




CITY OF PHOENIX,
ARIZONA

POPULAR ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED
JUNE 30, 2025



BUILDING THE
PHOENIX 
OF TOMORROW



City of Phoenix



Popular Annual Financial Report
For the Fiscal Year Ended June 30, 2025

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Ed Zuercher, City Manager

Phoenix Strategic Plan Focus Areas:

Economic Development and Education - Ensuring a sustainable and forward-looking economic development strategy that encourages high-wage jobs.

Financial Excellence - Maintaining fiscally sound and sustainable financial plans and budgets that reflect community values and residents' priorities.

Infrastructure - Creating and maintaining high-quality and diverse infrastructure systems.

Innovation and Efficiency - Seeking continuous improvement and maintaining our culture of innovation and efficiency, including right-sourcing.

Neighborhoods and Livability - Ensuring healthy, safe and beautiful neighborhoods that enhance the quality of life for all residents.

Phoenix Team - Supporting our employees, volunteers, and community partners to work together in order to serve our residents with the highest standard of quality and customer service.

Public Safety - Maintaining safe neighborhoods throughout the City.

Social Services Delivery - Encouraging new methods of social services that support independence, quality of life, and sustainable service.

Sustainability - Securing environmental and economic livability for future generations in the region, with an emphasis on solar energy.

Technology - Focusing on a "web-enabled City" that embraces technological innovation and automated City services.



City of Phoenix

Message from the City Manager

Greetings:

This edition marks the 15th annual City of Phoenix Popular Annual Financial Re-port (PAFR). The PAFR is designed to provide a readable, and simplified overview of the City's financial outlook, financial position, assets, and debt for the fiscal year ended June 30, 2025.

The PAFR reflects a balanced 2024-25 City of Phoenix Budget that preserves existing programs and services for the community. In response to community feedback, the City Council included additional resources for the Phoenix Fire Department to reduce emergency response times, funding for homelessness services, and resources to expand capacity for wastewater treatment and water purification.

As reflected in the 2025-26 General Fund Status update, there were initially structural deficits projected over the next three fiscal years requiring difficult and strategic decisions to balance the budget. To offset the projected shortfalls resulting from State actions that eliminated residential sales tax and lowered individual income tax rates, the City Council demonstrated strong leadership by approving several proposed budget balancing strategies. One key strategy was adopted on March 18, 2025 to increase the Transaction Privilege Tax and Use tax rate from 2.3 percent to 2.8 percent effective July 1, 2025. The combined actions implemented result in a one-time projected 2025-26 General Fund surplus of \$17 million to be set aside and available in the fund balance if necessary to balance the 2026-27 budget.

I want to recognize this PAFR reflects the excellent financial leadership of City Manager Jeff Barton, who retired in November 2025. It is my honor to lead the City organization going forward. This PAFR also reflects the leadership of Mayor and City Council who made the decision to address the budgetary gaps left by state legislative action to remove a key revenue source for cities. I also want to thank our residents who provided their input about the proposed budget, and finally our employees without whom the City could not deliver the quality of services the community deserves.

Sincerely,
Ed Zuercher,
City Manager



City of Phoenix

Message from the Chief Financial Officer

Dear Reader:

I am pleased to submit to residents the City of Phoenix Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2025. The information presented in this report is based primarily on the City of Phoenix Annual Comprehensive Financial Report (ACFR) which is available in its entirety online at <https://www.phoenix.gov/finance/annualreports>.

The objective of the PAFR is to provide a summary of the City's financial status. This report focuses on the entire financial picture of the City for all functions provided to our residents and excludes discretely presented component units of the City. The report includes information about City management, an overview of the City's economic outlook and key financial information concerning the City's revenues, expenditures, capital assets, and debt.

I hope that you find the information helpful and encourage you to access our audited ACFR on the City's website for more detailed information on the City's finances. We welcome your questions, comments and suggestions regarding this report. You can contact the Finance Department on the 9th floor of 251 W. Washington St., Phoenix, AZ 85003 or at 602-262-7166.

Sincerely,
Kathleen Gitkin,
Chief Financial Officer



Kathleen Gitkin
Chief Financial Officer

Financial Excellence Priorities:

- Maintain high bond ratings
- Prioritize capital and funding plans for critical infrastructure
- Provide accurate and reliable revenue and expenditure forecasting
- Maintain a transparent financial environment, free of fraud, waste, and abuse

Finance Department Mission:

Lead with innovation and integrity to deliver exemplary financial services with a diverse best-in-class team committed to safeguarding public interests.

City of Phoenix, Arizona

Bond Ratings:

Description	Moody's	S & P	Fitch*
General Obligation	Aa1	AA+	AAA
Subordinated Excise Tax Revenue	Aa1	AAA	AA+
Senior Lien Airport Revenue	Aa2	AA -	-
Junior Lien Water System Revenue	Aa2	AAA	-
Junior Lien Wastewater System Revenue	Aa2	AAA	-

*Currently, Fitch does not rate the City's Enterprise or Special Revenue credits.

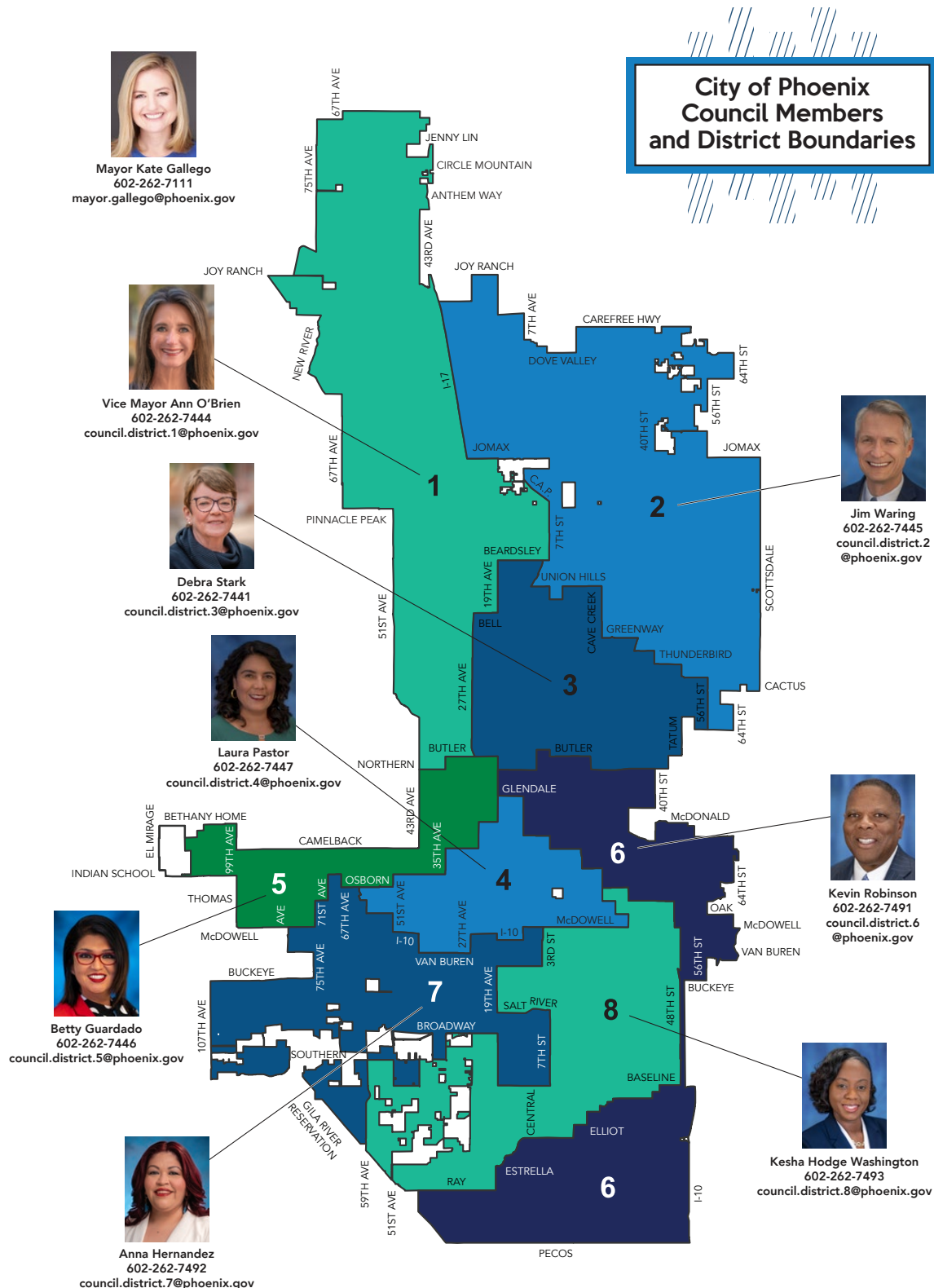
Note: See Table 32 in City ACFR for a comprehensive list of all bond ratings.





