

CITY OF GOODYEAR, ARIZONA



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**



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



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INTRODUCTORY SECTION





November 17, 2010

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

State law requires that cities annually publish after the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the City of Goodyear, Arizona (the City) for the fiscal year ended June 30, 2010.

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

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

Henry & Horne, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Goodyear's financial statements for the fiscal year ended June 30, 2010. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report on pages 5-14 and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.



PROFILE OF THE GOVERNMENT

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. The City of Goodyear grew at approximately a 16% growth rate each year from 2000-2006, and was also the fourth fastest growing suburban city under 100,000 population in the U.S. for the years 2000-2006. The estimated population as of July 1, 2010 is 64,927.

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. The City's population is expected to grow from 64,927 to 78,908 from 2010 to 2014. 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 seventeen parks encompassing 204 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-encumbered as needed in the next fiscal year.

LOCAL ECONOMIC CONDITION AND OUTLOOK

The weak economy continues to contribute to reduced sales tax collections at both state and local levels, considerable slowing of residential building permits, and prolonged declines in development related revenues. While some aspects of the local economy, such as retail sales tax seem to be holding steady since last budget year, the city continues to estimate conservatively, as the growth and stability of the economy's future is unknown. The city continues to not only balance the budget, but also strives to position the city for future success. 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 has implemented alternative services, enacted cost saving adjustments, reorganized where cost savings would be produced, and renegotiated contracts. These cost saving measures will continue into the future until such time economic conditions improve.

While the City of Goodyear continues to face challenging economic times, fiscal-year 2011 focuses on preserving the community's outstanding quality of life by incorporating a number of projects and initiatives that range from recreation to public safety.

Goodyear continues to be attractive to large business. Two solar-related manufacturers are opening locally, which will create jobs for our community. A key City Council goal is to bring jobs into the city and make Goodyear one of the largest employment bases in the West Valley. There are three major corridors that are forming that will have a great influence on the future of the city: Airport Gateway Center – 1,200 acres of mixed development, Palm Valley 303 – 2,000 acre master planned business park, and the 801/85 Employment Center – 1,700 acre employment corridor for manufacturing and industrial business.

Economic Outlook

The economic slowdown at the national level has had a direct impact at the state and local level economy. The recovery is slowly beginning. Goodyear has experienced an increase in new residential building permits of approximately 13.9% from FY 2009. Goodyear's General Fund revenues for FY 2011 are projected to decrease by approximately 5.8% from \$60.2 million for FY 2010 to \$56.7 million for FY 2011.

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 2011 are expected to equal 55.8% of General Fund revenues.

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 a 13.7% reduction in state shared revenues in FY 2011 due primarily to a reduction in 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 2010. Of this, \$0.97 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.). For FY11, City Council voted to lower the total property taxes to a combined rate of \$1.42 from \$1.60 per \$100 of assessed value.

The primary property tax rate is \$.63 for FY 2010. 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 \$5.4 million in FY 2010. The primary property tax rate will be \$.76 for FY 2011. The primary property tax revenues are expected to be \$6.0 million dollars in FY 2011. While this amount is less than 10.6 % 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 11% over FY 2010. Because of the increasing assessed value of the City, primary property tax revenues continue to grow. Based on current development patterns, as well as expected economic conditions, primary property tax revenue is expected to increase at lower rates over the next few years. The secondary property taxes will decrease due to decline in assessed valuation.

Labor Force. Goodyear has a well-educated and available labor force. Educational level of Goodyear heads of household: 85% are college educated with 56% obtaining college degrees. The estimated median income level is \$77,606 for FY 2009 – one of the highest in the state and higher than that of the metro area's four largest cities: Phoenix, Mesa, Glendale and Scottsdale. 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. In addition, the economic development department has also been proactively recruiting public and private institutions of higher education.

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.

Awards

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, 2009. This is the second 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 ended June 30, 2010.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated 2009-10. This is the fifteenth year in a row that the City has received the highest form of recognition in governmental budgeting.

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,



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, 2009

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.



A stylized handwritten signature in black ink.

President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

CITY OF GOODYEAR

LIST OF PRINCIPAL OFFICIALS

MAYOR

James M. Cavanaugh

VICE MAYOR

Georgia Lord

COUNCIL MEMBERS

Frank Cavalier

Sheri Launitano

Joanne Osborne

Joe Pizzillo

Richard A. Sousa

SENIOR MANAGEMENT STAFF

John Fischbach
City Manager

Michael Simonson
Presiding Judge

Roric Massey
City Attorney

Brian 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

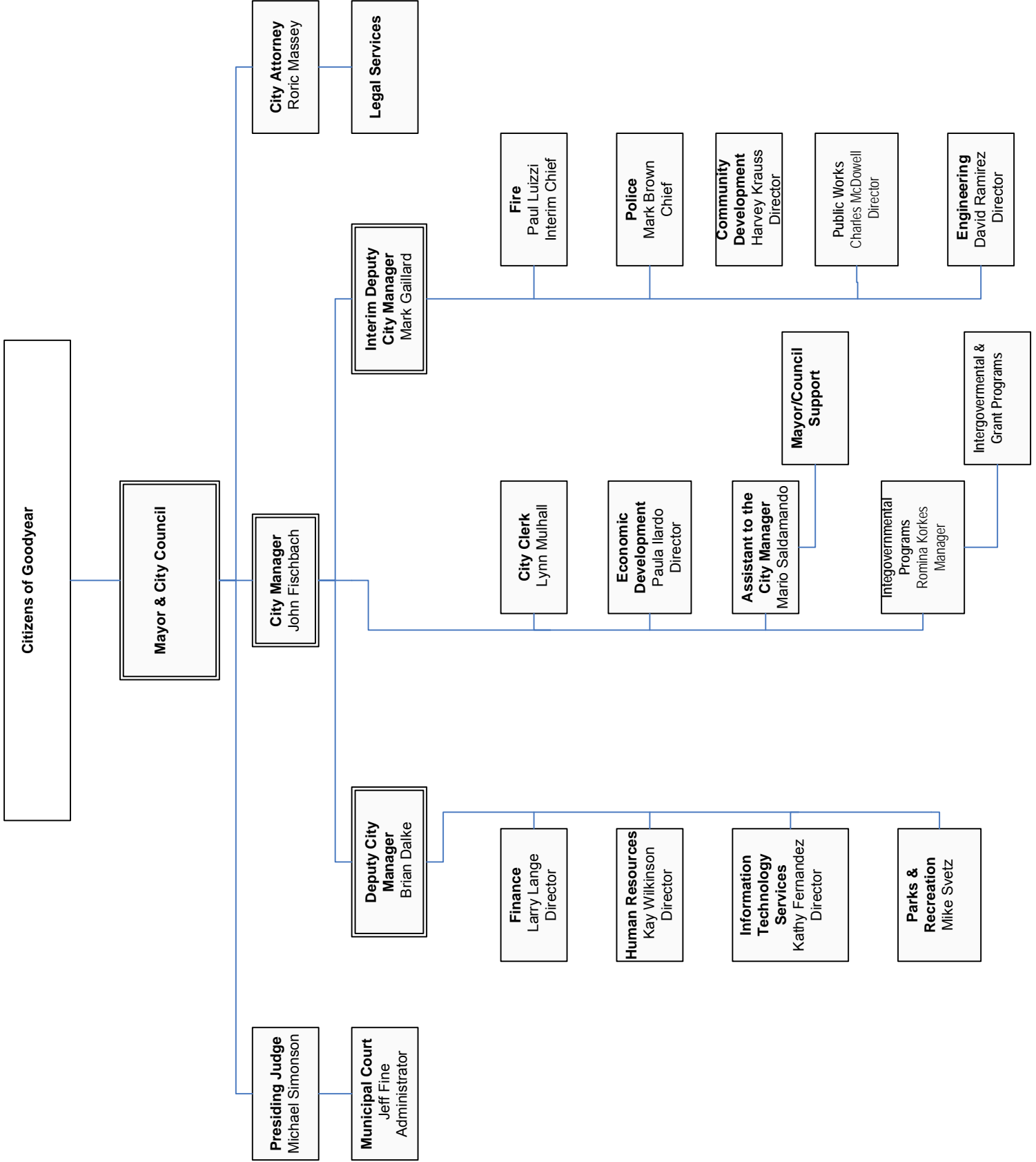
Charles McDowell
Public Works Director

David Ramirez
Engineering Director

Mike Svetz
Park & Recreation Director

Mario 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, 2010, 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, 2010, 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 17, 2010 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.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 17, 2010

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION & ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS For The Year Ended June 30, 2010

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, 2010 (2010). This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position, (4) identify any material deviations from the financial plan (the approved annual budget), and (5) identify individual fund issues or concerns.

