184,633	86,590	5,006,730	(298,050)
Due to other funds	117,939	-	-	-	117,939	-
Deposits held	(7,890)	89,733	87,954	-	169,797	285,151
Accrued wages	(3,717)	(42,399)	(85,311)	(12,057)	(143,484)	(36,284)
Compensated absences	-	(1,029)	3,010	5,997	7,978	19,109
Net pension liabilities	(313)	(3,608)	(7,685)	(579)	(12,185)	(3,278)
Deferred inflows of resources related to pensions	470	5,409	11,522	868	18,269	4,914
Total adjustments	137,124	6,200,444	3,871,940	281,090	10,490,598	(432,778)
Net cash provided by (used in) operating activities	\$ 23,999	\$ 11,692,237	\$ 5,080,059	\$ 425,666	\$ 17,221,961	\$ (1,238,443)
Schedule of Noncash Investing, Capital and Financing Activities						
Loss on disposal of assets	\$ -	\$ 10,433	\$ -	\$ 1,476	\$ 11,909	\$ -
Reconciliation of Cash, Cash Equivalents and Investments to the Statement of Net Position						
Cash and cash equivalents	\$ -	\$ 16,306,862	\$ 7,437,880	\$ 1,538,712	\$ 25,283,454	\$ 1,039,908
Restricted assets, cash and cash equivalents	-	4,935,049	-	-	4,935,049	-
Total cash and cash equivalents	\$ -	\$ 21,241,911	\$ 7,437,880	\$ 1,538,712	\$ 30,218,503	\$ 1,039,908

See notes to financial statements

Financial Section

Fiduciary Funds



City of Casa Grande, Arizona

Statement of Fiduciary Net Position - Fiduciary Funds
June 30, 2024

	Part-Time Firemen's Pension Trust
Assets	
Cash	\$ 11,108
Investments at fair value:	
Mutual funds	<u>557,878</u>
Total assets	<u>568,986</u>
Liabilities	
Accounts payable	<u>-</u>
Total liabilities	<u>-</u>
Net Position	
Net position restricted for pensions	<u><u>\$ 568,986</u></u>

See notes to financial statements

City of Casa Grande, Arizona

Statement of Changes in Fiduciary Net Position - Fiduciary Funds
Year Ended June 30, 2024

	Part-Time Firemen's Pension Trust
Additions	
Investment earnings:	
Interest and dividends	\$ 17,361
Net increase in the fair value of investments	63,943
Total additions	81,304
Deductions	
Administrative expenses	6,125
Beneficiary payments to individuals	14,200
Total deductions	20,325
Change in fiduciary net position	60,979
Net Position, Beginning	508,007
Net Position, Ending	\$ 568,986

See notes to financial statements

Financial Section

Notes to Financial Statements



1. Summary of Significant Accounting Policies

The accounting policies and financial reporting practices of City of Casa Grande, Arizona (the City) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the City's significant accounting policies.

Reporting Entity

The reporting entity of the City includes the following services as authorized by its charter: general government, public safety (police, court and fire), streets/transportation, public works, culture and recreation and economic development. In addition, the City owns and operates four major enterprise activities: wastewater system, sanitation operations, golf course and water system.

Individual Component Units - Blended

The Mission Royale Community Facilities District, Villago Community Facilities District, Copper Mountain Community Facilities District and Post Ranch Community Facilities District (the Districts) were formed for the purpose of acquiring or constructing public infrastructure in specific geographic areas of the City. As special purpose districts and separate political subdivisions under the Arizona Constitution, the Districts can levy taxes and issue bonds independently of the City. Property owners in the designated areas are assessed for District taxes, and thus for the costs of operating the Districts. The City Council serves as the Board of Directors; however, the City has no liability for the Districts' debt. For reporting purposes, the transactions of the Districts are combined together and included as governmental type funds as if they were part of the City's operations.

No separate financial statements were prepared for the Districts.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses for a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. A fund is considered a major fund if it meets several threshold tests based on size and proportionate share.

Generally, the effect of interfund activity is removed from the government-wide financial statements. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements. Certain charges for interfund services provided and used, such as charges between the Enterprise Fund utility segments and various functional activities, were not eliminated if the charges approximated their exchange values. The "doubling up" effect of internal service fund activity is removed from the government-wide statements with the expenses shown in the various functions and segments on the statement of activities.

Basis of Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures (expenses). The various funds are summarized by type in the combined financial statements. The City uses the following fund types:

Governmental Funds

General Fund - The General Fund is the chief operating fund of the City. It is used to account for all financial resources except for those required to be accounted for in another fund.

Special Revenue Funds - The Special Revenue Funds are used to account for revenues derived from specific taxes, grants or other restricted revenue sources. City Ordinances or Federal and State Statutes specify the uses and limitations of each special revenue fund. The Highway Users Fund that accounts for the City's share of tax revenues legally restricted to the maintenance of the highways within the City's boundaries is presented as a major fund in the basic financial statement. The Grants Fund accounts for the City's federal, state and local grants and is presented as a major fund in the basic financial statement.

Debt Service Funds - Debt Service Funds account for the accumulation of resources for and the payment of general obligation long-term debt principal, interest and related costs.

Capital Project Funds - Capital Project Funds account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The Capital Replacement/Recreation/Development Fund and Development Impact Fee Funds are major funds presented in the basic financial statements. This fund accounts for the replacement of fleet, recreation facilities construction and development of infrastructure.

Proprietary Funds

Enterprise Funds - Enterprise Funds account for operations financed and operated in a manner similar to private business enterprises - the intent of the governing body is for the costs of providing the specific service to the general public on a continuing basis be financed or recovered primarily through user charges. The Enterprise Funds presented as major funds in the basic financial statement are as follows:

Water Fund - accounts for the Copper Mountain water related activities.

Wastewater Fund - accounts for the activities of the wastewater treatment, operations and maintenance.

Sanitation Fund - accounts for the operations of the City's trash and landfill services.

Golf Course Fund - accounts for the operations of the City's public golf course.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, generally on a cost-reimbursement basis. The City has three Internal Services Funds: Fleet Maintenance is used to account for the maintenance and operations of City owned vehicles, Facilities Maintenance is used to account for the maintenance and operations of City owned buildings and Risk Management is used for property and casualty insurance activities. Each cost center is charged their proportional share of the cost for these services.

On the proprietary fund financial statements, operating revenues are those that flow directly from the operations of that 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 like investment income and interest expense that are not a result of the direct operations of the activity.

Fiduciary Funds

The Fiduciary Funds account for assets the City holds in a trust for the benefit of and on behalf of others, and therefore, are not available to support City programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. Fiduciary Funds are not included in the government-wide financial statements since they are not assets of the City available to support City programs.

At June 30, 2024, the City had one fiduciary fund considered a pension trust fund used to report resources that are required to be held in trust for the members and beneficiaries of the part-time firemen's pension plan.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Different measurement focuses are applied to governmental, proprietary and fiduciary funds. The governmental fund measurement focus is on determination of financial position and changes in financial position. Governmental funds focus on the flow of resources. The proprietary and pension fund measurement focus is on determination of net income, financial position and changes in financial position.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The modified accrual basis of accounting is followed by the governmental funds. Revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The City considers revenues available if they are earned by June 30 and the revenue is expected to be collected within 60 days after year-end. 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.

In applying the susceptible to accrual concept to intergovernmental revenues (grants, subsidies and shared revenues), the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended on the specific purpose of the project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded.

City of Casa Grande, Arizona

Notes to Financial Statements
June 30, 2024

In the other legal and contractual arrangement, monies are virtually unrestricted as to purpose of expenditures and nearly irrevocable, i.e., revocable only for failure to comply with prescribed compliance requirements, e.g., equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability.

Licenses and permits, charges for services, fines, forfeitures and miscellaneous revenues are recorded as revenues when received. Investment interest is recorded as earned since they are measurable and available. City sales tax collected by the State of Arizona and property taxes are accrued in the accounting period they become both measurable and available.

The portion of property tax levies available on June 30, 2024, are recorded as receivable, net of allowance for un-collectibles. The balance of the tax levy not collected within 60 days after year-end are reflected as deferred revenue.

Notes receivables are recorded as revenue as installments are received. The balances of these receivables are reflected as deferred revenue. Direct loans made through Community Development Block Grants are reflected as a reserve in fund balance.

All proprietary and pension funds are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable. Expenses are recorded in the accounting period incurred.

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budgetary Data

- In the spring of each year, the City Manager submits to City Council an estimate of the expenditures necessary to conduct the affairs of the City for the fiscal year commencing July 1.
- The Council holds open work sessions relating to budget preparation.
- After required public hearings are held, a budget for all governmental and proprietary funds (excluding internal service and pension funds) is legally enacted prior to the third Monday of July as required by Arizona Revised Statutes. The budget specifies expenditure amounts by activity with each Fund.
- Transfer of budgeted amounts within a department may be authorized by the Director of each department, unless the transfer involves personnel services. This type of budgetary transfer requires City Manager approval. In the adoption of the budget the City Council delegates authority to transfer budget amounts between funds and departments to the City Manager. The original budget was amended for the year ending June 30, 2024.
- All funds are subject to the comprehensive appropriated budget.
- Encumbrances used by the City during the budget year. All appropriations lapse at fiscal year-end unless re-appropriated as a carry-over. Invoices for goods and services received on or before June 30 must be paid within 60 days of the fiscal year-end.
- The budget for the City is adopted on a basis consistent with generally accepted accounting principles.
- Under State Statutes, certain annual expenditure limitations must be adhered to.
- Several supplemental appropriations were necessary during the year.
- Expenditures may not exceed budgeted appropriations at the total budget level.

Cash, Cash Equivalents and Investments

Cash represents amounts in demand deposits, cash on hand and amounts held in trust by financial institutions. The funds held in trust are available to the City upon demand. Cash equivalents are defined as short-term (original maturities of three months or less), highly liquid investments that are (1) readily convertible to known amounts of cash and (2) so near maturity that they present insignificant risk of changes in value because of changes in interest rates.

The City adheres to the Arizona Revised Statutes (A.R.S. §35-323) that governs the investment of City funds. Eligible investments include certificate of deposits in eligible depositories, interest bearing accounts in qualified banks, repurchase agreements, pooled investments by the State Treasurer, bonds of the U.S. Government that are guaranteed as to principal and interest, and bonds of the state, city, town or school district. All investments are carried at fair value with unrealized gains and losses recorded as adjustments to interest earnings. Fair market values are based on quoted market prices.

The State's investment pool is managed by the State Treasurer's office. The pool is not required to register with the Securities and Exchange Commission under the 1940 Investments Advisors Act. The activity and performance of the pool is reviewed monthly by the State Board of Investment in accordance with A.R.S. §35-311. The Arizona State Treasurer issues a publicly available financial report that includes financial statements and required supplementary information.

Copies may be obtained by contacting the Arizona State Treasurer, 1700 West Washington, Phoenix, Arizona 85007. In accordance with GASB Codification the City records all its investments at fair value as defined in the statement. The Part-time Firemen's Pension investments are valued from quoted market prices at year-end.

Inventories

Inventories for governmental and proprietary funds consist primarily of expendable supplies. Governmental funds maintain inventories using the consumption method of accounting. All inventories are valued at cost, which approximates market, using the first-in/first-out method.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year.

Assets contributed (donated) to those funds, donated works of art and similar items, and assets received in public private partnerships should be reported at acquisition value rather than fair value.

General government infrastructure capital assets include those assets acquired or constructed since 1980.

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

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

Depreciation/amortization of all assets is recorded and calculated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Sewer systems	20 to 50
Street systems	20 to 30
Streetlights and traffic control devices	20
Other improvements and landscaping	15
Vehicles	3 to 15
Equipment	5 to 10
Furniture and fixtures	5 to 10
Computers/software	3

Intangible right-to-use lease assets are amortized over the shorter of the term or the useful life of the underlying asset, unless the lease contains a purchase option that the City is reasonably certain of being exercised, then the lease asset is amortized over the useful life of the underlying asset.

Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying IT assets.

Deferred Outflows and Inflows of Resources

The statement of net position includes separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods that will be recognized as an expense in future periods. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will be recognized as revenue in future periods.

Post-Employment Benefits

For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

ASRS and PSPRS net OPEB asset (liabilities) have not been recorded, or further disclosed at June 30, 2024 in accordance with GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, due to the relative insignificance to the City's financial statements.

Compensated Absences

Different measurement focuses for governmental and proprietary funds were considered when determining the compensated absences liability. Because the measurement focus for proprietary funds is the determination of net income, current and long-term liabilities are recorded in the accounting records. The measurement focus for governmental funds is the flow of financial resources; expenditures for vacation time are accrued as current liabilities only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement).

New employees hired between November 1, 2015 and June 30, 2024 are allowed to participate in either the Paid Time Off (PTO) program or the traditional vacation/sick leave program.

Under the PTO program, employees earn paid time off annually ranging from 160 hours to 268 hours per year or 224 hours to 375 hours per year for firefighters working 24-hour shifts. The maximum amount of PTO which may be accrued by employees is 600 hours or 840 for firefighters working 24-hour shifts. In the event of termination, an employee is reimbursed for the accumulated PTO.

Under the traditional vacation/sick leave program, employees are able to earn between 8 hours and 20 hours of vacation per month or 11.2 hours and 30 hours of vacation per month for firefighters working 24-hour shifts. In the event of termination, an employee is reimbursed for the accumulated vacation leave.

The traditional vacation/sick leave program allows city employees with less than 10 years of service to be granted nonvesting sick leave. Employees with 10 or more years of service will be paid the unused accrued sick leave as follows:

- 10 - 15 years of service will receive 30% up to a maximum of 128 hours or 180 hours for firefighters working 24-hour shifts.
- 15 - 19 years of service will receive 40% up to a maximum of 288 hours or 404 hours for firefighters working 24-hour shifts.
- 20 or more years of service will receive 50% up to a maximum of 640 hours or 896 hours for firefighters working 24-hour shifts.

Sick leave compensation is accounted for in the period in which the event takes place.

Leases and Subscription-Based Information Technology Arrangements

Leases

Lessee: As lessee, the City recognizes lease liabilities with an initial, individual value of \$350,000 or more. The City uses its estimated incremental borrowing rate to measure lease liabilities unless it can readily determine the interest rate implicit in the lease. The City's estimated incremental borrowing rate is based on the average interest rate of other financing instruments with similar terms and risks as those currently entered into by the City.

Lessor: As lessor, the City recognizes lease receivables with an initial, individual value of \$33,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The City's estimated incremental borrowing rate is calculated as described above.

At the commencement of the 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.

Subscription-Based Technology Arrangements

The City recognizes subscription liabilities with an initial, individual value of \$33,000 or more. The City uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The City's estimated incremental borrowing rate is calculated as described above.

Long-Term Obligations

A distinction is made between proprietary fund long-term liabilities and governmental long-term debt. Governmental funds' long-term obligations are recognized as a liability in the governmental funds when due and expected to be financed from expendable available financial resources. Long-term obligations expected to be financed from proprietary fund operations are accounted for in the fund as a long-term liability.

Interfund Activity

Interfund transactions are categorized as loans, reimbursements, interfund services provided and used or transfers. Loans between funds are reported in the balance sheet of the borrowing and lending funds as a liability and receivable, respectively. Reimbursements are expenditures or expenses of one fund but are attributable to another fund. An example of this type of transaction is when one fund purchases a supply in which another fund uses, thus reimbursing the original funds expenditure/expense. An interfund service is revenue to the fund providing the service and expenditure to the fund receiving the service. Other interfund transactions are classified as transfers. Transfers usually reflect ongoing operating subsidies between funds.

Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Fund Balance Policies

In the fund financial statements, fund balance is reported in classifications that comprise a hierarchy based the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The classifications of fund balance are Nonspendable, Restricted, Committed, Assigned and Unassigned. Nonspendable and Restricted fund balances represent the restricted classifications and Committed, Assigned and Unassigned represent the unrestricted classifications.

Nonspendable fund balance includes amounts that cannot be spent because it is not in a spendable form such as inventory or prepaid items. Restricted fund balance is externally (outside the City) enforceable limitations imposed by creditors, grantors, contributors and laws and regulations of other governments. Committed fund balance is self-imposed limitations imposed at the highest level of decision-making authority, the City Council.

Council approval through the adoption of an Ordinance is required to commit resources or to rescind the commitment. Assigned fund balance represents limitations imposed by the City Council. Unassigned fund balance represents the residual net resources in excess of the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance and any governmental fund can report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for specific expenditures, restricted resources are considered spent before unrestricted resources. Within fund balance committed is spent first and then assigned resources are used. For fund balance details by classification, see the Fund Balance Details by Classification note disclosure.

Expenditures Over Appropriations

Expenditures may not legally exceed budgeted appropriations at the department level for the General Fund and at the Fund level for all other budgeted funds. The individual schedules of revenues, expenditures and changes in fund balance - budget and actual reports found in the required supplementary information and the supplementary information present all of the departments and funds which incurred an excess of expenditures/expenses over appropriations for the year ended June 30, 2024, if any.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

2. Cash and Investments

The carrying amount of the City's cash in bank totaled \$7,240,533 from which \$7,229,426 are City deposits and \$11,107 are fiduciary deposits, and the bank balance for those deposits was \$10,076,644. The City had cash on hand of \$5,945. Federal Depository Insurance covered the City's deposits at June 30, 2024, to the extent of \$750,000. Deposits of \$9,319,889 were collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the City's name. Casa Grande does not have a deposit policy for custodial credit risk.

In addition, the City holds certificates of deposit with Western State Bank totaling \$261,790 at June 30, 2024.

Investments

The City's policy is to invest unrestricted cash in the Local Government Investment Pool 7 (LGIP), an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. The LGIP is not registered with the Securities Exchange Commission under the 1940 Investment Advisors Act. The State Board of Investment has oversight responsibilities of the investment pool pursuant to ARS 35-311. Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the City held. The fair value of a participant's position in the pools approximates the value of that participant's pool shares. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy. Funds held in the State Treasurer's Local Government Investment Pool represent a proportionate interest in the pool's portfolio; however, the City's portion is not identified with specific investments and is not subject to custodial credit risk. At June 30, 2024, the City's funds invested with the State Treasurer totaled \$148,481,807.

The City also holds \$143,023,820 invested with PFM Asset Management, LLC, \$2,386,977 with Zions Bank and \$557,879 with Charles Schwab. The accounts are invested in U.S. Treasury securities, U.S. Government bonds, certificates of deposit and corporate debt securities.

Cash and cash equivalents and investments include restricted and unrestricted amounts as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Fund	Total
Cash and cash equivalents	\$ 123,928,881	\$ 25,283,454	\$ 11,108	\$ 149,223,443
Investments	124,825,961	18,459,650	557,878	143,843,489
Restricted cash and cash equivalents	3,956,770	4,935,049	-	8,891,819
Total	<u>\$ 252,711,612</u>	<u>\$ 48,678,153</u>	<u>\$ 568,986</u>	<u>\$ 301,958,751</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Casa Grande has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

The following table shows the City's investment maturities:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury notes	\$ 84,670,340	\$ 3,602,977	\$ 43,998,503	\$ 37,068,860	\$ -
Supra-National Agency Bond	1,364,994	-	-	1,364,994	-
Federal agency commercial mortgage-backed security	13,095,632	635,890	3,075,944	9,383,798	-
Corporate note	32,578,958	3,264,359	12,420,192	16,894,407	-
Certificate of deposit	9,120,772	2,988,307	2,705,389	3,427,076	-
Bank Note	704,942	-	-	704,942	-
Money market	4,136,950	4,136,950	-	-	-
Mutual funds	557,878	557,878	-	-	-
State Investment Pool 7 (LGIP)	148,481,807	148,481,807	-	-	-
Total	<u>\$ 294,712,273</u>	<u>\$ 163,668,168</u>	<u>\$ 62,200,028</u>	<u>\$ 68,844,077</u>	<u>\$ -</u>

Custodial Credit Risk

Custodial credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City does not have a formal investment policy regarding credit risk. However, the City is prohibited by State law from investing in investments other than obligations of the U.S. Treasury and U.S. agencies, certificates of deposit in eligible depositories, repurchase agreements, corporate notes, commercial paper, obligations of the State of Arizona or any of its counties or incorporated cities, towns or duly organized school districts, improvement districts in this state and the State Treasurer's Local Investment Pool. Presented below is the actual rating as of year-end for each investment type.

