



# City of Goodyear Comprehensive Annual Financial Report

For the Year Ended June 30, 2014





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# Introductory Section

The Introductory Section includes the City's Transmittal Letter, the Certificate of Achievement for Excellence in Financial Reporting, the City's Organizational Chart, and the Acknowledgment List.





December 8, 2014

Honorable Mayor, City Council, City Manager, and Citizens of the City of Goodyear, Arizona:

State law requires that cities annually publish after the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) to the City of Goodyear, Arizona (the city) for the fiscal year ended June 30, 2014.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

This document represents management's report to its governing body, constituents, legislative and oversight bodies, investors and creditors. Copies of this report will be sent to elected officials, management personnel, bond rating agencies, Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (EMMA), and other agencies which have expressed interest in the city's financial matters. Copies of this financial report will be placed on the city's website for use by the general public.

The accounting firm of Heinfeld, Meech & Co., P.C., Certified Public Accountants, an independent public accounting firm, performed the city's annual financial statement audit. The auditors have issued an unmodified ("clean") opinion of the City of Goodyear's financial statements for the fiscal year ended June 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report on pages 7 - 20 and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

***Proud past. Vibrant future!***

---

City of Goodyear ~ Finance Department  
190 N. Litchfield Road P.O. Box 5100 Goodyear, AZ 85338  
623-932-3015 623-932-3003 Fax

## **CITY OF GOODYEAR PROFILE**

The City of Goodyear, incorporated in 1946 and chartered in 1988, started as a small town cultivating cotton for the production of rubber tires during World War I. Over the years, Goodyear has sustained continued growth and currently encompasses approximately 191 square miles in the western portion of Maricopa County and is approximately 17 miles west of the downtown Phoenix business district. The city's growth is attributable to excellent housing, a small-town atmosphere, convenient access to the central valley, and outstanding school districts. The population as of the 2010 census was 65,275, with current estimates as of fiscal year ended June 30, 2014 project to be 73,832.

Goodyear has a Council/Manager form of government consisting of the Mayor and six council members. The Mayor and council members are elected at-large to four-year terms. The City Council is vested with policy and legislative authority and is responsible for passing ordinances, adopting the budget, appointing committee, commission, and board members, and appointing the positions of City Manager, City Attorney, and 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 of the city.

In fiscal year 2014 a staff of 487 full-time employees working within 15 different departments performed the various functions of Goodyear's city government and its operation. The city provides a full range of municipal services, including police and fire protection, sanitation services, water and sewer services, construction and maintenance of streets, recreational programs, parks and cultural events, public transportation, planning and zoning services, and general administrative services. Goodyear offers a wide range of community facilities including the Goodyear Ballpark, library, community center, swimming pool, and 17 parks encompassing 204 acres. The city is community-driven and includes hundreds of volunteers that serve in various areas and, through their efforts, saved the city more than \$543,000 in fiscal year 2014 alone. In addition, Goodyear continues to attract major employers with its availability of land, access to the central valley, and available commercial space.

## **FINANCIAL CONTROLS**

### *Internal Controls*

The management of the City of Goodyear is responsible for establishing and maintaining a system of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition, and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

The system of internal control is subject to periodic evaluation by management and is also considered by the independent auditors in connection with the annual audit of the city's

financial statements. All internal control evaluations occur within the above framework. The city's internal accounting controls are considered to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### *Budgetary Controls*

The City of Goodyear, like all cities in the State of 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. At a general election held on March 11, 2003, citizens of Goodyear approved a permanent adjustment of the 1979 expenditure base for population and inflation growth. The city may utilize the additional expenditure authority for any local budgetary purposes. The permanent adjustment eliminates the need for voter approval every four years.

The city maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Mayor and Council. Activities of the general fund, special revenue funds, debt service funds, capital project funds, enterprise funds, and internal service fund 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. All funds of the City have legally adopted budgets. The initial budget for the fiscal year may be amended during the year in a legally permissible manner. The City adopts the budget by departments for the General Fund and by fund for all others. The City Manager is generally authorized to transfer budgeted amounts within any specific department's expenditure appropriation. Any budget revisions requiring a transfer between departments in the General Fund or a transfer between funds must be approved by the City Council. In addition to maintaining budgetary control via a formal appropriation, the city maintains an encumbrance accounting system. Encumbrances are made against appropriations upon the issuance of a purchase order. Encumbered appropriations lapse at fiscal year-end and are re-encumbered as needed in the next fiscal year.

## **LOCAL ECONOMIC CONDITION AND OUTLOOK**

Goodyear continues its gradual recovery from the economic recession. During fiscal year 2014 there were 860 new single-family resident permits issued which represents a decrease of 146 permits from the prior fiscal year, but an increase over fiscal year 2012. At June 30, 2014, Goodyear was ranked sixth in market-share for single-family starts in the Phoenix area. Goodyear's sales tax revenues remain strong and continue to increase year over year.

With the lasting uncertainty, the city continues to budget conservatively and monitor the changes taking place in the national and local economies, as adaptation is imperative to keeping the budget balanced and positioning the city for future growth. In the spring of 2014, three of the city's four bond ratings were upgraded by Standard & Poor's rating agency, with the city's general obligation bond rating upgraded from AA- to AA. A few factors for the stable outlook and upgrade included strong budgetary flexibility and liquidity, along with strong management conditions supported by strong financial policies and practices.

### *Sales Tax*

Goodyear, like all Arizona cities, places significant reliance on city sales tax revenues. City sales tax revenues for fiscal year 2014 increased by approximately 9% over fiscal year 2013 levels. Large capital projects involving the Loop 303 and I-10 transportation corridor generated significant amounts of construction sales tax revenue to this category.

### *State Shared Revenues*

The city receives revenue allocations from the State. These state shared revenues include allocations of the state-collected income tax, sales tax, gas tax, and motor vehicle in-lieu taxes. A significant portion of this revenue is placed in the city's general fund where it is used to support day-to-day activities. The 2010 Census counts are used in the distribution formula for state shared revenues. As the city's proportionate share of the state's population continues to grow over time, the percentage of state shared revenues allocated to it will also increase. The city's state shared revenues represented about 19% of the general fund revenue for fiscal year 2014.

### *Property Tax*

In fiscal year 2014, the city's combined (primary and secondary) property tax rate increased from \$1.7750 to \$1.90 per \$100 of assessed valuation. This increase in the tax rate kept the levy (revenues) consistent, mitigating the impact of the decline in property valuation due to the recession. This stabilization ensured the city's ability to service currently outstanding debt and maintain basic infrastructure.

For the fiscal year 2015 budget, the Mayor and Council have adopted a decreased total combined property tax rate of \$1.87 per \$100 of assessed valuation. With estimates from the Maricopa County Assessor's Office, city staff anticipates that fiscal year 2015 will be the first year the city sees an overall assessed valuation increase again since 2009. In accordance with its budget policies, the city will sell no new general obligation bonds until the combined property tax rate of \$1.60 per \$100 of assessed valuation can be achieved.

## **LONG-TERM FINANCIAL PLANNING**

In 2013, the Council began a process of redefining the long-term strategic priorities of the city and adopted the first City Strategic Action Plan since 2002. During fiscal year 2014, the Council re-affirmed this plan and adopted the FY15-17 City Strategic Action Plan. The plan establishes the city's vision and mission and also identifies priority focus areas for strategic initiatives that help to define its goals and actions. The City of Goodyear's mission is as follows:

*The City of Goodyear will provide the finest municipal services and promote a quality environment to enhance our community's prosperity through citizen and employee participation. We are committed to the stewardship of resources and fulfillment of the public trust.*

Four focus priorities are identified within the Strategic Action Plan:

1. Fiscal and Resource Management: The City of Goodyear will implement innovative and responsible policies and business practices to effectively manage its fiscal and human resources. The city will maintain a stable financial environment that is transparent and that maintains an outstanding quality of life for our citizens. Business practices will be efficient, business friendly, and ensure exceptional customer service to all stakeholders and citizens.
2. Economic Vitality: The City of Goodyear will seek diverse, high quality development, and will foster local jobs through the strategic pursuit of industries including renewable energy, engineering, technology, aerospace, medical, manufacturing, and internet fulfillment. Business investment and sustainability will be fostered through streamlined processes, strategic marketing, developing ongoing relationships, and encouraging tourism.
3. Sense of Community: The City of Goodyear will provide programs, gathering places, and events where the community can come together to participate in opportunities of learning and recreation. Sustainable relationships with the community will be cultivated through citizen engagement, outstanding customer service, and clear, accessible communication.
4. Quality of Life: The City of Goodyear will implement programs and projects that create a clean, well-maintained, safe, and sustainable environment and that provides citizens with opportunities for an engaged, healthy, and active lifestyle.

The Strategic Action Plan establishes a road map of key strategic initiatives that best advance the vision for the city and is aligned with many other planning documents used by the city, including departmental plans (which include specific strategic plans, master plans, and operational plans) which guide department priorities and individual employee performance evaluation goals. For each of these four focus priorities, long-range goals have been identified and assigned to various departments for follow-up. These priorities are also a key fundamental factor in the development of the city's annual budget.

## **MAJOR INITIATIVES**

The city's management and Economic Development Division work to recruit new business, as well as assist existing businesses with additional job creation and expansions. The Council adopted the Economic Development "Focus on Success" strategic plan in fiscal year 2014, providing guidance and strategies for achieving key goals such as bringing jobs into Goodyear and working to make the city one of the largest employment bases in the West Valley.

There are three major corridors in the city that will have a great influence on the community's future: the Airport Gateway Center with 1,200 acres of mixed development, the Palm Valley 303 master planned business park with 2,000 acres, and the 801/85 Employment Center corridor with 1,700 acres for manufacturing and industrial business. Economic Development's "Focus on Success" plan identifies strategic industries to focus on to build these corridors

including aviation/aerospace, medical, high-tech manufacturing, higher education, and warehouse/distribution.

Goodyear continues to grow and attract large business. In fiscal year 2014, the city saw more than 840 new jobs and \$161 million in capital investment by both new and expanding industry in Goodyear. This includes expansion of AeroTurbine, Macy's Distribution Center, Dick's Sporting Goods, Galaxy International, Schoeller Allibert, Snyder's, West Valley Hospital (receiving designation as a Level 1 trauma center), Sub-Zero, and Cookson Doors. In the second half of fiscal year 2014 alone, Goodyear had 43 new businesses join the community, including a number of restaurants and retail establishments.

## **AWARDS AND ACKNOWLEDGEMENTS**

### *Certificates of Achievement*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Goodyear, Arizona, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This is the sixth year the city has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. That report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting this report to the GFOA to determine its eligibility for a certificate for fiscal year ended June 30, 2014.

In addition, the city also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning 2013. This is the nineteenth year that the city has received the highest form of recognition in governmental budgeting.

### *Acknowledgement*

The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated services of the staff of the Finance Department, especially the Accounting, Community Facilities District, and Utility Customer Service divisions. We also wish to thank the Mayor and members of the City Council, the city's Audit Committee, and the City Manager's Office for their interest and support in planning and conducting the financial affairs of the city in a responsible and progressive manner.

Sincerely,



Larry A. Lange  
Finance Director





Government Finance Officers Association

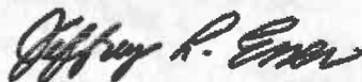
**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Goodyear  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**



Executive Director/CEO

**CITY OF GOODYEAR**

**LIST OF PRINCIPAL OFFICIALS**

**MAYOR**

Georgia Lord

**VICE MAYOR**

Joe Pizzillo

**COUNCIL MEMBERS**

Joanne Osborne

Sheri Lauritano

Wally Campbell

William Stipp

Sharolyn Hohman

**SENIOR MANAGEMENT STAFF**

Brian Dalke  
*City Manager*

Michael Simonson  
*Presiding Judge*

Roric Massey  
*City Attorney*

Robert Beckley  
*Deputy City Manager*

Wynette Reed  
*Deputy City Manager*

Maureen Scott  
*City Clerk*

Lyman Locket  
*Human Resources Director*

Paul Luizzi  
*Fire Chief*

Larry Lange  
*Finance Director*

Gerald Geier  
*Police Chief*

Sheri Wakefield-Saenz  
*Development Services Director*

Daniel Cotterman  
*Information Technology Director*

David Ramirez  
*City Engineer*

Nathan Torres  
*Park & Recreation Director*

Romina Khananisho  
*Governmental Relations Manager*

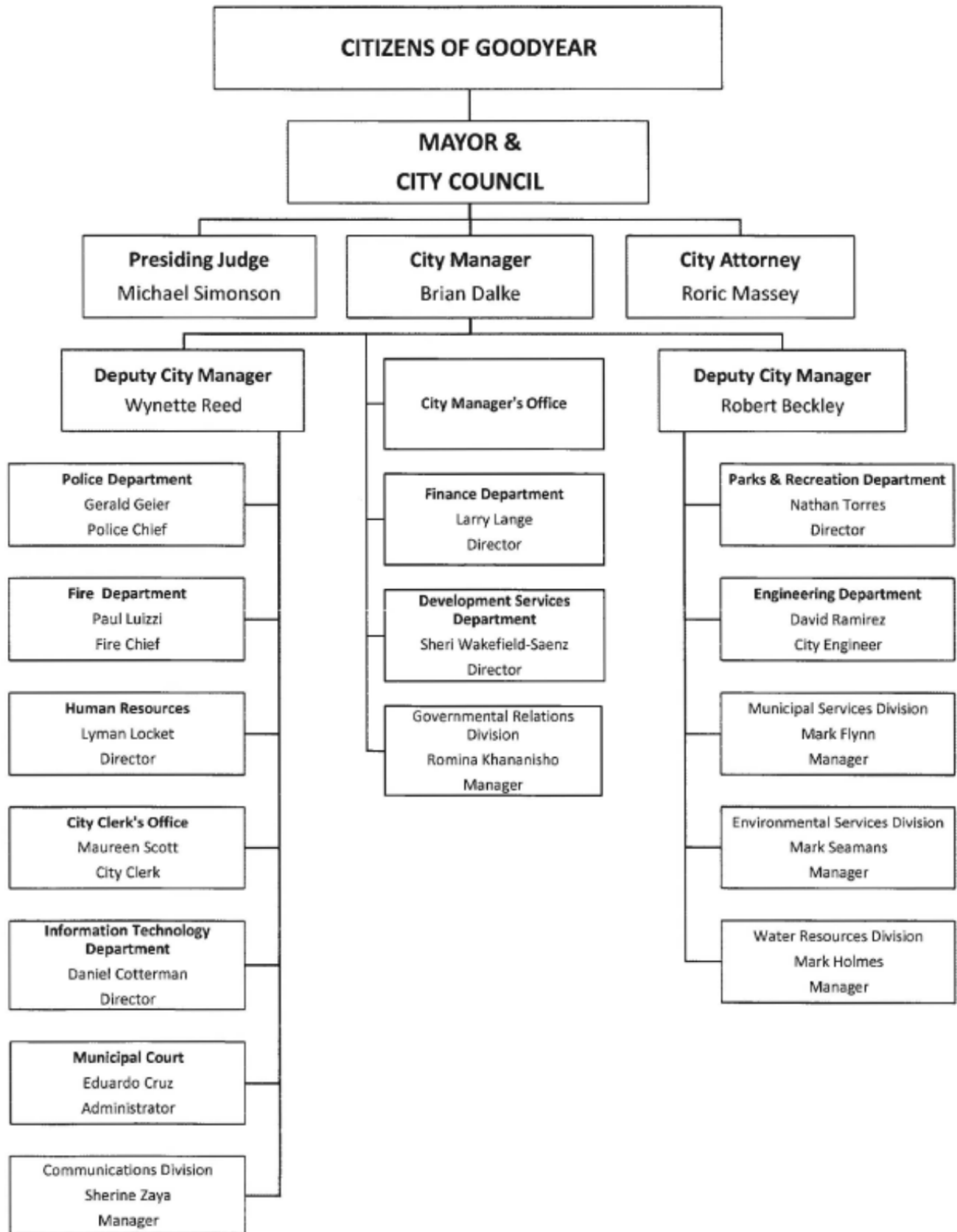
Eduardo Cruz  
*Court Administrator*

Mark Flynn  
*Municipal Services Division Manager*

Mark Holmes  
*Water Resources Division Manager*

Mark Seamans  
*Environmental Services Division Manager*

Sherine Zaya  
*Communications Manager*



# Financial Section

The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis, the Audited Financial Statements, Notes to the Audited Financial Statements, and Supplemental Information.



## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council  
City of Goodyear, Arizona

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of City of Goodyear, Arizona (City), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Goodyear, Arizona, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 20 be presented to supplement the basic financial statements. Such information, 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.

#### ***Other 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 introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary 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. Such 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 other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2014, on our consideration of City of Goodyear, Arizona'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 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 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 City of Goodyear, Arizona's internal control over financial reporting and compliance.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
CPAs and Business Consultants

December 8, 2014



# Management's Discussion and Analysis



## **MANAGEMENT'S DISCUSSION AND ANALYSIS For The Year Ended June 30, 2014**

As management of the City of Goodyear, Arizona (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, 2014. 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 material deviations from the financial plan (the approved annual budget), and (5) identify individual fund issues or concerns.

The management's discussion and analysis (MD&A) has different focus and purpose than the letter of transmittal presented on pages i - vi of this report and is designed to be read in conjunction with the transmittal letter as well as the financial statements beginning on page 23 and the accompanying notes to the financial statements.

### **FINANCIAL HIGHLIGHTS**

- ◆ The City's government-wide assets and deferred outflows exceeded its liabilities and deferred inflows by \$679.6 million (*net position*) at the close of fiscal year 2014. Of this amount, \$65.9 million represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- ◆ Total net position of the City increased by \$13.3 million attributable to actual revenues exceeding estimated revenues and to capital outlay and one-time expenses not completed at the end of the fiscal year being carried over for fiscal year 2015.
- ◆ As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$78.2 million, an increase of \$.1 million (.19%) in comparison with the prior year fund balance of \$78.1 million. Approximately 55.8% of this amount (\$43.6 million) is available for spending at the government's discretion (unassigned fund balance).
- ◆ At June 30, 2014, total unassigned fund balance for the general fund is \$43.7 million, an increase of \$10.4 million (31.2%) from the prior fiscal year. This increase is mainly due to actual revenues exceeding estimated revenues and to capital outlay and one-time expenses not completed at the end of the fiscal year being carried over for fiscal year 2015. The unassigned fund balance is approximately 67.7% of total general fund expenditures.

### **OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business. All of the activities of the City, except those of a fiduciary nature, are included in these statements. The activities of the City are shown in two columns on these statements – governmental activities and business-type activities. A total column for the City is also provided.

The ***Statement of Net Position*** presents information on all of the City's assets, deferred outflow of resources, and liabilities, with the net of all categories being reported as the City's *net position*. 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.

The **Statement of Activities** presents information demonstrating how the City's net position changed during the most recent fiscal year as compared with the previous fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences). The net revenue (expenses) show the financial burden that was placed on the City's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

- **Governmental activities** – Most of the City's basic services are included here, such as general government (administration), public safety (police, fire and court), highways and streets, public works, culture and recreation, and development services. These activities are generally supported by taxes and general revenues.
- **Business-type activities** – The services provided by the City included here are water, wastewater, sanitation and stadium services. These activities are primarily supported through user charges or fees.

The government-wide financial statements include not only the City itself (known as the primary government), but also include the operations of numerous Community Facilities Districts. Although legally separate from the City, these component units are blended with the primary government because of their governance and financial relationship to the City. Separate financial statements may be obtained at the City of Goodyear's Finance Department, 190 North Litchfield Road, Goodyear, Arizona 85338.

The government-wide financial statements can be found on pages 23 - 25 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. These reconciliations are on pages 33 and 37 respectively.

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Community Facilities Districts – Debt Service, McDowell Road Improvements District – Debt Service, and Non-Utility Development Impact Fees, all of which are considered to be major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major

governmental funds is provided in the form of combining statements and schedules beginning on page 96 of this report.

The governmental fund financial statements can be found on pages 30 – 38 of this report.

**Proprietary Funds.** The City maintains four proprietary funds. Proprietary funds (enterprise and internal service) utilize full accrual accounting, the same method used by private sector business. The City uses separate enterprise funds to account for its water and sewer services, sanitation services and stadium operations. These funds are considered to be major funds of the City. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The city has one internal service fund – Fleet Management. The Fleet Management Fund reports activities that provide preventative maintenance, repairs and safety inspections for City vehicles and equipment. The internal service fund activities are reported as governmental activities on the government-wide statements.

The proprietary fund financial statements can be found on pages 42 - 47 of this report.

**Fiduciary Funds.** The City maintains five fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 51 - 52 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 57 - 87 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's budget process. The City adopts an annual budget for all governmental and proprietary funds. A budgetary comparison statement has been provided for the General Fund as part of the basic financial statements. The required supplementary information can be found on page 38 of this report.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 96 - 99 and 115 - 119 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following tables, graphs and analysis discuss the financial position and changes to the financial position of the City as a whole as of the year ended June 30, 2014 with comparative information for the previous year.

### Net Position

The following table was derived from the current and prior years Statement of Net Position:

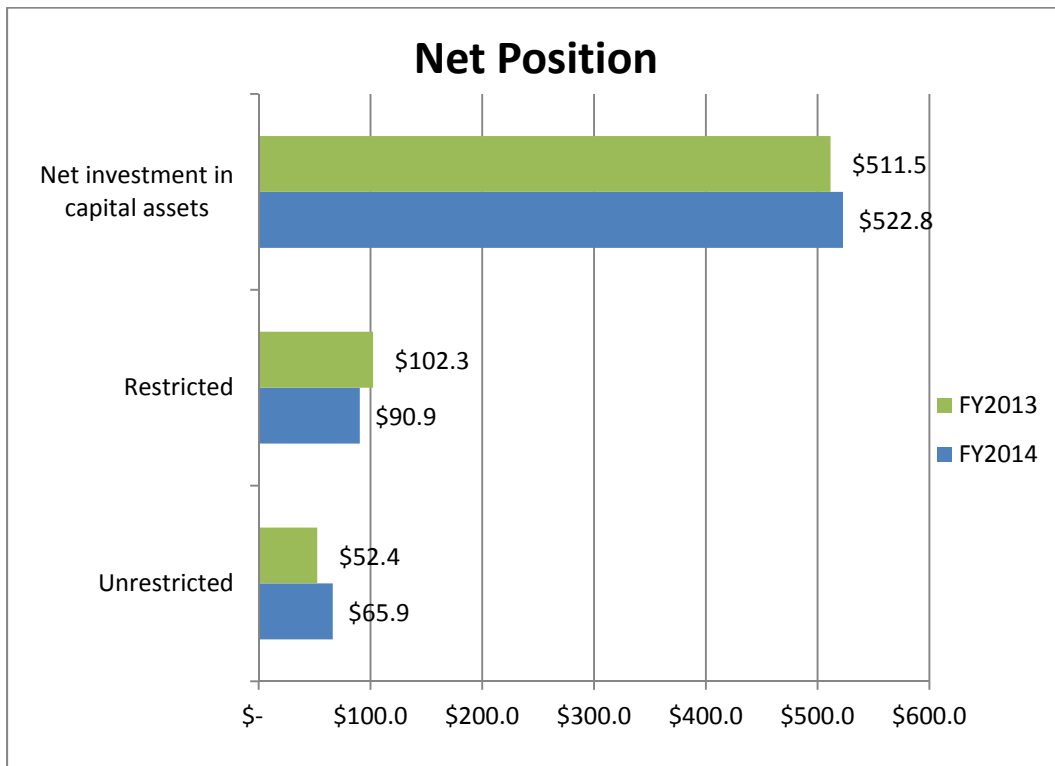
	Governmental		Business-type		Total		Percent Change
	Activities		Activities		Primary Government		
	2014	2013	2014	2013	2014	2013	
Current and other assets	\$ 152,815,195	\$ 153,942,141	\$ 41,863,365	\$ 39,221,516	\$ 194,678,560	\$ 193,163,657	0.78%
Capital assets	530,755,574	527,219,634	399,600,310	405,046,599	930,355,884	932,266,233	-0.20%
Total assets	683,570,769	681,161,775	441,463,675	444,268,115	1,125,034,444	1,125,429,890	-0.04%
Deferred outflow of resources							
Deferred amount on refunding	670,993	349,306	520,672	474,896	1,191,665	824,202	44.58%
Total deferred outflow of resources	670,993	349,306	520,672	474,896	1,191,665	824,202	
Other liabilities	24,241,258	18,318,104	11,922,064	12,289,312	36,163,322	30,607,416	18.15%
Long-term liabilities outstanding	182,212,131	190,524,926	228,256,456	233,924,937	410,468,587	424,449,863	-3.29%
Total liabilities	206,453,389	208,843,030	240,178,520	246,214,249	446,631,909	455,057,279	-1.85%
Deferred inflow of resources							
Deferred revenue	-	4,684,445	-	259,787	-	4,944,232	-100.00%
Total deferred inflow of resources	-	4,684,445	-	259,787	-	4,944,232	-100.00%
Net position:							
Net investment in Capital Assets	345,513,895	333,034,884	177,274,142	178,456,590	522,788,037	511,491,474	2.21%
Restricted for:							
Courts	221,290	234,813	-	-	221,290	234,813	-5.76%
Law enforcement	274,392	208,085	-	-	274,392	208,085	31.87%
Highways and streets	697,914	493,395	-	-	697,914	493,395	41.45%
Capital projects	8,166,897	17,937,344	2,976,525	532,750	11,143,422	18,470,094	-39.67%
Community facilities	803,837	711,980	-	-	803,837	711,980	12.90%
Debt service	74,438,000	78,999,381	2,663,967	2,663,381	77,101,967	81,662,762	-5.58%
Transit	644,135	543,022	-	-	644,135	543,022	18.62%
Unrestricted	47,028,013	35,820,702	18,891,193	16,616,254	65,919,206	52,436,956	25.71%
Total net position	\$ 477,788,373	\$ 467,983,606	\$ 201,805,827	\$ 198,268,975	\$ 679,594,200	\$ 666,252,581	2.00%

The net position over time, may serve as a useful indicator of a government's financial position. The City's assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$679.6 million at the close of fiscal year 2014 and by \$666.3 million in 2013 providing an overall increase in the City's net position of \$13.3 million. Current and other assets increased by \$1.5 million. This increase was primarily in the business-type activities due to an increase in utility rates for future expansion. Long-term liabilities decreased by \$14.0 million due to principal payments.

The largest portion of the City's net position \$522.8 million (76.9%) reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, artwork, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$90.9 million (13.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$65.9 million (9.70%) is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors.

At the end of the fiscal year 2014, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year for investment in capital asset and unrestricted net position.



**Governmental Activities**

During the current fiscal year, the net position for governmental activities increased \$9.8 million from the prior fiscal year for an ending balance of \$477.8 million. The City's sales tax revenue increased \$3.6 million due to an increase in retail activity. State shared revenue also increased \$1.1 million. Allocations of revenue for operating grants and contributions, capital grants and contributions, special assessments and miscellaneous revenues were changed this fiscal year to better reflect revenues in the appropriate categories. The City had more operating grants than capital grants this current fiscal year.

**Business-type Activities**

The City business-type activities have also resulted in positive overall net increase of \$3.5 million bringing the net position balance to \$201.8 million from the prior year. The majority of this increase resulted from charges for services of \$2.9 million, which is related to an increase in the water and sewer rates.

## Changes in Net Position

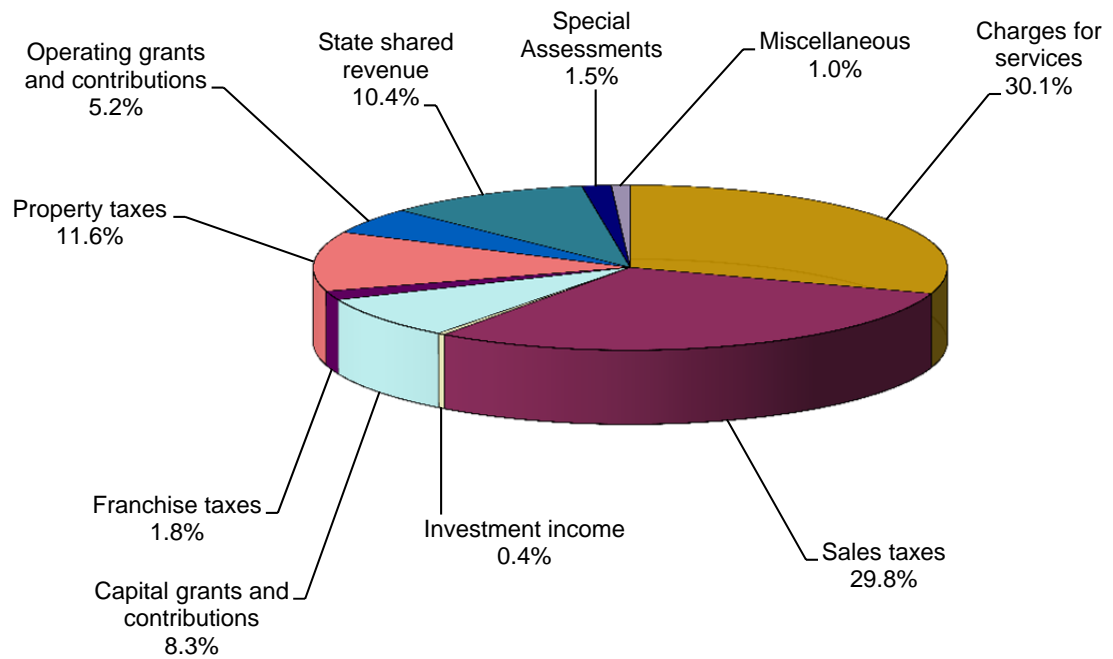
The following table compares the revenues and expenses for the current and previous fiscal year.