The management's discussion and analysis (MD&A) has different focus and purpose than the letter of transmittal presented on pages vii-xi of this report and is designed to be read in conjunction with the transmittal letter as well as the financial statements beginning on pages 17 and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

- ◆ The City's total net assets increased \$12.2 million (1.9%) in fiscal year 2010, \$4.5 million (a 1.0% increase) in governmental activities and a \$7.7 million (4.1% increase) in business-type activities. This increase is reflected in invested in capital asset, net of related debt is due primarily to debt principal retirement of \$10.9 million.
- ◆ The governmental activities program revenues decreased by \$84.9 million (75.0%) from the previous year, primarily because of decline in capital grants and contributions in the amount of \$85.6 million (83.9%) for capital assets.
- ◆ The business-type activities program revenues decreased by \$33.7 million (53.1%) from the previous year, primarily because of decline in capital grants and contributions in the amount of \$35.4 million (85.1%) due to completion of the Goodyear Ballpark Spring Training facility.
- ◆ The business-type activities general revenues increased by \$4.3 million (over 100%) from the previous year, primarily from the sale of water rights.
- ◆ At June 30, 2010, total fund balance of the governmental funds was \$65.3 million, a decrease of \$6.1 million (8.5%) from the previous year. The majority of this decrease can be attributed to the CFD completion of capital projects of \$4.9 million. Of this \$65.3 million fund balance, \$30.9 million was unreserved (available for spending at the government's discretion).
- ◆ At June 30, 2010, the General Fund balance was \$28.6 million, a decrease of \$.6 million (1.9%) from the prior fiscal year. This decrease is due to transfers to grant funds that will be reimbursed in the following year. The City's unreserved fund balance is \$10.7 million and reserved fund balance is \$17.8 million, \$16.9 million is set aside as a rainy day fund.
- ◆ The General Fund budgetary revenues were \$63.9 million and the actual revenues were \$61.3 million, an unfavorable variance of \$2.6 million (4.1%), while budgetary total revenues decreased by \$13.5 million (17.5%) and actual revenues decreased by \$2.3 million (3.6%) from the previous year. The budgetary expenditures of the General Fund were \$90.4 million and the actual expenditures were \$61.9 million, a favorable variance of \$28.5 million (31.6%) and actual expenditures decreased by \$14.9 million (19.4%) from the previous year. The decrease in budgetary and actual expenditures was due to reduction in capital projects construction.

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, *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 Improvements District – Debt Service, Capital Improvement Projects, McDowell Road Improvements 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 five 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 – 62 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 statement has been provided for the General Fund as part of the basic financial statements. The required supplementary information can be found on pages 64 – 80 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 and 76 - 93 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following tables, graphs and analysis discuss the financial position and changes to the financial position of the City as a whole as of the year ended June 30, 2010 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, 2010 compared to the prior year.

	Governmental		Business-type		Total		Percent Change
	Activities		Activities		Primary Government		
	2010	2009	2010	2009	2010	2009	
Current and other assets	\$ 153,591,426	\$ 164,600,987	\$ 37,973,357	\$ 25,852,461	\$ 191,564,783	\$ 190,453,448	0.6%
Capital assets	<u>532,037,489</u>	<u>522,245,869</u>	<u>408,882,016</u>	<u>394,510,883</u>	<u>940,919,505</u>	<u>916,756,752</u>	2.6%
Total assets	<u>685,628,915</u>	<u>686,846,856</u>	<u>446,855,373</u>	<u>420,363,344</u>	<u>1,132,484,288</u>	<u>1,107,210,200</u>	2.3%
Other liabilities	21,277,011	24,060,673	15,879,364	16,037,825	37,156,375	40,098,498	-7.3%
Long-term liabilities outstanding	<u>212,035,847</u>	<u>214,984,459</u>	<u>235,027,670</u>	<u>216,038,500</u>	<u>447,063,517</u>	<u>431,022,959</u>	3.7%
Total liabilities	<u>233,312,858</u>	<u>239,045,132</u>	<u>250,907,034</u>	<u>232,076,325</u>	<u>484,219,892</u>	<u>471,121,457</u>	2.8%
Net assets:							
Invested in capital assets, net of related debt	317,162,459	309,491,989	191,582,614	199,624,649	508,745,073	509,116,638	-0.1%
Restricted for:							
Courts	149,991	-	-	-	149,991	-	100.0%
Law enforcement	263,686	-	-	-	263,686	-	100.0%
Highways and streets	209,080	242,444	-	-	209,080	242,444	-13.8%
Community facilities	1,095,057	1,400,330	-	-	1,095,057	1,400,330	-21.8%
Debt service	91,442,376	88,487,852	-	-	91,442,376	88,487,852	3.3%
Capital projects	22,720,860	27,656,689	-	-	22,720,860	27,656,689	-17.8%
Unrestricted	<u>19,272,548</u>	<u>20,522,420</u>	<u>4,365,725</u>	<u>(11,337,630)</u>	<u>23,638,273</u>	<u>9,184,790</u>	157.4%
Total net assets	<u>\$ 452,316,057</u>	<u>\$ 447,801,724</u>	<u>\$ 195,948,339</u>	<u>\$ 188,287,019</u>	<u>\$ 648,264,396</u>	<u>\$ 636,088,743</u>	1.9%

For fiscal year 2010 the net assets of the City increased by \$12.2 million (1.9%). Of this increase, \$4.5 million was in governmental activities, a 1.0% increase and \$7.7 million was in business-type activities, a 1.9% 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 (\$508.7 million or 78.5%) 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 decreased by \$.4 million (0.1%) in fiscal year 2010 due to the repayment of debt principal.

The City's second largest net assets category are net assets restricted for debt service amounting to \$91.4 million (14.1%), which represent resources that are subject to external restrictions on how they may be used. This category includes the General Obligation Bonds (GO) of \$33.6 million, the McDowell Road Corridor Improvement District debt of \$46.1 million and the Public Improvement Corporation (PIC) bonds of \$5.2 million. The secondary property taxes and excise taxes are used to pay the GO and PIC debt, whereas the property owners are assessed for the McDowell Road Corridor Improvement District debt, however, the City is liable for it in the event the property owners default on the debt.

The City's third largest net assets category is Unrestricted Net Assets of \$23.6 million (3.6%). These net assets may be used to meet the City's ongoing obligations to citizens and creditors. This category increased \$14.5 million (over 100%) from the previous fiscal year. Unrestricted net assets are the balance of net assets remaining after calculating the other two categories discussed above. Unrestricted net assets of governmental activities decreased by \$1.2 million, while unrestricted net assets of the business-type activities increased \$15.7 million. Much of this increase in unrestricted net assets was from the Water and Sewer \$14.6 million refunding of debt.

Changes in Net Assets.

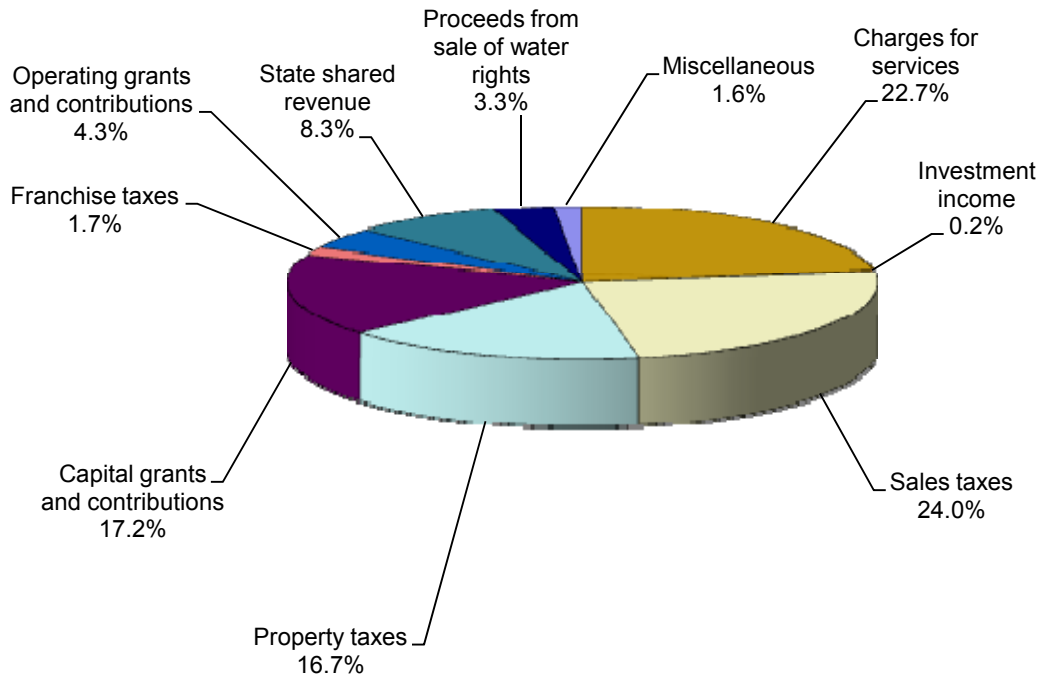
The following table compares the revenues and expenses for the current and previous fiscal year.