Investment Type	Rating	Agency	Total
U.S. Treasury notes	AA+	S&P	\$ 84,670,339
Supra-National Agency Bond	AAA	S&P	1,364,994
Federal agency commercial mortgage-backed security	AA+	S&P	13,095,632
Corporate note	AA	S&P	1,508,980
Corporate note	AA-	S&P	4,466,867
Corporate note	A+	S&P	4,803,057
Corporate note	A	S&P	9,918,441
Corporate note	A-	S&P	8,721,067
Corporate note	BBB+	S&P	3,160,547
Certificate of deposit	AA-	S&P	1,350,321
Certificate of deposit	A+	S&P	2,394,409
Certificate of deposit	A	S&P	2,387,735
Certificate of deposit	A-1	S&P	2,726,517
Certificate of deposit		Unrated	261,790
Bank Note	A+	S&P	704,942
Money market		Unrated	4,136,950
Mutual funds		Unrated	557,878
State investment Pool 7 (LGIP)		Unrated	148,481,807
			<u>\$ 294,712,273</u>

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

Fair Value Measurement

Investments are measured at fair value. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements are as follows at June 30, 2024:

	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
Investments by fair value level:				
U.S. Treasury notes	\$ -	\$ 84,670,340	\$ -	\$ 84,670,340
Supra-National Agency Bond	-	1,364,994	-	1,364,994
Federal agency commercial mortgage-backed security	-	13,095,632	-	13,095,632
Corporate note	-	32,578,958	-	32,578,958
Certificate of deposit	-	9,120,772	-	9,120,772
Bank note	704,942	-	-	704,942
Money market	4,136,950	-	-	4,136,950
Total investments by fair value level	<u>\$ 4,841,892</u>	<u>\$ 140,830,696</u>	<u>\$ -</u>	<u>145,672,588</u>
External investment pool measured at fair value:				
State Investment Pool 7 (LGIP)				<u>148,481,807</u>
Total investments measured at fair value				<u>148,481,807</u>
Investments measured at amortized costs:				
Mutual funds				<u>557,878</u>
Total investments measured at amortized costs				<u>557,878</u>
Total investments				<u>\$ 294,712,273</u>

Investments categorized as Level 2 are valued using a matrix pricing technique. Matrix pricing is a method of supplying system-generated prices to assets using yield curves that are defined by SEI Investments Company. Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the City held. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. The State Board of Investment provides oversight for the State Treasurer's investment pools.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer are as follows:

	Reported Amount	Concentration
2024 issuer:		
U.S. Treasury notes	\$ 84,670,340	28.7 %
Supra-National Agency Bond	1,364,994	0.5
Federal agency commercial mortgage-backed security	13,095,632	4.4
Corporate note	32,578,958	11.1
Certificate of deposit	9,120,772	3.1
Bank note	704,942	0.2
Money market	4,136,950	1.4
Mutual funds	557,878	0.2
State Investment Pool 7 (LGIP)	148,481,807	50.4
Total	<u>\$ 294,712,273</u>	<u>100.0 %</u>

3. Cash With Fiscal Agent/Restricted Investments

The City has restricted the following for the General Fund:

	Description of Designated Restriction	Balance at June 30, 2024
General Fund	Infrastructure	\$ 1,580,008

The City has restricted the following for the Excise Bonds Fund:

	Description of Designated Restriction	Balance at June 30, 2024
Debt Service	Excise Tax	\$ 2,138,662

The City has restricted the following for capital infrastructure in the Community Facilities Fund:

	Description of Designated Restriction	Balance at June 30, 2024
Capital, CFD	Infrastructure	\$ 238,100

The City has restricted the following for capital infrastructure in the Wastewater Fund:

	Description of Designated Restriction	Balance at June 30, 2024
Debt Service	WIFA	\$ 4,935,049

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

4. Receivables

The following table is a summary of the City's proprietary fund receivables:

	Water	Wastewater	Sanitation	Golf Course	Internal Service Funds	Total
Receivables:						
Intergovernmental	\$ -	\$ 1,156,070	\$ -	\$ -	\$ -	\$ 1,156,070
Accounts	47,811	7,192,983	4,400,382	22,924	495,148	12,159,248
Less allowance	-	(5,335,625)	(3,306,208)	-	-	(8,641,833)
Net receivables	<u>\$ 47,811</u>	<u>\$ 3,013,428</u>	<u>\$ 1,094,174</u>	<u>\$ 22,924</u>	<u>\$ 495,148</u>	<u>\$ 4,673,485</u>

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

Uncollectibles related to wastewater	\$ 467,205
Uncollectibles related to sanitation	<u>157,924</u>
Total uncollectibles for the current year	<u>\$ 625,129</u>

5. Direct Loans

The City issues loans to provide housing for low-income families, which are funded by Community Development Block Grants from the U.S. Department of Housing and Urban Development through the Arizona Department of Commerce. These loans are paid back on a monthly basis and have varying terms and maturity dates. At June 30, 2024, these loans outstanding totaled \$177,403 and an interest receivable balance of \$14,055 for a total outstanding of \$191,458 included in the nonmajor funds accounts receivable balance on the Governmental Funds balance sheet.

6. Property Taxes

Arizona Revised Statutes require that property taxes be levied on or before the third Monday in August. Taxes are levied and collected by the Pinal City Treasurer on real and personal property. Real property taxes, payable in two installments, are due November 1 and May 1. Personal property taxes are billed throughout the year. Interest and penalties are assessed if a taxpayer fails to pay the tax within a period of time specified by law. Taxes are considered a lien against real property at the date of levy.

The primary tax levy is limited to a 2% increase over the previous year's maximum allowable primary levy plus an increased dollar amount due to a net gain in property not taxed the previous year. The primary levy is further limited in that the primary tax from all jurisdictions may not exceed 1% of the homeowner's market value of the home. Secondary taxes are levied to retire voter approved general obligation bonds.

The City's 2023-2024 maximum primary levy limit, without a truth in taxation hearing was \$4,599,138. The primary tax levy was \$4,938,900. The City's secondary tax levy was \$2,149,314.

Using the modified accrual basis of accounting, property tax revenue is recognized when it becomes both measurable and available to finance expenditures as of year-end and expected to be collected within 60 days after year-end. Available means taxes due or past due at the end of the fiscal year. Deferred revenue includes the balance of the property tax levy that does not meet the accrual criteria. Property tax receivable at June 30, 2024 are \$312,970.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

7. Capital Assets

A summary of capital assets activity for the fiscal year ended June 30, 2024 follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 21,418,042	\$ 293,682	\$ -	\$ 21,711,724
Construction in progress	19,565,855	18,476,072	(2,733,139)	35,308,788
Total capital assets, being depreciated/amortized	40,983,897	18,769,754	(2,733,139)	57,020,512
Capital assets, being depreciated/amortized:				
Buildings	94,360,439	212,690	-	94,573,129
Improvements	274,403,375	10,114,057	-	284,517,432
Heavy machinery and equipment	45,285,895	3,024,542	(5,559,611)	42,750,826
Right-to-use assets:				
Leases, buildings	2,774,321	-	-	2,774,321
Leases, improvement	4,335,100	-	(4,335,100)	-
Subscription arrangements	1,877,318	-	-	1,877,318
Total capital assets, being depreciated/amortized	423,036,448	13,351,289	(9,894,711)	426,493,026
Less accumulated depreciation/amortization for:				
Buildings	(43,169,523)	(2,079,510)	-	(45,249,033)
Improvements	(207,128,595)	(11,076,222)	-	(218,204,817)
Heavy machinery and equipment	(34,262,474)	(2,654,846)	5,337,365	(31,579,955)
Right-to-use assets:				
Buildings	(2,774,321)	-	-	(2,774,321)
Improvements	(1,734,425)	(164,818)	1,899,243	-
Subscription arrangements	(370,905)	(600,113)	-	(971,018)
Total accumulated depreciation/amortization	(289,440,243)	(16,575,509)	7,236,608	(298,779,144)
Total capital assets, being depreciated/amortized, net	133,596,205	(3,224,220)	(2,658,103)	127,713,882
Governmental activities capital assets, net	\$ 174,580,102	\$ 15,545,534	\$ (5,391,242)	\$ 184,734,394

The City exercised the purchase option for two leases during fiscal year 2024 and therefore, the right-to-use assets in the amount of \$4,335,100 were deleted and added to infrastructure. Additionally, \$1,899,243 of accumulated amortization for right-to-use assets was moved to accumulated depreciation for improvements.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 4,216,809	\$ -	\$ -	\$ 4,216,809
Water rights	125,000	-	-	125,000
Construction in progress	8,363,542	22,948,414	-	31,311,956
Total capital assets, not being depreciated/ amortized	12,705,351	22,948,414	-	35,653,765
Capital assets, being depreciated/amortized:				
Buildings and improvements	131,970,729	-	(35,515)	131,935,214
Machinery and equipment	21,316,390	3,638,375	(3,771,168)	21,183,597
Total capital assets, being depreciated/amortized	153,287,119	3,638,375	(3,806,683)	153,118,811
Less accumulated depreciation/amortization for:				
Buildings and improvements	(59,817,839)	(3,378,929)	34,202	(63,162,566)
Machinery and equipment	(13,312,633)	(1,668,007)	3,744,439	(11,236,201)
Total accumulated depreciation/amortization	(73,130,472)	(5,046,936)	3,778,641	(74,398,767)
Total capital assets, being depreciated/amortized, net	80,156,647	(1,408,561)	(28,042)	78,720,044
Business-type activities capital assets, net	\$ 92,861,998	\$ 21,539,853	\$ (28,042)	\$ 114,373,809

Depreciation expense was charged to the functions/programs of the government as follows:

Governmental activities:	
General government	\$ 1,179,330
Public safety	3,188,060
Streets/transportation	16,195
Public works	7,592,699
Culture and recreation	2,189,475
Economic development	473,884
Internal service	36,623
Total depreciation/amortization expense	\$ 14,676,266

Depreciation/amortization expense does not agree to the governmental capital asset roll-forward due to the reclass of right-to-use amortization to improvements depreciation in the amount of \$1,899,243.

Business-type activities:	
Water	\$ 34,541
Wastewater	3,481,767
Sanitation	1,331,052
Golf Course	199,576
Total depreciation/amortization expense	\$ 5,046,936

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

8. Leases

Lessee

Effective March of 2012, the City entered into an agreement for energy improvements. Based on this agreement, the City will make semi-annual, variable payments at a stated interest rate of 4.25%, through July 1, 2027. The lease qualifies as an Energy Conservation Bond where tax credits are available annually to reduce interest. The City has acquired energy efficiency equipment included as a right-to-use building asset under the provisions of a lease agreement.

Effective March of 2013, the City entered into an agreement for solar panels. Based on this agreement, the City will make semi-annual, variable payments at a stated interest rate of 3.59%, through April 2031. The City has acquired energy efficiency equipment included as a right-to-use improvement asset under the provisions of a lease agreement. As of June 30, 2024, the City exercised a purchase option on this agreement and therefore, this lease is no longer outstanding.

Effective August of 2013, the City entered into an agreement for solar panels. Based on this agreement, the City will make semi-annual, variable payments at a stated interest rate of 3.59%, through February 2033. The City has acquired energy efficiency equipment included as a right-to-use improvement asset under the provisions of a lease agreement. As of June 30, 2024, the City exercised a purchase option on this agreement and therefore, this lease is no longer outstanding.

The total amount of the lease assets and the related accumulated amortization is as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Carrying Value</u>
Governmental activities:			
Right-to-use lease assets:			
Buildings	\$ 2,774,321	\$ (2,774,321)	\$ -
Total	<u>\$ 2,774,321</u>	<u>\$ (2,774,321)</u>	<u>\$ -</u>

The following schedule details minimum lease payments to maturity for the City's leases payable at June 30, 2024:

	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal years ending June 30:			
2025	\$ 234,000	\$ 34,999	\$ 268,999
2026	248,000	22,905	270,905
2027	262,000	14,216	276,216
2028	137,000	2,911	139,911
Total	<u>\$ 881,000</u>	<u>\$ 75,031</u>	<u>\$ 956,031</u>

Lessor

The City has entered into various lease agreements as the Lessor. From time to time the City's lease contracts include variable lease payments, including residual value guarantees, that are not included in the lease receivable because they are not fixed in substance. The City recognized an insignificant amount of revenue related to these variable lease payments and they have not been further disclosed or included in the measurement of the City's lease receivables.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

As of June 30, 2024, the City is reporting the following lease receivables, deferred inflows related to leases, lease revenues and interest revenue:

	Governmental Activities			
	Lease Receivable	Deferred Inflows Related to Leases	Lease Revenue	Lease Interest Revenue
Airport Hangar Leases	\$ 346,168	\$ 338,731	\$ 10,938	\$ 20,563
Building Leases	569,774	549,423	55,936	18,964
Communication Tower Land Lease	878,974	874,431	33,569	20,397
Total	<u>\$ 1,794,916</u>	<u>\$ 1,762,585</u>	<u>\$ 100,443</u>	<u>\$ 59,924</u>

The City's leases are summarized as follows:

Airport Hangar Leases - The City has entered into various hangar leases. The lease terms vary; however, the City is reasonably certain the leases will renew for each additional term as outlined in the contracts. The leases are being calculated using an incremental borrowing rate of 3.5%. Based on these agreements the City will be receiving fixed annual payments through fiscal year 2061.

Building Leases - The City has entered various building leases. The lease terms vary; however, the City is reasonably certain the leases will renew for each additional term as outlined in the contracts. The leases are being calculated using an incremental borrowing rate of 3.5%. Based on these agreements the City will be receiving fixed monthly or annual payments through fiscal year 2039.

Communication Tower Land Lease - The City has entered into a land lease for a communication tower. The leases are being calculated using an incremental borrowing rate of 3.5%. Based on the agreement the City will be receiving fixed monthly payments through fiscal year 2029.

The following schedule details future payments due to the City's as of June 30, 2024:

	Governmental Activities		
	Principal	Interest	Total
Fiscal years ending June 30:			
2025	\$ 77,870	\$ 61,697	\$ 139,567
2026	82,444	58,918	141,362
2027	87,912	55,976	143,888
2028	88,100	52,837	140,937
2029	63,825	50,193	114,018
2030-2034	263,699	223,805	487,504
2035-2039	344,758	171,265	516,023
2040-2044	239,691	120,315	360,006
2045-2049	312,643	73,274	385,917
2050-2054	152,611	25,511	178,122
2055-2059	55,884	10,501	66,385
2060-2061	25,479	1,345	26,824
Total	<u>\$ 1,794,916</u>	<u>\$ 905,637</u>	<u>\$ 2,700,553</u>

City of Casa Grande, Arizona

Notes to Financial Statements
June 30, 2024

9. Pensions

The City contributes to the plans described below. The plans are component units of the State of Arizona.

At June 30, 2024, the City reported the following aggregate amounts related to pensions for all plans to which it contributes:

	Governmental Activities	Business-Type Activities	Total
Statement of net position and statement of activities:			
Net pension liability	\$ 24,526,129	\$ 3,458,711	\$ 27,984,840
Deferred outflows of resources	14,646,878	463,790	15,110,668
Deferred inflows of resources	959,966	140,824	1,100,790
Pension expense	8,506,026	483,231	8,989,257
Total	\$ 48,638,999	\$ 4,546,556	\$ 53,185,555

The City reported \$3,690,713 of pension contributions as expenditures in the governmental fund statements related to all pension plans to which it contributes.

Net OPEB assets/liabilities have not been recorded, or further disclosed, at June 30, 2024 in accordance with GASB Statement 75, due to the relative insignificance to the City's financial statements.

Arizona State Retirement System

Plan Description

City employees not covered by the other pension plans described below participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at www.azasrs.gov.

Benefits Provided

The ASRS provides retirement, health insurance premium supplement, long-term disability and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation and service credit as follows:

ASRS	Retirement Initial Membership Date	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80	30 years, age 55
Final average salary is based on	Highest 36 months of last 120 months	25 years, age 60
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Contributions

In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2024 active ASRS members were required by statute to contribute at the actuarially determined rate of 12.29% (12.14% for retirement and 0.15% for long-term disability) of the members' annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 12.29% (12.03% for retirement, 0.11% for health insurance premium benefit and 0.15% for long-term disability) of the active members' annual covered payroll. In addition, the City was required by statute to contribute at the actuarially determined rate of 9.99% (9.94% for retirement and 0.05% for long-term disability) of annual covered payroll of retired members who worked for the City in positions that an employee who contributes to the ASRS would typically fill. The City's contributions to the pension plans for the year ended June 30, 2024, was \$2,159,304.

During fiscal year 2024, the City paid for ASRS pension as follows:

69.4% from the General Fund, 5.9% from the HURF Fund, 0.4% from the Grants Fund, 2.3% from Nonmajor Funds, 0.4% from the Water Fund, 5.0% from the Wastewater Fund, 11.1% from the Sanitation Fund, 0.9% from the Golf Fund and 4.6% from Internal Service Funds.

Pension Liability

At June 30, 2024, the City reported a liability of \$20,751,085 for its proportionate share of the ASRS' net pension liability. The net liability was measured as of June 30, 2023. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023.

The City's proportion of the net pension liability was based on the City's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The City's proportion measured as of June 30, 2023, was 0.128242%, which was an increase of 0.000679% from its proportion measured as of June 30, 2022.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended June 30, 2024, the City recognized pension expense of \$2,757,846. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 468,892	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earning on pension plan investments	-	734,191
Changes in proportion and differences between City contributions and proportionate share contributions	106,444	-
City contributions subsequent to measurement date	2,159,304	-
Total	<u>\$ 2,734,640</u>	<u>\$ 734,191</u>

The amounts reported as deferred outflows of resources related to ASRS pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as expense as follows:

Years ending June 30:

2025	\$ (29,774)
2026	(829,087)
2027	791,241
2028	(91,235)
2029	-
Thereafter	-
Total	<u>\$ (158,855)</u>

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

ASRS:

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 20, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9% to 8.4% for pensions
Inflation	2.3%
Permanent benefit increase	Included for pensions
Mortality rates	2017 SRA Scale U-MP for pensions and health insurance premium benefit
Recovery rate	2012 GLDT for long-term disability
Healthcare cost trend rate	N/A

Actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

The long-term expected rate of return on ASRS plan investments was determined to be 7.0% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
Asset class:		
Public equity	44 %	3.5 %
Credit	23	5.90
Real estate	17	5.90
Private equity	10	6.70
Interest rate sensitive	6	1.5
	<u>100 %</u>	
Total	<u>100 %</u>	

Discount Rate

At June 30, 2023, the discount rate used to measure the ASRS total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. 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 benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase (8.0%)</u>
ASRS:			
City's proportionate share of the net pension liability	\$ 31,082,078	\$ 20,751,085	\$ 12,136,865

Plan Fiduciary Net Position

Detailed information about the plans' fiduciary net position is available in the separately issued ASRS financial report.

Public Safety Personnel Retirement System

Plan Descriptions

City police department employees and City fire fighter employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS) or employees who became members on or after July 1, 2017, may participate in the Public Safety Personnel Defined Contribution Retirement Plan (PSPDCRP). The PSPRS administers agent and cost-sharing multiple-employer defined benefit pension plans and agent and cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plans. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool) which are not further disclosed because of their relative insignificance to the City's financial statements.

The PSPRS issue publicly available financial reports that include their financial statements and required supplementary information. The reports are available on the PSPRS Web site at www.psprs.com.

Benefits Provided

The PSPRS provide retirement, health insurance premium supplement, disability and survivor benefits. State statute establishes benefits terms. Retirement, disability and survivor benefits are calculated on the basis of age, average monthly compensation and service credit as follows:

PSPRS Retirement and Disability	Initial Membership Date	
	Before January 1, 2012	On or After January 1, 2012 and Before July 1, 2017
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years of service or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 months of last 20 years	Highest 60 months of last 20 years
Benefit percent: Normal retirement	50% less 2.0% for each year of credited service less than 20 years OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5% to 2.5% per year of credited service, not to exceed 80%
Accidental disability retirement	50% or normal retirement, whichever is greater	
Catastrophic disability retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater	
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20	
Survivor Benefits		
Retired members	80% of retired member's pension benefit	
Active members	80% to 100% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job	

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. PSPRS also provides temporary disability benefits of 50% of the member's compensation for up to 12 months.

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the agent plans' benefit terms:

	PSPRS Police	PSPRS Fire
Inactive employees or beneficiaries currently receiving benefits	62	35
Inactive employees entitled to by not yet receiving benefits	16	6
Active employees	44	38
Total	122	79

Contributions

State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2024, are indicated below. Rates are a percentage of active members' annual covered payroll.

	PSPRS Police	PSPRS Fire
Active members, pension	7.65 - 11.65 %	7.65 - 11.65 %
City:		
Pension	9.74	12.45
Health insurance premium benefit	0.36	0.44

In addition, statute required the City to contribute at the actuarially determined rate of 8% for both Police and for Fire for the PSPRS of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the PSPRS.

The City's contributions to the plans for the year ended June 30, 2024, were:

	PSPRS Police	PSPRS Fire
Pension:		
Contributions made	\$ 854,994	\$ 1,152,130

During fiscal year 2024, the City paid for PSPRS pension contributions 100% from the General Fund.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

Pension Liability

At June 30, 2024, the City reported a PSPRS net pension liabilities for Police of \$3,610,388 and Fire of \$3,623,366 for a total of \$7,233,754.

The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

PSPRS:

Actuarial valuation date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.2%
Wage inflation	2.75 - 15.00% for pensions
Price inflation	2.5% for pensions
Cost of living adjustment	2.00% maximum for pensions
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	N/A

Actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2021.

