



CITY OF GOODYEAR, ARIZONA



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**



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Prepared by the Finance Department
Larry A. Lange, Finance Director



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INTRODUCTORY SECTION





November 16, 2009

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

The City is pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Goodyear, Arizona (the City) for fiscal year ended June 30, 2009. The report is prepared by the Accounting Division of the Finance Department.

This document represents management's report to its governing body, constituents, legislative and oversight bodies, and investors and creditors. Copies of this report will be sent to elected officials, management personnel, bond rating agencies, Nationally Recognized Municipal Securities Information Repositories, 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.

Management's Discussion and Analysis (MD&A), presented on pages 5-14, has a different focus and purpose than this transmittal letter and should be read in conjunction with this transmittal.

THE FINANCIAL REPORTING ENTITY

The City of Goodyear, incorporated in 1946, and chartered in 1988, 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.

The City encompasses approximately 188 square miles in the western portion of Maricopa County, and is approximately 17 miles west of the downtown Phoenix business district. Between 1990 and 2000, the City's population increased by over 100 percent, from 6,300 to 18,911. The estimated population as of July 1, 2009 is 62,554.



The City's tremendous growth is attributable to excellent housing, small-town atmosphere, convenient access to the central Valley, and excellent school districts. Current economic conditions have caused the City to reduce its growth estimates from a trended average of 16% per year to approximately 2% per year. This slower growth rate has significantly reduced the City's growth related revenue base resulting in significantly lower revenues.

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 a community center, a swimming pool, and sixteen parks encompassing 184 acres.

FINANCIAL CONTROLS

Internal Controls

The management of the City of Goodyear is responsible for establishing and maintaining a system of internal control. 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 in March 11, 2003, the 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. The City additionally exercises management control and oversight of the budget at the department level within each fund. 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-budgeted as needed in the next fiscal year.

LOCAL ECONOMIC CONDITION AND OUTLOOK

The decline in the nation's economy has had a substantial impact on the City of Goodyear. The City has recently been faced with making many difficult decisions, but has taken the necessary steps to remain fiscally responsible. Although these actions have been arduous, they were also crucial to maintain the City's well-being. The City continues to monitor the changes taking place in the national and local economies, as adaptation is imperative to the City's future.

The City continues to evaluate revenue sources and will be persistent in making the necessary adjustments in order to stay on track with budget. Staff has been innovative in discovering ways to cut expenditures and has been able to shave \$13.5 million from the original budget over the past two years. In addition to internal savings, the City also continues to look for opportunities to add additional revenue sources. For instance, a user fee study is currently being conducted to determine additional revenue opportunities.

While the City of Goodyear continues to face challenging economic times, maintenance of the strategic plan and goals are key in the upcoming year. The City will strive toward its vision for building a sustainable community, while adapting to the many challenges presented. All resources available to the City will be used in order to keep people and property safe, while ensuring public health. This commitment will provide for continued success in the years to come. Although it has been a difficult year financially, in spite of the circumstances, Goodyear continues to develop.

Goodyear has a promising and exciting future. The City is the Spring Training home of the Cleveland Indians and the Cincinnati Reds. The baseball complex, located on three acres southeast of the future Goodyear City Center site, includes 8,000 stadium seats, 1500 lawn seats, six suites, 500 premium seats, and a party deck. The Cleveland Indians joined the Arizona Cactus League in 2009 when they moved their Spring Training operations to Goodyear. The Cincinnati Reds followed and took possession of their Development Complex in October 2009. The addition of the ballpark will provide the City of Goodyear with advertising and tourism possibilities.

Economic Outlook

The economic slow down at the national level has had a direct impact at the state and local level economy. Goodyear has experienced a decrease in new residential building permits of approximately 42% from FY 2008. Goodyear's General Fund revenues for FY 2010 are projected to decline by approximately 22.4% from \$73.7 million for FY 2009 to \$60.2 million for FY 2010.

Sales Tax: The City of Goodyear, like all Arizona cities, places significant reliance on City sales tax revenues. Overall, City sales tax revenues for FY 2010 are expected to be approximately 58% of General Fund revenues. The City's non-construction sales tax rate increased from 2% to 2.5% effective September 1, 2009.

State Shared Revenue. The City of Goodyear receives revenue allocations from the State. These "State Shared Revenues" include allocations of the state-collected income tax, sales tax, gas tax, motor vehicle in-lieu taxes, and state lottery proceeds. A significant portion of this

revenue is placed in the City's General Fund, where it is used to support the City's day-to-day activities. The City anticipates an 11% reduction in state shared revenues in FY 2010 due primarily to reduced state income tax receipts.

Property Tax. The City's combined (secondary and primary) property tax rate is \$1.60 per \$100 of assessed valuation for fiscal year 2009. Of this, \$0.93 is for the secondary levy. The secondary levy can only be used for voter approved debt service on general obligation bonded indebtedness. The voter approved general obligation bond proceeds are used for construction of public facilities (parks, public safety, streets, etc.). The secondary assessed valuation is expected to decline by approximately 2% in FY 2010.

The primary property tax rate is \$.67 for 2009. The primary levy can be used for any general government purpose (such as supplies, personnel, maintenance, utilities, etc.) but is limited in size by State statute. The primary tax raised \$4.9 million in fiscal year 2009. The primary property tax revenues are expected to be \$5.4 million dollars in FY 2010. While this amount is less than 10% of the operating revenues, it is nonetheless an important component for the stability and revenue diversity of the City's operating revenues.

Total primary assessed property value within the City has increased by approximately 16% over FY 2009. Because of the increasing assessed value of the City, primary property tax revenues continue to grow, as the City's primary rate has decreased slightly. Based on current development patterns, as well as expected economic conditions, property tax revenue is expected to increase at lower rates over the next few years.

Labor Force. Goodyear has a well-educated and available labor force. The estimated median income level is \$76,136 for FY 2009. This economic resource is at the forefront of our economic development efforts. The City is a member of the Greater Phoenix Economic Council (GPEC) which has been successful at introducing new businesses to the City. The City maintains an economic development department "in-house" which has been very instrumental in locating retail, hospitality, office, and industrial businesses to the City.

MAJOR INITIATIVES AND SERVICE EFFORTS AND ACCOMPLISHMENTS

During FY 2009, the City continued to invest in programs and amenities that keep Goodyear a very livable community. Emphasis was placed on public safety, parks and open space, basic infrastructure projects, and support services.

The following are a few of the departments' service efforts and accomplishments of the City during FY 2009:

Mayor & City Council

- Expanded the Recycling Program resulting in 30% of garbage tonnage being diverted from landfills.
- Received a grant that resulted in a City-owned alternative fueling station.
- Passed and currently Enforcing a Dust Control Ordinance to reduce dust in the atmosphere.
- Major league baseball comes to Goodyear as the ballpark welcomes the Cleveland Indians and Cincinnati Reds; resulting in tourism revenue for our City.
- Awarded an \$8,000,000 low interest rate loan for the 157th Avenue Water Reclamation Facility.

Fire

- Awarded \$750,000 Urban Area Security Initiative grant to provide a CBRNE (Chemical, Biological, Radiological, Nuclear, and Environmental) hazard response vehicle and equipment.
- CPR / AED Training – The Goodyear Fire Department is providing training to the general public once per month at a nominal cost.
- Fire Education Programs – The Youth Firesetter program was implemented to assess and educate the public to provide intervention to our youth.
- Fire Education Programs – Preschool through 8th grade students are taught fire safety in our City's schools.

Police

- Awarded \$7,150 in grant funding for the 2008 Bulletproof Vest program.
- Received funding under the Unmarked Aggressive Driver Vehicle Grant in the amount of \$40,000.
- Awarded \$43,500 in grant funding for the 2009 STOP grant to protect women against violence.
- Citizens Police Academy – Facilitates understanding between citizens and the police. It also provides a deeper understanding of problems encountered by the police officers.
- Neighborhood Response Unit – A community resource of various programs such as block watch, neighborhood association meetings and Crime-Free Multi-Housing programs.

For The Future

The City's financial and operational plans will continue to support basic government services including roads, police, fire, water, sewer, solid waste management, building safety, code enforcement, and parks and recreation. In addition, the City Council continues its process to assist in the identification, prioritization, and management of emerging strategic issues that, by virtue of their scope, complexity, and/or potential impact, requires a coordinated multi-departmental action plan and budget. The City Council works closely with City management to implement specific objectives and tasks designed to meet these goals.

Award

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, 2008. This was the first year the City of Goodyear 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 June 30, 2009.

Acknowledgments

The preparation of this CAFR 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, 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,

A handwritten signature in black ink, appearing to read "Larry A. Lange". The signature is fluid and cursive, with a large initial "L" and "A".

Larry A. Lange
Finance Director

LAL/ts

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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

CITY OF GOODYEAR

LIST OF PRINCIPAL OFFICIALS

MAYOR

James M. Cavanaugh

VICE MAYOR

Georgia Lord

COUNCIL MEMBERS

Richard A. Sousa

Frank Cavalier

Rob Antoniak

Joe Pizzillo

Joanne Osborne

SENIOR MANAGEMENT STAFF

John Fischbach
City Manager

Michael Simonson
Presiding Judge

Roric Massey
City Attorney

Brian J. Dalke
Deputy City Manager

Mark Gaillard
Interim Deputy City Manager

Lynn Mulhall
City Clerk

Kay Wilkinson
Human Resources Director

Paula Ilardo
Economic Development Director

Mark Brown
Police Chief

Paul Luizzi
Interim Fire Chief

Harvey Krauss
Community Development Director

Larry Lange
Finance Director

Kathleen Fernandez
Information Technology Director

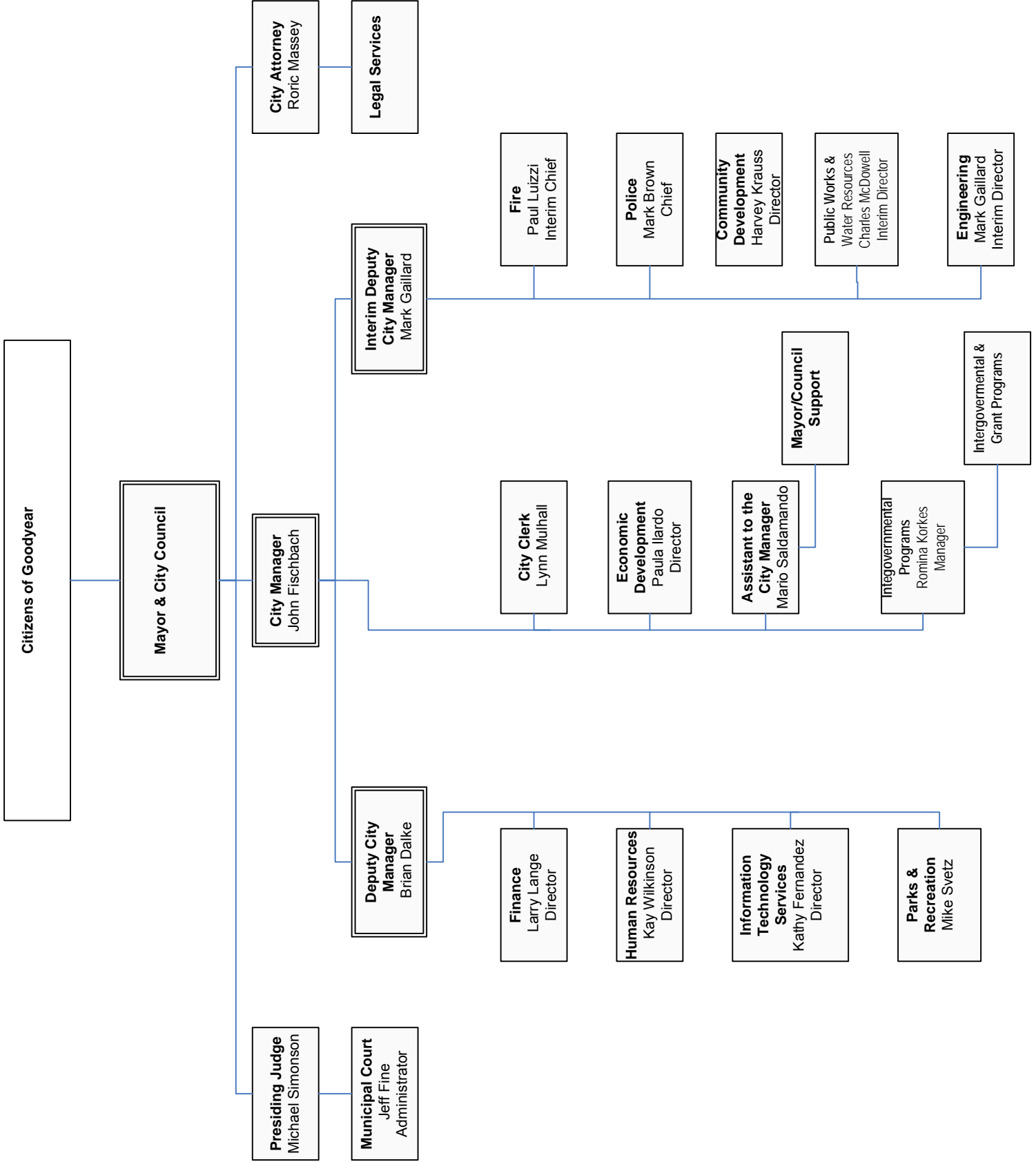
Charles McDowell
Interim Public Works & Water
Resource Director

Mark Gaillard
Interim Engineering Director

Mike Svetz
Parks & Recreation Director

Mari Saldamando
Assistant to the City Manager

Romina Korke
Intergovernmental Programs Manager



ACKNOWLEDGEMENTS

The Comprehensive Annual Financial Report was prepared by the staff of the Finance Department – Accounting, Community Facilities District and Utility Customer Service Divisions:

Theresa Simms, MBA, CGFM, CPA

Michelle Gammage, CPA

MaryKae Struck, MBA

Kathy Painter

Regina Mullaney

Sheila Mills

Carmelita Evans

Marty Eckstaine

FINANCIAL SECTION





Independent Auditors' Report

The Honorable Mayor and Council
City of Goodyear, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Goodyear (the City), Arizona, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Goodyear, Arizona, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the City of Goodyear failed to use highway user revenue fund monies received by the City of Goodyear pursuant to Arizona Revised Statutes Title 28, Chapter 18, Article 2 and any other dedicated state transportation revenues received by the City of Goodyear solely for the authorized transportation purposes. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

Tempe
2055 E. Warner Road
Suite 101
Tempe, AZ 85284-3487
(480) 839-4900
Fax (480) 839-1749

Scottsdale
7098 E. Cochise Road
Suite 100
Scottsdale, AZ 85253-4517
(480) 483-1170
Fax (480) 483-7126

Casa Grande
1115 E. Cottonwood Lane
Suite 100
Casa Grande, AZ 85122-2950
(520) 836-8201
Fax (520) 426-9432

The Honorable Mayor and Council
City of Goodyear, Arizona
Page Two

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2009 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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* and should be considered in assessing the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages five through fourteen, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Goodyear, Arizona's basic financial statements. The introductory section, the accompanying financial information listed as other supplementary information in the financial section, and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The financial information listed as other supplementary information in the financial section has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them. The accompanying schedule of expenditures of federal awards (required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Government, and Non-Profit Organizations) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Casa Grande, Arizona
November 16, 2009

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION & ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS

For The Year Ended June 30, 2009

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, 2009 (2009). 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 discussion and analysis (MD&A) has different focus and purpose than the letter of transmittal presented on pages vii-xii of this report and is designed to be read in conjunction with the transmittal letter as well as the financial statements beginning on pages 15 and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

- ◆ The City's total net assets increased \$127.2 million (25.0%) in fiscal year 2009, \$84.8 million (a 23.4% increase) in governmental activities due in part to the recording of a special assessment receivable for the McDowell Road Commercial Corridor Improvement District (\$47.2 million), and a \$42.4 million (29.0% increase) in business-type activities.
- ◆ The City's invested in capital, net of related debt increased by \$94.0 million (22.6%) from the previous year. This increase is directly related to the construction of a number of capital projects including the Goodyear Ballpark Spring Training facility for the Cleveland Indians and Cincinnati Reds.
- ◆ The governmental activities program revenues increased by \$6.1 million (5.7%) from the previous year, primarily because of capital contribution in the amount of \$16.9 million (19.9%). This increase was due from community development; \$47.2 million for the McDowell Road Commercial Corridor Improvement District assessments and a decrease in charges for services of \$11.0 million (63.2%) because of a decline in development fees for new construction.
- ◆ The business-type activities program revenues increased by \$15.1 million (31.1%) from the previous year. Most of this increase came from the capital contribution relating to the Goodyear Ballpark Spring Training facility.
- ◆ At June 30, 2009, total fund balance of the governmental funds was \$71.4 million, a decrease of \$50.4 million (41.4%) from the previous year. Of this \$71.4 million, \$53.5 million was unreserved (available for spending at the government's discretion).
- ◆ The General Fund budgetary revenues were \$77.5 million and the actual revenues were \$63.7 million, an unfavorable variance of \$13.8 million (17.8%), while budgetary revenues decreased by \$12.9 million (14.2%) and actual revenues decreased by \$26.4 million (29.4%) from the previous year. The budgetary expenditures of the General Fund were \$106.6 million and the actual expenditures were \$76.8 million, a favorable variance of \$29.8 million (28.0%) and actual expenditures decreased by \$32.2 million (29.5%) from the previous year. The decrease in actual revenues and expenditures are almost identical in percentage and are due to the economic downturn.
- ◆ At June 30, 2009, unreserved fund balance for the General Fund was \$29.1 million, a decrease of \$13.1 million (31.0%) from the prior fiscal year. This reduction is consistent with the budget adopted by the City Council and is based on the decline in the economy.

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 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.

- **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 community development. These activities are generally supported by taxes and general revenues.
- **Business-type activities** – The services provided by the City included here are stadium, water, wastewater, and sanitation services. These activities are primarily supported through user charges or fees.

The *statement of net assets* presents information on all of the City's assets and liabilities, both current and long-term, with the difference between the assets and liabilities reported as *net assets*. The focus on net assets is designated to be similar to the emphasis for businesses. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City may be changing. Increases in net assets may indicate an improved financial position; however, even decreases in net assets may reflect a changing manner in which the City may have previously accumulated funds (i.e. cash funding of capital projects). To assess the overall health of the City, other indicators, including non-financial indicators like the City's property tax base and condition of its infrastructure, should also be considered.

The *statement of activities* presents information showing how the City's net assets changed over the most recent fiscal year. Since full accrual accounting is used for the government-wide financial statements, all changes to net assets are reported at the time of the underlying event, giving rise to the change occurs, *regardless of the timing of 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 government-wide financial statements can be found on pages 17 - 19 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.

Because 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 decision. 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 23 and 27, respectively.

The City maintains 18 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 Commercial Corridor Improvement District – Debt Service, Capital Improvement Projects, McDowell Road Commercial Corridor Improvement District - Capital Projects, and Community Facilities Districts – Capital Projects Funds, all of which are considered to be major funds. Data from the other 12 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 64 of this report.

The governmental fund financial statements can be found on pages 20 - 29 of this report.

Proprietary funds. The City maintains three 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 stadium, water and sewer services and its sanitation services. 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 two internal service funds – Fleet Inter-Department Service Fund and the Health Insurance Reserve Fund. The Fleet Fund reports activities that provide preventative maintenance, repairs and safety inspections for City vehicles and equipment. The Health Insurance Reserve Fund is used for the City's wellness initiative and to build up a reserve for when the City becomes self funding. 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 30 - 33 of this report.

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 34 – 35 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39 – 61 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 funds. A budgetary comparison schedule has been provided for the General Fund as required supplementary information. The required supplementary information can be found on pages 28 – 29 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 64 – 71 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, 2009 with comparative information for the previous year.

Net Assets

Net assets may serve over time as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Assets of the City as of June 30, 2009 compared to the prior year.

	Governmental		Business-type		Total		Percent Change
	Activities		Activities		Primary Government		
	2009	2008	2009	2008	2009	2008	
Current and other assets	\$ 164,600,987	\$ 170,256,402	\$ 25,852,461	\$ 60,963,655	\$ 190,453,448	\$ 231,220,057	-17.6%
Capital assets	522,245,869	443,317,580	394,510,883	289,110,259	916,756,752	720,449,818	27.2%
Total assets	<u>686,846,856</u>	<u>613,573,982</u>	<u>420,363,344</u>	<u>350,073,914</u>	<u>1,107,210,200</u>	<u>951,669,875</u>	16.3%
Other liabilities	24,060,673	25,565,364	16,037,825	20,848,079	40,098,498	46,413,443	-13.6%
Long-term liabilities outstanding	<u>214,984,459</u>	<u>225,002,997</u>	<u>216,038,500</u>	<u>183,318,387</u>	<u>431,022,959</u>	<u>396,343,363</u>	8.7%
Total liabilities	<u>239,045,132</u>	<u>250,568,361</u>	<u>232,076,325</u>	<u>204,166,466</u>	<u>471,121,457</u>	<u>442,756,806</u>	6.4%
Net assets:							
Invested in capital assets, net of related debt	309,491,989	256,047,572	199,624,649	159,100,622	509,116,638	415,148,194	22.6%
Restricted for:							
Highways and streets	242,444	309,339	-	-	242,444	309,339	-21.6%
Community facilities	1,400,330	1,603,552	-	-	1,400,330	1,603,552	-12.7%
Debt service	88,487,852	44,850,841	-	-	88,487,852	44,850,841	97.3%
Capital projects	27,656,689	39,418,330	-	-	27,656,689	39,418,330	-29.8%
Unrestricted	<u>20,522,420</u>	<u>20,775,987</u>	<u>(11,337,630)</u>	<u>(13,193,174)</u>	<u>9,184,790</u>	<u>7,582,813</u>	21.1%
Total net assets	<u>\$ 447,801,724</u>	<u>\$ 363,005,621</u>	<u>\$ 188,287,019</u>	<u>\$ 145,907,448</u>	<u>\$ 636,088,743</u>	<u>\$ 508,913,069</u>	25.0%

For fiscal year 2009 the net assets of the City increased by \$127.2 million (25.0%). Of this increase, \$84.8 million was in governmental activities, a 23.4% increase and \$42.4 million was in business-type activities, a 29.0% increase over the previous year.

Net assets consist of three components, the largest portion of which is invested in capital assets, net of related debt (\$509.1 million or 80.0%) and reflects the City's investment in capital assets net of accumulated depreciation and any related outstanding debt used to acquire or construct those assets. The City uses these assets to provide services to its citizens. Consequently, it is not the City's intention to sell these assets and they are therefore not available for future spending. Although the capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves are not intended to be used to liquidate these liabilities. This category of Net Assets increased by \$94.0 million (22.6%) in fiscal year 2009 primarily as a result of the purchase, construction, and donation of additional capital assets.

The City's second largest net assets category are net assets restricted for debt service amounting to \$88.5 million (13.9%), which represent resources that are subject to external restrictions on how they may be used. This category includes the McDowell Road Commercial Corridor Improvement District debt of \$47.2 million (53.3%), which the City is liable for in the event the property owners default on the debt.

The City's third largest net assets category are net assets restricted for capital projects in the amount of \$27.7 million (4.3%), which represent commitments to outside contractors for construction of capital assets.

Changes in Net Assets.