	Changes in Net Assets for Year End June 30							Percent Change
	Governmental Activities		Business-type Activities		Total Primary Government			
	2010	2009	2010	2009	2010	2009		
REVENUES:								
Program revenues:								
Charges for services	\$ 6,276,022	\$ 6,429,184	\$ 23,579,235	\$ 21,908,988	\$ 29,855,257	\$ 28,338,172		5.4%
Operating grants and contributions	5,648,867	4,843,140	-	25,000	5,648,867	4,868,140		16.0%
Capital grants and contributions	16,436,375	102,028,190	6,211,533	41,595,562	22,647,908	143,623,752		-84.2%
General revenues:								
Sales taxes	31,448,399	34,205,905	-	-	31,448,399	34,205,905		-8.1%
Property taxes	21,941,576	22,602,319	-	-	21,941,576	22,602,319		-2.9%
Franchise taxes	2,233,909	2,195,747	-	-	2,233,909	2,195,747		1.7%
State shared revenue	10,907,518	12,236,437	-	-	10,907,518	12,236,437		-10.9%
Investment income	179,114	148,687	57,527	121,900	236,641	270,587		-12.5%
Proceeds from sale of water rights	-	-	4,352,000	-	4,352,000	-		100.0%
Miscellaneous	2,026,285	911,254	100,698	78,586	2,126,983	989,840		114.9%
Total revenues	97,098,065	185,600,863	34,300,993	63,730,036	131,399,058	249,330,899		-47.3%
EXPENSES:								
Program activities:								
Governmental activities:								
General government	14,767,660	13,759,085	-	-	14,767,660	13,759,085		7.3%
Public safety	28,960,907	29,467,141	-	-	28,960,907	29,467,141		-1.7%
Highways and streets	12,179,531	8,436,341	-	-	12,179,531	8,436,341		44.4%
Public works	11,070,853	14,370,096	-	-	11,070,853	14,370,096		-23.0%
Culture and recreation	4,023,639	5,435,750	-	-	4,023,639	5,435,750		-26.0%
Community development	2,555,353	9,583,326	-	-	2,555,353	9,583,326		-73.3%
Interest on long-term debt	11,210,504	12,001,714	-	-	11,210,504	12,001,714		-6.6%
Business activities:								
Water and sewer	-	-	18,124,893	18,655,263	18,124,893	18,655,263		-2.8%
Sanitation	-	-	4,782,565	5,090,150	4,782,565	5,090,150		-6.0%
Stadium	-	-	11,547,500	6,475,960	11,547,500	6,475,960		100.0%
Total expenses	84,768,447	93,053,453	34,454,958	30,221,373	119,223,405	123,274,826		-3.3%
Increase in net assets								
before transfers	12,329,618	92,547,410	(153,965)	33,508,663	12,175,653	126,056,073		-90.3%
Transfers	(7,815,285)	(7,751,307)	7,815,285	7,751,307	-	-		-
Increase in net assets	4,514,333	84,796,103	7,661,320	41,259,970	12,175,653	126,056,073		-90.3%
Net assets, July 1	447,801,724	363,005,621	188,287,019	145,907,448	636,088,743	508,913,069		25.0%
Prior period adjustment	-	-	-	1,119,601	-	1,119,601		100.0%
Net assets, June 30	\$ 452,316,057	\$ 447,801,724	\$ 195,948,339	\$ 188,287,019	\$ 648,264,396	\$ 636,088,743		1.9%

The general revenues of governmental activities decreased by \$3.6 million (4.9%) from the previous year. The decline in revenues are a direct result of the current recession and the areas effected the most are sales taxes, which decreased by \$2.8 million (8.1%) and state shared revenue, which decreased by \$1.3 million (10.9%). Program revenues of governmental activities decreased by \$84.9 million (75.0%), primarily for capital grants and contributions, which decreased \$85.6 million (83.9%), operating grants and contribution increased \$.8 million (16.6%) and charges for services decreased \$.2 million (2.4%). As stated earlier the decrease in capital grants and contributions resulted from a decline in capital projects. The business-type activities program revenues increased by \$15.1 million (31.1%) from the previous fiscal year. The business-type program revenues decreased by \$33.7 million (53.1%) from the previous fiscal year. This decrease is attributed to capital grants and contributions of \$35.4 million (85.1%), due to completion of the Goodyear Ballpark Spring Training facility.

For fiscal year 2010, total governmental revenues decreased by \$88.5 million (47.7%) and total business-type revenues increased by \$29.4 million (46.2%). Expenses decreased for the governmental activities by \$8.3 million (8.9%) and increased for the business-type by \$4.2 million (14.0%). Expenses decreased for all governmental activities except General Government. This decline is directly a reduction in capital construction. The increase in business-type expenses resulted from an increase in interest expense for debt service and an increase in the cost of administration for additional staffing due to the addition of the Ballpark second spring training team.

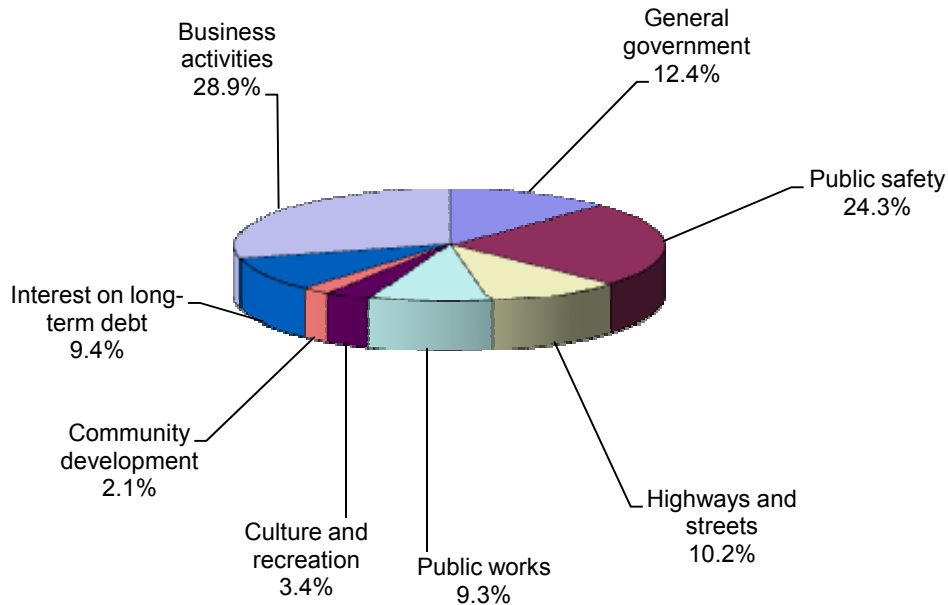
Government-Wide Revenue Sources Fiscal Year 2010



As seen in the graph above for Government-Wide Revenue Sources, the largest source of revenues are sales taxes of \$31.4 million (24.0%), charges for services \$29.9 million (22.7%), capital grants and contributions \$22.6 million (17.2%) and property taxes \$21.9 million (16.7%). Charges for services increased by \$1.5 million (5.4% from the previous year). This increase is due primarily to the business-type activities, a water rate increase and increase ticket sales from the Stadium operations. This year the City sold 34,000 acre feet of water rights which resulted in \$4.4 (3.3%) million in additional revenues, which will be used later to retire the debt to the Gila River.

Taxes revenues decreased by \$3.4 million (5.7%) from the prior year. Sales taxes decreased \$2.8 million (8.1%) due to the downturn in the economy. Property taxes decreased \$.7 million (2.9%) and franchise taxes increased 1.7%.

Government-Wide Functional Expenses Fiscal 2010



As seen in the graph above for Government-Wide Functional Expenses, business-type activities account for \$34.4 million (28.9%), while governmental activities account for \$84.8 million (71.1%). For the governmental activities, the largest users of resources are public safety \$29.0 million, (24.3% of total expenses, 34.2% of governmental expenses), general government \$14.8 million (12.4% total expenses, 17.4% of governmental expenses), highways and streets \$12.2 million (10.2% of total expenses, 14.4% of governmental expenses), and public works \$11.1 million (9.3% of total expenses, 13.1% of governmental expenses). Total government-wide expenses (not including transfers out) of the City decreased by \$4.1 million (3.3%) in fiscal year 2010. 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.

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 64 - 71.

The fund balance of the governmental funds is \$65.3 million, a decrease of \$6.1 million, or 8.5% from the previous year. Of this, \$65.3 million, \$34.1 million is classified as "Reserved", it is segregated for a rainy day fund \$16.9 million, debt service \$14.9 million, capital projects \$1.4 million and the remaining \$.9 for various purposes. The remaining \$31.2 million of governmental fund balance is classified as "Unreserved" and is classified as follows: General Fund - \$10.7 million and Special Revenue Funds - \$20.4 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 \$22.5 million (36.3%) in fiscal year 2010 due to reclassification of rainy day fund as reserved (\$16.9 million) and completion of capital expenditures for Community Facilities District Capital Projects fund (\$4.9 million).

The General Fund is the chief operating fund of the City and accounts for many of the major functions of the government, including general government (administration), public safety (police, fire and courts), public works, highways and streets, culture and recreation and community development. General Fund revenues decreased by \$5.3 million (8.5%) from the previous year. General Fund revenues decreased in all categories except for charges for services \$4.8 million (81.0% increase) and fines and forfeits \$.8 (23.2% increase). The increase in charges for services is due to increased activity for permits and inspections for construction. The largest decreases were licenses and permits of \$2.5 million (79.6%), taxes \$2.2 million (5.4%), contributions \$1.5 million (68.7%) and intergovernmental \$1.3 (10.7%). The overall decrease is due to the recession. General Fund expenditures decreased by \$12.0 million (18.2%). The majority of this decrease were capital outlay expenditures \$5.4 million (78.3%) and community development \$5.0 million (51.9%). The City has reduced its capital projects and community development expenditures due to the downturn in the economy.

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 \$7.7 million (4.1%) from the previous year. The Water & Sewer Fund had the largest growth in net assets of \$9.8 million (6.1%) primarily from the sale of water rights for \$4.4 million, capital contribution of \$2.9 million and charges for services increase of \$1.7 million. The Stadium Fund net assets decreased by \$2.2 million (8.7%) due primarily to an increase in interest expense on debt service. The enterprise funds unrestricted assets increased by \$15.7 million (72.2%) from the previous year due to a decrease 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 statement can be found on pages 28 - 29. The other budgetary comparison schedules can be found in the Other Supplementary Information section on pages 76 - 96.