The long-term expected rate of return on both the PSPRS Police and PSPRS Fire plan investments was determined to be 7.2% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Asset class:		
U.S. public equity	24 %	3.98 %
International public equity	16	4.49
Global private equity	20	7.28
Other assets (capital appreciation)	7	4.49
Core bonds	6	1.90
Private equity	20	6.19
Diversifying strategies	5	3.68
Cash, Mellon	2	0.69
Total	100 %	

Discount Rate

At June 30, 2024, the discount rate used to measure the PSPRS total pension liabilities was 7.2%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. 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 benefit payments to determine the total pension liability.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
PSPRS - Police			
Balance at June 30, 2023	\$ 68,311,918	\$ 66,664,193	\$ 1,647,725
Changes for the year:			
Service cost	801,452	-	801,452
Interest on the total liability	4,825,702	-	4,825,702
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the liability	2,178,709	-	2,178,709
Changes of assumptions or other inputs	-	-	-
Contributions, employer	-	434,597	(434,597)
Contributions, employee	-	411,191	(411,191)
Net investment income	-	5,025,116	(5,025,116)
Benefit payments, including refunds of employee contributions	(4,179,460)	(4,179,460)	-
Administrative expense	-	(26,926)	26,926
Other changes	-	(778)	778
Net changes	3,626,403	1,663,740	1,962,663
Balances at June 30, 2024	\$ 71,938,321	\$ 68,327,933	\$ 3,610,388

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
PSPRS - Fire			
Balance at June 30, 2023	\$ 48,514,743	\$ 48,124,733	\$ 390,010
Changes for the year:			
Service cost	884,569	-	884,569
Interest on the total liability	3,484,068	-	3,484,068
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the liability	3,439,003	-	3,439,003
Changes of assumptions or other inputs	-	-	-
Contributions, employer	-	564,524	(564,524)
Contributions, employee	-	371,512	(371,512)
Net investment income	-	3,656,354	(3,656,354)
Benefit payments, including refunds of employee contributions	(2,018,970)	(2,018,970)	-
Administrative expense	-	(18,106)	18,106
Other changes	-	-	-
Net changes	5,788,670	2,555,314	3,233,356
Balances at June 30, 2024	\$ 54,303,413	\$ 50,680,047	\$ 3,623,366

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate

The following table presents the City's net pension liabilities calculated using the discount rate of 7.2%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.2%) or 1 percentage point higher (8.2%) than the current rate:

	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
PSPRS - Police:			
Net pension liability	\$ 13,249,611	\$ 3,610,388	\$ (4,247,423)
	1% Decrease (6.2%)	Current Discount Rate (7.2%)	1% Increase (8.2%)
PSPRS - Fire:			
Net pension liability	\$ 11,269,958	\$ 3,623,366	\$ (2,616,912)

Plan Fiduciary Net Position

Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial reports.

Expense

For the year ended June 30, 2024, the City recognized pension expense of \$3,541,867 for Police and \$2,819,536 for Fire which was a total of \$6,361,403 of PSPRS pension expense.

Deferred Outflows/Inflows of Resources

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Police:		
Differences between expected and actual experience	\$ 2,236,950	\$ -
Changes of assumptions or other inputs	467,270	-
Net difference between projected and actual earning on pension plan investments	1,716,338	-
City contributions subsequent to measurement date	854,894	-
Total	\$ 5,275,452	\$ -
	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Fire:		
Differences between expected and actual experience	\$ 3,936,414	\$ 366,598
Changes of assumptions or other inputs	689,821	-
Net difference between projected and actual earning on pension plan investments	1,322,211	-
City contributions subsequent to measurement date	1,152,130	-
Total	\$ 7,100,576	\$ 366,598

City of Casa Grande, Arizona

Notes to Financial Statements
June 30, 2024

The amounts reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase in the net asset or a reduction of the net liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as expenses as follows:

	PSPRS Police
Years ending June 30:	
2025	\$ 1,813,932
2026	1,488,481
2027	1,187,400
2028	(69,255)
2029	-
Thereafter	-

	PSPRS Fire
Years ending June 30:	
2025	\$ 1,789,170
2026	1,343,308
2027	1,790,120
2028	641,599
2029	-
Thereafter	-

Part-Time Firefighters' Pension Fund

The City contributes to the Part-time Firefighters' Pension Fund, a defined contribution plan to provide pensions to part-time firefighters only. Arizona Revised Statutes (ARS) §9-981 gives the City the authority to establish an alternative pension and benefits program for its part-time firefighters. The statute requires that both the employee and the City make contributions equal to at least 5% of the employees' compensation. After a part-time firefighter has 20 years of service or who has reached fifty five years of age and served 20 years or more, he or she is entitled to their accrued benefit by payment in a lump sum or payments in monthly, quarterly or annual installments over a fixed reasonable period of time, not exceeding the life expectancy of the participant. If an employee resigns before completing 20 years of service, he or she is entitled to a refund of his or her contributions only. After five years of service, the participants accrued benefit derived from the City contributions will vest at a scheduled percentage amount for each year of service. This plan has not been further disclosed.

10. Risk Management

The City operates with traditional commercial insurance programs against major losses in property, plant, equipment and liability. Administrative responsibility for the safety program, education and loss prevention resides with the Human Resources Department. Insurance is procured on a competitive quotation basis, using the services of an independent broker as a consultant. The City processes all claims and evaluates their validity to determine if insurance reporting and investigation are warranted or if the claim can be resolved administratively. Claims settled administratively are paid from the funds where the claims occurred. During fiscal year 2024 there was no reduction in insurance coverage from prior years and settlements have not exceeded insurance coverage during any of the last three fiscal years.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

11. Subscription-Based IT Arrangements (SBITAs)

The City has obtained the right to use various IT software under the provisions of various subscription-based information technology arrangements. The terms range from three to five years, including options that are more likely than not to be exercised. The discount rate applied to the subscription-based technology arrangements are based on actual rates or an estimated incremental borrowing rate, which ranged from 2.0237% to 2.6560% for all subscription-based technology arrangements reported.

The total of amount of subscription assets and the related accumulated amortization are as follows:

Total intangible right-to-use subscription assets	\$ 1,877,318
Less accumulated amortization	<u>(971,018)</u>
Carrying value	<u>\$ 906,300</u>

The following schedule details minimum subscription payments to maturity for the City's subscriptions liability at June 30, 2024:

	Governmental Activities	
	Principal	Interest
Fiscal years ending June 30:		
2025	\$ 588,792	\$ 16,241
2026	<u>64,563</u>	<u>1,469</u>
Total	<u>\$ 653,355</u>	<u>\$ 17,710</u>

Variable and Other Payments

From time to time, the City's leases and SBITAs include variable payments and other payments, such as termination penalties, that are not included in the lease/subscription liabilities because they are either not fixed in substance (variable) or the City is not reasonably certain the other payments will be required. The City recognized an insignificant amount of expenses related to these variable and other payments and they have not been further disclosed or included in the measurement of the lease/subscription liabilities.

12. Bond Debt

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

Community Facilities Districts (CFDs), special purpose districts created specifically to acquire or construct public infrastructure within specified areas of the City, are authorized under state law to issue General Obligation (GO) bonds to be repaid by property taxes levied on property within the district. CFDs are created by petition to the City Council by property owners within the area to be covered by the district and debt may be issued only after approval of the voters within the district.

Villago Community Facilities District issued General Obligation bonds to finance construction. On October 15, 2020, Villago CFD issued General Obligation Bonds and General Obligation Refunding Bonds, Series 2020. The General Obligation Bond was issued in the amount of \$4,430,000 with a final maturity of July 1, 2040. The General Obligation Refunding Bonds refunded the General Obligation Bonds, Series 2006, 2008 and 2010, in the amount of \$220,000, \$290,000 and \$1,765,000, respectively with a final maturity of July 1, 2040. The refunded portion of the bonds are considered defeased and the related liability for the bonds removed from the City's liabilities. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of \$742,344. These bonds will be repaid by the property owners within Villago CFD. The bonds are obligations of the district only. The City has no obligation for the debt other than administration of the collection of property taxes and payment of the debt service on behalf of Villago. There was no outstanding principal balance for the Series 2006, 2008 and 2010 as of June 30, 2024. The outstanding principal balance of Series 2020 is \$3,895,000 at June 30, 2024.

Mission Royale Community Facilities District issued General Obligation bonds to finance construction. On November 2, 2023, Mission Royale CFD issued General Obligation Bonds, Series 2023. The General Obligation Bond was issued in the amount of \$4,250,000 with a final maturity of July 15, 2036. The 12-year bond has interest rates ranging from 4.25% to 5%. These bonds will be repaid by the property owners within Mission Royale CFD. The bonds are obligations of the district only. The City has no obligation for the debt other than administration of the collection of property taxes and payment of the debt service on behalf of Mission Royale. The outstanding principal balance of Series 2023 is \$4,250,000 at June 30, 2024.

In June 2016, the City issued General Obligation bonds (Series 2016A) in the amount of \$16,000,000 to be used to design, construct, furnish and equip a new recreational center in the City. The 30-year bond has interest rates ranging from 2% to 3%. Principal payments ranging from \$540,000 to \$990,000 are paid annually on August 1, with payments beginning August 2016 and with interest paid semiannually on August and February 1. In addition, the City also issued General Obligation Refunding bonds (Series 2016B) in the amount \$18,650,000 which will be refund a portion of the City's Series 2008 and Series 2009 bonds. The 20-year bonds has interest rates of 4%. Principal payments range from \$540,000 to \$1,635,000 and are paid annually on August 1, with payments beginning August 2020 and interest paid semiannually on August and February 1. The refunded portion of the Series 2008 and Series 2009 bonds are considered defeased and the related liability for the bonds removed from the City's liabilities. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of \$1,835,568. At June 30, 2024, there is no balance on the defeased bonds, Series 2008 and 2009, still outstanding. The outstanding principal balance for the Series 2016A and 2016B is \$9,595,000 and \$15,110,000, respectively, at June 30, 2024.

In January 2019, the City defeased \$2,555,000 of General Obligation Bonds, Series 2008, 2009 and 2016B using their own resources. Sufficient assets to pay all principal and interest in the defeased bonds had been placed in irrevocable trust accounts at commercial banks and invested in U.S. Government securities which, together with interest earned thereon, will provide amounts sufficient for future payment of principal and interest of the issues defeased. The defeased portion of the Series 2008, 2009 and 2016B bonds are considered defeased and the related liability for the bonds removed from the City's liabilities. The transaction resulted in a gain on early extinguishment of debt of \$106,940. The amount of the defeased bond Series 2016B, still outstanding as of June 30, 2024 was \$180,000. At June 30, 2024, there is no balance of defeased bonds for Series 2008 and Series 2009.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

The following table is a summary of the City's future general obligation bond debt service requirements:

	Governmental Activities	
	Principal	Interest
Years ending June 30:		
2025	\$ 1,810,000	\$ 1,093,040
2026	2,285,000	1,096,400
2027	2,460,000	1,011,325
2028	2,290,000	998,125
2029	2,330,000	838,550
2030-2034	12,940,000	2,841,350
2035-2039	6,670,000	849,379
2040-2043	2,065,000	245,978
Total	<u>\$ 32,850,000</u>	<u>\$ 8,974,147</u>

13. Excise Tax Revenue Obligations

In August, 2009 the City issued \$11,625,000 in taxable obligations used to construct a multi-use sports complex. The 15-year obligation has interest rates ranging from 2.3% to 6.4% with principal payments beginning April 1, 2010, maturing in fiscal year 2024. There was no outstanding principal balance for the Series 2009B excise tax obligations at June 30, 2024.

On December 28, 2017, the City issued \$7,710,000 of Excise Tax Revenue Refunding Bonds, Series 2017, with a fixed interest rate of 2.945%. The net proceeds of \$7,710,000 (after issuance costs of \$178,171) were used to advance refund various series of bonds with a total principal amount of \$7,175,000 and an average interest rate of 4.82%. The net proceeds were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liability for the bonds has been removed from the City's liabilities. The advance refunding was done in order to reduce debt payments. The transaction resulted in an economic gain of \$622,089. At June 30, 2024, there is no balance of defeased bond, Series 2009, still outstanding. The outstanding principal balance for the Series 2017 excise tax obligations is \$6,965,000 at June 30, 2024.

On September 1, 2021, the City issued \$63,260,000 of Excise Tax Revenue Refunding Bonds, Series 2021, with interest rates ranging from 0.22-2.5%, maturing in fiscal year 2036. The net proceeds of \$62,460,138 (after issuance costs of \$799,862) were used to make an excess contribution to the Arizona Public Sector Personnel Retirement System (PSPRS) Pension Liability for Police and Fire. The outstanding principal balance for the Series 2021 excise tax obligations is \$57,995,000 at June 30, 2024.

The excise revenue obligations are secured by a pledge of and first lien on all excise, transaction, franchise, privilege and business taxes, state shared sales and income taxes, fees for licenses and permits and state revenue sharing which the City presently or in the future validly imposes or receives from other entities.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

The following table summarizes the City's future excise tax revenue obligation debt service requirements as of June 30, 2024:

	Governmental Activities	
	Principal	Interest
Years ending June 30:		
2025	\$ 4,460,000	\$ 1,300,909
2026	5,070,000	1,234,295
2027	5,240,000	1,155,011
2028	5,645,000	1,062,521
2029	6,000,000	958,573
2030-2034	25,915,000	3,267,260
2035-2038	12,630,000	477,074
Total	<u>\$ 64,960,000</u>	<u>\$ 9,455,643</u>

14. WIFA Financing

In January 2009 the City of Casa Grande received financing from the Water Infrastructure Finance Authority (WIFA) of Arizona to finance a wastewater treatment plant expansion project which was completed in 2011. The original loan was authorized for a total of \$62,555,540; however, the balance disbursed to the City of Casa Grande was \$59,095,269. The 20-year loan has an interest rate of 4.029%. Principal payments ranging from \$2,390,542 to \$4,497,459 are paid annually with interest paid semi-annually on October 1 and April 1.

In July 2023, the City of Casa Grande received financing from the Water Infrastructure Finance Authority (WIFA) of Arizona in the amount of \$8,103,235 to finance a wastewater treatment plant infrastructure. A total of \$1,000,000 of the principal balance is forgivable. The loan matures on July 1, 2043, however, the balance on the loan as of June 30, 2024 payments mature in 2033. As of year-end, the City has drawn the entire forgivable portion plus \$1,852,162 of the loan, leaving \$5,251,073 available for drawdown. The interest rate at June 30, 2024 on the outstanding balance is 2.780%.

The following schedule shows estimated payments based on the remaining amount due as of June 30, 2024.

	Principal	Interest
Years ending June 30:		
2025	\$ 3,629,469	\$ 884,289
2026	4,278,319	825,571
2027	4,189,226	666,554
2028	4,354,442	501,228
2029	4,457,322	329,341
2030-2033	423,233	51,383
Total	<u>\$ 21,332,011</u>	<u>\$ 3,258,366</u>

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

15. Changes in Long-Term Obligations

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 3,615,257	\$ 1,707,334	\$ (1,086,357)	\$ 4,236,234	\$ 1,946,671
Public, general obligation bonds	30,235,000	4,250,000	(1,635,000)	32,850,000	1,810,000
Public, excise tax revenue obligations	68,675,000	-	(3,715,000)	64,960,000	4,460,000
Subscription payable	1,226,571	-	(573,216)	653,355	588,792
Leases payable	3,683,591	-	(2,802,591)	881,000	234,000
Bonds premiums	2,104,577	-	(181,100)	1,923,477	-
Net pension liability	19,388,438	5,137,691	-	24,526,129	-
Governmental activities long-term liabilities	<u>\$ 128,928,434</u>	<u>\$ 11,095,025</u>	<u>\$ (9,993,264)</u>	<u>\$ 130,030,195</u>	<u>\$ 9,039,463</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Compensated absences	\$ 351,155	\$ 179,320	\$ (171,342)	\$ 359,133	\$ 161,827
Loans payable	22,948,285	1,852,162	(3,468,436)	21,332,011	3,629,469
Postclosure liability	3,972,310	219,479	-	4,191,789	-
Net pension liability	3,470,896	-	(12,185)	3,458,711	-
Business-type activities long-term liabilities	<u>\$ 30,742,646</u>	<u>\$ 2,250,961</u>	<u>\$ (3,651,963)</u>	<u>\$ 29,341,644</u>	<u>\$ 3,791,296</u>

Compensated absences and pension liabilities are paid from various funds in the same proportion that those funds pay payroll costs. During the year ended June 30, 2024, the City primarily paid for compensated absences from the General Fund.

16. Long-Term Debt

The following table summarizes the annual debt service requirements to maturity for all leases, subscriptions, bonds and notes:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Year ending June 30:				
2025	\$ 7,092,792	\$ 2,393,949	\$ 3,629,469	\$ 884,289
2026	7,667,563	2,330,695	4,278,319	825,571
2027	7,962,000	2,166,336	4,189,226	666,554
2028	8,072,000	2,060,646	4,354,442	501,228
2029	8,330,000	1,797,123	4,457,322	329,341
2030-2034	38,855,000	6,108,610	423,233	51,383
2035-2039	19,300,000	1,326,453	-	-
2040-2043	2,065,000	245,978	-	-
Total	<u>\$ 99,344,355</u>	<u>\$ 18,429,790</u>	<u>\$ 21,332,011</u>	<u>\$ 3,258,366</u>

City of Casa Grande, Arizona

Notes to Financial Statements
June 30, 2024

17. Landfill Closure and Post Closure Care Costs

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will not be paid until near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs in each period that the City operates the landfill. These costs will be paid from the Sanitation Fund (enterprise fund).

The amount recognized each year is based on landfill capacity used at the end of each fiscal year. The \$4,191,789 reported as landfill closure and postclosure care liability at June 30, 2024 represents the cumulative amount reported to date based on the use of 68.20% of the landfill's estimated capacity. The City will recognize the remaining estimated cost of closure and postclosure care of \$1,954,562 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in fiscal year 2024. The City expects to close the landfill in the year 2039, and the actual cost may be higher because of inflation, changes in technology or changes in regulations.

According to State and federal laws and regulations, the City must comply with the local government financial test requirements that ensure that the City can meet the costs of landfill closure, postclosure and corrective action when needed. The City is in compliance with all these requirements.

18. Construction Commitments

As of June 30, 2024, the City had outstanding construction commitments and contractual commitments that will be financed from the General Fund. The City's commitments are as follows:

	Remaining Commitment
Project:	
½ Street Improvements Pinal Tech Park	\$ 4,422,418
Florence Blvd. Streetscape Enhancement - Phase 1	36,972
McCartney Rd. Improvements I-10 Pinal	104,992
New ERP, Tyler	458,825
Peters Road Widening	433,917
Replace Fire Station 503	7,015,757
Thornton Road Widening	121,569
Through the Fence Taxiway	42,827
Trekell Rd. Improvements – Rodeo - McCartney	334,360
Total	<u>\$ 12,971,637</u>

19. Summary of Interfund Transactions

Interfund transactions as of June 30, 2024, were as follows:

	Receivable Amount	Payable Amount
General Fund	\$ 3,181,686	\$ -
HURF	-	900,273
Grants	-	514,653
Nonmajor funds	-	1,465,657
Water	-	301,103
Total	<u>\$ 3,181,686</u>	<u>\$ 3,181,686</u>

City of Casa Grande, Arizona

Notes to Financial Statements
June 30, 2024

The interfund balances at June 30, 2024 are short-term loans to cover temporary cash deficits in various funds. The interfund balance between the General Fund and HURF fund is an advance for a streetlight project. The advance is being amortized over 15 years at an annual interest rate of 2%. The advance will mature in December 2031.

Transfers

	Transfers Out	Transfers In
Transfers:		
General fund	\$ 29,304,143	\$ 66,607
Capital replacement funds	-	18,339,233
Nonmajor governmental funds	66,607	9,264,910
Internal service funds	-	1,700,000
Total	<u>\$ 29,370,750</u>	<u>\$ 29,370,750</u>

Transfers between funds are required to move cash as payment for services, or to move cash from fund where revenue is recorded to fund where cost is incurred.

20. Deficit in Fund Balance

Four governmental funds have deficits in fund balance. The Municipal Airport operating fund has a deficit of \$355,765. The Municipal Airport is supported through fuel sales and hangar rentals which continue to be lower than expected. The deficit in this fund is expected to decrease as charges for services increase in the future. The Senior Services fund has a deficit of \$11,040. It is expected that this deficit balances will decrease as intergovernmental revenues and charges for services increase. The Grande Sports World fund has a deficit of \$943,495. It is expected that the deficit balance will decrease as charges for service revenues increase and outstanding receivables and unavailable revenues are paid. The HOME fund has a deficit of \$27,406. It is expected that this deficit balances will decrease as intergovernmental revenues increase.

The Water fund has a deficit in fund balance of \$57,582. The Water fund is supported through water service fees. The deficit in this fund is expected to decrease as service fees increase in the future.

21. Sales Tax Incentive Agreement

In March 2006, the City entered into a tax-incentive agreement with WP Casa Grande Retail LLC in order to develop the Promenade at Casa Grande Mall. In May 2018, WP Casa Grande Retail LLC sold the Promenade at Casa Grande Mall to LARC Asset Management & Realty Inc. doing business as Promenade CG Retail, LLC. Included in the sale was an assignment of leases and rents provided under the tax-incentive agreement.