About Phoenix City Council

Phoenix operates under a Council-Manager form of government. Under this organizational structure, the Mayor and Council appoint a City Manager to act as the Chief Operating Officer. The Mayor and City Council set policy direction and the City Manager implements those policies. In 1982, an initiative was passed by the City voters creating a district system for electing council members. The Mayor is elected at-large, while Council members are elected by voters in each of eight separate districts they represent for four-year terms. The Mayor and each Council member have equal voting power.





Award for Outstanding Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Phoenix for its Popular Annual Financial Report for the fiscal year ended June 30, 2024. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

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

We believe our 2025 report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another Award.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Phoenix
Arizona**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

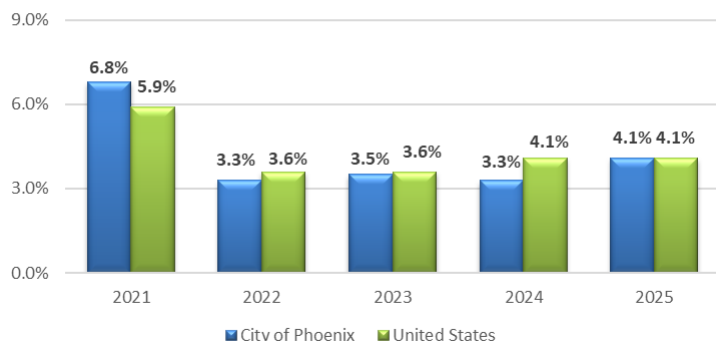
Executive Director/CEO

Where We've Been

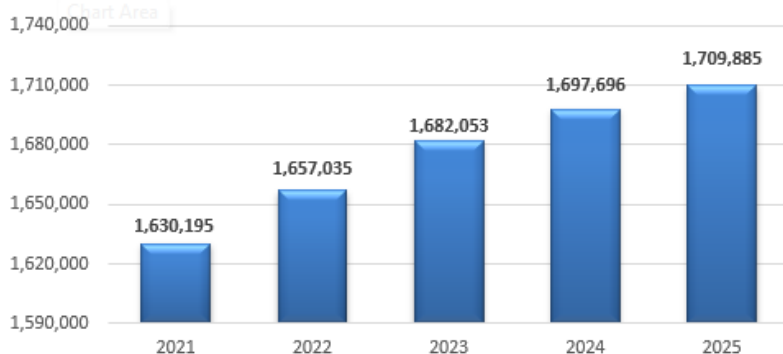
As the fastest-growing city in the United States, Phoenix ranks in the top three nationally for economic growth. Driven by entrepreneurship and producing a wide range of valuable jobs in major industries, the City continues to be an attractive place to live and work. Business attraction in manufacturing, technology and bioscience is a primary focus point to help diversity the City's economic base.

The City continues to implement policies and standards to remain structurally balanced, and to maintain or improve current service levels to all community members.

Unemployment Rates
Calendar Year



City of Phoenix Population
Fiscal Year



During the period of 2012 to 2022, population growth was an estimated 13% in Phoenix compared to an estimated 6.2% for the U.S. In that same time period, employment in the Phoenix area grew 32.8% while the US employment growth rate was 15.8%.

The Phoenix area unemployment increased .8% in 2025 and is equal to the U.S. average unemployment this year. In addition to maintaining low unemployment levels, the City of Phoenix has experienced a 60% increase in per capita income during the last five years.

The primary employment sectors and their share of total employment consist of: service industries (55.6%); trade, transportation, and utilities (19.0%); government (10.2%); construction (7.4%); and manufacturing (6.0%).

Secondary assessed valuation is a measure of taxable property value. For fiscal year 2015-16, the primary assessed valuation and the secondary assessed valuation were combined into a single valuation of \$10.6 billion. Between fiscal years 2015-16 and 2024-25, the assessed valuation increased by 62.3% to \$17.2 billion. The assessed valuation increased another 3.5% to \$17.8 billion for fiscal year 2025-26.

City total property tax rate (Primary and Secondary) for fiscal year 2024-25 was slightly lower than last year at \$2.08 per \$100 assessed valuation.

Secondary Assessed Valuation
Fiscal Year



Where We're Headed

Phoenix Strategic Plan Focus Area: Neighborhoods and Livability

To preserve healthy, vibrant, diverse, and safe neighborhoods that enhance the quality of life for all Phoenix residents.

Phoenix Trails and Heat Safety Program

The Phoenix Fire Department, Parks and Recreation, Office of Heat Response and Mitigation, and the Communications Office collaborated to reduce emergency incidents at Phoenix Mountain Parks and Preserves. Combining public education efforts and implementation of trail restrictions on extreme heat days, the City has seen a steady decrease in mountain rescues. Since 2021, when the Parks and Recreation Board adopted the Trails and Heat Safety policy, the number of mountain rescues has been reduced from 57 in 2021 to 35 mountain rescues in 2024 representing an almost 40 percent decrease.



Phoenix Strategic Plan Focus Area: Economic Development and Education

To a great extent, the quality of life for Phoenix residents is dependent upon the number and quality of jobs created and retained.

Thriving urban cores are critical to the economic health and well being of the entire Phoenix metropolitan area. Important projects started and expanded by the City in the current year include:

* Redevelopment of Metrocenter: This \$850 million project features 1,100 condominium townhomes and a 100,000-square-foot retail center with a public plaza adjacent to the new light rail station at the Thelda Williams Transit Center. The project will rename the historic Metrocenter to “The Metropolitan” and will revitalize the area with an urban village atmosphere incorporating restaurants, parks, and bike paths within the development.

*The City is partnering with leading-edge semiconductor employer Taiwan Semiconductor Manufacturing Company (TSMC) and multiple development partners for the 2,300 acre, \$7 billion Halo Vista mixed-use development that will complement the existing TSMC North Phoenix campus. The investment to date brought to Phoenix by this important industry is over \$65 billion.

Phoenix Strategic Plan Focus Areas: Sustainability

Commitment to securing environmental and economic livability for future generations in the region.

Drought Incentive Programs

The Water Services Department worked with the Finance Department to establish a drought incentive program this year. The City is developing, testing, and will implement a customer request form within myPHX311 to allow customers to submit requests for drought incentives to increase water conservation. The City launched its first grass removal incentive program in 2025. For one project alone, Water Services staff received a submission for the removal of 47,824 square feet of grass and conversion to xeriscape landscaping. The City allocated an incentive amount of \$95,648 for this project completion.



Basis of Accounting

The term “basis of accounting” is used to describe the timing of recognition, or when the effects of transactions or events should be recognized. The financial statements presented in this report were prepared using the Generally Accepted Accounting Principles (GAAP) basis of accounting. Other reports issued by the City may use the budget basis of accounting.



The City maintains budgetary controls, which are designed to ensure compliance with legal provisions of the annual budget adopted by the City Council. An operating budget is legally adopted by ordinance each fiscal year and sets limits on the amount the City is able to spend on City functions. Some reports issued by the City use the budget basis of accounting to compare City financial activities to the adopted budget. Most of the statements in this report were taken from the City’s ACFR, which is prepared using the GAAP basis of accounting.

The timing of revenue and expenditures may be different under the GAAP basis of accounting than under the budgetary basis of accounting. For example in GAAP accounting, revenues are recognized in governmental funds as soon as they are both measurable and available. Under the budgetary basis of accounting, revenue may be deferred until amounts are actually received in cash.



Another difference occurs in the recognition of an encumbrance, which is an amount for which there is a legal obligation to spend in the future, such as entering into a contract with a business to supply the City a product or service.