	Changes in Net Position for Year End June 30						Percent Change
	Governmental Activities		Business-type Activities		Total Primary Government		
	2014	2013	2014	2013	2014	2013	
<b>REVENUES:</b>							
Program revenues:							
Charges for services	\$ 10,650,768	\$ 10,572,068	\$ 33,591,024	\$ 30,777,930	\$ 44,241,792	\$ 41,349,998	6.99%
Operating grants and contributions	7,565,511	4,654,268	-	-	7,565,511	4,654,268	62.55%
Capital grants and contributions	6,171,185	11,358,824	5,962,050	7,987,680	12,133,235	19,346,504	-37.28%
General revenues:							
Sales taxes	43,775,464	40,222,752	-	-	43,775,464	40,222,752	8.83%
Property taxes	17,109,458	16,205,387	-	-	17,109,458	16,205,387	5.58%
Franchise taxes	2,611,061	2,529,456	-	-	2,611,061	2,529,456	3.23%
State shared revenue	15,285,440	14,194,960	-	-	15,285,440	14,194,960	7.68%
Investment income	414,689	439,982	136,531	95,839	551,220	535,821	2.87%
Special Assessments	2,189,906	-	-	-	2,189,906	-	100.00%
Miscellaneous	1,183,618	1,455,665	222,911	432,983	1,406,529	1,888,648	-25.53%
<b>Total revenues</b>	<b>106,957,100</b>	<b>101,633,362</b>	<b>39,912,516</b>	<b>39,294,432</b>	<b>146,869,616</b>	<b>140,927,794</b>	<b>4.22%</b>
<b>EXPENSES:</b>							
Program activities:							
Governmental activities:							
General government	16,728,173	16,291,762	-	-	16,728,173	16,291,762	2.68%
Public safety	32,198,189	29,348,288	-	-	32,198,189	29,348,288	9.71%
Highways and streets	19,368,539	14,355,644	-	-	19,368,539	14,355,644	34.92%
Public works	2,773,348	3,090,345	-	-	2,773,348	3,090,345	-10.26%
Culture and recreation	5,827,309	5,539,612	-	-	5,827,309	5,539,612	5.19%
Development Services	5,836,254	7,194,428	-	-	5,836,254	7,194,428	-18.88%
Interest on long-term debt	9,282,269	10,411,562	-	-	9,282,269	10,411,562	-10.85%
Business activities:							
Water and sewer	-	-	23,511,395	21,912,587	23,511,395	21,912,587	7.30%
Sanitation	-	-	5,472,534	5,246,666	5,472,534	5,246,666	4.30%
Stadium	-	-	12,529,987	12,204,354	12,529,987	12,204,354	2.67%
<b>Total expenses</b>	<b>92,014,081</b>	<b>86,231,641</b>	<b>41,513,916</b>	<b>39,363,607</b>	<b>133,527,997</b>	<b>125,595,248</b>	<b>6.32%</b>
Increase in net position							
before transfers	14,943,019	15,401,721	(1,601,400)	(69,175)	13,341,619	15,332,546	-12.98%
Transfers	(5,138,252)	(4,876,544)	5,138,252	4,876,544	-	-	0.00%
<b>Changes in net position</b>	<b>9,804,767</b>	<b>10,525,177</b>	<b>3,536,852</b>	<b>4,807,369</b>	<b>13,341,619</b>	<b>15,332,546</b>	<b>-12.98%</b>
Net position, beginning of year	467,983,606	462,352,241	198,268,975	195,851,638	666,252,581	658,203,879	1.22%
Restatement*	-	(4,893,812)	-	(2,390,032)	-	(7,283,844)	-100.00%
Net position, beginning of year-restated	467,983,606	457,458,429	198,268,975	193,461,606	666,252,581	650,920,035	2.36%
<b>Net position, end of year</b>	<b>\$ 477,788,373</b>	<b>\$ 467,983,606</b>	<b>\$ 201,805,827</b>	<b>\$ 198,268,975</b>	<b>\$ 679,594,200</b>	<b>\$ 666,252,581</b>	<b>2.00%</b>

\*For fiscal year ended June 30, 2013 the City adopted GASB Statement No. 65, which resulted in a restatement. For more information please refer to the Comprehensive Annual Financial Report for the Year Ended June 30, 2013.

The pie chart below is a depiction of Government-Wide Revenue Sources, governmental activities accounts for 72.8% of total revenues, while business activities account for 27.2% of total revenues. Charges for services is the largest source of City revenues at 30.1%, a 7.0% increase from the previous fiscal year. The increase in charges for services represents business-type activities rate increases for water and sewer. The second largest increase in revenues are sales taxes at 29.8% of total revenue, which increased by 8.8% over the previous fiscal year. The increase in sales tax is due to an increase in retail activity.

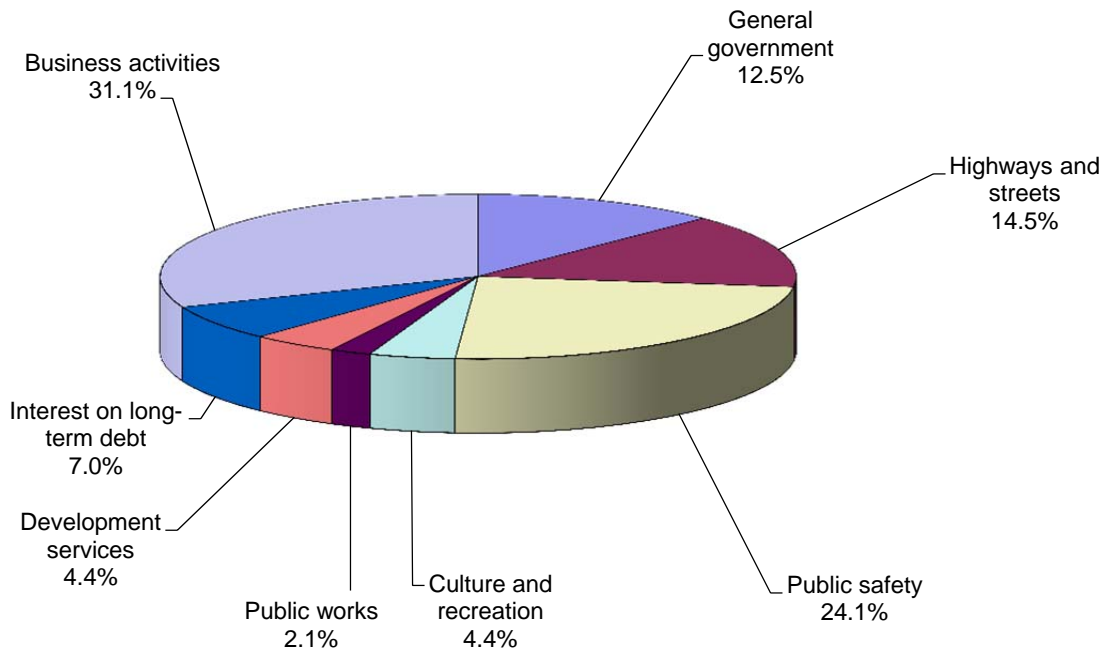
### Government-Wide Revenue Sources Fiscal Year 2014



The reported expenses for fiscal year 2014 increased by \$7.9 million (6.3%) over the prior year. As seen in the following pie chart for Government-Wide Functional Expenses, governmental activities account for 68.9% of total functional expenses, while business-type activities account for 31.1% of total functional expenses. The lines items that experienced notable changes were:

- Highways and streets expenses account for 14.5% of the total government-wide expenses, an increase of \$5 million (34.9%) from the prior year. This increase is attributed to additional street maintenance projects.

### Government-Wide Functional Expenses Fiscal Year 2014



## **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.

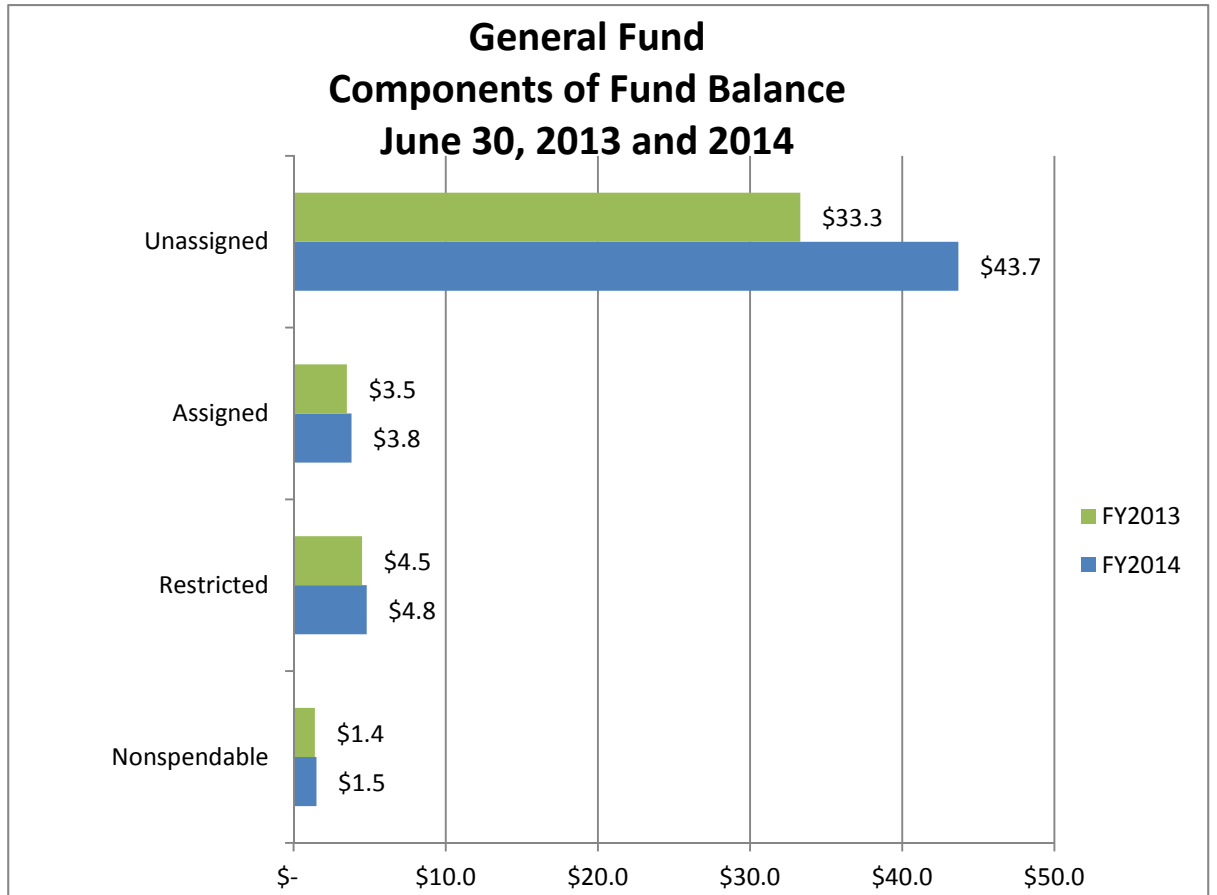
### **Governmental Funds**

The focus of the City's governmental funds (pages 30 - 38) is to provide information on near-term inflows, outflows, and balances of spendable resources. All major governmental funds are discreetly presented on these financial statements, while non-major funds are combined into a single column. The combining statement for non-major funds may be found on pages 96 - 99.

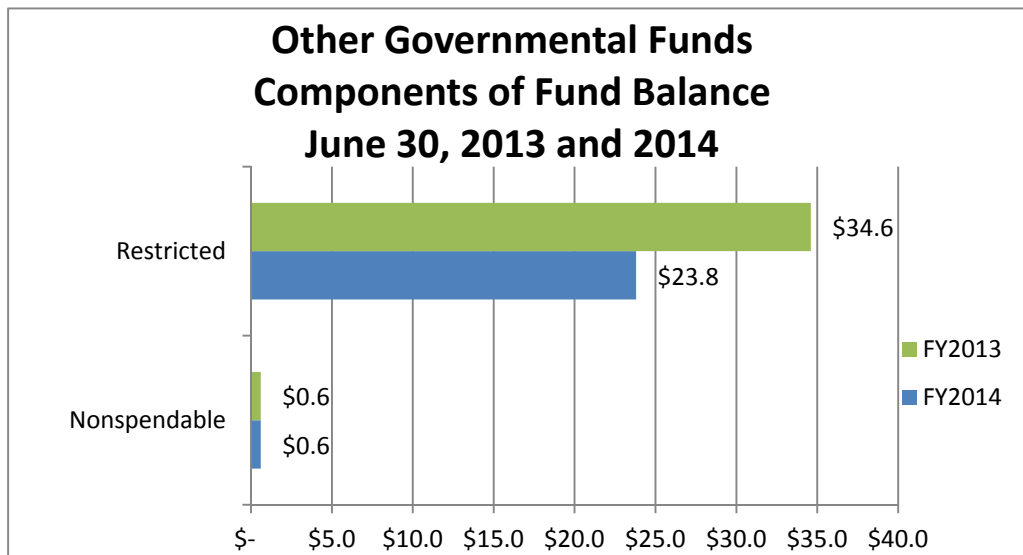
At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$78.2 million, an increase of (.2%) from the previous year. The static fund balance is due to revenues being slightly higher than expenditures. Revenues increased by \$3.4 million and expenditures increased by \$.8 million. Approximately 55.8% of the fund balance (\$43.6 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted or assigned to indicate that it is 1) not in spendable form (\$2.1 million), 2) legally required to be maintained intact (\$28.7 million) or 3) assigned for particular purposes (\$3.8 million).

Revenues for governmental functions overall totaled \$105.9 million in the fiscal year ended June 30, 2014, which represents an increase of \$3.4 million (3.3%) from the prior fiscal year. The most significant reason for this increase is due primarily to increase of tax revenue (\$4.6 million). The increase in tax revenue was due primarily to the resurgence in sales taxes for retail, residential construction, and commercial construction. The increase in construction activity coincided with the increased revenue for licenses and permits. The decrease in charges for services from the prior fiscal year is from a one-time royalty received for digital advertising.

The expenditures for governmental functions totaled \$101.3 million an increase of \$.8 million (.8%) from the prior year. The majority of this increase is attributed to the public safety function. Public safety accounted for \$29.3 million in expenditures an increase of \$1.2 million, mainly for the cost of construction for an emergency communication building and equipment.



The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$43.7 million while total fund balance increased to \$53.8 million. As a measure of the general funds liquidity, it may be useful to compare both unassigned fund balance and total fund balance to general fund expenditures. The unassigned fund balance represents approximately 67.7% of general fund expenditures, while total fund balance represents approximately 83.3% of that same amount.



The fund balance of the City's general fund balance increased by \$10.9 million in the current fiscal year due primarily to an increase of \$4.0 million in tax revenues, and a decrease in expenditures for principal retirement of \$1.3 million. This was driven by growth related revenues exceeding expectations. This is a 25.4% increase in fund balance from the prior year.

The capital projects fund, a major fund last fiscal year, had a decrease in fund balance during the current fiscal year of \$1.4 million due to building improvement projects nearing completion.

The non-utility development impact fee fund had a decrease in fund balance during the current fiscal year of \$8.3 million to bring the year end fund balance to \$7.9 million. The decrease in fund balance is due to library improvements (\$1.0 million), completion of a 911 facility (\$3.2 million), construction of a fleet facility (\$2.6 million), and a public works yard (\$1.5 million).

**Proprietary Funds**

The proprietary fund financial statements are prepared on the same accounting basis and measurement focus as the government-wide financial statements, but provide additional detail since each major enterprise fund is shown discretely. The proprietary funds statements can be found on pages 42 - 47.

The proprietary funds net position was \$201.8 million, an increase of \$3.5 million from the previous fiscal year. The Water and Sewer fund had a positive increase in net position of \$4.8 million. This increase in net position of the proprietary funds is due primarily to an increase in water & sewer rates in 2014.

**BUDGETARY HIGHLIGHTS**

The City's annual budget is the legally adopted expenditure control document of the City. The schedules filed with the Auditor General's office list the original budget adopted for the prior year, estimated expenditures through the end of the fiscal year and the adopted current year's budget. Budgetary comparison schedules are required for the General Fund, all major funds, non-major funds and enterprise funds. The General Fund budgetary comparison statement can be found on page 38. The other budgetary comparison schedules can be found in the Other Supplementary Information section on pages 109 - 122.

During the fiscal year there were two revenue sources that greatly exceeded estimates as shown below:

<u>Revenue source</u>	<u>Estimated revenues</u>	<u>Actual revenues</u>	<u>Difference</u>
Taxes	50,494,016	53,293,743	2,799,727
Licenses and permits	4,880,000	7,460,830	2,580,830

Due the economic recovery, the City has increased the budgeted inflows and outflows in 2014. General Fund actual inflows (revenues and other financing sources) of \$84.8 million, was more than budgeted inflows of \$79.1 million by \$5.7 million (7.2%), while expenditures and other financing uses of \$73.9 million was only 69.6% of final budgeted outflows of \$106.2 million.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The City's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of June 30, 2014 amounts to \$930.4 million. Capital assets include land, artwork, construction in progress, right of way, water rights, streetscape, infrastructure, buildings and improvements and vehicles, furniture and equipment. In total, there was a slight decrease of \$1.9 million from the prior year.

Capital Assets at June 30  
(Net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government		Percent Change
	2014	2013	2014	2013	2014	2013	
Land	\$ 21,409,153	\$ 21,579,127	\$ 15,404,260	\$ 15,404,260	\$ 36,813,413	\$ 36,983,387	-0.5%
Artwork	204,750	204,750	146,978	131,978	351,728	336,728	4.5%
Construction in progress	8,648,103	10,387,773	4,308,014	3,961,571	12,956,117	14,349,344	-9.7%
Right of way	89,451,622	90,128,522	-	-	89,451,622	90,128,522	-0.8%
Water rights	-	-	16,055,937	16,028,618	16,055,937	16,028,618	0.2%
Streetscape	9,061,008	8,996,008	-	-	9,061,008	8,996,008	0.7%
Infrastructure	256,586,014	259,321,157	169,012,558	172,037,027	425,598,572	431,358,184	-1.3%
Building and improvements	132,432,832	128,865,856	189,926,512	192,548,042	322,359,344	321,413,898	0.3%
Vehicles, furniture and equipment	12,962,091	7,736,441	4,746,050	4,935,103	17,708,141	12,671,544	39.7%
Total	<u>\$ 530,755,573</u>	<u>\$ 527,219,634</u>	<u>\$ 399,600,309</u>	<u>\$ 405,046,599</u>	<u>\$ 930,355,882</u>	<u>\$ 932,266,233</u>	-0.2%

The governmental capital assets increased in fiscal 2014 for building and improvements and vehicles, furniture and equipment. The increase in building and improvements of \$3.5 million and the increase in vehicles, furniture and equipment of \$5.2 million is due to the improvements for the library, the completion of a 911 facility, construction for a new fleet facility and a public works yard. The overall decrease in business capital assets of -\$5.4 million are for aging infrastructure, the disposal of City machinery and equipment, and annual depreciation.

For government-wide financial statement presentation, all depreciable capital assets are depreciated from acquisition date to the end of the current fiscal year. Additional information on the City's capital assets can be found in Note 4 on pages 70 - 71 and in the schedules on pages 125 - 128 of this report.

## Debt Administration

At the end of the current fiscal year, the City had total long-term debt outstanding of \$410.9 million. Of this amount \$105.1 million is general obligation bonds backed by the full faith and credit of the City, \$105.9 million is Community Facilities Districts bonds which are paid by the property owners within those districts, \$185.3 million of revenue bonds which are payable from user fees and assessments, \$10.1 million loan payable to WIFA by user fees, and \$4.5 million compensated absences from the City operating funds. The following schedule shows the outstanding debt obligation as of June 30, 2014 and 2013.

	Governmental Activities		Business-type Activities		Total		Percent Change
	2014	2013	2014	2013	2014	2013	
General obligation debt	\$ 23,863,737	\$ 26,555,569	\$ 81,161,263	\$ 85,384,431	\$ 105,025,000	\$ 111,940,000	-6.2%
Community Facilities Districts bonds	105,912,000	109,823,000	-	-	105,912,000	109,823,000	-3.6%
Loan payable	-	-	10,064,007	10,998,942	10,064,007	10,998,942	-8.5%
Revenue bonds	51,982,376	54,821,467	133,340,000	133,845,000	185,322,376	188,666,467	-1.8%
	<u>\$181,758,113</u>	<u>\$191,200,036</u>	<u>\$224,565,270</u>	<u>\$230,228,373</u>	<u>\$406,323,383</u>	<u>\$421,428,409</u>	-3.6%

The outstanding revenue bonds listed under Governmental Activities include \$41.0 million in McDowell Road Corridor Improvement District that is secured by pledges of specific revenue sources of the City. The additional revenue bonds of \$144.3 million are for Public Improvement Corporation bonds totaling \$102.1 million for the Stadium and \$11.0 million for the City & \$31.2 million for Water & Sewer Revenue bonds.

The State constitution limits the amount of general obligation debt a city may issue to 6 percent of its total assessed valuation. The current 6% debt limitation for the City is \$35.4 million. In addition, the State constitution limits allows a city to issue an additional 20 percent of its total assessed valuation for water, sewer, lights, transportation, public safety, open space preserves, parks, playgrounds and recreational facilities. The current 20% debt limitation for the City is \$118.1 million. The City has \$105.0 million outstanding general obligation debt for these purposes.

During the spring, Standard & Poor's upgraded the City's credit rating on its general obligation bonds to AA, upgraded the City's credit rating on its water and sewer revenue bonds to AA-, and upgraded the City's credit rating on its improvement district bonds to A.

### Bonded Debt Ratings As of June 30, 2014

Type of Debt	Moody's Investors Service	Standard & Poor's
General Obligation	Aa2	AA
Water & Sewer (Revenue)	A2	AA-
Public Improvement Corporation Improvement District Bonds	Aa3 A3	AA- A

Additional information on the City's long-term debt can be found in Notes 5 – 9 on pages 72 - 79 of this report.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Unemployment levels are still a concern as recovery in the area of job creation remains low. The unemployment rate for Goodyear for June 2014 was 7.2%, which is higher than the state rate of 6.9% but lower than the national rate of 7.6%. Arizona cities remain dependent on sales taxes and other economically sensitive tax revenues and are susceptible to slowdowns in the economy. While unemployment is not a leading economic indicator, a strong economic recovery will likely coincide with a significant improvement in current unemployment rates.

The City is projecting a positive outlook for budgeted revenues in fiscal year 2015 in comparison to budgeted revenues for fiscal year 2014. Sales taxes are the dominant revenue source for the City and are projected to increase from \$40.9 million to \$43.8 million, which is an increase of 7%. Property taxes are projected to increase from \$7.0 million to \$7.5 million, which is an increase of 7%. State shared revenues which are a combination of state shared sales tax, state shared income tax, and vehicle license tax are projected to increase from \$15.1 million to \$16.1 million in fiscal year 2015. The City's operational budget is projected to increase by 14.6%, from \$87.5 million in fiscal year 2014 to \$100.3 million in fiscal year 2015, due to increased operating costs. The City's capital improvement project expenditures are budgeted for \$53.1 million which includes carryover funds of \$25.1 million for projects started prior to fiscal year 2015 and an additional \$28 million for new projects.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives. A copy of the City's Comprehensive Annual Financial Report is available on-line at [www.goodyearaz.gov/cafr](http://www.goodyearaz.gov/cafr). If you have questions about this report or need additional information, contact the City's Controller, City of Goodyear, 190 N. Litchfield Road, or by mail at P.O. Box 5100, Goodyear, Arizona 85338.

# Basic Financial Statements

**Government-wide Financial Statements** - includes the Statement of Net Position and Statement of Activities that use the accrual basis of accounting for financial reporting.

**Governmental Funds Financial Statements** - includes the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance for the governmental funds that use the modified accrual basis of reporting. This section also includes the reconciliations to the government-wide financial statements.

**Proprietary Funds Financial Statements** - includes 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** - includes the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position for assets being held for the benefit of parties outside of the City.

**Notes to the Financial Statements**



**CITY OF GOODYEAR, ARIZONA  
STATEMENT OF NET POSITION  
JUNE 30, 2014**

	Governmental Activities	Business-type Activities	Total
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$ 22,008,397	\$ 4,048,454	\$ 26,056,851
Investments	41,889,691	16,423,682	58,313,373
Receivables	68,799,855	4,068,628	72,868,483
Due from other governments	142,194		142,194
Internal balances	961,840	(961,840)	
Inventories	855,644	671,516	1,527,160
Prepays	504,865		504,865
<b>Total current assets</b>	<b>135,162,486</b>	<b>24,250,440</b>	<b>159,412,926</b>
Noncurrent assets:			
Restricted cash and cash equivalents	17,652,709	15,304,457	32,957,166
Restricted investments		2,302,777	2,302,777
Restricted interest receivable		5,691	5,691
Non-depreciable capital assets	126,827,020	19,859,252	146,686,272
Depreciable capital assets	403,928,554	379,741,058	783,669,612
<b>Total noncurrent assets</b>	<b>548,408,283</b>	<b>417,213,235</b>	<b>965,621,518</b>
<b>Total assets</b>	<b>683,570,769</b>	<b>441,463,675</b>	<b>1,125,034,444</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Loss on refunding	670,993	520,672	1,191,665
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	3,135,476	1,415,190	4,550,666
Accrued payroll and employee benefits	1,459,708	194,656	1,654,364
Accrued interest payable	2,350,400	3,671,100	6,021,500
Deposits	3,795,259	6,167,059	9,962,318
Unearned revenue	5,786,601	776	5,787,377
Compensated absences payable	1,440,525	193,283	1,633,808
Bonds payable	6,273,289	280,000	6,553,289
<b>Total current liabilities</b>	<b>24,241,258</b>	<b>11,922,064</b>	<b>36,163,322</b>
Noncurrent liabilities:			
Accrued interest payable		827,873	827,873
Compensated absences payable	2,572,748	316,720	2,889,468
Loan payable		10,064,006	10,064,006
Bonds payable	179,639,383	217,047,857	396,687,240
<b>Total noncurrent liabilities</b>	<b>182,212,131</b>	<b>228,256,456</b>	<b>410,468,587</b>
<b>Total liabilities</b>	<b>206,453,389</b>	<b>240,178,520</b>	<b>446,631,909</b>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	345,513,895	177,274,142	522,788,037
Restricted for:			
Courts	221,290		221,290
Law enforcement	274,392		274,392
Highways and streets	697,914		697,914
Capital projects	8,166,897	2,976,525	11,143,422
Community facilities	803,837		803,837
Debt service	74,438,000	2,663,967	77,101,967
Transit	644,135		644,135
Unrestricted	47,028,013	18,891,193	65,919,206
<b>Total net position</b>	<b>\$ 477,788,373</b>	<b>\$ 201,805,827</b>	<b>\$ 679,594,200</b>

The notes to the basic financial statements are an integral part of this statement.

**CITY OF GOODYEAR, ARIZONA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2014**

<b>Functions/Programs</b>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Primary Government</b>					
Governmental activities:					
General government	\$ 16,728,173	\$ 1,734,895	\$	\$	\$ (14,993,278)
Public safety	32,198,189	1,583,442	297,692	195,055	(30,122,000)
Highways and streets	19,368,539		3,592,362	3,629,899	(12,146,278)
Public works	2,773,348				(2,773,348)
Culture and recreation	5,827,309	433,384			(5,393,925)
Development services	5,836,254	6,899,047	525,810	2,346,231	3,934,834
Interest on long-term debt	9,282,269		3,149,647		(6,132,622)
Total governmental activities	<u>92,014,081</u>	<u>10,650,768</u>	<u>7,565,511</u>	<u>6,171,185</u>	<u>(67,626,617)</u>
Business-type activities:					
Water and sewer	23,511,395	24,767,428		5,962,050	
Sanitation	5,472,534	6,641,318			
Stadium	12,529,987	2,182,278			
Total business-type activities	<u>41,513,916</u>	<u>33,591,024</u>		<u>5,962,050</u>	
<b>Total primary government</b>	<u>\$ 133,527,997</u>	<u>\$ 44,241,792</u>	<u>\$ 7,565,511</u>	<u>\$ 12,133,235</u>	<u>(67,626,617)</u>
<b>General revenues:</b>					
Taxes:					
Sales taxes					43,775,464
Property taxes					17,109,458
Franchise taxes					2,611,061
State shared revenues					15,285,440
Investment income					414,689
Special assessments					2,189,906
Miscellaneous					1,183,618
<b>Transfers</b>					<u>(5,138,252)</u>
<b>Total general revenues and transfers</b>					<u>77,431,384</u>
<b>Changes in net position</b>					9,804,767
<b>Net position, beginning of year</b>					<u>467,983,606</u>
<b>Net position, end of year</b>					<u>\$ 477,788,373</u>

The notes to the basic financial statements are an integral part of this statement.





# Governmental Funds Financial Statements

## **Major Funds**

### **General Fund**

This fund is the general operating fund of the City. It accounts for all financial resources of the City, except those required to be accounted for in other funds.

### **Community Facilities Districts Debt Service Fund**

This fund accounts for the debt portion of the City's Community Facilities Districts, which are component units that provide general infrastructure and capital assets for the property within each district's boundaries.