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 \$61.3 million, on a budgetary basis, was less than budget inflows of \$63.9 million by \$2.6 million (4.1%), while expenditures and other financing uses of \$61.9 million was only 31.6% of final budgeted outflows of \$90.4 million. The decline in the economy has resulted in a decrease in revenues for license and permits fees for commercial and residential construction and construction sales taxes. The reserved contingency of \$16.9 million is set aside for unplanned or unforeseen expenditures. The \$9.5 million variance in capital outlay also is attributed to reduction in capital project expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2010, the City had \$508.7 million invested in various capital assets, net of accumulated depreciation and related debt, down .1% from the previous year. The capital assets of the City (net of depreciation, but not capital debt) are \$940.9 million. This is a net increase of \$16.4 million (3.1%) from previous fiscal year. Of this increase, \$2.0 million (.4%) was from governmental activities and \$14.4 million (3.6%) resulted from business-type activities.

The following schedule presents capital asset balances and accumulated depreciation for the fiscal year ended June 30, 2010.

(Net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government		Percent Change
	2010	2009	2010	2009	2010	2009	
	Land	\$ 19,426,644	\$ 19,426,644	\$ 14,754,260	\$ 14,754,260	\$ 34,180,904	
Construction in progress	13,835,365	17,306,030	90,159,417	103,820,478	103,994,782	121,126,508	-14.1%
Right of way	90,128,522	90,128,522	-	-	90,128,522	90,128,522	0.0%
Water rights	-	-	16,097,695	17,862,634	16,097,695	17,862,634	-9.9%
Streetscape	8,749,608	8,305,608	-	-	8,749,608	8,305,608	5.3%
Infrastructure	271,020,650	272,266,801	-	-	271,020,650	272,266,801	-0.5%
Building and improvements	116,945,719	110,479,760	282,303,324	252,022,930	399,249,043	362,502,690	10.1%
Vehicles, furniture and equipment	11,930,981	12,088,132	5,567,320	6,050,581	17,498,301	18,138,713	-3.5%
Total	<u>\$ 532,037,489</u>	<u>\$ 530,001,497</u>	<u>\$ 408,882,016</u>	<u>\$ 394,510,883</u>	<u>\$ 940,919,505</u>	<u>\$ 924,512,380</u>	1.8%

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

- The City completed construction of the Goodyear Ballpark Spring Training facility with an additional \$9.5 million in cost.
- The City invested \$1.5 million in acquisition of information technology assets.
- The City invested \$7.0 million in construction of multiple street and engineering projects.
- The City invested \$5.4 million in construction of multiple water projects.
- The City invested \$3.3 million in construction of multiple wastewater projects.
- The City governmental assets increased by \$6.7 million and business-type assets increased by \$2.9 million for contributed capital.

Additional information on the City's capital assets can be found in Note 4 on pages 49 - 50 and in the schedules on pages 103 - 106 of this report.

Debt Administration

The City's outstanding non-current long-term debt, including bonds, loans, contracts payable and compensated absences, was \$449.5 million at June 30, 2010. Of this total \$216.7 million was in governmental activities and \$232.8 million was in business-type activities. The City's outstanding non-current debt increased by \$8.7 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 principal retirement date.

The following schedule shows the outstanding debt obligation (both current and long-term) as of June 30, 2010 and 2009.

Outstanding Debt
as of June 30

	Governmental Activities		Business-type Activities		Total Primary Government		Percent Change
	2010	2009	2010	2009	2010	2009	
General obligation debt	\$ 33,601,981	\$ 35,842,739	\$ 92,753,020	\$ 88,282,261	\$ 126,355,001	\$ 124,125,000	1.8%
Community Facilities							
District bonds	122,313,000	127,125,000	-	-	122,313,000	127,125,000	-3.8%
Loan payable	-	-	9,925,289	8,866,108	9,925,289	8,866,108	11.9%
Revenue bonds	51,290,000	53,075,000	119,340,000	104,670,000	170,630,000	157,745,000	8.2%
Water rights	-	-	10,314,041	11,173,544	10,314,041	11,173,544	-7.7%
Contracts payable	5,755,628	7,755,628	-	-	5,755,628	7,755,628	-25.8%
Compensated absences	3,790,807	3,645,701	419,694	379,731	4,210,501	4,025,432	4.6%
	<u>\$ 216,751,416</u>	<u>\$ 227,444,068</u>	<u>\$ 232,752,044</u>	<u>\$ 213,371,644</u>	<u>\$ 449,503,460</u>	<u>\$ 440,815,712</u>	2.0%
 Total outstanding bonds	 \$ 207,204,981	 \$ 216,042,739	 \$ 222,018,309	 \$ 201,818,369	 \$ 429,223,290	 \$ 417,861,108	 -10.3%

Of the total outstanding bonds of \$429.2 million, \$126.4 million is general obligation bonds backed by the full faith and credit of the City. The outstanding debt also includes \$122.3 million in Community Facilities District bonds where the City has no obligation for payment. In addition to these are \$170.6 million in revenue bonds that include \$102.3 million in Public Improvement Corporation bonds for the Stadium and, \$46.1 million in McDowell Road 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 percent of its total assessed valuation. The current 6% debt limitation for the City is \$59.0 million. In addition, the State constitution limits allows a city to issue an additional 20 percent of its total assessed valuation for water, sewer, lights, transportation, public safety, open space preserves, parks, playgrounds and recreational facilities. The current 20% debt limitation for the City is \$196.6 million. The City has \$126.1 million outstanding general obligation debt for these purposes.

The City's assigned underlying ratings on its general obligation debt are "Aa2" and "AA-", water and sewer revenue bonds are "A3" and "A-" and public improvement corporation bonds are "AA3" and "AA-" from Moody's Investors Service, Inc., and Standard & Poor's respectively.

Additional information on the City's long-term debt can be found in Notes 5 – 7 on pages 50 – 57 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The unemployment rate for Goodyear in June 2010 was 6.4%, which remains below both the State (9.6%) 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 2011 budget. To ensure the City remains financially strong, the adopted fiscal year 2011 budget is \$255.0 million (a decrease of 32.0% from fiscal year 2010). It includes a \$71.0 million operating budget (a decrease of 1.3% from fiscal year 2010), a \$59.5 million capital improvement projects (CIP) budget (a decrease of 61.1% from fiscal year 2010) and sales taxes revenues of \$31.6 (a decrease of 2.5% from fiscal 2010).

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.asp?NID=22>. If you have questions about this report or need additional information, contact the City's Controller, City of Goodyear, 190 N. Litchfield Road, or by mail at P.O. Box 5100, Goodyear, Arizona 85338.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS



CITY OF GOODYEAR, ARIZONA
STATEMENT OF NET ASSETS
June 30, 2010

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 64,311,677	\$ 14,698,569	\$ 79,010,246
Receivables (net of allowance for uncollectibles)	77,699,819	2,949,958	80,649,777
Due from other governments	2,298,649	944,851	3,243,500
Internal balances	961,840	(961,840)	-
Due from fiduciary fund	-	34,307	34,307
Inventories	411,828	602,529	1,014,357
Prepaid items	529,757	-	529,757
Deferred charges	5,278,890	2,609,065	7,887,955
Restricted cash and cash equivalents	2,098,966	17,095,918	19,194,884
Capital assets:			
Land and construction in progress	132,140,138	104,913,677	237,053,815
Other capital assets (net of accumulated depreciation)	399,897,351	303,968,339	703,865,690
Total assets	685,628,915	446,855,373	1,132,484,288
LIABILITIES			
Accounts payable and other current liabilities	2,070,812	3,498,213	5,569,025
Accrued payroll and employee benefits	2,125,210	295,557	2,420,767
Accrued interest payable	3,216,983	3,176,763	6,393,746
Deposits held for others	271,795	703,782	975,577
Unearned revenue	6,962,221	7,169,903	14,132,124
Noncurrent liabilities:			
Due within one year:			
Compensated absences	1,289,990	175,643	1,465,633
Current portion of water rights obligations	-	859,503	859,503
Bonds payable	5,340,000	-	5,340,000
Due in more than one year:			
Compensated absences	2,500,817	244,051	2,744,868
Water rights obligations	-	9,454,538	9,454,538
Loans payable	5,755,628	9,925,289	15,680,917
Bonds payable	203,990,695	214,564,309	418,555,004
Interest payable	-	1,247,802	1,247,802
Deferred amount on refunding	(211,293)	(408,319)	(619,612)
Total liabilities	233,312,858	250,907,034	484,219,892
NET ASSETS			
Invested in capital assets, net of related debt	317,162,459	191,582,614	508,745,073
Restricted for:			
Courts	149,991	-	149,991
Law enforcement	263,686	-	263,686
Highways and streets	209,080	-	209,080
Community facilities	1,095,057	-	1,095,057
Debt service	91,442,376	-	91,442,376
Capital projects	22,720,860	-	22,720,860
Unrestricted	19,272,548	4,365,725	23,638,273
Total net assets	\$ 452,316,057	\$ 195,948,339	\$ 648,264,396

See accompanying notes.