Under the budgetary basis of accounting, the encumbered amount can be classified as an expense when the contract is signed, but under the GAAP basis of accounting encumbrances are not classified as expenditures until the service has been performed.

Government-Wide Statement of Net Position

June 30, 2025, 2024 and 2023	Total City Government		
(in thousands)	2025	2024	2023
Assets:			
Cash and investments	4,773,207	4,319,386	3,815,146
Current and other assets	5,453,462	5,341,231	4,966,265
Capital assets, net of depreciation	15,203,124	14,458,956	14,141,369
Total assets	25,429,793	24,119,573	22,922,780
Deferred outflows of resources	1,022,117	1,080,885	913,340
Liabilities:			
Long-term liabilities	12,278,619	12,523,071	12,304,710
Other liabilities	1,646,237	1,677,396	1,825,765
Total liabilities	13,924,856	14,200,467	14,130,475
Deferred inflows of resources	686,795	560,008	643,890
Net position:			
Net investment in capital assets	9,387,430	8,656,581	8,059,519
Restricted	2,535,826	2,043,665	2,023,895
Unrestricted	(82,997)	(260,263)	(1,021,659)
Total net position	11,840,259	10,439,983	9,061,755

Current and other assets - Assets that one can reasonably expect to convert to cash, sell, or use within one year.

Capital assets - The City's long-term investments in land, buildings, equipment, improvements, infrastructure, and construction in progress. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Page 9 provides more detailed information on capital assets.

Deferred outflows of resources - A consumption of net assets by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

Long-term liabilities - Represents mainly debt obligations and net pension liability of the City. The proceeds from various debt issues are used to finance large projects such as road construction and major equipment purchases. Net pension liability is the total pension obligation for current and retired employees minus assets held in trust to meet those obligations.

Other liabilities - These are primarily debts that can be paid off in one year or less. This includes accounts payable, accrued payroll, and accrued interest payable.

Deferred inflows of resources - An acquisition of net assets by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

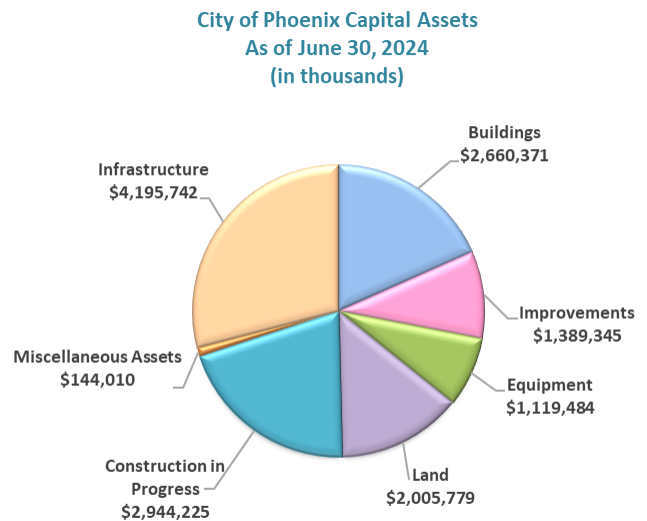
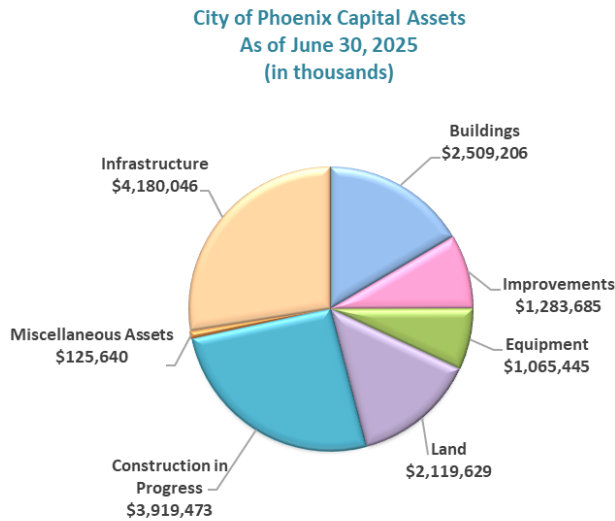
Net investment in capital assets - This represents the City's investment in its capital assets less accumulated depreciation and any outstanding debt attributable to the acquisition, construction, or improvement of these assets.

Restricted net position - Resources whose use is subject to externally imposed restrictions. The City has resources set aside for debt service payments, development impact fees restricted to growth-related projects, other capital projects, and required reserves.

Unrestricted net position - Resources available to the City to provide services to the citizens and creditors if there were no additional revenues or resources available.

Capital Assets

The City invests in capital assets to provide services to and enhance the quality of life of our residents. As shown on the previous page, the City's total capital assets (net of depreciation) was \$15.2 billion and \$14.5 billion for the fiscal years ended June 30, 2025 and 2024, respectively. This total includes the following asset categories:



Asset Category Definitions:

- **Buildings** include police and fire stations, courts, libraries, recreation facilities and sports facilities.
- **Improvements** include upgrades such as parking lots, fences, bus shelters, playgrounds, sports courts and fields, and water treatment facilities.
- **Equipment** includes garbage and recycling trucks, police cars, fire engines, and light rail cars.
- **Land** means real estate purchased to provide services to residents like parks or police stations.
- **Construction in Progress** reflects the cost of all projects for construction of buildings, other improvements, and equipment that are in progress and not yet completed.
- **Miscellaneous Assets** include artwork, software, and water rights.
- **Infrastructure** includes water and sewer lines, streets, bridges and storm drains.

Major Additions to Capital Assets during the Fiscal Year 2024-25:

- Continued focus on street and storm sewer projects throughout the City valued at \$175.1 million.
- Additional projects in areas of water and wastewater distribution, wastewater collection, and treatment facilities valued at \$172.5 million.
- Investments in Aviation runway and taxiway construction valued at \$91.9 million.
- New and replacement water and sewer mains throughout the City valued at \$91.3 million.
- Continuation of 100 West Washington renovations valued at \$84.4 million.
- Improvements to parks and trailheads throughout the City valued at \$63.8 million.



Debt

The City utilizes general obligation bonds, municipal corporation obligations, revenue bonds, and loans from direct borrowings for long-term financing of facilities. The City currently utilizes revolving credit facilities for short-term obligations.

General Obligation Bonds

The City typically issues general obligation bonds to fund the capital projects of general government (non-enterprise) departments. These projects include cultural facilities, fire, police, library, parks and recreation, mountain preserves, storm sewers, streets, and transportation. The annual debt service on these bonds is paid from secondary property taxes.

State law dictates that revenue collected for the City's secondary property tax levy be used solely to pay principal and interest on long-term debt. The law imposes two limits on the total of general obligation debt; an amount equal to 20% of the City's secondary assessed valuation can be issued to fund capital projects for water, sewer, artificial light, open space preserves, parks, playgrounds, streets, and facilities for recreation, law enforcement, fire, emergency services, and transportation. An amount equal to 6% of the secondary assessed valuation can be issued for all other purposes. These limits are known as the Legal Debt Limit.



Municipal Corporation Obligations

Revenue bonds are secured by taxes, user fees, and charges for services and are not considered a general obligation of the City. This includes Municipal Corporation bonds issued by the City of Phoenix Civic Improvement Corporation (the "CIC"), an affiliated nonprofit corporation that issues bonds or certificates of participation to finance certain facilities and equipment. The City makes lease purchase payments to cover the principal and interest on these obligations.