### **McDowell Road Commercial Corridor Improvement Debt Service Fund**

This fund accounts for the debt portion of the McDowell Road Improvement Assessments.

### **Non-Utility Development Impact Fee Fund**

This fund accounts for the receipt and expenditure of development impact or expansion fees for all governmental activities.

## **Non-Major Funds**

Other governmental funds not listed above are non-major funds that are classified as special revenue, capital projects and debt service funds.





**CITY OF GOODYEAR, ARIZONA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2014**

	General	Community Facilities Districts Debt Service	McDowell Road Commercial Corridor ID Debt Service
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 15,495,261	\$	\$ 108,207
Investments	35,711,078		
Taxes receivable	7,335,942	88,974	
Interest receivable	81,889		
Accounts receivable	1,218,176		
Special assessments receivable		18,560,931	41,035,000
Due from other governments			
Due from other funds	810,557		
Advances to other funds	961,840		
Inventories	25,261		
Prepays	504,865		
Restricted cash and cash equivalents	111,275	17,541,434	
<b>Total assets</b>	<b>\$ 62,256,144</b>	<b>\$ 36,191,339</b>	<b>\$ 41,143,207</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 1,504,854	\$ 126,390	\$
Accrued payroll and employee benefits	1,402,331		
Accrued interest payable			
Deposits	3,548,958		
Due to other funds			
Unearned revenue	1,378,528	2,828,006	
<b>Total liabilities</b>	<b>7,834,671</b>	<b>2,954,396</b>	
Deferred inflows of resources:			
Unavailable revenues - property taxes	80,278	41,026	
Unavailable revenues - special assessments		18,554,296	41,035,000
Unavailable revenues - intergovernmental			
Unavailable revenues - other	545,610		
<b>Total deferred inflows of resources</b>	<b>625,888</b>	<b>18,595,322</b>	<b>41,035,000</b>
Fund balances (deficits):			
Nonspendable	1,491,966		
Restricted	4,816,364	14,641,621	108,207
Assigned	3,779,578		
Unassigned	43,707,677		
<b>Total fund balances</b>	<b>53,795,585</b>	<b>14,641,621</b>	<b>108,207</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 62,256,144</b>	<b>\$ 36,191,339</b>	<b>\$ 41,143,207</b>

The notes to the basic financial statements are an integral part of this statement.

Non-Utility Development Impact Fees	Non-Major Governmental Funds	Total Governmental Funds
\$ 4,098,700	\$ 2,306,079	\$ 22,008,247
5,076,677	1,101,936	41,889,691
	451,046	7,875,962
23,228	2,847	107,964
	1,374	1,219,550
		59,595,931
	142,194	142,194
		810,557
		961,840
	650,344	675,605
		504,865
		17,652,709
<u>\$ 9,198,605</u>	<u>\$ 4,655,820</u>	<u>\$ 153,445,115</u>

\$ 1,212,064	\$ 285,804	\$ 3,129,112
	39,695	1,442,026
	3,132	3,132
93,750	152,551	3,795,259
	653,966	653,966
	1,580,067	5,786,601
<u>1,305,814</u>	<u>2,715,215</u>	<u>14,810,096</u>

	57,200	178,504
		59,589,296
	82,026	82,026
		545,610
	<u>139,226</u>	<u>60,395,436</u>

	650,344	2,142,310
7,892,791	1,224,389	28,683,372
		3,779,578
	(73,354)	43,634,323
<u>7,892,791</u>	<u>1,801,379</u>	<u>78,239,583</u>

<u>\$ 9,198,605</u>	<u>\$ 4,655,820</u>	<u>\$ 153,445,115</u>
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**CITY OF GOODYEAR, ARIZONA**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2014**

**Total governmental fund balances** **\$ 78,239,583**

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 funds.

Governmental capital assets	\$ 677,750,191	
Less accumulated depreciation	<u>(146,994,617)</u>	530,755,574

Some receivables will not be available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.

Property taxes	178,504	
Special Assessments	59,589,296	
Intergovernmental	82,026	
Other	<u>545,610</u>	60,395,436

Interest payable on long-term debt, is not due and payable in the current period and, therefore, is not reported in the funds. (2,347,268)

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

Bonds payable	(185,912,672)	
Loss on refunding	670,993	
Compensated absences payable	<u>(4,013,273)</u>	<u>(189,254,952)</u>

**Net position of governmental activities** **\$ 477,788,373**

**The notes to the basic financial statements are an integral part of this statement.**

**CITY OF GOODYEAR, ARIZONA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2014**

	General	Community Facilities Districts Debt Service	McDowell Road Commercial Corridor ID Debt Service
<b>Revenues:</b>			
Taxes	\$ 53,293,743	\$ 5,168,668	\$
Licenses and permits	7,460,830		
Intergovernmental	15,285,440		
Charges for services	2,305,203		
Fines and forfeits	884,735		
Investment income	300,484	8,499	13,239
Special assessments		2,294,980	3,544,906
Contributions	525,810	1,882,547	
Miscellaneous	1,052,790		
<b>Total revenues</b>	81,109,035	9,354,694	3,558,145
<b>Expenditures:</b>			
Current -			
General government	14,809,600		
Public safety	29,016,551		
Highways and streets			
Public works	2,045,578		
Culture and recreation	4,715,844		
Development services	5,823,318		
Capital outlay	6,371,662		
Debt service -			
Principal retirement	1,484,091	3,911,000	1,355,000
Interest and debt cost	325,805	5,721,192	2,190,329
Bond issuance costs		393,957	
<b>Total expenditures</b>	64,592,449	10,026,149	3,545,329
<b>Excess (deficiency) of revenues over expenditures</b>	16,516,586	(671,455)	12,816
<b>Other financing sources (uses):</b>			
Refunding bonds issued		14,755,000	
Refunding bonds premium		1,114,908	
Payment to refunded bond escrow agent		(15,138,166)	
Transfer in	3,714,276		
Transfer out	(9,293,886)		
<b>Total other financing sources (uses):</b>	(5,579,610)	731,742	
<b>Changes in fund balances</b>	10,936,976	60,287	12,816
<b>Fund balances, beginning of year</b>	42,858,609	14,581,334	95,391
<b>Fund balances, end of year</b>	\$ 53,795,585	\$ 14,641,621	\$ 108,207

The notes to the basic financial statements are an integral part of this statement.

<u>Non-Utility Development Impact Fees</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$ 5,115,014	\$ 63,577,425
		7,460,830
	4,040,213	19,325,653
2,346,231	7,493	4,658,927
		884,735
80,729	11,738	414,689
		5,839,886
		2,408,357
127,524	146,694	1,327,008
<u>2,554,484</u>	<u>9,321,152</u>	<u>105,897,510</u>
	1,024,746	15,834,346
2,539	352,662	29,371,752
117,634	5,468,332	5,585,966
		2,045,578
260,103		4,975,947
		5,823,318
10,523,061	1,601,721	18,496,444
	2,691,832	9,441,923
	1,134,231	9,371,557
		393,957
<u>10,903,337</u>	<u>12,273,524</u>	<u>101,340,788</u>
<u>(8,348,853)</u>	<u>(2,952,372)</u>	<u>4,556,722</u>
		14,755,000
		1,114,908
		(15,138,166)
	1,642,088	5,356,364
	(1,200,730)	(10,494,616)
	<u>441,358</u>	<u>(4,406,510)</u>
<u>(8,348,853)</u>	<u>(2,511,014)</u>	<u>150,212</u>
16,241,644	4,312,393	78,089,371
<u>\$ 7,892,791</u>	<u>\$ 1,801,379</u>	<u>\$ 78,239,583</u>



**CITY OF GOODYEAR, ARIZONA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2014**

**Net changes in fund balances - total governmental funds** **\$ 150,212**

Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.

Capital contributions	4,822,649	
Expenditures for capitalized assets	16,065,212	
Less current year depreciation	<u>(15,281,830)</u>	5,606,031

Issuance of refunding bonds provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position. (15,869,908)

Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(81,442)	
Special assessments	(2,382,880)	
Intergovernmental	(1,155,347)	
Other	<u>545,610</u>	(3,074,059)

Interest expense in the Statement of Activities differs from the amount reported in the governmental funds because accrued interest was calculated for bonds and notes payable for the Statement of Activities, but is expensed when due for the governmental fund statements. 250,355

Repayments of bond principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Bond principal retirement	9,441,923	
Bond principal refunded	<u>14,755,000</u>	24,196,923

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.

Disposal of capital assets	(2,070,091)	
Compensated absences	<u>(752)</u>	(2,070,843)

Premiums, discounts, and losses on refunding are sources and uses of current financial resources for governmental fund reporting, but are amortized over the life of the debt in the Statement of Activities. 616,056

**Changes in net position in governmental activities** **\$ 9,804,767**

**The notes to the basic financial statements are an integral part of this statement.**

**CITY OF GOODYEAR, ARIZONA**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 50,494,016	\$ 50,494,016	\$ 53,293,743	\$ 2,799,727
Licenses and permits	4,880,000	4,880,000	7,460,830	2,580,830
Intergovernmental revenues	15,098,469	15,098,469	15,285,440	186,971
Charges for services	1,572,900	1,582,500	2,305,203	722,703
Fines and forfeitures	791,600	791,600	884,735	93,135
Investment earnings	125,500	125,500	300,484	174,984
Contributions	157,500	157,500	525,810	368,310
Miscellaneous	17,015	17,015	1,052,790	1,035,775
<b>Total revenues</b>	73,137,000	73,146,600	81,109,035	7,962,435
<b>Expenditures:</b>				
General Government				
Mayor and council	296,678	296,678	258,751	37,927
City clerk	590,913	590,913	520,192	70,721
City manager	2,804,330	2,804,130	2,500,541	303,589
City attorney	899,104	1,069,104	695,367	373,737
Finance	3,075,135	3,068,115	2,276,383	791,732
ITS	3,188,672	3,522,392	3,109,516	412,876
Human resources	2,499,436	2,694,925	2,551,655	143,270
Non-departmental	6,450,400	4,745,392	2,897,195	1,848,197
Reserved for contingency	16,347,842	16,347,842		16,347,842
Public Safety:				
Police	15,770,425	15,723,617	15,160,909	562,708
Fire	12,661,414	12,756,021	12,367,645	388,376
Municipal court	974,333	1,082,333	1,060,930	21,403
City prosecutor	448,089	448,089	427,067	21,022
Public Works:				
Administration	350,156	350,156	343,398	6,758
Building services	2,015,423	2,015,423	1,702,180	313,243
Culture and recreation:				
Parks	2,990,917	3,480,426	3,423,861	56,565
Recreation and aquatics	1,306,126	1,298,626	1,291,983	6,643
Development Services:				
Economic development	610,397	536,974	505,134	31,840
Development services	1,392,439	1,488,033	1,292,210	195,823
Engineering	2,290,291	2,531,934	2,409,325	122,609
Building inspections	1,422,267	1,322,940	1,363,009	(40,069)
Code compliance	277,911	259,111	253,640	5,471
Capital outlay	10,024,314	13,871,677	6,371,662	7,500,015
Debt service:				
Principal retirement	894,091	1,369,091	1,484,091	(115,000)
Interest and debt cost	254,031	437,031	325,805	111,226
<b>Total expenditures</b>	89,835,134	94,110,973	64,592,449	29,518,524
<b>Excess (deficiency) of revenues over expenditures</b>	(16,698,134)	(20,964,373)	16,516,586	37,480,959
<b>Other financing sources (uses):</b>				
Transfers in	3,700,000	5,950,000	3,714,276	(2,235,724)
Transfers out	(10,199,374)	(12,449,374)	(9,293,886)	3,155,488
<b>Total other financing sources (uses)</b>	(6,499,374)	(6,499,374)	(5,579,610)	919,764
<b>Changes in fund balances</b>	(23,197,508)	(27,463,747)	10,936,976	38,400,723
<b>Fund balances, beginning of year</b>	42,858,613	42,858,613	42,858,609	(4)
<b>Fund balances (deficits), end of year</b>	\$ 19,661,105	\$ 15,394,866	\$ 53,795,585	\$ 38,400,719

# Proprietary Funds Financial Statements

## **Business-type Activities - Enterprise Funds**

### **Water and Sewer Fund**

This fund accounts for the City's water and sewer utility operations.

### **Sanitation Fund**

This fund is used to account for the activities of the City's sanitation operations.

### **Stadium Fund**

This fund is used to account for the activities of the City's stadium operations.

## **Governmental Activities - Internal Service Fund**

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.

### **Fleet Management Fund**

This is the City's only internal service fund which provides preventative maintenance, repairs and safety inspections for City vehicles and equipment.





**CITY OF GOODYEAR, ARIZONA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2014**

	Enterprise Funds		
	Water & Sewer	Sanitation	Stadium
<b><u>ASSETS</u></b>			
Current assets:			
Cash and cash equivalents	\$ 1,859,027	\$ 1,446,277	\$ 743,150
Investments	15,173,600	218,994	1,031,088
Interest receivable	39,604	566	2,784
Accounts receivable	3,132,504	755,142	138,028
Inventories	671,516		
<b>Total current assets</b>	<b>20,876,251</b>	<b>2,420,979</b>	<b>1,915,050</b>
Noncurrent assets:			
Restricted cash and cash equivalents	8,055,578		7,248,879
Restricted investments	2,302,777		
Restricted interest receivable	5,691		
Non-depreciable capital assets	8,157,963		11,701,289
Depreciable capital assets	272,030,592	257,178	107,453,288
<b>Total noncurrent assets</b>	<b>290,552,601</b>	<b>257,178</b>	<b>126,403,456</b>
<b>Total assets</b>	<b>311,428,852</b>	<b>2,678,157</b>	<b>128,318,506</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Loss on refunding	135,671		385,001
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	925,428	398,663	91,099
Accrued payroll and employee benefits	113,337	14,734	66,585
Accrued interest payable	967,244		2,703,856
Deposits	6,155,746		11,313
Due to other funds			
Unearned revenue	776		
Compensated absences payable	120,112	14,259	58,912
Revenue bonds payable	280,000		
<b>Total current liabilities</b>	<b>8,562,643</b>	<b>427,656</b>	<b>2,931,765</b>
Noncurrent liabilities:			
Accrued interest payable	827,873		
Compensated absences payable	202,428	36,126	78,166
Advances from other funds			961,840
Loan payable	10,064,006		
Bonds payable	74,940,552		7,309,094
Revenue bonds payable	30,316,520		104,481,691
<b>Total noncurrent liabilities</b>	<b>116,351,379</b>	<b>36,126</b>	<b>112,830,791</b>
<b>Total liabilities</b>	<b>124,914,022</b>	<b>463,782</b>	<b>115,762,556</b>
<b><u>NET POSITION</u></b>			
Net investment in capital assets	164,723,148	257,178	12,293,816
Restricted for:			
Capital projects	1,848,875		1,127,650
Debt service	2,663,967		
Unrestricted	17,414,511	1,957,197	(480,515)
<b>Total net position</b>	<b>\$ 186,650,501</b>	<b>\$ 2,214,375</b>	<b>\$ 12,940,951</b>

The notes to the basic financial statements are an integral part of this statement.

Enterprise Funds

<u>Totals</u>	<u>Governmental Activities: Internal Service Funds</u>
\$ 4,048,454	\$ 150
16,423,682	
42,954	
4,025,674	448
671,516	180,039
<u>25,212,280</u>	<u>180,637</u>
15,304,457	
2,302,777	
5,691	
19,859,252	
379,741,058	
<u>417,213,235</u>	
<u>442,425,515</u>	<u>180,637</u>
<u>520,672</u>	
1,415,190	6,364
194,656	17,682
3,671,100	
6,167,059	156,591
776	
193,283	
280,000	
<u>11,922,064</u>	<u>180,637</u>
827,873	
316,720	
961,840	
10,064,006	
82,249,646	
134,798,211	
<u>229,218,296</u>	
<u>241,140,360</u>	<u>180,637</u>
177,274,142	
2,976,525	
2,663,967	
18,891,193	
<u>\$ 201,805,827</u>	<u>\$</u>

**CITY OF GOODYEAR, ARIZONA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2014**

	Enterprise Funds		
	Water & Sewer	Sanitation	Stadium
<b>Operating revenues:</b>			
Charges for services	\$ 24,767,428	\$ 6,641,318	\$ 2,182,278
Miscellaneous	222,569	98	244
<b>Total operating revenues</b>	<u>24,989,997</u>	<u>6,641,416</u>	<u>2,182,522</u>
<b>Operating expenses:</b>			
Administration	3,547,387	472,970	2,281,708
Costs of sales and services	9,136,987	4,894,558	1,934,532
Depreciation and amortization	5,371,067	105,006	2,671,380
<b>Total operating expenses</b>	<u>18,055,441</u>	<u>5,472,534</u>	<u>6,887,620</u>
<b>Operating income (loss)</b>	<u>6,934,556</u>	<u>1,168,882</u>	<u>(4,705,098)</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income	115,539	2,619	18,373
Interest expense	(5,455,954)		(5,642,367)
<b>Total nonoperating revenues (expenses)</b>	<u>(5,340,415)</u>	<u>2,619</u>	<u>(5,623,994)</u>
<b>Income (loss) before capital contributions and transfers</b>	<u>1,594,141</u>	<u>1,171,501</u>	<u>(10,329,092)</u>
<b>Capital contributions</b>	5,962,050		
<b>Transfer in</b>			8,838,252
<b>Transfer out</b>	(2,800,000)	(900,000)	
<b>Changes in net position</b>	<u>4,756,191</u>	<u>271,501</u>	<u>(1,490,840)</u>
<b>Total net position, beginning of year</b>	181,894,310	1,942,874	14,431,791
<b>Total net position, end of year</b>	<u>\$ 186,650,501</u>	<u>\$ 2,214,375</u>	<u>\$ 12,940,951</u>

The notes to the basic financial statements are an integral part of this statement.

Enterprise Funds

<u>Totals</u>	<u>Governmental Activities: Internal Service Funds</u>
\$ 33,591,024	\$ 2,080,303
222,911	
<u>33,813,935</u>	<u>2,080,303</u>
6,302,065	601,051
15,966,077	1,479,252
8,147,453	
<u>30,415,595</u>	<u>2,080,303</u>
<u>3,398,340</u>	
136,531	
<u>(11,098,321)</u>	
<u>(10,961,790)</u>	
<u>(7,563,450)</u>	
5,962,050	
8,838,252	
<u>(3,700,000)</u>	
<u>3,536,852</u>	
198,268,975	
<u>\$ 201,805,827</u>	<u>\$</u>

**CITY OF GOODYEAR, ARIZONA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014**

	<u>Water &amp; Sewer</u>	<u>Sanitation</u>	<u>Stadium</u>
<b>Cash flows from operating activities:</b>			
Receipts from customers	\$ 24,721,506	\$ 6,637,888	\$ 2,052,239
Payments to suppliers for goods and services	(9,731,750)	(4,869,674)	(1,923,029)
Payments to employees for services	(3,450,186)	(481,697)	(2,232,011)
<b>Net cash provided (used) by operating activities</b>	<u>11,539,570</u>	<u>1,286,517</u>	<u>(2,102,801)</u>
<b>Cash flows from noncapital financing activities:</b>			
Transfers in			8,838,252
Transfers out	(2,800,000)	(900,000)	
<b>Net cash provided (used) for noncapital financing activities</b>	<u>(2,800,000)</u>	<u>(900,000)</u>	<u>8,838,252</u>
<b>Cash flows from capital and related financing activities:</b>			
Proceeds from bond sales	513,273		
Principal paid on long-term debt	(5,214,126)		(448,980)
Interest and fiscal fees	(5,924,891)		(5,772,150)
Change in capital assets	(2,070,356)		(487,344)
Development impact fees received	5,818,587		
<b>Net cash provided (used) for capital and related financing activities</b>	<u>(6,877,513)</u>		<u>(6,708,474)</u>
<b>Cash flows from investing activities:</b>			
Investment income received	124,196	3,035	20,421
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>1,986,253</u>	<u>389,552</u>	<u>47,398</u>
<b>Cash and cash equivalents, beginning of year</b>	<u>25,404,729</u>	<u>1,275,719</u>	<u>8,975,719</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 27,390,982</u>	<u>\$ 1,665,271</u>	<u>\$ 9,023,117</u>
<b>Cash and cash equivalents</b>	\$ 1,859,027	\$ 1,446,277	\$ 743,150
<b>Investments</b>	17,476,377	218,994	1,031,088
<b>Restricted cash and cash equivalents</b>	8,055,578		7,248,879
	<u>\$ 27,390,982</u>	<u>\$ 1,665,271</u>	<u>\$ 9,023,117</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>			
<b>Operating income (loss)</b>	\$ 6,934,556	\$ 1,168,882	\$ (4,705,098)
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>			
Depreciation and amortization	5,371,067	105,006	2,671,380
(Increase) decrease in accounts receivable	(9,480)	(3,528)	(138,028)
(Increase) decrease in inventories	(78,732)		
Increase (decrease) in accounts payable	187,052	24,884	11,503
Increase (decrease) in accrued payroll and benefits	43,298	4,471	24,956
Increase (decrease) in Due to other funds			
Increase (decrease) in Unearned Revenue	(259,011)		
Increase (decrease) in Deposits held for others	(703,083)		7,745
Increase (decrease) in Compensated absences payable	53,903	(13,198)	24,741
<b>Net cash provided (used) by operating activities</b>	<u>\$ 11,539,570</u>	<u>\$ 1,286,517</u>	<u>\$ (2,102,801)</u>
<b>Noncash investing, capital and financing activities:</b>			
Contributions of capital assets	\$ 143,463		
Amortization of bond premiums and discounts	334,036		\$ 162,147
Amortization of deferred loss on refunding	17,219		32,364

<u>Total</u>	<u>Governmental Activities-Internal Service Funds</u>
\$ 33,411,633	\$ 2,117,055
(16,524,453)	(1,520,204)
(6,163,894)	(596,851)
<u>10,723,286</u>	<u>                  </u>

8,838,252	
(3,700,000)	
<u>5,138,252</u>	<u>                  </u>

513,273	
(5,663,106)	
(11,697,041)	
(2,557,700)	
5,818,587	
<u>(13,585,987)</u>	<u>                  </u>

<u>147,652</u>	<u>                  </u>
----------------	---------------------------

<u>2,423,203</u>	<u>                  </u>
------------------	---------------------------

<u>35,656,167</u>	<u>                  150</u>
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<u>\$ 38,079,370</u>	<u>\$ 150</u>
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\$ 4,048,454	\$ 150
18,726,459	
15,304,457	
<u>\$ 38,079,370</u>	<u>\$ 150</u>

\$ 3,398,340	\$
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8,147,453	
(151,036)	(448)
(78,732)	(36,260)
223,439	(4,244)
72,725	4,200
	36,752
(259,011)	
(695,338)	
65,446	
<u>\$ 10,723,286</u>	<u>\$</u>

\$ 143,463	
496,183	
49,583	



## Fiduciary Funds Financial Statements

### **Pension Trust Fund**

This fund is used to account for the City's Volunteer Firefighter's Relief and Pension Fund, a defined contribution plan for which the assets are held by the City in a trustee capacity. The Pension Trust Fund is reported using the accrual basis of accounting.

### **Agency Funds**

The City holds these assets as an agent for individuals, private organizations or others in a temporary custodial capacity. The City currently maintains five agency funds. The agency funds account for monies donated for G.A.I.N., Fill-A-Need, Payshare, Shop With A Cop, and Arizona in Action.



**CITY OF GOODYEAR, ARIZONA  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2014**

	Pension Trust	Agency
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 397,996	\$ 28,941
Investments	60,568	
Interest receivable	156	6
<b>Total assets</b>	458,720	\$ 28,947
 <b><u>LIABILITIES</u></b>		
Accounts payable		\$ 9,030
Deposits held for others		19,917
<b>Total liabilities</b>		\$ 28,947
 <b><u>NET POSITION</u></b>		
Held in trust	\$ 458,720	

The notes to the basic financial statements are an integral part of this statement.

**CITY OF GOODYEAR, ARIZONA  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2014**

	Pension Trust
<b>Additions:</b>	
Investment income	\$ 15,804
<b>Total additions</b>	15,804
<b>Deductions:</b>	
Benefits	2,688
<b>Total deductions</b>	2,688
<b>Changes in net position</b>	13,116
<b>Net position, beginning of year</b>	445,604
<b>Net position, end of year</b>	\$ 458,720

The notes to the basic financial statements are an integral part of this statement.

# Notes to the Financial Statements



# Notes to the Financial Statements

The notes to the basic financial statements include a summary of significant accounting policies and other disclosures considered necessary for a clear understanding of the accompanying financial statements.

## Note Page

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## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Goodyear, Arizona (City) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

### A. Reporting Entity

The City is a municipal entity governed by an elected mayor and six-member governing council (council). As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations and so data from these units are combined with data from the City, the primary government.

The financial reporting entity consists of a primary government, and its component units. The City is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, component units are combined with the City for financial statement presentation purposes, and are not included in any other governmental reporting entity. Consequently, the City's financial statements include the funds of those organizational entities for which its elected governing body is financially accountable.

Blended Component Units - The Goodyear Community Facilities General District No. 1, Goodyear Community Facilities Utilities District No. 1, Wildflower Ranch Community Facilities General District No. 1, Wildflower Ranch Community Facilities General District No. 2, Estrella Mountain Ranch Community Facilities District, Cottonflower Community Facilities District, Centerra Community Facilities District, Cortina Community Facilities District, Palm Valley Community Facilities District No. 3, and King Ranch Community Facilities District were formed for the purpose of acquiring and improving public infrastructure in specified land areas. 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 cost of operating the Districts. The City Council serves as the Board of Directors; however, the City has no liability for the Districts' debt. For financial reporting purposes, transactions of the Districts are combined together and included as if they were part of the City's operations.

Complete financial statements for each of the individual component units may be obtained at the entities administrative offices.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) present financial information about the City as a whole. Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between the governmental activities and the business-type activities are shown in the government-wide financial statements. The “doubling up” effect of internal service fund activity has been removed from the government-wide statements with the expenses shown in the various functions on the Statement of Activities. These statements are to distinguish between the governmental and business-type activities of the City. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is 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, state-shared revenues, investment income and other items not 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.

### C. Fund Balances – Governmental Funds

As of June 30, 2014, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can be used only for specific purposes determined by a formal action of City Council. City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through resolutions approved by City Council.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### C. Fund Balances – Governmental Funds (Continued)

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, the City appropriates funding for information technology (IT) replacement, fleet replacement and risk management reserves. Accumulated appropriations which have not been spent are reflected as assigned fund balances. Only City Council or the City's Finance Director may assign amounts for specific purposes.

Unassigned - includes all spendable amounts not contained in the other classifications.

The General Fund has Unassigned Funds consisting of a Stabilization Arrangement in the amount of \$12.7 million. The Stabilization Arrangement is used to set aside resources to cover unanticipated deficits or revenue reductions that may be caused by adverse economic conditions or public emergency. The amount of the Stabilization Arrangement is a minimum of 3 months of operating expenditures which is estimated from the prior year's budgeted expenditures.

When an expenditure is incurred for purposes for which both restricted and unassigned fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council or the City's Finance Director has provided otherwise in its commitment or assignment actions.

### D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect on internal activity has been eliminated from the government-wide financial statements.

Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

Property taxes, sales taxes, franchise taxes, licenses and permits, charges for service, special assessments and investment income associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenues as soon as all eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

General Fund - This fund is the general operating fund of the City. It accounts for all financial resources of the City, except those required to be accounted for in other funds.

Community Facilities Districts - Debt Service Fund - This fund accounts for the debt portion of the City's Community Facilities Districts, which are component units that provide general infrastructure and capital assets for the property within each District's boundaries.

McDowell Road Commercial Corridor Improvement Debt Service Fund - This fund accounts for the debt portion of the McDowell Road Improvement District.

Non-Utility Development Impact Fees Fund - This fund collects fees to defray the costs of development of infrastructure.

The City reports the following proprietary funds:

Water and Sewer Fund - This fund accounts for the City's water and sewer utility operations.

Sanitation Fund - This fund is used to account for the activities of the City's sanitation operations.

Stadium Fund - This fund is used to account for the activities of the City's stadium operations.

Internal Service Fund – This fund is used to account for citywide preventative maintenance, repairs, and safety inspections for City vehicles and equipment. The Internal service fund activities are reported as governmental activities on the government-wide statements.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for water, wastewater, and sanitation services. Operating expenses for these funds include the administrative expenses, cost of sales and services, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds account for assets held by the City in a trustee or agency capacity on behalf of others. The reporting focus is upon net assets and changes in net assets 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. The City maintains the following fiduciary funds:

Pension Trust Fund – This fund is used to account for the Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan Fund, a defined contribution plan for which the assets are held by the City in a trustee capacity. The Pension Trust Fund is reported using the accrual basis of accounting.

Agency Funds – The City holds these assets as an agent for individuals, private organizations or others in a temporary custodial capacity. The City currently maintains five agency funds. The five funds account for monies donated by individuals for the GAIN, Payshare (Utility Assistance), Fill-A-Need, Shop With A Cop, and Arizona in Action activities.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources, as they are needed. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The City's non-major funds are as follows:

#### Special Revenue Funds

Highway User Revenue Fund (HURF)

Grants Fund

Community Facilities Districts

#### Debt Service Fund

#### Capital Improvement Projects Fund

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### E. Cash and Cash Equivalents

Cash represents amounts in demand deposits and amounts held in trust by financial institutions. The funds held in trust are available to the City upon demand. The City considers short-term investments (including restricted assets) in the State of Arizona investment pool, mutual fund-money market, U.S. Treasury bills and notes with maturities of three months or less at acquisition date to be cash equivalents.