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

Changes in Net Assets
for Year End June 30

	Governmental Activities		Business-type Activities		Total Primary Government		Percent Change
	2009	2008	2009	2008	2009	2008	
REVENUES:							
Program revenues:							
Charges for services	\$ 6,429,184	\$ 17,469,768	\$ 21,908,988	\$ 20,285,457	\$ 28,338,172	\$ 37,755,225	-24.9%
Operating grants and contributions	4,843,140	4,587,630	25,000	762,200	4,868,140	5,349,830	-9.0%
Capital grants and contributions	102,028,190	85,108,447	41,595,562	27,405,133	143,623,752	112,513,580	27.7%
General revenues:							
Sales taxes	34,205,905	41,036,060	-	-	34,205,905	41,036,060	-16.6%
Property taxes	22,602,319	18,144,197	-	-	22,602,319	18,144,197	24.6%
Franchise taxes	2,195,747	2,071,378	-	-	2,195,747	2,071,378	6.0%
State shared revenue	12,236,437	12,654,235	-	-	12,236,437	12,654,235	-3.3%
Investment income	148,687	4,268,448	121,900	1,379,832	270,587	5,648,280	-95.2%
Miscellaneous	911,254	4,075,011	78,586	212,708	989,840	4,287,719	-76.9%
Total revenues	185,600,863	189,415,174	63,730,036	50,045,330	249,330,899	239,460,504	4.1%
EXPENSES:							
Program activities:							
Governmental activities:							
General government	13,759,085	18,231,123	-	-	13,759,085	18,231,123	-24.5%
Public safety	29,467,141	28,815,923	-	-	29,467,141	28,815,923	2.3%
Highways and streets	8,436,341	9,104,717	-	-	8,436,341	9,104,717	-7.3%
Public works	14,370,096	59,138,044	-	-	14,370,096	59,138,044	-75.7%
Culture and recreation	5,435,750	1,909,303	-	-	5,435,750	1,909,303	184.7%
Community development	9,583,326	14,731,322	-	-	9,583,326	14,731,322	-34.9%
Interest on long-term debt	12,001,714	9,710,526	-	-	12,001,714	9,710,526	23.6%
Business activities:							
Water and sewer	-	-	18,655,263	17,413,623	18,655,263	17,413,623	7.1%
Sanitation	-	-	5,090,150	4,839,626	5,090,150	4,839,626	5.2%
Stadium	-	-	6,475,960	861,000	6,475,960	861,000	100.0%
Total expenses	93,053,453	141,640,958	30,221,373	23,114,249	123,274,826	164,755,207	-25.2%
Increase in net assets							
before transfers	92,547,410	47,774,217	33,508,663	26,931,081	126,056,073	74,705,298	68.7%
Transfers	(7,751,307)	(9,444,077)	7,751,307	9,444,077	-	-	-
Increase in net assets	84,796,103	38,330,140	41,259,970	36,375,158	126,056,073	74,705,298	68.7%
Net asset July 1	363,005,621	324,675,481	145,907,448	109,532,290	508,913,069	434,207,771	17.2%
Prior period adjustment	-	-	1,119,601	-	1,119,601	-	100.0%
Net asset June 30	\$ 447,801,724	\$ 363,005,621	\$ 188,287,019	\$ 145,907,448	\$ 636,088,743	\$ 508,913,069	25.0%

The general revenues of governmental activities decreased by \$9.9 million (12.1%) from the previous year. The decline in revenues are a direct result of the current recession and the areas effected the most are investment income, which decreased by \$4.1 million (96.5%) and sales taxes, which decreased by \$6.8 million (16.6%). Program revenues of governmental activities increased by \$6.1 million (5.7%), primarily for capital grants and contributions of \$16.9 million (19.9%), a decrease in charges for services of \$11.0 million (63.2%) and increase in operating grants and contributions of \$.2 million (5.6%). As stated earlier decreases in development fees for housing construction played a major role in the City's shortfall in revenues. The business-type activities program revenues increased by \$15.1 million (31.1%) from the previous fiscal year. This increase is attributed to capital grants and contributions of \$14.2 million (51.8%) due to completion of the Goodyear Ballpark.

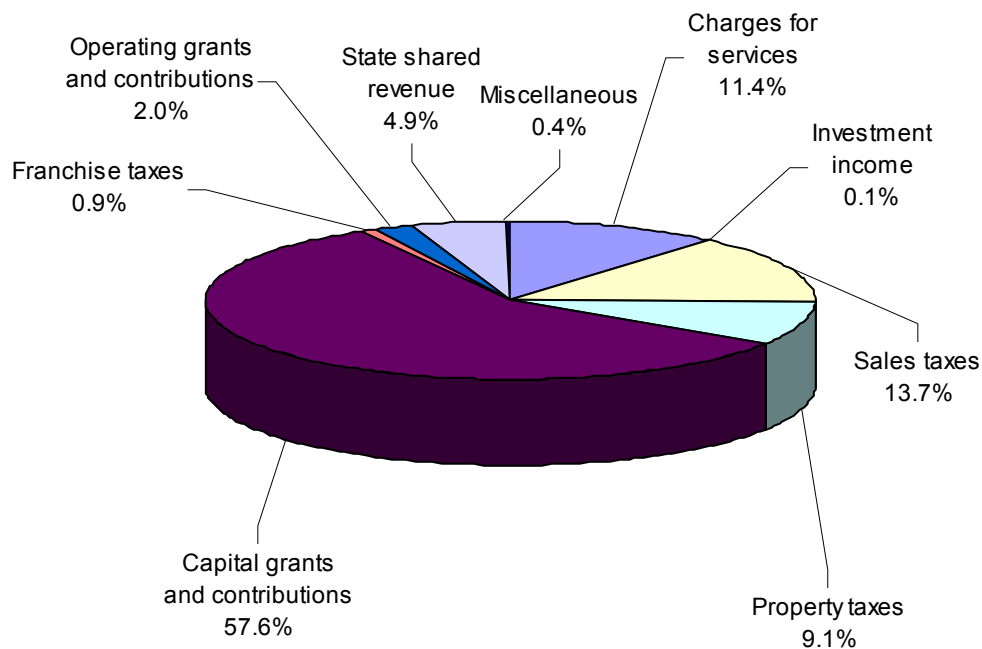
For fiscal year 2009, total governmental revenues decreased by \$3.8 million(2.0%) and total business-type revenues increased by \$13.7 million (27.3%), while the expenses decreased for the governmental, expenditures by \$48.6 million (34.3%) and business-type expenses increased by \$7.1 million (30.7%).

As seen in the following graph, the largest source of revenues is capital grants and contributions of \$143.6 million (47.7%), consisting primarily of donated assets, which represent non-spendable resources. The City recorded contributed assets from developers

of \$63.9 million, McDowell Road Commercial Corridor Improvement District assets of \$42.2 million and constructed capital assets for \$32.5 during fiscal year 2009. The next three largest financing sources are sales taxes of \$34.2 million (16.9%), charges for services of \$28.3 million (14.0%) and property taxes of \$22.6 million (11.2%). The major funding sources of the governmental activities are taxes of \$59.0 million (23.7% of total revenues, 31.8% of governmental revenues) and state shared revenues \$12.2 million (4.9% of total revenues, 6.6% of governmental revenues).

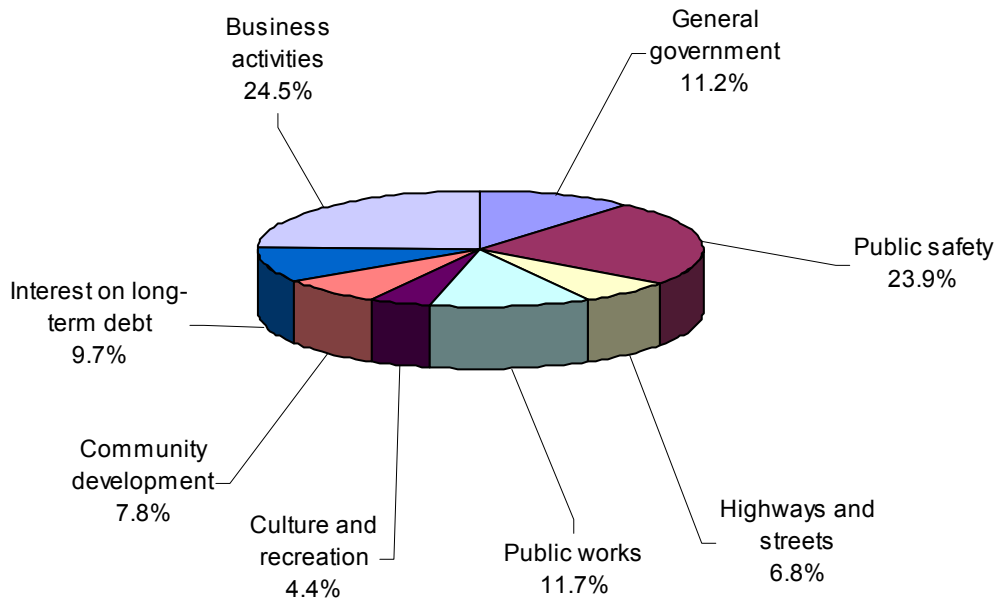
Taxes, including sales taxes, property taxes, and franchise taxes, decreased by \$2.2 million (3.7%) from the previous fiscal year. Sales taxes decreased by \$6.8 million (16.6%) due to the downturn in the economy, while property taxes increased by \$4.5 million (24.6%) and investment income decreased by \$5.4 million (95.2%). The increase in property tax was due to growth in the assessed value of the City, especially in the blended component unit, Community Facilities Districts.

Government-Wide Revenue Sources Fiscal Year 2009



Business-type activities account for \$30.2 million (24.5%) of functional expenses of the City for fiscal year 2009, while governmental activities account for \$93.0 million (75.5%) of the functional expense. For the governmental activities, the largest users of resources are public safety, \$29.5 million (23.9%) of total expenses, public works, \$14.4 million (11.7%) of total expenses, general government, \$13.8 million (11.2%) of total expenses, and community development, \$9.6 million (7.8%) of total expenses. Total government-wide expenses (not including transfers out) of the City decreased by \$41.5 million (25.2%) in fiscal year 2009. This decrease is a direct result of a number of belt tightening measures by the City to reduce expenses during this down turn in the economy.

Government-Wide Functional Expenses Fiscal 2009



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 20 - 29) 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. Combining statement for non-major funds may be found on pages 96 - 99.

The fund balance of the governmental funds is \$71.4 million, a decrease of \$50.4 million, or 41.4% from the previous year. Of this, \$17.7 million (a decrease of \$8.6 million (32.7%) from the previous year) is classified as "Reserved" because it is segregated for debt service (\$13.6 million and capital projects \$4.1 million). The remaining \$53.5 million of governmental fund balance is classified as "Unreserved" and is classified as follows: General Fund - \$28.9 million, Special Revenue Funds - \$23.2 million and Capital Projects Funds - \$1.4 million. This balance may serve as a useful indicator of a government's net resources available for spending at the end of the year. The unreserved fund balance decreased by \$41.8 million (43.9%) during fiscal year 2009 due to the shortfalls in revenues primarily in the development area.

The General Fund is the chief operating fund of the City and accounts for many of the major funds of the government, including general government (administration), public safety (police, fire and courts), public works, highways, culture and recreation and community development. General Fund revenues decreased by \$23.4 million (27.3%) from the previous year. General Fund revenues decreased in all categories except fines and forfeits, which increased by 1.2%. The largest decreases were charges for services of \$7.0 million (72.5%), tax revenues

of \$6.0 million (12.7%), licenses and permits of \$4.0 (56.8%) and contributions of \$1.3 million (37.5%). The overall decrease is due to the recession. General Fund expenditures decreased by \$27.5 million (29.4%). The majority of this decrease was for capital outlay expenditures which decreased by \$27.3 million (79.8%). Employer health insurance and other personnel benefit costs amounted to \$29.1 million as of June 30, 2009.

The Community Facilities Districts – Debt Service Fund balance showed an increase of \$.7 million to \$13.0 million as of June 30, 2009. The McDowell Road Commercial Corridor Improvement District - Capital Projects Fund balance showed a decrease of \$18.6 million to \$.8 million as of June 30, 2009, the project is substantially complete. The Community Facilities Districts – Capital Projects Fund decreased by \$7.8 million to \$4.9 million as of June 30, 2009. This decrease in fund balance is a result of payments for construction capital projects.

Proprietary funds

The proprietary fund financial statements are prepared on the same accounting basis and measurement focus as the government-wide financial statement, but provide additional detail since each major enterprise fund is shown discretely. The proprietary funds statements can be found on pages 30 – 33.

The net assets of the enterprise fund increased by \$42.4 million (29.0%), the Stadium Fund had the largest growth in net assets of \$23.7 million (over 100%) due to completion of the Ballpark. The Water & Sewer Fund net assets increased by \$18.1 million (12.6%) from the previous year. The enterprise funds unrestricted assets increased by \$1.9 million (14.1%) from the previous year due to an increase in net assets reserved for invested in capital assets, net of related debt and new debt issuance.

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 schedule can be found on pages 28 - 29. The other budgetary comparison schedules can be found in the Other Supplementary Information section on pages 74 – 94.

The City has reduced both the budgeted inflows and outflows due to the downturn in the economy. General Fund inflows (revenues and other financing sources) of \$63.7 million, on a budgetary basis, was less than budget inflows of \$77.5 million by \$13.8 million (17.8%), while expenditures and other financing uses of \$76.8 million was only 72.0% of final budgeted outflows of \$106.6 million. The decline in the economy has resulted in a decrease in revenues for license and permit fees for commercial and residential construction and construction sales taxes. The reserved contingency of \$20 million is set aside for unplanned or unforeseen expenditures. The \$2.5 million variance in Community Development expenditures are the result of reduction in contract services and staffing due to the down turn in development. The \$6.9 million variance in capital outlays also is attributed to reduction in capital project expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2009, the City had \$509.1 million invested in various capital assets, net of accumulated depreciation and related debt, up 22.6% from the previous year. The capital assets of the City (net of depreciation, but not capital debt) are \$916.8 million. This is a net increase of \$179.4 million (24.3%) from previous fiscal year. Of this increase, \$78.9 million (17.8%) from governmental activities and \$100.5 million (34.2%) resulted from business-type activities.

Major additions to capital assets during the fiscal year included the following:

- The City completed construction of the Goodyear Ballpark Spring Training facility with construction costs at \$73.3 million during the current year.
- The City completed the construction of a number of wastewater projects for \$11.9 million.
- The City completed the construction of various water projects for \$15.3 million.
- The City governmental assets increased by \$44.8 million for contributed capital and other infrastructure projects for \$34.1 million.

Additional information on the City's capital assets can be found in Note 4 on pages 48 - 49 and in the schedules on pages 101- 104 of this report.

The following schedule presents capital asset balances and accumulated depreciation for the fiscal year ended June 30, 2009.

	Governmental Activities		Business-type Activities		Total Primary Government		Percent Change
	2009	2008	2009	2008	2009	2008	
	Land	\$ 19,426,644	\$ 17,855,748	\$ 14,754,260	\$ 14,304,260	\$ 34,180,904	
Construction in progress	17,306,030	116,495,138	103,820,474	112,766,945	121,126,504	229,262,083	-47.2%
Right of way	82,372,894	77,184,740	-	-	82,372,894	77,184,740	6.7%
Water rights	-	-	17,862,634	16,492,589 *	17,862,634	16,492,589	8.3%
Streetscape	8,305,608	7,091,027	-	-	8,305,608	7,091,027	17.1%
Infrastructure	272,266,801	174,403,487	-	-	272,266,801	174,403,487	56.1%
Building and improvements	110,479,760	38,276,679	252,022,929	139,155,532	362,502,689	177,432,211	104.3%
Vehicles, furniture and equipment	12,088,132	12,010,755	6,050,586	6,390,933	18,138,718	18,401,688	-1.4%
Total	<u>\$ 522,245,869</u>	<u>\$ 443,317,575</u>	<u>\$ 394,510,883</u>	<u>\$ 289,110,259</u>	<u>\$ 916,756,752</u>	<u>\$ 732,427,834</u>	25.2%

*The beginning balance of water rights was restated from \$4,681,159 to \$16,659,180 to reflect the contractual obligations of the associated debt at June 30, 2008.

Debt Administration

The City's outstanding non-current long-term debt, including bonds, loans, and compensated absences, was \$433.1 million at June 30, 2009. Of this total \$219.7 million was in governmental activities and \$213.4 million was in business-type activities. The City's outstanding non-current debt increased by \$23.5 million from the previous fiscal year. The City refunded a number of general obligation bonds that were issued previously for water and wastewater projects to extend the principal retirement date.

Of the total outstanding bonds of \$417.9 million, \$124.1 million is general obligation bonds backed by the full faith and credit of the City. The outstanding debt also includes \$127.1 million in Community Facilities District bonds where the City has no obligation for payment. In addition to these are \$157.7 million in revenue bonds that include \$104.8 million in Public Improvement Corporation bonds for the Stadium and \$47.2 million in McDowell Road Commercial Corridor Improvement District that are secured by pledges of specific revenue sources of the City.

The State constitution limits the amount of general obligation debt a city may issue to 6% of its total assessed valuation. The current 6% debt limitation for the City is \$51.1 million. In addition, the State constitution limits allows a city to issue an additional 20% 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 \$170.2 million. The City has \$123.8 million outstanding general obligation debt for these purposes. The following schedule shows the outstanding debt of the City (both current and long-term) as of June 30, 2009 and 2008. Additional information on the City's long-term debt can be found in Notes 5 – 11 on pages 49 – 56 of this report.

Outstanding Debt
as of June 30

	Governmental Activities		Business-type Activities		Total Primary Government		Percent Change
	2009	2008	2009	2008	2009	2008	
General obligation debt	\$ 35,842,739	\$ 41,719,857	\$ 88,282,261	\$ 88,125,143	\$ 124,125,000	\$ 129,845,000	-4.4%
Community Facilities							
District bonds	127,125,000	131,116,000	-	-	127,125,000	131,116,000	-3.0%
Loan payable	-	-	8,866,109	9,443,402	8,866,109	9,443,402	-6.1%
Revenue bonds	53,075,000	53,580,000	104,670,000	70,195,000	157,745,000	123,775,000	27.4%
Water rights	-	-	11,173,544	12,033,047	11,173,544	12,033,047	-7.1%
Compensated absences	3,645,701	3,010,721	379,731	305,526	4,025,432	3,316,247	21.4%
	<u>\$ 219,688,440</u>	<u>\$ 229,426,578</u>	<u>\$ 213,371,645</u>	<u>\$ 180,102,118</u>	<u>\$ 433,060,085</u>	<u>\$ 409,528,696</u>	5.7%
Total outstanding bonds	\$ 216,042,739	\$ 226,415,857	\$ 201,818,370	\$ 167,763,545	\$ 417,861,109	\$ 394,179,402	-22.8%

The City's assigned underlying ratings on its general obligation debt are "A1" and "A+", water and sewer revenue bonds are "A3" and "A-" and public improvement corporation bonds are "A2" and "AA-" from Moody's Investors Service, Inc., and Standard & Poor's respectively.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The unemployment rate for Goodyear in June 2009 was 5.8%, which remains below both the State (8.7%) and national average (9.5%). Arizona cities remain dependent on sales taxes and other economically sensitive tax revenues and are susceptible to slowdowns in the economy.

Due to a downturn in the economy, the City has adjusted its outlook and projected changes are reflected in the current fiscal year 2010 budget. To ensure the City remains financially strong, the adopted fiscal year 2010 budget is \$375.0 million (a decrease of 7.4% from fiscal year 2009). It includes a \$72.31 million operating budget (a decrease of 17.0% from fiscal year 2009) and a \$120.6 million capital improvement projects (CIP) budget (a decrease of 38.2% from fiscal year 2009). The City's sales taxes revenues are projected to decrease by \$6.6 million (16.9%) from the previous fiscal year.

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 <http://www.goodyearaz.gov/index.aspx?NID=1792>. If you have questions about this report or need additional information, contact the City's Controller, City of Goodyear, 190 N. Litchfield Road, Goodyear, Arizona 85338 or by mail at P.O. Box 5100, Goodyear, Arizona 85338.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS



CITY OF GOODYEAR, ARIZONA
STATEMENT OF NET ASSETS
June 30, 2009

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 69,317,284	\$ 2,346,881	\$ 71,664,165
Receivables (net of allowance for uncollectibles)	80,587,014	2,749,558	83,336,572
Due from other governments	684,677	-	684,677
Internal balances	2,467,616	(2,467,616)	-
Inventories	338,521	569,394	907,915
Prepaid items	466,203	-	466,203
Deferred charges	5,476,647	2,064,774	7,541,421
Restricted cash and cash equivalents	5,263,025	20,589,470	25,852,495
Capital assets:			
Land and construction in progress	127,411,176	118,574,738	245,985,914
Other capital assets (net of accumulated depreciation)	394,834,693	275,936,145	670,770,838
Total assets	686,846,856	420,363,344	1,107,210,200
LIABILITIES			
Accounts payable and other current liabilities	6,209,140	4,170,002	10,379,142
Accrued payroll and employee benefits	2,121,702	263,234	2,384,936
Accrued interest payable	4,567,509	2,845,858	7,413,367
Deposits held for others	216,259	1,016,235	1,232,494
Unearned revenue	4,267,916	6,729,182	10,997,098
Noncurrent liabilities:			
Due within one year:			
Compensated absences	1,382,147	153,811	1,535,958
Current portion of water rights obligations	-	859,503	859,503
Bonds payable	5,296,000	-	5,296,000
Due in more than one year:			
Compensated absences	2,263,554	225,920	2,489,474
Water rights obligations	-	10,314,041	10,314,041
Loans payable	-	8,866,109	8,866,109
Bonds payable	212,979,535	195,436,051	408,415,586
Interest payable	-	1,268,294	1,268,294
Deferred amount on refunding	(258,630)	(71,915)	(330,545)
Total liabilities	239,045,132	232,076,325	471,121,457
NET ASSETS			
Invested in capital assets, net of related debt	309,491,989	199,696,564	509,188,553
Restricted for:			
Highways and streets	242,444	-	242,444
Community facilities	1,400,330	-	1,400,330
Debt service	88,487,852	-	88,487,852
Capital projects	27,656,689	-	27,656,689
Unrestricted	20,522,420	(11,409,545)	9,112,875
Total net assets	\$ 447,801,724	\$ 188,287,019	\$ 636,088,743

See accompanying notes.

CITY OF GOODYEAR, ARIZONA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 13,759,085	\$ 301,151	\$ 269,506	\$ 2,239,680
Public safety	29,467,141	994,918	1,308,763	-
Highways and streets	8,436,341	-	3,264,871	46,051,568
Public works	14,370,096	-	-	6,571,942
Culture and recreation	5,435,750	357,039	-	-
Community development	9,583,326	4,776,076	-	47,165,000
Interest on long-term debt	12,001,714	-	-	-
Total governmental activities	<u>93,053,453</u>	<u>6,429,184</u>	<u>4,843,140</u>	<u>102,028,190</u>
Business-type activities:				
Water and sewer	18,655,263	15,269,341	25,000	21,229,935
Sanitation	5,090,150	5,625,426	-	-
Stadium	6,475,960	1,014,221	-	20,365,627
Total business-type activities	<u>30,221,373</u>	<u>21,908,988</u>	<u>25,000</u>	<u>41,595,562</u>
Total primary government	<u>\$ 123,274,826</u>	<u>\$ 28,338,172</u>	<u>\$ 4,868,140</u>	<u>\$143,623,752</u>

General revenues:

Sales taxes
Property taxes
Franchise taxes
State shared revenues-not restricted
to specific programs
Investment income
Miscellaneous

Transfers in (out)

Total general revenues and transfers

Changes in net assets

Net assets, beginning of year
Prior period adjustment
Net assets, beginning of year - restated

Net assets, end of year

<u>Net (Expense) Revenue and Changes in Net Assets</u>		
<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (10,948,748)	\$ -	\$ (10,948,748)
(27,163,460)	-	(27,163,460)
40,880,098	-	40,880,098
(7,798,154)	-	(7,798,154)
(5,078,711)	-	(5,078,711)
42,357,750	-	42,357,750
(12,001,714)	-	(12,001,714)
<u>20,247,061</u>	<u>-</u>	<u>20,247,061</u>
-	17,869,013	17,869,013
-	535,276	535,276
-	14,903,888	14,903,888
<u>-</u>	<u>33,308,177</u>	<u>33,308,177</u>
<u>20,247,061</u>	<u>33,308,177</u>	<u>53,555,238</u>
34,205,905	-	34,205,905
22,602,319	-	22,602,319
2,195,747	-	2,195,747
12,236,437	-	12,236,437
148,687	121,900	270,587
911,254	78,586	989,840
<u>(7,751,307)</u>	<u>7,751,307</u>	<u>-</u>
<u>64,549,042</u>	<u>7,951,793</u>	<u>72,500,835</u>
84,796,103	41,259,970	126,056,073
<u>363,005,621</u>	<u>145,907,448</u>	<u>508,913,069</u>
-	1,119,601	1,119,601
<u>363,005,621</u>	<u>147,027,049</u>	<u>510,032,670</u>
<u>\$ 447,801,724</u>	<u>\$ 188,287,019</u>	<u>\$ 636,088,743</u>

CITY OF GOODYEAR, ARIZONA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2009

	General	Community Facilities Districts- Debt Service	McDowell Road Commercial Corridor Improvement District Debt Service
ASSETS			
Cash and cash equivalents	\$ 25,908,811	\$ 12,896,917	\$ 1,257,050
Taxes receivable	6,253,810	247,926	-
Interest receivable	62,231	7,130	-
Accounts receivable	606,884	-	-
Special assessments receivable	-	25,332,504	47,165,000
Due from other governments	-	-	-
Due from other funds	4,396,952	-	-
Inventories	10,175	-	-
Prepaid items	420,587	43,150	-
Restricted cash and cash equivalents	-	-	-
Total assets	\$ 37,659,450	\$ 38,527,627	\$ 48,422,050
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,320,695	\$ 400	\$ -
Accrued payroll and employee benefits	2,033,928	-	-
Accrued interest payable	-	-	1,238,081
Deposits held for others	140,177	-	-
Due to other funds	-	-	-
Deferred revenue	3,046,775	25,542,691	47,165,000
Total liabilities	8,541,575	25,543,091	48,403,081
Fund balances:			
Reserved:			
Debt service	-	12,984,536	18,969
Capital improvements	-	-	-
Unreserved:			
Designated for capital replacement	241,281	-	-
Unreserved, reported in:			
General fund	28,876,594	-	-
Special revenue funds	-	-	-
Capital improvements	-	-	-
Total fund balances	29,117,875	12,984,536	18,969
Total liabilities and fund balances	\$ 37,659,450	\$ 38,527,627	\$ 48,422,050

Capital Improvement Projects	McDowell Road Commercial Corridor Improvement District Capital Projects	Community Facilities Districts- Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 733,304	\$ -	\$ 1,716,144	\$ 26,903,961	\$ 69,416,187
-	-	-	727,146	7,228,882
14,187	4,778	4,943	88,316	181,585
-	-	-	71,840	678,724
-	-	-	-	72,497,504
-	-	-	684,677	684,677
-	-	-	-	4,396,952
-	-	-	242,445	252,620
-	-	-	2,466	466,203
-	862,969	4,110,554	-	4,973,523
<u>\$ 747,491</u>	<u>\$ 867,747</u>	<u>\$ 5,831,641</u>	<u>\$ 28,720,851</u>	<u>\$ 160,776,857</u>
\$ 166,447	\$ 60,089	\$ -	\$ 2,641,022	\$ 6,188,653
-	-	-	59,302	2,093,230
-	-	-	-	1,238,081
-	-	-	76,082	216,259
86,019	-	925,145	881,230	1,892,394
663,294	-	-	1,315,568	77,733,328
<u>915,760</u>	<u>60,089</u>	<u>925,145</u>	<u>4,973,204</u>	<u>89,361,945</u>
-	-	-	594,244	13,597,749
-	-	4,110,554	-	4,110,554
-	-	-	-	241,281
-	-	-	-	28,876,594
-	-	-	23,153,403	23,153,403
(168,269)	807,658	795,942	-	1,435,331
<u>(168,269)</u>	<u>807,658</u>	<u>4,906,496</u>	<u>23,747,647</u>	<u>71,414,912</u>
<u>\$ 747,491</u>	<u>\$ 867,747</u>	<u>\$ 5,831,641</u>	<u>\$ 28,720,851</u>	<u>\$ 160,776,857</u>



CITY OF GOODYEAR, ARIZONA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
June 30, 2009

Total governmental fund balances \$ 71,414,912

Amounts reported for governmental activities in the Statement of
Net Assets are different because:

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

Governmental capital assets	\$ 599,878,344	
Less accumulated depreciation	<u>(77,632,475)</u>	522,245,869

Certain revenues earned but not received within 60 days of
year-end are deferred for the governmental statements,
but are recognized as revenue for the government-wide
statements.