Revenue Bonds

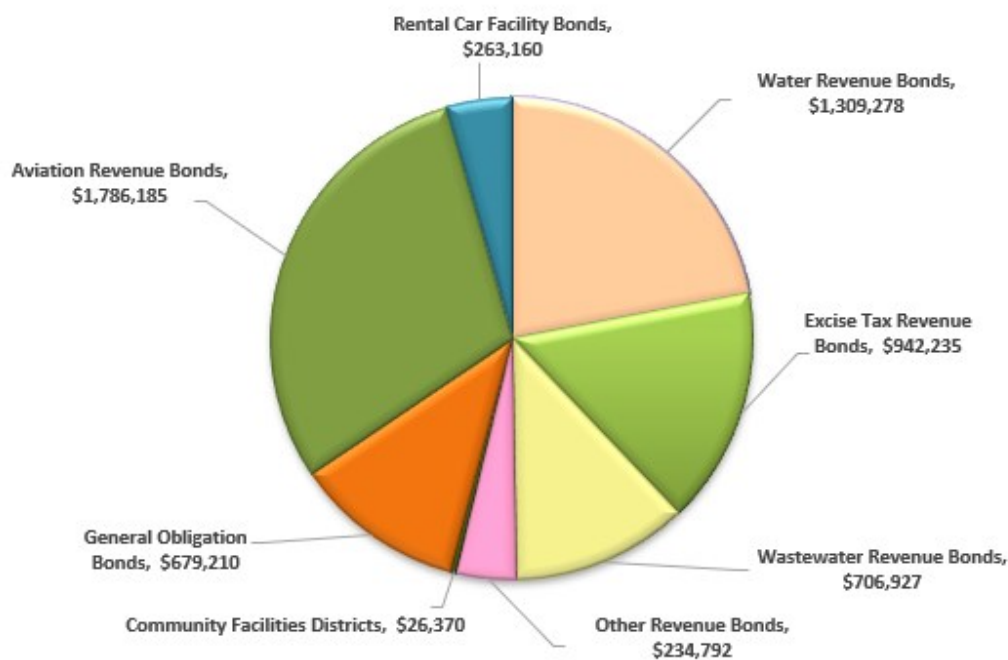
State law authorizes the City to issue voter-approved highway user revenue and utility revenue bonds. The City currently has no outstanding voter-approved revenue bonds.

Short-Term Obligations

The City has 2 revolving credit facilities for Transportation 2050 and water. Each revolving credit facility is for \$200.0 million and for a three-year loan period with options to extend the loan period. Currently, the Transportation 2050 and water credit facilities are still outstanding for a total of \$400.0 million.

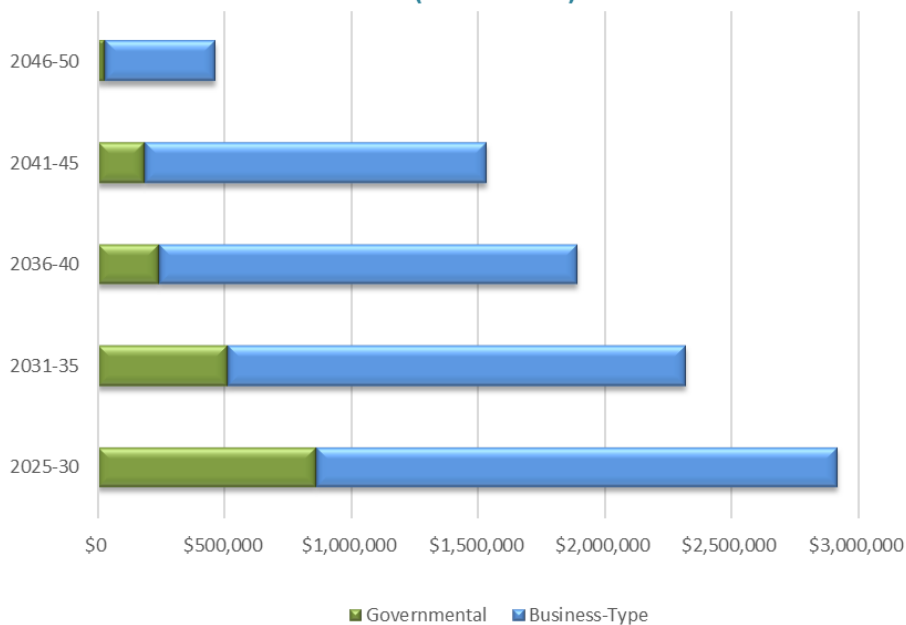
Debt

2025 Outstanding Long-Term Debt by Type (in thousands)



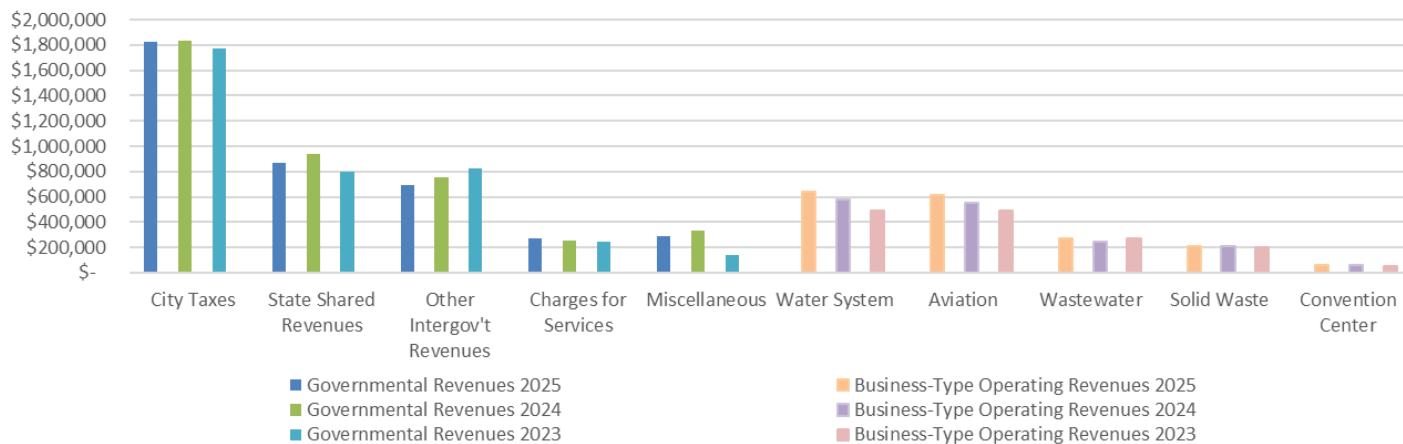
Total Debt = \$5,948,157

Debt Service Requirements: Governmental and Business-Type Activities (in thousands)



Where the Money Comes From

Governmental and Business-Type Revenues (in thousands)



	City Taxes	State Shared	Other Intergov't	Charges for Services	Miscellaneous	Total
Governmental Revenues—2025	1,828,509	869,731	689,296	270,020	288,972	3,946,528
Governmental Revenues—2024	1,834,352	942,512	749,702	257,414	333,730	4,117,710
Governmental Revenues—2023	1,774,833	799,597	828,407	247,124	142,659	3,792,620

	Water System	Aviation	Wastewater	Solid Waste	Convention Center	Total
Business-Type Operating Rev—2025	639,596	614,637	272,624	213,879	58,704	1,799,440
Business-Type Operating Rev—2024	576,124	553,112	247,651	209,781	58,259	1,644,927
Business-Type Operating Rev—2023	490,556	488,647	268,652	201,735	53,319	1,502,909

Governmental Revenues

Governmental funds are used to account for the basic functions of the City, such as police, fire, courts, streets, parks, libraries and public housing. The major governmental revenue categories are:

City Taxes — Includes sales taxes, property taxes, franchise fees, special taxing district revenues, and payments in-lieu of taxes.

State Shared Revenues — The state of Arizona shares certain revenues with cities, such as income tax, state sales tax, vehicle license tax, and highway user revenues, as required by various state statutes.

Other Intergovernmental Revenues — Federal grants and revenues from other government sources.

Charges for Services — Revenues collected for services such as building inspections, court and police fees and public transit fares.

Miscellaneous — Investment income, dwelling rentals, concession sales, fines, licenses and permits.

Business-Type Revenues

Business-type funds are used to account for activities that are financed and operated in a manner similar to private businesses.

These funds are considered self-supporting in that the services rendered are generally financed through user charges or fees. The operating revenues shown in the chart do not include grants or transfers. In general, business-type revenues can only be used to support the expenditures of the business-type fund in which it was earned. The major business-type revenues are Water System, Aviation, Wastewater, Solid Waste and Convention Center.