### F. Investments

Goodyear maintains investment accounts for funds that are not legally required to be maintained separately. Each fund's equity in investments represents that fund's position in the consolidated accounts and determines that fund's allocation of interest earned. The Arizona Revised Statutes regulate the investment of surplus cash. Goodyear limits its investments to U.S. government securities, certificates of deposit, bonds, repurchase agreements, corporate notes, commercial paper, and money market accounts. Investments are stated at fair value based on quoted market prices and cash equivalents are stated at amortized cost.

### G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of the inter-fund loans).

All trade and property tax receivables are shown net of allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivables allowance for uncollectibles.

Property taxes are levied by the City and collected by the Maricopa County Treasurer. Property taxes are levied no later than the third Monday of August and are payable in two installments due October 1 of the current year and March 1 of the subsequent year. Taxes become delinquent after the first business day of November and May, respectively. Interest attaches on installments after the delinquent date. A lien attaches to the property on the first day of January preceding the assessment and levy of taxes. Delinquent amounts bear interest at the rate of 16 percent. Maricopa County, at no charge to the taxing entities, bills and collects all property taxes. Public auctions of properties which have delinquent real estate taxes are held in February.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### H. Inventory

Inventories are stated at average cost using the first-in, first-out (FIFO) flow assumption in determining cost. Inventory in the governmental funds, which consists of expendable supplies held for consumption, is recorded as an expenditure at the time individual inventory items are consumed (i.e. the consumption method) and is offset by a fund balance reserve in the governmental fund financial statements indicating it does not constitute available expendable resources. No reservation is shown in the proprietary funds statements or the government-wide financial statements for inventories.

### I. Prepaid Items

Prepaid items are generally for payments made by the City in the current fiscal year for goods or services to be received in a subsequent fiscal year. Such items recorded as prepaid at the time of the payment and recognized as expenditures/expenses when the related goods or services are received. Prepaid items are offset by fund balance reserve in the governmental fund financial statements indicating it does not constitute available expendable resources. No reservation is shown in the proprietary fund statements or the government-wide financial statements for prepaid items.

### J. Restricted Assets

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted cash and cash equivalents on the government-wide Statement of Net Position, the Balance Sheet and Proprietary Statement of Net Position because their use is limited by applicable bond covenants.

### K. Capital Assets

Capital assets, which include land, land improvements, artwork, right of way, streetscape, buildings and improvements, vehicles, machinery, equipment, construction in progress, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects as they are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets (Continued)

Certain capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	20-65
Land Improvements	15
Building and Improvements	7-50
Vehicles, Machinery and Equipment	3-10
Water Rights	100

The City has a collection of artwork presented both in buildings and public outdoor spaces. The true value of the art is expected to either be maintained at cost or appreciate over time, and thus, the art is not depreciated. If individual pieces are lost or destroyed, the loss is recorded.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position contains a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

M. Compensated Absences

The City's employee vacation and sick leave policies provide for granting vacation and sick leave with pay. Sick leave and vacation benefits vest at the employee's current rate of pay. The current and long-term liabilities for accumulated vacation and sick leave are reported on the government-wide financial statements and in the proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignation and retirements. Resources from the General Fund are normally used to liquidate the governmental funds liabilities for compensated absences.

N. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts, as well as, the difference between the reacquisition price and the net carrying amount of the old debt, are deferred and amortized over the life of the bonds using the straight-line method over the term of the related debt.

## NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### N. Long-term Obligations (continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### O. Inter-fund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers between governmental funds are eliminated in the Statement of Activities. Inter-fund services provided and used are not eliminated in the process of consolidation. Inter-fund transfers in the fund statements are reported as other financing sources/uses in governmental funds and follow below the non-operating revenues/expenses in the proprietary funds.

### P. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### Q. Budgetary Data

According to the laws of the State of Arizona, all operating budgets must be approved by their governing board on or before the second Monday in August to allow sufficient time for legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August.

In April, the proposed budget for the following fiscal year is presented by the City Manager to the City Council. The budget includes proposed expenditures and the means of financing them. Public meetings are held to obtain citizen comment.

Prior to June 30, the City Council legally enacts the budget, through the passage of an ordinance. The ordinance sets the limit for expenditures for the year, within the voter mandated state expenditure limitation. Additional expenditures may be authorized if directly necessitated by a natural or man-made disaster as prescribed in the state constitution. There were no supplemental appropriations made during fiscal year 2014.

The maximum legal expenditure permitted for the year is the total budget as adopted. All funds of the City have legally adopted budgets. The initial budget for the fiscal year may be amended during the year in a legally permissible manner. The City adopts the budget by departments for the General Fund and by fund for all others.

The City Manager is generally authorized to transfer budgeted amounts within any specific department's expenditure appropriation. Any budget revisions requiring a transfer between departments in the General Fund or a transfer between any other fund must be approved by the City Council.

## Q. Budgetary Data (continued)

All unencumbered expenditure appropriations expire at the end of the fiscal year. Encumbered amounts are re-budgeted in the following year as deemed appropriate and necessary after review by the Budget Office. Budgetary carry forwards are approved by the City Council through the budgetary process.

The budgets are adopted on a basis differing from GAAP in that for budgetary purposes: (1) current year encumbrances are treated as expenditures; (2) bond proceeds for proprietary funds are considered revenue; (3) capital outlays for enterprise funds are treated as expenditures; (4) debt service principal payments are treated as expenditures for enterprise funds; (5) accrued compensated absences are not recognized as expenditures; (6) depreciation and amortization are not recognized as expenditures.

### NOTE 2 CASH AND INVESTMENTS

At June 30, 2014, cash and cash equivalents are presented as follows:

	Governmental Activities	Business Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 22,008,397	\$ 4,048,454	\$ 426,937	\$ 26,483,788
Restricted cash and cash equivalents	17,652,709	15,304,457	-	32,957,166
	<u>\$ 39,661,106</u>	<u>\$ 19,352,911</u>	<u>\$ 426,937</u>	<u>\$ 59,440,954</u>

The restricted cash and cash equivalents are proceeds from debt issuances that are held in trustee accounts for the purpose of major capital improvements as well as funds held in trustee accounts for the purpose of debt service payments. The City also restricts cash and cash equivalents for Utility Development Fees which are reserved for the purpose of major capital improvements.

### Deposits

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the government-wide Statement of Net Position, and on the fund financial statements, as "Cash and cash equivalents" and "Investments".

At June 30, 2014, the City had \$8,800 of cash on hand. The carrying amount of the City's cash in bank totaled \$4,501,794 and the bank balance was \$8,380,274. Of the bank balance, \$500,015 was covered by federal depository insurance and the remaining balance of \$7,880,259 was covered by collateral held in the pledging bank's trust department in the City's name.

### Cash Equivalents

The City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The City's highly liquid investments that are reflected in the financial statements as cash equivalents total \$54,930,360. The investments presented on the statement of cash flows have maturities in excess of three months, but are callable at any time.

NOTE 2 CASH AND INVESTMENTS (continued)

The City invests in the Local Government Investment Pool 5 (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 in accordance with ARS 35-311. The pool’s policy is to invest in fixed-rate securities with a final maturity less than 36 months from the settlement date of the purchase and variable-rate securities with final maturity less than 5 years. The dollar weighted average portfolio maturity is less than 240 days. The net asset value per share of the pool at June 30, 2014 was \$1.00. 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.

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, 2014, the City’s funds invested with the State Treasurer totaled \$31,760,360.

The City’s investment in the State of Arizona’s local government investment pool is stated at fair value which also approximates the value of the investment upon withdrawal.

Investment Type	Total	Remaining Maturity (In Years)	
		Less Than 1	Concentration of Credit Risk
LGIP	\$ 31,760,360	\$31,760,360	100.00%
Total	\$ 31,760,360	\$31,760,360	100.00%

Investment Type	Total	Rating as of Year End
		AAAF/S1+
LGIP	\$ 31,760,360	\$ 31,760,360
Total	\$ 31,760,360	\$ 31,760,360

Investments

The City’s portfolio complies with Arizona Revised Statutes (ARS) and the City’s investment policy. The Arizona Revised Statutes regulate the investment of surplus cash. Goodyear limits its investments to U.S. government securities, certificates of deposit, bonds, repurchase agreements, corporate notes, commercial paper, and money market accounts. Investments are stated at fair value based on quoted market prices and cash equivalents are stated at amortized cost.

## NOTE 2 CASH AND INVESTMENTS (Continued)

At June 30, 2014 the City's investments included the following:

Investment Type	Total	Remaining Maturity (In Years)			Concentration of Credit Risk
		Less Than 1	1 to 2	More than 2	
U.S. Treasuries	\$ 39,317,526	\$ 2,755,585	\$ 25,423,587	\$ 11,138,354	64.80%
Federal Agency Securities	8,528,357	2,005,516	3,306,316	3,216,525	14.06%
Corporate Notes	9,939,853	-	2,480,322	7,459,531	16.38%
Commercial Paper	2,697,779	2,697,779	-	-	4.45%
Goldman Sachs Govt Fund	193,203	193,203	-	-	0.32%
<b>Total</b>	<b>\$ 60,676,718</b>	<b>\$ 7,652,083</b>	<b>\$ 31,210,225</b>	<b>\$ 21,814,410</b>	<b>100.00%</b>

Investment Type	Total	Ratings as of Year End					
		AA+	AA	AA-	A	A-1	AAAm
U.S. Treasuries	\$ 39,317,526	\$39,317,526	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Agency Securities	8,528,357	8,528,357	-	-	-	-	-
Corporate Notes	9,939,853	2,418,860	1,238,200	3,828,015	2,454,778	-	-
Commercial Paper	2,697,779	-	-	-	-	2,697,779	-
Goldman Sachs Govt Fund	193,203	-	-	-	-	-	193,203
<b>Total</b>	<b>\$ 60,676,718</b>	<b>\$50,264,743</b>	<b>\$ 1,238,200</b>	<b>\$ 3,828,015</b>	<b>\$ 2,454,778</b>	<b>\$ 2,697,779</b>	<b>\$193,203</b>

### Custodial Credit Risk

To control custodial credit risk, State law and the City's investment policy requires all securities and collateral to be held by an independent third party custodian in the City's name. The custodian provides the City with monthly market values. The City is invested in treasury money market accounts through the trust department of Wells Fargo and Bankers Trust. The money market accounts have a value of \$23,170,000 at June 30, 2014.

### Interest Rate Risk

Interest rate risk is the risk of changes in market interest rates that will adversely affect the fair value of an investment. In order to limit interest rate and market risk, State law and the City's investment policy sets a maximum maturity on any investment to five years. In addition, the City has adopted an average portfolio duration limitation (ranging from 90 days to 3 years) consistent with the primary investment objective of safety, liquidity and yield. As of June 30, 2014 the average portfolio duration was 1.8 years.

### Credit Risk

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.

### Concentration of Credit Risk

The City's investment policy limits the diversification on both security types and length of maturity. At the time of purchase a maximum of 5% of the market value of the portfolio may be invested in debt issues by any single entity. Debt backed by the U.S. Treasury or Government Sponsored Enterprises (GSEs) are exempt from this concentration criterion.

NOTE 3 RECEIVABLES

Receivables, net of allowance for uncollectibles, as of year-end for the City's individual major governmental funds and non-major governmental funds in the aggregate are as follows:

	General Fund	Community Facilities Districts-Debt Service Fund	McDowell Road Commerical Corridor Improvement District Debt Service Fund	Non-Utility Development Impact Fees Fund	Non-Major Governmental Fund	Governmental Activities: Internal Service Fund	Total
Receivables:							
Taxes	\$ 7,335,942	\$ 88,974	\$ -	\$ -	\$ 451,046	\$ -	\$ 7,875,962
Interest	81,889	-	-	23,228	2,847	-	107,964
Accounts	1,218,176	-	-	-	1,374	448	1,219,998
Special assessments	-	18,560,931	41,035,000	-	-	-	59,595,931
Total receivables	<u>\$ 8,636,007</u>	<u>\$ 18,649,905</u>	<u>\$ 41,035,000</u>	<u>\$ 23,228</u>	<u>\$ 455,267</u>	<u>\$ 448</u>	<u>\$ 68,799,855</u>

The following table summarizes the City's receivables for the enterprise funds as of June 30, 2014:

	Water and Sewer Fund	Sanitation Fund	Stadium Fund	Total
Receivables:				
Interest	\$ 45,295	\$ 556	\$ 2,784	\$ 48,635
Accounts	3,160,121	766,142	138,028	4,064,291
	<u>3,205,416</u>	<u>766,698</u>	<u>140,812</u>	<u>4,112,926</u>
Less:				
Allowance	(27,617)	(11,000)	-	(38,617)
Net receivables	<u>\$ 3,177,799</u>	<u>\$ 755,698</u>	<u>\$ 140,812</u>	<u>\$ 4,074,309</u>

Revenues of the Water and Sewer Fund and Sanitation Fund are reported net of uncollectible amounts. Total bad debt expense related to the Water and Sewer Fund revenues and Sanitation Fund revenues for the current year are \$48,350 and \$1,421, respectively.

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2014 follows:

<b>Governmental Activities</b>	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 19,461,536	\$ -	\$ -	\$ 19,461,536
Artwork	204,750	-	-	204,750
Construction in progress	10,387,773	11,437,354	(13,177,023)	8,648,104
Right of Way	90,128,522	12,100	(689,000)	89,451,622
Streetscape	8,996,008	65,000	-	9,061,008
Total capital assets not being depreciated	<u>129,178,589</u>	<u>11,514,454</u>	<u>(13,866,023)</u>	<u>126,827,020</u>
Capital assets, being depreciated:				
Land improvements	2,549,608	-	-	2,549,608
Infrastructure	338,766,384	5,080,008		343,846,392
Buildings and improvements	151,199,362	10,043,440	(1,381,091)	159,861,711
Vehicles, furniture and equipment	38,036,947	7,794,596	(1,166,083)	44,665,460
Total capital assets being depreciated	<u>530,552,301</u>	<u>22,918,044</u>	<u>(2,547,174)</u>	<u>550,923,171</u>
Less accumulated depreciation for:				
Land improvements	(432,017)	(169,974)		(601,991)
Infrastructure	(79,445,227)	(7,815,151)		(87,260,378)
Buildings and improvements	(22,333,506)	(5,095,373)		(27,428,879)
Vehicles, furniture and equipment	(30,300,506)	(2,201,332)	798,469	(31,703,369)
Total accumulated depreciation	<u>(132,511,256)</u>	<u>(15,281,830)</u>	<u>798,469</u>	<u>(146,994,617)</u>
Total capital assets, being depreciated, net	<u>398,041,045</u>	<u>7,636,214</u>	<u>(1,748,705)</u>	<u>403,928,554</u>
Governmental activities capital assets, net	<u>\$ 527,219,634</u>	<u>\$ 19,150,668</u>	<u>\$ (15,614,728)</u>	<u>\$ 530,755,574</u>

NOTE 4 CAPITAL ASSETS (Continued)

<b>Business-Type Activities</b>	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 15,404,260	\$ -	\$ -	\$ 15,404,260
Artwork	131,978	15,000	-	146,978
Construction in progress	<u>3,961,571</u>	<u>1,292,292</u>	<u>(945,849)</u>	<u>4,308,014</u>
Total capital assets not being depreciated	<u>19,497,809</u>	<u>1,307,292</u>	<u>(945,849)</u>	<u>19,859,252</u>
Capital assets, being depreciated:				
Infrastructure	210,250,542	720,237	-	210,970,779
Buildings & improvements	205,180,683	909,036	-	206,089,719
Vehicles, machinery and equipment	14,888,127	508,713	(696,790)	14,700,050
Water rights	<u>18,864,484</u>	<u>214,840</u>	<u>-</u>	<u>19,079,324</u>
Total capital assets being depreciated	<u>449,183,836</u>	<u>2,352,826</u>	<u>(696,790)</u>	<u>450,839,872</u>
Less accumulated depreciation for:				
Infrastructure	(38,213,515)	(3,744,706)	-	(41,958,221)
Buildings and improvements	(12,632,641)	(3,530,566)	-	(16,163,207)
Vehicles, machinery and equipment	(9,953,024)	(684,659)	683,683	(9,954,000)
Water rights amortization	<u>(2,835,866)</u>	<u>(187,521)</u>	<u>-</u>	<u>(3,023,387)</u>
Total accumulated depreciation	<u>(63,635,046)</u>	<u>(8,147,452)</u>	<u>683,683</u>	<u>(71,098,815)</u>
Total capital assets, being depreciated, net	<u>385,548,790</u>	<u>(5,794,626)</u>	<u>(13,107)</u>	<u>379,741,057</u>
Business-Type activities capital assets, net	<u>\$ 405,046,599</u>	<u>\$ (4,487,334)</u>	<u>\$ (958,956)</u>	<u>\$ 399,600,309</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 585,010
Public safety	1,567,485
Highway and streets	11,732,909
Culture and recreation	719,325
Public works	<u>677,101</u>
Total depreciation expense	<u>\$ 15,281,830</u>
Business-type activities	
Water and wastewater	\$ 5,371,067
Sanitation	105,006
Stadium	<u>2,671,380</u>
Total depreciation expense	<u>\$ 8,147,453</u>

NOTE 5 LOANS PAYABLE

The City received three loans from the Water Infrastructure Finance Authority. The first loan was used to acquire the rights and make improvements to existing capacity in the wastewater treatment plant. The second loan was used to finance the planning and design of a pilot recharge project and to construct a well distribution line. The third loan was used for expansion of an effluent sewer facility and to rehabilitate an existing effluent lift station. The loans payable at June 30, 2014, are as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2014	Due Within One Year
Business-type activities:				
Water Infrastructure Finance Authority Loan	4.06%	7/1/07 - 21	\$ 1,965,933	\$ -
Water Infrastructure Finance Authority Loan	4.06%	7/1/07 - 21	3,733,994	-
Water Infrastructure Finance Authority Loan	2.00%	7/1/10 - 29	4,364,080	-
Total Business-type activities			<u>\$ 10,064,007</u>	<u>\$ -</u>

Annual debt service requirements to maturity on the loans payable at June 30, 2014 are summarized as follows:

Fiscal Year Ending June 30,	Business-Type Activities	
	Principal	Interest
2015		159,235
2016	967,770	301,438
2017	1,001,834	266,735
2018	1,037,176	230,730
2019	1,073,846	193,370
2020-2024	4,080,930	428,673
2025-2029	1,569,474	113,014
2030	332,977	3,330
Total	<u>\$ 10,064,007</u>	<u>\$ 1,696,525</u>

## NOTE 6 GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at June 30, 2014, consisted of the outstanding general obligation and refunding bonds presented below. The bonds are generally callable with interest payable semiannually. Of the total amounts originally authorized, \$167,660,449 remains unissued. The bonds payable at June 30, 2014 are presented below.

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2014	Due Within One Year
Governmental activities:				
General Obligation Bonds				
Series 2007	3.00 - 5.00%	7/1/08 - 26	\$ 7,781,138	\$ -
General Obligation Bonds				
Series 2008	4.25 - 6.00%	7/1/09 - 38	7,613,099	-
General Obligation Refunding				
Bonds Series 2009	5.25 - 5.125%	7/1/27 - 30	604,500	-
General Obligation Bonds				
Series 2010 (Build				
America Bonds)	5.40 - 6.30%	7/1/20 - 30	105,000	
General Obligation Refunding				
Bonds Series 2012	3.90 - 4.25%	7/1/13 - 18	7,760,000	-
Total Governmental activities			<u>\$ 23,863,737</u>	<u>\$ -</u>
Business-type activities:				
General Obligation Bonds				
Series 2007	3.00 - 5.00%	7/1/08 - 26	\$ 18,918,862	\$ -
General Obligation Bonds				
Series 2008	4.25 - 6.00%	7/1/09 - 27	31,161,901	-
General Obligation Refunding				
Bonds Series 2009	5.25 - 5.125%	7/1/27 - 30	4,975,500	-
General Obligation Bonds				
Series 2010 (Build				
America Bonds)	5.40 - 6.30%	7/1/21 - 30	5,710,000	-
General Obligation Refunding				
Bonds Series 2010	4.018 - 5.125%	7/1/21 - 30	4,610,000	-
General Obligation Refunding				
Bonds Series 2014	2.00%	7/1/14 - 20	15,785,000	-
Total Business-type activities			<u>\$ 81,161,263</u>	<u>\$ -</u>
Total			<u>\$ 105,025,000</u>	<u>\$ -</u>

NOTE 6 GENERAL OBLIGATION BONDS PAYABLE (Continued)

Annual debt service requirements to maturity on general obligation bonds payable at June 30, 2014 are summarized as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ -	\$ 1,078,312	\$ -	\$ 3,442,239
2016	2,828,415	978,175	4,406,585	3,388,413
2017	2,930,269	877,431	4,589,911	3,222,407
2018	3,058,957	753,125	4,856,043	3,048,038
2019	2,095,540	639,137	5,054,461	2,864,749
2020-2024	4,905,213	2,368,643	22,984,792	11,371,267
2025-2029	4,549,758	1,171,563	21,625,051	6,430,890
2030-2034	1,861,051	536,119	10,953,952	2,342,033
2035-2038	1,634,534	143,421	6,690,468	587,048
Total	<u>\$ 23,863,737</u>	<u>\$ 8,545,926</u>	<u>\$ 81,161,263</u>	<u>\$ 36,697,084</u>

On April 3, 2014, the City issued \$15,865,000 of General Obligation Bonds, with an average interest rate of 2.00%, to refund the outstanding GO 2005 Series General Obligation Bonds. Under the terms of the refunding issue, sufficient assets to pay the principal and interest on the refunding bonds issued have been placed in irrevocable trust accounts at commercial banks which will provide an amount sufficient for payment of principal and interest of the issue refunded and payable on July 1, 2014. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$1,336,254. The \$95,359 deferred amount on retirement of bonds is being amortized over the shorter of the lives for the refunded or the refunding bonds on a straight-line basis.

## NOTE 7 REVENUE BONDS PAYABLE

Revenue bonds payable at June 30, 2014 consisted of the outstanding revenue bonds and refunding bonds presented below. The bonds are generally callable after 10 years with interest payable semiannually. The bonds payable at June 30, 2014 are presented below:

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2014	Due Within One Year
Governmental activities:				
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2011A	2.00 - 3.00%	7/1/14 - 21	\$ 1,780,000	\$ 85,000
Public Improvement Corporation Municipal Facilities Revenue Tax-Exempt Revenue Bonds, Series 2012A	2.48%	6/15/13 - 6/15/23	8,192,676	823,166
Public Improvement Corporation Municipal Facilities Revenue Taxable Revenue Bonds, Series 2012B	3.44%	6/15/13 - 6/15/23	974,700	94,123
McDowell Road Corridor Improvement District Bonds	5.25%	1/1/10 - 32	41,035,000	1,425,000
Total Governmental activities			\$ 51,982,376	\$ 2,427,289
Business-type activities:				
Revenue Bonds, Series 1999	4.47 - 6.73%	7/1/07 - 18	\$ 755,000	\$ -
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007A	4.50 - 5.00%	7/1/19 - 32	44,200,000	-
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2008	5.00 - 6.375%	7/1/19 - 31	32,950,000	-
Revenue Bonds, Series 2009	6.75%	7/1/2049	325,000	-
Revenue Bonds, Series 2010	5.00 - 5.625%	7/1/22 - 39	14,950,000	-
Revenue Bonds, Series 2011	2.00 - 5.500%	7/1/12 - 41	15,130,000	280,000
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2011A	2.00 - 5.25%	7/1/23 - 27	23,515,000	-
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2011B	3.00%	7/1/2018	1,515,000	-
Total Business-type activities			\$ 133,340,000	\$ 280,000

NOTE 7 REVENUE BONDS PAYABLE (Continued)

Revenue bond debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2015	\$ 2,427,289	\$ 2,436,870	\$ 280,000	\$ 7,265,507
2016	2,671,094	2,333,953	510,000	7,292,307
2017	2,780,527	2,223,794	500,000	7,273,163
2018	2,895,602	2,108,569	475,000	7,223,032
2019	3,011,337	1,988,333	1,995,000	7,198,568
2020-2024	15,301,527	7,964,952	29,805,000	30,474,958
2025-2029	13,195,000	4,695,338	38,095,000	22,448,904
2030-2034	9,700,000	1,035,824	46,685,000	9,014,505
2035-2039	-	-	10,310,000	2,818,126
2040-2044	-	-	4,360,000	391,695
2045-2049	-	-	-	109,688
2050	-	-	325,000	10,969
Total	<u>\$ 51,982,376</u>	<u>\$ 24,787,633</u>	<u>\$ 133,340,000</u>	<u>\$ 101,521,422</u>

Pledged Revenue

A. Revenue Bonds

Revenue bonds are collateralized by a pledge of the gross revenues of the utility systems, as defined in the bond indentures. The bonds are payable solely from sewer and water customer net revenues. Proceeds of the bonds were used for improvements to the city's sewer and water system. Principal and interest paid for the current year and total sewer and water customer net revenues were \$3,652,883 and \$12,305,623, respectively.

B. Public Improvement Corporation Municipal Facilities Revenue Bonds

The public improvement corporation municipal facilities revenue bonds are secured by excise taxes or other undesignated general fund revenues. Proceeds from the bonds were used to construct a major league baseball training facility as well as other municipal facilities. Principal and interest paid for the current year and total pledged revenues were \$6,958,981 and \$62,556,655, respectively.

C. McDowell Road Corridor Improvement District Bonds

The City acts as an administrator for the McDowell Road Corridor Improvement District whereby it collects the assessments levied against owners of property within the established district and disburses the amounts collected to retire the bonds issued to finance the improvements. At June 30, 2014, the special assessments receivable, together with amounts paid in advance and interest to be received over the life of the assessment period, is adequate for the scheduled maturities of the bonds payable and the related interest.

The McDowell Road Corridor Improvement District bonds are collateralized by properties within the district. In the event of default by the property owner(s), the City may enforce an auction sale to satisfy the debt service requirements of the improvement bonds. The City is contingently liable on the bonds to the extent that proceeds from auction sales are insufficient to retire outstanding bonds.

## NOTE 8 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE

Community Facilities District General Obligation Bonds are issued by Community Facilities Districts (CFDs), which are special purpose districts created specifically to acquire and improve public infrastructure in specified land areas. CFD bonds are repaid by ad valorem taxes levied directly by the districts and collected by the county. Property owners in the districts are assessed for district taxes and thus for all costs associated with the districts. The City has no liability for CFD bonds.

Community facilities district bonds payable at June 30, 2014 consisted of outstanding general obligation and special assessment bonds. The bonds are generally callable with interest payable semiannually. The community facilities district bonds payable at June 30, 2014, are presented below.

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2014	Due Within One Year
General District No. 1:				
G.O. Refunding Bonds, Series 2013	2.0% - 5.0%	07/15/28	\$ 10,685,000	\$ 335,000
Palm Valley:				
GO Bond Series 2006	4.25 - 5.30 %	07/15/31	3,740,000	130,000
GO Bond Series 2007	4.25 - 5.80 %	07/15/32	3,455,000	100,000
Utilities District No. 1:				
G.O. Bond Series 1998	4.55 - 5.25 %	07/15/22	275,000	275,000
G.O. Bond Series 2000	4.7 - 5.2 %	07/15/25	255,000	255,000
G.O. Bond Series 2003	3.3 - 5.75 %	07/15/28	155,000	155,000
G.O. Project Bonds Series 2005	3.5 - 4.5 %	07/15/29	6,420,000	210,000
G.O. Refunding Bonds Series 2005	3.0 - 4.3 %	07/15/21	900,000	95,000
G.O. Bond Series 2007	4.00 - 5.00 %	07/15/32	20,945,000	485,000
G.O. Refunding Bonds, Series 2014	2.0% - 4.0%	07/15/28	14,755,000	-
Wildflower Ranch General District 1:				
G.O. Bonds, Series 1997	5.875 - 6.5 %	07/15/22	360,000	30,000
G.O. Bonds, Series 1998	5.2 - 5.75 %	07/15/23	460,000	30,000
Wildflower Ranch General District 2:				
G.O. Bonds, Series 2000	6.0 - 7.0 %	07/15/25	490,000	30,000
G.O. Bonds, Series 2001	4.5 - 5.9 %	07/15/26	535,000	30,000
Cottonflower:				
G.O. Bonds, Series 2003	4.1 - 5.70 %	07/15/28	1,325,000	60,000
G.O. Bonds, Series 2004	3.7 - 6.75 %	07/15/28	1,050,000	45,000
Estrella Mountain Ranch:				
Assessment Bonds, Series 2001(A)	7.875%	07/01/25	3,773,000	313,000
Assessment Bonds, Series 2002	7.375%	07/01/27	3,029,000	175,000
G.O. Bonds, Series 2005	5.0 - 5.8 %	07/15/30	4,080,000	140,000
Assessment Bonds, Series 2007(M)	4.65 - 5.80 %	07/01/32	6,506,000	249,000
G.O. Bonds, Series 2007	4.50 - 6.20 %	07/15/32	11,305,000	330,000
Assessment Bonds, Series 2007(G)	6.00 - 6.75 %	07/01/32	6,064,000	204,000
Centerra:				
G.O. Bonds, Series 2005	5.5%	07/15/29	1,915,000	80,000
G.O. Bonds, Series 2006	4.75 - 5.15 %	07/15/31	575,000	5,000
G.O. Bonds, Series 2008	4.875 - 6.625 %	07/15/32	670,000	10,000
Cortina:				
G.O. Bonds, Series 2005	5.0 - 5.7 %	07/15/29	1,350,000	55,000
G.O. Bonds, Series 2006	5.0 - 5.375 %	07/15/31	840,000	20,000
Total			<u>\$ 105,912,000</u>	<u>\$ 3,846,000</u>

NOTE 8 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE (Continued)

Community Facilities District bonds debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Governmental Activities	
	Principal	Interest
2015	\$ 3,846,000	\$ 5,192,397
2016	3,919,000	5,241,455
2017	4,185,000	5,050,058
2018	4,420,000	4,834,806
2019	4,654,000	4,602,920
2020-2024	27,262,000	18,962,369
2025-2029	32,164,000	11,041,811
2030-2033	25,462,000	2,878,027
Total	\$ 105,912,000	\$ 57,803,843

On June 11, 2014, Community Facilities District No. 1 (CFUD) issued \$14,755,000 of General Obligation Bonds, with an average interest rate of 3.99%, to do an advanced refunding for a portion of the CFUD 1998, 2000 and 2003 General Obligation Bonds. Under the terms of the refunding issue, sufficient assets to pay \$2,550,000 of the 1998, \$5,175,000 of the 2000, \$7,030,000 of the 2003 principal and interest on the refunding bonds issued have been placed in irrevocable trust accounts at commercial banks which will provide an amount sufficient for future payment of principal and interest of the issues refunded. The only outstanding balance for these bonds were the principal payments due on July 15, 2014 as of June 30, 2014. The transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$2,090,047. The \$383,166 deferred amount on retirement of bonds is being amortized over the shorter of the lives for the refunded or refunding bonds on a straight-line basis.