CITY OF GOODYEAR, ARIZONA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 14,767,660	\$ 863,192	\$ 159,087	\$ 250,420
Public safety	28,960,907	1,509,770	1,587,191	-
Highways and streets	12,179,531	-	3,906,248	6,653,000
Public works	11,070,853	-	-	9,532,955
Culture and recreation	4,023,639	287,805	-	-
Community development	2,555,353	3,615,255	(3,659)	-
Interest on long-term debt	11,210,504	-	-	-
Total governmental activities	<u>84,768,447</u>	<u>6,276,022</u>	<u>5,648,867</u>	<u>16,436,375</u>
Business-type activities:				
Water and sewer	18,124,893	16,258,079	-	6,211,533
Sanitation	4,782,565	5,790,357	-	-
Stadium	11,547,500	1,530,799	-	-
Total business-type activities	<u>34,454,958</u>	<u>23,579,235</u>	<u>-</u>	<u>6,211,533</u>
Total primary government	<u>\$ 119,223,405</u>	<u>\$ 29,855,257</u>	<u>\$ 5,648,867</u>	<u>\$ 22,647,908</u>

General revenues:

Sales taxes
Property taxes
Franchise taxes
State shared revenues-not restricted to specific programs
Investment income
Proceeds from the sale of water rights
Miscellaneous

Transfers in (out)

Total general revenues and transfers

Changes in net assets

Net assets, beginning of year

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>
\$ (13,494,961)	\$ -	\$ (13,494,961)
(25,863,946)	-	(25,863,946)
(1,620,283)	-	(1,620,283)
(1,537,898)	-	(1,537,898)
(3,735,834)	-	(3,735,834)
1,056,243	-	1,056,243
(11,210,504)	-	(11,210,504)
<u>(56,407,183)</u>	<u>-</u>	<u>(56,407,183)</u>
-	4,344,719	4,344,719
-	1,007,792	1,007,792
-	(10,016,701)	(10,016,701)
-	<u>(4,664,190)</u>	<u>(4,664,190)</u>
<u>(56,407,183)</u>	<u>(4,664,190)</u>	<u>(61,071,373)</u>
31,448,399	-	31,448,399
21,941,576	-	21,941,576
2,233,909	-	2,233,909
10,907,518	-	10,907,518
179,114	57,527	236,641
-	4,352,000	4,352,000
2,026,285	100,698	2,126,983
<u>(7,815,285)</u>	<u>7,815,285</u>	<u>-</u>
<u>60,921,516</u>	<u>12,325,510</u>	<u>73,247,026</u>
4,514,333	7,661,320	12,175,653
<u>447,801,724</u>	<u>188,287,019</u>	<u>636,088,743</u>
<u>\$ 452,316,057</u>	<u>\$ 195,948,339</u>	<u>\$ 648,264,396</u>

CITY OF GOODYEAR, ARIZONA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2010

	General	Community Facilities Districts- Debt Service	McDowell Road Commercial Corridor Improvement District Debt Service
ASSETS			
Cash and cash equivalents	\$ 25,138,336	\$ 13,957,519	\$ 19,117
Taxes receivable	5,674,266	273,802	-
Interest receivable	156	-	-
Accounts receivable	897,709	-	-
Special assessments receivable	-	24,049,800	46,060,000
Due from other governments	-	-	-
Due from other funds	3,313,363	-	-
Inventories	16,903	-	-
Prepaid items	482,039	47,213	-
Restricted cash and cash equivalents	420,187	-	-
Total assets	\$ 35,942,959	\$ 38,328,334	\$ 46,079,117
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 921,742	\$ -	\$ -
Accrued payroll and employee benefits	2,057,018	-	-
Accrued interest payable	-	-	-
Deposits held for others	266,795	-	-
Due to other funds	-	-	-
Deferred revenue	4,135,498	24,237,026	46,060,000
Liabilities payable from restricted assets	6,510	-	-
Total liabilities	7,387,563	24,237,026	46,060,000
Fund balances:			
Reserved:			
Inventories	16,903	-	-
Prepaid items	482,039	47,213	-
Courts	149,991	-	-
Law enforcement	263,686	-	-
Operations	16,900,000	-	-
Debt service	-	14,044,095	19,117
Capital improvements	-	-	-
Unreserved:			
Designated for capital replacement	255,155	-	-
Unreserved, reported in:			
General fund	10,487,622	-	-
Special revenue funds	-	-	-
Total fund balances	28,555,396	14,091,308	19,117
Total liabilities and fund balances	\$ 35,942,959	\$ 38,328,334	\$ 46,079,117

Capital Improvement Projects	McDowell Road Commercial Corridor Improvement District Capital Projects	Community Facilities Districts-Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ 392,054	\$ -	\$ -	\$ 24,479,213	\$ 63,986,239
-	-	-	743,936	6,692,004
-	-	-	-	156
-	-	-	150	897,859
-	-	-	-	70,109,800
-	-	-	2,298,649	2,298,649
-	-	-	-	3,313,363
-	-	-	307,240	324,143
-	-	-	505	529,757
296,583	1,382,196	-	-	2,098,966
<u>\$ 688,637</u>	<u>\$ 1,382,196</u>	<u>\$ -</u>	<u>\$ 27,829,693</u>	<u>\$ 150,250,936</u>
\$ 13,990	\$ -	\$ -	\$ 1,133,081	\$ 2,068,813
-	-	-	63,681	2,120,699
-	-	-	11,460	11,460
-	-	-	5,000	271,795
-	-	-	2,263,837	2,263,837
663,294	-	-	3,072,439	78,168,257
-	-	-	-	6,510
<u>677,284</u>	<u>-</u>	<u>-</u>	<u>6,549,498</u>	<u>84,911,371</u>
-	-	-	-	16,903
-	-	-	-	529,252
-	-	-	-	149,991
-	-	-	-	263,686
-	-	-	-	16,900,000
-	-	-	828,016	14,891,228
11,353	1,382,196	-	-	1,393,549
-	-	-	-	255,155
-	-	-	-	10,487,622
-	-	-	20,452,179	20,452,179
<u>11,353</u>	<u>1,382,196</u>	<u>-</u>	<u>21,280,195</u>	<u>65,339,565</u>
<u>\$ 688,637</u>	<u>\$ 1,382,196</u>	<u>\$ -</u>	<u>\$ 27,829,693</u>	<u>\$ 150,250,936</u>



CITY OF GOODYEAR, ARIZONA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
June 30, 2010

Total governmental fund balances \$ 65,339,565

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	\$ 622,302,001	
Less accumulated depreciation	<u>(90,264,512)</u>	532,037,489

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	416,544	
Property taxes	683,529	
Special assessments	<u>70,105,963</u>	71,206,036

Interest payable on long-term debt is not reported in the
governmental funds. (3,205,523)

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

Compensated absences payable	(3,790,807)	
Bond issuance cost	5,278,890	
Bond refunding amount	211,293	
Loan payable	(5,755,628)	
Bonds payable	<u>(209,330,695)</u>	<u>(213,386,947)</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. 325,437

Net assets of governmental activities \$ 452,316,057

CITY OF GOODYEAR, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2010

	General	Community Facilities Districts Debt Service	McDowell Road Commercial Corridor Improvement District Debt Service
REVENUES			
Taxes	\$ 38,974,044	\$ 6,656,740	\$ -
Licenses and permits	629,979	-	-
Intergovernmental revenues	10,907,518	-	-
Charges for services	4,790,274	-	-
Fines and forfeits	846,143	-	-
Investment income (loss)	39,077	46,302	307
Special assessments	-	2,970,177	3,552,747
Contributions	701,022	2,341,829	-
Miscellaneous	101,067	-	-
Total revenues	<u>56,989,124</u>	<u>12,015,048</u>	<u>3,553,054</u>
EXPENDITURES			
Current:			
General government	12,610,131	-	-
Public safety	25,464,491	-	-
Highways and streets	207,397	-	-
Public works	3,075,759	-	-
Culture and recreation	3,750,117	-	-
Community development	4,654,052	-	-
Capital outlay	1,500,597	-	-
Debt service:			
Principal retirement	2,680,000	4,812,000	1,105,000
Interest and debt cost	247,548	6,901,373	2,447,906
Total expenditures	<u>54,190,092</u>	<u>11,713,373</u>	<u>3,552,906</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,799,032</u>	<u>301,675</u>	<u>148</u>
OTHER FINANCING SOURCES (USES)			
Debt issuance	-	-	-
Debt premium	-	-	-
Transfers in	4,342,839	805,097	-
Transfers out	(7,704,350)	-	-
Total other financing sources and uses	<u>(3,361,511)</u>	<u>805,097</u>	<u>-</u>
Net change in fund balances	(562,479)	1,106,772	148
Fund balances, beginning of year	<u>29,117,875</u>	<u>12,984,536</u>	<u>18,969</u>
Fund balances , end of year	<u>\$ 28,555,396</u>	<u>\$ 14,091,308</u>	<u>\$ 19,117</u>

Capital Improvement Projects	McDowell Road Commercial Corridor Improvement District Capital Projects	Community Facilities Districts Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 9,959,746	\$ 55,590,530
-	-	-	-	629,979
-	-	-	5,557,013	16,464,531
-	-	-	2,611,809	7,402,083
-	-	-	-	846,143
972	12,628	2,039	77,390	178,715
-	-	-	-	6,522,924
-	-	-	-	3,042,851
-	1,259,776	-	581,175	1,942,018
<u>972</u>	<u>1,272,404</u>	<u>2,039</u>	<u>18,787,133</u>	<u>92,619,774</u>
-	-	-	1,208,780	13,818,911
-	-	-	400,713	25,865,204
-	-	-	3,891,589	4,098,986
-	-	-	-	3,075,759
-	-	-	132,504	3,882,621
-	-	-	-	4,654,052
156,256	697,866	4,103,438	7,035,991	13,494,148
-	-	-	2,345,758	10,942,758
8,190	-	-	1,553,113	11,158,130
<u>164,446</u>	<u>697,866</u>	<u>4,103,438</u>	<u>16,568,448</u>	<u>90,990,569</u>
<u>(163,474)</u>	<u>574,538</u>	<u>(4,101,399)</u>	<u>2,218,685</u>	<u>1,629,205</u>
105,000	-	-	-	105,000
5,733	-	-	-	5,733
357,342	-	-	871,012	6,376,290
(124,979)	-	(805,097)	(5,557,149)	(14,191,575)
<u>343,096</u>	<u>-</u>	<u>(805,097)</u>	<u>(4,686,137)</u>	<u>(7,704,552)</u>
179,622	574,538	(4,906,496)	(2,467,452)	(6,075,347)
(168,269)	807,658	4,906,496	23,747,647	71,414,912
<u>\$ 11,353</u>	<u>\$ 1,382,196</u>	<u>\$ -</u>	<u>\$ 21,280,195</u>	<u>\$ 65,339,565</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, 2010

Net change in fund balances - total governmental funds \$ (6,075,347)

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.