Where the Money Comes From

(continued)

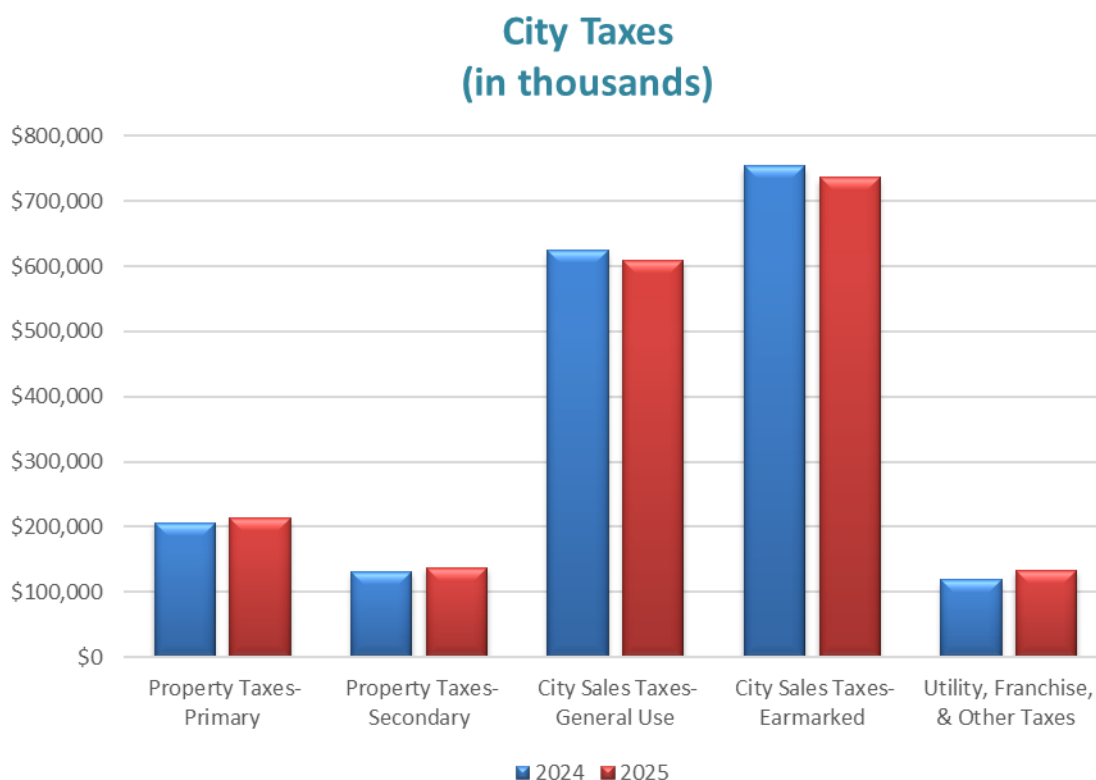
Governmental Revenues Fiscal Year 2025

City taxes account for 46% of governmental fund revenues. Some revenues are earmarked for specific uses, while others are available for general use.

Property Taxes - Arizona's property tax system provides for two separate tax systems: 1) a primary system for taxes levied to pay current operation and maintenance expenses; and 2) a secondary system for taxes levied to pay principal and interest on bonded indebtedness as well as for the determination of the maximum permissible bonded indebtedness.

City Sales Taxes - Sales tax revenues are either earmarked for specific uses, such as public safety, transit, the convention center, or are available for general use. This category not only includes retail sales tax, but also hotel/motel taxes, commercial rental, construction contracting, and motor vehicle rentals among others.

Utility, Franchise and Other Taxes - These taxes include franchise fees paid by public utilities, telecommunications companies, and cable television businesses. These taxes are available for general use.

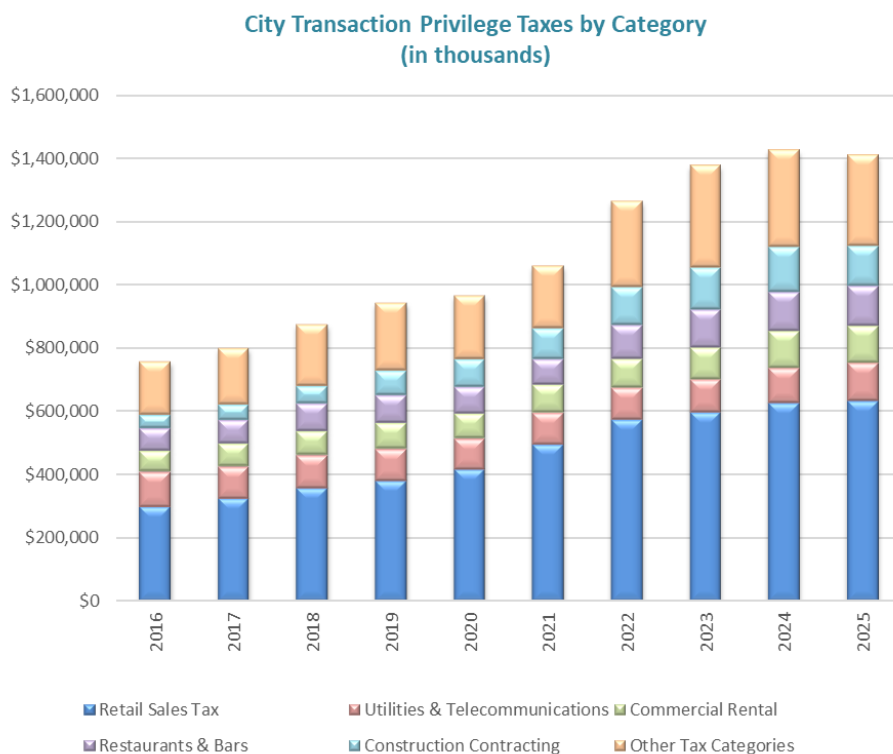
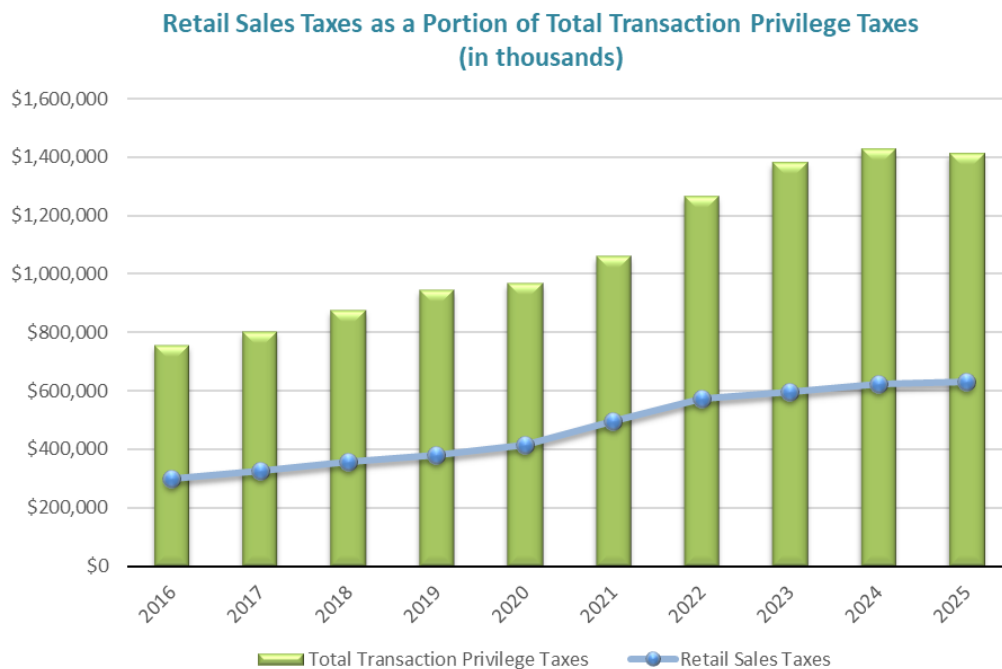


On average, for every tax dollar the City receives, \$0.07 is spent on debt service, and \$0.48 is earmarked for specific spending purposes, such as public safety or transportation. Leaving \$0.45 of every tax dollar to spend on general fund programs.

Where the Money Comes From

(continued)

Transaction Privilege Taxes are imposed on various business activities. Revenues from these activities are distributed to various funds depending on the tax allocation structure approved by voters. The retail sales tax fund distribution is shown below:



Other tax categories include hotel/motel lodging, apartment/residential rental, motor vehicle rental, amusements, advertising, job printing, publishing, use tax, jet fuel, and retail food sales.