## NOTE 9 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Compensated absences	4,012,521	1,890,261	1,889,509	4,013,273	1,440,525
General obligation bonds payable	26,555,569	-	2,691,832	23,863,737	-
Community Facilities	.	.	.	.	.
Districts bonds payable	109,823,000	14,755,000	18,666,000	105,912,000	3,846,000
Public improvement bonds	12,431,467	-	1,484,091	10,947,376	1,002,289
Revenue bonds payable	42,390,000	-	1,355,000	41,035,000	1,425,000
Premiums	3,387,284	1,114,908	297,698	4,204,494	-
Discounts	(53,264)	-	(3,329)	(49,935)	-
Governmental activities long-term liabilities	<u>\$ 198,546,577</u>	<u>\$ 17,760,169</u>	<u>\$ 26,380,801</u>	<u>\$ 189,925,945</u>	<u>\$ 7,713,814</u>
<b>Business-type Activities:</b>					
Compensated absences	\$ 444,555	\$ 270,243	\$ 204,795	\$ 510,003	\$ 193,283
General obligation bonds payable	85,384,431	15,865,000	20,088,168	81,161,263	-
Public improvement bonds	102,180,000	-	-	102,180,000	-
Revenue bonds payable	31,665,000	-	505,000	31,160,000	280,000
Loans payable	10,998,942	-	934,935	10,064,007	-
Premiums	3,315,101	608,632	518,410	3,405,323	-
Discounts	(600,956)	-	(22,227)	(578,729)	-
Business-type activities long-term liabilities	<u>\$ 233,387,073</u>	<u>\$ 16,743,875</u>	<u>\$ 22,229,081</u>	<u>\$ 227,901,867</u>	<u>\$ 473,283</u>

## NOTE 10 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2014, interfund balances were as follows:

Fund	Receivable Amount	Payable Amount
General Fund	\$ 1,772,397	\$ -
Non-Major Governmental Funds	-	653,966
Stadium Fund	-	961,840
Internal Service Fund	-	156,591
Total	<u>\$ 1,772,397</u>	<u>\$ 1,772,397</u>

All interfund borrowing resulted from the borrowing of funds to cover cash deficit, except for the \$961,840 payable amount in the Stadium Fund. This amount is an interfund borrowing transaction from the general fund for the commercial retail liners at the ballpark and will be paid back when the commercial retail liners are sold to enterprises.

NOTE 10 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Fund	Transfers Out	Transfers In
General Fund	\$ 9,293,886	\$ 3,714,276
Non-Major Governmental Funds	1,200,730	1,642,088
Water and Sewer Fund	2,800,000	-
Sanitation Fund	900,000	-
Stadium Fund	-	8,838,252
Total	\$ 14,194,616	\$ 14,194,616

All transfers made during the year were to cover operations or debt service as approved during budget development, or were necessary for grant matching purposes.

NOTE 11 CONTINGENT LIABILITIES

Federal and State grants and loans - The City has received a number of grants and loans from both the Federal and State governments. Although the programs have been audited, not all audits have been approved as of June 30, 2014; however, the City expects no material disallowances of expenditures.

Lawsuits - The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Commitments - The City is contingently liable for \$1.5 million to be paid from the general fund to entities that the City has entered into job credit agreements for establishing businesses within the City. These credits will be paid out when the established criteria are met for job creation and other economic growth factors as specified by the development agreements. Each year the City appropriates for these obligations through the budget process.

NOTE 12 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the City is a participating member. The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has authority to assess its members additional premiums should reserve and annual premiums be insufficient to meet the pool's obligations. The maximum liability for the City for the fiscal year is \$500,000 and the deductible is \$250,000 per occurrence. The City has funds set aside in the budget for the fiscal year ending June 30, 2014 for any expected claims in excess of \$250,000.

The City has workers compensation insurance through CopperPoint Mutual Insurance Company for potential work-related accidents.

## NOTE 13 RETIREMENT PLANS

All full-time City employees are covered by one of two contributory retirement and pension plans, which are administered by the State of Arizona under State Statute.

### ***Plan Descriptions***

Arizona State Retirement Plan - The *Arizona State Retirement System (ASRS)* administers a cost-sharing multiple-employer defined benefits pension plan that covers general employees of the City. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of ARS Title 38, Chapter 5, Article 2. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. ASRS issues a publicly available report that includes financial statements and required supplementary information. The report may be obtained in writing at Arizona State Retirement System, 3300 N. Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910 or by calling (602) 240-2200 or (800) 621-3778.

Arizona Public Safety Personnel Retirement System - The *Public Safety Personnel Retirement System (PSPRS)* is an agent multiple-employer defined benefit pension plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS acting as a common investment and administrative agent is governed by a five-member board, known as The Fund Manager, and 167 local boards according to the provisions of ARS Title 38, Chapter 5, Article 4. The City contributes to one PSPRS plan for police and one for firefighters. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits. PSPRS issues a publicly available report that includes financial statements and required supplementary information. The report may be obtained in writing at PSPRS, 3010 E. Camelback Rd., Suite 200, Phoenix, AZ 85016-4416 or by calling (602) 255-5575.

### ***Funding Policy***

Cost-sharing plan – The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the year ended June 30, 2014, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.54% (11.30% retirement and 0.24% long-term disability) of the member's annual covered payroll and the City was required by statute to contribute at the actuarially determined rate of 11.54% (10.70% retirement, 0.60% for health insurance premium, and 0.24% long-term disability) of the members' annual covered payroll. The City's contributions to ASRS for the years ended June 30, 2014, 2013, and 2012 were \$2,327,261, \$2,133,623, and \$2,022,865, respectively. The City contribution for the current and two preceding years, all of which were equal to the required contributions, were as follows:

Years ended June 30,	Retirement	Health Insurance	Long-term Disability	Total
2014	\$ 2,157,847	\$ 121,012	\$ 48,402	\$ 2,327,261
2013	1,969,820	117,973	45,830	2,133,623
2012	1,859,002	118,660	45,203	2,022,865

NOTE 13 RETIREMENT PLANS (Continued)

Agent plans – The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the year ended June 30, 2014, active PSPRS members were required by statute to contribute 10.35% of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 17.47% (16.53% retirement and 0.94% health insurance premium) of the covered payroll to the Plan for the Police and 13.40% (12.76% retirement and 0.64% health insurance premium) of the covered payroll to the Plan for the Firefighters.

**Annual Pension Cost**

The City's pension cost for the agent plan for the year ended June 30, 2014, and related information follows:

Contribution Rates:	PSPRS – Police	PSPRS - Fire
City – retirement	16.53%	12.76%
City – health insurance premium	0.94%	0.64%
Plan members	10.35%	10.35%
Annual pension cost		
Retirement	\$ 1,110,743	\$ 930,142
Health insurance premium	\$ 63,164	\$ 46,653
Pension contributions made		
Retirement	\$ 1,110,743	\$ 930,142
Health insurance premium	\$ 63,164	\$ 46,653
Actuarial valuation date	June 30, 2012	June 30, 2012
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	8.00%	8.00%
Projected salary increases	5.0% - 9.0%	5.0% - 9.0%
Includes payroll growth but not cost-of-living adjustment	5.0%	5.0%
Amortization method	Level Percent Closed	Level Percent Closed
Remaining amortization period	24 years underfunded 20 years overfunded	24 years underfunded 20 years overfunded
Asset valuation method	7-year smoothed market	7-year smoothed market
Post retirement benefit increases	Based on Income	Based on Income

NOTE 13 RETIREMENT PLANS (Continued)

Trend Information – Information for the PSPRS plan as of the most recent actuarial valuations follows:

Plan	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<b>PSPRS - Police - Pension</b>			
June 30, 2014	\$ 1,110,743	100.0%	-
June 30, 2013	1,012,173	100.0%	-
June 30, 2012	782,123	100.0%	-
<b>PSPRS - Police - Health Insurance</b>			
June 30, 2014	63,164	100.0%	-
June 30, 2013	62,643	100.0%	-
June 30, 2012	59,516	100.0%	-
<b>PSPRS - Fire - Pension</b>			
June 30, 2014	930,142	100.0%	-
June 30, 2013	852,786	100.0%	-
June 30, 2012	664,242	100.0%	-
<b>PSPRS - Fire - Health Insurance</b>			
June 30, 2014	46,653	100.0%	-
June 30, 2013	50,038	100.0%	-
June 30, 2012	45,320	100.0%	-

Schedule of Funding Progress - An analysis of funding progress for each of the agent plans as most recent actuarial valuations; June 30, 2012 reporting period determines the rates for fiscal year 2014. For this valuation, fiscal years prior to 2008 (which were prior to the implementation of GASB Statement Nos. 43 and 45), the pension and health insurance benefit amounts were aggregated. In fiscal year 2008, GASB Statement Nos. 43 and 45 measurements are made and reported, these benefits are disaggregated and reported separately.

**Actuarial Accrued Liability**

PSPRS - Goodyear Police Pension Plan:

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ([b-a]/c)
June 30, 2014	\$19,960,316	\$ 29,232,918	\$ 9,272,602	68.3%	\$6,630,426	139.85%
2013	19,286,661	25,016,493	5,729,832	77.1%	6,582,586	87.05%
2012	17,528,841	22,655,039	5,126,198	77.4%	6,321,537	81.09%

NOTE 13 RETIREMENT PLANS (Continued)

PSPRS - Goodyear Police Health Insurance Plan:

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)
June 30, 2014	\$ 638,160	\$ 732,738	\$ 94,578	87.1%	\$6,630,426	1.43%
2013	-	708,612	708,612	0.0%	6,582,586	10.76%
2012	-	699,552	699,552	0.0%	6,321,537	11.07%

PSPRS - Goodyear Fire Pension Plan:

Fire Pension

Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)
June 30, 2014	\$21,012,076	\$ 22,851,411	\$ 1,839,335	92.0%	\$7,338,828	25.06%
2013	19,244,419	20,360,336	1,115,917	94.5%	7,232,073	15.43%
2012	16,917,670	17,752,023	834,353	95.3%	6,662,566	12.52%

PSPRS – Goodyear Fire Health Insurance Plan:

Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)
June 30, 2014	\$ 466,897	\$ 634,667	\$ 167,770	73.6%	\$7,338,828	2.29%
2013	-	543,584	543,584	0.0%	7,232,073	7.52%
2012	-	475,476	475,476	0.0%	6,662,566	7.14%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

NOTE 13 RETIREMENT PLANS (Continued)

**Annual Required Contribution**

PSPRS - Goodyear Police Health Insurance Plan:

Valuation Date	Fiscal Year Ended	Normal Cost (a)	Actuarial Accrued Liability (b)	Total (a+b)	Dollar Amount
June 30, 2012	30-Jun 2014	0.35%	0.59%	0.94%	\$ 65,513
2011	2013	0.41%	0.54%	0.95%	63,184
2010	2012	0.59%	0.40%	0.99%	68,923

PSPRS – Goodyear Fire Health Insurance Plan:

Valuation Date	Fiscal Year Ended	Normal Cost (a)	Actuarial Accrued Liability (b)	Total (a+b)	Dollar Amount
June 30, 2012	30-Jun 2014	0.26%	0.38%	0.64%	\$ 47,011
2011	2013	0.30%	0.40%	0.70%	49,356
2010	2012	0.43%	0.24%	0.67%	48,534

The Health Insurance Subsidy payments reported for valuation year 2012 were \$12,441 and \$1,560 for the Police plan and the Fire plan, respectively.

**Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan**

The Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan is a single-employer defined contribution plan, which was approved by the City Council on February 27, 1990, under Arizona Revised Statutes Section 9-981. The authority to establish and amend benefit provisions rests with the City Council. In December 1999, the council revised the pension and benefit program for the part-time firefighters. The City discontinued using part-time firefighters as of December 1, 2005.

The assets of the plan are valued annually and the earnings or loss is distributed among the participant's accounts in the plan. The only expenditures being made from this fund are administration fees, benefit payments, and refunds to those firefighters who leave the service of the Fire Department before becoming eligible for pension benefits. The cost of administering the plan is financed from investment earnings. Retirement with full benefits can be at age fifty (50) or fifteen years of credited service. This plan was fully vested as of June 30, 2014. As of June 30, 2014, there were 6 eligible employees participating in the plan. The plan is administered by LPL Financial.

As of June 30, 2014, the plan's assets consisted of the following:

Cash and Cash Equivalents	\$ 397,996
Investments	60,568
Interest Receivable	156
	<u>\$ 458,720</u>

NOTE 13 RETIREMENT PLANS (Continued)

The plan has never had an actuarial valuation; however, benefits cannot exceed plan assets. The market values of mutual funds are determined from readily available market quotations. The fund uses the accrual basis of accounting. Contributions are recognized when earned; benefits and refunds are expensed when incurred. Separate audited financial statements of this employee benefit plan are not available.

NOTE 14 DEFICIT FUND BALANCE

Grants Fund Deficit Fund Balance - At June 30, 2014, the Grants Fund contains a deficit fund balance of \$73,354 in the fund financial statements. Future revenues are expected to cover this deficit.

NOTE 15 FUND BALANCE CLASSIFICATIONS

	General	Community Facilities Districts Debt Service	McDowell Road Commerical Corridor Improvement Debt Service	Non-Utility Development Impact Fees	Non-Major Governmental Funds	Total Governmental Funds
Fund balances (deficits):						
Nonspendable:						
Advances to other funds	\$ 961,840					\$ 961,840
Inventories	25,261				650,344	675,605
Prepaid items	504,865					504,865
Restricted:						
Charter mandates	3,676,547					3,676,547
Court	221,290					221,290
Law enforcement	274,392					274,392
Debt Service		14,641,621	108,207		98,876	14,848,704
Development impact fees				7,892,791		7,892,791
Capital projects					274,106	274,106
Highway user funds					47,570	47,570
Transit	644,135					644,135
Community facilities districts operations					803,837	803,837
Assigned:						
IT replacement	1,484,148					1,484,148
Fleet replacement	1,502,483					1,502,483
Risk management	792,947					792,947
Unassigned	43,707,677				(73,354)	43,634,323
Total fund balances	<u>\$53,795,585</u>	<u>\$ 14,641,621</u>	<u>\$ 108,207</u>	<u>\$ 7,892,791</u>	<u>\$ 1,801,379</u>	<u>\$ 78,239,583</u>

## NOTE 16 COMMITMENTS

The City has active construction projects as of June 30, 2014. The balances for work not yet complete as of June 30, 2014 were as follows:

Adaman Water Interconnect	\$	70,000
Vadose BOR Grant		12,925
PW Facility Wash Rack, Fuel Station		339,420
PD Evidence Facility		55,222
Remediated Water Line		274,670
Transportation Master Plan		61,525
Corgett Capacity Expansion		51,808
Stadium Infrastructure		57,921
Goodyear Waterline and Storm Sewer		630,653
Sarival/VanBuren, I-10		63,876
Roadway to Sonoran Valley		88,664
Corgett Capacity Expansion		67,833
Roadway to Sonoran Valley		25,130
WRF 2 MGD Expansion Design		521,597
	\$	<u>2,321,244</u>

These commitments are being financed from existing fund balances.



# Other Supplementary Information



# Combining Statements and Budgetary Schedules



# Non-Major Government Funds Financial Statements

## **Special Revenue Funds**

- Highway User Revenue Fund (HURF) – Funded through fuel taxes distributed from the State of Arizona.
- Grants Fund – Based on application to granting agencies by the City and availability of funding by grantors.
- Community Facilities Districts – CFD's represent special districts formed for the purpose of financing the acquisition, construction, operation, and maintenance of the public infrastructure benefiting the community.

## **Debt Service Fund**

This fund was established for the accumulation of resources and the servicing of long-term debt not being financed by the proprietary funds. Revenues are generated from the secondary property tax levy sufficient to meet the debt service.

## **Capital Improvement Projects Fund**

This fund accounts for acquisition and construction of the government's major capital facilities, other than those financed by proprietary funds.





**CITY OF GOODYEAR, ARIZONA**  
**COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2014**

	Special Revenue		
	Highway User Revenue	Grants	Community Facilities Districts
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 20,020	\$ 518,247	\$ 1,400,850
Investments		1,101,936	
Taxes receivable	346,683		10,947
Interest receivable		2,847	
Accounts receivable	902		472
Due from other governments		142,194	
Inventories	650,344		
<b>Total assets</b>	<b><u>\$ 1,017,949</u></b>	<b><u>\$ 1,765,224</u></b>	<b><u>\$ 1,412,269</u></b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 127,789	\$ 38,175	\$ 90,958
Accrued payroll and employee benefits	39,695		
Accrued interest payable			
Deposits	152,551		
Due to other funds		138,310	515,656
Unearned revenue		1,580,067	
<b>Total liabilities</b>	<b><u>320,035</u></b>	<b><u>1,756,552</u></b>	<b><u>606,614</u></b>
Deferred inflows of resources:			
Unavailable revenues - property taxes			1,818
Unavailable revenues - intergovernmental		82,026	
<b>Total deferred inflows of resources</b>		<b><u>82,026</u></b>	<b><u>1,818</u></b>
Fund balances (deficits):			
Nonspendable	650,344		
Restricted	47,570		803,837
Unassigned		(73,354)	
<b>Total fund balances</b>	<b><u>697,914</u></b>	<b><u>(73,354)</u></b>	<b><u>803,837</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 1,017,949</u></b>	<b><u>\$ 1,765,224</u></b>	<b><u>\$ 1,412,269</u></b>

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Debt Service	Capital Improvement Projects	Funds
\$ 63,974	\$ 302,988	\$ 2,306,079
93,416		1,101,936
		451,046
		2,847
		1,374
		142,194
		650,344
<u>\$ 157,390</u>	<u>\$ 302,988</u>	<u>\$ 4,655,820</u>
\$ 3,132	\$ 28,882	\$ 285,804
		39,695
		3,132
		152,551
		653,966
		1,580,067
<u>3,132</u>	<u>28,882</u>	<u>2,715,215</u>
55,382		57,200
		82,026
<u>55,382</u>		<u>139,226</u>
98,876	274,106	650,344
		1,224,389
		(73,354)
<u>98,876</u>	<u>274,106</u>	<u>1,801,379</u>
<u>\$ 157,390</u>	<u>\$ 302,988</u>	<u>\$ 4,655,820</u>

**CITY OF GOODYEAR, ARIZONA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2014**

	Special Revenue		
	Highway User Revenue	Grants	Community Facilities Districts
<b>Revenues:</b>			
Taxes	\$	\$	\$ 1,037,629
Intergovernmental	3,681,156	359,057	
Charges for services		7,493	
Investment income	411	6,659	3,542
Miscellaneous	71,262		75,432
<b>Total revenues</b>	<u>3,752,829</u>	<u>373,209</u>	<u>1,116,603</u>
<b>Expenditures:</b>			
Current -			
General government			1,024,746
Public safety		352,662	
Highways and streets	5,402,171	66,161	
Capital outlay		193,618	
Debt service -			
Principal retirement			
Interest and debt cost			
<b>Total expenditures</b>	<u>5,402,171</u>	<u>612,441</u>	<u>1,024,746</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,649,342)</u>	<u>(239,232)</u>	<u>91,857</u>
<b>Other financing sources (uses):</b>			
Transfer in	1,450,137	191,951	
Transfer out	(191,951)		
<b>Total other financing sources (uses):</b>	<u>1,258,186</u>	<u>191,951</u>	
<b>Changes in fund balances</b>	<u>(391,156)</u>	<u>(47,281)</u>	<u>91,857</u>
<b>Fund balances (deficits), beginning of year</b>	1,089,070	(26,073)	711,980
<b>Fund balances (deficits), end of year</b>	<u>\$ 697,914</u>	<u>\$ (73,354)</u>	<u>\$ 803,837</u>

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>Debt Service</u>	<u>Capital Improvement Projects</u>	<u>Funds</u>
\$ 4,077,385	\$	\$ 5,115,014
		4,040,213
		7,493
341	785	11,738
		146,694
<u>4,077,726</u>	<u>785</u>	<u>9,321,152</u>
		1,024,746
		352,662
		5,468,332
	1,408,103	1,601,721
2,691,832		2,691,832
1,134,231		1,134,231
<u>3,826,063</u>	<u>1,408,103</u>	<u>12,273,524</u>
<u>251,663</u>	<u>(1,407,318)</u>	<u>(2,952,372)</u>
		1,642,088
(994,503)	(14,276)	(1,200,730)
<u>(994,503)</u>	<u>(14,276)</u>	<u>441,358</u>
<u>(742,840)</u>	<u>(1,421,594)</u>	<u>(2,511,014)</u>
841,716	1,695,700	4,312,393
<u>\$ 98,876</u>	<u>\$ 274,106</u>	<u>\$ 1,801,379</u>



# Fiduciary Funds Financial Statements

**Combining Statement of Net Position**

**Statement of Changes in Net Position**

**Agency Funds**

- G.A.I.N.
- Fill-A-Need
- Payshare (Utility Assistance)
- Shop With A Cop
- Arizona in Action





**CITY OF GOODYEAR, ARIZONA**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**JUNE 30, 2014**

	<u>GAIN</u>	<u>Payshare (Utility Assistance)</u>	<u>Fill-A-Need</u>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	\$ 9,030	\$ 299	\$ 7,717
Interest receivable		6	
<b>Total assets</b>	<u>\$ 9,030</u>	<u>\$ 305</u>	<u>\$ 7,717</u>
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 9,030	\$	\$
Deposits held for others		305	7,717
<b>Total liabilities</b>	<u>\$ 9,030</u>	<u>\$ 305</u>	<u>\$ 7,717</u>

<u>Shop With A Cop</u>	<u>Arizona in Action</u>	<u>Totals</u>
\$ 8,665	\$ 3,230	\$ 28,941
<u>\$ 8,665</u>	<u>\$ 3,230</u>	<u>\$ 28,947</u>

\$ 8,665	\$ 3,230	\$ 9,030
<u>\$ 8,665</u>	<u>\$ 3,230</u>	<u>\$ 28,947</u>

**CITY OF GOODYEAR, ARIZONA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2014**

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
<b>Brownfield EPA Cleanup:</b>				
Assets				
Cash and cash equivalents	\$ 88,339	\$ -	\$ (88,339)	\$ -
Liabilities				
Accounts Payable	\$ 87,115		\$ (87,115)	\$ -
Deposits held for others	1,224	-	(1,224)	-
Total liabilities	\$ 88,339	\$ -	\$ (88,339)	\$ -
<b>GAIN:</b>				
Assets				
Cash and cash equivalents	\$ 9,030	\$ -	\$ (0)	\$ 9,030
Liabilities				
Accounts Payable	\$ 9,030	\$ -	\$ (0)	\$ 9,030
<b>Payshare</b>				
Assets				
Cash and cash equivalents	\$ 198	\$ 101	\$ -	\$ 299
Receivable	6	-	-	6
Total Assets	\$ 204	\$ 101	\$ -	\$ 305
Liabilities				
Deposits held for others	\$ 204	\$ 101	\$ -	\$ 305
<b>Fill-A-Need:</b>				
Assets				
Cash and cash equivalents	\$ 4,654	\$ 3,063	\$ -	\$ 7,717
Liabilities				
Deposits held for others	\$ 4,654	\$ 3,063	\$ -	\$ 7,717
<b>Shop With A Cop:</b>				
Assets				
Cash and cash equivalents	\$ 8,516	\$ 149	\$ -	\$ 8,665
Liabilities				
Deposits held for others	\$ 8,516	\$ 149	\$ -	\$ 8,665
<b>Arizona in Action:</b>				
Assets				
Cash and cash equivalents	\$ -	\$ 3,230	\$ -	\$ 3,230
Liabilities				
Deposits held for others	\$ -	\$ 3,230	\$ -	\$ 3,230
<b>Total - All Agency Funds</b>				
Assets				
Cash and cash equivalents	\$ 110,737	\$ 6,543	\$ (88,339)	\$ 28,941
Receivable	6	-	-	6
Total Assets	\$ 110,743	\$ 6,543	\$ (88,339)	\$ 28,947
Liabilities				
Accounts Payable	\$ 96,145	\$ -	\$ (87,115)	\$ 9,030
Deposits held for others	14,598	6,543	(1,224)	19,917
Total liabilities	\$ 110,743	\$ 6,543	\$ (88,339)	\$ 28,947

# Budgetary Comparison Schedules

Major Governmental Funds



**CITY OF GOODYEAR, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**COMMUNITY FACILITIES DISTRICTS DEBT SERVICE**  
**YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
<b>Revenues:</b>			
Taxes	\$ 5,135,933	\$ 5,168,668	\$ 32,735
Investment income	2,895	8,499	5,604
Special assessments	4,747,071	2,294,980	(2,452,091)
Contributions	2,044,809	1,882,547	(162,262)
<b>Total revenues</b>	<u>11,930,708</u>	<u>9,354,694</u>	<u>(2,576,014)</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	8,382,000	3,911,000	4,471,000
Interest and debt cost	9,212,659	5,721,192	3,491,467
Bond issuance costs		393,957	(393,957)
<b>Total expenditures</b>	<u>17,594,659</u>	<u>10,026,149</u>	<u>7,568,510</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(5,663,951)</u>	<u>(671,455)</u>	<u>4,992,496</u>
<b>Other financing sources (uses):</b>			
Refunding bonds issued	400,000	14,755,000	14,355,000
Refunding bonds premium		1,114,908	1,114,908
Payment to refunded bond escrow agent		(15,138,166)	(15,138,166)
<b>Total other financing sources (uses):</b>	<u>400,000</u>	<u>731,742</u>	<u>331,742</u>
<b>Changes in fund balances</b>	<u>(5,263,951)</u>	<u>60,287</u>	<u>5,324,238</u>
<b>Fund balances, beginning of year</b>	12,399,634	14,581,334	2,181,700
<b>Fund balances, end of year</b>	<u>\$ 7,135,683</u>	<u>\$ 14,641,621</u>	<u>\$ 7,505,938</u>

**CITY OF GOODYEAR, ARIZONA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
MCDOWELL ROAD COMMERCIAL CORRIDOR ID DEBT SERVICE  
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$	\$	\$ 13,239	\$ 13,239
Special assessments	3,544,906	3,544,906	3,544,906	
<b>Total revenues</b>	<u>3,544,906</u>	<u>3,544,906</u>	<u>3,558,145</u>	<u>13,239</u>
<b>Expenditures:</b>				
Debt service -				
Principal retirement	1,355,000	1,355,000	1,355,000	
Interest and debt cost	2,189,907	2,190,407	2,190,329	78
<b>Total expenditures</b>	<u>3,544,907</u>	<u>3,545,407</u>	<u>3,545,329</u>	<u>78</u>
<b>Changes in fund balances</b>	<u>(1)</u>	<u>(501)</u>	<u>12,816</u>	<u>13,317</u>
<b>Fund balances, beginning of year</b>	95,390	95,390	95,391	1
<b>Fund balances, end of year</b>	<u>\$ 95,389</u>	<u>\$ 94,889</u>	<u>\$ 108,207</u>	<u>\$ 13,318</u>

**CITY OF GOODYEAR, ARIZONA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
NON-UTILITY DEVELOPMENT IMPACT FEES  
YEAR ENDED JUNE 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services	\$ 3,775,298	\$ 3,775,298	\$ 2,346,231	\$ (1,429,067)
Investment income	6,151	6,151	80,729	74,578
Miscellaneous			127,524	127,524
<b>Total revenues</b>	<u>3,781,449</u>	<u>3,781,449</u>	<u>2,554,484</u>	<u>(1,226,965)</u>
<b>Expenditures:</b>				
Current -				
Public safety			2,539	(2,539)
Highways and streets	153,249	153,249	117,634	35,615
Culture and recreation	272,600	272,600	260,103	12,497
Capital outlay	14,063,745	13,904,296	10,523,061	3,381,235
<b>Total expenditures</b>	<u>14,489,594</u>	<u>14,330,145</u>	<u>10,903,337</u>	<u>3,426,808</u>
<b>Changes in fund balances</b>	<u>(10,708,145)</u>	<u>(10,548,696)</u>	<u>(8,348,853)</u>	<u>2,199,843</u>
<b>Fund balances, beginning of year</b>			16,241,644	16,241,644
<b>Fund balances (deficits), end of year</b>	<u>\$ (10,708,145)</u>	<u>\$ (10,548,696)</u>	<u>\$ 7,892,791</u>	<u>\$ 18,441,487</u>