Grants	317,732	
Property taxes	650,176	
Special assessments	<u>72,497,504</u>	73,465,412

Interest payable on long-term debt is not reported in the
governmental funds. (3,329,428)

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

Compensated absences payable	(3,645,701)	
Bond issuance cost	5,476,647	
Bond refunding amount	258,630	
Bonds payable	<u>(218,275,535)</u>	<u>(216,185,959)</u>

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

The assets and liabilities of the internal service fund
are reported with governmental activities. 190,918

Net assets of governmental activities \$ 447,801,724

CITY OF GOODYEAR, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2009

	General	Community Facilities Districts Debt Service	McDowell Road Commercial Corridor Improvement District Debt Service
REVENUES			
Taxes	\$ 41,216,759	\$ 7,715,317	\$ -
Licenses and permits	3,091,729	-	-
Intergovernmental revenues	12,211,320	-	-
Charges for services	2,646,143	-	-
Fines and forfeits	686,557	-	-
Investment income (loss)	55,850	68,210	18,969
Special assessments	-	3,065,304	-
Contributions	2,239,674	986,990	-
Miscellaneous	133,182	-	-
Total revenues	<u>62,281,214</u>	<u>11,835,821</u>	<u>18,969</u>
EXPENDITURES			
Current:			
General government	13,365,967	-	-
Public safety	27,149,306	-	-
Highways and streets	10,442	-	-
Public works	3,899,657	-	-
Culture and recreation	4,393,748	-	-
Community development	9,676,752	-	-
Capital outlay	6,930,755	-	-
Debt service:			
Principal retirement	505,000	3,991,000	-
Interest and debt cost	281,350	7,253,394	2,476,162
Total expenditures	<u>66,212,977</u>	<u>11,244,394</u>	<u>2,476,162</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,931,763)</u>	<u>591,427</u>	<u>(2,457,193)</u>
OTHER FINANCING SOURCES (USES)			
Debt issuance	-	-	-
Debt premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	1,369,504	63,116	-
Transfers out	(10,539,675)	-	-
Total other financing sources and uses	<u>(9,170,171)</u>	<u>63,116</u>	<u>-</u>
Net change in fund balances	(13,101,934)	654,543	(2,457,193)
Fund balances, beginning of year	<u>42,219,809</u>	<u>12,329,993</u>	<u>2,476,162</u>
Fund balances, end of year	<u>\$ 29,117,875</u>	<u>\$ 12,984,536</u>	<u>\$ 18,969</u>

Capital Improvement Projects	McDowell Road Commercial Corridor Improvement District Capital Projects	Community Facilities Districts Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 9,802,350	\$ 58,734,426
-	-	-	-	3,091,729
-	-	-	4,616,410	16,827,730
-	-	-	3,741,207	6,387,350
-	-	-	-	686,557
(30,158)	(135,747)	63,447	107,649	148,220
-	-	-	-	3,065,304
176,706	-	-	-	3,403,370
-	10,135	-	450,367	593,684
<u>146,548</u>	<u>(125,612)</u>	<u>63,447</u>	<u>18,717,983</u>	<u>92,938,370</u>
-	-	-	1,068,022	14,433,989
-	-	-	461,833	27,611,139
-	-	-	5,676,041	5,686,483
-	-	-	1,500	3,901,157
-	-	-	-	4,393,748
-	-	-	47,205	9,723,957
6,855,709	18,512,568	7,788,641	7,469,151	47,556,824
135,475	-	-	2,761,143	7,392,618
446,331	-	-	1,473,265	11,930,502
<u>7,437,515</u>	<u>18,512,568</u>	<u>7,788,641</u>	<u>18,958,160</u>	<u>132,630,417</u>
<u>(7,290,967)</u>	<u>(18,638,180)</u>	<u>(7,725,194)</u>	<u>(240,177)</u>	<u>(39,692,047)</u>
604,500	-	-	-	604,500
5,722	-	-	-	5,722
-	-	-	(3,585,000)	(3,585,000)
250,117	-	-	2,440,647	4,123,384
-	-	(64,937)	(1,270,079)	(11,874,691)
<u>860,339</u>	<u>-</u>	<u>(64,937)</u>	<u>(2,414,432)</u>	<u>(10,726,085)</u>
(6,430,628)	(18,638,180)	(7,790,131)	(2,654,609)	(50,418,132)
<u>6,262,359</u>	<u>19,445,838</u>	<u>12,696,627</u>	<u>26,402,256</u>	<u>121,833,044</u>
<u>\$ (168,269)</u>	<u>\$ 807,658</u>	<u>\$ 4,906,496</u>	<u>\$ 23,747,647</u>	<u>\$ 71,414,912</u>



CITY OF GOODYEAR, ARIZONA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2009

Net change in fund balances - total governmental funds \$ (50,418,132)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. Also, assets contributed to the City are not reported in the fund statement and are reported in the Statement of Activities.

Contributions	\$ 46,051,568	
Expenditures for capitalized assets	42,631,982	
Less current year depreciation	<u>(9,755,261)</u>	78,928,289

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds and revenues received in the current year that were accrued in the Statement of Activities in prior years are reported as revenues in the funds.

Grants	251,853
Property taxes	269,545
Special assessments	45,948,196

Bond proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the Statement of Activities. (604,500)

Interest expense in the Statement of Activities differs from the amount reported in 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. 40,754

Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (153,458)

Repayment of long-term debt are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.
Debt principal retirement 10,977,618

Internal service funds are used by management to charge the costs of Fleet service to individual funds. The net income of certain activities of internal service funds is reported with governmental activities. 190,918

Compensated absences 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. (634,980)

Change in net assets of governmental activities \$ 84,796,103

CITY OF GOODYEAR, ARIZONA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 46,495,342	\$ 46,495,342	\$ 41,216,759	\$ (5,278,583)
Licenses and permits	7,337,076	7,337,076	3,091,729	(4,245,347)
Intergovernmental revenues	12,730,201	12,730,201	12,211,320	(518,881)
Charges for services	4,950,457	4,950,457	2,646,143	(2,304,314)
Fines and forfeits	632,114	632,114	686,557	54,443
Investment income	1,243,818	1,243,818	55,850	(1,187,968)
Contributions	3,954	3,954	2,239,674	2,235,720
Miscellaneous	3,050,412	3,050,412	133,182	(2,917,230)
Total revenues	<u>76,443,374</u>	<u>76,443,374</u>	<u>62,281,214</u>	<u>(14,162,160)</u>
EXPENDITURES				
Current				
General government				
Mayor and council	442,493	442,493	180,591	261,902
City clerk	710,045	710,045	648,982	61,063
City manager	3,122,422	3,122,422	2,852,631	269,791
City attorney	664,921	664,921	663,373	1,548
Community services	1,627,819	1,627,819	1,248,219	379,600
Finance	4,051,404	4,051,404	3,335,328	716,076
Information technology	2,366,754	2,366,754	2,221,606	145,148
Human resources	2,444,601	2,444,601	2,215,237	229,364
Reserved contingency	20,000,000	20,000,000	-	20,000,000
Public safety				
Police	13,728,306	13,728,306	13,746,255	(17,949)
Fire	11,586,301	11,586,301	11,835,872	(249,571)
Municipal court	1,016,229	1,016,229	1,058,941	(42,712)
City prosecutor	562,097	562,097	508,238	53,859
Highways and streets				
Administration	316,968	316,968	10,442	306,526
Public works				
Administration	1,601,682	1,601,682	862,889	738,793
Building services	3,251,296	3,251,296	3,036,768	214,528
Culture and recreation				
Parks	3,279,481	3,279,481	3,215,231	64,250
Recreation and aquatics	1,371,773	1,371,773	1,178,517	193,256
Community development				
Economic development	1,691,099	1,691,099	2,755,814	(1,064,715)
Community development	9,375,550	9,375,550	6,920,938	2,454,612
Capital outlay	13,843,447	13,843,447	6,930,755	6,912,692
Debt service				
Principal retirement	70,000	70,000	505,000	(435,000)
Interest and fiscal charges	148,348	148,348	281,350	(133,002)
Total expenditures	<u>97,273,036</u>	<u>97,273,036</u>	<u>66,212,977</u>	<u>31,060,059</u>
Excess (deficiency) of revenues over expenditures	<u>(20,829,662)</u>	<u>(20,829,662)</u>	<u>(3,931,763)</u>	<u>16,897,899</u>

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
OTHER FINANCING				
Transfers in	<u>1,016,124</u>	<u>1,016,124</u>	<u>1,369,504</u>	<u>353,380</u>
Transfers out	<u>(9,307,685)</u>	<u>(9,307,685)</u>	<u>(10,539,675)</u>	<u>(1,231,990)</u>
Total other financing sources (uses)	<u>(8,291,561)</u>	<u>(8,291,561)</u>	<u>(9,170,171)</u>	<u>(878,610)</u>
Net change in fund balance	<u>(29,121,223)</u>	<u>(29,121,223)</u>	<u>(13,101,934)</u>	<u>16,019,289</u>
Fund balance, beginning of year	<u>42,219,809</u>	<u>42,219,809</u>	<u>42,219,809</u>	<u>-</u>
Fund balance, end of year	<u>\$ 13,098,586</u>	<u>\$ 13,098,586</u>	<u>\$ 29,117,875</u>	<u>\$ 16,019,289</u>

CITY OF GOODYEAR, ARIZONA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2009

	Business-type Activities-Enterprise Funds				Governmental
	Water & Sewer	Sanitation	Stadium	Total	Activities - Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 484,830	\$ 381,172	\$ 1,431,027	\$ 2,297,029	\$ 240,451
Interest receivable	48,504	2,234	3,999	54,737	319
Accounts receivable	1,887,697	795,315	11,809	2,694,821	-
Inventories	569,394	-	-	569,394	85,899
Total current assets	<u>2,990,425</u>	<u>1,178,721</u>	<u>1,446,835</u>	<u>5,615,981</u>	<u>326,669</u>
Noncurrent assets:					
Deferred charges	980,214	-	1,084,560	2,064,774	-
Restricted cash and cash equivalents	-	-	20,589,470	20,589,470	-
Non-depreciable capital assets	88,702,393	-	29,872,345	118,574,738	-
Depreciable capital assets	184,671,507	897,152	90,367,486	275,936,145	-
Total noncurrent assets	<u>274,354,114</u>	<u>897,152</u>	<u>141,913,861</u>	<u>417,165,127</u>	<u>-</u>
Total assets	<u>277,344,539</u>	<u>2,075,873</u>	<u>143,360,696</u>	<u>422,781,108</u>	<u>326,669</u>
LIABILITIES					
Current liabilities:					
Accounts payable	2,389,015	20,738	294,690	2,704,443	20,485
Accrued payroll and employee benefits	176,943	40,871	45,420	263,234	28,472
Other accrued liabilities	1,465,559	-	-	1,465,559	-
Accrued interest payable	-	-	2,845,858	2,845,858	-
Due to other funds	1,016,124	-	1,451,492	2,467,616	36,942
Deposits held for others	1,016,235	-	-	1,016,235	-
Unearned revenue	6,729,182	-	-	6,729,182	-
Compensated absences payable	107,979	24,164	21,668	153,811	-
Water rights obligations	859,503	-	-	859,503	-
Total current liabilities	<u>13,760,540</u>	<u>85,773</u>	<u>4,659,128</u>	<u>18,505,441</u>	<u>85,899</u>
Noncurrent liabilities:					
Accrued interest payable	1,268,294	-	-	1,268,294	-
Compensated absences payable	174,797	42,072	9,051	225,920	-
Water rights obligations	10,314,041	-	-	10,314,041	-
Loan payable	8,866,109	-	-	8,866,109	-
Bonds payable	79,856,160	-	9,387,157	89,243,317	-
Revenue bonds payable	2,404,315	-	103,788,419	106,192,734	-
Deferred amount on refunding	(71,915)	-	-	(71,915)	-
Total noncurrent liabilities	<u>102,811,801</u>	<u>42,072</u>	<u>113,184,627</u>	<u>216,038,500</u>	<u>-</u>
Total liabilities	<u>116,572,341</u>	<u>127,845</u>	<u>117,843,755</u>	<u>234,543,941</u>	<u>85,899</u>
NET ASSETS					
Invested in capital assets, net of related debt	171,073,772	897,152	27,653,725	199,624,649	-
Restricted	-	-	-	-	-
Unrestricted	(10,301,574)	1,050,876	(2,136,784)	(11,387,482)	240,770
Total net assets	<u>\$ 160,772,198</u>	<u>\$ 1,948,028</u>	<u>\$ 25,516,941</u>	<u>\$ 188,237,167</u>	<u>\$ 240,770</u>
Adjustments to reflect the consolidation of internal service fund activities related to the enterprise funds				49,852	
Net assets of business-type activities				<u>\$ 188,287,019</u>	

See accompanying notes.

CITY OF GOODYEAR, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year Ended June 30, 2009

	Business-type Activities-Enterprise Funds				Governmental
	Water & Sewer	Sanitation	Stadium	Total	Activities - Internal Service Funds
Operating revenues:					
Charges for service	\$ 15,269,341	\$ 5,625,426	\$ 1,015,149	\$ 21,909,916	\$ 1,758,099
Miscellaneous	30,715	438	4,725	35,878	182,642
Total operating revenue	<u>15,300,056</u>	<u>5,625,864</u>	<u>1,019,874</u>	<u>21,945,794</u>	<u>1,940,741</u>
Operating expenses:					
Administration	4,078,441	873,144	961,250	5,912,835	628,681
Costs of sales and services	5,655,395	4,060,321	1,591,001	11,306,717	1,071,759
Depreciation and amortization	4,798,836	153,751	1,770,242	6,722,829	-
Total operating expenses	<u>14,532,672</u>	<u>5,087,216</u>	<u>4,322,493</u>	<u>23,942,381</u>	<u>1,700,440</u>
Operating income (loss)	<u>767,384</u>	<u>538,648</u>	<u>(3,302,619)</u>	<u>(1,996,587)</u>	<u>240,301</u>
Nonoperating revenues (expenses):					
Impact fees	4,632,809	-	-	4,632,809	-
Intergovernmental	25,000	-	-	25,000	-
Loss on sale of assets	-	(4,087)	-	(4,087)	-
Investment income	48,564	3,639	69,697	121,900	469
Interest expense	(4,127,204)	-	(2,155,773)	(6,282,977)	-
Total nonoperating revenues (expenses)	<u>579,169</u>	<u>(448)</u>	<u>(2,086,076)</u>	<u>(1,507,355)</u>	<u>469</u>
Income (loss) before capital contributions and transfers	1,346,553	538,200	(5,388,695)	(3,503,942)	240,770
Capital contributions	16,597,126	-	20,365,627	36,962,753	-
Transfers in	212,453	-	8,909,556	9,122,009	-
Transfers out	(1,017,331)	(146,656)	(206,715)	(1,370,702)	-
Change in net assets	17,138,801	391,544	23,679,773	41,210,118	240,770
Net assets, beginning of year	<u>142,724,270</u>	<u>1,346,010</u>	<u>1,837,168</u>	<u>145,907,448</u>	<u>-</u>
Prior period adjustment	909,127	210,474	-	1,119,601	-
Net assets, beginning of year- restated	<u>143,633,397</u>	<u>1,556,484</u>	<u>1,837,168</u>	<u>147,027,049</u>	<u>-</u>
Net assets, end of year	<u>\$160,772,198</u>	<u>\$1,948,028</u>	<u>\$25,516,941</u>		<u>\$ 240,770</u>
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise funds				<u>49,852</u>	
Change in net assets of business-type activities				<u>\$ 41,259,970</u>	

CITY OF GOODYEAR, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2009

	Business-type Activities Enterprise Funds				Governmental
	Water & Sewer	Sanitation	Stadium	Total	Activities - Internal Service Funds
Cash flows from operating activities:					
Received from customers	\$ 15,180,680	\$ 5,539,445	\$ 1,058,065	\$ 21,778,190	\$ 1,909,222
Payments to vendors	(2,386,627)	(3,990,781)	(6,340,845)	(12,718,253)	(1,041,492)
Payments to employees	(4,053,449)	(858,662)	(904,757)	(5,816,868)	(627,429)
Net cash provided (used) by operating activities	8,740,604	690,002	(6,187,537)	3,243,069	240,301
Cash flows from noncapital financing activities:					
Interfund transfers	(779,878)	(146,656)	8,702,841	7,776,307	-
Net cash provided (used) for noncapital and related financing activities	(779,878)	(146,656)	8,702,841	7,776,307	-
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(39,282,987)	(179,126)	(58,364,518)	(97,826,631)	-
Capital debt proceeds	17,659,804	-	34,064,940	51,724,744	-
Interfund borrowing	-	-	1,451,492	1,451,492	-
Principal paid on long-term debt	(6,194,633)	-	-	(6,194,633)	-
Interest paid on long-term debt	(4,123,739)	-	669,848	(3,453,891)	-
Development impact fees received	4,632,809	-	-	4,632,809	-
Net cash provided (used) for capital and related financing activities	(27,308,746)	(179,126)	(22,178,238)	(49,666,110)	-
Cash flows from investing activities:					
Investment income received	48,436	2,121	114,078	164,635	150
Net cash provided by investing activities	48,436	2,121	114,078	164,635	150
Net change in cash and cash equivalents	(19,299,584)	366,341	(19,548,856)	(38,482,099)	240,451
Cash and cash equivalents, beginning of year	19,784,414	14,831	41,569,353	61,368,598	-
Cash and cash equivalents, end of year	\$ 484,830	\$ 381,172	\$ 22,020,497	\$ 22,886,499	\$ 240,451
Cash and cash equivalents	\$ 484,830	\$ 381,172	\$ 1,431,027	\$ 2,297,029	\$ 240,451
Restricted cash and cash equivalents	-	-	20,589,470	20,589,470	-
	\$ 484,830	\$ 381,172	\$ 22,020,497	\$ 22,886,499	\$ 240,451

CITY OF GOODYEAR, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2009

	Business-type Activities-Enterprise Funds				Governmental
	Water & Sewer	Sanitation	Stadium	Total	Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ 767,384	\$ 538,648	\$ (3,302,619)	\$ (1,996,587)	\$ 240,301
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	4,798,836	153,751	1,770,242	6,722,829	-
(Increase) decrease in:					
Accounts receivable	(11,537)	(86,419)	38,191	(59,765)	-
Inventories	(40,470)	-	-	(40,470)	15,561
Increase (decrease) in:					
Accounts payable	827,555	69,540	208,260	1,105,355	14,706
Accrued payroll and employee benefits	(10,472)	1,095	31,139	21,762	1,252
Accrued liabilities	1,465,559	-	(106,450)	1,359,109	-
Due to other funds	1,016,124	-	(4,851,654)	(3,835,530)	(31,519)
Unearned revenue	(164,284)	-	-	(164,284)	-
Deposits held for others	56,445	-	-	56,445	-
Compensated absences payable	35,464	13,387	25,354	74,205	-
Net cash provided (used) by operating activities	<u>\$ 8,740,604</u>	<u>\$ 690,002</u>	<u>\$ (6,187,537)</u>	<u>\$ 3,243,069</u>	<u>\$ 240,301</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets	\$ 16,597,126	\$ -	\$ -	\$ 16,597,126	\$ -
Amortization of bond premium	47,370	-	62,378	109,748	-
Amortization of deferred bond costs	(50,835)	-	(42,141)	(92,976)	-
Total	<u>\$ 16,593,661</u>	<u>\$ -</u>	<u>\$ 20,237</u>	<u>\$ 16,613,898</u>	<u>\$ -</u>

CITY OF GOODYEAR, ARIZONA
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 June 30, 2009

	<u>Pension Trust</u>
ASSETS	
Cash and cash equivalents	\$ 337,738
Interest receivable	301
Total assets	<u>338,039</u>
LIABILITIES	
Total liabilities	<u>-</u>
NET ASSETS	
Held in trust for pension benefits	<u><u>\$ 338,039</u></u>

CITY OF GOODYEAR, ARIZONA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUND
Year Ended June 30, 2009

	<u>Pension Trust</u>
ADDITIONS	
Other revenue	<u>\$ -</u>
Total other revenue	<u>-</u>
Investment income	
Net increase (decrease) in fair value of investments	(79,195)
Interest	282
Total investment income	<u>(78,913)</u>
Total additions	<u>(78,913)</u>
DEDUCTIONS	
Benefits	<u>1,805</u>
Total deductions	<u>1,805</u>
Net decrease	(80,718)
Net assets, beginning of year	418,757
Net assets, end of year	<u><u>\$ 338,039</u></u>



FINANCIAL SECTION

NOTES TO FINANCIAL STATEMENTS



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 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.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. 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.

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. Miscellaneous revenue is not susceptible to accrual because generally they are not measurable until received in cash. Deferred revenues also arise when the City receives resources before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Delinquent property taxes have been recorded as deferred revenue. Receivables that will not be collected within the available period have also been reported as deferred revenue on the governmental fund financial statements.

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.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Improvements.

Capital Improvement Projects Funds - This fund accounts for all the acquisition and construction of major capital facilities other than those financed by proprietary funds and the McDowell road improvements project.

McDowell Road Commercial Corridor Improvement District Capital Projects Fund - This fund accounts for all the acquisition and construction of major capital improvements on McDowell road.

Community Facilities Districts - Capital Projects Funds - This fund accounts for all the acquisition and construction portion of the City's Community Facilities District which are component units that provide general infrastructure and capital assets for the property within each District's boundaries.