Under the assigned agreement, 50% of the retail sales and construction activities uncommitted tax collected by the City from Promenade sales will be paid to Promenade CG Retail, LLC. The agreement applies to the portion of tax that is not a dedicated or special tax. The 20-year agreement provides a maximum payment of \$19,950,000, including interest calculated at 7%. The agreement can be extended for an additional three years if the amount remaining unpaid after 20 years is \$3,000,000 or more (including accrued unpaid interest). Payments are made within 45 days after the end of each calendar quarter. The first payment under the agreement was made in September 2008. As of June 30, 2024, \$12,368,756 has been paid.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

22. Fund Balance Details by Classification

	General	Major Governmental Funds	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:				
Nonspendable:				
Inventory	\$ -	\$ -	\$ 61,530	\$ 61,530
Prepaid items	3,870	1,296,502		1,300,372
Advances to other funds	900,273	-	-	900,273
Restricted for:				
Highway users revenue fund	-	14,417,051	-	14,417,051
Grants	-	230,783	-	230,783
Airport improvement	-	-	312,716	312,716
Debt services	-	-	4,692,874	4,692,874
Court enhancement	-	-	533,357	533,357
Community housing	-	-	322,846	322,846
CFD capital projects	-	-	1,595,671	1,595,671
Capital replacement	-	44,524,696	-	44,524,696
Developer impact fees - capital	-	39,417,153	-	39,417,153
Committed to:				
Aesthetic revitalization	8,629,112	-	-	8,629,112
Parks development	-	-	986,645	986,645
Rodeo grounds	-	-	7,785	7,785
Redevelopment	-	-	680,314	680,314
Youth services	-	-	2,536,608	2,536,608
PSPRS police pension unfunded liability	3,339,910	-	-	3,339,910
PSPRS fire pension unfunded liability	2,208,517	-	-	2,208,517
Assigned to:				
General Fund reserves	16,868,194	-	-	16,868,194
Capital replacement	-	18,908,526	-	18,908,526
Unassigned	92,325,496	-	(1,399,236)	90,926,260
Total fund balances	<u>\$ 124,275,372</u>	<u>\$ 118,794,711</u>	<u>\$ 10,331,110</u>	<u>\$ 253,401,193</u>

The General Fund has assigned funds consisting of a stabilization arrangement referred to as the General Fund reserves, in the amount of \$16,868,194. The stabilization arrangement is used to set aside resources for use in response to economic or natural disasters, City Court JCEF use, aesthetic revitalization within City limits, or economic development efforts. The amount of the Stabilization Arrangement for general fund reserves is equal to 50% of General Fund Budget total expenditures less nonspendable and committed fund balances.

City of Casa Grande, Arizona

Notes to Financial Statements

June 30, 2024

23. Net Investment in Capital Assets

The Net Investment in Capital Assets on the Statement of Net Position are Calculated as follows:

	Governmental Activities	Business-Type Activities
Net Investment in capital asset:		
Nondepreciable capital assets	\$ 57,020,512	\$ 35,653,765
Other capital and right-of-use, net of accumulated depreciation/amortization	127,713,882	78,720,044
Plus deferred amounts on refunding	1,373,221	-
Less retainages payable	824,699	1,855,637
Less loans-payable outstanding	-	21,332,011
Less long-term debt outstanding	39,815,000	-
Less premiums on long-term debt	1,923,477	-
Less lease liability outstanding	881,000	-
Less subscription liability outstanding	653,355	-
Total	<u>\$ 142,010,084</u>	<u>\$ 91,186,161</u>

24. Effect of New Accounting Standards on Current Period Financial Statements

The Governmental Accounting Standards Board (GASB) has issued several statements that have been adopted but are not yet effective for the fiscal year ending June 30, 2024. The City will implement these standards in future reporting periods as required. Those standards include:

- GASB Statement No. 101, *Compensated Absences*,
- GASB Statement No. 102, *Certain Risk Disclosures*,
- GASB Statement No. 103, *Financial Reporting Model Improvements*,
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*.

The City continues to monitor and evaluate the impact of these new standards, and any future accounting standards issued by GASB, to ensure compliance and accurate financial reporting on its future financial statements. The adoption of these standards is expected to enhance the transparency and comparability of the City's financial reporting. The City will provide additional disclosures in the financial statements for the periods in which these standards become effective.

Financial Section

Required Supplementary Information

Budgetary Comparison Schedules

General Fund

Highway Users Special Revenue Fund

Grants and Subsidies Special Revenue Fund

Pension Schedules



City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

General Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Taxes:				
Property taxes	\$ 5,102,962	\$ 5,102,962	\$ 5,277,663	\$ 174,701
City sales tax	30,071,016	30,071,016	43,830,213	13,759,197
Franchise tax	1,533,274	1,533,274	3,259,503	1,726,229
Licenses and permits	2,409,052	2,409,052	3,664,914	1,255,862
Intergovernmental revenues	28,838,621	28,838,621	29,527,513	688,892
Charges for services	3,891,208	3,891,208	4,523,161	631,953
Fines	478,894	478,894	600,565	121,671
Investment earnings	1,474,337	1,474,337	8,035,619	6,561,282
Contributions and donations	115,000	181,607	102,167	(79,440)
Rental and sale of city property	386,650	320,044	464,012	143,968
Miscellaneous	85,561	85,561	178,628	93,067
Total revenues	74,386,575	74,386,576	99,463,958	25,077,382
Expenditures				
Current:				
General government:				
Mayor and Council	506,797	506,797	450,838	55,959
City manager	7,420,238	7,492,867	1,923,410	5,569,457
Attorney	1,128,611	1,283,767	1,282,708	1,059
Clerk	604,350	654,722	587,067	67,655
Finance/Information technology	4,905,753	5,508,717	4,935,204	573,513
Human resources	716,452	716,452	744,343	(27,891)
Administrative services	5,611,140	4,532,045	206,270	4,325,775
Total general government	20,893,341	20,695,367	10,129,840	10,565,527
Public safety:				
Police	12,805,759	13,376,467	14,017,626	(641,159)
Fire	13,652,127	13,652,127	12,125,387	1,526,740
Court	959,860	959,860	810,320	149,540
Animal control	525,868	527,050	461,147	65,903
Communications	2,110,970	2,110,970	1,992,257	118,713
Total public safety	30,054,584	30,626,474	29,406,737	1,219,737
Public works	1,290,755	1,546,482	1,299,385	247,097
Culture and recreation	7,720,833	7,720,833	8,084,350	(363,517)
Planning and economic development	2,922,310	2,983,635	2,972,230	11,405
Capital outlay	33,960	326,960	33,337	293,623
Debt service:				
Principal	-	-	190,542	(190,542)
Interest and fiscal charges	-	-	10,025	(10,025)
Total expenditures	62,915,783	63,899,751	52,126,446	11,773,305
Excess (deficiency) of revenues over (under) expenditures	11,470,792	10,486,825	47,337,512	36,850,687
Other Financing Sources (Uses)				
Transfers in	66,607	66,607	66,607	-
Transfers out	(6,274,127)	(6,274,127)	(29,304,143)	(23,030,016)
Total other financing sources (uses)	(6,207,520)	(6,207,520)	(29,237,536)	(23,030,016)
Net change in fund balance	5,263,272	4,279,305	18,099,976	13,820,671
Fund Balance, Beginning	106,175,396	106,175,396	106,175,396	-
Fund Balance, Ending	<u>\$ 111,438,668</u>	<u>\$ 110,454,701</u>	<u>\$ 124,275,372</u>	<u>\$ 13,820,671</u>

See notes to budgetary comparison schedules

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Highway Users Special Revenue Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Taxes:				
State-shared gas tax	\$ 5,584,653	\$ 5,584,653	\$ 5,401,699	\$ (182,954)
County sales tax	3,994,011	3,994,011	5,218,346	1,224,335
Investment earnings	22,453	22,453	838,225	815,772
Miscellaneous	-	-	100	100
Total revenues	9,601,117	9,601,117	11,458,370	1,857,253
Expenditures				
Current:				
Streets/transportation	6,705,560	8,302,159	6,396,163	1,905,996
Capital outlay	10,542,000	9,892,669	4,468,712	5,423,957
Debt service:				
Interest and fiscal charges	-	-	19,203	(19,203)
Total expenditures	17,247,560	18,194,828	10,884,078	7,310,750
Net change in fund balance	(7,646,443)	(8,593,711)	574,292	9,168,003
Fund Balance, Beginning	13,842,759	13,842,759	13,842,759	-
Fund Balance, Ending	\$ 6,196,316	\$ 5,249,048	\$ 14,417,051	\$ 9,168,003

See notes to budgetary comparison schedules

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Grants and Subsidies Special Revenue Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental revenues	\$ 9,934,139	\$ 9,140,652	\$ 2,292,353	\$ (6,848,299)
Charges for services	74,000	75,183	75,251	68
Total revenues	10,008,139	9,215,835	2,367,604	(6,848,231)
Expenditures				
Current:				
General government	3,977,987	1,714,529	670,381	1,044,148
Public safety	1,651,522	2,057,246	1,592,769	464,477
Culture and recreation	-	107,500	137,441	(29,941)
Capital outlay	35,000	475,000	19,570	455,430
Total expenditures	5,664,509	4,354,275	2,420,161	1,934,114
Net change in fund balance	4,343,630	4,861,560	(52,557)	(4,914,117)
Fund Balance, Beginning	283,340	283,340	283,340	-
Fund Balance, Ending	<u>\$ 4,626,970</u>	<u>\$ 5,144,900</u>	<u>\$ 230,783</u>	<u>\$ (4,914,117)</u>

See notes to budgetary comparison schedules

City of Casa Grande, Arizona

Notes to Budgetary Comparison Schedules
Year Ended June 30, 2024

1. Budgeting and Budgetary Control

Arizona Revised Statutes (A.R.S.) require the City to prepare and adopt a balanced budget annually for each governmental fund. A.R.S. prohibits expenditures or liabilities in excess of the amounts budgeted. Expenditures may not legally exceed appropriations at the department level. In certain instances, transfers of appropriations between departments or from the contingency account to a department may be made upon the City Manager's approval.

2. Budgetary Basis of Accounting

The City's budget is prepared on a basis consistent with generally accepted accounting principles.

City of Casa Grande, Arizona

Required Supplementary Information

Schedule of the City's Proportionate Share of the Net Pension Liability Cost - Sharing Pension Plan

Year Ended June 30, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Arizona Retirement System										
City's proportion of the net pension liability	0.128242%	0.127563%	0.126745%	0.128433%	0.134311%	0.144070%	0.143480%	0.147785%	0.145976%	0.147102%
City's proportionate share of the net pension liability	\$ 20,751,085	\$ 20,820,625	\$ 16,654,387	\$ 22,252,450	\$ 19,543,668	\$ 20,092,695	\$ 22,351,387	\$ 23,853,177	\$ 22,737,813	\$ 21,766,069
City's Covered Payroll	\$ 16,841,888	\$ 15,237,760	\$ 14,120,137	\$ 14,373,677	\$ 14,298,784	\$ 14,458,275	\$ 13,928,321	\$ 13,863,447	\$ 11,457,463	\$ 12,967,224
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	123.21%	136.64%	117.95%	154.81%	136.68%	138.97%	160.47%	172.06%	198.45%	167.85%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

See notes to pension plan schedules

City of Casa Grande, Arizona

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios

Agent Pension Plan

Year Ended June 30, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
PSPRS - Police										
Total Pension Liability										
Service cost	\$ 801,452	\$ 791,400	\$ 773,163	\$ 858,613	\$ 1,013,404	\$ 998,926	\$ 1,293,070	\$ 1,071,458	\$ 1,005,609	\$ 1,015,910
Interest on the total pension liability	4,825,702	4,638,172	4,498,645	4,164,541	3,921,272	3,764,862	3,458,358	3,272,521	3,199,872	2,707,371
Changes on benefit terms	-	-	-	-	-	-	601,523	1,657,105	-	863,565
Differences between expected and actual experience in the measurement of the pension liability	2,178,709	1,492,545	152,824	2,111,581	879,309	(669,456)	222,393	(873,099)	(909,542)	(573,850)
Changes of assumptions or other inputs	-	934,540	-	-	990,827	-	1,607,956	1,728,627	-	4,417,506
Benefit payments, including refunds of employee contributions	(4,179,460)	(4,579,894)	(2,483,168)	(2,461,877)	(2,721,465)	(2,267,800)	(2,274,512)	(2,813,757)	(1,993,041)	(2,309,869)
Net change in total pension liability	3,626,403	3,276,763	2,941,464	4,672,858	4,083,347	1,826,532	4,908,788	4,042,855	1,302,898	6,120,633
Total pension liability, beginning	68,311,918	65,035,155	62,093,691	57,420,833	53,337,486	51,510,954	46,602,166	42,559,311	41,256,413	35,135,780
Total pension liability, ending (a)	<u>\$ 71,938,321</u>	<u>\$ 68,311,918</u>	<u>\$ 65,035,155</u>	<u>\$ 62,093,691</u>	<u>\$ 57,420,833</u>	<u>\$ 53,337,486</u>	<u>\$ 51,510,954</u>	<u>\$ 46,602,166</u>	<u>\$ 42,559,311</u>	<u>\$ 41,256,413</u>
Plan Fiduciary Net Position										
Contributions, employer	\$ 434,597	\$ 40,615,053	\$ 3,210,616	\$ 2,927,180	\$ 2,619,482	\$ 2,731,284	\$ 2,661,381	\$ 2,318,393	\$ 1,632,224	\$ 1,604,579
Contributions, employee	411,191	405,112	391,532	414,474	397,833	494,033	751,939	726,673	559,645	539,514
Net investment income	5,025,116	(2,558,421)	7,005,066	315,368	1,310,394	1,508,301	2,233,060	105,517	598,261	1,965,995
Benefit payments, including refunds of employee contributions	(4,179,460)	(4,579,894)	(2,483,168)	(2,461,877)	(2,721,465)	(2,267,800)	(2,274,512)	(2,813,757)	(1,993,041)	(2,309,869)
Hall/Parker Settlement	-	-	-	-	-	(779,034)	-	-	-	-
Administrative expense	(26,926)	(45,840)	(32,683)	(25,713)	(23,756)	(23,656)	(20,159)	(15,582)	(14,978)	-
Other changes	(778)	-	-	-	-	233	(17,598)	(100,587)	(101,064)	(782,663)
Net change in plan fiduciary net position	1,663,740	33,836,010	8,091,363	1,169,432	1,582,488	1,663,361	3,334,111	220,657	681,047	1,017,556
Plan Fiduciary Net Position, Beginning	66,664,193	32,828,183	24,736,820	23,674,056	22,112,568	20,449,207	17,115,096	16,894,439	16,213,392	15,195,836
Adjustments, beginning	-	-	-	(106,668)	(21,000)	-	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	<u>\$ 68,327,933</u>	<u>\$ 66,664,193</u>	<u>\$ 32,828,183</u>	<u>\$ 24,736,820</u>	<u>\$ 23,674,056</u>	<u>\$ 22,112,568</u>	<u>\$ 20,449,207</u>	<u>\$ 17,115,096</u>	<u>\$ 16,894,439</u>	<u>\$ 16,213,392</u>
City's Net Pension Liability (Asset), Ending (a) - (b)	<u>\$ 3,610,388</u>	<u>\$ 1,647,725</u>	<u>\$ 32,206,972</u>	<u>\$ 37,356,871</u>	<u>\$ 33,746,777</u>	<u>\$ 31,224,918</u>	<u>\$ 31,061,747</u>	<u>\$ 29,487,070</u>	<u>\$ 25,664,872</u>	<u>\$ 25,043,021</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	94.98%	97.59%	50.48%	39.84%	41.23%	41.46%	39.70%	36.73%	39.70%	39.30%
Covered Payroll	\$ 4,305,568	\$ 4,315,108	\$ 4,316,013	\$ 4,262,027	\$ 4,491,216	\$ 5,011,868	\$ 5,886,278	\$ 5,587,082	\$ 5,733,423	\$ 5,532,769
City's Net Pension Liability (Asset) as a Percentage of Covered Payroll	83.85%	38.19%	746.22%	876.50%	751.40%	623.92%	548.42%	530.87%	521.48%	476.65%

See notes to pension plan schedules

City of Casa Grande, Arizona

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios

Agent Pension Plan

Year Ended June 30, 2024

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
PSPRS - Fire										
Total Pension Liability										
Service cost	\$ 884,569	\$ 922,095	\$ 887,096	\$ 903,486	\$ 1,006,360	\$ 986,910	\$ 986,609	\$ 775,382	\$ 872,432	\$ 817,489
Interest on the total pension liability	3,484,068	3,365,580	3,155,303	2,893,804	2,760,313	2,549,509	2,276,137	1,967,441	1,899,792	1,586,947
Changes on benefit terms	-	-	-	-	-	-	347,560	1,771,605	-	346,208
Differences between expected and actual experience in the measurement of the pension liability	3,439,003	(447,749)	1,023,345	1,776,229	(342,819)	358,294	487,783	680,418	(825,229)	288,360
Changes of assumptions or other inputs	-	659,749	-	-	622,816	-	1,462,032	1,122,239	-	1,859,876
Benefit payments, including refunds of employee contributions	(2,018,970)	(2,333,336)	(2,107,154)	(1,842,752)	(1,365,578)	(1,752,251)	(1,159,629)	(1,114,667)	(958,739)	(923,381)
Net change in total pension liability	5,788,670	2,166,339	2,958,590	3,730,767	2,681,092	2,142,462	4,400,492	5,202,418	988,256	3,975,499
Total pension liability, beginning	48,514,743	46,348,404	43,389,814	39,659,047	36,977,955	34,835,493	30,435,001	25,232,583	24,244,327	20,268,828
Total pension liability, ending (a)	<u>\$ 54,303,413</u>	<u>\$ 48,514,743</u>	<u>\$ 46,348,404</u>	<u>\$ 43,389,814</u>	<u>\$ 39,659,047</u>	<u>\$ 36,977,955</u>	<u>\$ 34,835,493</u>	<u>\$ 30,435,001</u>	<u>\$ 25,232,583</u>	<u>\$ 24,244,327</u>
Plan Fiduciary Net Position										
Contributions, employer	564,524	24,439,720	2,129,797	2,019,501	1,881,489	1,920,207	1,472,557	1,329,591	968,712	991,261
Contributions, employee	371,512	368,654	372,033	378,609	365,521	387,117	514,482	521,437	618,303	555,093
Net investment income	3,656,354	(1,848,936)	5,508,463	297,777	1,100,936	1,270,182	1,915,054	88,738	494,059	1,538,450
Benefit payments, including refunds of employee contributions	(2,018,970)	(2,333,336)	(2,107,154)	(1,842,752)	(1,365,578)	(1,752,251)	(1,159,629)	(1,114,667)	(958,739)	(923,381)
Hall/Parker Settlement	-	-	-	-	-	(772,667)	-	-	-	-
Administrative expense	(18,106)	(33,170)	(27,056)	(24,275)	(20,122)	(20,032)	(17,345)	(13,169)	(12,443)	-
Other changes	-	974	-	-	-	(55,542)	191	33,117	16,979	(331,791)
Net change in plan fiduciary net position	2,555,314	20,593,906	5,876,083	828,860	1,962,246	977,014	2,725,310	845,047	1,126,871	1,829,632
Plan Fiduciary Net Position, Beginning	48,124,733	27,530,827	21,654,744	20,825,883	18,878,391	17,901,377	15,176,067	14,331,020	13,204,149	11,374,517
Adjustment to beginning of year	-	-	-	1	(14,754)	-	-	-	-	-
Plan Fiduciary Net Position, Ending (b)	<u>\$ 50,680,047</u>	<u>\$ 48,124,733</u>	<u>\$ 27,530,827</u>	<u>\$ 21,654,744</u>	<u>\$ 20,825,883</u>	<u>\$ 18,878,391</u>	<u>\$ 17,901,377</u>	<u>\$ 15,176,067</u>	<u>\$ 14,331,020</u>	<u>\$ 13,204,149</u>
City's Net Pension Liability (Asset), Ending (a) - (b)	<u>\$ 3,623,366</u>	<u>\$ 390,010</u>	<u>\$ 18,817,577</u>	<u>\$ 21,735,070</u>	<u>\$ 18,833,164</u>	<u>\$ 18,099,564</u>	<u>\$ 16,934,116</u>	<u>\$ 15,258,934</u>	<u>\$ 10,901,563</u>	<u>\$ 11,040,178</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.33%	99.20%	59.40%	49.91%	52.51%	51.05%	51.39%	49.86%	56.80%	54.46%
Covered Payroll	\$ 4,194,582	\$ 4,110,619	\$ 4,273,419	\$ 4,220,112	\$ 4,279,556	\$ 4,322,029	\$ 4,491,279	\$ 4,592,896	\$ 4,163,395	\$ 4,315,244
City's Net Pension Liability (Asset) as a Percentage of Covered Payroll	86.38%	9.49%	440.34%	515.04%	440.07%	402.19%	395.11%	380.79%	260.01%	242.63%

See notes to pension plan schedules

City of Casa Grande, Arizona

Required Supplementary Information
Schedule of City Pension Contributions
Year Ended June 30, 2024