Where the Money Goes

Where Your Retail Sales Tax Dollar Goes

Effective January 1, 2016, the City of Phoenix implemented a multi-level tax rate which impacted Retail Tax: 1) Level 1 at 2.3% for first amount equal to or less than \$13,886 for a single item, 2) Level 2 at 2.0% for amounts greater than \$13,886 for a single item. Adding in the state and county sales tax rates, the total tax rate for most items purchased at retail in the City is 8.6%.

2.3%	City of Phoenix
5.6%	State of Arizona
0.7%	Maricopa County
8.6%	Total Phoenix Sales Tax Rate

Where the Phoenix 2.3% Goes:

1.2% General Fund — The General Fund provides for many of the major functions of the City including public safety (police and fire), courts, street maintenance, park & recreation services, preserving & revitalizing Phoenix neighborhoods, and advancing environmental protection & sustainability programs. It is the primary operating fund of the City.

0.7% Transportation 2050 — Phoenix voters approved Transportation 2050, a 0.7% sales tax, effective January 1, 2016, to fund the City's Comprehensive Transportation Plan including new light rail lines, bus expansion and street improvements. This tax supersedes the 0.4% Transit 2000 sales tax approved by voters in March 2000.

0.2% Public Safety Expansion — This ordinance, approved by voters in 2007, provides for the funding of additional police officers and firefighters.

0.1% Neighborhood Protection — Fund Created in 1993 as a result of the enactment of the Neighborhood Protection Ordinance (Proposition 301), this fund expanded Police, Fire, and Neighborhood Block Watch Programs.

0.1% Parks and Desert Preserves — In 2007, Phoenix voters reauthorized the Phoenix Parks and Preserve Initiative that provides funds to save thousands of acres of state trust land, make improvements to neighborhood and community parks, and build regional parks.



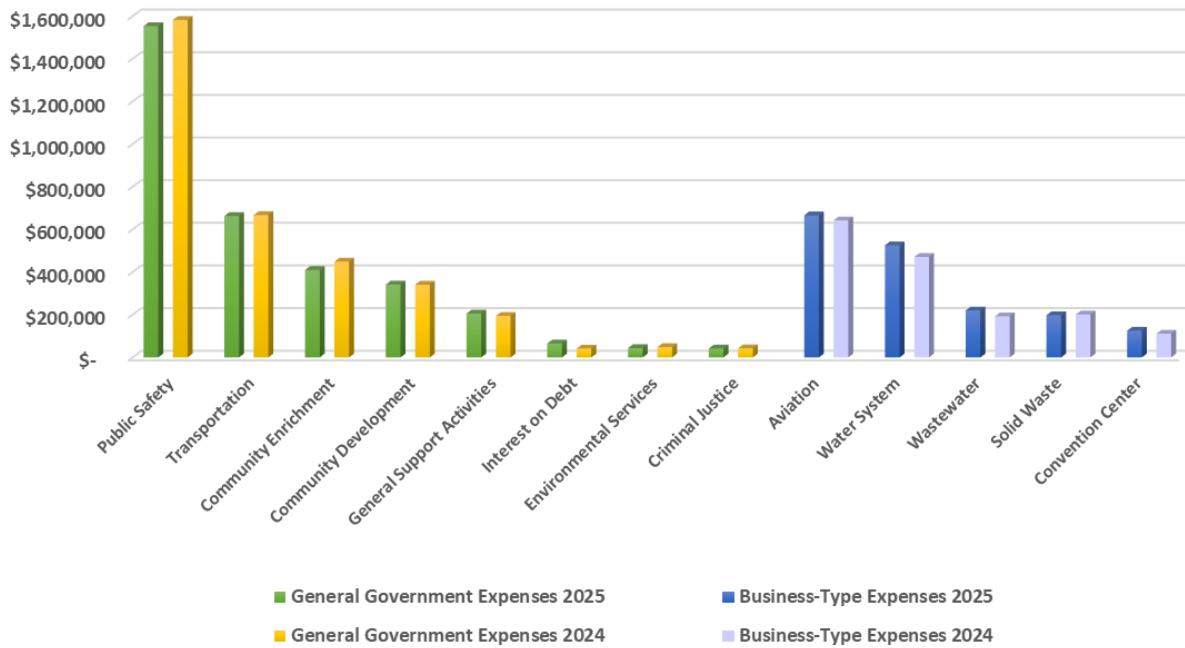
Where the Money Goes

(continued)

Governmental and Business-Type Expenses For the Years Ended June 30, 2025 and 2024 (in thousands)

Total Expenses: FY25 - \$ 5,061,016

Total Expenses: FY24 - \$ 4,986,794

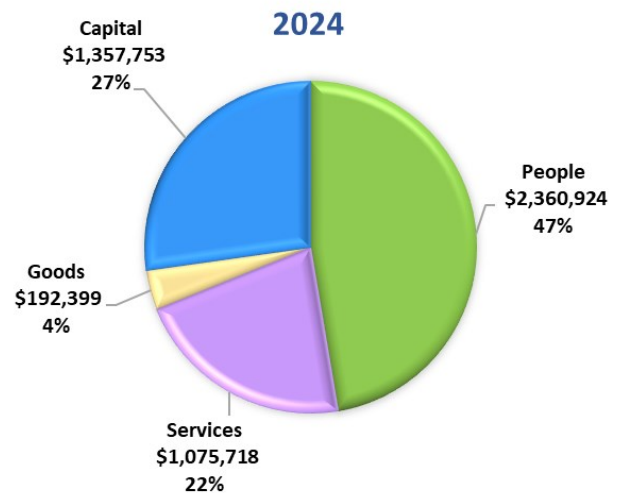
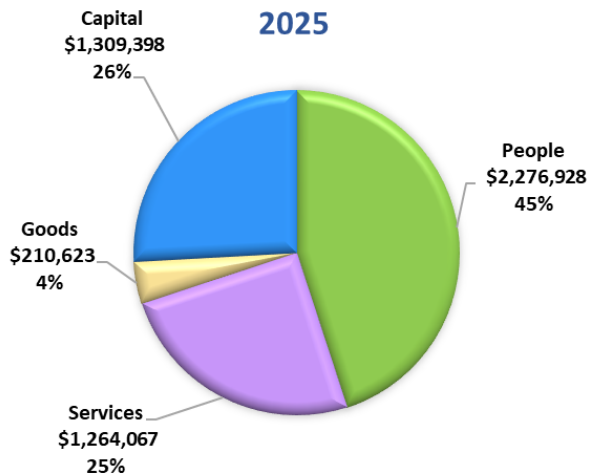


People — The cost of employees including wages and benefits

Capital — Costs of property, plant and equipment; primarily depreciation and interest

Services — Contractual services provided by external entities

Goods — Inventories, supplies, and materials



Where the Money Goes

(continued)

2025

	People	Services	Goods	Capital	Total	% of Subtotal	% of Total
General Government							
Public Safety	1,307,213	112,055	43,838	90,374	1,553,479	46.60%	30.70%
Transportation	93,535	286,009	29,148	254,329	663,022	19.94%	13.10%
Community Enrichment	159,648	152,478	18,598	79,323	410,047	12.33%	8.10%
Community Development	118,252	191,701	2,213	29,808	341,974	10.28%	6.76%
General Support Activities	90,849	64,273	3,736	46,943	205,802	6.19%	4.07%
Interest on Debt	-	-	-	65,522	65,522	2.08%	1.29%
Criminal Justice	33,582	7,322	672	159	41,735	1.26%	.82%
Environmental Services	3,616	11,618	7,477	21,064	43,775	1.32%	.86%
Subtotal	1,806,695	825,456	105,682	587,522	3,325,356	100.00%	65.71%
Business-Type							
Aviation	115,702	221,159	16,833	312,497	666,191	38.38%	13.16%
Water System	192,213	44,659	76,128	212,888	525,888	30.30%	10.39%
Solid Waste	70,474	92,325	5,369	29,659	197,827	11.40%	3.91%
Wastewater	63,091	42,480	4,668	110,014	220,253	12.69%	4.35%
Convention Center	28,753	37,987	1,943	56,818	125,501	7.23%	2.48%
Subtotal	470,233	438,610	104,941	721,876	1,735,660	100.00%	34.29%
TOTAL	2,276,928	1,264,067	210,621	1,309,398	5,061,016		100.00%