The City reports the following major 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.

The City reports the following internal service funds:

Fleet Inter-Department Service Fund - The Fleet Fund reports activities that provide preventative maintenance, repairs and safety inspections for City vehicles and equipment.

Health Insurance Fund - The Health Insurance Reserve Fund is used for the City's wellness initiative and to build up a reserve for when the City becomes self funding.

The Internal service fund activities are reported as governmental activities on the government-wide statements.

The City reports the following fiduciary fund:

Pension Trust Fund - This Pension Trust 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.

Fiduciary funds are reported by fund type.

Pursuant to GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, the City follows GASB guidance as applicable to its proprietary funds, and Financial Accounting Standards Boards Statements and Interpretations, Accounting Principals Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB Pronouncements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 nonoperating revenues and expenses.

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)	Fire Impact Fees
Grants Fund	Police Impact Fees
Community Facilities Districts	Transportation Impact Fees
Community Facilities Impact Fees	Library Impact Fees
General Government Impact Fees	Regional Transportation Impact Fees
Public Works Impact Fees	

Debt Service Fund

D. 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. Cash equivalents are defined as short-term (original maturities of three months or less), highly liquid investments that are 1) readily convertible to known amounts of cash and 2) so near maturity that they present insignificant risk of changes in value because of changes in interest rates. The City has no formal policy relating to custodial credit risk for deposits.

E. Investments

Arizona Revised Statutes (ARS) authorize the City to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings account, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona counties, cities, school districts, and special districts as specified by statute. The City has no formal policy relating to interest-rate risk or credit risk of investments, though in practice, invests in highly liquid, low risk investments.

F. 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 interfund loans) or "advances to/from other funds" (i.e., the non-current portion of the interfund loans).

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 in 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. Pursuant to ARS, a lien against assessed real and personal property attaches on the first day of January preceding assessment and levy; however according to case law, an enforceable legal claim to the asset does not arise.

G. Inventory

Inventories are stated at average cost using the first-in/first-out (FIFO) method. Governmental funds maintain inventories using the consumption method of accounting.

H. Prepaid Items

Certain payments to vendors reflect the cost applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

I. 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 investments on the balance sheet because their use is limited by applicable bond covenants.

J. Capital Assets

Capital assets, which include land, buildings, improvements other than buildings, 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 assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects 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.

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
Buildings	50
Improvement other than buildings	7-50
Vehicles, machinery and equipment	3-7
Water rights	100

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. 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 generally used to liquidate the governmental funds liabilities compensated absences.

L. 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 in the statement of net assets.

M. Fund Equity

In the fund financial statements, governmental funds report reservations of the fund balance for amounts that are not available for expenditures or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent management's intended use of resources and reflect actual plans approved by the government's senior management. At June 30, 2009, the City reserved and designated fund balance for several various purposes.

N. Interfund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund services provided and used are not eliminated in the process of consolidation. Interfund transfers in the fund statements are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

O. 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.

P. 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.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 2009.

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.

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 staff. Budgetary carry forwards are approved by the City Council.

The City approves its annual budget consistent with GAAP. GASB Statement #34 requires that budgetary comparison statements for the General Fund and major display revenue funds be presented in the annual financial statements. These statements must display original budget, amended budget and actual results (on a budgetary basis).

NOTE 2 CASH AND INVESTMENTS

At June 30, 2009, cash and cash equivalents are presented in the funds as follows:

	Governmental Activities	Business Activities	Fiduciary Fund	Total
Cash and cash equivalents	\$ 69,317,284	\$ 2,346,881	\$ 337,738	\$ 72,001,903
Restricted cash and cash equivalents	5,263,025	20,589,470	-	25,852,495
	<u>\$ 74,580,309</u>	<u>\$ 22,936,351</u>	<u>\$ 337,738</u>	<u>\$ 97,854,398</u>

Cash and cash equivalents consisted of the following deposits and investments:

Cash on hand	\$ 4,000
Cash equivalents-investments	94,338,375
Cash in bank	<u>3,512,023</u>
Total cash and cash equivalents	<u>\$ 97,854,398</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.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2 CASH AND INVESTMENTS (Continued)

Deposits

At June 30, 2009, the City had \$4,000 of cash on hand. The carrying amount of the City's cash in bank totaled \$2,392,536 and the bank balance was \$4,020,526. The City's deposits at June 30, 2009 were covered by Federal Depository Insurance to the extent of \$365,053. Deposits of \$5,724 were collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the depositor-government's name. Deposits in the amount of \$3,649,749 were uncollateralized. Deposits of \$4,493,184 were held in a sweep account, which purchases investments nightly. The City has no formal policy relating to custodial credit risk, but in practice deposits money with reputable banks.

Investments

ARS authorizes the City to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of Arizona counties, cities, school districts, and special districts as specified by statute.

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, 2009 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, 2009, the City's funds invested with the State Treasurer totaled \$58,222,013.

The City is invested in multiple mutual funds through the trust department of Wells Fargo. The mutual funds have a value of \$36,130,843 at June 30, 2009.

The City's Community Facilities Districts are invested in repurchase agreements through the trust department of Wells Fargo. The repurchase agreements have a value of \$667,000 at June 30, 2009.

The City also holds investments that belong to the City's Volunteer Fire Department. These funds are held by LGIP as described above and Linsco Private Ledger Investment Services and consist of multiple money market funds and mutual funds. The maturities of these investments are usually less than 30 days. The Fiduciary Fund investments have a value of \$336,520 at June 30, 2009.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 2 CASH AND INVESTMENTS (Continued)

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. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The repurchase agreements the City is invested in mature in July of 2016. All other investments have maturities of less than 12 months. The City has no formal policy relating to the interest rate risk of its investments.

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. Presented below is the actual rating as of year-end for each investment type. The City has no formal policy relating to the credit risk of its investments.

Governmental funds		Ratings as of Year-End	
Investment Type	Total	AAA	Unrated
LGIP	\$ 49,602,981	\$ 49,602,981	\$ -
Money market mutual funds	12,924,688	12,924,688	-
Repurchase agreements	5,160,184	-	5,160,184
	<u>\$ 67,687,853</u>	<u>\$ 62,527,669</u>	<u>\$ 5,160,184</u>

Proprietary funds		Ratings as of Year-End	
Investment Type	Total	AAA	Unrated
LGIP	\$ 8,544,083	\$ 8,544,083	\$ -
Money market mutual funds	17,769,919	17,769,919	-
	<u>\$ 26,314,002</u>	<u>\$ 26,314,002</u>	<u>\$ -</u>

Fiduciary funds		Ratings as of Year-End	
Investment Type	Total	AAA	Unrated
LGIP	\$ 74,949	\$ 74,949	\$ -
Money market funds	17,183	-	17,183
Mutual funds	244,388	-	244,388
	<u>\$ 336,520</u>	<u>\$ 74,949</u>	<u>\$ 261,571</u>

NOTE 3 RECEIVABLES

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

	General Fund	Community Facilities Districts-Debt Service Fund	McDowell Road		McDowell Road Commercial Corridor Improvement District	Community Facilities Districts-Capital Projects Fund	Non-Major Governmental Fund	Total
			Commercial Corridor Improvement District	Capital Improvement Projects Fund				
Receivables:								
Taxes	\$ 6,253,810	\$ 247,926	\$ -	\$ -	\$ -	\$ -	\$ 727,146	\$ 7,228,882
Interest	62,231	7,130	-	14,187	4,778	4,943	88,635	181,904
Accounts	608,743	-	-	-	-	-	71,840	680,583
Special assessments	-	25,332,504	47,165,000	-	-	-	-	72,497,504
	<u>6,924,784</u>	<u>25,587,560</u>	<u>47,165,000</u>	<u>14,187</u>	<u>4,778</u>	<u>4,943</u>	<u>887,621</u>	<u>80,588,873</u>
Less:								
Allowance	(1,859)	-	-	-	-	-	-	(1,859)
Net receivables	<u>\$ 6,922,925</u>	<u>\$ 25,587,560</u>	<u>\$ 47,165,000</u>	<u>\$ 14,187</u>	<u>\$ 4,778</u>	<u>\$ 4,943</u>	<u>\$ 887,621</u>	<u>\$ 80,587,014</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 3 RECEIVABLES (Continued)

The following table summarizes the City's receivables for the enterprise funds as of June 30, 2009.

Receivables:	Water and Sewer Fund	Sanitation Fund	Stadium Fund	Total
Interest	\$ 48,504	\$ 2,234	\$ 3,999	\$ 54,737
Accounts	2,456,240	795,315	11,809	3,263,364
	<u>2,504,744</u>	<u>797,549</u>	<u>15,808</u>	<u>3,318,101</u>
Less:				
Allowance	(568,543)	-	-	(568,543)
Net receivables	<u>\$ 1,936,201</u>	<u>\$ 797,549</u>	<u>\$ 15,808</u>	<u>\$ 2,749,558</u>

Revenues of the Water and Sewer Fund and Sanitation Fund are reported net of uncollectible amounts. Total uncollectible amounts related to water and sewer revenues of the current period are \$137,737.

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2009 follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 17,855,748	\$ 1,570,896	\$ -	\$ 19,426,644
Construction in progress	116,495,141	32,700,544	(131,889,655)	17,306,030
Right of way	77,184,740	5,188,154	-	82,372,894
Streetscape	7,091,027	1,214,581	-	8,305,608
Total capital assets not being depreciated	<u>218,626,656</u>	<u>40,674,175</u>	<u>(131,889,655)</u>	<u>127,411,176</u>
Capital assets, being depreciated:				
Infrastructure	217,147,193	103,863,360	-	321,010,553
Buildings and improvements	41,825,404	73,774,493	-	115,599,897
Vehicles, furniture and equipment	34,811,005	2,261,177	(1,215,464)	35,856,718
Total capital assets being depreciated	<u>293,783,602</u>	<u>179,899,030</u>	<u>(1,215,464)</u>	<u>472,467,168</u>
Less accumulated depreciation for:				
Infrastructure	(42,743,702)	(5,987,587)	-	(48,731,289)
Buildings and improvements	(3,548,725)	(1,574,704)	-	(5,123,429)
Vehicles, furniture and equipment	(22,800,251)	(2,086,219)	1,108,713	(23,777,757)
Total accumulated depreciation	<u>(69,092,678)</u>	<u>(9,648,510)</u>	<u>1,108,713</u>	<u>(77,632,475)</u>
Total capital assets, being depreciated, net	<u>224,690,924</u>	<u>170,250,520</u>	<u>(106,751)</u>	<u>394,834,693</u>
Governmental activities capital assets, net	<u>\$ 443,317,580</u>	<u>\$ 210,924,695</u>	<u>\$ (131,996,406)</u>	<u>\$ 522,245,869</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 4 CAPITAL ASSETS (Continued)

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 14,304,260	\$ 450,000	\$ -	\$ 14,754,260
Construction in progress	112,766,945	86,156,757	(95,103,224)	103,820,478
Total capital assets not being depreciated	127,071,205	86,606,757	(95,103,224)	118,574,738
Capital assets, being depreciated:				
Buildings and improvements	157,176,291	118,666,604	-	275,842,895
Vehicles, machinery and equipment	14,025,736	405,091	(48,448)	14,382,379
Water rights	16,659,180 *	1,552,317	-	18,211,497
Total capital assets being depreciated	187,861,207	120,624,012	(48,448)	308,436,771
Less accumulated depreciation for:				
Buildings and improvements	(18,020,759)	(5,799,206)	-	(23,819,965)
Vehicles, machinery and equipment	(7,634,803)	(741,351)	44,356	(8,331,798)
Water rights amortization	(166,591)	(182,272)	-	(348,863)
Total accumulated depreciation	(25,822,153)	(6,722,829)	44,356	(32,500,626)
Total capital assets, being depreciated, net	162,039,054	113,901,183	(4,092)	275,936,145
Business-Type activities capital assets, net	\$ 289,110,259	\$ 200,507,940	\$ (95,107,316)	\$ 394,510,883

* The beginning balance of water rights was restated from \$4,681,159 to \$16,659,180 to reflect the contractual obligations of the associated debt at June 30, 2008.

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 569,974
Public safety	1,670,329
Highway and streets	6,370,977
Culture and recreation	51,366
Public works	985,864
Total depreciation expense	\$ 9,648,510
Business-type activities:	
Water and wastewater	\$ 4,798,836
Sanitation	153,751
Stadium	1,770,242
Total depreciation and amortization expense	\$ 6,722,829

NOTE 5 LOANS PAYABLE

The City received two 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 will be used to finance the planning and design of a pilot recharge project and to construct a well distribution line. The loans payable at June 30, 2009, are as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2009	Due Within One Year
Business-type activities:				
Water Infrastructure Finance Authority Loan	4.06%	07/01/07 - 21	\$ 3,048,982	\$ -
Water Infrastructure Finance Authority Loan	4.06%	07/01/07 - 21	5,817,127	-
Total Business-type activities			\$ 8,866,109	\$ -

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 5 LOANS PAYABLE (Continued)

Annual debt service requirements to maturity on the loans payable at June 30, 2009 are summarized as follows:

Fiscal year ending June 30,	Business-Type Activities	
	Principal	Interest
2010	\$ -	\$ 176,294
2011	586,438	340,696
2012	610,224	316,428
2013	634,975	291,175
2014	660,729	264,898
2015-2019	3,728,046	891,483
2020-2022	2,645,697	147,287
Total	<u>\$ 8,866,109</u>	<u>\$ 2,428,261</u>

NOTE 6 GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at June 30, 2009, 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, \$173,475,449 remains unissued. The bonds payable at June 30, 2009 are presented below.

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2009	Due Within One Year
Governmental activities:				
General Obligation Bonds Series 2002	3.65 - 4.25%	7/1/07 - 17	\$ 7,390,000	-
General Obligation Bonds Series 2003	3.00 - 4.50%	7/1/08 - 18	9,250,000	-
General Obligation Bonds Series 2007	3.00 - 5.00%	7/1/08 - 26	9,988,714	-
General Obligation Bonds Series 2008	4.25 - 6.00%	7/1/09 - 27	8,609,525	-
General Obligation Refunding Bonds Series 2009	5.25 - 5.125%	7/1/27 - 30	604,500	-
Total Governmental activities			<u>\$ 35,842,739</u>	<u>\$ -</u>
Business-type activities:				
General Obligation Bonds Series 2005	3.50 - 5.00%	7/1/07 - 20	\$ 23,780,000	\$ -
General Obligation Bonds Series 2007	3.00 - 5.00%	7/1/08 - 26	24,286,286	-
General Obligation Bonds Series 2008	4.25 - 6.00%	7/1/09 - 27	35,240,475	-
General Obligation Refunding Bonds Series 2009	5.25 - 5.125%	7/1/27 - 30	4,975,500	-
Total Business-type activities			<u>\$ 88,282,261</u>	<u>\$ -</u>

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 6 GENERAL OBLIGATION BONDS PAYABLE (Continued)

Annual debt service requirements to maturity on governmental bonds payable at June 30, 2009 are summarized as follows:

Fiscal year ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2010	\$ -	\$ 774,252	\$ -	\$ 2,039,297
2011	2,207,330	1,499,987	1,717,670	3,987,664
2012	2,309,096	1,412,769	3,660,904	3,850,669
2013	2,430,677	1,320,798	3,829,323	3,671,048
2014	2,545,067	1,222,219	4,009,933	3,498,343
2015-2019	13,504,832	4,380,967	22,975,168	14,535,899
2020-2024	4,800,210	2,339,748	20,554,790	9,003,141
2025-2029	4,549,948	1,155,430	16,350,052	5,068,915
2030-2034	1,861,051	534,541	8,493,949	2,209,895
2035-2038	1,634,528	143,426	6,690,472	587,048
Total	<u>\$35,842,739</u>	<u>\$14,784,137</u>	<u>\$88,282,261</u>	<u>\$48,451,919</u>

In May 2009, the City issued \$5,580,000 of General Obligation Bonds to do advance and current refunding of the 1998-2008 series bonds. Under the terms of the refunding issue, sufficient assets to pay all principal interest on the refunded bonds issue have been placed in irrevocable trust accounts at commercial banks and invested in U.S. Government Securities, which, together with interest earned thereon, will provide amounts sufficient for future payment of principal and interest of the issue refunded. There was \$5,400,000 outstanding on these bonds as of June 30, 2009. These bonds have been fully defeased. The \$80,915 deferred amount on retirement of bonds is being amortized over the lives of the refunding bonds on the straight-line basis.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 7 REVENUE BONDS PAYABLE

Revenue bonds payable at June 30, 2009 consisted of the outstanding revenue bonds presented below. The bonds are generally callable with interest payable semiannually.

Governmental activities:			Outstanding	Due Within
Description	Interest Rate	Maturity	Principal June 30, 2009	One Year
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007B	4.00 - 5.00%	7/1/08 - 13	\$ 2,730,000	\$ 500,000
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007C	4.00 - 4.50%	7/1/08 - 21	3,180,000	180,000
McDowell Road Corridor Improvement District Bonds	5.25%	1/1/10 - 32	47,165,000	1,105,000
			<u>\$ 53,075,000</u>	<u>\$ 1,785,000</u>
Business-type activities:			Outstanding	Due Within
Description	Interest Rate	Maturity	Principal June 30, 2009	One Year
Revenue Bonds, Series 1999	4.47 - 6.73%	7/1/07 - 18	\$ 2,045,000	\$ -
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007A	4.50 - 5.00%	7/1/20 - 32	67,850,000	-
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2008	5.00 - 6.375%	7/1/20 - 32	34,450,000	-
Revenue Bonds, Series 2009	6.75%	7/1/2049	325,000	-
			<u>\$ 104,670,000</u>	<u>\$ -</u>

Revenue bond debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2010	\$ 1,785,000	\$ 1,476,806	\$ -	\$ 2,694,478
2011	1,880,000	2,628,875	280,000	5,573,226
2012	1,970,000	2,538,675	275,000	5,598,226
2013	2,065,000	2,443,338	260,000	5,618,226
2014	2,160,000	2,340,163	245,000	5,618,226
2015-2019	9,175,000	10,323,314	2,485,000	28,168,630
2020-2024	11,145,000	7,734,951	27,465,000	22,623,679
2025-2029	13,195,000	4,695,338	34,060,000	15,757,810
2030-2034	9,700,000	1,035,824	39,275,000	3,809,257
2035-2039	-	-	-	109,690
2040-2044	-	-	-	109,690
2045-2049	-	-	-	109,690
2050	-	-	325,000	10,950
	<u>\$ 53,075,000</u>	<u>\$ 35,217,284</u>	<u>\$ 104,670,000</u>	<u>\$ 95,801,778</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 8 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE

Community facilities district bonds payable at June 30, 2009 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, 2009, are presented below.

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2009	Due Within One Year
General District No. 1:				
G.O. Bonds, Series 1994	7.50%	07/15/09	\$ 25,000	\$ 25,000
G.O. Bonds, Series 1996 (A)	6.5 - 7.0%	07/15/21	500,000	-
G.O. Bonds, Series 1998	4.55 - 5.25%	07/15/23	1,770,000	80,000
G.O. Bonds, Series 2000	4.6 - 5.3%	07/15/25	5,220,000	180,000
G.O. Bonds, Series 2003	3.3 - 5.75%	07/15/28	5,295,000	100,000
Assessment Bonds, Series 1996(C)	6.75 - 7.25%	07/01/16	1,219,000	123,000
Palm Valley:				
G.O. Bonds, Series 2006	4.25 - 5.30%	07/15/31	4,315,000	105,000
G.O. Bonds, Series 2007	4.25 - 5.80%	07/15/32	3,880,000	75,000
Utilities District No. 1:				
G.O. Bonds, Series 1998	4.55 - 5.25%	07/15/23	5,685,000	255,000
G.O. Bonds, Series 2000	4.7 - 5.2%	07/15/25	6,530,000	195,000
G.O. Bonds, Series 2003	3.3 - 5.75%	07/15/28	7,870,000	130,000
G.O. Bonds, Series 2005	3.5 - 4.5%	07/15/29	7,190,000	-
G.O. Bonds, Series 2005 Refunding	3.0 - 4.3%	07/15/21	1,335,000	85,000
G.O. Bonds, Series 2007	4.00 - 5.00%	07/15/32	23,265,000	570,000
Wildflower Ranch General District 1:				
G.O. Bonds, Series 1997	5.875 - 6.5%	07/15/22	495,000	25,000
G.O. Bonds, Series 1998	5.2 - 5.75%	07/15/23	585,000	20,000
Wildflower Ranch General District 2:				
G.O. Bonds, Series 2000	6.0 - 7.0%	07/15/25	605,000	20,000
G.O. Bonds, Series 2001	4.5 - 5.9%	07/15/26	655,000	20,000
Estrella Mountain Ranch:				
Assessment Bonds, Series 2001(A)	7.88%	07/01/25	5,650,000	318,000
Assessment Bonds, Series 2002	7.38%	07/01/27	3,990,000	164,000
G.O. Bonds, Series 2005	5.0 - 5.8%	07/15/30	4,675,000	105,000
Assessment Bonds, Series 2007(M)	4.65 - 5.80%	07/01/32	7,668,000	185,000
G.O. Bonds, Series 2007	4.50 - 6.20%	07/15/32	12,750,000	265,000
Assessment Bonds, Series 2007(G)	6.00 - 6.75%	07/01/32	6,928,000	151,000
Cottonflower:				
G.O. Bonds, Series 2003	4.1 - 5.7%	07/15/28	1,585,000	50,000
G.O. Bonds, Series 2004	3.7 - 6.75%	07/15/28	1,240,000	30,000
Cortina:				
G.O. Bonds, Series 2005	5.0 - 5.7%	07/15/29	1,595,000	45,000
G.O. Bonds, Series 2006	5.0 - 5.375%	07/15/31	920,000	15,000
Centerra:				
G.O. Bonds, Series 2005	5.50%	07/15/29	2,250,000	60,000
G.O. Bonds, Series 2006	4.75 - 5.15%	07/15/31	600,000	5,000
G.O. Bonds, Series 2008	4.875-6.625%	07/15/32	835,000	110,000
Total			<u>\$ 127,125,000</u>	<u>\$ 3,511,000</u>

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 8 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE (Continued)

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

<u>Fiscal year ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2010	\$ 3,511,000	\$ 6,844,984
2011	3,324,000	6,673,009
2012	3,492,000	6,502,553
2013	3,675,000	6,321,116
2014	3,890,000	6,127,364
2015-2019	21,975,000	27,252,836
2020-2024	28,042,000	20,470,274
2025-2029	33,623,000	11,668,094
2030-2034	25,593,000	2,894,634
Total	<u>\$ 127,125,000</u>	<u>\$ 94,754,864</u>

Legal Debt Limit - General Obligation bonded indebtedness for each District cannot exceed 60 percent of the market value of the property in the District after the infrastructure is completed, plus the value of the infrastructure improvements made.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 9 AMORTIZATION OF BOND COSTS

Bond costs are being amortized over the life of the bonds on the straight-line basis. Amortization has been offset against interest expense. A summary of the amortizations are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Bond Costs:				
Governmental Activities				
General Obligation Bonds				
Series 2007	\$ 85,313	\$ -	\$ 4,490	\$ 80,823
Series 2008	113,824	-	5,691	108,133
Series 2009-Refunding	-	4,732	-	4,732
Public Improvement Corporation				
Series 2007B	33,244	-	6,048	27,196
Series 2007C	39,780	-	2,952	36,828
Improvement District Bonds				
McDowell Road	2,080,896	-	45,237	2,035,659
Community Facilities District Bonds Payable				
Palm Valley District #3 Series 2006	248,616	-	10,359	238,257
Palm Valley District #3 Series 2007	232,306	-	9,292	223,014
Utilities District #1 Series 2005	323,636	-	15,411	308,225
Utilities District #1 Series 2005 Refunding	14,528	-	1,118	13,410
Utilities District #1 Series 2007	724,383	-	28,975	695,408
Estrella Mountain Ranch Series 2005	158,241	-	6,880	151,361
Estrella Mountain Ranch Series 2007	403,028	-	16,121	386,907
Estrella Mountain Ranch Series 2007(M)	352,284	-	14,091	338,193
Estrella Mountain Ranch Series 2007(G)	334,660	15,000	13,986	335,674
Centerra Series 2005	110,484	-	5,261	105,223
Centerra Series 2006	71,650	-	2,985	68,665
Centerra Series 2008	115,425	-	4,617	110,808
Cortina Series 2005	96,801	-	4,610	92,191
Cortina Series 2006	120,980	-	5,040	115,940
Business-type Activities				
General Obligation Bonds				
Series 2005	315,050	-	24,234	290,816
Series 2007	207,426	-	10,917	196,509
Series 2008	465,917	-	15,531	450,386
Series 2009-Refunding	-	54,630	-	54,630
Public Improvement Corporation				
Series 2007A	795,346	4,418	32,574	767,190
Series 2008	-	247,280	5,376	241,904
Revenue Bonds, Series 1999	43,457	-	4,345	39,112
Revenue Bonds, Series 2009	-	24,226	-	24,226
	<u>\$ 7,487,275</u>	<u>\$ 350,286</u>	<u>\$ 296,141</u>	<u>\$ 7,541,420</u>

NOTE 10 WATER RIGHTS OBLIGATIONS

The City entered into an agreement to purchase surface water rights for a 100-year period. Annual payments of \$859,503 plus interest at 8.25% are due for the first 15 years of the agreement. Amortization expense relating to this agreement is being recorded on the straight-line basis totaling \$128,336 per year. Future payments of these obligations are presented below:

Fiscal year ending June 30,	Business-Type Activities	
	Principal	Interest
2010	\$ 859,503	\$ 850,908
2011	859,503	779,999
2012	859,503	709,090
2013	859,503	638,181
2014	859,503	567,272
2015-2019	4,297,515	1,772,725
2020-2022	2,578,514	212,728
Total	<u>\$ 11,173,544</u>	<u>\$ 5,530,903</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 11 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 3,010,720	\$ 2,074,588	\$ 1,439,607	\$ 3,645,701	\$ 1,382,147
General obligation bonds payable	41,719,857	604,500	6,481,618	35,842,739	-
Community Facilities					
District bonds payable	131,116,000	-	3,991,000	127,125,000	3,511,000
Public improvement bonds	6,415,000	-	505,000	5,910,000	680,000
Revenue bonds payable	47,165,000	-	-	47,165,000	1,105,000
Premiums	2,370,842	5,722	77,188	2,299,376	-
Discounts	(69,909)	-	(3,329)	(66,580)	-
Governmental activities long-term liabilities	<u>\$ 231,727,510</u>	<u>\$ 2,684,810</u>	<u>\$ 12,491,084</u>	<u>\$ 221,921,236</u>	<u>\$ 6,678,147</u>
	Beginning Balance *	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Compensated absences	\$ 305,526	\$ 310,903	\$ 236,698	\$ 379,731	\$ 153,811
General obligation bonds payable	88,125,143	4,975,500	4,818,382	88,282,261	-
Public improvement bonds	67,850,000	34,450,000	-	102,300,000	-
Revenue bonds payable	2,345,000	325,000	300,000	2,370,000	-
Water rights obligations	11,978,017	55,030	859,503	11,173,544	859,503
Loans payable	9,443,402	-	577,293	8,866,109	-
Premiums	2,312,722	285,011	113,944	2,483,789	-
Business-type activities long-term liabilities	<u>\$ 182,359,810</u>	<u>\$ 40,401,444</u>	<u>\$ 6,905,820</u>	<u>\$ 215,855,434</u>	<u>\$ 1,013,314</u>

* Beginning balance was changed to reflect the contractual obligations of water rights.