# Budgetary Comparison Schedules

Non-Major Governmental Funds and Enterprise Funds



**CITY OF GOODYEAR, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**HIGHWAY USER REVENUE**  
**YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 3,682,124	\$ 3,682,124	\$ 3,681,156	\$ (968)
Charges for services	10,000	10,000		(10,000)
Investment income			411	411
Miscellaneous	25,000	25,000	71,262	46,262
<b>Total revenues</b>	<u>3,717,124</u>	<u>3,717,124</u>	<u>3,752,829</u>	<u>35,705</u>
<b>Expenditures:</b>				
Current -				
Highways and streets	5,887,575	5,984,054	5,402,171	581,883
Capital outlay	370	370		370
<b>Total expenditures</b>	<u>5,887,945</u>	<u>5,984,424</u>	<u>5,402,171</u>	<u>582,253</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,170,821)</u>	<u>(2,267,300)</u>	<u>(1,649,342)</u>	<u>617,958</u>
<b>Other financing sources (uses):</b>				
Transfer in	2,190,500	2,190,500	1,450,137	(740,363)
Transfer out			(191,951)	(191,951)
<b>Total other financing sources (uses):</b>	<u>2,190,500</u>	<u>2,190,500</u>	<u>1,258,186</u>	<u>(932,314)</u>
<b>Changes in fund balances</b>	<u>19,679</u>	<u>(76,800)</u>	<u>(391,156)</u>	<u>(314,356)</u>
<b>Fund balances, beginning of year</b>	813,526	813,526	1,089,070	275,544
<b>Fund balances, end of year</b>	<u>\$ 833,205</u>	<u>\$ 736,726</u>	<u>\$ 697,914</u>	<u>\$ (38,812)</u>

**CITY OF GOODYEAR, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GRANTS**  
**YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,350,000	\$ 2,350,000	\$ 359,057	\$ (1,990,943)
Charges for services			7,493	7,493
Investment income			6,659	6,659
<b>Total revenues</b>	<u>2,350,000</u>	<u>2,350,000</u>	<u>373,209</u>	<u>(1,976,791)</u>
<b>Expenditures:</b>				
Current -				
General government	2,046,356	1,065,293		1,065,293
Public safety		467,073	352,662	114,411
Highways and streets		80,000	66,161	13,839
Culture and recreation		3,500		3,500
Capital outlay	368,739	918,967	193,618	725,349
<b>Total expenditures</b>	<u>2,415,095</u>	<u>2,534,833</u>	<u>612,441</u>	<u>1,922,392</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(65,095)</u>	<u>(184,833)</u>	<u>(239,232)</u>	<u>(54,399)</u>
<b>Other financing sources (uses):</b>				
Transfer in			191,951	191,951
<b>Total other financing sources (uses):</b>			<u>191,951</u>	<u>191,951</u>
<b>Changes in fund balances</b>	<u>(65,095)</u>	<u>(184,833)</u>	<u>(47,281)</u>	<u>137,552</u>
<b>Fund balances (deficits), beginning of year</b>	(26,074)	(26,074)	(26,073)	1
<b>Fund balances (deficits), end of year</b>	<u>\$ (91,169)</u>	<u>\$ (210,907)</u>	<u>\$ (73,354)</u>	<u>\$ 137,553</u>

**CITY OF GOODYEAR, ARIZONA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
COMMUNITY FACILITIES DISTRICTS  
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
<b>Revenues:</b>			
Taxes	\$ 1,031,126	\$ 1,037,629	\$ 6,503
Investment income	700	3,542	2,842
Miscellaneous	307,029	75,432	(231,597)
<b>Total revenues</b>	<u>1,338,855</u>	<u>1,116,603</u>	<u>(222,252)</u>
<b>Expenditures:</b>			
Current -			
General government	1,476,913	1,024,746	452,167
<b>Total expenditures</b>	<u>1,476,913</u>	<u>1,024,746</u>	<u>452,167</u>
<b>Changes in fund balances</b>	<u>(138,058)</u>	<u>91,857</u>	<u>229,915</u>
<b>Fund balances, beginning of year</b>	479,166	711,980	232,814
<b>Fund balances, end of year</b>	<u>\$ 341,108</u>	<u>\$ 803,837</u>	<u>\$ 462,729</u>

**CITY OF GOODYEAR, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DEBT SERVICE**  
**YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 4,135,351	\$ 4,135,351	\$ 4,077,385	\$ (57,966)
Investment income			341	341
<b>Total revenues</b>	<u>4,135,351</u>	<u>4,135,351</u>	<u>4,077,726</u>	<u>(57,625)</u>
<b>Expenditures:</b>				
Debt service -				
Principal retirement	2,982,609	2,851,216	2,691,832	159,384
Interest and debt cost	1,477,583	1,133,476	1,134,231	(755)
<b>Total expenditures</b>	<u>4,460,192</u>	<u>3,984,692</u>	<u>3,826,063</u>	<u>158,629</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(324,841)</u>	<u>150,659</u>	<u>251,663</u>	<u>101,004</u>
<b>Other financing sources (uses):</b>				
Transfer out			(994,503)	(994,503)
<b>Total other financing sources (uses):</b>			<u>(994,503)</u>	<u>(994,503)</u>
<b>Changes in fund balances</b>	<u>(324,841)</u>	<u>150,659</u>	<u>(742,840)</u>	<u>(893,499)</u>
<b>Fund balances, beginning of year</b>	841,716	841,716	841,716	
<b>Fund balances, end of year</b>	<u>\$ 516,875</u>	<u>\$ 992,375</u>	<u>\$ 98,876</u>	<u>\$ (893,499)</u>

**CITY OF GOODYEAR, ARIZONA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL IMPROVEMENT PROJECTS  
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Investment income	\$	\$	\$ 785	\$ 785
<b>Total revenues</b>			<u>785</u>	<u>785</u>
<b>Expenditures:</b>				
Capital outlay	31,217,780	23,077,974	1,408,103	21,669,871
<b>Total expenditures</b>	<u>31,217,780</u>	<u>23,077,974</u>	<u>1,408,103</u>	<u>21,669,871</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(31,217,780)</u>	<u>(23,077,974)</u>	<u>(1,407,318)</u>	<u>21,670,656</u>
<b>Other financing sources (uses):</b>				
Debt issuance	29,463,122	27,213,122		(27,213,122)
Transfer out			(14,276)	(14,276)
<b>Total other financing sources (uses):</b>	<u>29,463,122</u>	<u>27,213,122</u>	<u>(14,276)</u>	<u>(27,227,398)</u>
<b>Changes in fund balances</b>	<u>(1,754,658)</u>	<u>4,135,148</u>	<u>(1,421,594)</u>	<u>(5,556,742)</u>
<b>Fund balances, beginning of year</b>	1,695,700	1,695,700	1,695,700	
<b>Fund balances (deficits), end of year</b>	<u>\$ (58,958)</u>	<u>\$ 5,830,848</u>	<u>\$ 274,106</u>	<u>\$ (5,556,742)</u>

**CITY OF GOODYEAR, ARIZONA**  
**SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL**  
**WATER AND SEWER ENTERPRISE FUND**  
**YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>Operating revenues:</b>				
Charges for services	\$ 22,599,830	\$ 22,599,830	\$ 24,767,428	\$ 2,167,598
Miscellaneous	28,491	28,491	222,569	194,078
<b>Total operating revenues</b>	<u>22,628,321</u>	<u>22,628,321</u>	<u>24,989,997</u>	<u>2,361,676</u>
<b>Operating expenses:</b>				
Administration	3,830,464	3,830,464	3,547,387	283,077
Cost of sales and services	15,650,714	15,923,672	9,136,987	6,786,685
Depreciation			5,371,067	(5,371,067)
<b>Total operating expenses</b>	<u>19,481,178</u>	<u>19,754,136</u>	<u>18,055,441</u>	<u>1,698,695</u>
<b>Operating income (loss)</b>	<u>3,147,143</u>	<u>2,874,185</u>	<u>6,934,556</u>	<u>4,060,371</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income	16,568	16,568	115,539	98,971
Interest and debt cost	(11,276,235)	(11,276,235)	(5,455,954)	5,820,281
<b>Total nonoperating revenues (expenses)</b>	<u>(11,259,667)</u>	<u>(11,259,667)</u>	<u>(5,340,415)</u>	<u>5,919,252</u>
<b>Income before capital contributions and transfers</b>	<u>(8,112,524)</u>	<u>(8,385,482)</u>	<u>1,594,141</u>	<u>9,979,623</u>
Capital contributions	4,910,042	4,910,042	5,962,050	1,052,008
Transfers in	1,284,289	1,284,289		(1,284,289)
Transfers out	(3,434,289)	(3,884,289)	(2,800,000)	1,084,289
<b>Change in net position</b>	<u>(5,352,482)</u>	<u>(6,075,440)</u>	<u>4,756,191</u>	<u>10,831,631</u>
<b>Net position, beginning of year</b>	181,861,099	181,861,099	181,894,310	33,211
<b>Net position, end of year</b>	<u>\$ 176,508,617</u>	<u>\$ 175,785,659</u>	<u>\$ 186,650,501</u>	<u>\$ 10,864,842</u>

**CITY OF GOODYEAR, ARIZONA**  
**SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL**  
**SANITATION ENTERPRISE FUND**  
**YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
Charges for services	\$ 6,396,820	\$ 6,396,820	\$ 6,641,318	\$ 244,498
Miscellaneous			98	98
<b>Total operating revenues</b>	<u>6,396,820</u>	<u>6,396,820</u>	<u>6,641,416</u>	<u>244,596</u>
<b>Operating expenses:</b>				
Administration	541,399	483,399	472,970	10,429
Cost of sales and services	4,799,014	4,866,114	4,894,558	(28,444)
Depreciation			105,006	(105,006)
<b>Total operating expenses</b>	<u>5,340,413</u>	<u>5,349,513</u>	<u>5,472,534</u>	<u>(123,021)</u>
<b>Operating income (loss)</b>	<u>1,056,407</u>	<u>1,047,307</u>	<u>1,168,882</u>	<u>(121,575)</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income	1,837	1,837	2,619	782
<b>Total nonoperating revenues (expenses)</b>	<u>1,837</u>	<u>1,837</u>	<u>2,619</u>	<u>782</u>
<b>Income before transfers</b>	<u>1,058,244</u>	<u>1,049,144</u>	<u>1,171,501</u>	<u>122,357</u>
Transfers out	(900,000)	(900,000)	(900,000)	
<b>Change in net position</b>	<u>158,244</u>	<u>149,144</u>	<u>271,501</u>	<u>122,357</u>
<b>Net position, beginning of year</b>	1,942,874	1,942,874	1,942,874	
<b>Net position, end of year</b>	<u>\$ 2,101,118</u>	<u>\$ 2,092,018</u>	<u>\$ 2,214,375</u>	<u>\$ 122,357</u>

**CITY OF GOODYEAR, ARIZONA  
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL  
STADIUM ENTERPRISE FUND  
YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Operating revenues:</b>				
Charges for services	\$ 1,635,900	\$ 1,626,300	\$ 2,182,278	\$ 555,978
Miscellaneous			244	244
<b>Total operating revenues</b>	<u>1,635,900</u>	<u>1,626,300</u>	<u>2,182,522</u>	<u>556,222</u>
<b>Operating expenses:</b>				
Administration	2,091,378	2,188,227	2,281,708	(93,481)
Cost of sales and services	7,494,485	8,177,576	1,934,532	6,243,044
Depreciation			2,671,380	(2,671,380)
<b>Total operating expenses</b>	<u>9,585,863</u>	<u>10,365,803</u>	<u>6,887,620</u>	<u>3,478,183</u>
<b>Operating income (loss)</b>	<u>(7,949,963)</u>	<u>(8,739,503)</u>	<u>(4,705,098)</u>	<u>4,034,405</u>
<b>Nonoperating revenues (expenses):</b>				
Investment income	2,000	2,000	18,373	16,376
Interest and debt cost	(5,544,752)	(5,362,263)	(5,642,367)	(280,104)
<b>Total nonoperating revenues (expenses)</b>	<u>(5,542,752)</u>	<u>(5,360,263)</u>	<u>(5,623,994)</u>	<u>(263,728)</u>
<b>Income before transfers</b>	<u>(13,492,715)</u>	<u>(14,099,766)</u>	<u>(10,329,092)</u>	<u>3,770,677</u>
Transfers in	8,008,874	8,008,874	8,838,252	829,378
<b>Change in net position</b>	<u>(5,483,841)</u>	<u>(6,090,892)</u>	<u>(1,490,840)</u>	<u>4,600,052</u>
<b>Net position, beginning of year</b>	14,431,791	14,431,791	14,431,791	
<b>Net position, end of year</b>	<u>\$ 8,947,950</u>	<u>\$ 8,340,899</u>	<u>\$ 12,940,951</u>	<u>\$ 4,600,052</u>

# Capital Asset Schedules



CITY OF GOODYEAR  
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL ACTIVITIES  
 SCHEDULE BY SOURCE  
 June 30, 2014

**Governmental funds capital assets**

Land	\$	19,461,536
Land Improvements		2,549,608
Right of Way		89,451,622
Streetscape		9,061,008
Buildings and improvements other than buildings		159,861,711
Vehicles, machinery and equipment		44,665,460
Infrastructure		343,846,392
Artwork		204,750
Construction in progress		8,648,104
<b>Total governmental funds capital assets</b>	<b>\$</b>	<b><u><u>677,750,191</u></u></b>

**Investment in governmental funds capital assets by source:**

Government funds	\$	677,750,191
<b>Total governmental funds capital assets</b>	<b>\$</b>	<b><u><u>677,750,191</u></u></b>

CITY OF GOODYEAR  
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY  
 June 30, 2014

Function and Activity	Land, Land Improvements, Artwork, Right of Way, Streetscape	Buildings	Improvements Other Than Buildings
General Government	\$ 3,608,908	\$	\$ 2,380,333
Public Safety	34,892	24,752,292	80,421
Highways and Streets	98,512,630		88,710,160
Culture and Recreation	12,697,973	813,910	15,659,680
Public Works	5,874,121	21,231,465	6,233,450
Total governmental funds capital assets	\$ 120,728,524	\$ 46,797,667	\$ 113,064,044

Vehicles, Machinery and Equipment	Infrastructure	Construction in Progress	Total
\$ 7,863,866	\$	\$ 6,730,040	\$ 20,583,147
23,882,989		569,933	49,320,527
6,039,609	343,846,392	673,109	537,781,900
2,844,957		675,022	32,691,542
4,034,039			37,373,075
<u>\$ 44,665,460</u>	<u>\$ 343,846,392</u>	<u>\$ 8,648,104</u>	<u>\$ 677,750,191</u>

CITY OF GOODYEAR  
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
 For the fiscal year ended June 30, 2014

Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	July 1, 2013	Additions	Deductions	
General Government	\$ 21,193,431	\$ 12,379,685	\$ (12,989,969)	\$ 20,583,147
Public Safety	36,715,355	13,347,858	(742,686)	49,320,526
Highways and Streets	533,904,260	5,975,679	(2,098,038)	537,781,900
Culture and Recreation	31,513,656	1,579,785	(401,899)	32,691,542
Public Works	36,404,188	1,149,491	(180,604)	37,373,075
Total governmental funds capital assets	<u>\$659,730,890</u>	<u>\$ 34,432,498</u>	<u>\$ (16,413,197)</u>	<u>\$ 677,750,191</u>

# Statistical Section



## STATISTICAL SECTION

	<u>Contents Page</u>
Financial Trends (Table 1 – 6)	132
<p>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</p>	
Revenue Capacity (Table 7 – 13)	150
<p>These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and sales and uses taxes.</p>	
Debt Capacity (Table 14 – 18)	164
<p>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.</p>	
Demographic and Economic Statistics (Table 19 – 20)	
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	171
Operating Information (Table 21 – 23)	173
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the Comprehensive annual financial reports for the relevant year.

City of Goodyear  
Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2014	2013	2012*	2011	2010
<b>Governmental Activities</b>					
Net investment in capital assets	\$ 345,513,895	\$ 333,034,884	\$ 329,064,345	\$ 327,503,686	\$ 317,162,459
Restricted	85,246,465	99,128,020	108,246,415	110,105,296	115,881,050
Unrestricted	<u>47,028,013</u>	<u>35,820,702</u>	<u>20,147,669</u>	<u>18,249,626</u>	<u>19,272,548</u>
Total Governmental Activities Net Position	<u>477,788,373</u>	<u>467,983,606</u>	<u>457,458,429</u>	<u>455,858,608</u>	<u>452,316,057</u>
<b>Business-type Activities</b>					
Net investment in capital assets	177,274,142	178,456,590	178,432,900	179,254,929	191,582,614
Restricted	5,640,492	3,196,131	3,799,026	3,567,237	-
Unrestricted	<u>18,891,193</u>	<u>16,616,254</u>	<u>11,229,680</u>	<u>9,263,439</u>	<u>4,365,725</u>
Total Business-type Activities Net Position	<u>201,805,827</u>	<u>198,268,975</u>	<u>193,461,606</u>	<u>192,085,605</u>	<u>195,948,339</u>
<b>Primary Government</b>					
Net investment in capital assets	522,788,037	511,491,474	507,497,245	506,758,615	508,745,073
Restricted	90,886,957	102,324,151	112,045,441	113,672,533	115,881,050
Unrestricted	<u>65,919,206</u>	<u>52,436,956</u>	<u>31,377,349</u>	<u>27,513,065</u>	<u>23,638,273</u>
Total Primary Government Net Position	<u>\$ 679,594,200</u>	<u>\$ 666,252,581</u>	<u>\$ 650,920,035</u>	<u>\$ 647,944,213</u>	<u>\$ 648,264,396</u>

Source: Statement of Net Position  
City financial records and reports  
\*Net position adjusted for adoption of GASB  
Statement 65

Table 1

Fiscal Year				
2009	2008	2007	2006	2005
\$ 309,491,989	\$ 256,047,572	\$ 206,294,183	\$ 144,405,463	\$ 127,120,944
117,787,315	70,835,115	60,388,579	67,199,030	92,391,268
<u>20,522,420</u>	<u>36,122,934</u>	<u>57,992,720</u>	<u>49,858,294</u>	<u>26,380,488</u>
<u>447,801,724</u>	<u>363,005,621</u>	<u>324,675,482</u>	<u>261,462,787</u>	<u>245,892,700</u>
199,696,564	159,530,687	101,366,083	61,259,814	55,662,610
-	-	-	-	-
<u>(11,409,545)</u>	<u>(13,193,174)</u>	<u>8,166,207</u>	<u>24,329,033</u>	<u>3,498,896</u>
<u>188,287,019</u>	<u>146,337,513</u>	<u>109,532,290</u>	<u>85,588,847</u>	<u>59,161,506</u>
509,188,553	415,578,259	307,660,266	205,665,277	182,783,554
117,787,315	70,835,115	60,388,579	67,199,030	92,391,268
<u>9,112,875</u>	<u>22,929,760</u>	<u>66,158,927</u>	<u>74,187,327</u>	<u>29,879,384</u>
<u>\$ 636,088,743</u>	<u>\$ 509,343,134</u>	<u>\$ 434,207,772</u>	<u>\$ 347,051,634</u>	<u>\$ 305,054,206</u>

City of Goodyear  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2014	2013	2012	2011	2010
Expenses					
Governmental Activities:					
General Government	\$ 7,924,693	\$ 7,402,342	\$ 8,857,442	\$ 8,366,129	\$ 6,469,757
Police	17,827,312	15,448,830	14,136,863	14,788,614	16,050,100
Financial Services	2,740,549	2,687,728	2,661,635	2,866,494	3,190,931
Community Services**	-	-	-	-	454,550
Information Services	3,511,275	3,317,691	3,292,093	2,710,111	2,722,449
Fire	12,882,880	12,538,574	11,286,370	13,243,603	11,413,558
Municipal Services	1,487,996	1,360,884	1,266,469	1,442,029	1,497,249
Human Resources	2,551,655	2,884,001	2,275,991	1,822,793	1,929,973
Development Services	5,836,254	7,194,428	6,225,917	5,150,677	2,555,353
Culture and Recreation	5,827,309	5,539,612	4,962,070	4,439,181	4,023,639
Highways and Streets	19,368,539	14,355,644	13,179,678	14,798,670	12,179,531
Public Works	2,773,348	3,090,345	4,168,252	3,658,756	11,070,853
Interest on Long-term Debt	9,282,269	10,411,562	10,441,684	10,710,302	11,210,504
Total Governmental Activities Expenses	<u>\$ 92,014,081</u>	<u>\$ 86,231,641</u>	<u>\$ 82,754,464</u>	<u>\$ 83,997,359</u>	<u>\$ 84,768,447</u>
Business-type Activities					
Water Utility	\$ 13,832,573	\$ 11,570,223	\$ 11,907,022	\$ 12,454,200	\$ 10,475,189
Wastewater Utility	9,678,822	10,342,364	8,747,778	8,279,732	7,649,704
Sanitation	5,472,534	5,246,666	5,154,201	4,815,314	4,782,565
Stadium*	12,529,987	12,204,354	11,634,491	11,958,862	11,547,500
Total Business-type Activities Expenses	<u>\$ 41,513,916</u>	<u>\$ 39,363,607</u>	<u>\$ 37,443,492</u>	<u>\$ 37,508,108</u>	<u>\$ 34,454,958</u>
Total Primary Government Expenses	<u>\$ 133,527,997</u>	<u>\$ 125,595,248</u>	<u>\$ 120,197,956</u>	<u>\$ 121,505,467</u>	<u>\$ 119,223,405</u>

Note:

\* Stadium Fund did not have operating activity until 2008

\*\* Community Services was reorganized into General Government and Development Services for fiscal year 2011

N/A data was not separated in these years

Table 2

Fiscal Year				
2009	2008	2007	2006	2005
\$ 4,701,916	\$ 9,260,326	\$ 5,020,742	\$ 3,007,708	\$ 4,238,904
15,580,923	18,491,397	11,091,150	9,305,303	7,798,053
2,842,884	2,751,164	2,233,303	1,768,327	2,888,511
1,248,219	1,290,021	1,277,245	1,108,528	1,012,533
2,743,877	2,931,295	1,769,833	1,551,418	1,434,932
12,249,685	8,840,019	10,129,091	5,839,807	7,275,586
1,636,533	1,484,507	1,163,005	853,289	981,256
2,222,189	1,998,317	1,976,324	1,361,992	1,276,457
9,583,326	14,731,322	19,683,385	6,668,282	4,613,424
5,435,750	1,909,303	3,181,071	2,016,304	2,591,911
8,436,341	9,104,717	9,581,333	13,536,118	8,007,969
14,370,096	59,138,044	25,397,680	1,791,319	6,398,665
12,001,714	9,710,526	5,785,031	5,573,064	4,567,604
<u>\$ 93,053,453</u>	<u>\$ 141,640,958</u>	<u>\$ 98,289,192</u>	<u>\$ 54,381,459</u>	<u>\$ 53,085,805</u>
\$ 11,608,878	\$ 11,794,505	\$ 10,866,043	\$ 9,722,925	\$ 15,150,219
7,046,385	5,189,053	4,872,792	4,313,533	N/A
5,090,150	4,839,626	4,401,267	3,435,486	2,588,541
6,475,960	861,000	-	-	-
<u>\$ 30,221,373</u>	<u>\$ 22,684,184</u>	<u>\$ 20,140,102</u>	<u>\$ 17,471,944</u>	<u>\$ 17,738,760</u>
<u>\$ 123,274,826</u>	<u>\$ 164,325,142</u>	<u>\$ 118,429,294</u>	<u>\$ 71,853,403</u>	<u>\$ 70,824,565</u>

City of Goodyear  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2014	2013	2012	2011	2010
Program Revenue					
Governmental Activities:					
Charges for Services:					
General Government	\$ 1,734,895	\$ 2,075,520	\$ 865,484	\$ 1,128,675	\$ 863,192
Fire	546,613	817,463	676,932	500,562	336,303
Police	168,001	358,873	130,566	128,109	320,967
Municipal Services	868,828	809,334	825,971	849,060	852,500
Public Works	-	-	-	-	-
Culture and recreation	433,384	304,128	322,215	325,552	287,805
Developmental Services	6,899,047	6,206,750	4,163,050	3,879,823	3,615,255
Operating Grants and Contributions	7,565,511	4,654,268	7,636,691	5,818,158	5,648,867
Capital Grants and Contributions	6,171,185	11,358,824	9,701,254	13,951,581	16,436,375
Total Governmental Activities Program Revenues	<u>\$ 24,387,464</u>	<u>\$ 26,585,160</u>	<u>\$ 24,322,163</u>	<u>\$ 26,581,520</u>	<u>\$ 28,361,264</u>
Business-type Activities					
Charges for Services:					
Water Utility	\$ 12,417,092	\$ 11,746,194	\$ 10,573,584	\$ 9,391,674	\$ 9,022,576
Wastewater Utility	12,350,336	10,921,207	9,531,422	8,243,147	7,235,503
Sanitation	6,641,318	6,368,920	6,115,977	5,774,010	5,790,357
Stadium*	2,182,278	1,741,609	1,633,230	1,564,324	1,530,799
Operating Grants and Contributions	-	-	-	-	-
Capital Grants and Contributions	5,962,050	7,987,680	9,252,599	4,570,849	6,211,533
Total Business-type Activities Revenues	<u>39,553,074</u>	<u>38,765,610</u>	<u>37,106,812</u>	<u>29,544,004</u>	<u>29,790,768</u>
Total Primary Government Revenues	<u>\$ 63,940,538</u>	<u>\$ 65,350,770</u>	<u>\$ 61,428,975</u>	<u>\$ 56,125,524</u>	<u>\$ 58,152,032</u>
Net (Expense)/Revenue					
Governmental Activities	\$ (67,626,617)	\$ (59,646,481)	\$ (58,432,301)	\$ (57,415,839)	\$ (56,407,183)
Business-type Activities	<u>(1,960,842)</u>	<u>(597,997)</u>	<u>(336,680)</u>	<u>(7,964,104)</u>	<u>(4,664,190)</u>
Total Primary Government Net Revenues	<u>\$ (69,587,459)</u>	<u>\$ (60,244,478)</u>	<u>\$ (58,768,981)</u>	<u>\$ (65,379,943)</u>	<u>\$ (61,071,373)</u>

Table 2

Fiscal Year				
2009	2008	2007	2006	2005
\$ 301,151	\$ 3,988,792	\$ 396,770	\$ 286,419	\$ 133,367
24,054	57,630	54,887	61,456	434,179
240,293	210,707	128,040	67,264	-
730,571	686,135	638,390	529,007	-
-	-	3,527,777	-	-
357,039	343,274	272,516	126,800	259,993
4,776,076	12,183,231	13,241,940	14,584,804	10,631,653
4,843,140	4,587,630	895,854	648,756	523,405
<u>102,028,190</u>	<u>85,108,447</u>	<u>62,732,783</u>	<u>26,761,281</u>	<u>16,472,105</u>
<u>\$ 113,300,514</u>	<u>\$ 107,165,846</u>	<u>\$ 81,888,957</u>	<u>\$ 43,065,787</u>	<u>\$ 28,454,702</u>
\$ 8,880,151	\$ 8,894,793	\$ 7,588,225	\$ 5,952,571	\$ 8,895,239
6,389,190	6,244,742	6,137,152	4,846,569	3,775,636
5,625,426	5,145,922	4,392,794	3,185,387	2,786,148
1,014,221	-	-	-	-
25,000	762,200	20,000	240,000	-
<u>41,595,562</u>	<u>27,405,133</u>	<u>24,414,623</u>	<u>26,016,946</u>	<u>10,853,019</u>
<u>63,529,550</u>	<u>48,452,790</u>	<u>42,552,794</u>	<u>40,241,473</u>	<u>26,310,042</u>
<u>\$ 176,830,064</u>	<u>\$ 155,618,636</u>	<u>\$ 124,441,751</u>	<u>\$ 83,307,260</u>	<u>\$ 54,764,744</u>
\$ 20,247,061	\$ (34,475,112)	\$ (16,672,751)	\$ (11,315,672)	\$ (24,631,103)
33,308,177	25,768,606	22,412,692	22,769,529	8,571,282
<u>\$ 53,555,238</u>	<u>\$ (8,706,506)</u>	<u>\$ 5,739,941</u>	<u>\$ 11,453,857</u>	<u>\$ (16,059,821)</u>