	Reporting Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Arizona Retirement System										
Statutorily required contribution	\$ 2,159,304	\$ 2,007,553	\$ 1,830,055	\$ 1,644,996	\$ 1,645,786	\$ 1,598,604	\$ 1,575,952	\$ 1,501,473	\$ 1,504,184	\$ 1,246,572
City's contributions in relation to the statutorily required contribution	<u>2,159,304</u>	<u>2,007,553</u>	<u>1,830,055</u>	<u>1,644,996</u>	<u>1,645,786</u>	<u>1,598,604</u>	<u>1,575,952</u>	<u>1,501,473</u>	<u>1,504,184</u>	<u>1,246,572</u>
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 17,949,327	\$ 16,841,888	\$ 15,237,760	\$ 14,120,137	\$ 14,373,677	\$ 14,298,784	\$ 14,458,275	\$ 13,928,321	\$ 13,863,447	\$ 11,457,463
City's Contributions as a Percentage of Covered Payroll	12.03%	11.92%	12.01%	11.65%	11.45%	11.18%	10.90%	10.78%	10.85%	10.88%
PSPRS - Police										
Statutorily required contribution	\$ 680,896	\$ 628,582	\$ 2,936,863	\$ 3,342,204	\$ 2,927,180	\$ 2,619,482	\$ 2,731,284	\$ 2,661,381	\$ 2,318,393	\$ 1,632,224
City's contributions in relation to the statutorily required contribution	<u>854,894</u>	<u>628,582</u>	<u>42,074,494</u>	<u>3,342,204</u>	<u>2,927,180</u>	<u>2,619,482</u>	<u>2,731,284</u>	<u>2,661,381</u>	<u>2,341,546</u>	<u>1,825,522</u>
City's contribution deficiency (excess)	<u>\$ 173,998</u>	<u>\$ -</u>	<u>\$ 39,137,631</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,153</u>	<u>\$ 193,298</u>
City's Covered Payroll	\$ 6,990,719	\$ 4,305,568	\$ 4,315,109	\$ 4,315,863	\$ 4,262,056	\$ 4,491,567	\$ 5,011,530	\$ 5,886,709	\$ 5,586,489	\$ 5,733,137
City's Contributions as a Percentage of Covered Payroll	9.74%	67.06%	68.06%	77.44%	68.68%	58.32%	54.50%	45.21%	41.50%	28.47%
PSPRS - Fire										
Statutorily required contribution	\$ 877,627	\$ 671,956	\$ 1,852,245	\$ 2,132,730	\$ 2,019,501	\$ 1,881,489	\$ 1,920,207	\$ 1,472,557	\$ 1,329,591	\$ 968,712
City's contributions in relation to the statutorily required contribution	<u>1,152,130</u>	<u>671,956</u>	<u>25,174,752</u>	<u>2,132,730</u>	<u>2,019,501</u>	<u>1,881,489</u>	<u>1,920,207</u>	<u>1,472,557</u>	<u>1,248,349</u>	<u>924,690</u>
City's contribution deficiency (excess)	<u>\$ 274,503</u>	<u>\$ -</u>	<u>\$ 23,322,507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,242</u>	<u>\$ 44,022</u>
City's Covered Payroll	\$ 7,049,213	\$ 4,194,582	\$ 4,110,619	\$ 4,273,152	\$ 4,220,483	\$ 4,280,002	\$ 4,321,870	\$ 4,490,872	\$ 4,592,715	\$ 4,162,922
City's Contributions as a Percentage of Covered Payroll	12.45%	46.50%	45.06%	49.91%	47.85%	43.96%	44.43%	32.79%	28.95%	23.27%

See notes to pension plan schedules

1. Actuarially Determined Contribution Rates

Actuarial determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period as of the 2022 actuarial valuation	19 years for under funded 20 years for over funded
Asset valuation method	7-year smoothed fair value; 80%/120% market corridor
Actuarial assumptions: Investment rate of return	In the 2022 actuarial valuation, the investment rate of return was decreased from 7.3% to 7.2%. In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In the 2014 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0% - 8.0% to 3.5% - 7.5% for PSPRS. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5% - 8.5% to 4.0% - 8.0% for PSPRS. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0% - 9.0% to 4.5% - 8.5% for PSPRS.
Wage growth	In the 2022 actuarial valuation, wage growth was changed from 3.5% to a range of 3.0-6.25% for PSPRS. In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5% for PSPRS. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0% for PSPRS. In 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5% for PSPRS.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	In the 2019 actuarial valuation, changed to PubS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).

2. Factors That Affect Trends

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plan's pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS - required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes increased the PSPRS - required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date. Also, the City refunded excess employee contributions to PSPRS members. PSPRS allowed the City to reduce its actual employer contributions for the refund amounts. As a result, the City's pension contributions were less than the actuarially or statutorily determined for 2018 and 2019.

Financial Section

Supplementary Information

Combining Fund Financial Statements Nonmajor Government Funds



City of Casa Grande, Arizona

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue								
	Municipal Airport	Parks Develop.	Redevelopment	Senior Services	Youth Services	Rodeo Grounds	Grande Sports	Court Enhancement	CDBG
Assets									
Assets									
Cash	\$ -	\$ 986,645	\$ 671,651	\$ -	\$ 2,401,228	\$ 7,785	\$ -	\$ 537,252	\$ 20,230
Investments	-	-	-	-	-	-	-	-	-
Receivables, net	68,656	-	8,622	-	-	-	1,743,174	-	175,344
Lease receivables	346,166	-	107,450	-	-	-	-	-	-
Due from other governments	-	-	-	-	135,380	-	-	-	136,076
Inventory	61,530	-	-	-	-	-	-	-	-
Restricted assets, cash and cash equivalents	-	-	-	-	-	-	-	-	-
Total assets	\$ 476,352	\$ 986,645	\$ 787,723	\$ -	\$ 2,536,608	\$ 7,785	\$ 1,743,174	\$ 537,252	\$ 331,650
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable and other current liabilities	\$ 39,981	\$ -	\$ 165	\$ -	\$ -	\$ -	\$ 143	\$ 3,862	\$ 96,936
Deposits held	7,308	-	-	-	-	-	-	-	-
Accrued wages and benefits	280	-	-	-	-	-	-	33	-
Due to other funds	445,817	-	-	11,040	-	-	943,352	-	-
Total liabilities	493,386	-	165	11,040	-	-	943,495	3,895	96,936
Deferred Inflows of Resources									
Unavailable revenue	-	-	-	-	-	-	1,743,174	-	175,344
Leases	338,731	-	107,244	-	-	-	-	-	-
Total deferred inflows of resources	338,731	-	107,244	-	-	-	1,743,174	-	175,344
Fund Balances									
Nonspendable	61,530	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	533,357	59,370
Committed	-	986,645	680,314	-	2,536,608	7,785	-	-	-
Unassigned	(417,295)	-	-	(11,040)	-	-	(943,495)	-	-
Total fund balances	(355,765)	986,645	680,314	(11,040)	2,536,608	7,785	(943,495)	533,357	59,370
Total liabilities, deferred inflows of resources and fund balances	\$ 476,352	\$ 986,645	\$ 787,723	\$ -	\$ 2,536,608	\$ 7,785	\$ 1,743,174	\$ 537,252	\$ 331,650

City of Casa Grande, Arizona

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue			Debt Service			Capital Improvements		Total Nonmajor Governmental Funds
	Housing	Tribal Housing	Home	Debt Service	General Obligations	Excise Bonds	Airport Improvements	Community Facilities District	
Assets									
Assets									
Cash	\$ 111,978	\$ 294,891	\$ -	\$ 9,671	\$ 164,353	\$ 6,247	\$ 317,876	\$ 1,356,376	\$ 6,886,183
Investments	-	-	-	-	2,355,117	-	-	-	2,355,117
Receivables, net	16,114	-	-	-	-	-	-	-	2,011,910
Lease receivables	-	-	-	-	-	-	-	-	453,616
Due from other governments	-	-	76,409	-	18,824	-	46,067	1,520	414,276
Inventory	-	-	-	-	-	-	-	-	61,530
Restricted assets, cash and cash equivalents	-	-	-	-	-	2,138,662	-	238,100	2,376,762
Total assets	<u>\$ 128,092</u>	<u>\$ 294,891</u>	<u>\$ 76,409</u>	<u>\$ 9,671</u>	<u>\$ 2,538,294</u>	<u>\$ 2,144,909</u>	<u>\$ 363,943</u>	<u>\$ 1,595,996</u>	<u>\$ 14,559,394</u>
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable and other current liabilities	\$ 510	\$ 143,224	\$ 38,367	\$ -	\$ -	\$ -	\$ 7,183	\$ 325	\$ 330,696
Deposits held	-	-	-	-	-	-	-	-	7,308
Accrued wages and benefits	-	-	-	-	-	-	-	-	313
Due to other funds	-	-	65,448	-	-	-	-	-	1,465,657
Total liabilities	<u>510</u>	<u>143,224</u>	<u>103,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,183</u>	<u>325</u>	<u>1,803,974</u>
Deferred Inflows of Resources									
Unavailable revenue	15,773	-	-	-	-	-	44,044	-	1,978,335
Leases	-	-	-	-	-	-	-	-	445,975
Total deferred inflows of resources	<u>15,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,044</u>	<u>-</u>	<u>2,424,310</u>
Fund Balances									
Nonspendable	-	-	-	-	-	-	-	-	61,530
Restricted	111,809	151,667	-	9,671	2,538,294	2,144,909	312,716	1,595,671	7,457,464
Committed	-	-	-	-	-	-	-	-	4,211,352
Unassigned	-	-	(27,406)	-	-	-	-	-	(1,399,236)
Total fund balances	<u>111,809</u>	<u>151,667</u>	<u>(27,406)</u>	<u>9,671</u>	<u>2,538,294</u>	<u>2,144,909</u>	<u>312,716</u>	<u>1,595,671</u>	<u>10,331,110</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 128,092</u>	<u>\$ 294,891</u>	<u>\$ 76,409</u>	<u>\$ 9,671</u>	<u>\$ 2,538,294</u>	<u>\$ 2,144,909</u>	<u>\$ 363,943</u>	<u>\$ 1,595,996</u>	<u>\$ 14,559,394</u>

City of Casa Grande, Arizona

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2024

	Special Revenue								
	Municipal Airport	Parks Develop.	Redevelopment	Senior Services	Youth Services	Rodeo Grounds	Grande Sports	Court Enhancement	CDBG
Revenues									
Taxes:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax	-	-	-	-	1,041,816	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	157,820	-	-	-	-	459,342
Charges for services	822,659	-	-	26,860	-	-	154,288	130,544	24,168
Investment earnings	20,563	-	989	-	-	-	-	-	-
Contributions and donations	-	-	-	1,357	-	-	-	-	-
Rental and sale of city property	252,736	-	44,423	-	-	3,000	-	-	-
Miscellaneous	3,456	500	-	122	-	-	-	-	-
Total revenues	1,099,414	500	45,412	186,159	1,041,816	3,000	154,288	130,544	483,510
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	117,080	7,552
Culture and recreation	-	-	-	269,350	231,200	-	203,696	-	-
Economic development	1,037,001	-	-	-	-	-	-	-	382,332
Capital outlay	-	-	-	-	-	-	-	-	88,078
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Bond costs	-	-	-	-	-	-	-	-	-
Total expenditures	1,037,001	-	-	269,350	231,200	-	203,696	117,080	477,962
Excess (deficiency) of revenues over (under) expenditures	62,413	500	45,412	(83,191)	810,616	3,000	(49,408)	13,464	5,548
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
General obligation bonds issued	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-
Net change in fund balances	62,413	500	45,412	(83,191)	810,616	3,000	(49,408)	13,464	5,548
Fund Balances, Beginning	(418,178)	986,145	634,902	72,151	1,725,992	4,785	(894,087)	519,893	53,822
Fund Balances, Ending	\$ (355,765)	\$ 986,645	\$ 680,314	\$ (11,040)	\$ 2,536,608	\$ 7,785	\$ (943,495)	\$ 533,357	\$ 59,370

City of Casa Grande, Arizona

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2024

	Special Revenue			Debt Service			Capital Improvements		Total Nonmajor Governmental Funds
	Housing	Tribal Housing	HOME	Debt Service	General Obligations	Excise Bonds	Airport Improvements	Community Facilities District	
Revenues									
Taxes:									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,298,040	\$ -	\$ -	\$ 412,152	\$ 2,710,192
Sales tax	-	-	-	-	-	-	-	-	1,041,816
Licenses and permits	3,546	-	-	-	-	-	-	-	3,546
Intergovernmental revenues	-	705,827	354,165	-	-	-	409,560	-	2,086,714
Charges for services	2,344	-	-	-	-	-	-	-	1,160,863
Investment earnings	-	-	-	-	223,594	115,178	-	-	360,324
Contributions and donations	-	-	-	-	-	-	-	-	1,357
Rental and sale of city property	-	-	-	-	-	-	-	-	300,159
Miscellaneous	-	-	-	35,130	-	-	-	-	39,208
Total revenues	5,890	705,827	354,165	35,130	2,521,634	115,178	409,560	412,152	7,704,179
Expenditures									
Current:									
General government	-	225,882	-	-	-	2,000	-	9,678	237,560
Public safety	-	17,890	-	-	-	-	-	-	142,522
Culture and recreation	-	-	-	-	-	-	-	-	704,246
Economic development	8,877	59,830	354,165	-	-	-	573,889	-	2,416,094
Capital outlay	-	336,359	-	-	-	-	20,670	3,855,907	4,301,014
Debt service:									
Principal	-	-	-	2,802,592	1,460,000	3,715,000	-	175,000	8,152,592
Interest and fiscal charges	-	-	-	128,170	904,250	1,383,955	-	121,631	2,538,006
Bond costs	-	-	-	-	1,200	5,950	-	243,523	250,673
Total expenditures	8,877	639,961	354,165	2,930,762	2,365,450	5,106,905	594,559	4,405,739	18,742,707
Excess (deficiency) of revenues over (under) expenditures	(2,987)	65,866	-	(2,895,632)	156,184	(4,991,727)	(184,999)	(3,993,587)	(11,038,528)
Other Financing Sources (Uses)									
Transfers in	-	-	-	2,858,810	-	6,406,100	-	-	9,264,910
Transfers out	-	-	-	-	-	-	-	(66,607)	(66,607)
Refunding bonds issued	-	-	-	-	-	-	-	4,250,000	4,250,000
Total other financing sources (uses)	-	-	-	2,858,810	-	6,406,100	-	4,183,393	13,448,303
Net change in fund balances	(2,987)	65,866	-	(36,822)	156,184	1,414,373	(184,999)	189,806	2,409,775
Fund Balances, Beginning	114,796	85,801	(27,406)	46,493	2,382,110	730,536	497,715	1,405,865	7,921,335
Fund Balances, Ending	\$ 111,809	\$ 151,667	\$ (27,406)	\$ 9,671	\$ 2,538,294	\$ 2,144,909	\$ 312,716	\$ 1,595,671	\$ 10,331,110

Financial Section

Other Supplementary Information

Budgetary Comparison Schedules

General Fund - Legal Budget Comparison

Other Major Governmental Funds



City of Casa Grande, Arizona

Schedule of Expenditures - Legal Level Budget Compliance

General Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Expenditures				
Current:				
General government:				
Mayor and council:				
Personnel services	\$ 156,731	\$ 156,731	\$ 158,222	\$ (1,491)
Other expenditures	350,066	350,066	292,616	57,450
City manager:				
Personnel services	1,060,472	1,091,403	1,161,137	(69,734)
Other expenditures	6,359,766	6,401,464	762,273	5,639,191
Attorney:				
Personnel services	994,643	1,149,799	1,169,107	(19,308)
Other expenditures	133,968	133,968	113,601	20,367
Clerk:				
Personnel services	368,046	403,240	416,867	(13,627)
Other expenditures	236,304	251,482	170,200	81,282
Finance/Information technology:				
Personnel services	2,441,428	2,431,492	2,093,619	337,873
Other expenditures	2,464,325	3,077,225	2,841,585	235,640
Human resources:				
Personnel services	443,090	443,090	468,143	(25,053)
Other expenditures	273,362	273,362	276,200	(2,838)
Administrative services:				
Other expenditures	5,611,140	4,532,045	206,270	4,325,775
Public safety:				
Police:				
Personnel services	10,599,411	11,164,673	11,471,271	(306,598)
Other expenditures	2,206,348	2,211,794	2,546,355	(334,561)
Fire:				
Personnel services	11,692,650	11,692,650	10,019,845	1,672,805
Other expenditures	1,959,477	1,959,477	2,105,542	(146,065)
Court:				
Personnel services	766,849	766,849	633,961	132,888
Other expenditures	193,011	193,011	176,359	16,652
Animal control:				
Personnel services	361,899	363,081	333,874	29,207
Other expenditures	163,969	163,969	127,273	36,696
Communications:				
Personnel services	1,497,619	1,497,619	1,539,434	(41,815)
Other expenditures	613,351	613,351	452,823	160,528
Public works:				
Personnel services	939,251	1,096,978	974,160	122,818
Other expenditures	351,504	449,504	325,225	124,279
Culture and recreation:				
Personnel services	4,100,483	4,100,483	4,564,360	(463,877)
Other expenditures	3,620,350	3,620,350	3,519,990	100,360
Planning and economic development:				
Personnel services	2,069,839	2,131,524	2,240,920	(109,396)
Other expenditures	852,471	852,111	731,310	120,801
Capital outlay	33,960	326,960	33,337	293,623
Debt service:				
Principal	-	-	190,542	(190,542)
Interest and fiscal charges	-	-	10,025	(10,025)
Transfers out	6,274,127	6,274,127	29,304,143	(23,030,016)
Total expenditures	<u>\$ 69,189,910</u>	<u>\$ 70,173,878</u>	<u>\$ 81,430,589</u>	<u>\$ (11,256,711)</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Capital Replacement/Recreation/Development Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Construction sales tax	\$ 8,562,573	\$ 8,562,573	\$ 13,805,760	\$ 5,243,187
Investment earnings	843,635	843,635	2,475,539	1,631,904
Intergovernmental revenue	4,048,582	4,048,582	926,093	(3,122,489)
Miscellaneous	259,341	259,341	2,787	(256,554)
Total revenues	13,714,131	13,714,131	17,210,179	3,496,048
Expenditures				
Current:				
General Government	3,361,000	2,408,000	-	2,408,000
Culture and recreation	175,000	175,000	-	175,000
Planning and economic development	137,500	137,500	-	137,500
Capital outlay	53,945,490	52,439,891	15,989,896	36,449,995
Debt service:				
Principal	-	-	382,674	(382,674)
Interest and fiscal charges	-	-	20,598	(20,598)
Total expenditures	57,618,990	55,160,391	16,393,168	38,767,223
Excess (deficiency) of revenues (under) expenditures	(43,904,859)	(41,446,260)	817,011	42,263,271
Other Financing Sources (Uses)				
Transfers in	3,000,000	3,000,000	18,339,233	15,339,233
Transfers out	3,000,000	3,000,000	-	(3,000,000)
Total other financing sources (uses)	6,000,000	6,000,000	18,339,233	12,339,233
Net change in fund balance	(37,904,859)	(35,446,260)	19,156,244	54,602,504
Fund Balance, Beginning	45,573,480	45,573,480	45,573,480	-
Fund Balance, Ending	\$ 7,668,621	\$ 10,127,220	\$ 64,729,724	\$ 54,602,504

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Development Impact Fees Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 14,691,654	\$ 14,691,654	\$ 5,784,570	\$ (8,907,084)
Investment earnings	-	-	458,070	458,070
Total revenues	14,691,654	14,691,654	6,242,640	(8,449,014)
Expenditures				
Current:				
General government	295,000	906,494	76,550	829,944
Capital outlay	7,496,616	8,734,375	1,944,952	6,789,423
Total expenditures	7,791,616	9,640,869	2,021,502	7,619,367
Net change in fund balance	6,900,038	5,050,785	4,221,138	(829,647)
Fund Balance, Beginning	35,196,015	35,196,015	35,196,015	-
Fund Balance, Ending	<u>\$ 42,096,053</u>	<u>\$ 40,246,800</u>	<u>\$ 39,417,153</u>	<u>\$ (829,647)</u>