NOTE 12 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2009, interfund balances were as follows:

Interfund receivables/payable:

Fund	Receivable Amount	Payable Amount
General Fund	4,396,952	\$ -
Capital Improvement Projects	-	86,019
CFD Capital Project Funds	-	925,145
Non-Major Governmental Funds	-	881,230
Internal Service Fund	-	36,942
Water and Sewer Fund	-	1,016,124
Stadium Fund	-	1,451,492
Total	<u>\$ 4,396,952</u>	<u>\$ 4,396,952</u>

All interfund borrowing resulted from the borrowing of funds to cover cash deficit.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 12 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Interfund transfers:

Fund	Transfers Out	Transfers In
General Fund	\$ 10,539,675	\$ 1,369,504
Community Facilities Districts-Debt Service	-	63,116
Capital Improvements	-	250,117
Community Facilities Districts-Capital Projects	64,937	-
Non-Major Governmental Funds	1,270,079	2,440,647
Water and Sewer Fund	1,017,331	212,453
Sanitation Fund	146,656	-
Stadium Fund	206,715	8,909,556
Total	\$ 13,245,393	\$ 13,245,393

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 13 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, 2009; 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.

NOTE 14 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 City has no known claims in excess of \$100,000 for the fiscal year ending June 30, 2009. The maximum liability for the City for the fiscal year is \$500,000 and the deductible is \$250,000 per occurrence.

The City is insured by the Workers’ Compensation Insurance Fund for potential worker-related accidents.

NOTE 15 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.

Arizona State Retirement Plan

Plan Description - 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 Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067 or by calling 602-240-2200 or 1-800-621-3778.

Funding Policy - The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the year ended June 30, 2009, active ASRS members and the City were each required by statute to contribute at the actuarially determined rate of 9.1 percent (8.6 percent retirement and .50 percent long-term disability) of the member's annual covered payroll. The City's contributions to ASRS for the years ended June 30, 2009, 2008, and 2007 were \$1,999,370, \$2,044,154, and \$1,552,734, respectively, which were equal to the required contributions for the year.

Arizona Public Safety Personnel Retirement System

Plan Description - 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, 1020 East Missouri Avenue, Phoenix, Arizona 85014 or by calling 602-255-5575.

Funding Policy - The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the year, ended June 30, 2009, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 15.18% and 11.62% of the covered payroll to the Plan for the Police and Firefighters, respectively.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 15 RETIREMENT PLANS (Continued)

Annual Pension Cost - The City's pension cost for the agent plan for the year ended June 30, 2008, and related information follows:

Contribution Rates:	<u>PSPRS – Police</u>	<u>PSPRS - Fire</u>
City	15.18%	11.62%
Plan members	7.65%	7.65%
Annual pension cost	\$552,097	\$522,152
Contributions made	\$552,097	\$522,152
Actuarial valuation date	June 30, 2008	June 30, 2008
Actuarial cost method	Entry Age	Entry Age
Actuarial assumptions:		
Investment rate of return	8.5%	8.5%
Projected salary increases	5.5% - 8.5%	5.5% - 8.5%
Includes inflation at cost-of-living adjustment	5%	5%
Amortization method	Level Percent Open	Level Percent Open
Remaining amortization period	Open 20 Years	Open 20 Years
Asset valuation method	Smoothed Market	Smoothed Market
Post retirement benefit increases	Based on Income	Based on Income

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

Plan	Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PSPRS - Police	2008	\$ 552,097	100.0%	-
	2007	452,954	100.0%	-
	2006	419,311	100.0%	-
PSPRS - Fire	2008	522,152	100.0%	-
	2007	325,166	100.0%	-
	2006	293,449	100.0%	-

Funding Progress - An analysis of funding progress for each of the agent plan as most recent actuarial valuations, June 30, 2007 follows:

PSPR - Goodyear Police Plan:

Valuation Date June 30,	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)
2008	\$9,709,250	\$ 13,516,877	\$ 3,807,627	71.8%	\$6,192,247	61.5%
2007	8,041,204	12,267,389	4,226,185	65.5%	4,937,043	85.6%
2006	7,302,460	8,870,283	1,567,823	82.3%	4,475,426	35.0%

PSPR - Goodyear Fire Plan:

Valuation Date June 30,	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)
2008	\$8,177,938	\$ 9,616,934	\$ 1,438,996	85.0%	\$6,888,845	20.9%
2007	6,438,344	7,852,616	1,414,272	82.0%	5,397,930	26.2%
2006	5,554,786	5,530,427	(24,359)	100.4%	4,406,608	0%

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2009

NOTE 15 RETIREMENT PLANS (Continued)

City of Goodyear Part-time Fireman's Pension Plan

The City of Goodyear Part-time Firemen's Pension 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-five (55) or twenty years of credited service. This plan was fully vested as of June 30, 2009. As of June 30, 2009, there were 6 eligible employees participating in the plan. The plan is administered by LPL Financial.

As of June 30, 2009, the plan's assets consisted of the following:

Cash	\$	18,401
LGIP		74,949
Mutual Funds		244,388
Interest receivable		301
	\$	<u>338,039</u>

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 16 DEFICIT FUND BALANCE

Capital Improvement Projects Fund Deficit Fund Balance- At June 30, 2009, the Capital Improvement Projects Fund contains a deficit fund balance of \$168,269 in the fund financial statements. Future revenues are expected to cover this deficit.

Grants Fund Deficit Fund Balance- At June 30, 2009, the Grants Fund contains a deficit fund balance of \$358,894 in the fund financial statements. Future revenues are expected to cover this deficit.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 17 COMMITMENTS

The City has active construction projects as of June 30, 2009. The balances for work not yet complete as of June 30, 2009 were as follows:

Alliance	\$	399,371
Archer Western Contractors		25,737
Brown & Caldwell		220,599
Kiewit Western		45,969
PCL Constructors		379,677
Prime Contracting		240,193
Standard Construction		128,479
Willco Art & Design		15,000
		<u>1,455,025</u>

These commitments are being financed from existing fund balances.

NOTE 18 SUBSEQUENT EVENTS

Debt Issuance

In January 2010, the City will receive \$8,000,000 from a new loan from WIFA. The purpose of this loan will be for constructing certain water infrastructure. Interest will be charged at 2% and the final maturity will be in July 2029.

NOTE 19 PRIOR PERIOD ADJUSTMENTS

Certain utility revenues were not accrued properly in the June 30, 2008 financial statements. The adjustment for prior year errors totals \$909,127 for the Water & Sewer fund and \$210,474 for the Sanitation fund.



OTHER SUPPLEMENTARY INFORMATION

COMBINING FUND FINANCIAL STATEMENTS

CITY OF GOODYEAR, ARIZONA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 June 30, 2009

	Special Revenue		
	Highway User Revenue	Grants	Community Facilities Districts
ASSETS			
Cash and cash equivalents	\$ 1,496,968	\$ 239,898	\$ 2,015,742
Taxes receivable	250,454	-	28,054
Interest receivable	191	-	4,784
Accounts receivable	-	30,169	-
Due from other governments	-	684,677	-
Inventories	242,445	-	-
Prepaid items	-	2,466	-
Total assets	<u><u>\$ 1,990,058</u></u>	<u><u>\$ 957,210</u></u>	<u><u>\$ 2,048,580</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,392,928	\$ 427,349	\$ 63,337
Accrued payroll and employee benefits	54,014	5,288	-
Accrued interest payable	-	-	-
Deposits held for others	71,082	-	5,000
Due to other funds	-	327,361	553,869
Deferred revenue	229,590	556,106	26,044
Total liabilities	<u><u>1,747,614</u></u>	<u><u>1,316,104</u></u>	<u><u>648,250</u></u>
Fund balances:			
Reserved:			
Debt service	-	-	-
Unreserved, reported in			
Special revenue	242,444	(358,894)	1,400,330
Total fund balances	<u><u>242,444</u></u>	<u><u>(358,894)</u></u>	<u><u>1,400,330</u></u>
Total liabilities and fund balances	<u><u>\$ 1,990,058</u></u>	<u><u>\$ 957,210</u></u>	<u><u>\$ 2,048,580</u></u>

Special Revenue

Community Facilities Impact Fees	General Government Impact Fees	Public Works Impact Fees	Fire Impact Fees	Police Impact Fees	Transportation Impact Fees
\$ 2,564,700	\$ 4,005,451	\$ 5,435,708	\$ 493,076	\$ 7,160,593	\$ 886,537
-	-	-	-	-	-
9,601	12,743	20,782	199	27,511	3,020
-	-	-	-	-	41,671
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,574,301</u>	<u>\$ 4,018,194</u>	<u>\$ 5,456,490</u>	<u>\$ 493,275</u>	<u>\$ 7,188,104</u>	<u>\$ 931,228</u>
\$ 43,721	\$ 604,908	\$ 4,910	\$ -	\$ 78	\$ 91,700
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	198,500
<u>43,721</u>	<u>604,908</u>	<u>4,910</u>	<u>-</u>	<u>78</u>	<u>290,200</u>
-	-	-	-	-	-
<u>2,530,580</u>	<u>3,413,286</u>	<u>5,451,580</u>	<u>493,275</u>	<u>7,188,026</u>	<u>641,028</u>
<u>2,530,580</u>	<u>3,413,286</u>	<u>5,451,580</u>	<u>493,275</u>	<u>7,188,026</u>	<u>641,028</u>
<u>\$ 2,574,301</u>	<u>\$ 4,018,194</u>	<u>\$ 5,456,490</u>	<u>\$ 493,275</u>	<u>\$ 7,188,104</u>	<u>\$ 931,228</u>

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CITY OF GOODYEAR, ARIZONA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 June 30, 2009

	Special Revenue			Total Non-Major Governmental Funds
	Library Impact Fees	Regional Transportation Impact Fees	Debt Services	
ASSETS				
Cash and cash equivalents	\$ 2,134,059	\$ 20,295	\$ 450,934	\$ 26,903,961
Taxes receivable	-	-	448,638	727,146
Interest receivable	9,485	-	-	88,316
Accounts receivable	-	-	-	71,840
Due from other governments	-	-	-	684,677
Inventories	-	-	-	242,445
Prepaid items	-	-	-	2,466
Total assets	<u>\$ 2,143,544</u>	<u>\$ 20,295</u>	<u>\$ 899,572</u>	<u>\$ 28,720,851</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 12,091	\$ -	\$ 2,641,022
Accrued payroll and employee benefits	-	-	-	59,302
Deposits held for others	-	-	-	76,082
Due to other funds	-	-	-	881,230
Deferred revenue	-	-	305,328	1,315,568
Total liabilities	<u>-</u>	<u>12,091</u>	<u>305,328</u>	<u>4,973,204</u>
Fund balances:				
Reserved:				
Debt service	-	-	594,244	594,244
Unreserved:				
Special revenue	2,143,544	8,204	-	23,153,403
Total fund balances	<u>2,143,544</u>	<u>8,204</u>	<u>594,244</u>	<u>23,747,647</u>
Total liabilities and fund balances	<u>\$ 2,143,544</u>	<u>\$ 20,295</u>	<u>\$ 899,572</u>	<u>\$ 28,720,851</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2009

	Special Revenue		
	Highway User Revenue	Grants	Community Facilities Districts
REVENUES			
Taxes	\$ -	\$ -	\$ 684,109
Intergovernmental	3,008,499	1,607,911	-
Charges for services	4,755	-	-
Investment income (loss)	887	-	(176)
Miscellaneous	212,046	17,604	179,046
Total revenues	<u>3,226,187</u>	<u>1,625,515</u>	<u>862,979</u>
EXPENDITURES			
Current:			
General government	-	-	1,068,022
Public safety	-	461,833	-
Highway and streets	5,673,949	2,092	-
Public works	-	-	-
Community development	-	47,205	-
Capital outlay	52,185	1,443,194	-
Debt service:			
Principal retirement	-	-	-
Interest and debt costs	-	-	-
Total expenditures	<u>5,726,134</u>	<u>1,954,324</u>	<u>1,068,022</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,499,947)</u>	<u>(328,809)</u>	<u>(205,043)</u>
OTHER FINANCING SOURCES (USES)			
Payment to refunded bond escrow agent	-	-	-
Transfers in	2,433,052	5,774	1,821
Transfers out	-	-	-
Total other financing sources (uses)	<u>2,433,052</u>	<u>5,774</u>	<u>1,821</u>
Net change in fund balances	(66,895)	(323,035)	(203,222)
Fund balances, beginning of year	<u>309,339</u>	<u>(35,859)</u>	<u>1,603,552</u>
Fund balances, end of year	<u>\$ 242,444</u>	<u>\$ (358,894)</u>	<u>\$ 1,400,330</u>

Community Facilities Impact Fees	General Government Impact Fees	Public Works Impact Fees	Fire Impact Fees	Police Impact Fees	Transportation Impact Fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
272,583	923,373	321,340	709,591	560,430	761,540
32,643	7,148	19,835	(878)	25,113	(566)
-	-	-	-	-	41,671
<u>305,226</u>	<u>930,521</u>	<u>341,175</u>	<u>708,713</u>	<u>585,543</u>	<u>802,645</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,500	-	-	-	-	-
-	-	-	-	-	-
124,446	2,105,267	32,698	384,140	589,217	1,911,133
-	-	-	-	-	-
-	-	-	-	-	-
<u>125,946</u>	<u>2,105,267</u>	<u>32,698</u>	<u>384,140</u>	<u>589,217</u>	<u>1,911,133</u>
179,280	(1,174,746)	308,477	324,573	(3,674)	(1,108,488)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>179,280</u>	<u>(1,174,746)</u>	<u>308,477</u>	<u>324,573</u>	<u>(3,674)</u>	<u>(1,108,488)</u>
<u>2,351,300</u>	<u>4,588,032</u>	<u>5,143,103</u>	<u>168,702</u>	<u>7,191,700</u>	<u>1,749,516</u>
<u>\$ 2,530,580</u>	<u>\$ 3,413,286</u>	<u>\$ 5,451,580</u>	<u>\$ 493,275</u>	<u>\$ 7,188,026</u>	<u>641,028</u>

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CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCES
 NON MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 Year Ended June 30, 2009

REVENUES	Special Revenue			Total Non-Major Government Funds
	Library Impact Fees	Regional Transportation Impact Fees	Debt Service	
Taxes	\$ -	\$ -	\$ 9,118,241	\$ 9,802,350
Intergovernmental	-	-	-	4,616,410
Charges for services	152,520	35,075	-	3,741,207
Investment income	8,744	-	14,899	107,649
Miscellaneous	-	-	-	450,367
Total revenues	<u>161,264</u>	<u>35,075</u>	<u>9,133,140</u>	<u>18,717,983</u>
EXPENDITURES				
Current:				
General government	-	-	-	1,068,022
Public safety	-	-	-	461,833
Highway and streets	-	-	-	5,676,041
Public works	-	-	-	1,500
Capital outlay	800,000	26,871	-	7,469,151
Debt service:				
Principal retirement	-	-	2,761,143	2,761,143
Interest and debt costs	-	-	1,473,265	1,473,265
Total expenditures	<u>800,000</u>	<u>26,871</u>	<u>4,234,408</u>	<u>18,958,160</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(638,736)</u>	<u>8,204</u>	<u>4,898,732</u>	<u>(240,177)</u>
OTHER FINANCING SOURCES (USES)				
Payment to refunded bond escrow agent	-	-	(3,585,000)	(3,585,000)
Transfers in	-	-	-	2,440,647
Transfers out	-	-	(1,270,079)	(1,270,079)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(4,855,079)</u>	<u>(2,414,432)</u>
Net change in fund balances	(638,736)	8,204	43,653	(2,654,609)
Fund balances, beginning of year	<u>2,782,280</u>	<u>-</u>	<u>550,591</u>	<u>26,402,256</u>
Fund balances, end of year	<u>\$ 2,143,544</u>	<u>\$ 8,204</u>	<u>\$ 594,244</u>	<u>\$ 23,747,647</u>



OTHER SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

MAJOR GOVERNMENTAL FUNDS

CITY OF GOODYEAR, ARIZONA
COMMUNITY FACILITIES DISTRICTS - DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 8,163,841	\$ 8,163,841	\$ 7,715,317	\$ (448,524)
Investment income	281,300	281,300	68,210	(213,090)
Special assessments	7,372,418	7,372,418	3,065,304	(4,307,114)
Contributions	2,641,645	2,641,645	986,990	(1,654,655)
Miscellaneous	-	-	-	-
Total revenues	<u>18,459,204</u>	<u>18,459,204</u>	<u>11,835,821</u>	<u>(6,623,383)</u>
EXPENDITURES				
Debt service				
Principal retirement	6,070,000	6,070,000	3,991,000	2,079,000
Interest and debt costs	10,545,709	10,545,709	7,253,394	3,292,315
Total expenditures	<u>16,615,709</u>	<u>16,615,709</u>	<u>11,244,394</u>	<u>5,371,315</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,843,495</u>	<u>1,843,495</u>	<u>591,427</u>	<u>(1,252,068)</u>
OTHER FINANCING SOURCES (USES)				
Debt issuance	1,700,000	1,700,000	-	(1,700,000)
Transfers in	-	-	63,116	63,116
Total other financing sources (uses)	<u>1,700,000</u>	<u>1,700,000</u>	<u>63,116</u>	<u>(1,636,884)</u>
Net change in fund balance	3,543,495	3,543,495	654,543	(2,888,952)
Fund balance, beginning of year	<u>12,329,993</u>	<u>12,329,993</u>	<u>12,329,993</u>	<u>-</u>
Fund balance, end of year	<u>\$ 15,873,488</u>	<u>\$ 15,873,488</u>	<u>\$ 12,984,536</u>	<u>\$ (2,888,952)</u>

CITY OF GOODYEAR, ARIZONA
MCDOWELL ROAD COMMERCIAL CORRIDOR IMPROVEMENT DISTRICT DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ 18,969	\$ 18,969
Total revenues	-	-	18,969	18,969
EXPENDITURES				
Debt service				
Interest and debt costs	2,476,162	2,476,162	2,476,162	-
Total expenditures	2,476,162	2,476,162	2,476,162	-
Excess (deficiency) of revenues over (under) expenditures	(2,476,162)	(2,476,162)	(2,457,193)	18,969
Fund balance, beginning of year	2,476,162	2,476,162	2,476,162	-
Fund balance, end of year	\$ -	\$ -	\$ 18,969	\$ 18,969

CITY OF GOODYEAR, ARIZONA
 CAPITAL IMPROVEMENT PROJECTS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
 AND ACTUAL
 Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ (30,158)	\$ (30,158)
Contributions	2,095,860	2,095,860	176,706	(1,919,154)
Total revenues	<u>2,095,860</u>	<u>2,095,860</u>	<u>146,548</u>	<u>(1,949,312)</u>
EXPENDITURES				
Capital outlay	55,338,138	55,338,138	6,855,709	48,482,429
Debt service				
Principal retirement	-	-	135,475	(135,475)
Interest and debt cost	-	-	446,331	(446,331)
Total expenditures	<u>55,338,138</u>	<u>55,338,138</u>	<u>7,437,515</u>	<u>47,900,623</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(53,242,278)</u>	<u>(53,242,278)</u>	<u>(7,290,967)</u>	<u>45,951,311</u>
OTHER FINANCING SOURCES (USES)				
Debt issuance	-	-	604,500	604,500
Debt premium	-	-	5,722	5,722
Transfers in	-	-	250,117	250,117
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>860,339</u>	<u>860,339</u>
Net change in fund balance	(53,242,278)	(53,242,278)	(6,430,628)	46,811,650
Fund balance, beginning of year	<u>6,262,359</u>	<u>6,262,359</u>	<u>6,262,359</u>	<u>-</u>
Fund balance, end of year	<u>\$ (46,979,919)</u>	<u>\$ (46,979,919)</u>	<u>\$ (168,269)</u>	<u>\$ 46,811,650</u>

CITY OF GOODYEAR, ARIZONA
MCDOWELL ROAD COMMERCIAL CORRIDOR IMPROVEMENT DISTRICT CAPITAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ (135,747)	\$ (135,747)
Miscellaneous	-	-	10,135	10,135
Total revenues	-	-	(125,612)	(125,612)
EXPENDITURES				
Capital outlay	26,401,887	26,401,887	18,512,568	7,889,319
Total expenditures	26,401,887	26,401,887	18,512,568	7,889,319
Excess (deficiency) of revenues over (under) expenditures	(26,401,887)	(26,401,887)	(18,638,180)	7,763,707
Fund balance, beginning of year	19,445,838	19,445,838	19,445,838	-
Fund balance, end of year	\$ (6,956,049)	\$ (6,956,049)	\$ 807,658	\$ 7,763,707

CITY OF GOODYEAR, ARIZONA
COMMUNITY FACILITIES DISTRICTS - CAPITAL PROJECTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
REVENUES				
Investment income	\$ 2,500,340	\$ 2,500,340	\$ 63,447	\$ (2,436,893)
Contributions	5,225,000	5,225,000	-	(5,225,000)
Total revenues	<u>7,725,340</u>	<u>7,725,340</u>	<u>63,447</u>	<u>(7,661,893)</u>
EXPENDITURES				
Capital outlay	95,652,446	95,652,446	7,788,641	87,863,805
Total expenditures	<u>95,652,446</u>	<u>95,652,446</u>	<u>7,788,641</u>	<u>87,863,805</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(87,927,106)</u>	<u>(87,927,106)</u>	<u>(7,725,194)</u>	<u>80,201,912</u>
OTHER FINANCING SOURCES (USES)				
Debt issuance	49,670,000	49,670,000	-	(49,670,000)
Transfers out	-	-	(64,937)	(64,937)
Total other financing sources (uses)	<u>49,670,000</u>	<u>49,670,000</u>	<u>(64,937)</u>	<u>(49,734,937)</u>
Net change in fund balance	(38,257,106)	(38,257,106)	(7,790,131)	30,466,975
Fund balance, beginning of year	<u>12,696,627</u>	<u>12,696,627</u>	<u>12,696,627</u>	<u>-</u>
Fund balance, end of year	<u>\$ (25,560,479)</u>	<u>\$ (25,560,479)</u>	<u>\$ 4,906,496</u>	<u>\$ 30,466,975</u>