City of Goodyear  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2014	2013	2012	2011	2010
Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes	\$ 63,495,983	\$ 58,957,595	\$ 55,301,512	\$ 53,595,119	\$ 55,623,884
Intergovernmental	15,285,440	14,194,960	12,704,826	9,699,146	10,907,518
Interest and Investment Income	414,689	439,982	319,017	227,446	179,114
Special Assessments*	2,189,906	-	-	-	-
Miscellaneous	1,183,618	1,455,665	493,244	827,619	2,026,285
Transfers	<u>(5,138,252)</u>	<u>(4,876,544)</u>	<u>(3,892,665)</u>	<u>(3,390,940)</u>	<u>(7,815,285)</u>
Total Governmental Activities	<u>\$ 77,431,384</u>	<u>\$ 70,171,658</u>	<u>\$ 64,925,934</u>	<u>\$ 60,958,390</u>	<u>\$ 60,921,516</u>
Business-type Activities					
Interest and Investment Income	\$ 136,531	\$ 95,839	\$ 92,945	\$ 71,819	\$ 57,527
Proceeds from the sale of water rights	-	-	-	-	4,352,000
Mitigation proceeds	-	-	-	-	-
Miscellaneous	222,911	432,983	117,103	638,611	100,698
Transfers	<u>5,138,252</u>	<u>4,876,544</u>	<u>3,892,665</u>	<u>3,390,940</u>	<u>7,815,285</u>
Total Business-type Activities	<u>\$ 5,497,694</u>	<u>\$ 5,405,366</u>	<u>\$ 4,102,713</u>	<u>\$ 4,101,370</u>	<u>\$ 12,325,510</u>
Total Primary Government	<u>\$ 82,929,078</u>	<u>\$ 75,577,024</u>	<u>\$ 69,028,647</u>	<u>\$ 65,059,760</u>	<u>\$ 73,247,026</u>
Changes in Net Position					
Governmental Activities	\$ 9,804,767	\$ 10,525,177	\$ 6,493,633	\$ 3,542,551	\$ 4,514,333
Business-type Activities	<u>3,536,852</u>	<u>4,807,369</u>	<u>3,766,033</u>	<u>(3,862,734)</u>	<u>7,661,320</u>
Total Primary Government	<u>\$ 13,341,619</u>	<u>\$ 15,332,546</u>	<u>\$ 10,259,666</u>	<u>\$ (320,183)</u>	<u>\$ 12,175,653</u>

\*Prior to fiscal year 2014 Special Assessments were shown in Public Works-Capital Grants and Contributions

Source: Statement of Activities  
City financial records and reports

Table 2

Fiscal Year				
2009	2008	2007	2006	2005
\$ 59,003,971	\$ 61,251,635	\$ 59,428,806	\$ 48,726,571	\$ 31,498,052
12,236,437	12,654,235	15,053,501	6,997,920	5,973,538
148,687	4,268,448	4,723,886	4,436,598	1,079,720
-	-	-	-	-
911,254	4,075,011	1,029,445	1,486,027	1,641,295
(7,751,307)	(9,444,077)	(56,622)	(117,062)	634,153
<u>\$ 64,549,042</u>	<u>\$ 72,805,252</u>	<u>\$ 80,179,016</u>	<u>\$ 61,530,054</u>	<u>\$ 40,826,758</u>
\$ 121,900	\$ 1,379,832	\$ 1,447,446	\$ 715,181	\$ 88,211
-	-	-	-	-
-	-	-	1,950,000	-
78,586	212,708	26,683	17,431	7,666
7,751,307	9,444,077	56,622	117,062	(634,153)
<u>\$ 7,951,793</u>	<u>\$ 11,036,617</u>	<u>\$ 1,530,751</u>	<u>\$ 2,799,674</u>	<u>\$ (538,276)</u>
<u>\$ 72,500,835</u>	<u>\$ 83,841,869</u>	<u>\$ 81,709,767</u>	<u>\$ 64,329,728</u>	<u>\$ 40,288,482</u>
\$ 84,796,103	\$ 38,330,140	\$ 63,505,623	\$ 50,214,382	\$ 16,195,655
41,259,970	36,375,158	23,943,443	25,569,203	8,033,006
<u>\$ 126,056,073</u>	<u>\$ 74,705,298</u>	<u>\$ 87,449,066</u>	<u>\$ 75,783,585</u>	<u>\$ 24,228,661</u>



City of Goodyear  
 Governmental Activities Tax Revenues By Source  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 (Unaudited)

Fiscal Year	Property Taxes	Sales & Use Taxes	Franchise Taxes	State Shared Revenues - not Restricted for Specific Programs		Highway User Revenue
				State Shared Sales	State Revenue Sharing	
2014	\$ 17,109,458	\$ 43,775,464	\$ 2,611,061	\$ 7,998,669	\$ 7,275,727	\$ 3,672,571
2013	16,218,397	40,222,752	2,529,456	7,467,727	6,667,701	3,554,687
2012	16,572,825	36,364,557	2,460,521	7,195,568	5,509,258	3,269,285
2011	18,862,731	32,729,749	2,316,820	5,201,107	4,498,039	2,752,001
2010	21,908,223	31,183,096	2,233,909	4,940,934	5,966,584	2,769,619
2009	22,332,774	34,205,906	2,195,748	5,355,676	6,880,761	3,008,499
2008	18,004,766	41,036,060	2,071,378	6,101,593	6,503,557	3,401,589
2007	12,289,010	45,240,436	1,817,387	6,307,272	5,252,405	3,493,824
2006	9,769,889	37,420,013	1,479,868	3,225,710	1,979,970	1,792,240
2005	8,583,676	22,475,427	1,166,525	2,600,534	1,738,442	1,634,562

Source: City financial records and reports

City of Goodyear  
Sales & Use Taxes  
by Industry Classification  
Last Ten Fiscal Years  
(Unaudited)

	Fiscal Year				
	2014	2013	2012	2011	2010
Mining & Government	\$ 4,024	\$ 970	\$ 9,534	\$ 5,234	\$ 15,141
Construction	7,988,471	7,027,296	4,755,592	3,251,977	5,365,079
Manufacturing	931,362	759,858	701,876	642,255	535,972
Utilities	3,819,536	3,656,309	3,469,559	3,275,325	3,085,682
Wholesale Trade	1,072,608	977,475	924,842	598,098	540,630
Retail Trade	15,787,043	14,265,735	13,576,350	12,950,291	11,569,427
Restaurant & Bar	5,450,424	5,079,528	4,763,951	4,415,910	4,161,539
Real Estate	4,467,373	4,405,695	3,480,031	3,510,263	2,692,806
Hotels	849,052	885,571	873,241	764,996	820,902
Services	1,764,488	1,700,258	1,640,296	1,771,527	1,388,178
Miscellaneous	968,896	873,005	1,414,929	1,055,398	640,388
<b>Total*</b>	<b><u>\$ 43,103,277</u></b>	<b><u>\$ 39,631,700</u></b>	<b><u>\$ 35,610,202</u></b>	<b><u>\$ 32,241,274</u></b>	<b><u>\$ 30,815,744</u></b>

\* Total may differ from Governmental Activities Tax Revenues By Source because of difference in reporting periods.

Source: Arizona Department of Revenue  
North American Industry Code System (NAICS) Summary

Table 4

Fiscal Year				
2009	2008	2007	2006	2005
\$ 11,412	\$ 6,391	\$ 1,055	\$ 371	\$ 17,116
12,779,596	17,256,194	19,305,179	15,029,430	8,915,836
508,454	451,147	405,882	600,356	301,797
2,448,686	2,397,905	2,115,344	1,640,534	671,037
538,279	775,843	815,930	746,566	177,946
9,568,935	9,526,853	9,789,605	8,727,607	6,397,775
3,687,991	3,740,867	3,996,446	3,441,051	2,544,019
2,227,491	2,698,200	2,603,404	1,506,238	1,011,414
854,203	1,006,334	944,488	889,513	719,181
1,176,780	1,451,721	3,725,380	643,325	441,333
<u>622,042</u>	<u>1,035,306</u>	<u>2,286,662</u>	<u>641,428</u>	<u>633,503</u>
<u>\$ 34,423,869</u>	<u>\$ 40,346,762</u>	<u>\$ 45,989,375</u>	<u>\$ 33,866,419</u>	<u>\$ 21,830,957</u>

City of Goodyear  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2014	2013	2012	2011*	2010
<b>General Fund</b>					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ 17,812,619
Unreserved	-	-	-	-	10,742,777
Nonspendable:					
Advances to other funds	961,840	961,840	961,840	961,840	-
Inventories	25,261	8,916	16,258	3,627	-
Prepaid items	504,865	486,842	500,911	422,681	-
Restricted by:					
Charter mandates	3,676,547	3,528,982	3,377,572	3,209,321	-
Court	221,290	234,813	261,229	198,457	-
Law enforcement	274,392	208,085	125,812	129,231	-
Transit	644,135	543,022	-	-	-
Assigned to:					
IT replacement	1,484,148	170,684	437,873	407,961	-
Fleet replacement	1,502,483	3,032,429	1,730,168	383,225	-
Risk management insurance	792,947	357,741	811,244	558,310	-
Unassigned	<u>43,707,677</u>	<u>33,325,255</u>	<u>23,074,844</u>	<u>21,481,088</u>	<u>-</u>
<b>Total General Fund</b>	<u>\$ 53,795,585</u>	<u>\$ 42,858,609</u>	<u>\$ 31,297,751</u>	<u>\$ 27,755,741</u>	<u>\$ 28,555,396</u>
<b>All Other Governmental Funds</b>					
Reserved, Reported in:					
Debt Service Funds	\$ -	\$ -	\$ -	\$ -	\$ 14,891,228
Capital Projects Funds	-	-	-	-	1,393,549
Community Facilities District	-	-	-	-	47,213
Unreserved, Reported in:					
Special Revenue Funds	-	-	-	-	20,452,179
Capital Projects Funds	-	-	-	-	-
Nonspendable:					
Inventories	650,344	595,675	412,916	289,782	-
Prepaid items	-	36,182	45,225	46,238	-
Restricted by:					
Debt service	14,848,704	15,482,259	15,663,838	15,113,512	-
Development impact fees	7,892,791	16,241,644	21,720,718	21,992,019	-
Highway user funds	47,570	493,395	400,610	285,914	-
Capital Projects	274,106	1,695,700	-	-	-
Community Facilities Districts operations	803,837	711,980	538,410	536,230	-
Unassigned	<u>(73,354)</u>	<u>(26,073)</u>	<u>(9,854)</u>	<u>(2,336,765)</u>	<u>-</u>
<b>Total All Other Governmental Funds</b>	<u>\$ 24,443,998</u>	<u>\$ 35,230,762</u>	<u>\$ 38,771,863</u>	<u>\$ 35,926,930</u>	<u>\$ 36,784,169</u>

Source: Balance Sheet Governmental Funds  
City financial records and reports

\*Starting with fiscal year 2011, fund balances were stated in classification required by GASB54

Table 5

Fiscal Year					
2009	2008	2007	2006	2005	
\$ -	\$ -	\$ -	\$ -	\$ -	
29,117,875	42,219,809	61,037,128	53,853,901	29,393,457	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
<u>\$ 29,117,875</u>	<u>\$ 42,219,809</u>	<u>\$ 61,037,128</u>	<u>\$ 53,853,901</u>	<u>\$ 29,393,457</u>	
\$ 13,597,749	\$ 15,356,746	\$ 8,726,046	\$ 7,833,170	\$ 6,643,132	
4,110,554	10,942,787	7,810,178	21,303,978	9,704,731	
-	-	-	-	-	
23,153,403	25,851,665	20,649,813	19,835,781	14,475,469	
1,435,331	27,462,037	10,220,953	3,354,296	46,019,494	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
-	-	-	-	-	
<u>\$ 42,297,037</u>	<u>\$ 79,613,235</u>	<u>\$ 47,406,990</u>	<u>\$ 52,327,225</u>	<u>\$ 76,842,826</u>	

City of Goodyear  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2014	2013	2012	2011	2010
<b>Revenues</b>					
Taxes	\$ 63,577,425	\$ 58,970,605	\$ 55,397,903	\$ 53,909,300	\$ 55,590,530
Licenses and permits	7,460,830	6,793,070	4,729,946	4,541,951	629,979
Intergovernmental	19,325,653	18,723,318	19,319,623	15,825,858	16,464,531
Charges for services	4,658,927	6,322,025	3,876,918	3,978,325	7,402,083
Fines and forfeits	884,735	809,334	825,971	849,060	846,143
Investment income	414,689	439,982	319,017	225,588	178,715
Special assessments	5,839,886	5,845,306	5,844,915	4,859,749	6,522,924
Contributions	2,408,357	4,024,175	3,099,952	2,707,926	3,042,851
Miscellaneous	1,327,008	567,839	361,202	157,090	1,942,018
Total Revenues	<u>105,897,510</u>	<u>102,495,654</u>	<u>93,775,447</u>	<u>87,054,847</u>	<u>92,619,774</u>
<b>Expenditures</b>					
General Government	7,030,866	8,060,892	8,248,394	8,194,510	6,943,802
Police	15,733,974	14,516,164	13,764,506	13,506,835	13,752,875
Financial Services	2,740,549	2,202,587	2,661,635	2,160,642	2,605,931
Community Services	-	-	-	-	-
Information Technology	3,511,275	2,868,061	2,501,280	2,346,507	2,339,204
Fire	12,576,848	12,248,125	11,098,327	10,538,180	10,615,080
Municipal Services	1,060,930	1,360,884	1,266,469	1,389,266	1,497,249
Human Resources	2,551,655	2,884,003	2,275,991	1,822,793	1,929,973
Development Services	5,823,318	5,232,999	4,557,391	4,376,985	4,654,052
Culture and Recreation	4,975,947	4,884,349	4,115,701	3,936,203	3,882,621
Highways and Streets	5,585,966	4,674,325	3,340,208	3,808,328	4,098,986
Public Works	2,045,578	2,093,312	2,967,386	3,047,742	3,075,759
Debt Service:					
Principal retirement	9,441,923	10,226,228	12,433,024	11,254,524	10,942,758
Interest and debt cost	9,765,514	10,987,906	10,687,152	10,645,162	11,158,130
Capital outlay	18,496,444	18,252,039	6,437,600	9,234,659	13,494,149
Total Expenditures	<u>101,340,788</u>	<u>100,491,874</u>	<u>86,355,064</u>	<u>86,262,336</u>	<u>90,990,569</u>
Excess of Revenues over (under) Expenditures	<u>4,556,722</u>	<u>2,003,780</u>	<u>7,420,383</u>	<u>792,511</u>	<u>1,629,205</u>

Table 6

Fiscal Year				
2009	2008	2007	2006	2005
\$ 58,734,426	\$ 61,112,204	\$ 59,346,833	\$ 48,669,770	\$ 31,501,700
3,091,729	7,160,922	8,905,743	10,593,032	7,899,726
16,827,730	17,361,565	16,456,618	7,691,531	6,288,957
6,387,350	19,117,473	14,921,767	12,590,311	9,894,288
686,557	678,594	584,316	482,604	364,301
148,220	4,268,447	4,723,886	4,436,598	1,079,719
3,065,304	2,228,149	2,228,646	2,197,445	2,580,510
3,403,370	8,260,888	14,245,039	1,717,842	2,401,107
593,684	4,075,010	1,046,124	1,433,513	1,641,295
<u>92,938,370</u>	<u>124,263,252</u>	<u>122,458,972</u>	<u>89,812,646</u>	<u>63,651,603</u>
3,945,126	5,486,915	8,637,828	3,871,939	2,482,603
14,082,452	13,295,314	10,262,437	8,674,983	7,853,958
4,803,801	4,850,217	2,209,677	1,550,946	1,553,016
1,248,219	1,329,505	1,255,467	1,190,116	1,012,533
2,221,606	2,834,417	1,622,556	1,593,403	1,434,932
11,961,508	11,277,737	8,842,402	7,332,103	5,163,911
1,567,179	1,547,460	1,102,875	848,612	704,584
2,215,237	1,995,841	1,973,845	1,360,762	1,276,457
9,723,957	9,262,010	6,028,162	6,599,788	6,636,525
4,393,748	4,667,176	3,431,934	2,381,569	2,128,218
5,686,483	3,994,494	4,756,383	3,647,507	2,128,408
3,901,157	4,261,005	4,294,102	2,154,782	1,917,725
7,392,618	5,141,143	4,836,000	3,777,600	5,327,354
11,930,502	10,466,384	5,740,194	5,313,243	5,825,352
<u>47,556,824</u>	<u>135,249,363</u>	<u>71,999,738</u>	<u>14,819,302</u>	<u>10,039,532</u>
<u>132,630,417</u>	<u>215,658,981</u>	<u>136,993,600</u>	<u>65,116,655</u>	<u>55,485,108</u>
<u>(39,692,047)</u>	<u>(91,395,729)</u>	<u>(14,534,628)</u>	<u>24,695,991</u>	<u>8,166,495</u>

City of Goodyear  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Unaudited)

	Fiscal Year				
	2014	2013	2012	2011	2010
Other Financing Sources and (Uses)					
Transfer in	\$ 5,356,364	\$ 4,726,150	\$ 5,504,462	\$ 8,388,300	\$ 6,376,290
Transfer out	(10,494,616)	(9,602,694)	(9,397,127)	(10,837,705)	(14,191,575)
Debt issuance	-	10,500,000	1,780,000	-	105,000
Debt premium	-	-	129,958	-	5,733
Refunding bonds	14,755,000	10,685,000	11,530,000	-	-
Refunding bonds premium	1,114,908	672,545	949,267	-	-
Payment to refunded bond escrow agent	(15,138,166)	(10,965,024)	(11,530,000)	-	-
 Total Other Financing Sources and (Uses)	 <u>(4,406,510)</u>	 <u>6,015,977</u>	 <u>(1,033,440)</u>	 <u>(2,449,405)</u>	 <u>(7,704,552)</u>
 Net Change in Fund Balances	 <u>\$ 150,212</u>	 <u>\$ 8,019,757</u>	 <u>\$ 6,386,943</u>	 <u>\$ (2,449,405)</u>	 <u>\$ (6,075,347)</u>
 Debt Service as a Percentage of Noncapital Expenditures	 22.7%	 25.8%	 28.9%	 27.3%	 27.0%

Source: City financial records and reports

Table 6

Fiscal Year				
2009	2008	2007	2006	2005
\$ 4,123,384	\$ 11,561,671	\$ 17,288,179	\$ 18,210,420	\$ 2,933,372
(11,874,691)	(21,005,748)	(17,387,710)	(47,966,568)	(2,299,219)
604,500	112,248,000	16,969,302	5,005,000	42,005,000
5,722	2,300,192	(72,151)	-	479,593
-	6,415,000	-	-	-
-	-	-	-	-
<u>(3,585,000)</u>	<u>(6,734,459)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(10,726,085)</u>	<u>104,784,656</u>	<u>16,797,620</u>	<u>(24,751,148)</u>	<u>43,118,746</u>
<u>\$(50,418,132)</u>	<u>\$ 13,388,927</u>	<u>\$ 2,262,992</u>	<u>\$ (55,157)</u>	<u>\$51,285,241</u>
17.5%	6.2%	12.4%	17.9%	18.7%

City of Goodyear  
Property Tax Rates  
Direct and Overlapping Governments<sup>1</sup>  
Last Eight Fiscal Years  
(Unaudited)

City Direct Rate			Overlapping Rates					
			County-Wide Jurisdictions					
Fiscal Year	Operating Rate	Debt Service Rate	Total City Rate	County Operating Rate	County Library District Rate	County Fire District Assistance Rate	County Flood District Rate	County Education Equalization Rate
2014	1.1994	0.7006	1.9000	1.2807	0.0438	0.0121	0.1392	0.5123
2013	1.1115	0.6635	1.7750	1.2407	0.0492	0.0110	0.1780	0.4717
2012	0.9446	0.6554	1.6000	1.2407	0.0492	0.0084	0.1780	0.4259
2011	0.7603	0.6630	1.4233	1.0508	0.0412	0.0066	0.1489	0.3564
2010	0.6320	0.9679	1.5999	0.9909	0.0353	0.0057	0.1367	0.3306
2009	0.6678	0.9322	1.6000	1.0327	0.0353	0.0053	0.1367	-
2008	0.7321	0.8679	1.6000	1.1046	0.0391	0.0053	0.1533	-
2007	0.7945	0.7991	1.5936	1.1794	0.0507	0.0068	0.2047	-
2006	0.8222	0.7778	1.6000	1.1971	0.0521	0.0069	0.2119	0.4358

Note: Data not available prior to 2006

<sup>1</sup> Source: Maricopa County Assessor's Office

Table 7

Overlapping Rates									
County-Wide Jurisdictions					School Districts				
Fiscal Year	Community College Rate	Central Arizona Project Rate	Special Health Care District Rate	Total County Rate	Agua Fria/Avondale Rate	Litchfield Rate	Buckeye/Liberty Rate	Tolleson/Littleton Rate	Mobile Rate
2014	1.5340	0.1400	-	3.6621	8.2090	3.9772	7.1092	11.4641	7.7572
2013	1.3778	0.1000	-	3.4284	7.4945	3.8863	6.9607	9.2259	6.9350
2012	1.2082	0.1000	0.1494	3.3598	7.4753	3.2590	6.2698	7.8626	4.9490
2011	0.9728	0.1000	0.1122	2.7889	5.3923	5.3658	6.1069	6.1935	5.4994
2010	0.8844	0.1000	0.0914	2.5750	6.0066	5.3164	5.2568	5.8681	6.2147
2009	0.9386	0.1000	0.0856	2.3342	5.7554	4.9382	5.5581	6.3843	8.3984
2008	0.9760	0.1000	0.0935	2.4718	6.4298	5.3545	6.7267	6.8078	N/A
2007	1.0646	0.1200	0.1184	2.7446	7.8564	6.8558	7.3005	7.3586	N/A
2006	1.0315	0.1200	0.1206	3.1759	7.8631	6.9430	7.4944	8.3794	N/A

continued

City of Goodyear  
Property Tax Rates  
Direct and Overlapping Governments<sup>1</sup>  
Last Eight Fiscal Years  
(Unaudited)

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Overlapping Rates

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Other Special Taxing Districts

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Fiscal Year	West	Central Arizona GRD Rate	Roosevelt Irrigation District Rate	Centerra	Cortina	Cottonflower	Estrella
	Maricopa Education Center District Rate			Community Facilities District Rate	Community Facilities District Rate	Community Facilities District Rate	Mtn. Ranch Community Facilities District Rate
2014	0.0592	1.0000	17.1000	3.3559	2.8500	3.9890	1.3000
2013	0.0500	1.0000	17.1000	3.2961	2.8500	3.8528	1.3000
2012	0.0500	1.0000	17.1000	2.1961	2.7298	3.4033	1.3000
2011	0.5000	1.0000	17.1000	2.3797	2.2087	2.9776	1.3000
2010	0.0500	1.0000	17.1000	2.6829	1.2146	2.1198	1.3000
2009	0.0500	1.0000	17.1000	2.6965	0.1520	1.2843	1.3000
2008	0.0500	1.0000	15.0000	3.0000	2.8500	1.7639	1.3000
2007	0.0500	1.0000	15.0000	3.0000	2.8500	3.0000	1.3000
2006	0.0500	1.0000	15.0000	3.0000	2.8500	3.0000	1.3000

Table 7

Overlapping Rates						
Other Special Taxing Districts						
Fiscal Year	Goodyear Community Facilities General District #1 Rate	Goodyear Community Facilities Utilities District #1 Rate	Palm Valley Community Facilities District #3 Rate	King Ranch Community Facilities District Rate	Wildflower Community Facilities General District #1 Rate	Wildflower Community Facilities General District #2 Rate
2014	1.0000	1.0000	1.7844	0.3000	3.4365	3.8922
2013	1.0000	1.0000	1.8035	0.3000	3.3150	3.3467
2012	0.8034	1.0000	1.2684	0.3000	2.8718	2.9933
2011	0.7570	1.0000	1.2952	0.3000	2.2891	2.5496
2010	0.6629	1.0000	0.2165	0.3000	1.5905	1.6561
2009	0.5313	1.0000	1.7949	0.3000	1.1703	1.3143
2008	0.8040	1.0000	1.6295	0.3000	1.3123	1.4154
2007	1.0000	1.0000	2.0000	0.3000	2.1340	2.3935
2006	1.0000	1.0000	0.3000	-	2.1893	2.3547

concluded



City of Goodyear  
Principal Property Tax Payers  
Current Fiscal Year and Nine Years Ago  
(Unaudited)

Taxpayer	Fiscal Year					
	2014			2005		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Arizona Public Service Company	\$ 21,162,543	1	3.59%	\$ 7,213,544	4	2.20%
VHS of South Phoenix, Inc.	8,804,731	2	1.49%	6,845,325	5	
First American Title Insurance Company	5,856,271	3	0.99%	-		
Cardinal Capital Co	5,479,527	4	0.93%	-		
Macy's Retail Holdings, Inc.	4,549,039	5	0.77%	-		
Southwest Gas Corporation	4,407,420	6	0.75%	-		
DH Goodyear, LLC	4,407,079	7	0.75%	5,128,082	6	1.57%
The Market at Estrella Falls, LLC	4,281,840	8	0.73%	-		
NNP III Estrella Mountain Ranch, LLC	3,965,581	9	0.67%	-		
TOO 211 Canyon Trails LLC	3,372,530	10	0.57%	-		
Sun Chase Estrella LP	-			15,914,506	1	4.86%
Suncor Development Company	-			11,126,565	2	3.40%
Rubbermaid, Inc.	-			8,893,205	3	2.72%
McLane Company	-			3,941,499	7	1.20%
PVPW Corporation	-			3,773,693	8	1.15%
Snyders of Hanover	-			3,445,821	9	1.05%
Qwest Communications	-			3,082,120	10	0.94%
Total	<u>\$ 66,286,561</u>		<u>11.23%</u>	<u>\$ 69,364,360</u>		<u>21.20%</u>

Source: Maricopa County Treasurer

City of Goodyear  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Nine Fiscal Years  
(Unaudited)

Fiscal Year Ended June 30		Total Assessed Value	Total Assessed Value	Agricultural/ Vacant Land	Other	Less: Tax-Exempt Property	Net Assessed Value
		Residential Property	Commercial Property				
2014	Primary	\$ 340,280,668	\$ 205,111,305	\$161,905,429	\$ 273,421	\$ 122,898,455	\$ 584,672,368
	Secondary	342,294,870	211,390,271	165,979,539	275,521	129,681,549	590,258,652
2013	Primary	338,747,451	220,657,668	163,082,414	240,243	120,560,037	602,167,739
	Secondary	339,165,652	228,812,312	167,084,029	244,254	129,664,064	605,642,183
2012	Primary	357,230,458	238,218,141	194,223,071	226,506	122,548,914	667,349,262
	Secondary	357,367,570	252,752,614	206,673,571	214,401	144,006,328	673,001,828
2011	Primary	404,164,550	265,580,527	246,048,945	70,064	126,711,288	789,152,798
	Secondary	405,850,285	297,842,341	308,078,489	33,349	163,045,578	848,758,886
2010	Primary	482,286,104	233,187,882	248,660,120	63,427	113,281,184	850,916,349
	Secondary	497,383,109	284,491,038	374,640,069	28,842	173,686,635	982,856,423
2009	Primary	434,868,600	179,455,120	191,759,294	62,183	71,196,812	734,948,385
	Secondary	586,181,619	211,360,209	323,172,973	30,053	120,023,805	1,000,721,049
2008	Primary						569,933,790
	Secondary	464,968,904	159,482,762	221,884,779	30,978	82,130,285	764,237,138
2007	Primary						448,211,802
	Secondary	259,063,526	131,663,157	164,267,777	47,639	60,129,086	494,913,013
2006	Primary						361,667,417
	Secondary	219,161,231	109,929,249	97,388,312	226,783	35,549,177	391,156,398

Note: Data prior to 2006 is not available. Detail data prior to 2009 for "primary" is not available.

Source: Maricopa County Assessor's Office

Under Arizona law, there are two property valuations bases: PRIMARY and SECONDARY. The primary (limited) assessed valuation is used when levying for maintenance and operations. The secondary (full cash) assessed valuation is used when levying for debt retirement.

Table 9

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Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as Percentage of Actual Value
\$ 1.1994	\$ 5,485,036,603	10.7%
0.7006	5,562,951,789	10.6%
1.1115	5,513,086,956	10.9%
0.6635	5,583,052,641	10.8%
0.9446	5,978,258,706	11.2%
0.6554	6,130,095,795	11.0%
0.7603	6,843,890,271	11.5%
0.6630	7,401,814,203	11.5%
0.6320	7,439,067,045	11.4%
0.9679	8,607,745,155	11.4%
0.6678	6,329,622,800	11.6%
0.9322	8,799,999,309	11.4%
0.7321		
0.8679	6,700,379,823	11.4%
0.7945		
0.7991	4,159,221,424	11.9%
0.8222		
0.7778	3,254,133,854	12.0%

City of Goodyear  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
(Unaudited)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 11,185,149	\$ 10,949,615	97.89%	\$	10,949,615	97.89%
2013	10,714,099	10,414,268	97.20%	176,353	10,590,621	98.85%
2012	10,743,752	10,521,745	97.93%	219,335	10,741,080	99.98%
2011	11,650,452	11,524,990	98.92%	119,719	11,644,709	99.95%
2010	14,959,898	14,527,751	97.11%	422,054	14,949,805	99.93%
2009	14,460,290	13,888,743	96.05%	567,064	14,455,807	99.97%
2008	10,843,797	10,706,881	98.74%	134,251	10,841,132	99.98%
2007	7,424,246	7,257,013	97.75%	166,398	7,423,411	99.99%
2006	6,070,318	5,923,200	97.58%	146,088	6,069,288	99.98%
2005	6,049,416	5,974,482	98.76%	74,451	6,048,933	99.99%

Note: Data not available for FY2005. All secondary collections are reported as current collections. Delinquent tax collections are shown in the year collected.