Financial Section

Supplementary Information

Budgetary Comparison Schedules

Nonmajor Governmental Funds



City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Municipal Airport Special Revenue Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Charge for service	\$ 988,048	\$ 988,048	\$ 822,659	\$ (165,389)
Rental and sale of city property	251,765	251,765	252,736	971
Miscellaneous	1,883	1,883	3,456	1,573
Investment earnings	-	-	20,563	20,563
Total revenues	1,241,696	1,241,696	1,099,414	(142,282)
Expenditures				
Current:				
Planning and economic development	2,983,951	3,000,521	1,037,001	1,963,520
Total expenditures	2,983,951	3,000,521	1,037,001	1,963,520
Net change in fund balance	(1,742,255)	(1,758,825)	62,413	1,821,238
Fund Balance, Beginning	(418,178)	(418,178)	(418,178)	-
Fund Balance, Ending	<u>\$ (2,160,433)</u>	<u>\$ (2,177,003)</u>	<u>\$ (355,765)</u>	<u>\$ 1,821,238</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Parks Development Special Revenue Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ 500	\$ 500
Expenditures				
Current:				
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balances	-	-	500	500
Fund Balance, Beginning	986,145	986,145	986,145	-
Fund Balance, Ending	<u>\$ 986,145</u>	<u>\$ 986,145</u>	<u>\$ 986,645</u>	<u>\$ 500</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Redevelopment/Downtown Revitalization Special Revenue Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Rental and sale of city property	\$ 2,500	\$ 2,500	\$ 44,423	\$ 41,923
Investment earnings	-	-	989	989
Total revenues	2,500	2,500	45,412	42,912
Expenditures				
Current:				
General government	465,326	465,326	-	465,326
Net change in fund balances	(462,826)	(462,826)	45,412	508,238
Fund Balance, Beginning	634,902	634,902	634,902	-
Fund Balance, Ending	<u>\$ 172,076</u>	<u>\$ 172,076</u>	<u>\$ 680,314</u>	<u>\$ 508,238</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Senior Services Special Revenue Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental revenues	\$ 194,595	\$ 194,595	\$ 157,820	\$ (36,775)
Charges for services	22,610	22,610	26,860	4,250
Contributions and donations	-	-	1,357	1,357
Miscellaneous	-	-	122	122
Total revenues	217,205	217,205	186,159	(31,046)
Expenditures				
Current:				
Culture and recreation	361,222	292,440	269,350	23,090
Net change in fund balance	(144,017)	(75,235)	(83,191)	(7,956)
Fund Balance, Beginning	72,151	72,151	72,151	-
Fund Balance, Ending	<u>\$ (71,866)</u>	<u>\$ (3,084)</u>	<u>\$ (11,040)</u>	<u>\$ (7,956)</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Youth Services Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
City sales taxes	\$ -	\$ -	1,041,816	1,041,816
Expenditures				
Current:				
Culture and recreation	140,000	140,000	231,200	(91,200)
Net change in fund balance	(140,000)	(140,000)	810,616	950,616
Fund Balance, Beginning	1,725,992	1,725,992	1,725,992	-
Fund Balance, Ending	<u>\$ 1,585,992</u>	<u>\$ 1,585,992</u>	<u>\$ 2,536,608</u>	<u>\$ 950,616</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Rodeo Grounds Special Revenue Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Rental and sale of city property	\$ 276	\$ 276	\$ 3,000	\$ 2,724
Expenditures				
Current:				
General government:	-	-	-	-
Net change in fund balance	276	276	3,000	2,724
Fund Balance, Beginning	4,785	4,785	4,785	-
Fund Balance, Ending	<u>\$ 5,061</u>	<u>\$ 5,061</u>	<u>\$ 7,785</u>	<u>\$ 2,724</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Grande Sports Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Charges for services	\$ (0)	\$ (0)	\$ 154,288	\$ 154,288
Expenditures				
Current:				
Culture and recreation	292,514	292,514	203,696	88,818
Net change in fund balance	(292,514)	(292,514)	(49,408)	243,106
Fund Balance, Beginning	(894,087)	(894,087)	(894,087)	-
Fund Balance, Ending	<u>\$ (1,186,601)</u>	<u>\$ (1,186,601)</u>	<u>\$ (943,495)</u>	<u>\$ 243,106</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Court Enhancement/Probationary Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Charges for services	\$ 113,700	\$ 113,700	\$ 130,544	\$ 16,844
Expenditures				
Current:				
Public safety	149,471	179,501	117,080	62,421
Capital outlay	100,030	-	-	-
Total expenditures	249,501	179,501	117,080	62,421
Net change in fund balance	(135,801)	(65,801)	13,464	79,265
Fund Balance, Beginning	519,893	519,893	519,893	-
Fund Balance, Ending	<u>\$ 384,092</u>	<u>\$ 454,092</u>	<u>\$ 533,357</u>	<u>\$ 79,265</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Community Development Block Grant Special Revenue Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 969,519	\$ 1,087,596	\$ 459,342	\$ (628,254)
Charges for services	126,353	126,353	24,168	(102,185)
Total revenues	1,095,872	1,213,949	483,510	(730,439)
Expenditures				
Current:				
Public safety	-	-	7,552	(7,552)
Planning and economic development	1,120,396	1,123,396	382,332	741,064
Capital outlay	-	115,077	88,078	26,999
Total expenditures	1,120,396	1,238,473	477,962	760,511
Net change in fund balance	(24,524)	(24,524)	5,548	30,072
Fund Balance, Beginning	53,822	53,822	53,822	-
Fund Balance, Ending	\$ 29,298	\$ 29,298	\$ 59,370	\$ 30,072

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Housing Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Licenses and permits	\$ 3,354	\$ 3,354	\$ 3,546	\$ 192
Charges for service	-	-	2,344	2,344
Miscellaneous	2,734	2,734	-	(2,734)
Total revenues	6,088	6,088	5,890	(198)
Expenditures				
Current:				
Planning and economic development	135,000	135,000	8,877	126,123
Net change in fund balance	(128,912)	(128,912)	(2,987)	125,925
Fund Balance, Beginning	114,796	114,796	114,796	-
Fund Balance, Ending	<u>\$ (14,116)</u>	<u>\$ (14,116)</u>	<u>\$ 111,809</u>	<u>\$ 125,925</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Tribal Housing Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 318,097	\$ 813,151	\$ 705,827	\$ (107,324)
Expenditures				
Current:				
General government	91,039	236,449	225,882	10,567
Public safety	-	17,806	17,890	(84)
Planning and economic development	120,000	170,000	59,830	110,170
Capital outlay	-	424,834	336,359	88,475
Total expenditures	211,039	849,089	639,961	209,128
Net change in fund balance	107,058	(35,938)	65,866	101,804
Fund Balance, Beginning	85,801	85,801	85,801	-
Fund Balance, Ending	<u>\$ 192,859</u>	<u>\$ 49,863</u>	<u>\$ 151,667</u>	<u>\$ 101,804</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Home Special Revenue Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 550,000	\$ 550,000	\$ 354,165	\$ (195,835)
Expenditures				
Current:				
Planning and economic development	537,248	537,248	354,165	183,083
Net change in fund balance	12,752	12,752	-	(12,752)
Fund Balance, Beginning	(27,406)	(27,406)	(27,406)	-
Fund Balance, Ending	<u>\$ (14,654)</u>	<u>\$ (14,654)</u>	<u>\$ (27,406)</u>	<u>\$ (12,752)</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Debt Service Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Miscellaneous revenues	\$ 115,000	\$ 115,000	\$ 35,130	\$ (79,870)
Expenditures				
Debt service:				
Principal retirement	2,429,002	2,429,002	2,802,592	(373,590)
Interest	135,489	135,489	128,170	7,319
Total expenditures	2,564,491	2,564,491	2,930,762	(366,271)
Excess (deficiency) of revenues over (under) expenditures	(2,449,491)	(2,449,491)	(2,895,632)	(446,141)
Other Financing Sources (Uses)				
Transfers in	2,508,810	2,508,810	2,858,810	350,000
Transfers out	2,508,810	2,508,810	-	2,508,810
Total other financing sources (uses)	5,017,620	5,017,620	2,858,810	2,858,810
Net change in fund balance	2,568,129	2,568,129	(36,822)	(2,604,951)
Fund Balance, Beginning	46,493	46,493	46,493	-
Fund Balance, Ending	<u>\$ 2,614,622</u>	<u>\$ 2,614,622</u>	<u>\$ 9,671</u>	<u>\$ (2,604,951)</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****General Obligation Bond Debt Service Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Property taxes	\$ 2,149,314	\$ 2,149,314	\$ 2,298,040	\$ 148,726
Investment earnings	10,000	10,000	223,594	213,594
Total revenues	2,159,314	2,159,314	2,521,634	362,320
Expenditures				
Debt service:				
Principal retirement	1,934,866	1,934,866	1,460,000	474,866
Interest and fiscal charges	904,250	904,250	904,250	-
Bond costs	-	-	1,200	(1,200)
Total expenditures	2,839,116	2,839,116	2,365,450	473,666
Net change in fund balance	(679,802)	(679,802)	156,184	835,986
Fund Balance, Beginning	2,382,110	2,382,110	2,382,110	-
Fund Balance, Ending	<u>\$ 1,702,308</u>	<u>\$ 1,702,308</u>	<u>\$ 2,538,294</u>	<u>\$ 835,986</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Excise Tax Debt Service Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Revenues				
Investment earnings	\$ 10,000	\$ 10,000	\$ 115,178	\$ 105,178
Expenditures				
Current:				
General government:	-	-	2,000	(2,000)
Debt service:				
Principal retirement	3,759,583	3,759,583	3,715,000	44,583
Interest	1,383,955	1,383,955	1,383,955	-
Bond issuance costs	-	-	5,950	(5,950)
Total expenditures	5,143,538	5,143,538	5,106,905	36,633
Excess (deficiency) of revenues over (under) expenditures	(5,133,538)	(5,133,538)	(4,991,727)	141,811
Other Financing Sources (Uses)				
Transfers in	5,206,100	5,206,100	6,406,100	1,200,000
Transfers out	(5,206,100)	(5,206,100)	-	(5,206,100)
Total other financing sources (uses)	-	-	6,406,100	(4,006,100)
Net change in fund balance	(5,133,538)	(5,133,538)	1,414,373	6,547,911
Fund Balance, Beginning	730,536	730,536	730,536	-
Fund Balance, Ending	<u>\$ (4,403,002)</u>	<u>\$ (4,403,002)</u>	<u>\$ 2,144,909</u>	<u>\$ 6,547,911</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Airport Improvement Capital Projects Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental revenues	\$ -	\$ -	\$ 409,560	\$ 409,560
Rental and sale of city property	65,813	65,813	-	(65,813)
Total revenues	65,813	65,813	409,560	343,747
Expenditures				
Current:				
Planning and economic development	24,864	687,706	573,889	113,817
Capital outlay	114,636	178,133	20,670	157,463
Total expenditures	139,500	865,839	594,559	271,280
Net change in fund balance	(73,687)	(800,026)	(184,999)	615,027
Fund Balance, Beginning	497,715	497,715	497,715	-
Fund Balance, Ending	<u>\$ 424,028</u>	<u>\$ (302,311)</u>	<u>\$ 312,716</u>	<u>\$ 615,027</u>

City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Community Facilities Districts - Capital Projects
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Property tax	\$ 400,930	\$ 400,930	\$ 412,152	\$ 11,222
Total revenues	400,930	400,930	412,152	11,222
Expenditures				
Current:				
General government	25,218,100	25,218,100	9,678	25,208,422
Capital outlay	-	-	3,855,907	(3,855,907)
Debt service:				
Principal retirement	186,264	186,264	175,000	11,264
Interest	108,825	108,825	121,631	(12,806)
Bond costs	-	-	243,523	(243,523)
Total expenditures	25,513,189	25,513,189	4,405,739	21,107,450
Excess (deficiency) of revenues over (under) expenditures	(25,112,259)	(25,112,259)	(3,993,587)	21,118,672
Other Financing Sources (Uses)				
Transfers out	(174,472)	(174,472)	(66,607)	107,865
General obligation bonds issued	25,203,000	25,203,000	4,250,000	(20,953,000)
Total other financing sources (uses)	25,028,528	25,028,528	4,183,393	(20,845,135)
Net change in fund balance	(83,731)	(83,731)	189,806	273,537
Fund Balance, Beginning	1,405,865	1,405,865	1,405,865	-
Fund Balance, Ending	<u>\$ 1,322,134</u>	<u>\$ 1,322,134</u>	<u>\$ 1,595,671</u>	<u>\$ 273,537</u>



Financial Section

Supplementary Information
Budgetary Comparison Schedules
Proprietary Funds



City of Casa Grande, Arizona

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Water Enterprise Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Operating Revenues				
Service fees	\$ 271,718	\$ 271,718	\$ 249,019	\$ (22,699)
Miscellaneous	-	-	125	125
Total operating revenues	271,718	271,718	249,144	(22,574)
Operating Expenses				
Personnel services	16,148	16,148	103,441	(87,293)
Contractual	377,297	377,297	153,437	223,860
Materials and supplies	668,500	668,500	70,850	597,650
Depreciation	150,913	150,913	34,541	116,372
Total operating expenses	1,212,858	1,212,858	362,269	850,589
Operating income (expense)	(941,140)	(941,140)	(113,125)	828,015
Net change in fund balance	(941,140)	(941,140)	(113,125)	828,015
Fund Balance, Beginning	55,543	55,543	55,543	-
Fund Balance, Ending	<u>\$ (885,597)</u>	<u>\$ (885,597)</u>	<u>\$ (57,582)</u>	<u>\$ 828,015</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****Wastewater/Development Enterprise Fund**

Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Operating Revenues				
Service fees	\$ 12,909,063	\$ 12,909,063	\$ 14,465,064	\$ 1,556,001
Miscellaneous	186,561	186,561	7,128	(179,433)
Total operating revenues	13,095,624	13,095,624	14,472,192	1,376,568
Operating Expenses				
Personnel services	1,566,867	1,566,867	1,284,820	282,047
Contractual	22,446,214	4,796,214	2,838,024	1,958,190
Materials and supplies	57,353,220	75,003,220	1,375,788	73,627,432
Depreciation	461,454	363,954	3,481,767	(3,117,813)
Total operating expenses	81,827,755	81,730,255	8,980,399	72,749,856
Operating income (expense)	(68,732,131)	(68,634,631)	5,491,793	74,126,424
Nonoperating Revenues (Expenses)				
Investment earnings	186,561	186,561	991,533	804,972
Interest expense	-	-	(894,106)	(894,106)
Gain (loss) on sale of assets	-	-	(10,433)	(10,433)
Total nonoperating revenue (expense)	186,561	186,561	86,994	(99,567)
Income (loss) before developer developer fees, contributions and transfers	(68,545,570)	(68,448,070)	5,578,787	74,026,857
Developer Fees	2,448,609	2,448,609	4,593,234	2,144,625
Capital Contributions	-	-	1,000,000	1,000,000
Net change in fund balance	(66,096,961)	(65,999,461)	11,172,021	77,171,482
Fund Balance, Beginning	96,495,790	96,495,790	96,495,790	-
Fund Balance, Ending	\$ 30,398,829	\$ 30,496,329	\$ 107,667,811	\$ 77,171,482

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Sanitation Enterprise Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Operating Revenues				
Service fees	\$ 8,144,693	\$ 8,144,693	\$ 8,449,897	\$ 305,204
Miscellaneous	-	-	10,157	10,157
Total operating revenues	8,144,693	8,144,693	8,460,054	315,361
Operating Expenses				
Personnel services	2,437,844	2,560,731	2,928,947	(368,216)
Contractual	2,986,091	3,999,091	1,511,344	2,487,747
Materials and supplies	2,505,481	2,572,481	1,261,113	1,311,368
Depreciation	1,045,485	1,045,485	1,331,052	(285,567)
Closure and postclosure costs	130,000	130,000	219,479	(89,479)
Total operating expenses	9,104,901	10,307,788	7,251,935	3,055,853
Operating income (expense)	(960,208)	(2,163,095)	1,208,119	3,371,214
Nonoperating Revenues (Expenses)				
Investment earnings	137,785	137,785	828,813	691,028
Net change in fund balance	(822,423)	(2,025,310)	2,036,932	4,062,242
Fund Balance, Beginning	15,347,584	15,347,584	15,347,584	-
Fund Balance, Ending	<u>\$ 14,525,161</u>	<u>\$ 13,322,274</u>	<u>\$ 17,384,516</u>	<u>\$ 4,062,242</u>

City of Casa Grande, Arizona**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Golf Course Enterprise Fund

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Operating Revenues				
Service fees	\$ 993,559	\$ 993,559	\$ 363,000	\$ (630,559)
Rental	236,217	236,217	354,120	117,903
Green fees	726,433	726,433	1,182,335	455,902
Miscellaneous	-	-	6	6
Total operating revenues	1,956,209	1,956,209	1,899,461	(56,748)
Operating Expenses				
Personnel services	192,381	330,163	399,485	(69,322)
Contractual	1,321,982	1,321,982	903,482	418,500
Materials and supplies	366,640	366,640	252,296	114,344
Depreciation	-	-	199,576	(199,576)
Other expense	(2,938)	(2,938)	46	(2,984)
Total operating expenses	1,878,065	2,015,847	1,754,885	260,962
Operating income (expense)	78,144	(59,638)	144,576	204,214
Nonoperating Revenues (Expenses)				
Investment earnings	3,504	3,504	4,485	(981)
City sales tax	27,546	27,546	36,275	8,729
Gain (loss) on sale of equipment	-	-	(1,476)	(1,476)
Total nonoperating revenue	31,050	31,050	39,284	6,272
Net change in fund balance	109,194	(28,588)	183,860	212,448
Fund Balance, Beginning	2,412,124	2,412,124	2,412,124	-
Fund Balance, Ending	<u>\$ 2,521,318</u>	<u>\$ 2,383,536</u>	<u>\$ 2,595,984</u>	<u>\$ 212,448</u>

Statistical Section

Contents	Pages
Financial Trends: These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	129-133
Revenue Capacity: These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and sales and uses taxes.	134-138
Debt Capacity: These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	139-143
Demographic and Economic Statistics: These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	144-145
Operating Information: These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	146-148
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.	



City of Casa Grande, Arizona

Net Position by Component

Schedule 1

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Net investment in capital assets	\$ 137,618,856	\$ 111,804,545	\$ 125,561,739	\$ 108,270,856	\$ 134,649,294	\$ 129,469,237	\$ 121,637,501	\$ 118,760,028	\$ 130,561,386	\$ 142,010,084
Restricted	40,862,091	38,094,808	35,874,477	40,267,225	31,931,243	54,145,595	66,985,350	77,491,775	90,317,609	106,047,147
Unrestricted	3,182,623	26,141,879	5,910,563	13,909,387	4,155,348	686,821	13,278,839	39,377,982	51,532,614	80,182,956
Total governmental activities net position	<u>\$ 181,663,570</u>	<u>\$ 176,041,232</u>	<u>\$ 167,346,779</u>	<u>\$ 162,447,468</u>	<u>\$ 170,735,885</u>	<u>\$ 184,301,653</u>	<u>\$ 201,901,690</u>	<u>\$ 235,629,785</u>	<u>\$ 272,411,609</u>	<u>\$ 328,240,187</u>
Business-Type Activities										
Net investment in capital assets	\$ 48,601,273	\$ 49,202,991	\$ 49,611,489	\$ 51,297,595	\$ 52,921,972	\$ 54,578,295	\$ 58,472,223	\$ 59,816,453	\$ 69,913,713	\$ 91,186,161
Restricted	6,317,620	6,575,857	6,970,069	6,403,618	6,660,007	12,096,729	19,754,821	24,746,871	24,395,311	28,398,419
Unrestricted	(265,067)	151,635	939,248	1,769,103	5,563,303	5,267,351	6,059,078	9,173,390	20,002,017	8,006,149
Total business-type activities net position	<u>\$ 54,653,826</u>	<u>\$ 55,930,483</u>	<u>\$ 57,520,806</u>	<u>\$ 59,470,316</u>	<u>\$ 65,145,282</u>	<u>\$ 71,942,375</u>	<u>\$ 84,286,122</u>	<u>\$ 93,736,714</u>	<u>\$ 114,311,041</u>	<u>\$ 127,590,729</u>
Primary Government										
Net investment in capital assets	\$ 186,217,129	\$ 161,007,536	\$ 175,173,228	\$ 159,568,451	\$ 187,571,266	\$ 184,047,532	\$ 180,109,724	\$ 178,576,481	\$ 200,475,099	\$ 233,196,245
Restricted	47,179,711	44,670,665	42,844,546	46,670,843	38,591,250	66,242,324	86,740,171	102,238,646	114,712,920	134,445,566
Unrestricted	2,917,556	26,293,514	6,849,811	15,678,490	9,718,651	5,954,172	19,337,917	48,551,372	71,534,631	88,189,105
Total primary government net position	<u>\$ 236,314,396</u>	<u>\$ 231,971,715</u>	<u>\$ 224,867,585</u>	<u>\$ 221,917,784</u>	<u>\$ 235,881,167</u>	<u>\$ 256,244,028</u>	<u>\$ 286,187,812</u>	<u>\$ 329,366,499</u>	<u>\$ 386,722,650</u>	<u>\$ 455,830,916</u>