Contributions	\$ 6,653,000	
Expenditures for capitalized assets	8,996,875	
Less current year depreciation	<u>(13,613,884)</u>	2,035,991

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	98,812
Property taxes	33,353
Special assessments	(2,391,541)

Bond proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the Statement of Activities. (105,000)

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. 123,905

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. (138,012)

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 10,942,758

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. 134,520

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. (145,106)

Change in net assets of governmental activities \$ 4,514,333

CITY OF GOODYEAR, ARIZONA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 40,305,558	\$ 40,305,558	\$ 38,974,044	\$ (1,331,514)
Licenses and permits	4,047,100	4,047,100	629,979	(3,417,121)
Intergovernmental revenues	11,083,365	11,083,365	10,907,518	(175,847)
Charges for services	2,909,085	2,909,085	4,522,932	1,613,847
Fines and forfeits	685,636	685,636	1,113,485	427,849
Investment income	430,000	430,000	39,077	(390,923)
Contributions	3,366	3,366	701,022	697,656
Miscellaneous	248,959	248,959	101,067	(147,892)
Total revenues	<u>59,713,069</u>	<u>59,713,069</u>	<u>56,989,124</u>	<u>(2,723,945)</u>
EXPENDITURES				
Current				
General government				
Mayor and council	290,050	290,050	178,971	111,079
City clerk	612,010	612,010	502,134	109,876
City manager	6,016,996	5,415,115	4,731,470	683,645
City attorney	1,066,550	1,066,550	742,689	323,861
Finance	2,089,046	2,089,046	2,051,904	37,142
Information technology	2,616,659	2,616,659	2,472,990	143,669
Human resources	2,280,686	2,280,686	1,929,973	350,713
Reserved contingency	16,900,000	16,900,000	-	16,900,000
Public safety				
Police	13,813,414	13,813,414	13,453,500	359,914
Fire	10,117,434	10,602,434	10,569,987	32,447
Municipal court	1,009,449	1,009,449	1,055,235	(45,786)
City prosecutor	507,441	507,441	385,769	121,672
Highways and streets				
Administration	203,041	203,041	207,397	(4,356)
Public works				
Administration	868,245	868,245	409,758	458,487
Building services	2,729,216	2,729,216	2,666,001	63,215
Culture and recreation				
Parks	2,675,273	2,705,168	2,738,719	(33,551)
Recreation and aquatics	1,168,469	1,168,469	1,011,398	157,071
Community development				
Economic development	601,030	601,030	452,737	148,293
Community development	4,945,055	5,007,041	4,189,472	817,569
Engineering	-	-	11,843	(11,843)
Capital outlay	10,827,943	10,852,943	1,500,597	9,352,346
Debt service				
Principal retirement	680,000	680,000	2,680,000	(2,000,000)
Interest and fiscal charges	238,725	238,725	247,548	(8,823)
Total expenditures	<u>82,256,732</u>	<u>82,256,732</u>	<u>54,190,092</u>	<u>28,066,640</u>
Excess (deficiency) of revenues over expenditures	<u>(22,543,663)</u>	<u>(22,543,663)</u>	<u>2,799,032</u>	<u>25,342,695</u>

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING				
Transfers in	<u>4,217,860</u>	<u>4,217,860</u>	<u>4,342,839</u>	<u>124,979</u>
Transfers out	<u>(8,189,925)</u>	<u>(8,189,925)</u>	<u>(7,704,350)</u>	<u>485,575</u>
Total other financing sources (uses)	<u>(3,972,065)</u>	<u>(3,972,065)</u>	<u>(3,361,511)</u>	<u>610,554</u>
Net change in fund balance	<u>(26,515,728)</u>	<u>(26,515,728)</u>	<u>(562,479)</u>	<u>25,953,249</u>
Fund balance, beginning of year	<u>29,117,875</u>	<u>29,117,875</u>	<u>29,117,875</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 2,602,147</u></u>	<u><u>\$ 2,602,147</u></u>	<u><u>\$ 28,555,396</u></u>	<u><u>\$ 25,953,249</u></u>

CITY OF GOODYEAR, ARIZONA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2010

ASSETS	Business-type Activities-Enterprise Funds				Governmental
	Water & Sewer	Sanitation	Stadium	Total	Activities - Internal Service Funds
Current assets:					
Cash and cash equivalents	\$ 12,054,139	\$ 909,933	\$ 1,734,497	\$ 14,698,569	\$ 325,438
Interest receivable	13	-	76	89	-
Accounts receivable	2,119,716	823,820	6,333	2,949,869	-
Due from other governments	944,851	-	-	944,851	-
Due from other funds	34,307	-	-	34,307	-
Inventories	602,529	-	-	602,529	119,488
Total current assets	<u>15,755,555</u>	<u>1,733,753</u>	<u>1,740,906</u>	<u>19,230,214</u>	<u>444,926</u>
Noncurrent assets:					
Deferred charges	1,572,023	-	1,037,042	2,609,065	-
Restricted cash and cash equivalents	7,776,526	-	9,319,392	17,095,918	-
Non-depreciable capital assets	94,188,621	-	10,725,056	104,913,677	-
Depreciable capital assets	<u>186,144,415</u>	<u>752,098</u>	<u>117,071,826</u>	<u>303,968,339</u>	<u>-</u>
Total noncurrent assets	<u>289,681,585</u>	<u>752,098</u>	<u>138,153,316</u>	<u>428,586,999</u>	<u>-</u>
Total assets	<u>305,437,140</u>	<u>2,485,851</u>	<u>139,894,222</u>	<u>447,817,213</u>	<u>444,926</u>
LIABILITIES					
Current liabilities:					
Accounts payable	325,777	346,756	121,553	794,086	2,309
Accrued payroll and employee benefits	170,061	36,949	88,547	295,557	29,494
Accrued interest payable	493,619	-	2,683,144	3,176,763	-
Due to other funds	-	-	961,840	961,840	87,686
Deposits held for others	703,782	-	-	703,782	-
Unearned revenue	7,135,237	-	34,666	7,169,903	-
Liabilities payable from restricted assets	2,704,127	-	-	2,704,127	-
Compensated absences payable	105,399	23,070	47,174	175,643	-
Water rights obligations	859,503	-	-	859,503	-
Total current liabilities	<u>12,497,505</u>	<u>406,775</u>	<u>3,936,924</u>	<u>16,841,204</u>	<u>119,489</u>
Noncurrent liabilities:					
Accrued interest payable	1,247,802	-	-	1,247,802	-
Compensated absences payable	151,999	44,791	47,261	244,051	-
Water rights obligations	9,454,538	-	-	9,454,538	-
Loan payable	9,925,289	-	-	9,925,289	-
Bonds payable	84,919,452	-	8,880,392	93,799,844	-
Revenue bonds payable	17,040,000	-	103,724,465	120,764,465	-
Deferred amount on refunding	(408,319)	-	-	(408,319)	-
Total noncurrent liabilities	<u>122,330,761</u>	<u>44,791</u>	<u>112,652,118</u>	<u>235,027,670</u>	<u>-</u>
Total liabilities	<u>134,828,266</u>	<u>451,566</u>	<u>116,589,042</u>	<u>251,868,874</u>	<u>119,489</u>
NET ASSETS					
Invested in capital assets, net of related debt	166,319,099	752,098	24,511,417	191,582,614	-
Unrestricted	4,289,775	1,282,187	(1,206,237)	4,365,725	325,437
Total net assets	<u>\$ 170,608,874</u>	<u>\$ 2,034,285</u>	<u>\$ 23,305,180</u>	<u>\$ 195,948,339</u>	<u>\$ 325,437</u>

See accompanying notes.