OTHER SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

NON-MAJOR GOVERNMENTAL FUNDS
AND ENTERPRISE FUNDS

CITY OF GOODYEAR, ARIZONA
HIGHWAY USER REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
REVENUES				
Intergovernmental	\$ 3,742,832	\$ 3,742,832	\$ 3,008,499	\$ (734,333)
Charges for services	-	-	4,755	4,755
Investment income	28,858	28,858	887	(27,971)
Miscellaneous	-	-	212,046	212,046
Total revenues	<u>3,771,690</u>	<u>3,771,690</u>	<u>3,226,187</u>	<u>(545,503)</u>
EXPENDITURES				
Current				
Highway and streets	7,847,976	7,847,976	5,673,949	2,174,027
Capital outlay	115,000	115,000	52,185	62,815
Total expenditures	<u>7,962,976</u>	<u>7,962,976</u>	<u>5,726,134</u>	<u>2,236,842</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,191,286)</u>	<u>(4,191,286)</u>	<u>(2,499,947)</u>	<u>1,691,339</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>4,195,285</u>	<u>4,195,285</u>	<u>2,433,052</u>	<u>(1,762,233)</u>
Total other financing sources (uses)	<u>4,195,285</u>	<u>4,195,285</u>	<u>2,433,052</u>	<u>(1,762,233)</u>
Net change in fund balance	3,999	3,999	(66,895)	(70,894)
Fund balance, beginning of year	<u>309,339</u>	<u>309,339</u>	<u>309,339</u>	<u>-</u>
Fund balance, end of year	<u>\$ 313,338</u>	<u>\$ 313,338</u>	<u>\$ 242,444</u>	<u>\$ (70,894)</u>

CITY OF GOODYEAR, ARIZONA
GRANTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 9,034,893	\$ 9,034,893	\$ 1,607,911	\$ (7,426,982)
Miscellaneous	-	-	17,604	17,604
Total revenues	<u>9,034,893</u>	<u>9,034,893</u>	<u>1,625,515</u>	<u>(7,409,378)</u>
EXPENDITURES				
Current				
General government	2,000,000	2,000,000	-	2,000,000
Public safety	-	-	461,833	(461,833)
Highway and streets	-	-	2,092	(2,092)
Community development	-	-	47,205	(47,205)
Capital outlay	<u>7,897,259</u>	<u>7,897,259</u>	<u>1,443,194</u>	<u>6,454,065</u>
Total expenditures	<u>9,897,259</u>	<u>9,897,259</u>	<u>1,954,324</u>	<u>7,942,935</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(862,366)</u>	<u>(862,366)</u>	<u>(328,809)</u>	<u>533,557</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	5,774	5,774
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,774</u>	<u>5,774</u>
Net change in fund balance	(862,366)	(862,366)	(323,035)	539,331
Fund balance, beginning of year	<u>(35,859)</u>	<u>(35,859)</u>	<u>(35,859)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (898,225)</u>	<u>\$ (898,225)</u>	<u>\$ (358,894)</u>	<u>\$ 539,331</u>

CITY OF GOODYEAR, ARIZONA
COMMUNITY FACILITIES DISTRICTS - GENERAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget- Positive (Negative)
REVENUES				
Taxes	\$ 690,285	\$ 690,285	\$ 684,109	\$ (6,176)
Investment income	83,500	83,500	(176)	(83,676)
Contributions	344,157	344,157	-	(344,157)
Miscellaneous	1,229,100	1,229,100	179,046	(1,050,054)
Total revenues	<u>2,347,042</u>	<u>2,347,042</u>	<u>862,979</u>	<u>(1,484,063)</u>
EXPENDITURES				
Current				
General government	<u>2,959,180</u>	<u>2,959,180</u>	<u>1,068,022</u>	<u>1,891,158</u>
Total expenditures	<u>2,959,180</u>	<u>2,959,180</u>	<u>1,068,022</u>	<u>1,891,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(612,138)</u>	<u>(612,138)</u>	<u>(205,043)</u>	<u>407,095</u>
OTHER FINANCING SOURCES				
Transfers in	<u>-</u>	<u>-</u>	<u>1,821</u>	<u>1,821</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,821</u>	<u>1,821</u>
Net change in fund balance	(612,138)	(612,138)	(203,222)	408,916
Fund balance, beginning of year	<u>1,603,552</u>	<u>1,603,552</u>	<u>1,603,552</u>	<u>-</u>
Fund balance, end of year	<u>\$ 991,414</u>	<u>\$ 991,414</u>	<u>\$ 1,400,330</u>	<u>\$ 408,916</u>

CITY OF GOODYEAR, ARIZONA
COMMUNITY FACILITIES IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 621,767	\$ 621,767	\$ 272,583	\$ (349,184)
Investment income	-	-	32,643	32,643
Total revenues	<u>621,767</u>	<u>621,767</u>	<u>305,226</u>	<u>(316,541)</u>
EXPENDITURES				
Current:				
Public works	-	-	1,500	(1,500)
Capital outlay	266,979	266,979	124,446	142,533
Total expenditures	<u>266,979</u>	<u>266,979</u>	<u>125,946</u>	<u>141,033</u>
Excess (deficiency) of revenues over (under) expenditures	354,788	354,788	179,280	(175,508)
Fund balance, beginning of year	<u>2,351,300</u>	<u>2,351,300</u>	<u>2,351,300</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,706,088</u>	<u>\$ 2,706,088</u>	<u>\$ 2,530,580</u>	<u>\$ (175,508)</u>

CITY OF GOODYEAR, ARIZONA
GENERAL GOVERNMENT IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 572,923	\$ 572,923	\$ 923,373	\$ 350,450
Investment income	-	-	7,148	7,148
Total revenues	<u>572,923</u>	<u>572,923</u>	<u>930,521</u>	<u>357,598</u>
EXPENDITURES				
Current				
Capital outlay	<u>4,827,551</u>	<u>4,827,551</u>	<u>2,105,267</u>	<u>2,722,284</u>
Total expenditures	<u>4,827,551</u>	<u>4,827,551</u>	<u>2,105,267</u>	<u>2,722,284</u>
Excess (deficiency) of revenues over (under) expenditures	(4,254,628)	(4,254,628)	(1,174,746)	3,079,882
Fund balance, beginning of year	<u>4,588,032</u>	<u>4,588,032</u>	<u>4,588,032</u>	-
Fund balance, end of year	<u>\$ 333,404</u>	<u>\$ 333,404</u>	<u>\$ 3,413,286</u>	<u>\$ 3,079,882</u>

CITY OF GOODYEAR, ARIZONA
PUBLIC WORKS IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 569,362	\$ 569,362	\$ 321,340	\$ (248,022)
Investment income	-	-	19,835	19,835
Total revenues	<u>569,362</u>	<u>569,362</u>	<u>341,175</u>	<u>(228,187)</u>
EXPENDITURES				
Current				
Capital outlay	-	-	32,698	(32,698)
Total expenditures	<u>-</u>	<u>-</u>	<u>32,698</u>	<u>(32,698)</u>
Excess (deficiency) of revenues over (under) expenditures	569,362	569,362	308,477	(260,885)
Fund balance, beginning of year	<u>5,143,103</u>	<u>5,143,103</u>	<u>5,143,103</u>	<u>-</u>
Fund balance, end of year	<u>\$ 5,712,465</u>	<u>\$ 5,712,465</u>	<u>\$ 5,451,580</u>	<u>\$ (260,885)</u>

CITY OF GOODYEAR, ARIZONA
 FIRE IMPACT FEES
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
 AND ACTUAL
 Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ 567,205	\$ 567,205	\$ 709,591	\$ 142,386
Investment income	-	-	(878)	(878)
Total revenues	<u>567,205</u>	<u>567,205</u>	<u>708,713</u>	<u>141,508</u>
EXPENDITURES				
Current				
Public works	-	-	-	-
Capital outlay	2,611,406	2,611,406	384,140	2,227,266
Total expenditures	<u>2,611,406</u>	<u>2,611,406</u>	<u>384,140</u>	<u>2,227,266</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,044,201)</u>	<u>(2,044,201)</u>	<u>324,573</u>	<u>2,368,774</u>
Fund balance, beginning of year	<u>168,702</u>	<u>168,702</u>	<u>168,702</u>	<u>-</u>
Fund balance, end of year	<u>\$ (1,875,499)</u>	<u>\$ (1,875,499)</u>	<u>\$ 493,275</u>	<u>\$ 2,368,774</u>

CITY OF GOODYEAR, ARIZONA
POLICE IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 724,582	\$ 724,582	\$ 560,430	\$ (164,152)
Investment income	-	-	25,113	25,113
Total revenues	<u>724,582</u>	<u>724,582</u>	<u>585,543</u>	<u>(139,039)</u>
EXPENDITURES				
Current				
Capital outlay	<u>5,132,169</u>	<u>5,132,169</u>	<u>589,217</u>	<u>4,542,952</u>
Total expenditures	<u>5,132,169</u>	<u>5,132,169</u>	<u>589,217</u>	<u>4,542,952</u>
Excess (deficiency) of revenues over (under) expenditures	(4,407,587)	(4,407,587)	(3,674)	4,403,913
Fund balance, beginning of year	<u>7,191,700</u>	<u>7,191,700</u>	<u>7,191,700</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,784,113</u>	<u>\$ 2,784,113</u>	<u>\$ 7,188,026</u>	<u>\$ 4,403,913</u>

CITY OF GOODYEAR, ARIZONA
TRANSPORTATION IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 991,832	\$ 991,832	\$ 761,540	\$ (230,292)
Investment income	-	-	(566)	(566)
Miscellaneous	-	-	41,671	41,671
Total revenues	<u>991,832</u>	<u>991,832</u>	<u>802,645</u>	<u>(189,187)</u>
EXPENDITURES				
Current				
Capital outlay	<u>2,315,074</u>	<u>2,315,074</u>	<u>1,911,133</u>	<u>403,941</u>
Total expenditures	<u>2,315,074</u>	<u>2,315,074</u>	<u>1,911,133</u>	<u>403,941</u>
Excess (deficiency) of revenues over (under) expenditures	(1,323,242)	(1,323,242)	(1,108,488)	214,754
Fund balance, beginning of year	<u>1,749,516</u>	<u>1,749,516</u>	<u>1,749,516</u>	-
Fund balance, end of year	<u>\$ 426,274</u>	<u>\$ 426,274</u>	<u>\$ 641,028</u>	<u>\$ 214,754</u>

CITY OF GOODYEAR, ARIZONA
LIBRARY IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 326,766	\$ 326,766	\$ 152,520	\$ (174,246)
Investment income	-	-	8,744	8,744
Total revenues	<u>326,766</u>	<u>326,766</u>	<u>161,264</u>	<u>(165,502)</u>
EXPENDITURES				
Current:				
Capital outlay	<u>1,350,000</u>	<u>1,350,000</u>	<u>800,000</u>	<u>550,000</u>
Total expenditures	<u>1,350,000</u>	<u>1,350,000</u>	<u>800,000</u>	<u>550,000</u>
Excess (deficiency) of revenues over (under) expenditures	(1,023,234)	(1,023,234)	(638,736)	384,498
Fund balance, beginning of year	<u>2,782,280</u>	<u>2,782,280</u>	<u>2,782,280</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,759,046</u>	<u>\$ 1,759,046</u>	<u>\$ 2,143,544</u>	<u>\$ 384,498</u>

CITY OF GOODYEAR, ARIZONA
REGIONAL TRANSPORTATION IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
REVENUES				
Charges for services	\$ -	\$ -	\$ 35,075	\$ 35,075
Total revenues	-	-	35,075	35,075
EXPENDITURES				
Current				
Capital outlay	-	-	26,871	(26,871)
Total expenditures	-	-	26,871	(26,871)
Excess (deficiency) of revenues over (under) expenditures	-	-	8,204	8,204
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 8,204	\$ 8,204

CITY OF GOODYEAR, ARIZONA
DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,328,722	\$ 9,328,722	\$ 9,118,241	\$ (210,481)
Investment income	-	-	14,899	14,899
Total revenues	<u>9,328,722</u>	<u>9,328,722</u>	<u>9,133,140</u>	<u>(195,582)</u>
EXPENDITURES				
Debt service				
Principal retirement	6,760,464	6,760,464	2,761,143	3,999,321
Interest and debt costs	1,511,492	1,511,492	1,473,265	38,227
Total expenditures	<u>8,271,956</u>	<u>8,271,956</u>	<u>4,234,408</u>	<u>4,037,548</u>
Excess (deficiency) of revenues over (under) expenditures	1,056,766	1,056,766	4,898,732	3,841,966
OTHER FINANCING SOURCES				
Payment to refunded bond escrow agent	-	-	(3,585,000)	(3,585,000)
Transfers out	<u>(4,685,861)</u>	<u>(4,685,861)</u>	<u>(1,270,079)</u>	<u>3,415,782</u>
Total other financing sources	<u>(4,685,861)</u>	<u>(4,685,861)</u>	<u>(4,855,079)</u>	<u>(169,218)</u>
Net change in fund balance	(3,629,095)	(3,629,095)	43,653	3,672,748
Fund balance, beginning of year	<u>550,591</u>	<u>550,591</u>	<u>550,591</u>	<u>-</u>
Fund balance, end of year	<u>\$ (3,078,504)</u>	<u>\$ (3,078,504)</u>	<u>\$ 594,244</u>	<u>\$ 3,672,748</u>

CITY OF GOODYEAR, ARIZONA
WATER & SEWER ENTERPRISE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for service	\$ 17,837,616	\$ 17,837,616	\$ 15,269,341	\$ (2,568,275)
Miscellaneous	13,576,021	13,576,021	30,715	(13,545,306)
Total operating revenue	<u>31,413,637</u>	<u>31,413,637</u>	<u>15,300,056</u>	<u>(16,113,581)</u>
Operating expenses:				
Administration	4,607,219	4,607,219	4,078,441	528,778
Costs of sales and services	62,801,205	62,801,205	5,655,395	57,145,810
Depreciation	-	-	4,798,836	(4,798,836)
Total operating expenses	<u>67,408,424</u>	<u>67,408,424</u>	<u>14,532,672</u>	<u>52,875,752</u>
Operating income (loss)	<u>(35,994,787)</u>	<u>(35,994,787)</u>	<u>767,384</u>	<u>36,762,171</u>
Nonoperating revenues (expenses):				
Impact fees	4,186,495	4,186,495	4,632,809	446,314
Intergovernmental	-	-	25,000	25,000
Investment income	16,176,101	16,176,101	48,564	(16,127,537)
Interest expense	<u>(2,356,710)</u>	<u>(2,356,710)</u>	<u>(4,127,204)</u>	<u>(1,770,494)</u>
Total nonoperating revenues (expenses)	<u>18,005,886</u>	<u>18,005,886</u>	<u>579,169</u>	<u>(17,426,717)</u>
Income (loss) before capital contributions and transfers	<u>(17,988,901)</u>	<u>(17,988,901)</u>	<u>1,346,553</u>	<u>19,335,454</u>
Capital contributions	-	-	16,597,126	16,597,126
Transfers in	5,379,917	5,379,917	212,453	(5,167,464)
Transfers out	<u>(2,930,180)</u>	<u>(2,930,180)</u>	<u>(1,017,331)</u>	<u>1,912,849</u>
Change in net assets	<u>(15,539,164)</u>	<u>(15,539,164)</u>	<u>17,138,801</u>	<u>32,677,965</u>
Net assets, beginning of year	142,724,270	142,724,270	142,724,270	-
Prior period adjustment	-	-	909,127	909,127
Net assets, beginning of year - restated	<u>142,724,270</u>	<u>142,724,270</u>	<u>143,633,397</u>	<u>909,127</u>
Net assets, end of year	<u>\$ 127,185,106</u>	<u>\$ 127,185,106</u>	<u>\$ 160,772,198</u>	<u>\$ 33,587,092</u>

CITY OF GOODYEAR, ARIZONA
SANITATION ENTERPRISE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for service	\$ 5,267,737	\$ 5,267,737	\$ 5,625,426	\$ 357,689
Miscellaneous	692	692	438	(254)
Total operating revenue	<u>5,268,429</u>	<u>5,268,429</u>	<u>5,625,864</u>	<u>357,435</u>
Operating expenses:				
Administration	1,003,752	1,003,752	873,144	130,608
Costs of sales and services	3,943,507	3,943,507	4,060,321	(116,814)
Depreciation	-	-	153,751	(153,751)
Total operating expenses	<u>4,947,259</u>	<u>4,947,259</u>	<u>5,087,216</u>	<u>(139,957)</u>
Operating income (loss)	<u>321,170</u>	<u>321,170</u>	<u>538,648</u>	<u>217,478</u>
Nonoperating revenues (expenses):				
Impact fees	-	-	-	-
Loss on sale of assets	-	-	(4,087)	(4,087)
Investment income	-	-	3,639	3,639
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>(448)</u>	<u>(448)</u>
Income (loss) before transfers	321,170	321,170	538,200	217,030
Transfers out	<u>-</u>	<u>-</u>	<u>(146,656)</u>	<u>(146,656)</u>
Change in net assets	<u>321,170</u>	<u>321,170</u>	<u>391,544</u>	<u>70,374</u>
Net assets, beginning of year	1,346,010	1,346,010	1,346,010	-
Prior period adjustment	-	-	210,474	210,474
Net assets, beginning of year - restated	<u>1,346,010</u>	<u>1,346,010</u>	<u>1,556,484</u>	<u>210,474</u>
Net assets, end of year	<u>\$ 1,667,180</u>	<u>\$ 1,667,180</u>	<u>\$ 1,948,028</u>	<u>\$ 280,848</u>

CITY OF GOODYEAR, ARIZONA
STADIUM ENTERPRISE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for service	\$ 847,000	\$ 847,000	\$ 1,015,149	\$ 168,149
Miscellaneous	33,000,000	33,000,000	4,725	(32,995,275)
Total operating revenue	<u>33,847,000</u>	<u>33,847,000</u>	<u>1,019,874</u>	<u>(32,827,126)</u>
Operating expenses:				
Administration	757,978	757,978	961,250	(203,272)
Costs of sales and services	100,387,572	100,387,572	1,591,001	98,796,571
Depreciation	-	-	1,770,242	(1,770,242)
Total operating expenses	<u>101,145,550</u>	<u>101,145,550</u>	<u>4,322,493</u>	<u>96,823,057</u>
Operating income (loss)	<u>(67,298,550)</u>	<u>(67,298,550)</u>	<u>(3,302,619)</u>	<u>63,995,931</u>
Nonoperating revenues (expenses):				
Investment income	-	-	69,697	69,697
Interest expense	(5,241,453)	(5,241,453)	(2,155,773)	3,085,680
Total nonoperating revenues (expenses)	<u>(5,241,453)</u>	<u>(5,241,453)</u>	<u>(2,086,076)</u>	<u>3,155,377</u>
Income (loss) before transfers	<u>(72,540,003)</u>	<u>(72,540,003)</u>	<u>(5,388,695)</u>	<u>67,151,308</u>
Capital contributions	-	-	20,365,627	20,365,627
Transfers in	5,923,900	5,923,900	8,909,556	2,985,656
Transfers out	-	-	(206,715)	(206,715)
Change in net assets	<u>(66,616,103)</u>	<u>(66,616,103)</u>	<u>23,679,773</u>	<u>90,295,876</u>
Net assets, beginning of year	<u>1,837,168</u>	<u>1,837,168</u>	<u>1,837,168</u>	<u>-</u>
Net assets, end of year	<u><u>\$ (64,778,935)</u></u>	<u><u>\$ (64,778,935)</u></u>	<u><u>\$ 25,516,941</u></u>	<u><u>\$ 90,295,876</u></u>

COMBINING FINANCIAL STATEMENTS
INTERNAL SERVICE FUNDS

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 June 30, 2009

	Internal Service Funds		
	Fleet Management	Health Insurance	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 182,792	\$ 57,659	\$ 240,451
Interest receivable	319	-	319
Inventories	85,899	-	85,899
Total current assets	<u>269,010</u>	<u>57,659</u>	<u>326,669</u>
 Total assets	 <u>269,010</u>	 <u>57,659</u>	 <u>326,669</u>
LIABILITIES			
Current liabilities:			
Accounts payable	20,485	-	20,485
Accrued payroll and employee benefits	28,472	-	28,472
Due to other funds	36,942	-	36,942
Total current liabilities	<u>85,899</u>	<u>-</u>	<u>85,899</u>
 Total liabilities	 <u>85,899</u>	 <u>-</u>	 <u>85,899</u>
NET ASSETS			
Unrestricted	183,111	57,659	240,770
Total net assets	<u>\$ 183,111</u>	<u>\$ 57,659</u>	<u>\$ 240,770</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 Year Ended June 30, 2009

	Internal Service Funds		
	Fleet Management	Health Insurance	Total
Operating revenues:			
Charges for service	\$ 1,700,440	\$ 57,659	\$ 1,758,099
Miscellaneous	182,642	-	182,642
Total operating revenue	<u>1,883,082</u>	<u>57,659</u>	<u>1,940,741</u>
Operating expenses:			
Administration	628,681	-	628,681
Costs of sales and services	1,071,759	-	1,071,759
Total operating expenses	<u>1,700,440</u>	<u>-</u>	<u>1,700,440</u>
Operating income (loss)	<u>182,642</u>	<u>57,659</u>	<u>240,301</u>
Nonoperating revenues (expenses):			
Investment income	469	-	469
Total nonoperating revenues (expenses)	<u>469</u>	<u>-</u>	<u>469</u>
Change in net assets	183,111	57,659	240,770
Net assets, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Net assets, end of year	<u>\$ 183,111</u>	<u>\$ 57,659</u>	<u>\$ 240,770</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year Ended June 30, 2009

	Internal Service Funds		
	Fleet Management	Health Insurance	Total
Cash flows from operating activities:			
Received from customers	\$ 1,851,563	\$ 57,659	\$ 1,909,222
Payments to vendors	(1,041,492)	-	(1,041,492)
Payments to employees	(627,429)	-	(627,429)
Net cash provided (used) by operating activities	<u>182,642</u>	<u>57,659</u>	<u>240,301</u>
Cash flows from investing activities:			
Investment income received	<u>150</u>	<u>-</u>	<u>150</u>
Net cash provided by investing activities	<u>150</u>	<u>-</u>	<u>150</u>
Net change in cash and cash equivalents	182,792	57,659	240,451
Cash and cash equivalents, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents, end of year	<u><u>\$ 182,792</u></u>	<u><u>\$ 57,659</u></u>	<u><u>\$ 240,451</u></u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year Ended June 30, 2009

	Internal Service Funds		
	<u>Fleet Management</u>	<u>Health Insurance</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ 182,642	\$ 57,659	\$ 240,301
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:			
(Increase) decrease in:			
Inventories	15,561	-	15,561
Increase (decrease) in:			
Accounts payable	14,706	-	14,706
Accrued payroll and employee benefits	1,252	-	1,252
Due to other funds	<u>(31,519)</u>	<u>-</u>	<u>(31,519)</u>
Net cash provided (used) by operating activities	<u>\$ 182,642</u>	<u>\$ 57,659</u>	<u>\$ 240,301</u>



CITY OF GOODYEAR
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE BY SOURCE
 June 30, 2009

Governmental funds capital assets	<u>2009</u>
Land	\$ 19,426,644
Right of Way	82,372,894
Streetscape	8,305,608
Buildings and improvements	115,599,897
Vehicles, machinery and equipment	35,856,718
Infrastructure	321,010,553
Construction in progress	<u>17,306,030</u>
Total governmental funds capital assets	<u>\$ 599,878,344</u>
Investment in governmental funds capital assets by source:	
Government funds	<u>\$ 599,878,344</u>
Total governmental funds capital assets	<u>\$ 599,878,344</u>

CITY OF GOODYEAR
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 June 30, 2009

Function and Activity	Land Right of Way Streetscape	Buildings and Improvements	Improvements other than Buildings
General Government	\$ 6,184,658	\$ -	\$ 159,200
Public Safety	-	17,922,215	62,073
Highways and Streets	82,372,894	-	-
Culture and Recreation	12,493,224	813,910	888,530
Public Works	<u>748,763</u>	<u>7,262,782</u>	<u>88,491,186</u>
Total governmental funds capital assets	<u>\$ 101,799,539</u>	<u>\$ 25,998,907</u>	<u>\$ 89,600,989</u>

Vehicles, Machinery and Equipment	Infrastructure	Construction in Progress	Total
\$ 6,933,452	\$ -	\$ 11,412,845	\$ 24,690,155
17,368,483	-	176,706	35,529,477
-	329,316,160	-	411,689,054
1,671,745	-	5,716,479	21,583,888
9,883,039	-	-	106,385,770
<u>\$ 35,856,719</u>	<u>\$ 329,316,160</u>	<u>\$ 17,306,030</u>	<u>\$ 599,878,344</u>

CITY OF GOODYEAR
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 June 30, 2009

Function and Activity	Governmental Funds Capital Assets			Governmental Funds Capital Assets
	July 1, 2008	Additions	Deductions	June 30, 2009
General Government	\$ 40,368,958	\$ 34,460,643	\$ (50,139,446)	\$ 24,690,155
Public Safety	34,591,598	1,794,590	(856,711)	35,529,477
Highways and Streets	301,422,960	110,266,094	-	411,689,054
Culture and Recreation	22,411,642	128,418	(956,172)	21,583,888
Public Works	<u>113,615,100</u>	<u>73,923,459</u>	<u>(81,152,789)</u>	<u>106,385,770</u>
Total governmental funds capital assets	<u>\$512,410,258</u>	<u>\$ 220,573,204</u>	<u>\$(133,105,118)</u>	<u>\$ 599,878,344</u>

STATISTICAL SECTION



STATISTICAL SECTION

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	117
These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and sale and use taxes.	
Debt Capacity	138
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.	
Economic and Demographic Information	144
These schedules offer economic and demographic indicators to help the Reader understand the environment within which the City's financial activities take place.	
Operating Information	145
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.	
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 Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2009	2008	2007
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$309,491,989	\$ 256,047,572	\$ 206,294,183
Restricted	117,787,315	70,835,115	60,388,579
Unrestricted	<u>20,522,420</u>	<u>36,122,934</u>	<u>57,992,720</u>
Total Governmental Activities Net Assets	<u>447,801,724</u>	<u>363,005,621</u>	<u>324,675,482</u>
Business-type Activities			
Invested in Capital Assets, Net of Related Debt	199,696,564	159,530,687	101,366,083
Restricted	-	-	-
Unrestricted	<u>(11,409,545)</u>	<u>(13,193,174)</u>	<u>8,166,207</u>
Total Business-type Activities Net Assets	<u>188,287,019</u>	<u>146,337,513</u>	<u>109,532,290</u>
Primary Government			
Invested in Capital Assets, Net of Related Debt	509,188,553	415,578,259	307,660,266
Restricted	117,787,315	70,835,115	60,388,579
Unrestricted	<u>9,112,875</u>	<u>22,929,760</u>	<u>66,158,927</u>
Total Primary Government Net Assets	<u>\$636,088,743</u>	<u>\$ 509,343,134</u>	<u>\$ 434,207,772</u>

Note: The City implemented GASB 34 for the fiscal year ended June 30, 2003. Prior financial statements have not been restated to provide this information.