2024

	People	Services	Goods	Capital	Total	% of Subtotal	% of Total
General Government							
Public Safety	1,344,218	80,567	38,118	119,582	1,582,485	46.99%	31.73%
Transportation	91,729	185,303	20,913	369,682	667,627	19.82%	13.39%
Community Enrichment	170,068	172,246	20,691	86,432	449,437	13.34%	9.01%
Community Development	120,291	199,984	1,884	18,820	340,979	10.12%	6.84%
General Support Activities	98,574	43,981	3,384	48,677	194,616	5.78%	3.90%
Environmental Services	-	-	-	48,332	48,332	1.44%	0.97%
Interest on Debt	34,708	5,937	506	334	41,485	1.23%	0.83%
Criminal Justice	7,645	6,710	7,741	20,787	42,883	1.28%	0.87%
Subtotal	1,867,233	694,728	93,237	712,646	3,367,844	100.00%	67.54%
Business-Type							
Aviation	121,919	185,638	15,587	319,081	642,225	39.67%	12.88%
Water System	163,842	40,024	72,335	195,095	471,296	29.11%	9.45%
Wastewater	96,197	89,373	4,998	2,285	192,853	11.91%	3.87%
Solid Waste	86,740	34,998	4,975	74,466	201,179	12.43%	4.03%
Convention Center	24,993	30,957	1,267	54,180	111,397	6.88%	2.23%
Subtotal	493,691	380,990	99,162	645,107	1,618,950	100.00%	32.46%
TOTAL	2,360,924	1,075,718	192,399	1,357,753	4,986,794		100.00%



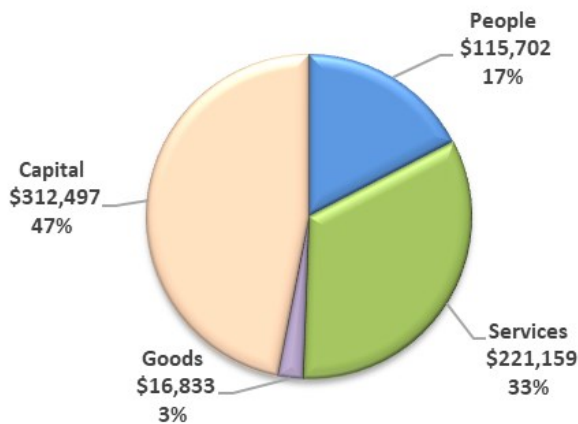
Where the Money Goes (continued)

Public Safety Expenses —>

FY25 = \$1,553,479

(in thousands)

The City's largest expense category is Public Safety. This includes the Police and Fire departments. The Police Department provides law enforcement and community resources for police services and the protection of the lives and property of our residents. The Fire Department provides safety of life and property through fire prevention, fire control, and emergency medical and public education services.

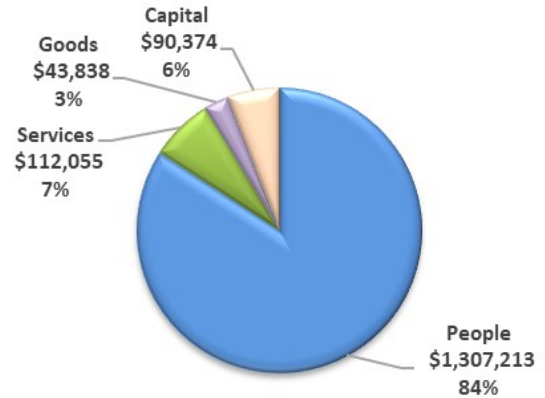
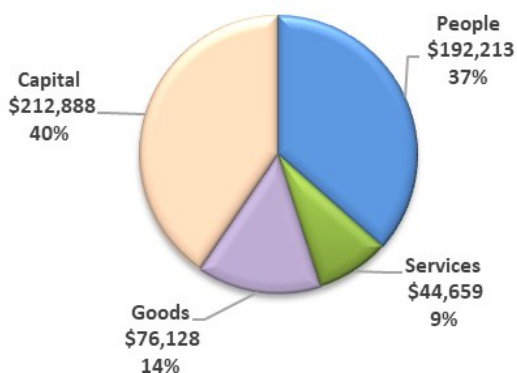


Transportation Expenses —>

FY25 = \$663,022

(in thousands)

Transportation expenses include costs incurred by the Street Transportation and Public Transit departments. The Street Transportation expenditures are primarily capital costs for designing, building and maintaining City streets. Additionally, Street Transportation administers street lights, parking meters and traffic management. The majority of Public Transit expenditures are for service contracts related to bus and light rail operations.

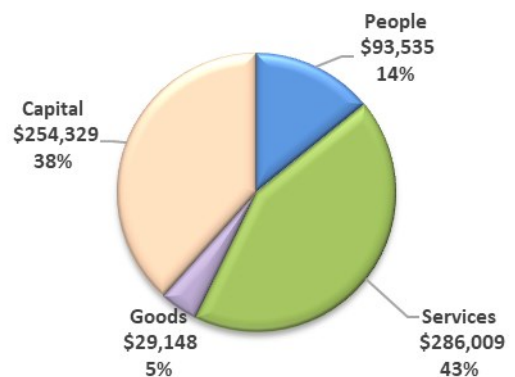


<— Aviation Expenses

FY25 = \$ 661,191

(in thousands)

The Aviation Department provides the Phoenix metropolitan area with a self-supporting system of airports and aviation facilities that accommodate general and commercial aviation in a safe, efficient and convenient manner. Major facilities include Sky Harbor International Airport, Deer Valley Airport, Goodyear Airport, and the Rental Car Center at Sky Harbor.



<—Water Expenses

FY25 = \$ 525,888

(in thousands)

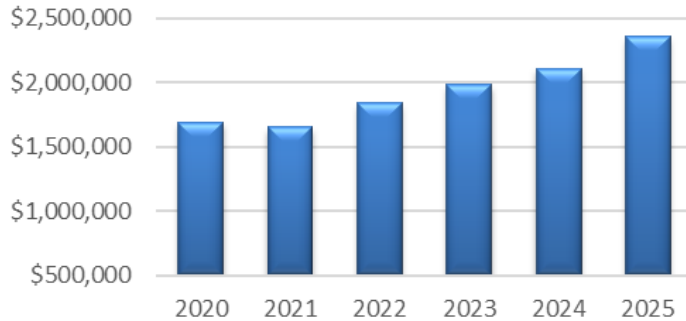
The City's Water Program provides a safe and adequate domestic water supply to all residents in the Phoenix water service area. All of Phoenix's water is treated at one of five water treatment plants before traveling through 7,000 miles of distribution lines to customers' taps within a 540-square-mile service area.



Business-Type Net Position

Business-type funds (or Enterprise Funds) are used to report activity for which a fee is charged to users for goods or services, similar to private business. These funds can only be used to pay for the operational expenses of each business-type activity, including most of the capital improvements. Therefore, fees are set to recover all costs associated with providing these services.

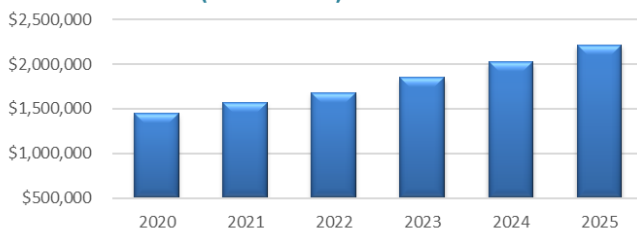
Aviation Net Position (in thousands)



The graphs on the next two pages show the net position balances for the City's four largest business-type funds. The net position balance is the difference between the assets and liabilities of each fund. The largest portion of the City's net position reflect investments in capital assets, such as land, buildings, and equipment. The excess of revenues over expenses in a fiscal year contribute to the net position of a fund. Over time, increases or decreases in net position may serve as a useful indicator of changes in a fund's financial position.