Source: City Financial Records and Reports  
Schedule includes General and Debt Service Funds

City of Goodyear  
Utility Statistical Data  
Ten Largest Water Users  
Current Fiscal Year and Six Fiscal Years Ago  
(Unaudited)

Entity	Type of User	Fiscal Year			
		Rank	2014	Rank	2008
			Fees & Charges		Fees & Charges
Canyon Trails 4 - South	Homeowner's Association	1	\$ 271,111	2	\$ 166,139
Canyon Trails HOA	Homeowner's Association	2	269,397		-
Cottonflower Goodyear Community	Homeowner's Association	3	189,669		-
Las Brisas Community Assoc	Homeowner's Association	4	183,968		-
Agua Fria Union High School Dist.	School	5	177,269	1	173,266
Canyon Trails HOA Unit 4	Homeowner's Association	6	172,476	5	145,474
Avondale Elementary School Dist.	School	7	161,255	6	105,348
Sarival Paseo Joint Community	Homeowner's Association	8	154,686	3	154,195
Cancer Treatment Center	Hospital	9	127,419		-
Canyon Trails HOA Unit 3	Homeowner's Association	10	114,454	8	93,896
Evergreen Lawn Sprinklers	Homeowner's Association		-	4	148,800
Centerra, LLC	Homeowner's Association		-	7	102,443
Park Shadows	Apartments		-	9	76,401
Estrella Vista HOA	Homeowner's Association		-	10	64,527
Total			<u>\$ 1,821,703</u>		<u>\$ 1,230,489</u>
Total as a percent of total Water System Operating Revenue			<u>14.63%</u>		<u>13.94%</u>

Note: Water information not available prior to FY 2008

Source: City customer service and billing records



City of Goodyear  
Utility Statistical Data  
Ten Largest Wastewater Users  
Current Fiscal Year and Six Fiscal Years ago  
(Unaudited)

Entity	Type of User	Rank	Fiscal Year			
			2014		2008	
			Fees & Charges	Rank	Fees & Charges	Rank
Arizona State Prison/Perryville	Prison	1	\$ 554,273	1	\$ 317,331	
Cancer Treatment Center	Hospital	2	99,210		-	
Fairfield Centerra LLC	Real Estate	3	77,057			
Fairfield Goodyear LLC	Apartments	4	76,627			
Park Shadows	Apartments	5	73,224	2	50,512	
HSL Encantada Goodyear LLC	Apartments	6	51,467			
Poore Brothers, Inc.	Food Manufacturer, Snacks	7	50,764	6	22,656	
Pem Investments	Apartments	8	50,080		-	
Schoeller Arca Systems Inc	Manufacturer	9	47,441		-	
Airport Training Center	Airport	10	46,993	5	22,656	
Agua Fria Union High School District	Education		-	3	32,000	
Wal-Mart Stores	Retail			4	24,273	
Avondale Elementary	Education		-	7	21,794	
McLane Sunwest	Grocery Distributor		-	8	19,253	
La Jolla Court, Inc.	Apartments			9	18,044	
Estrella Joint Committee	HOA		-	10	17,581	
Total			<u>\$ 1,127,136</u>		<u>\$ 546,100</u>	
Total as a percent of total Wastewater System Operating Revenue			<u>8.96%</u>		<u>8.74%</u>	

Note: Wastewater information not available prior to FY 2008

Source: City customer service and billing records

City of Goodyear  
Schedule of Existing and Adopted  
Monthly Water & Sewer Service Charges (2011 - 2014)  
(Unaudited)

<u>Description of Water System Services</u>	<u>Existing Fees</u>	Adopted <u>2011</u>	Adopted <u>2012</u>	Adopted <u>2013</u>	<u>(1)</u>
<b>Base Charge</b>					
(Meter Size)					
3/4 Inch	\$ 10.23	\$ 9.94	\$ 10.05	\$ 10.23	
1 Inch	14.14	11.81	12.74	14.14	
1 1/2 Inch	22.86	16.36	19.74	22.86	
2 Inches	37.01	26.22	32.02	37.01	
3 Inches	70.67	48.43	61.64	70.67	
4 Inches	115.24	83.36	99.58	115.24	
6 Inches	218.71	159.83	189.08	218.71	
<b>Monthly Volume Charge - Residential</b>					
0 - 6,000 gallons (per thousand)	\$ 1.18 (2)	\$ 1.32	\$ 1.46	\$ 1.18	
6,001 - 12,000 (per thousand)	2.36 (3)	2.64	2.92	2.36	
12,001 - 30,000 (per thousand)	3.54 (4)	3.96	4.38	3.54	
30,001+ gallons (per thousand)	5.69 (5)	5.15	5.69	5.69	
<b>Monthly Volume Charge - Commercial</b>					
0 - 40,000 gallons (per thousand)	\$ 3.00	\$ 2.30	\$ 2.60	\$ 3.00	
40,001 - 100,000 gallons (per thousand)	4.80	3.68	4.16	4.80	
100,001+ gallons (per thousand)	6.24	4.78	5.41	6.24	

Note: Rates shown are for customers within city limits. The rates for customers outside of the city limits are 25% greater than the customers within city limits. Rate increases are adopted at the direction of City Council.

- (1) Rates were updated during January 2013
- (2) Monthly volume change for fees is 0 - 6,000 gallons (per thousand).
- (3) Monthly volume change for fees is 6,001 - 12,000 gallons (per thousand).
- (4) Monthly volume change for fees is 12,001 - 30,000 gallons (per thousand).
- (5) Monthly volume change for fees is 30,001 - and over gallons (per thousand).

Schedule of Water System Rate Increases (2011-2014)

Date	Rate <u>Increase</u>
Fiscal Year 2011	7.50%
Fiscal Year 2012	9.40%
Fiscal Year 2013	0.00%
Fiscal Year 2014	N/A

Source: City of Goodyear Finance Department. The table above reflects only certain basic fees and charges of the City's water system and is not a comprehensive statement of all such fees.

<u>Description of Sewer System Services</u>	<u>Existing Fees</u>	<u>Adopted</u> <u>2011</u>	<u>Adopted</u> <u>2012</u>	<u>Adopted</u> <u>2013</u>	<u>(1)</u>
<b>Residential Sewer Service</b>					
Base Charge	(See below)				
Volume Charge (per 1,000 gallons)	\$ 5.78	\$ 4.45	\$ 4.90	\$ 5.78	
<b>General Commercial Sewer Service</b>					
Base Charge	(See below)				
Volume Charge (per 1,000 gallons)	\$ 5.78	\$ 4.45	\$ 4.90	\$ 5.78	
<b>Base Charge</b>					
(Meter Size)					
3/4 Inch	\$ 21.12	\$ 17.52	\$ 18.96	\$ 21.12	
1 Inch	32.41	23.70	28.02	32.41	
1 1/2 Inch	39.94	29.75	34.61	39.94	
2 Inches	77.58	54.57	67.16	77.58	
3 Inches	115.22	84.74	99.68	115.22	
4 Inches	152.86	130.37	139.10	152.86	
6 Inches	378.70	285.03	328.83	378.70	

Schedule of Wastewater System Rate Increases (2011-2014)

<u>Date</u>	<u>Rate</u> <u>Increase</u>
Fiscal Year 2011	9.30%
Fiscal Year 2012	9.50%
Fiscal Year 2013	15.20%
Fiscal Year 2014	0.00%

City of Goodyear  
Ratios of Outstanding Debt by Type  
Last Nine Fiscal Years  
(Unaudited)

Fiscal Year Ended June 30	Governmental Activities					
	General Obligation Bonds	Contract Payable	Greater Arizona Development Authority Loan	Public Improvement Corporation Municipal Facilities Revenue Bond	McDowell Road Corridor Improvement District	Community Facilities District Bonds
2014	\$ 24,616,149	\$ -	\$ -	\$ 11,047,495	\$ 42,383,378	\$ 107,194,657
2013	26,555,569	-	-	12,431,467	42,390,000	109,823,000
2012	29,000,636	1,755,628	-	2,940,000	43,675,000	113,555,000
2011	31,358,457	3,755,628	-	4,510,000	44,900,000	117,182,000
2010	33,601,981	5,755,628	-	5,230,000	46,060,000	122,313,000
2009	35,842,739	11,755,628	-	5,910,000	47,165,000	127,125,000
2008	41,719,857	-	-	6,415,000	47,165,000	131,116,000
2007	36,050,000	-	3,185,000	3,320,000	-	76,844,000
2006	27,280,000	-	3,645,000	3,485,000	-	73,000,000

Note: Data prior to 2006 is not available.

Source: US Census Bureau, Applied Geographic Solutions/TIGER Geography, and City Financial Records

Business-Type Activities							
Public							
General Obligation Bonds	Improvement Corporation Municipal Facilities Revenue Bond	Revenue Bonds	Water Infrastructure Finance Authority Loan	Water Rights	Total	Percentage of Personal Income	Per Capita
\$ 82,113,973	\$ 104,096,689	\$ 30,596,520	\$ 10,064,007	\$ -	\$ 412,112,868	21.92%	\$ 5,582
85,384,431	102,180,000	31,390,000	10,998,942	-	421,153,409	21.26%	5,900
89,394,364	102,180,000	31,985,000	11,908,603	-	426,394,231	22.40%	6,341
91,121,543	102,300,000	32,245,000	12,554,096	-	439,926,724	20.74%	6,634
92,753,019	102,300,000	17,040,000	9,925,289	10,314,041	445,292,958	24.79%	6,822
88,282,261	102,300,000	2,370,000	8,866,108	11,173,544	440,790,280	24.89%	7,047
88,125,143	67,850,000	2,345,000	9,443,400	-	394,179,400	25.65%	6,742
54,145,000	-	2,460,000	9,985,012	-	185,989,012	12.34%	3,335
28,990,000	-	2,580,000	10,505,512	-	149,485,512	11.74%	3,007

City of Goodyear  
 Ratios of General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
 (Unaudited)

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage Estimated Actual Taxable Value of Property	Per Capita
2014	\$ 106,730,122	\$ 98,876	\$ 106,631,246	1.92%	\$ 1,444
2013	111,940,000	841,716	111,098,284	1.99%	1,556
2012	118,395,000	1,246,110	117,148,890	1.91%	1,742
2011	122,480,000	668,186	121,811,814	1.65%	1,830
2010	126,355,000	828,016	125,526,984	1.46%	1,933
2009	124,125,000	592,244	123,532,756	1.40%	1,975
2008	129,845,000	3,026,753	126,818,247	1.89%	2,169
2007	90,195,000	587,476	89,607,524	2.15%	1,607
2006	56,270,000	210,498	56,059,502	1.72%	1,128

Note: Data prior to 2006 is not available.

Source: City Records (Does not include Enterprise, Special Assessment and CFD bonds)

City of Goodyear  
Direct and Overlapping Governmental Activities Debt  
As of June 30, 2014  
(Unaudited)

Overlapping Jurisdiction	Secondary Assessed Valuation	Debt Outstanding	Estimated Percentage Applicable (a)	Net Debt Amount
Maricopa County	\$ 32,229,006,810	-	1.84 %	\$ -
Maricopa County Community College District	32,229,006,810	712,735,000	1.84	13,114,324
Western Maricopa Education Center	11,966,668,146	35,000,000	4.96	1,736,000
Liberty Elementary School District No. 25	172,916,183	7,845,000	52.99	4,157,066
Avondale Elementary School District No. 44	301,317,722	26,995,000	81.77	22,073,812
Littleton Elementary School District No. 65	204,194,298	13,485,000	0.04	5,394
Litchfield Elementary School District No. 79	577,493,266	32,750,000	43.76	14,331,400
Mobile Elementary School District No. 86	9,351,201	None	29.45	None
Buckeye Union High School District No. 201	640,162,024	46,865,000	14.31	6,706,382
Tolleson Union High School District No. 214	862,627,008	54,215,000	0.01	5,422
Agua Fria Union High School District No. 216	878,810,988	54,765,000	56.68	31,040,802
Wildflower Ranch Community Facilities District No. 1	3,731,915	820,000	100.00	880,000
Wildflower Ranch Community Facilities District No. 2	3,746,641	1,025,000	100.00	1,025,000
Community Facilities General District No. 1	98,240,111	10,685,000	100.00	10,685,000
Community Facilities Utility District No. 1	248,308,412	43,705,000	100.00	43,705,000
Estrella Mountain Ranch Community Facilities District	54,414,336	34,757,000	100.00	34,757,000
Cottonflower Community Facilities District	7,105,266	2,375,000	100.00	2,375,000
Centerra Community Facilities District	9,612,964	3,160,000	100.00	3,160,000
Cortina Community Facilities District	7,669,563	2,190,000	100.00	2,190,000
Palm Valley Community Facilities District	50,336,763	7,195,000	100.00	7,195,000
Subtotal of overlappings debt:	<u>\$ 80,554,720,427</u>	<u>\$ 1,090,567,000</u>		<u>\$ 199,142,600</u>
Direct Debt:				
City of Goodyear (b)	\$ 590,258,652	\$ 105,025,000	100.00 %	\$ 105,025,000

(a) Proportion applicable to the City of Goodyear, Arizona is computed on the ratio of secondary assessed valuation for 2013/14.

(b) Direct debt includes General Obligation Bonds that are currently being paid by property tax and utility rates. This presentation is consistent with the city's official statements.

Sources: Maricopa County Department of Finance, Maricopa County Assessor's Office and Official Statements.

Note: 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 the City of Goodyear. This process recognizes that when considering the government's ability to issue and repay long-term debt, the entire debt 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 the 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 Goodyear  
Legal Debt Margin Information  
Last Nine Fiscal Years  
(Unaudited)

	Fiscal Year			
	2014	2013	2012	2011
Secondary Assessed Value	\$ 590,258,652	\$ 605,642,183	\$ 673,001,828	\$ 848,758,886
<b><u>20% Limitation</u></b>				
Debt Limit Equal to 20% of Assessed Valuation	118,051,730	121,128,437	134,600,366	169,751,777
Total Debt Applicable to 20% Limit	<u>104,775,000</u>	<u>111,690,000</u>	<u>118,130,000</u>	<u>122,205,000</u>
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 13,276,730</u>	<u>\$ 9,438,437</u>	<u>\$ 16,470,366</u>	<u>\$ 47,546,777</u>
Total net debt applicable to the limit as a percentage of debt limit	88.75%	92.21%	87.76%	71.99%
<b><u>6% Limitation</u></b>				
Debt Limit Equal to 6% of Assessed Valuation	\$ 35,415,519	\$ 36,338,531	\$ 40,380,110	\$ 50,925,533
Total Debt Applicable to 6% Limit	<u>250,000</u>	<u>250,000</u>	<u>265,000</u>	<u>275,000</u>
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 35,165,519</u>	<u>\$ 36,088,531</u>	<u>\$ 40,115,110</u>	<u>\$ 50,650,533</u>
Total net debt applicable to the limit as a percentage of debt limit	0.71%	0.69%	0.66%	0.54%

Note: Data prior to 2006 is not available.

Sources: Maricopa County Treasurer's Office  
City financial records and reports

Table 17

Fiscal Year				
2010	2009	2008	2007	2006
\$ 982,856,423	\$ 1,000,721,049	\$ 764,237,138	\$ 494,913,013	\$ 391,377,371
196,571,285	200,144,210	152,847,428	98,982,603	78,275,474
<u>126,070,000</u>	<u>123,830,000</u>	<u>129,540,000</u>	<u>90,195,000</u>	<u>47,795,000</u>
<u>\$ 70,501,285</u>	<u>\$ 76,314,210</u>	<u>\$ 23,307,428</u>	<u>\$ 8,787,603</u>	<u>\$ 30,480,474</u>
64.13%	61.87%	84.75%	91.12%	61.06%
\$ 58,971,385	\$ 60,043,263	\$ 45,854,228	\$ 29,694,781	\$ 23,482,642
<u>285,000</u>	<u>295,000</u>	<u>305,000</u>	<u>-</u>	<u>8,475,000</u>
<u>\$ 58,686,385</u>	<u>\$ 59,748,263</u>	<u>\$ 45,549,228</u>	<u>\$ 29,694,781</u>	<u>\$ 15,007,642</u>
0.48%	0.49%	0.67%	0.00%	36.09%

City of Goodyear  
Pledged-Revenue Coverage  
Last Nine Fiscal Years  
(Unaudited)

Public Improvement Corporation Municipal Facilities Revenue Bonds*						
Fiscal Year Ended June 30	Operating Revenue	Pledged Revenue	Debt Service		Coverage	
			Principal	Interest		
2014	\$ 81,109,035	\$ 62,556,655	\$ 1,002,289	\$ 5,956,692	8.99	
2013	76,004,072	57,756,502	1,484,090	5,711,236	8.03	
2012	65,501,422	52,355,875	570,000	4,925,626	9.53	
2011	57,697,609	45,594,775	745,000	5,562,612	7.23	
2010	57,363,961	45,810,806	720,000	5,594,412	7.25	
2009	62,281,214	49,324,646	680,000	4,907,984	8.83	
2008	85,680,828	56,440,267	505,000	2,019,691	22.36	

Water & Sewer Bonds & Loans						
Fiscal Year Ended June 30	Operating Revenue	Less: Operating Expenses	Net Operating Revenue	Debt Service		Coverage
				Principal	Interest	
2014	\$ 24,989,997	\$ 12,684,374	\$ 12,305,623	\$ 1,439,935	\$ 2,212,948	3.37
2013	23,133,152	10,837,296	12,295,856	1,504,661	5,819,924	1.68
2012	20,221,750	8,703,445	11,518,305	1,139,026	5,554,656	1.72
2011	18,271,778	8,965,363	9,306,415	1,167,815	1,802,534	3.13
2010	16,378,677	8,350,588	8,028,089	1,195,691	543,662	4.62
2009	15,300,056	9,733,836	5,566,220	877,292	540,523	3.93
2008	15,151,775	11,424,111	3,727,664	656,612	474,992	3.29
2007	13,760,462	11,008,102	2,752,360	640,500	506,104	2.40
2006	10,816,571	9,629,632	1,186,939	502,118	516,469	1.17

Note: \*Public Improvement Corporation Municipal Facilities Revenue Bonds did not exist prior to 2008. The PIC 2007 Bonds were issued during FY2008. Data for Water & Sewer Bonds & Loans prior to 2006 is not available.

Source: City Financial Records and Reports

City of Goodyear  
Demographic and Economic Statistics  
Last Nine Fiscal Years  
(Unaudited)

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Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	Unemployment Rate
2014	73,832	\$ 1,879,673	\$ 25,459	36.5	13 to 16	7.2%
2013	71,381	1,980,537	27,746	38.4	13 to 16	8.3%
2012	67,239	1,903,133	28,304	35.2	13 to 16	8.2%
2011	66,309	2,120,960	31,986	33.5	13 to 16	9.8%
2010	65,275	1,796,433	27,521	35.5	13 to 16	7.1%
2009	62,554	1,771,217	28,315	39.1	13 to 16	6.9%
2008	58,462	1,536,966	26,290	36.1	13 to 16	3.6%
2007	55,775	1,507,375	27,026	36.3	13 to 16	2.1%
2006	49,714	1,274,269	25,632	35.7	13 to 16	2.7%

Note: Data prior to 2006 is not available.

Source: US Census Bureau, Applied Geographic Solutions/TIGER Geography, and City Financial Records

City of Goodyear  
Principal Employers<sup>1</sup>  
Current Fiscal Year and Nine Fiscal Years Ago  
(Unaudited)

Major Corporation	Fiscal Year			Fiscal Year		
	2014			2005		
	Employees	Rank	Percentage of Total City Employment*	Employees	Rank	Percentage of Total City Employment*
Arizona State Prison/Perryville	825	1	2.61%	825	1	3.07%
West Valley Hospital	750	2	2.37%	-		0.00%
Cancer Treatment Centers of America	650	3	2.06%	-		0.00%
Macy's	600	4	1.90%	-		0.00%
City of Goodyear	511	5	1.62%	410	6	1.52%
Amazon.com	500	6	1.58%	-		0.00%
Sub-Zero / Wolf	428	7	1.35%	-		0.00%
McLane Sunwest	360	8	1.14%	500	3	1.86%
Aeroturbine	300	9	0.95%			0.00%
Lockheed Martin	250	10	0.79%	732	2	2.72%
Cavco Industries, Inc.				475	4	1.77%
Newell Rubbermaid, Inc.				261	7	0.97%
Timco Aviation Services				430	5	1.60%
Rudolfo Brothers				260	8	0.97%
Target				175	9	0.65%
Lufthansa-German Airlines				170	10	0.63%
Total	<u>5,174</u>		<u>16.36%</u>	<u>4,238</u>		<u>15.75%</u>

<sup>1</sup>Source: City Records

\*2014 labor force = 31,617 ; 2005 labor force = 26,909

City of Goodyear  
 Full-time Equivalent City Government Employees by Function  
 Last Nine Fiscal Years  
 (Unaudited)

	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government	55	55	52	52	53	47	52	52	41
Financial Services	27	29	28	30	30	30	28	27	21
Information Services	15	14	14	13	13	15	12	11	9
Police									
Officers	91	94	94	94	97	97	89	72	72
Civilians	29	30	27	29	29	30	26	24	18
Planning and Development	23	25	9	9	10	16	38	32	21
Fire									
Firefighters and Officers	91	90	91	87	90	91	93	70	65
Civilians	8	7	20	24	22	22	17	12	12
Human Resources	10	10	9	7	8	10	10	9	9
Community Services	0	0	0	0	0	0	11	12	8
Economic Development	4	4	6	7	7	4	5	3	3
Municipal Services	10	13	13	8	10	14	14	11	9
Public Works	75	73	65	78	79	87	64	52	49
Water	24	23	21	22	23	24	30	30	30
Wastewater	20	17	18	17	18	19	18	14	14
Sanitation	5	5	7	9	9	9	12	13	10
Total	<u>487</u>	<u>489</u>	<u>474</u>	<u>486</u>	<u>498</u>	<u>515</u>	<u>519</u>	<u>444</u>	<u>391</u>

Note: Data prior to 2006 is not available.

Source: City Financial Records and Reports

City of Goodyear  
 Operating Indicators by Function  
 Last Eight Fiscal Years  
 (Unaudited)

Function	Fiscal Year		
	2014	2013	2012
<b>General Government</b>			
<i>City Clerk's Office</i>			
# of records requests	504	470	484
<i>City Prosecutor's Office</i>			
Charges filed/charges adjudicated (resolved)	3,170	2,514	3,827
<i>City Manager's Office</i>			
% of survey respondents rating "Your Neighborhood as a Place to Live" as good to excellent	95%	94%	94%
<i>Communications &amp; Public Information</i>			
News releases/media updates	76	59	49
Total newsletter pages sent to citizens	114	112	136
Number of visits to website	491,540	804,542	771,938
Number of web pages viewed	1,850,471	2,185,489	2,203,995
Number of graphics/photography projects completed	275	254	262
<b>Police</b>			
# of total arrests	2,612	2,532	2,402
# of moving violations citations	10,586	10,259	11,468
<b>Fire</b>			
# of emergency responses	8,298	5,604	7,195
# of fires extinguished	242	243	271
# of inspections	752	969	212
<b>Financial Services</b>			
# accounts payable checks issued	6,403	6,298	6,132
# purchase orders	1,091	1,238	1,229
# water meters read annually	191,189	184,638	178,466
<b>Planning and Development</b>			
Customer wait-time (in minutes) at One Stop Shop	<1	<1	< 1
Total number of permits issued	3,580	3,529	3,576
Provide applicant with pre-application meeting within 30 days of submitting request	1	1	1
% of inspections performed within 24 hours of request	1	1	0.7
<b>Human Resources</b>			
# of new hires (FT & PT)	180	178	118
HR budgeted operating cost as a % of City budgeted payroll	4.85%	5.01%	4.86%
<b>Parks and Recreation</b>			
# attending Park & Recreation facilities and Libraries annually	74,527	69,596	63,256
# of square feet of medians and rights of way maintained *	23,151,438	23,151,438	23,151,438

Table 22

Fiscal Year					
2011	2010	2009	2008	2007	2006
550	504	613	648	576	180
3,380	3,395	2,494	2,469	3,653	2,692
90%	90%	94%	94%	94%	91%
150	235	161	182	129	92
144	176	186	136	116	42
703,174	715,285	738,949	1,509,717	1,322,259	840,757
2,104,553	2,208,180	2,346,423	7,203,478	4,865,081	5,318,311
230	217	200	200	175	140
2,254	4,731	2,829	2,614	2,814	2,603
12,581	11,810	13,313	11,452	12,422	12,175
6,597	5,570	5,328	3,431	3,236	1,960
235	226	270	143	154	150
3,229	4,262	3,953	3,427	2,403	759
6,413	8,024	10,184	9,949	9,305	9,014
1,344	1,147	918	1,043	1,002	1,067
170,657	168,647	163,444	155,805	147,241	125,382
< 3	< 3	< 5	< 5	< 5	< 5
3,269	4,232	3,401	5,874	1,340	7,859
1	1	1	1	1	1
1	1	1	1	1	1
125	247	158	179	164	174
4.11%	4.18%	4.11%	4.36%	5.50%	5.26%
54,428	52,241	51,844	49,111	50,093	46,330
22,696,736	22,175,027	22,118,000	15,320,000	15,320,000	15,320,000

City of Goodyear  
 Operating Indicators by Function  
 Last Eight Fiscal Years  
 (Unaudited)

Function	Fiscal Year		
	2014	2013	2012
<b>Economic Vitality</b>			
Sales Tax growth (% annual change)	8.76%	11.29%	10.45%
Bed Tax growth (% annual change)	-4.12%	1.41%	14.15%
<b>Municipal Services</b>			
# of homes serviced by Residential Refuse Collection	24,346	23,387	22,363
# of citizens serviced by Household Hazardous Waste collection program	550	546	503
<b>Water Service</b>			
# of residential customers	14,959	14,430	13,755
# of multifamily customers	35	36	36
# of commercial customers	1,025	999	976
Water Service Connections	17,533	17,533	16,809
Drinking Water Supplied (million gallons per day)	11.70	9.60	11.60
Reclaimed Water Supplied (million gallons per day)	0.32	0.39	0.32
<b>Wastewater</b>			
# of residential customers	14,877	14,231	13,599
# of multifamily customers	36	38	36
# of commercial customers	370	382	364
Sewer Service Connections	16,918	16,918	16,856
Sewage Treated (millions gallons per day)	4.20	4.15	3.82
<b>Other Public Works</b>			
Street resurfacing (miles)	19.20	30.00	24.00
Potholes repaired	1,166	296	264
<b>Citizen &amp; Neighborhood Resources</b>			
# of new Code Enforcement cases processed per year	3,018	2,841	2,069

**Note: Data prior to 2006 is not available.**

\*Change in value is not available for fiscal years 2007 & 2008

**Source: City Financial Records and Reports**

Table 22

Fiscal Year					
2011	2010	2009	2008	2007	2006
4.42%	-10.40%	-12.30%	-10.25%	20.71%	70.19%
-7.31%	-3.90%	-15.00%	6.00%	6.98%	22.81%
21,489	20,928	20,149	19,811	18,664	17,228
729	848	0	634	510	531
13,319	13,051	12,394	12,214	11,811	10,699
36	36	36	36	9	9
963	742	781	709	571	480
14,588	14,488	13,975	13,500	13,051	11,597
11.40	11.10	11.00	10.80	6.86	6.86
0.37	0.23	0.45	0.27	0.09	0.09
13,298	12,962	12,322	9,445	7,865	6,481
36	36	36	38	36	7
363	372	370	307	234	191
16,743	16,144	16,144	13,500	11,398	5,037
3.73	3.73	3.70	3.24	2.48	2.48
12.50	-	4.00	-	34.20	33.00
260	372	681	783	1,096	977
2,016	2,255	2,155	2,698	2,755	2,092

City of Goodyear  
Capital Asset Statistics by Function  
Last Eight Fiscal Years  
(Unaudited)

Function	Fiscal Year								
	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Public Safety</b>									
Police:									
Stations	3	3	3	3	3	3	3	3	1
Police Vehicles	119	126	125	130	124	130	125	146	107
Fire Stations	6	6	6	6	6	6	6	4	4
<b>Highways and Streets</b>									
Street (miles)	934	934	934	704	704	563	450	360	360
Streetlights	8,832	8,660	8,465	8,438	8,329	7,969	7,391	7,391	7,391
Traffic signals	92	84	77	72	72	67	56	37	30
<b>Culture and Recreation</b>									
Parks	17	17	17	17	17	16	16	12	11
Parks Acreage	204	204	204	204	204	184	156	117	82
Swimming Pools	1	1	1	1	1	1	1	1	1
Tennis Courts	6	6	6	6	6	6	6	6	2
Community Centers	1	1	1	1	1	1	1	1	1
<b>Water</b>									
Water Mains (miles)	308	308	308	308	308	307	286	257	173
Fire Hydrants	2,808	2,796	2,791	2,791	2,791	2,754	2,481	2,370	2,053
Storage capacity (thousands of gallons)	16	16	16	16	16	16	15	11	12
<b>Wastewater</b>									
Sanitary Sewers (miles)	239	229	227	229	223	225	236	152	167
Storm Sewers (miles)	63	57	57	57	54	58	80	105	105
Treatment capacity (MGD) (thousands of gallons)	5.6	5.6	5.6	5.6	5.6	5.6	5.5	4.6	11.6

Note: Data prior to 2006 is not available.

Source: City Financial Records and Reports



# City of Goodyear Comprehensive Annual Financial Report For the Year Ended June 30, 2014

City of Goodyear  
190 North Litchfield Road  
Goodyear, Arizona 85338  
[www.goodyearaz.gov](http://www.goodyearaz.gov)  
623-932-3910