Source: Statement of Net Assets
City financial records and reports

Table 1

Fiscal Year			
2006	2005	2004	2003
\$ 144,405,463	\$ 127,120,944	\$ 162,387,951	\$ 73,017,558
67,199,030	92,391,268	36,249,889	3,058,777
<u>49,858,294</u>	<u>26,380,488</u>	<u>31,059,204</u>	<u>31,801,683</u>
<u>261,462,787</u>	<u>245,892,700</u>	<u>229,697,044</u>	<u>107,878,018</u>
61,259,814	55,662,610	46,277,707	40,297,163
-	-	-	335,000
<u>24,329,033</u>	<u>3,498,896</u>	<u>4,850,793</u>	<u>(4,302,180)</u>
<u>85,588,847</u>	<u>59,161,506</u>	<u>51,128,500</u>	<u>36,329,983</u>
205,665,277	182,783,554	208,665,658	113,314,721
67,199,030	92,391,268	36,249,889	3,058,777
<u>74,187,327</u>	<u>29,879,384</u>	<u>35,909,997</u>	<u>27,499,503</u>
<u>\$ 347,051,634</u>	<u>\$ 305,054,206</u>	<u>\$ 280,825,544</u>	<u>\$ 143,873,001</u>

City of Goodyear
Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2009	2008	2007
Expenses			
Governmental Activities:			
General Government	\$ 4,701,916	\$ 9,260,326	\$ 5,020,742
Police	15,580,923	18,491,397	11,091,150
Financial Services	2,842,884	2,751,164	2,233,303
Community Services	1,248,219	1,290,021	1,277,245
Information Services	2,743,877	2,931,295	1,769,833
Fire	12,249,685	8,840,019	10,129,091
Municipal Services	1,636,533	1,484,507	1,163,005
Human Resources	2,222,189	1,998,317	1,976,324
Community Development	9,583,326	14,731,322	19,683,385
Culture and Recreation	5,435,750	1,909,303	3,181,071
Highways and Streets	8,436,341	9,104,717	9,581,333
Public Works	14,370,096	59,138,044	25,397,680
Interest on Long-term Debt	12,001,714	9,710,526	5,785,031
Total Governmental Activities Expenses	<u>\$ 93,053,453</u>	<u>\$ 141,640,958</u>	<u>\$ 98,289,192</u>
Business-type Activities			
Water Utility	\$ 11,608,878	\$ 11,794,505	\$ 10,866,043
Wastewater Utility	7,046,385	5,189,053	4,872,792
Sanitation	5,090,150	4,839,626	4,401,267
Stadium*	6,475,960	861,000	-
Total Business-type Activities Expenses	<u>\$ 30,221,373</u>	<u>\$ 22,684,184</u>	<u>\$ 20,140,102</u>
 Total Primary Government Net Assets	 <u>\$ 123,274,826</u>	 <u>\$ 164,325,142</u>	 <u>\$ 118,429,294</u>

Note:

* Stadium Fund did not have operating activity until 2008

N/A data was not separated in these years.

Table 2

Fiscal Year			
2006	2005	2004	2003
\$ 3,007,708	\$ 4,238,904	\$ 481,277	\$ 5,731,101
9,305,303	7,798,053	7,416,958	6,507,095
1,768,327	2,888,511	2,690,132	1,151,840
1,108,528	1,012,533	1,326,811	479,498
1,551,418	1,434,932	2,056,194	1,907,004
5,839,807	7,275,586	5,862,554	4,879,245
853,289	981,256	1,460,026	811,904
1,361,992	1,276,457	1,987,100	1,525,546
6,668,282	4,613,424	5,386,786	888,182
2,016,304	2,591,911	1,716,362	1,925,726
13,536,118	8,007,969	4,217,554	6,433,665
1,791,319	6,398,665	2,744,892	3,409,198
5,573,064	4,567,604	5,649,175	4,153,359
<u>\$ 54,381,459</u>	<u>\$ 53,085,805</u>	<u>\$ 42,995,822</u>	<u>\$ 39,803,363</u>
\$ 9,722,925	\$ 15,150,219	\$ 13,696,021	\$ 9,535,629
4,313,533	N/A	N/A	N/A
3,435,486	2,588,541	2,133,917	1,911,839
-	-	-	-
<u>\$ 17,471,944</u>	<u>\$ 17,738,760</u>	<u>\$ 15,829,938</u>	<u>\$ 11,447,468</u>
<u>\$ 71,853,403</u>	<u>\$ 70,824,565</u>	<u>\$ 58,825,760</u>	<u>\$ 51,250,831</u>

continued

City of Goodyear
Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2009	2008	2007
Program Revenue			
Governmental Activities:			
Charges for Services:			
General Government	\$ 301,151	\$ 3,988,792	\$ 396,770
Fire	24,054	57,630	54,887
Police	240,293	210,707	128,040
Municipal Services	730,571	686,135	638,390
Public Works	-	-	3,527,777
Culture and recreation	357,039	343,274	272,516
Community Development	4,776,076	12,183,231	13,241,940
Operating Grants and Contributions	4,843,140	4,587,630	895,854
Capital Grants and Contributions	102,028,190	85,108,447	62,732,783
Total Governmental Activities Program Revenues	<u>\$ 113,300,514</u>	<u>\$ 107,165,846</u>	<u>\$ 81,888,957</u>
Business-type Activities			
Charges for Services:			
Water Utility	\$ 8,880,151	\$ 8,894,793	\$ 7,588,225
Wastewater Utility	6,389,190	6,244,742	6,137,152
Sanitation	5,625,426	5,145,922	4,392,794
Stadium	1,014,221	-	-
Operating Grants and Contributions	25,000	762,200	20,000
Capital Grants and Contributions	41,595,562	27,405,133	24,414,623
Total Business-type Activities Revenues	<u>63,529,550</u>	<u>48,452,790</u>	<u>42,552,794</u>
Total Primary Government Revenues	<u>\$ 176,830,064</u>	<u>\$ 155,618,636</u>	<u>\$ 124,441,751</u>
Net (Expense)/Revenue			
Governmental Activities	\$ 20,247,061	\$ (34,475,112)	\$ (16,672,751)
Business-type Activities	33,308,177	25,768,606	22,412,692
Total Primary Government Net Revenue	<u>\$ 53,555,238</u>	<u>\$ (8,706,506)</u>	<u>\$ 5,739,941</u>

Table 2

Fiscal Year			
2006	2005	2004	2003
\$ 286,419	\$ 133,367	\$ 276,990	\$ 5,416,791
61,456	434,179	38,716	45,991
67,264	-	8,425	35,035
529,007	-	293,355	1,454,454
-	-	1,162,624	2,195,739
126,800	259,993	-	-
14,584,804	10,631,653	8,774,894	
648,756	523,405	109,956	397,092
<u>26,761,281</u>	<u>16,472,105</u>	<u>46,863,563</u>	<u>9,475,823</u>
<u>\$ 43,065,787</u>	<u>\$ 28,454,702</u>	<u>\$ 57,528,523</u>	<u>\$ 19,020,925</u>
\$ 5,952,571	\$ 8,895,239	\$ 10,525,392	\$ 2,334,840
4,846,569	3,775,636	3,631,132	3,729,617
3,185,387	2,786,148	2,335,547	1,939,809
-	-	-	-
240,000	-	-	-
<u>26,016,946</u>	<u>10,853,019</u>	<u>12,702,625</u>	<u>4,813,617</u>
<u>40,241,473</u>	<u>26,310,042</u>	<u>29,194,696</u>	<u>12,817,883</u>
<u>\$ 83,307,260</u>	<u>\$ 54,764,744</u>	<u>\$ 86,723,219</u>	<u>\$ 31,838,808</u>
\$ (11,315,672)	\$ (24,631,103)	\$ 14,532,701	\$ (20,782,438)
<u>22,769,529</u>	<u>8,571,282</u>	<u>13,364,758</u>	<u>1,370,415</u>
<u>\$ 11,453,857</u>	<u>\$ (16,059,821)</u>	<u>\$ 27,897,459</u>	<u>\$ (19,412,023)</u>

continued

City of Goodyear
 Changes in Net Assets
 Last Seven Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

	Fiscal Year		
	2009	2008	2007
Governmental Revenues and Other Changes in Net Assets			
Governmental Activities:			
Taxes	\$ 59,003,971	\$ 61,251,635	\$ 59,428,806
Intergovernmental	12,236,437	12,654,235	15,053,501
Interest and Investment Income	148,687	4,268,448	4,723,886
Miscellaneous	911,254	4,075,011	1,029,445
Transfers	<u>(7,751,307)</u>	<u>(9,444,077)</u>	<u>(56,622)</u>
Total Governmental Activities	<u>\$ 64,549,042</u>	<u>\$ 72,805,252</u>	<u>\$ 80,179,016</u>
Business-type Activities			
Interest and Investment Income	\$ 121,900	\$ 1,379,832	\$ 1,447,446
Mitigation proceeds	-	-	-
Miscellaneous	78,586	212,708	26,683
Transfers	<u>7,751,307</u>	<u>9,444,077</u>	<u>56,622</u>
Total Business-type Activities	<u>\$ 7,951,793</u>	<u>\$ 11,036,617</u>	<u>\$ 1,530,751</u>
Total Primary Government	<u>\$ 72,500,835</u>	<u>\$ 83,841,869</u>	<u>\$ 81,709,767</u>
Changes in Net Assets			
Governmental Activities	\$ 84,796,103	\$ 38,330,140	\$ 63,505,623
Business-type Activities	<u>41,259,970</u>	<u>36,375,158</u>	<u>23,943,443</u>
Total Primary Government	<u>\$ 126,056,073</u>	<u>\$ 74,705,298</u>	<u>\$ 87,449,066</u>

Note: The City implemented GASB 34 for the fiscal year ended June 30, 2003. Prior financial statements have not been restated to provide this information.

Source: Statement of Net Assets
 City financial records and reports

Table 2

Fiscal Year			
2006	2005	2004	2003
\$ 48,726,571	\$ 31,498,052	\$ 25,487,392	\$ 21,111,029
6,997,920	5,973,538	5,756,754	5,587,983
4,436,598	1,079,720	556,145	(499,021)
1,486,027	1,641,295	408,114	233,858
(117,062)	634,153	(799,999)	2,257,938
<u>\$ 61,530,054</u>	<u>\$ 40,826,758</u>	<u>\$ 31,408,406</u>	<u>\$ 28,691,787</u>
\$ 715,181	\$ 88,211	\$ 119,849	\$ 152,306
1,950,000	-	-	-
17,431	7,666	67,756	82,345
117,062	(634,153)	799,999	(2,257,938)
<u>\$ 2,799,674</u>	<u>\$ (538,276)</u>	<u>\$ 987,604</u>	<u>\$ (2,023,287)</u>
<u>\$ 64,329,728</u>	<u>\$ 40,288,482</u>	<u>\$ 32,396,010</u>	<u>\$ 26,668,500</u>
\$ 50,214,382	\$ 16,195,655	\$ 45,941,107	\$ 7,909,349
25,569,203	8,033,006	14,352,362	(652,872)
<u>\$ 75,783,585</u>	<u>\$ 24,228,661</u>	<u>\$ 60,293,469</u>	<u>\$ 7,256,477</u>

concluded



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

Fiscal Year	Property Taxes	Sales & Use Taxes	Franchise Taxes	State Shared Revenues - not Restricted to Specific Programs		Highway User Revenue
				State Shared Sales	State Revenue Sharing	
2009	\$ 22,602,319	\$ 34,205,905	\$ 2,195,747	\$ 5,355,676	\$ 6,880,761	\$ 3,008,499
2008	18,144,197	42,045,316	2,071,378	6,101,593	6,503,557	3,401,589
2007	12,370,983	45,240,436	1,817,387	6,307,272	5,252,405	3,493,824
2006	9,826,690	37,420,013	1,479,868	3,225,710	1,979,970	1,792,240
2005	8,583,676	21,747,851	1,166,525	2,600,534	1,738,442	1,634,562
2004	7,187,270	17,342,116	958,006	2,582,196	1,705,193	1,469,365
2003	5,718,332	14,610,889	781,808	2,224,251	2,012,719	1,351,013
2002	2,169,086	12,243,826	751,432	2,255,263	1,972,442	1,679,426
2001	1,622,925	10,978,934	550,374	1,606,992	1,103,778	1,221,327
2000	1,085,812	9,699,484	453,842	1,497,368	1,025,053	809,530

Source: City financial records and reports

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

	Fiscal Year			
	2009	2008	2007	2006
General Fund Unreserved	<u>\$ 29,117,875</u>	<u>\$ 42,219,809</u>	<u>\$ 61,037,128</u>	<u>\$ 53,853,901</u>
All Other Governmental Funds				
Reserved, Reported in:				
Debt Service Funds	13,597,749	15,356,746	8,726,046	7,833,170
Capital Projects Funds	4,110,554	10,942,787	7,810,178	21,303,978
Unreserved, Reported in:				
Special Revenue Funds	23,153,403	25,851,665	20,649,813	19,835,781
Capital Projects Funds	<u>1,435,331</u>	<u>27,462,037</u>	<u>10,220,953</u>	<u>3,354,296</u>
Total All Other Governmental Funds	<u>\$ 42,297,037</u>	<u>\$ 79,613,235</u>	<u>\$ 47,406,990</u>	<u>\$ 52,327,225</u>

Source: Statement of Net Assets
City financial records and reports

Table 4

Fiscal Year					
2005	2004	2003	2002	2001	2000
<u>\$ 29,393,457</u>	<u>\$ 18,701,153</u>	<u>\$ 12,456,038</u>	<u>\$ 11,904,771</u>	<u>\$ 7,876,202</u>	<u>\$ 10,213,487</u>
6,643,132	6,388,963	3,027,055	4,096,549	3,804,079	1,859,019
9,704,731	-	-	-	-	-
14,475,469	8,731,725	4,613,137	3,773,232	2,973,780	2,195,574
<u>46,019,494</u>	<u>21,129,201</u>	<u>32,003,402</u>	<u>18,922,708</u>	<u>25,862,738</u>	<u>15,351,548</u>
<u>\$ 76,842,826</u>	<u>\$ 36,249,889</u>	<u>\$ 39,643,594</u>	<u>\$ 26,792,489</u>	<u>\$ 32,640,597</u>	<u>\$ 19,406,141</u>

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

	Fiscal Year			
	2009	2008	2007	2006
Revenues				
Taxes	\$ 58,734,426	\$ 61,112,204	\$ 59,346,833	\$ 48,669,770
Licenses and permits	3,091,729	7,160,922	8,905,743	10,593,032
Intergovernmental	16,827,730	17,361,565	16,456,618	7,691,531
Charges for services	6,387,350	19,117,473	14,921,767	12,590,311
Rents and royalties	-	-	-	-
Fines and forfeits	686,557	678,594	584,316	482,604
Investment income	148,220	4,268,447	4,723,886	4,436,598
Participation by others	-	-	-	-
Special assessments	3,065,304	2,228,149	2,228,646	2,197,445
Impact fees	-	-	-	-
Contributions	3,403,370	8,260,888	14,245,039	1,717,842
Miscellaneous	593,684	4,075,010	1,046,124	1,433,513
Total Revenues	<u>92,938,370</u>	<u>124,263,252</u>	<u>122,458,972</u>	<u>89,812,646</u>
Expenditures				
General Government	3,945,126	5,486,915	8,637,828	3,871,939
Police	14,082,452	13,295,314	10,262,437	8,674,983
Financial Services	4,803,801	4,850,217	2,209,677	1,550,946
Community Services	1,248,219	1,329,505	1,255,467	1,190,116
Information Services	2,221,606	2,834,417	1,622,556	1,593,403
Fire	11,961,508	11,277,737	8,842,402	7,332,103
Municipal Services	1,567,179	1,547,460	1,102,875	848,612
Human Resources	2,215,237	1,995,841	1,973,845	1,360,762
Community Development	9,723,957	9,262,010	6,028,162	6,599,788
Culture and Recreation	4,393,748	4,667,176	3,431,934	2,381,569
Highways and Streets	5,686,483	3,994,494	4,756,383	3,647,507
Public Works	3,901,157	4,261,005	4,294,102	2,154,782
Debt Service:				
Principal retirement	7,392,618	5,141,143	4,836,000	3,777,600
Interest and debt cost	11,930,502	10,466,384	5,740,194	5,313,243
Capital outlay	<u>47,556,824</u>	<u>135,249,363</u>	<u>71,999,738</u>	<u>14,819,302</u>
Total Expenditures	<u>132,630,417</u>	<u>215,658,981</u>	<u>136,993,600</u>	<u>65,116,655</u>
 Excess of Revenues over (under) Expenditures	 <u>(39,692,047)</u>	 <u>(91,395,729)</u>	 <u>(14,534,628)</u>	 <u>24,695,991</u>

Table 5

Fiscal Year					
2005	2004	2003	2002	2001	2000
\$ 31,501,700	\$ 25,507,299	\$ 21,092,384	\$ 17,493,808	\$ 15,164,812	\$ 12,946,841
7,899,726	6,785,229	3,845,730	2,729,164	2,705,648	1,920,547
6,288,957	5,811,389	5,985,075	8,442,804	4,084,697	3,848,972
9,894,288	9,057,321	5,805,188	1,621,233	1,851,640	2,378,270
-	-	-	18,391	14,078	5,770
364,301	332,046	365,136	288,301	332,529	253,629
1,079,719	567,142	(499,021)	861,929	2,128,121	1,703,719
-	-	-	1,842,726	860,250	1,087,874
2,580,510	1,555,984	1,654,637	1,446,388	805,144	1,517,828
-	-	-	1,946,971	1,142,223	1,018,250
2,401,107	1,562,190		125,211	1,729	17,545
1,641,295	600,649	4,940,329	2,803,272	1,221,328	844,288
<u>63,651,603</u>	<u>51,779,249</u>	<u>43,189,458</u>	<u>39,620,198</u>	<u>30,312,199</u>	<u>27,543,533</u>
2,482,603	3,138,823	4,469,126	3,849,495	2,634,720	1,269,644
7,853,958	6,643,972	6,097,075	5,607,832	4,122,949	4,684,595
1,553,016	1,240,958	1,148,502	1,089,136	560,459	43,329
1,012,533	787,635	189,763	122,636	76,436	24,495
1,434,932	1,138,348	1,907,004	1,129,707	802,622	392,401
5,163,911	4,529,680	4,879,245	4,385,622	3,476,865	3,205,029
704,584	879,352	734,689	704,381	608,477	635,405
1,276,457	985,334	1,525,546	1,369,745	1,115,608	88,595
6,636,525	5,543,191	864,434	767,620	751,053	635,258
2,128,218	1,699,797	1,621,308	1,504,652	995,588	1,098,119
2,128,408	1,804,454	2,817,472	3,764,721	2,929,215	2,735,795
1,917,725	2,002,948	2,432,247	2,967,970	2,532,841	1,587,891
5,327,354	2,971,580	3,319,857	2,324,200	1,950,000	2,115,000
5,825,352	4,020,706	3,901,382	3,152,550	2,197,962	2,552,398
10,039,532	40,712,284	11,449,411	15,747,085	16,589,132	6,127,036
<u>55,485,108</u>	<u>78,099,062</u>	<u>47,357,061</u>	<u>48,487,352</u>	<u>41,343,927</u>	<u>27,194,990</u>
<u>8,166,495</u>	<u>(26,319,813)</u>	<u>(4,167,603)</u>	<u>(8,867,154)</u>	<u>(11,031,728)</u>	<u>348,543</u>

continued

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

	Fiscal Year			
	2009	2008	2007	2006
Expenditures				
Transfer in	\$ 4,123,384	\$ 11,561,671	\$ 17,288,179	\$ 18,210,420
Transfer out	(11,874,691)	(21,005,748)	(17,387,710)	(47,966,568)
Capital lease agreements	-	-	-	-
Debt issuance	610,222	114,450,431	16,897,151	5,005,000
Refunding Bonds	(3,585,000)	(221,698)	-	-
Total Other Financing Sources and (Uses)	<u>(10,726,085)</u>	<u>104,784,656</u>	<u>16,797,620</u>	<u>(24,751,148)</u>
Net Change in Fund Balances	<u>\$(50,418,132)</u>	<u>\$ 13,388,927</u>	<u>\$ 2,262,992</u>	<u>\$ (55,157)</u>
Debt Service as a Percentage of Noncapital Expenditures	17.5%	10.8%	16.3%	18.1%

Source: City financial records and reports

Table 5

Fiscal Year					
2005	2004	2003	2002	2001	2000
\$ 2,933,372	\$ 2,242,149	\$ 8,994,203	\$ 7,799,778	\$ 10,043,729	\$ 3,557,416
(2,299,219)	(3,042,148)	(6,736,265)	(5,831,078)	(9,303,528)	(3,054,136)
-	-	-	-	-	126,432
42,484,593	27,050,000	18,582,362	5,078,915	21,188,698	-
-	-	(2,432,655)	-	-	-
<u>43,118,746</u>	<u>26,250,001</u>	<u>18,407,645</u>	<u>7,047,615</u>	<u>21,928,899</u>	<u>629,712</u>
<u>\$ 51,285,241</u>	<u>\$ (69,812)</u>	<u>\$ 14,240,042</u>	<u>\$ (1,819,539)</u>	<u>\$ 10,897,171</u>	<u>\$ 978,255</u>
24.5%	18.7%	19.3%	16.7%	16.8%	22.2%

concluded



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	
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
2004	7,187,270	17,869,383	958,006	2,582,196	1,705,193	1,469,365
2003	5,718,332	15,111,509	781,808	2,224,251	2,012,719	1,351,013
2002	4,460,668	13,427,467	751,432	2,255,263	1,972,442	1,679,426
2001	3,370,249	12,250,286	550,374	1,606,992	1,103,778	1,221,327
2000	2,612,205	11,155,692	453,842	1,497,368	1,025,053	809,530

Source: City financial records and reports

City of Goodyear
Property Tax Rates
Direct and Overlapping Governments¹
Last Four 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	Fire District Assistance Rate	County Flood District Rate	County Education Equalization Rate
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

* = Assessed / Acreage Basis

¹ Source: Maricopa County Assessor's Office

Table 7

Overlapping Rates					Overlapping Rates				
Country-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	Agua Fria/ Litchfield Rate	Buckeye/ Liberty Rate	Tolleson/ Littleton Rate	Mobile Rate
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 Governments¹
Last Four Fiscal Years
(Unaudited)

Overlapping Rates

Other Special Taxing Districts

Fiscal Year	West							Estrella
	Maricopa Education Center District Rate	Central Arizona GRD Rate	Roosevelt Irrigation District Rate*	Centerra Community Facilities District Rate	Cortina Community Facilities District Rate	Cottonflower Community Facilities District Rate		Mtn. Ranch Community Facilities District Rate
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
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 Five Years Prior
(Unaudited)

Taxpayer	Fiscal Year					
	2009			2004		
	Taxable Assesed Value	Rank	Percentage of Total Taxable Assesed Value	Taxable Assesed Value	Rank	Percentage of Total Taxable Assesed Value
Arizona Public Service Company	\$ 20,220,531	1	2.02%	\$ 7,187,379	2	2.72%
Suncor Development Company	16,767,833	2	1.68%	13,407,371	1	5.07%
VHS of South Phoenix Inc.	15,583,182	3	1.56%			0.00%
NNP Estrella Mountain Ranch LLC	13,715,458	4	1.37%		-	0.00%
Duke Realty LP	11,857,862	5	1.18%			0.00%
First American Title Insurance Company	11,735,998	6	1.17%	3,953,222	5	1.49%
NNP III EMR 3 LLC	9,883,681	7	0.99%		-	0.00%
Macy's Retail Holdings, Inc.	8,866,241	8	0.89%		-	0.00%
DOA Properties I LLC	8,748,880	9	0.87%		-	0.00%
Cardinal Capital Co.	7,472,133	10	0.75%		-	0.00%
Sun Chase Estrella LP	-	-	-	5,845,800	3	2.21%
Rubbermaid, Inc.	-	-	-	4,332,598	4	1.64%
McLane Company	-	-	-	3,650,355	6	1.38%
Snyders of Hanover	-	-	-	3,466,087	7	1.31%
Qwest Communications	-	-	-	2,962,696	8	1.12%
Byrd Enterprises of Arizona Inc.	-	-	-	2,589,594	9	0.98%
CHI Construction Company	-	-	-	<u>2,390,814</u>	10	<u>0.90%</u>
Total	<u>\$ 124,851,799</u>		<u>2.51%</u>	<u>\$ 49,785,916</u>		<u>3.85%</u>

Note: Data not available prior to 2003.