	2021	2022	2023	2024	2025
Scheduled Airlines	20	22	22	23	23
Aircraft Traffic Movement (in thousands)	751	778	956	1,075	1,156
Passengers Arriving and Departing (in thousands)	26,780	43,939	47,037	50,698	52,130

Water System Net Position (in thousands)

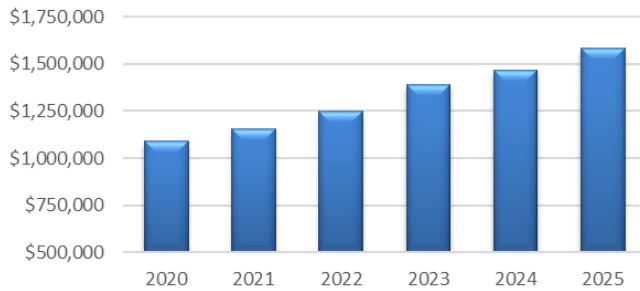


The City's Water System program provides a safe and adequate domestic water supply to all residents in the Phoenix water service area. The major component of the Water System's net position is its investment in capital assets, which includes water mains, hydrants, meters, and service connections.

	2021	2022	2023	2024	2025
Production (billions gallons)	106.2	100.2	96.2	104.8	106.0
Average Daily Production (million gallons)	290.9	274.5	268.9	287.0	290.4
Miles of Water Main	7,027	7,027	7,130	7,158	7,184
Number of Accounts	433,023	442,287	443,463	447,852	451,611

Business-Type Net Position (continued)

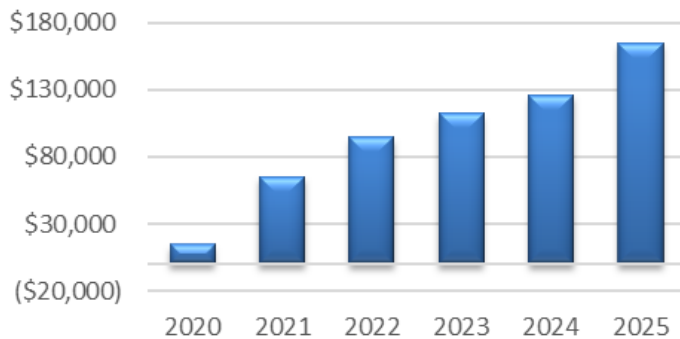
Wastewater Net Position (in thousands)



The Wastewater program assists in providing a clean, healthy environment through the effective management of all water borne wastes generated within the Phoenix drainage area.

	2021	2022	2023	2024	2025
Miles of Sewer Lines	4,954	4,985	5,037	5,055	5,066
Number of Accounts	421,521	415,840	423,122	430,019	433,994

Solid Waste Net Position (in thousands)



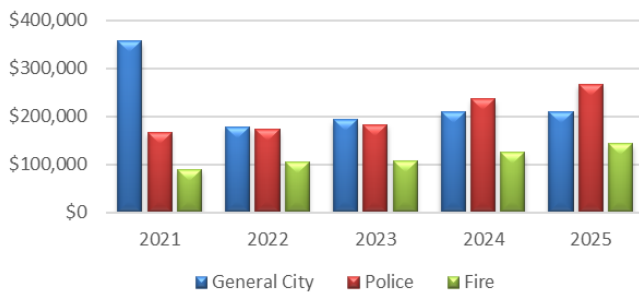
The Solid Waste Fund assists in providing a safe and aesthetically acceptable environment through effective, integrated management of the solid waste stream, including collection, disposal, and recycling activities.

(in thousands)	2021	2022	2023	2024	2025
Residences Served	414	417	421	424	424
City Disposal (in tons)	632	626	613	605	537
Total Disposal (in tons)	986	1,004	975	971	937
Total Recycling (in tons)	129	125	119	114	113

Pension Plans

Virtually all full-time employees and elected officials of the City are covered by one of three contributory pension plans. The City of Phoenix Employees' Retirement Plan (COPERS) covers general City employees. Sworn police and fire employees are covered by the Arizona Public Safety Personnel Retirement System (APSPRS) and elected officials are covered by the Elected Officials' Retirement Plan of Arizona (EORPA). Information related to COPERS and the City's portion of APSPRS are shown below.

Pension Contributions by City
(in thousands)



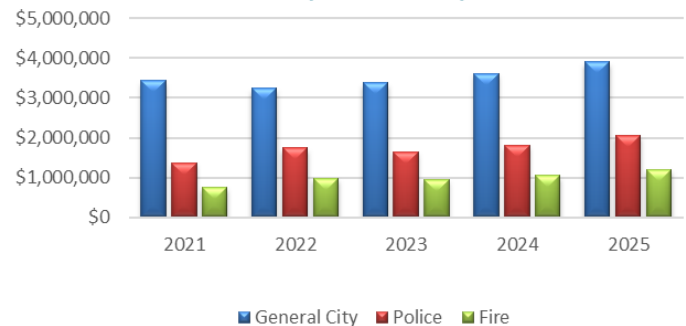
The City contributes to each of the pension plans that covers its employees. An actuarially determined amount is contributed to fully fund benefits for active members and to amortize any unfunded actuarial liability. Per City Charter, the City contributes 100% of required contributions, something not every City does.

In 2021, General City contributions increased due to a \$170.0 million pay-down of the unfunded pension liability in the Aviation Enterprise Fund.

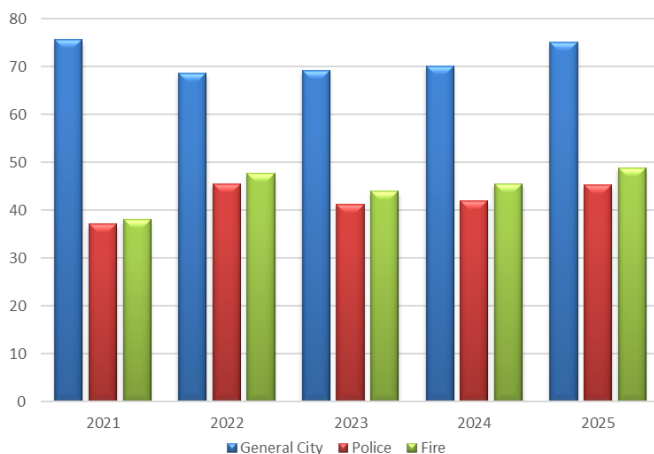
Employees also contribute a percentage of their pay to the pension plans. The percentage required depends on the pension plan to which they belong. The above graph shows historic contribution information.

Pension assets for all plans have remained steady, with the exception of 2021 for the General City, which saw a significant increase due to additional contributions and investment earnings.

Pension Assets
(in thousands)



% Pension Liability Funded



Contributions by the City and the employees are held as assets by each of the respective pension plans. These assets are used to pay current and future retirees.

An independent actuary is hired each year to estimate the liability of each of the pension plans. Plan assets divided by the determined liability equals the percent funded.

In 2021, the General City percentage increased due to a \$170.0 million pension contribution from the Aviation Enterprise Fund, as well as high investment earnings.

Both Police and Fire percentages increased slightly in 2022 due to an increase in investment gains.



City of Phoenix

Key Statistics

Selected City Performance Measures

COMMUNITY PROFILE

	FY 2025	FY 2024
Phoenix Population	1,709,885	1,697,696
Maricopa County Population	4,726,247*	4,726,247
Phoenix Area (in square miles)	520	519
Per Capita Income	66,365*	66,365

COMMUNITY ENRICHMENT

Libraries

Book Circulation (in thousands)	10,558	10,266
Total Stock (in thousands)	5,143	4,540
Number of Library Branches	18	17

Parks and Recreation

City Parks (number of acres)	48,425	48,425
Number of Playgrounds	298	296

PUBLIC SAFETY

Police

Police Precincts	7	7
Police Employees (Authorized)	3,271	3,271
Dispatched Calls for Service	595,869	597,321

Fire

Fire Stations	60	59
Fire Employees	2,561	2,421
Calls for Service	284,499	228,040

TRANSPORTATION

Public Transit

Ridership (in thousands)		
Bus	17,963	17,060
Dial-a-Ride	323	315
Light Rail	6,164	6,309

Streets

Total Miles	4,919	4,897
Miles Resurfaced and Sealed	349	311
Signalized Intersections	1,300	1,268

*Maricopa County population and Per Capita Income not available yet for 2025, therefore 2024 County population and 2023 Per Capita Income used.



City of Phoenix



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