CITY OF GOODYEAR, ARIZONA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
Year Ended June 30, 2010

	Business-type Activities-Enterprise Funds				Governmental
	Water & Sewer	Sanitation	Stadium	Total	Activities - Internal Service Funds
Operating revenues:					
Charges for service	\$ 16,258,079	\$ 5,790,357	\$ 1,530,799	\$ 23,579,235	\$ 1,354,854
Miscellaneous	120,598	620	21,260	142,478	84,268
Total operating revenue	<u>16,378,677</u>	<u>5,790,977</u>	<u>1,552,059</u>	<u>23,721,713</u>	<u>1,439,122</u>
Operating expenses:					
Administration	3,068,187	708,784	2,021,582	5,798,553	569,048
Costs of sales and services	5,282,401	3,927,574	1,698,607	10,908,582	785,807
Depreciation and amortization	5,142,869	145,054	2,045,589	7,333,512	-
Total operating expenses	<u>13,493,457</u>	<u>4,781,412</u>	<u>5,765,778</u>	<u>24,040,647</u>	<u>1,354,855</u>
Operating income (loss)	<u>2,885,220</u>	<u>1,009,565</u>	<u>(4,213,719)</u>	<u>(318,934)</u>	<u>84,267</u>
Nonoperating revenues					
(expenses):					
Impact fees	3,259,108	-	-	3,259,108	-
Intergovernmental	7,425	-	-	7,425	-
Investment income	40,130	1,692	15,705	57,527	400
Proceeds from sale of water rights	4,352,000	-	-	4,352,000	-
Interest expense	<u>(4,626,823)</u>	<u>-</u>	<u>(5,779,416)</u>	<u>(10,406,239)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>3,031,840</u>	<u>1,692</u>	<u>(5,763,711)</u>	<u>(2,730,179)</u>	<u>400</u>
Income (loss) before capital contributions and transfers	5,917,060	1,011,257	(9,977,430)	(3,049,113)	84,667
Capital contributions	2,945,000	-	-	2,945,000	-
Transfers in	4,267,476	-	7,765,669	12,033,145	-
Transfers out	<u>(3,292,860)</u>	<u>(925,000)</u>	<u>-</u>	<u>(4,217,860)</u>	<u>-</u>
Change in net assets	9,836,676	86,257	(2,211,761)	7,711,172	84,667
Net assets, beginning of year	<u>160,772,198</u>	<u>1,948,028</u>	<u>25,516,941</u>	<u>188,237,167</u>	<u>240,770</u>
Net assets, end of year	<u>\$ 170,608,874</u>	<u>\$ 2,034,285</u>	<u>\$ 23,305,180</u>		<u>\$ 325,437</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>\$ 7,661,320</u>	

CITY OF GOODYEAR, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2010

	Business-type Activities Enterprise Funds				Governmental
	Water & Sewer	Sanitation	Stadium	Total	Activities - Internal Service Funds
Cash flows from operating activities:					
Received from customers	\$ 16,240,260	\$5,762,472	\$ 1,592,201	\$ 23,594,933	\$ 1,489,868
Payments to vendors	(9,894,764)	(3,601,556)	(2,361,396)	(15,857,716)	(837,574)
Payments to employees	(3,100,447)	(711,081)	(1,914,739)	(5,726,267)	(568,026)
Net cash provided (used) by operating activities	3,245,049	1,449,835	(2,683,934)	2,010,950	84,268
Cash flows from noncapital financing activities:					
Interfund transfers	982,041	(925,000)	7,765,669	7,822,710	-
Net cash provided (used) for noncapital and related financing activities	982,041	(925,000)	7,765,669	7,822,710	-
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(7,397,729)	-	(9,602,640)	(17,000,369)	-
Capital debt proceeds	26,358,670	-	-	26,358,670	-
Principal paid on long-term debt	(7,401,035)	-	(503,401)	(7,904,436)	-
Interest paid on long-term debt	(4,140,890)	-	(5,961,930)	(10,102,820)	-
Proceeds from the sale of water rights	4,352,000	-	-	4,352,000	-
Development impact fees received	3,259,108	-	-	3,259,108	-
Net cash provided (used) for capital and related financing activities	15,030,124	-	(16,067,971)	(1,037,847)	-
Cash flows from investing activities:					
Investment income received	88,621	3,926	19,628	112,175	719
Net cash provided by investing activities	88,621	3,926	19,628	112,175	719
Net change in cash and cash equivalents	19,345,835	528,761	(10,966,608)	8,907,988	84,987
Cash and cash equivalents, beginning of year	484,830	381,172	22,020,497	22,886,499	240,451
Cash and cash equivalents, end of year	\$ 19,830,665	\$ 909,933	\$ 11,053,889	\$ 31,794,487	\$ 325,438
Cash and cash equivalents Restricted cash and cash equivalents	\$ 12,054,139	\$ 909,933	\$ 1,734,497	\$ 14,698,569	\$ 325,438
	7,776,526	-	9,319,392	17,095,918	-
	\$ 19,830,665	\$ 909,933	\$ 11,053,889	\$ 31,794,487	\$ 325,438

See accompanying notes.

CITY OF GOODYEAR, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2010

	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)	\$ 2,885,220	\$ 1,009,565	\$ (4,213,719)	\$ (318,934)	\$ 84,267
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	5,142,869	145,054	2,045,589	7,333,512	-
(Increase) decrease in:					
Accounts receivable	(232,019)	(28,505)	5,476	(255,048)	-
Inventories	(33,135)	-	-	(33,135)	(33,589)
Increase (decrease) in:					
Accounts payable	(2,063,238)	326,018	(173,137)	(1,910,357)	(18,178)
Accrued payroll and employee benefits	(6,882)	(3,922)	43,127	32,323	1,022
Accrued liabilities	(1,465,559)	-	-	(1,465,559)	-
Due to other funds	(1,050,431)	-	(489,652)	(1,540,083)	50,746
Unearned revenue	406,055	-	34,666	440,721	-
Deposits held for others	(312,453)	-	-	(312,453)	-
Compensated absences payable	(25,378)	1,625	63,716	39,963	-
Net cash provided (used) by operating activities	<u>\$ 3,245,049</u>	<u>\$ 1,449,835</u>	<u>\$ (2,683,934)</u>	<u>\$ 2,010,950</u>	<u>\$ 84,268</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets	\$ 2,945,000	\$ -	\$ -	\$ 2,945,000	\$ -
Amortization of bond premium	(416,290)	-	67,318	(348,972)	-
Amortization of deferred bond costs	(69,643)	-	(47,518)	(117,161)	-
Total	<u>\$ 2,459,067</u>	<u>\$ -</u>	<u>\$ 19,800</u>	<u>\$ 2,478,867</u>	<u>\$ -</u>

CITY OF GOODYEAR, ARIZONA
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 June 30, 2010

	<u>Pension Trust</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ 369,911	\$ 889,412
Total assets	<u>369,911</u>	<u>889,412</u>
LIABILITIES		
Deposits held for others	-	855,105
Due to other funds	-	34,307
Total liabilities	<u>-</u>	<u>\$ 889,412</u>
NET ASSETS		
Held in trust for pension benefits	<u>\$ 369,911</u>	

CITY OF GOODYEAR, ARIZONA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION TRUST FUND
Year Ended June 30, 2010

	<u>Pension Trust</u>
ADDITIONS	
Other revenue	<u>\$ -</u>
Total other revenue	<u>-</u>
Investment income	
Net increase (decrease) in fair value of investments	33,463
Interest	259
Total investment income	<u>33,722</u>
Total additions	<u>33,722</u>
DEDUCTIONS	
Benefits	<u>1,850</u>
Total deductions	<u>1,850</u>
Net decrease	31,872
Net assets, beginning of year	338,039
Net assets, end of year	<u><u>\$ 369,911</u></u>



FINANCIAL SECTION

NOTES TO FINANCIAL STATEMENTS



CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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, 2010

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 - This fund accounts for activities that provide preventative maintenance, repairs and safety inspections for City vehicles and equipment.

Health Insurance Fund - This fund is used for the City's wellness initiative and to build up a reserve for the City to become self funding.

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

Fiduciary funds account for assets held by the City in a trustee or agency capacity on behalf of others. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements since they are not assets of the City available to support City programs. The City maintains the following fiduciary funds:

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

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Agency Funds – The City holds these assets as an agent for individuals, private organizations or others in a temporary custodial capacity. The City currently maintains four agency funds. One fund accounts for monies held in trust for the United States Environmental Protection Agency and the Crane Co. for cleanup of the Phoenix-Goodyear Airport Superfund site known as the Brownfield EPA Cleanup. The remaining three funds account for monies donated by individuals for the GAIN, Fill-A-Need and Shop With A Cop activities.

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 Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB Pronouncements.

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.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Investments for the City are reported at fair value. 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).

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

H. Prepaid Items

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

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.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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, 2010, the City reserved and designated fund balance for various purposes.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 2010.

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. 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 governmental funds be presented in the annual financial statements. These statements must display original budget, amended budget and actual results (on a budgetary basis). The City has also shown this information as supplementary schedules for other non-major governmental funds as well as enterprise funds.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 2 CASH AND INVESTMENTS

At June 30, 2010, cash and cash equivalents are presented in the funds as follows:

	Governmental Activities	Business Activities	Fiduciary Fund	Total
Cash and cash equivalents	\$ 64,311,677	\$ 14,698,569	\$ 1,259,323	\$ 80,269,569
Restricted cash and cash equivalents	2,098,966	17,095,918	-	19,194,884
	<u>\$ 66,410,643</u>	<u>\$ 31,794,487</u>	<u>\$ 1,259,323</u>	<u>\$ 99,464,453</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.

Deposits

At June 30, 2010, the City had \$5,850 of cash on hand. The carrying amount of the City's cash in bank totaled \$5,211,865 and the bank balance was \$1,572,361. The City's deposits at June 30, 2010 were covered by Federal Depository Insurance to the extent of \$568,777. Deposits of \$1,003,584 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. There were no deposits that were uncollateralized at year end. Deposits of \$5,447,636 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, 2010 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, 2010, the City's funds invested with the State Treasurer totaled \$70,442,183.