Source: Maricopa County Treasurer

City of Goodyear
 Assessed Value and Estimated Actual Value of Taxable Property¹
 Last Four Fiscal Years
 (Unaudited)

Fiscal Year Ended June 30	Total Assessed Value Residential Property	Total Assessed Value Commercial Property	Agricultural/ Vacant Land	Other	Less: Tax-Exempt Property	Net Assessed Value
2009	\$ 586,181,619	\$ 211,360,209	\$323,172,973	\$ 30,053	\$ 120,023,805	\$ 1,000,721,049
2008	464,968,904	159,482,762	221,884,779	30,978	82,130,285	764,237,138
2007	259,063,526	131,663,157	164,267,777	47,639	60,129,086	494,913,013
2006	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.

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

Secondary Tax Rate	Estimated Actual Taxable Value	Assessed Value as Percentage of Actual Value
\$ 0.9322	\$ 8,799,999,309	11.4%
0.8679	6,700,379,823	11.4%
0.7991	4,159,221,424	11.9%
0.7778	3,254,133,854	12.0%

City of Goodyear
Property Tax Levies and Collections¹
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
2009	\$ 14,460,290	\$ 14,122,232	97.66%	-	14,122,232	97.66%
2008	10,843,797	10,784,567	99.45%	-	10,784,567	99.45%
2007	7,424,246	7,257,013	97.75%	49,075	7,306,088	98.41%
2006	6,070,318	5,972,384	98.39%	-	5,972,384	98.39%
2005	6,049,416	5,974,482	98.76%	-	5,974,482	98.76%
2004	5,096,682	4,982,963	97.77%	-	4,982,963	97.77%
2003	4,287,085	4,112,585	95.93%	-	4,112,585	95.93%
2002	3,204,131	3,102,195	96.82%	51,203	3,153,398	98.42%
2001	2,541,008	2,484,965	97.79%	2,469	2,487,434	97.89%
2000	1,977,135	1,967,017	99.49%	277	1,967,294	99.50%

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

City of Goodyear
Utility Statistical Data
Ten Largest Water Users
Last Two Fiscal Years
(Unaudited)

Entity	Type of User	2009		2008	
		Rank	Fees & Charges	Rank	Fees & Charges
Canyon Trails HOA	Homeowner's Association	1	\$ 197,693	0	\$ -
Canyon Trails 3	Homeowner's Association	2	175,863	8	93,896
Canyon Trails Unit 4	Homeowner's Association	3	154,868	5	145,474
Canyon Trails 4 - South	Homeowner's Association	4	143,926	2	166,139
Sarival Paseo Joint Community	Homeowner's Association	5	127,107	3	154,195
Agua Fria High School	School	6	113,045	1	173,266
Centerra LLC	Homeowner's Association	7	106,752	7	102,443
Avondale School	School	8	92,499	6	105,348
Park Shadows	Apartments	9	70,677	9	76,401
Pueblo Verda HOA	Homeowner's Association	10	65,138	0	-
Evergreen Lawn Sprinklers	Homeowner's Association	0	-	4	148,800
Estrella Vista HOA	Homeowner's Association	0	-	10	64,527
Total			\$ 1,247,568		\$ 1,230,489
Total as a percent of total FY 2009 & FY 2008 Water System Operating Revenue			<u>14.00%</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
Last Two Fiscal Years
(Unaudited)

Entity	Type of User	2009		2008	
		Rank	Fees & Charges	Rank	Fees & Charges
Perryville Prison	Prison	1	\$ 310,582	1	\$ 317,331
Park Shadows	Apartments	2	50,718	2	50,512
Fairfield Development	Real Estate	3	37,170	0	-
Airport Training Center	Airport	4	31,970	5	22,656
Poore Brothers, Inc.	Food Manufacturer, Snacks	5	29,681	6	22,656
Avondale Elementary	Education	6	28,237	7	21,794
Agua Fria Union High School District	Education	7	25,516	3	32,000
McLane Sunwest	Grocery Distributor	8	22,180	8	19,253
Alliance Residential	Real Estate	9	20,015	0	-
Americas Best Value Inn	Hotel	10	19,547	0	-
Wal-Mart Stores, Inc.	Grocery Retail	0	-	4	24,273
La Jolla Court, LLC	Apartments	0	-	9	18,044
Estrella Joint Committee	Homeowner's Association	0	-	10	17,581
Total			\$ 575,616		\$ 546,100
Total as a percent of total FY 2009 & FY 2008 Wastewater System Operating Revenue			<u>9.01%</u>		<u>8.74%</u>

Note: Wastewater information not available prior to FY 2008

Source: City customer service and billing records

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

Fiscal Year Ended June 30	Governmental Activities				
	General Obligation Bonds	Greater Arizona Development Authority Loan	Public Improvement Corporation Municipal Facilities Revenue Bond	McDowell Road Corridor Improvement District	Community Facilities District Bonds
2009	\$ 35,842,739	\$ -	\$ 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: City Financial Records and Reports

Business-Type Activities							
General Obligation Bonds	Public Improvement Corporation Municipal Facilities Revenue Bond	Revenue Bonds	Water Infrastructure Finance Authority Loan	Water Rights	Total	Percentage of Personal Income	Per Capita
\$ 88,282,261	\$102,300,000	\$ 2,370,000	\$ 8,866,109	\$ 11,173,544	\$ 429,034,653	24.22%	\$ 6,859
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 Eight 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
2009	\$124,125,000	\$ 592,244	\$ 123,532,756	11.40%	\$ 1,975
2008	129,845,000	3,026,753	126,818,247	11.40%	2,169
2007	90,195,000	587,476	89,607,524	12.00%	1,607
2006	56,270,000	210,498	56,059,502	12.00%	1,128
2005	58,265,000	123,863	58,141,137	17.77%	1,410
2004	30,395,000	499	30,394,501	11.49%	849
2003	22,270,000	-	22,270,000	10.01%	733
2002	11,210,000	-	11,210,000	6.43%	420

Note: Data prior to 2002 not available.

Source: City Records (Does not include Enterprise or Special Assessment bonds)

City of Goodyear
Direct and Overlapping Governmental Activities Debt
As of June 30, 2009
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes and special assessment liens			
Maricopa County	\$ -	1.7200%	\$ -
Maricopa County Community College District	727,390,000	1.7200%	12,511,108
Avondale Elementary School District #44	27,035,000	77.6900%	21,003,492
Liberty Elementary School District #25	8,835,000	51.1800%	4,521,753
Litchfield Elementary School District #79	28,565,000	35.7400%	10,209,131
Agua Fria Union High School District #216	56,120,000	49.2300%	27,627,876
Buckeye Union High School District #201	56,335,000	17.1800%	9,678,353
Centerra Community Facilities District	3,685,000	100.0000%	3,685,000
Cortina Community Facilities District	2,515,000	100.0000%	2,515,000
Cottonflower Community Facilities District	2,825,000	100.0000%	2,825,000
Estrella Mountain Ranch Community Facilities District	17,425,000	100.0000%	17,425,000
Goodyear Community Facilities Utilities District #1	51,875,000	100.0000%	51,875,000
Goodyear Community Facilities General District #1	12,810,000	100.0000%	12,810,000
Palm Valley Community Facilities District #3	8,195,000	100.0000%	8,195,000
Wildflower Ranch Community Facilities General District #1	1,080,000	100.0000%	1,080,000
Wildflower Ranch Community Facilities General District #2	1,260,000	100.0000%	1,260,000
King Ranch Community Facilities District	-	100.0000%	-
City of Goodyear	124,125,000	100.0000%	124,125,000

(a) Proportion applicable to the City of Goodyear, Arizona is computed on the ratio of secondary assessed valuation for 2009-2010.

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

City of Goodyear
Legal Debt Margin Information
Last Four Fiscal Years
(Unaudited)

	Fiscal Year			
	2009	2008	2007	2006
Secondary Assessed Value	\$ 850,916,349	\$ 764,237,138	\$ 494,913,013	\$ 391,377,371
<u>20% Limitation</u>				
Debt Limit Equal to 20% of Assessed Valuation	170,183,270	152,847,428	98,982,603	78,275,474
Total Debt Applicable to 20% Limit	<u>123,830,000</u>	<u>129,540,000</u>	<u>90,195,000</u>	<u>47,795,000</u>
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 46,353,270</u>	<u>\$ 23,307,428</u>	<u>\$ 8,787,603</u>	<u>\$ 30,480,474</u>
Total net debt applicable to the limit as a percentage of debt limit	72.76%	84.75%	91.12%	61.06%
<u>6% Limitation</u>				
Debt Limit Equal to 6% of Assessed Valuation	\$ 51,054,981	\$ 45,854,228	\$ 29,694,781	\$ 23,482,642
Total Debt Applicable to 6% Limit	<u>295,000</u>	<u>305,000</u>	<u>-</u>	<u>8,475,000</u>
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 50,759,981</u>	<u>\$ 45,549,228</u>	<u>\$ 29,694,781</u>	<u>\$ 15,007,642</u>
Total net debt applicable to the limit as a percentage of debt limit	0.58%	0.67%	0.00%	36.09%

Note: Data prior to 2006 is not available.

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

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

Public Improvement Corporation Municipal Facilities Revenue Bonds*						
Fiscal Year Ended June 30	Operating Revenue	Pledged Revenue	Net Operating Revenue	Debt Service		Coverage
				Principal	Interest	
2009	\$ 62,281,214	\$ 49,324,646	\$ 12,956,568	\$ 680,000	\$ 4,735,308	2.39
2008	85,680,828	56,440,267	29,240,561	505,000	2,019,691	11.58

Water & Sewer Bonds & Loans						
Fiscal Year Ended June 30	Operating Revenue	Less: Operating Expenses	Net Operating Revenue	Debt Service		Coverage
				Principal	Interest	
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: Data prior to 2006 is not available.

* PIC 2007 Bonds issued in FY2008 & PIC 2008 Bonds issued in FY2009

Source: City Financial Records and Reports

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

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	Unemployment Rate
2009	62,554	\$ 1,771,217	\$ 28,315	39.1	13 to 16	5.8%
2008	58,462	1,536,966	26,290	36.1	13 to 16	3.0%
2007	55,775	1,507,375	27,026	36.3	13 to 16	2.3%
2006	49,714	1,274,269	25,632	35.7	13 to 16	2.3%

Note: Data prior to 2006 is not available.

Source: City Financial Records and Reports

City of Goodyear
Principal Employers¹
Current Fiscal Year and Five Years Prior
(Unaudited)

Major Corporation	Fiscal Year			Fiscal Year		
	2009			2004		
	Employees	Rank	Percentage of Total City Employment*	Employees	Rank	Percentage of Total City Employment*
Lockheed Martin	940	1	4.17%	0	0	0.00%
Arizona State Prison/Perryville	750	2	3.33%	825	1	6.08%
City of Goodyear	621	3	2.76%	200	7	1.47%
Amazon.com	600	4	2.66%	0	0	0.00%
West Valley Hospital	510	5	2.26%	0	0	0.00%
McLane Sunwest	497	6	2.21%	450	2	3.32%
Wal-Mart Supercenter	430	7	1.91%	0	0	0.00%
Newell Rubbermaid, Inc.	330	8	1.46%	250	4	1.84%
Timco Aviation Services	300	9	1.33%	0	0	0.00%
Rudolfo Brothers	291	10	1.29%	0	0	0.00%
Cavco Industries, Inc.	0	0	0.00%	400	3	2.95%
Fry's Food and Drug Store	0	0	0.00%	225	5	1.66%
Aviation Management Systems	0	0	0.00%	220	6	1.62%
Target	0	0	0.00%	175	8	1.29%
Lufthansa-German Airlines	0	0	0.00%	170	9	1.25%
Arizona Glavanizing	<u>0</u>	0	0.00%	<u>150</u>	10	1.11%
Total	<u>5,269</u>			<u>3,065</u>		

Note: Data not available prior to 2003.

¹Source: City Records

*2009 labor force = 22,530; 2004 labor force = 13,564



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

Function	2009	2008	2007	2006
General Government	47	52	52	41
Financial Services	30	28	27	21
Information Services	15	12	11	9
Police				
Officers	97	89	72	72
Civilians	30	26	24	18
Planning and Development	16	38	32	21
Fire				
Firefighters and Officers	91	93	70	65
Civilians	22	17	12	12
Human Resources	10	10	9	9
Community Services	0	11	12	8
Economic Development	4	5	3	3
Municipal Services	14	14	11	9
Public Works	87	64	52	49
Water	24	30	30	30
Wastewater	19	18	14	14
Sanitation	<u>9</u>	<u>12</u>	<u>13</u>	<u>10</u>
Total	<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 Four Fiscal Years
(Unaudited)

Function	Fiscal Year			
	2009	2008	2007	2006
General Government				
<i>City Clerk's Office</i>				
# of records requests	613	648	576	180
<i>City Prosecutor's Office</i>				
Charges filed/charges adjudicated (resolved)	2,494	2,469	3,653	2,692
<i>City Manager's Office</i>				
% of survey respondents rating "Your Neighborhood as a Place to Live" as good to excellent	94%	94%	94%	91%
<i>Communications & Public Information</i>				
News releases/media updates	161	182	129	92
Traffic construction alerts	1,135	462	215	267
Total newsletter pages sent to citizens	186	136	116	42
Web pages created/updated	15,449	5,788	4,296	2,520
Number of visits to website	790,766	1,509,717	1,322,259	840,757
Number of web pages viewed	2,573,238	7,203,478	4,865,081	5,318,311
Number of graphics/photography projects completed	200	200	175	140
Police				
# Total arrests	2,829	2,614	2,814	2,603
# Moving violations citations	13,313	11,452	12,422	12,175
Fire				
# Emergency responses	5,328	3,431	3,236	1,960
# Fire extinguished	270	143	154	150
# Inspections	3,953	3,427	2,403	759
Financial Services				
# accounts payable checks issued	10,184	9,949	9,305	9,014
# purchase orders	918	1,043	1,002	1,067
# water meters read annually	163,444	155,805	147,241	125,382
Information Services				
# documents requests for service (Help Desk tickets)	5,045	6,052	4,000	3,477
# of SPAM emails blocked from being delivered to the staff	15,370,086	5,214,519	3,587,184	878,595
# of emails received	16,327,382	6,008,336	4,264,236	1,246,386
Planning and Development				
Customer wait-time (in minutes) at One Stop Shop	< 5	< 5	< 5	< 5
Total Number of Permits Issued	3,401	5,874	1,340	7,859
Provide applicant with pre-application meeting within 30 days of submitting request	100%	100%	100%	100%
% of inspections performed within 24 hours of request	100%	100%	100%	100%
Human Resources				
# of new hires (FT & PT)	158	179	164	174
HR operating cost as a % of City payroll	4.11%	4.36%	5.50%	5.26%
Parks and Recreation				
# attending Park & Recreation facilities and Libraries annually (Acquatics) # of square feet of medians and rights of way maintained	51,844	49,111	50,093	46,330
	115,422,247	113,422,247	108,342,476	106,600,032
Economic Vitality				
Sales Tax growth (% annual change)	-12.30%	-10.25%	21%	70%
Bed Tax growth (% annual change)	-15%	6%	7%	23%
Municipal Services				
# of homes serviced by Residential Refuse Collection	20,149	19,811	18,664	17,228
# of citizens serviced by Household Hazardous Waste collection program	-	634	510	531

continued

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

Function	Fiscal Year			
	2009	2008	2007	2006
Water Service				
Water Service Connections	13,975	13,500	13,051	11,597
Drinking Water Supplied (million gallons per day)	11.00	10.80	6.86	6.95
Reclaimed Water Supplied (million gallons per day)	0.45	0.27	0.09	0.09
Wastewater				
Sewer Service Connections	16,144	13,500	11,398	5,037
Sewage Treated (millions gallons per day)	3.70	3.24	2.48	2.29
Other Public Works				
Street resurfacing (miles)	4	-	34	32.7
Potholes repaired	681	783	1,096	977
Citizen & Neighborhood Resources				
# of new Code Enforcement cases processed per year	2,155	2,698	2,755	2,092

Note: Data prior to 2006 is not available.

Source: City Financial Records and Reports

concluded

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

Function	Fiscal Year			
	2009	2008	2007	2006
Public Safety				
Police:				
Stations	3	3	4	1
Police Vehicles	130	125	146	107
Fire Stations	6	6	4	4
Highways and Streets				
Street (miles)	904	904	904	791
Streetlights	8049	9040	9040	7,915
Traffic signals	67	56	37	30
Culture and Recreation				
Parks	16	16	12	11
Parks Acreage	184	156	117	82
Swimming Pools	1	1	1	1
Tennis Courts	6	6	6	2
Community Centers	1	1	1	1
Water				
Water Mains (miles)	307	286	257	173
Fire Hydrants	2,754	2,481	2,370	2,053
Storage capacity (thousands of gallons)	16	15	11	12
Wastewater				
Sanitary Sewers (miles)	225	236	152	167
Storm Sewers (miles)	58	80	105	105
Treatment capacity (thousands of gallons)	5.6 MGD	5.5 MGD	4.55 MGD	11.6 MGD

Note: Data prior to 2006 is not available.

Source: City Financial Records and Reports

SINGLE AUDIT SECTION





REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS

The Honorable Mayor and Council
City of Goodyear, Arizona

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Goodyear (the City), Arizona as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 16, 2009. 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*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of City's financial statements that is more than inconsequential will not be prevented or detected by City's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by City's internal control.

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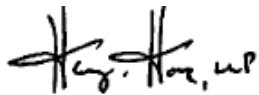
The Honorable Mayor and Council
City of Goodyear, Arizona

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Casa Grande, Arizona
November 16, 2009



INDEPENDENT AUDITORS' REPORT ON
COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Mayor and Council
City of Goodyear, Arizona

Compliance

We have audited the compliance of the City of Goodyear (the City), Arizona with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Goodyear, Arizona, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

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The Honorable Mayor and Council
City of Goodyear, Arizona

Internal Control Over Compliance


The management of the City of Goodyear, Arizona is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, City Council, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



November 16, 2009
Casa Grande, Arizona

CITY OF GOODYEAR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2009

	Grant Number	Federal CFDA Number	Expenditures
U.S. Department of Housing and Urban Development:			
Passed through Maricopa County Department of Housing:			
Community Development Block Grant	DG0803	14.218	\$ 284,884
Total Department of Housing and Urban Development			<u>284,884</u>
U.S. Department of the Interior:			
Passed through Bureau of Reclamation:			
Water Audit of City Facilities	08FG320180	15.530	25,000
Total Department of the Interior			<u>25,000</u>
U.S. Department of Justice:			
Passed through Governor's Office for Children, Youth & Families:			
STOP Calendar 2008	ST-WSG-07736508Y2	16.588	16,417
STOP Calendar 2009	ST-WSG-09936505	16.588	15,103
Passed through The Bureau of Justice Assistance:			
Bullet Proof Vest	2008-BVP-1	16.607	3,260
Bullet Proof Vest	2006-BVP-2	16.607	1,400
Passed through Maricopa County:			
MCNNET Grant	C5009010300	16.738	2,460
Total U.S. Department of Justice			<u>38,640</u>
U.S. Department of Transportation:			
Passed through Arizona Department of Transportation:			
ITS Strategic Plan Study	STP-GDY-0(014)	20.205	26,576
Passed through Arizona Governor's Office of Highway Safety:			
Highway Safety - Unmarked Aggressive Driver Vehicle	2008-PT-005	20.600	40,000
Highway Safety - DUI Taskforce	2007-HFR-009	20.601	2,000
Highway Safety - DRE Conference	2008-410-042	20.601	10,064
Subtotal			<u>12,064</u>
Total U.S. Department of Transportation			<u>78,640</u>
U.S. Department of Homeland Security			
Assistance to Firefighters	EMW-2007-FO-09830	97.044	12,532
Passed through Arizona Division of Emergency Management:			
Arizona Dept of Homeland Security	2008-444816-01	97.067	567,114 *
Arizona Dept of Homeland Security	2007-333825-01	97.067	2,018 *
Arizona Dept of Homeland Security	2007-333825-02	97.067	325,017 *
Arizona Dept of Homeland Security	2007-333826-01	97.067	2,562 *
Subtotal			<u>896,711</u>
Arizona Dept of Homeland Security	2007-333221-01	97.078	39,375
Total Department of Homeland Security			<u>948,618</u>
Total Expenditures of Federal Awards			<u>\$ 1,375,782</u>

*Denotes major program

CITY OF GOODYEAR, ARIZONA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

NOTE 1 BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Goodyear, Arizona and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

CITY OF GOODYEAR, ARIZONA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2009

Summary of Auditors' Results

1. The auditor's report expresses an unqualified opinion on the financial statements of City of Goodyear.
2. No significant deficiencies relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of the City of Goodyear were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported.
5. The auditor's report on compliance for U.S. Department of Homeland Security passed through Arizona Division of Emergency Management expresses an unqualified opinion.
6. The audit disclosed no findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs include U.S. Department of Homeland Security passed through Arizona Division of Emergency Management (CFDA 97.067).
8. The threshold used for distinguishing between Type A and B programs was \$300,000.
9. City of Goodyear did not qualify as a low-risk auditee.
10. There were no prior year findings.