City of Casa Grande, Arizona

Changes in Net Position - Governmental Activities
Schedule 2
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
Expenses:										
General government	\$ 10,107,662	\$ 11,103,379	\$ 8,951,427	\$ 9,203,693	\$ 6,211,501	\$ 8,985,376	\$ 11,604,796	\$ 10,356,216	\$ 11,763,795	\$ 19,982,414
Public safety	26,520,689	23,893,064	31,694,293	31,273,684	31,268,662	32,331,599	33,789,441	34,718,144	36,103,269	37,803,539
Streets/Transportation	13,548,310	12,823,511	12,159,682	5,042,379	3,187,209	4,936,659	3,108,249	5,994,902	5,321,190	139,769
Public works	2,771,028	7,723,880	5,944,648	9,664,687	11,612,371	10,776,751	14,547,249	10,869,184	8,933,147	5,211,602
Culture and recreation	7,676,615	7,805,438	7,994,626	7,696,620	10,140,746	9,210,516	7,339,659	10,607,102	11,305,153	11,380,008
Economic development	2,765,522	2,350,547	2,573,276	3,909,504	3,032,017	4,006,477	2,955,078	4,869,721	5,885,104	12,836,783
Interest on long-term debt	2,504,944	2,424,163	2,571,381	3,118,414	3,255,720	411,944	1,968,299	1,920,661	2,648,668	2,871,865
Total expenses	65,894,770	68,123,982	71,889,333	69,908,981	68,708,226	70,659,322	75,312,771	79,335,930	81,960,326	90,225,980
Program revenues:										
Charges for services:										
General government	2,815,852	1,388,172	824,576	460,030	394,210	298,032	240,515	373,267	289,754	938,071
Public safety	1,076,004	1,487,150	1,608,334	1,388,042	1,544,494	1,079,211	1,251,053	1,175,524	1,174,294	1,299,878
Streets/Transportation	816,829	-	-	-	-	-	-	-	-	-
Public works	167,447	3,476,748	3,944,961	909,437	874,890	989,335	1,805,395	1,813,678	730,105	459,677
Culture and recreation	430,294	1,035,225	741,249	691,224	951,399	1,232,935	1,538,436	1,314,897	1,717,695	1,617,378
Development fees	179,753	110,678	783,045	251,681	-	-	-	-	-	-
Building permits	1,081,880	1,314,910	777,911	1,027,288	1,948,462	1,700,990	3,865,170	3,823,439	3,396,365	3,668,460
Development and engineering	78,284	-	-	-	-	-	-	-	-	-
Other economic development	307,578	96,668	238,566	65,718	124,015	1,210,920	1,817,567	1,441,623	2,997,662	4,898,999
Operating grants and contributions	6,775,967	4,945,110	5,752,093	6,155,986	6,435,375	12,643,572	8,171,777	20,279,239	8,987,700	10,444,548
Capital grants and contributions	4,132,231	1,451,669	805,309	1,802,175	4,960,817	5,477,699	9,230,238	6,946,282	13,731,199	6,210,663
Total program revenues	17,862,119	15,306,330	15,476,044	12,751,581	17,233,662	24,632,694	27,920,151	37,167,949	33,024,774	29,537,674
Total governmental activities net program expense	(48,032,651)	(52,817,652)	(56,413,289)	(57,157,400)	(51,474,564)	(46,026,628)	(47,392,620)	(42,167,981)	(48,935,552)	(60,688,306)
General revenues and other changes in net position:										
Property taxes	6,366,087	6,410,163	6,472,519	6,970,676	6,862,999	5,847,793	6,113,399	7,731,777	6,823,496	7,989,521
Sales taxes	21,795,890	22,909,814	23,402,408	25,292,113	27,193,495	30,674,410	36,505,308	47,852,821	57,180,180	63,486,422
Franchise taxes	2,358,731	2,388,109	2,449,704	2,502,845	2,343,033	2,326,462	2,447,297	2,665,583	2,917,682	3,259,503
Shared revenues:										
State sales taxes	4,438,843	4,602,342	4,734,258	5,246,154	5,595,095	5,923,694	6,804,724	7,672,107	8,529,119	9,133,560
Urban revenue sharing	5,879,820	5,847,942	6,295,760	6,754,555	6,718,257	7,400,926	8,379,332	7,172,180	10,945,590	15,907,972
Auto-in-lieu	2,447,783	2,638,312	2,666,254	3,172,178	3,378,251	3,572,877	4,242,113	4,239,122	4,273,816	4,349,678
Investment earnings	174,864	775,075	444,399	746,889	4,388,415	3,033,946	248,917	(2,828,231)	4,548,705	12,167,777
Gain on early debt extinguishment	-	-	-	-	106,940	-	-	-	-	-
Gain on sales of assets	-	-	-	-	-	-	-	202,205	266,428	-
Miscellaneous	282,850	329,338	665,351	380,656	456,445	770,281	247,611	1,188,512	337,360	222,451
Transfers	78,030	1,297,300	1,371,224	1,192,023	1,444,610	42,007	3,956	-	(10,105,000)	-
Total general revenues and other changes in net position	43,822,898	47,198,395	48,501,877	52,258,089	58,487,540	59,592,396	64,992,657	75,896,076	85,717,376	116,516,884
Total governmental activities change in net position	\$ (4,209,753)	\$ (5,619,257)	\$ (7,911,412)	\$ (4,899,311)	\$ 7,012,976	\$ 13,565,768	\$ 17,600,037	\$ 33,728,095	\$ 36,781,824	\$ 55,828,578

City of Casa Grande, Arizona

Changes in Net Position - Business-Type Activities

Schedule 3

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Business-Type Activities										
Expenses:										
Water	\$ 261,674	\$ 224,960	\$ 589,929	\$ 285,818	\$ 313,388	\$ 373,484	\$ 384,921	\$ 293,197	\$ 380,454	\$ 362,269
Golf course	1,195,987	924,469	1,263,373	1,407,351	1,348,139	1,351,902	1,262,574	1,413,141	1,841,425	1,756,361
Wastewater	9,119,769	10,661,238	10,077,363	9,542,082	9,064,782	9,319,191	9,388,670	9,362,609	10,188,646	9,884,938
Sanitation	5,386,901	5,311,875	5,726,011	5,570,376	5,141,643	5,454,263	5,257,913	6,045,171	7,089,753	7,251,935
Total expenses	15,964,331	17,122,542	17,656,676	16,805,627	15,867,952	16,498,840	16,294,078	17,114,118	19,500,278	19,255,503
Revenues:										
Charges for services:										
Water	192,343	219,824	236,862	229,111	210,924	235,920	250,818	449,525	236,236	249,144
Golf course	1,100,780	1,115,852	1,257,615	1,359,502	1,406,657	1,473,150	1,541,451	1,741,329	1,834,564	1,899,461
Wastewater	8,541,358	10,241,967	11,105,175	10,754,316	11,121,564	10,896,978	11,462,017	11,853,656	13,447,311	14,472,192
Sanitation	6,739,816	7,388,211	7,432,237	6,840,168	7,309,243	6,973,937	7,229,849	7,792,109	8,570,230	8,460,054
Sales taxes	29,122	30,345	28,892	26,156	-	17,036	22,083	52,161	29,268	36,275
Investment earnings	11,680	26,041	81,578	158,238	268,994	608,678	144,413	(432,625)	244,213	1,824,831
Miscellaneous	72,228	4,021	29,977	-	-	-	346,802	-	-	-
Operating grants and contributions	-	-	-	-	-	-	-	-	1,403,498	-
Capital grants and contributions	582,705	670,238	445,883	579,670	2,670,146	3,132,241	7,644,348	5,108,555	4,204,285	5,593,234
Total revenues	17,270,032	19,696,499	20,618,219	19,947,161	22,987,528	23,337,940	28,641,781	26,564,710	29,969,605	32,535,191
Total business-type activities net program expense	1,305,701	2,573,957	2,961,543	3,141,534	7,119,576	6,839,100	12,347,703	9,450,592	10,469,327	13,279,688
Other changes in net position:										
Transfers	(78,030)	(78,030)	(1,371,224)	(1,192,023)	(1,444,610)	(42,007)	(3,956)	-	10,105,000	-
Total business-type activities change in net position	\$ 1,227,671	\$ 2,495,927	\$ 1,590,319	\$ 1,949,511	\$ 5,674,966	\$ 6,797,093	\$ 12,343,747	\$ 9,450,592	\$ 20,574,327	\$ 13,279,688
Total primary government change in net position	\$ (2,982,082)	\$ (4,342,700)	\$ (7,104,136)	\$ (2,962,922)	\$ 12,687,942	\$ 20,362,861	\$ 29,943,784	\$ 43,178,687	\$ 57,356,151	\$ 69,108,266

City of Casa Grande, Arizona

Fund Balances of Governmental Funds

Schedule 4

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 1,647	\$ 2,063	\$ -	\$ 1,006,102	\$ 2,063,308	\$ 3,359,483	\$ 1,654,063	\$ 1,496,470	\$ 1,391,441	\$ 904,143
Restricted	5,572,411	-	1,670,016	1,482,581	1,568,371	1,568,371	1,568,371	-	-	-
Committed	-	-	4,654,417	5,232,779	5,611,482	6,265,454	6,728,180	12,168,076	12,795,781	14,177,539
Assigned	11,631,345	20,453,537	20,494,239	13,094,976	14,870,455	13,269,260	18,347,591	54,564,183	16,913,296	16,868,194
Unassigned	12,631,345	9,911,709	5,343,256	13,667,378	19,094,967	32,924,395	39,978,151	27,521,491	75,074,878	92,325,496
Total general fund	<u>\$ 29,836,748</u>	<u>\$ 30,367,309</u>	<u>\$ 32,161,928</u>	<u>\$ 34,483,816</u>	<u>\$ 43,208,583</u>	<u>\$ 57,386,963</u>	<u>\$ 68,276,356</u>	<u>\$ 95,750,220</u>	<u>\$ 106,175,396</u>	<u>\$ 124,275,372</u>
All Other Governmental Funds										
Nonspendable	\$ 36,281	\$ 59,867	\$ 40,286	\$ 170,140	\$ 45,123	\$ 362,008	\$ 28,975	\$ -	\$ 1,606,149	\$ 1,358,032
Restricted	35,291,890	37,376,941	36,647,161	38,784,644	30,362,872	52,577,224	65,491,244	77,491,775	90,317,609	106,047,147
Committed	-	-	1,164,600	-	1,989,707	2,135,495	2,418,880	2,763,117	3,423,975	4,211,352
Assigned	29,084,496	45,538,029	42,075,694	39,202,559	22,507,732	2,169,694	6,602,047	4,878,780	8,808,867	18,908,526
Unassigned	(593,322)	(635,129)	(750,466)	(531,017)	(1,080,079)	(1,404,901)	(1,284,259)	(1,322,531)	(1,339,671)	(1,399,236)
Total all other governmental funds	<u>\$ 63,819,345</u>	<u>\$ 82,339,708</u>	<u>\$ 79,177,275</u>	<u>\$ 77,626,326</u>	<u>\$ 53,825,355</u>	<u>\$ 55,839,520</u>	<u>\$ 73,256,887</u>	<u>\$ 83,811,141</u>	<u>\$ 102,816,929</u>	<u>\$ 129,125,821</u>

City of Casa Grande, Arizona

Changes in Fund Balances of Governmental Funds

Schedule 5

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 30,557,352	\$ 29,707,719	\$ 30,324,120	\$ 32,272,000	\$ 33,953,688	\$ 36,243,848	\$ 41,906,190	\$ 54,626,403	\$ 62,841,677	\$ 69,925,147
Licenses and permits	1,344,254	198,289	981,525	1,211,872	1,845,897	1,882,269	4,686,392	3,823,439	3,396,365	3,668,460
Intergovernmental revenues	19,324,969	20,210,255	21,520,997	23,349,174	24,300,942	32,478,962	30,953,733	42,045,773	36,996,314	45,452,718
Charges for services	4,061,405	4,580,524	2,695,209	3,674,172	6,699,921	6,789,552	13,073,103	11,614,627	19,066,534	11,543,845
Fines	682,288	589,589	1,012,427	873,169	723,082	644,422	651,732	597,158	641,342	600,565
Investment earnings	207,833	774,775	434,393	729,980	4,363,910	3,033,946	248,916	(2,828,231)	4,548,705	12,167,777
Rental and sale of city property	761,495	763,824	608,524	622,603	566,569	638,269	593,628	896,638	1,000,146	764,171
Other revenues	821,199	654,851	639,115	372,027	652,845	760,083	425,802	1,931,876	462,265	324,247
Total revenues	57,760,795	57,479,826	58,216,310	63,104,997	73,106,854	82,471,351	92,539,496	112,707,683	128,953,348	144,446,930
Expenditures										
General government	7,810,453	7,591,059	9,242,859	7,946,956	8,639,803	8,769,698	8,291,910	9,857,265	9,792,218	11,114,331
Public safety	21,380,603	23,899,172	23,008,996	25,620,207	26,185,872	26,815,785	28,700,688	90,944,176	28,292,257	31,142,028
Streets/Transportation	2,821,113	3,070,601	2,759,357	4,432,747	3,113,727	4,248,751	4,629,054	4,203,686	4,857,138	6,396,163
Public works	1,352,469	1,286,448	1,159,563	1,111,264	1,039,146	1,043,362	1,034,562	1,792,507	1,238,917	1,299,385
Culture and recreation	6,157,841	6,547,379	6,677,105	6,627,298	6,707,765	7,356,101	6,537,800	7,845,395	8,638,631	8,926,037
Planning and economic development	2,276,725	2,860,992	3,017,753	3,354,879	3,051,499	3,515,430	3,954,128	5,268,977	4,952,620	5,388,324
Capital outlay	6,889,725	6,342,445	9,933,106	9,127,478	33,402,748	10,604,705	8,606,907	11,314,959	24,365,266	26,757,481
Debt service:										
Principal	1,959,805	2,771,539	3,084,158	3,596,214	5,251,754	3,324,478	5,175,607	4,131,862	5,611,393	8,725,808
Interest	2,520,693	2,281,741	2,248,255	2,388,463	2,386,183	2,025,034	1,889,129	2,382,812	2,720,263	2,587,832
Bond issuance costs	-	(531,270)	-	169,890	41,393	66,924	207,967	798,540	-	250,673
Total expenditures	53,169,427	56,120,106	61,131,152	64,375,396	89,819,890	67,770,268	69,027,752	138,540,179	90,468,703	102,588,062
Other Financing Sources (Uses)										
Transfers in	5,813,795	13,931,824	8,129,320	8,250,363	15,753,858	3,124,333	11,879,547	5,534,914	13,549,692	27,670,750
Transfers out	(4,137,337)	(12,261,624)	(6,582,296)	(6,423,156)	(13,732,058)	(3,902,444)	(11,739,814)	(4,934,300)	(24,480,692)	(29,370,750)
Subscription payables issued	-	-	-	-	-	-	-	-	1,877,319	-
Bond issuance	1,095,019	37,675,240	-	7,710,000	-	-	4,655,283	63,260,000	-	4,250,000
Payment to escrow agent	-	(20,657,479)	-	(7,531,828)	-	-	-	-	-	-
Total other financing sources (uses)	2,771,477	18,687,961	1,547,024	2,005,379	2,021,800	(778,111)	4,795,016	63,860,614	(9,053,681)	2,550,000
Net change in fund balances	\$ 7,362,845	\$ 20,047,681	\$ (1,367,818)	\$ 734,980	\$ (14,691,236)	\$ 13,922,972	\$ 28,306,760	\$ 38,028,118	\$ 29,430,964	\$ 44,408,868
Debt Service as a Percentage of Noncapital Expenditures										
	9.68%	10.15%	10.42%	10.83%	13.54%	9.36%	11.69%	5.12%	12.75%	14.54%

City of Casa Grande, Arizona

Sales Tax Revenue by Industry
Schedule 6
Fiscal Years 2017 - 2024
(Unaudited)

	Fiscal Year 2017		Fiscal Year 2018		Fiscal Year 2019		Fiscal Year 2020		Fiscal Year 2021		Fiscal Year 2022		Fiscal Year 2023		Fiscal Year 2024	
	Tax Paid	Percentage of Total	Tax Paid	Percentage of Total	Tax Paid	Percentage of Total	Tax Paid	Percentage of Total	Tax Paid	Percentage of Total	Tax Paid	Percentage of Total	Tax Paid	Percentage of Total	Tax Paid	Percentage of Total
Construction	\$ 1,453,489	6.72 %	\$ 2,321,209	10.28 %	\$ 2,982,855	12.16 %	\$ 4,601,108	16.06 %	\$ 6,324,701	18.25 %	\$ 12,052,233	26.43 %	\$ 22,530,538	37.45 %	\$ 21,507,734	34.98 %
Manufacture	502,031	2.32	706,092	3.13	583,874	2.38	545,779	1.90	609,678	1.76	772,091	1.69	908,615	1.51	932,954	1.52
Transportation/communication/ utilities	2,762,747	12.77	2,383,915	10.56	2,357,393	9.61	2,341,655	8.17	2,530,577	7.30	2,702,708	5.93	2,995,705	4.98	3,274,057	5.32
Wholesale trade	311,761	1.44	369,291	1.64	423,087	1.73	606,842	2.12	653,606	1.89	856,130	1.88	1,000,210	1.66	1,026,112	1.67
Retail trade	10,940,735	50.58	10,852,085	48.08	11,159,883	45.51	12,905,093	45.04	15,099,338	43.57	17,065,503	37.42	19,140,771	31.82	19,765,057	32.14
Restaurants/bars	1,757,599	8.12	1,785,801	7.91	1,954,939	7.97	2,044,973	7.14	2,382,999	6.88	2,943,763	6.46	3,488,144	5.80	3,647,755	5.93
Insurance/real estate	2,025,113	9.36	2,020,226	8.95	2,689,023	10.97	2,943,659	10.27	3,407,775	9.83	4,652,979	10.20	5,806,648	9.65	6,008,374	9.77
Hotels/lodging	497,256	2.30	565,681	2.51	615,273	2.51	619,448	2.16	790,475	2.28	1,033,978	2.27	1,548,811	2.57	1,965,690	3.20
Services	742,586	3.43	868,557	3.85	1,081,410	4.41	1,477,076	5.16	2,408,535	6.95	2,879,189	6.31	2,049,493	3.41	2,475,606	4.03
All other	639,240	2.95	696,035	3.08	674,652	2.75	564,936	1.97	446,726	1.29	643,156	1.41	689,569	1.15	888,528	1.44
Total	<u>\$ 21,632,557</u>	<u>100.00 %</u>	<u>\$ 22,568,892</u>	<u>100.00 %</u>	<u>\$ 24,522,389</u>	<u>100.00 %</u>	<u>\$ 28,650,569</u>	<u>100.00 %</u>	<u>\$ 34,654,410</u>	<u>100.00 %</u>	<u>\$ 45,601,730</u>	<u>100.00 %</u>	<u>\$ 60,158,504</u>	<u>100.00 %</u>	<u>\$ 61,491,867</u>	<u>100.00 %</u>

Source: Arizona State Department of Revenue

Note: The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Casa Grande, Arizona

Direct and Overlapping Sales Tax Rates

Schedule 7

Year Ended June 30, 2024

(Unaudited)

Type of Tax	Rates		
	City	State and Pinal County	Combined
Privilege tax, except retail, utilities and telecommunication	1.8 %	6.7 %	8.5 %
Retail (excluding food sales)	2.0 (b)	6.7	8.7
Retail, privilege tax for single item over \$5000	1.5	6.7	8.2
Retail, marijuana adult use	2.0	6.7	8.7
Hotel/motel	5.0	6.7	11.7
Restaurant/bar	0.8	6.7	7.5
Utilities/telecommunications	2.0	6.7	8.7
Construction	4.0 (a)	6.7	10.7
Jet fuel	1.8	\$0.0366/gal	N/A
Real property rental:			
Commercial	1.8	0.5	2.3
Residential	1.8	-	1.8
All other services not specified	1.8	6.7	8.5

(a) Includes a 2.2% tax on construction contracting activities the use of which is restricted to paying costs related to acquisition of capital assets and improvements included in the City's Capital Improvement Plan.

(b) Includes the two-tenths (0.2) of one percent (1%) Economic Development and Recreation Excise Tax. The sale of a single item over \$5,000 is taxed at 2.0% for the first \$5,000, then the rate drops to 1.5% for the taxable amount exceeding \$5,000.

Sources: City of Casa Grande Finance Department and Arizona Department of Revenue.

City of Casa Grande, Arizona

Real and Personal Property Tax Levies and Collections

Schedule 8

Collected to June 30, 2024

(Unaudited)

Fiscal Year	Tax Levy	Collections	Taxes Receivable	Percent of Tax Levy	Adjustments
2015	\$ 5,351,592	\$ 5,347,903	\$ 3,689	99.93 %	\$ (26,966)
2016	5,487,409	5,481,241	6,168	99.89	(23,491)
2017	5,563,565	5,555,481	8,084	99.85	(11,814)
2018	5,636,188	5,526,226	109,962	98.05	(8,678)
2019	6,013,399	5,844,411	168,988	97.19	(1,559)
2020	5,113,550	4,987,873	125,677	97.54	1,994
2021	4,267,000	4,190,467	76,533	98.21	(6,082)
2022	6,858,417	6,686,435	171,982	97.49	20,220
2023	6,438,628	6,271,136	167,492	97.40	(149,299)
2024	7,188,167	7,020,788 (a)	167,379	97.67	(179,318)

(a) Reflects collections made through June 30, 2024, on such year's levy. Property taxes are payable in two installments. The first installment is due the first day of October and becomes delinquent on November 1. The second installment becomes due the first day of March and is delinquent on May 1. Interest at the rate of 16% per annum attaches on first and second installments following their delinquent dates unless the full year tax is paid by December 31. Penalties for delinquent payments are not included in the above collections figures.

Source: Pinal County Treasurer's Office

City of Casa Grande, Arizona

Tax Rate Data
Schedule 9
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	City's Primary Tax Rate Per \$100 Assessed	City's Secondary Tax Rate Per \$100 Assessed	City's Total Tax Rate Per \$100 Assessed
2015	0.9999	0.6308	1.6307
2016	0.9999	0.6308	1.6307
2017	0.9999	0.6308	1.6307
2018	0.9999	0.6565	1.6564
2019	0.9905	0.6010	1.5915
2020	1.0606	0.2752	1.3358
2021	1.0598	0.2752	1.3350
2022	1.0148	0.5702	1.5850
2023	0.9643	0.3993	1.3636
2024	0.9643	0.4197	1.3840

Source: City of Casa Grande

City of Casa Grande, Arizona

Estimated Net Secondary Assessed Valuation of Major Taxpayers

Schedule 10

(Unaudited)

Taxpayers (a)(b)	Type of Business/Property	Estimated 2023-24 Net Secondary Assessed Valuation	As Percent of City's 2022-23 Net Secondary Assessed Valuation
LUCID USA INC	Manufacturing	\$ 25,331,654	2.58 %
KOHLER CO	Manufacturing	25,291,564	2.57
ARIZONA PUBLIC SERVICE COMPANY	Electric Utility	17,492,480	1.78
LUCID USA, INC. (FKA ATIEVA USA, INC.)	Manufacturing	11,294,224	1.15
WAL-MART STORES EAST LP	Retailer	9,544,747	0.97
SOUTHWEST GAS CORPORATION	Gas Utility	7,144,410	0.73
FRITO LAY SALES INC	Manufacturing	6,161,797	0.63
ABBOTT MANUFACTURING	Manufacturing	6,863,033	0.70
ARIZONA WATER COMPANY	Water Utility	4,972,253	0.51
HEXCEL CORPORATION	Manufacturing	4,909,958	0.50
TRACTOR SUPPLY COMPANY #1808	Retail Distribution Center	3,750,443	0.38
DAISY BRAND LLC	Dairy Product Manufacturing	3,150,817	0.32
EHARMANN ARIZONA DAIRY LLC	Dairy Product Manufacturing	3,314,021	0.34
CADC PARTNERS LLC	Real Estate Management	4,737,641	0.48
FRITO-LAY LLC	Real Estate Management	3,904,540	0.40
PALM CREEK HOLDINGS LLC	Real Estate Management	6,320,636	0.64
PROMENADE CG HOLDINGS LLC	Retailer	5,609,075	0.57
WRIGHT ASPHALT PRODUCTS COMPANY LLC	Manufacturing	2,900,006	0.29
LINDEN STATION CASA GRANDE LLC	Real Estate Management	3,186,812	0.32
FRANKLIN FOODS INC	Retailer	2,474,459	0.25
Total		<u>\$ 158,354,570</u>	<u>16.11 %</u>

(a) Some of such taxpayers or their parent companies are subject to the informational requirements of the Exchange Act, and in accordance therewith file reports, proxy statements and other information with Commission. The Filings may be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth St. N.W., Washington, D.C. 20549 and at the Commission's regional offices at Northwestern Atrium Center, 500 W. West Madison St., Suite 1400, Chicago, Illinois 60661. Copies of the Filings can be obtained from the public reference section of the Commission at 450 Fifth St., N.W., Washington, D.C. 20549 at prescribed rates. In addition, the Filings may also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. The Filings may also be obtained through the Internet on the Commission's EDGAR database at <http://www.sec.gov>.

(b) The assessed valuation of property owned by the Salt River Project Agricultural Improvement and Power District (SRP) is not included in the assessed valuation of the City in the table. Because of SRP's quasi-governmental nature, property owned by SRP is exempt from property taxation. However, SRP may elect each year to make voluntary contributions in lieu of property tax with respect to certain of its electrical facilities (the SRP Electric Plant). If SRP elects to make the in lieu contribution for the year, the full cash value of the SRP Electric Plant and the in lieu contribution amount is determined in the same manner as the full cash value and property taxes owed is determined for similar nongovernmental public utility property, with certain special deductions.

If after electing to make the in lieu contribution, SRP then failed to make the in lieu contribution when due, the Treasurer of the Treasurer of the County and the City have no recourse against the property of SRP and the City.

Source: Pinal County Treasurer's Office/Top Fifty Taxpayers

City of Casa Grande, Arizona

Ratios of Outstanding Debt by Type
Schedule 11
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities						Business-Type Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Excise Tax Revenue Obligations	Premium on Debt Payable	Special Assessment Bonds	Subscriptions Payable	Leases Payable	General Obligation Bonds	Excise Tax/ GO Bond Revenue Obligations	Leases Payable	Notes Payable			
2015	\$ 26,823,748	\$ 16,154,247	\$ 190,721	\$ -	\$ -	\$ 8,081,767	\$ -	\$ 10,352,512	\$ -	\$ 46,289,847	\$ 107,892,842	9.86 %	\$ 2,027
2016	44,193,352	15,351,500	3,105,241	-	-	7,537,984	-	9,495,085	-	43,736,724	123,419,886	10.77	2,260.88
2017	43,139,478	14,462,000	2,924,478	-	-	6,960,225	-	8,250,541	-	41,106,899	116,843,621	10.14	2,142.58
2018	38,375,000	13,981,900	2,745,187	-	-	6,342,211	-	6,068,100	-	38,371,116	105,883,514	8.19	1,879.82
2019	33,890,000	12,927,300	2,620,430	-	-	5,691,985	-	4,577,700	-	35,525,109	95,232,524	5.57	1,707.53
2020	32,370,000	11,806,700	2,437,506	-	-	5,006,106	-	3,018,300	-	32,564,435	87,203,047	4.76	1,530.90
2021	33,225,000	12,020,000	2,479,865	-	-	4,585,107	-	1,407,600	-	29,484,476	83,202,048	2.89	1,419.06
2022	31,770,000	71,635,000	2,285,677	-	-	4,149,237	-	-	-	26,280,426	136,120,340	4.98	2,182.26
2023	30,235,000	68,675,000	2,104,557	-	1,226,571	3,683,591	-	-	-	22,947,284	128,872,003	4.67	2,146.72
2024	32,850,000	64,960,000	1,923,477	-	653,355	881,000	-	-	-	21,332,002	122,599,834	3.86	1,923.35

Notes: Details regarding the City's outstanding debt can be found in the financial statements.

(a) See Schedule 16 for personal income and population data.

Personal income is based on Pinal County information.

City of Casa Grande, Arizona

Ratio of General Bonded Debt Outstanding

Schedule 12

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	General Obligation Bonds		Estimated Actual Value of Property (a)	Percentage of Estimated Actual Value of Property	General Bonded Debt Per Capita (b)	Restricted for Principal Payment
2015	\$ 3,920,000	(1)	\$ 292,667,259	1.34 %	742	\$ 120,000
2015	22,740,000	(2)	2,910,644,515	0.78	442	700,000
2016	3,195,000	(1)	307,634,017	1.04	604	125,000
2016	37,930,000	(2)	3,018,493,334	1.26	737	1,505,000
2017	3,070,000	(1)	324,524,692	0.95	328	125,000
2017	37,145,000	(2)	3,142,528,380	1.18	619	1,505,000
2018	2,940,000	(1)	349,336,106	0.84	314	135,000
2018	35,435,000	(2)	3,232,315,699	1.1	590	1,795,000
2019	2,805,000	(1)	367,212,764	0.76	300	410,000
2019	31,085,000	(2)	3,460,059,401	0.9	518	1,105,000
2020	2,390,000	(1)	411,172,201	0.58	255	2,390,000
2020	29,980,000	(2)	3,625,019,073	0.83	499	1,185,000
2021	4,430,000	(3)	178,518,348	2.48	473	185,000
2021	28,795,000	(2)	3,919,684,300	0.73	480	1,270,000
2022	4,245,000	(3)	206,614,267	2.05	453	175,000
2022	27,525,000	(2)	4,231,783,757	0.65	459	1,360,000
2023	4,070,000	(3)	207,449,701	1.96	435	175,000
2023	26,165,000	(2)	4,731,723,844	0.55	436	1,460,000
2024	3,895,000	(4)	621,086,078	0.63	398	185,000
2024	24,705,000	(2)	5,638,561,608	0.44	388	1,625,000

(a) Source: Pinal County Assessor's records

(b) Estimated population of Mission Royale CFD 6/30/21	6,130
Estimated population of Villago CFD 6/30/21	3,649
Population of Casa Grande	63,743

Source: City of Casa Grande Development Center

(1) General obligation bonds were issued by the Mission Royale Community Facilities District in 2005 and the Villago Community Facilities District in 2006, 2008, 2010, and 2020. These bonds will be repaid by the property owners within the CFDs and are obligations of the districts only.

(2) General obligation bonds were issued by the City of Casa Grande in June, 2008, July, 2009, and June 2016.

(3) General obligation bonds were issued by the Villago Community Facilities District in 2021. These bonds will be repaid by the owners within the CFDs and are obligations of the districts only.

(4) Villago and Mission Royale

City of Casa Grande, Arizona

Direct and Overlapping Governmental Activities Debt

Schedule 13

June 30, 2024

(Unaudited)

Governmental Unit	Bonded Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Elementary School District #4	\$ 34,000,000	85.81 %	\$ 29,175,400
Union High School District #82	7,920,000	67.34	5,333,328
Central Arizona Community College	51,445,000	15.10	7,768,195
Mission Royale CFD	4,250,000	100.00	4,250,000
Villago CFD	3,895,000	100.00	<u>3,895,000</u>
Subtotal, overlapping debt			50,421,923
City Direct Debt	98,691,000	100.00	<u>98,691,000</u>
Total direct and overlapping debt			<u><u>\$ 149,112,923</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by Pinal County Assessor's Office. Debt outstanding data provided by Pinal County Finance.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Casa Grande. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Pinal County's taxable assessed value that is within the government's boundaries and dividing it by the County's total taxable assessed value.

City of Casa Grande, Arizona

Legal Debt Margin Information
Schedule 14
Last Ten Fiscal Years
(Unaudited)

Net Secondary Assessed Valuation as of June 30, 2024 (a)	<u>\$ 983,610,966</u>
Debt Limit (6% of Assessed Value)	59,016,658
Debt Applicable to Limit	
General obligation bonds	<u>761,000</u>
Legal 6% debt margin	<u>\$ 58,255,658</u>
Debt Limit (20% of Assessed Value)	\$ 196,722,193
Debt Applicable to Limit	
General obligation bonds	<u>23,944,000</u>
Legal 20% debt margin	<u>\$ 172,778,193</u>

Arizona's Constitution states that a municipality cannot issue general obligation bonds in excess of 6% of the assessed valuation for general municipal purposes. Additional general obligation bonds for up to 20% of assessed valuation can be issued for specific purposes such as supplying water and sewer services, artificial lighting, acquisition and development of land for open space preserves, parks, playgrounds, recreation facilities, public safety, law enforcement, fire and emergency service facilities, and streets and transportation facilities.

(a) Source: Pinal County Assessor's records

City of Casa Grande, Arizona

Pledged-Revenue Coverage

Schedule 15

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Transaction Privilege (Sales) Tax (a)(b)		State Shared Sales Tax		State Shared Income Tax		Franchise Tax		Licenses and Permits/Fines and Forfeitures		Debt Service				
										Principal	Interest	Coverage			
2015	\$	21,042,584	\$	4,438,843	\$	5,879,820	\$	2,358,732	\$	2,109,157	\$	1,450,000	\$	1,344,085	12.82
2016		19,831,193		4,602,342		5,847,942		2,338,107		2,773,868		1,510,000		1,279,740	12.69
2017		20,314,212		4,734,258		6,295,760		2,449,704		3,047,171		1,985,000		1,208,610	11.54
2018		22,028,873		5,246,154		6,754,555		2,502,845		2,085,041		2,445,000		1,199,500	10.60
2019		23,523,442		5,595,095		7,335,001		2,343,033		2,773,830		2,545,000		897,271	12.08
2020		23,904,130		5,923,694		7,400,926		2,326,462		2,526,691		2,680,000		762,451	12.22
2021		28,242,874		6,804,724		8,379,332		2,447,296		5,338,124		2,805,000		637,384	14.88
2022		35,045,286		7,672,107		7,172,180		2,665,583		4,420,597		3,645,000		1,137,044	11.91
2023		38,958,926		8,529,119		10,945,590		2,917,682		4,037,707		2,960,000		1,463,158	14.78
2024		45,732,007		9,133,560		15,907,972		3,259,503		4,269,025		3,715,000		1,383,954	15.36

(a) The sale of a single item over \$5,000 is taxed at 2.0% for the first \$5,000, then the rate drops to 1.5% for the taxable amount exceeding \$5,000.

(b) Does not include the two-tenths of one percent (0.2%) Economic Development and Recreation Excise Tax which is pledged to the repayment of the 2009 Obligations and obligations issued on a parity therewith only (the 2009 Parity Obligations). In connection with allocating the Excise Taxes among payments due with respect to the 2009 Parity Obligations and all Parity Obligations, the Economic Development and Recreation Excise Taxes will be applied first to the payments due with respect to the 2009 Parity Obligations and the Excise Taxes will then be allocated proportionately to the remaining payments due with respect to all Parity Obligations. The revenues from the Economic Development and Recreation Excise Tax for the last ten fiscal years have been:

Fiscal Year	Amount
2015	\$ 1,074,812
2016	1,119,070
2017	1,094,074
2018	1,085,209
2019	1,280,472
2020	1,273,655
2021	1,509,934
2022	1,706,550
2023	1,897,244
2024	1,976,506

City of Casa Grande, Arizona

Demographic and Economic Statistics

Schedule 16

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Population	County Per Capita Personal Income	Total Personal Income	School Enrollment	Unemploy Rate
2015	51,478	\$ 20,983	\$ 1,080,162,874	12,752	6.8 %
2016	51,460	20,983	1,079,785,180	12,412	6.7
2017	54,534	21,130	1,152,303,420	12,694	5.2
2018	54,866	22,944	1,258,845,504	12,666	5.3
2019	55,772	30,644	1,709,077,168	12,100	4.8
2020	56,962	32,182	1,833,151,084	12,056	9.7
2021	58,632	49,069	2,877,013,608	12,116	5.1
2022	62,376	43,793	2,731,632,168	13,434	4.0
2023	60,032	45,950	2,758,470,400	13,825	5.0
2024	63,743	49,829	3,176,249,947	13,825	3.3

Sources: Arizona Department of Commerce

U.S. Bureau of Labor Statistics

National Center for Education Statistics

Casa Grande Elementary, Casa Grande Union High School Districts, and Charter Schools.

U.S. Census Bureau

City of Casa Grande, Arizona

Principal Employers
Schedule 17
Last Ten Fiscal Years
(Unaudited)

Employer	2024		2015	
	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Lucid Motors	2,400	10.43 %	-	- %
Casa Grande Elementary School District	957	4.16	896	4.34
Wal-Mart Distribution Center	848	3.69	608	2.94
Abbott Nutrition	750	3.26	400	1.94
Banner Casa Grande Medical Center	625	2.72	650	3.15
US Customs and Border Protection	500	2.17	-	-
City of Casa Grande	433	1.88	450	2.18
Hexcel Corporation	350	1.52	500	2.42
Tractor Supply	322	1.40	-	-
Casa Grande Union High School District	318	1.38	-	-
Frito-Lay Inc.	300	1.30	-	-
Fry's	300	1.30	-	-
Wal-Mart Store	280	1.22	440	2.13
Kohler	270	1.17	-	-
Price Industry	270	1.17	-	-
Dillard's	200	0.87	-	-
Pinal County	200	0.87	-	-
National Vitamin Company	180	0.78	270	1.31
Lowe's	150	0.65	-	-
Kohl's	123	0.53	-	-
Casa Grande Valley Newspapers	118	0.51	-	-
All Other Employers	13,106	56.98	16,443	79.60
	<u>23,000</u>	<u>100.00 %</u>	<u>20,657</u>	<u>100.00 %</u>

Sources:

City of Casa Grande
Arizona Department of Administration/Office of Employment & Population Statistics

City of Casa Grande, Arizona

Authorized City Government Employee Positions by Function/Program

Schedule 18

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Function/Program						Total
	General Government	Police, City Attorney and Court	Fire	Culture and Recreation	Planning and Development	Public Works	
2015	46.7	141.9	62.3	75.5	21.0	100.8	448.2
2016	46.6	142.1	62.3	75.3	21.0	100.6	447.9
2017	47.2	142.8	62.3	68.7	21.0	101.8	443.8
2018	44.7	144.6	62.3	67.7	21.0	103.7	444.0
2019	50.0	145.8	62.0	70.6	21.0	104.5	453.9
2020	49.5	125.8	83.0	89.1	21.0	103.0	471.4
2021	50.0	121.0	74.0	66.0	19.0	99.0	429.0
2022	51.0	123.0	75.0	66.0	22.0	100.0	437.0
2023	52.0	123.0	75.0	70.0	23.0	103.0	446.0
2024	54.0	131.0	89.0	71.0	23.0	104.0	472.0

Source: City Budget

Note: Information is based on authorized positions.

City of Casa Grande, Arizona

Operating Indicators by Function/Program

Schedule 19

Last Ten Fiscal Years

(Unaudited)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Registered voters	20,417	22,959	22,959	27,110	28,982	31,784	34,090	35,499	31,703	39,135
Ballots cast last primary election	3,886	6,651	6,651	7,336	7,336	8,414	8,414	- **	7,698	- **
Fire										
Medical support calls	5,710	5,840	5,612	6,594	6,603	6,711	6,953	7,969	8,241	8,008
Total alarms	7,356	7,717	7,498	9,400	9,997	10,621	10,980	12,575	13,295	13,539
Inspections/investigations	504	681	333	564 *	906	1,005	2,549	358	1,293	607
Public education contacts	13,247	13,992	10,102	16,035 *	15,864	9,000	10,140	16,400	13,040	17,229
Police										
Calls for service	23,314	37,135	31,693	30,920	28,350	25,337	32,072	34,704	47,673	48,100
Officer initiated	20,569	28,683	25,761	43,042	24,160	26,573	27,242	24,141	16,510	15,645
Patrolled miles	640,119	745,208	964,325	1,010,722	1,017,201	460,559	415,117	740,324	1,329,378	933,869
Traffic accidents	912	904	812	1,181	1,021	882	953	1,104	1,246	1,284
Traffic citations	4,897	5,953	7,353	6,979	7,947	4,867	4,631	3,638	3,892	3,684
Arrests (adult and juvenile)	4,477	4,335	3,164	3,563	3,384	3,166	3,209	3,057	3,283	3,502
Culture And Recreation - Library (a) (b) (c)										
Items in collections	330,220	350,182	269,535	92,821	339,022	327,927	366,678	378,890	332,794	266,947
Total circulation transactions	346,683	346,667	341,354	283,101	364,201	369,409	241,479	320,502	340,889	367,658
Economic Development										
Building permits, commercial	94	75	58	78	81	90	85	22	22	35
Building permits, residential	438	761	523	631	730	749	1,788	1,230	1,720	1,672
Housing rehabilitations	13	11	4	12	4	5	3	3	4	5
Code enforcement cases	1,241	1,448	2,162	2,305	4,589	5,753	4,365	3,781	2,381	2,752
Planning cases	135	100	124	117	106	115	174	240	293	209

Sources: Various City departments

* Data through 12-31-16

Note: (a) Effective 2007 Library circulation transactions includes information transactions

(b) Effective 2013 Library data includes both print and digital media (including digital books available through the Greater Phoenix Digital Library)

(c) Circulation transactions and items were recalculated in 2014.

** No primary election in FY22 and FY24.

City of Casa Grande, Arizona

Capital Asset Statistics by Function/Program
Schedule 20
Last Ten Fiscal Years
(Unaudited)

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fire Stations	4	4	4	4	4	4	4	4	4	4
Parks and Recreation										
Park areas	27	27	27	27	27	27	27	29	29	29
Parkland acreage	1,611	1,611	1,611	1,611	1,625	1,625	1,625	2,000	2,000	2,000
Community centers	5	5	5	5	6	5	5	5	5	5
Golf courses	1	1	1	1	1	1	1	1	1	1
Playgrounds	26	26	26	26	26	26	26	24	24	24
Other maintenance areas	99	98	98	98	98	98	98	98	98	98
Airport										
T-hangars	52	52	52	52	52	52	52	52	52	52
T-shades	18	18	18	18	18	18	18	18	18	18
Public Works										
Total number of streetlights**	3,996	3,996	3,996	3,770	3,884	3714	3,886	3,936	4,258	4,258
Miles of streets (centerline)**	396	401	406	410	410	428	432	361	374	355
Number of signalized intersections*	43	45	45	45	45	48	49	50	51	52
Miles of sewer**	290	290	291	288	295	314	286	289	320	321
Number of lift stations	10	7	7	7	7	8	7	7	7	7

* Includes ADOT signalized intersections

**Enhanced GIS information utilized beginning in FY2013

Sources: Various City departments