The City is invested in multiple mutual funds through the trust department of Wells Fargo. The mutual funds have a value of \$22,842,521 at June 30, 2010.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 2 CASH AND INVESTMENTS (Continued)

The City's Community Facilities Districts are invested in a guaranteed investment contract through the trust department of Wells Fargo. The guaranteed investment contract has a value of \$667,000 at June 30, 2010.

The City also holds investments that belong to the Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan. These funds are held by LGIP as described above and LPL Financial 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 \$369,542 at June 30, 2010.

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 guaranteed investment contract the City is invested in matures 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	
<u>Investment Type</u>	<u>Total</u>	<u>AAA</u>	<u>Unrated</u>
LGIP	\$ 51,187,832	\$ 51,187,832	\$ -
Money market mutual funds	10,459,666	10,459,666	-
Guaranteed Investment Contract	667,000	-	667,000
Repurchase agreements	5,447,636	-	5,447,636
	<u>\$ 67,762,134</u>	<u>\$ 61,647,498</u>	<u>\$ 6,114,636</u>

Proprietary funds		Ratings as of Year-End	
<u>Investment Type</u>	<u>Total</u>	<u>AAA</u>	<u>Unrated</u>
LGIP	\$ 19,179,843	\$ 19,179,843	\$ -
Money market mutual funds	12,050,181	12,050,181	-
	<u>\$ 31,230,024</u>	<u>\$ 31,230,024</u>	<u>\$ -</u>

Fiduciary funds		Ratings as of Year-End	
<u>Investment Type</u>	<u>Total</u>	<u>AAA</u>	<u>Unrated</u>
LGIP	\$ 74,508	\$ 74,508	\$ -
Money market funds	27,636	-	27,636
Mutual funds	267,398	-	267,398
	<u>\$ 369,542</u>	<u>\$ 74,508</u>	<u>\$ 295,034</u>

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 3 RECEIVABLES

Receivables, net of no 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 Commercial Corridor Improvement District Debt Service	Non-Major Governmental Fund	Total
Receivables:					
Taxes	\$ 5,674,266	\$ 273,802	\$ -	\$ 743,936	\$ 6,692,004
Interest	156	-	-	-	156
Accounts	897,709	-	-	150	897,859
Special assessments	-	24,049,800	46,060,000	-	70,109,800
Net receivables	<u>\$ 6,572,131</u>	<u>\$ 24,323,602</u>	<u>\$ 46,060,000</u>	<u>\$ 744,086</u>	<u>\$ 77,699,819</u>

The following table summarizes the City's receivables for the enterprise funds as of June 30, 2010.

Receivables:	Water and Sewer Fund	Sanitation Fund	Stadium Fund	Total
Interest	\$ 13	\$ -	\$ 76	\$ 89
Accounts	2,741,362	823,820	6,333	3,571,515
	<u>2,741,375</u>	<u>823,820</u>	<u>6,409</u>	<u>3,571,604</u>
Less:				
Allowance	(621,646)	-	-	(621,646)
Net receivables	<u>\$ 2,119,729</u>	<u>\$ 823,820</u>	<u>\$ 6,409</u>	<u>\$ 2,949,958</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 \$53,103.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2010 follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 19,426,644	\$ -	\$ -	\$ 19,426,644
Construction in progress	17,306,030	10,677,011	(14,147,678)	13,835,364
Right of Way	90,128,522 *	-	-	90,128,522
Streetscape	8,305,608	444,000	-	8,749,608
Total capital assets not being depreciated	135,166,804	11,121,011	(14,147,678)	132,140,138
Capital assets, being depreciated:				
Infrastructure	321,010,553	6,209,000	-	327,219,553
Buildings and improvements	115,599,897	10,596,010	-	126,195,907
Vehicles, furniture and equipment	35,856,718	1,871,531	(981,846)	36,746,403
Total capital assets being depreciated	472,467,168	18,676,541	(981,846)	490,161,863
Less accumulated depreciation for:				
Infrastructure	(48,743,752)	(7,455,151)	-	(56,198,903)
Buildings and improvements	(5,120,137)	(4,130,050)	-	(9,250,187)
Vehicles, furniture and equipment	(23,768,586)	(2,027,525)	980,689	(24,815,422)
Total accumulated depreciation	(77,632,476)	(13,612,725)	980,689	(90,264,512)
Total capital assets, being depreciated, net	394,834,692	5,063,817	(1,157)	399,897,351
Governmental activities capital assets, net	\$ 530,001,496	\$ 16,184,828	\$ (14,148,835)	\$ 532,037,489

* The beginning balance of right of way was restated from \$82,372,894 to \$90,128,522 to reflect a land purchase in a prior fiscal year.

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 14,754,260	\$ -	\$ -	\$ 14,754,260
Construction in progress	103,820,478	18,203,036	(31,864,097)	90,159,417
Total capital assets not being depreciated	118,574,738	18,203,036	(31,864,097)	104,913,677
Capital assets, being depreciated:				
Buildings & improvements	275,842,895	35,006,307	-	310,849,202
Vehicles, machinery and equipment	14,382,379	189,798	(69,525)	14,502,652
Water rights	18,211,497	169,601	-	18,381,098
Total capital assets being depreciated	308,436,771	35,365,706	(69,525)	343,732,952
Less accumulated depreciation for:				
Buildings and improvements	(23,819,965)	(4,725,913)	-	(28,545,878)
Vehicles, machinery and equipment	(8,331,798)	(673,059)	69,525	(8,935,332)
Water rights amortization	(348,863)	(1,934,540)	-	(2,283,403)
Total accumulated depreciation	(32,500,626)	(7,333,512)	69,525	(39,764,613)
Total capital assets, being depreciated, net	275,936,145	28,032,194	-	303,968,339
Business-Type activities capital assets, net	\$ 394,510,883	\$ 46,235,230	\$ (31,864,097)	\$ 408,882,016

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 4 CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 559,510
Public safety	1,635,758
Highway and streets	7,851,305
Culture and recreation	49,446
Public works	3,516,706
Total depreciation expense	<u>\$ 13,612,726</u>
Business-type activities:	
Water and wastewater	\$ 5,142,867
Sanitation	145,054
Stadium	2,045,589
Total depreciation and amortization expense	<u>\$ 7,333,509</u>

NOTE 5 LOANS PAYABLE

The City received three loans from the Water Infrastructure Finance Authority. The first loan was used to acquire the rights and make improvements to existing capacity in the wastewater treatment plant. The second loan will be used to finance the planning and design of a pilot recharge project and to construct a well distribution line. The third loan will be used for expansion of an effluent sewer facility and to rehabilitate the existing effluent lift station. The loans payable at June 30, 2010, are as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Business-type activities:				
Water Infrastructure Finance Authority Loan	4.06%	07/01/07 - 21	\$ 2,846,717	\$ -
Water Infrastructure Finance Authority Loan	4.06%	07/01/07 - 21	5,432,954	-
Water Infrastructure Finance Authority Loan	2.00%	07/01/10 - 29	1,645,618	-
Total Business-type activities			<u>\$ 9,925,289</u>	<u>\$ -</u>

Annual debt service requirements to maturity on the loans payable at June 30, 2010 are summarized as follows:

Fiscal year ending June 30,	Business-Type Activities	
	Principal	Interest
2011	\$ -	\$ 164,401
2012	946,062	349,340
2013	977,530	310,520
2014	1,010,136	277,255
2015	1,043,923	242,784
2016-2020	4,140,678	737,207
2021-2022	1,806,960	64,005
Total	<u>\$ 9,925,289</u>	<u>\$ 2,145,512</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 6 CONTRACT PAYABLE

The City entered into an agreement to acquire approximately 80,443 acres of right-of-way for proposed 303 alignment for \$11,755,628. The City agreed to pay the owner an initial payment of \$2,000,000 in fiscal year 2008 and to make annual principal only payments to the owner each fiscal year until the contract is paid off. The contract payable as of June 30, 2010, is summarized below:

Fiscal Year Ending June 30,	Business-Type Activities	
	Principal	Interest
2011	\$ 2,000,000	\$ -
2012	2,000,000	-
2013	1,755,628	-
	<u>\$ 5,755,628</u>	<u>\$ -</u>

NOTE 7 GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at June 30, 2010, consisted of the outstanding general obligation and refunding bonds presented below. The bonds are generally callable with interest payable semiannually. Of the total amounts originally authorized, \$167,660,449 remains unissued. The bonds payable at June 30, 2010 are presented below.

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:				
General Obligation Bonds Series 2002	3.65 - 4.25%	7/1/07 - 17	\$ 6,590,000	-
General Obligation Bonds Series 2003	3.00 - 4.50%	7/1/08 - 18	8,425,000	-
General Obligation Bonds Series 2007	3.00 - 5.00%	7/1/08 - 26	9,449,570	-
General Obligation Bonds Series 2008	4.25 - 6.00%	7/1/09 - 27	8,427,911	-
General Obligation Refunding Bonds Series 2009	5.25 - 5.125%	7/1/27 - 30	604,500	-
General Obligation Bonds Series 2010 - Build America	5.40 - 6.30%	7/1/21 - 30	105,000	-
Total Governmental activities			<u>\$ 33,601,981</u>	<u>\$ -</u>
Business-type activities:				
General Obligation Bonds Series 2005	3.50 - 5.00%	7/1/07 - 20	\$ 19,985,000	\$ -
General Obligation Bonds Series 2007	3.00 - 5.00%	7/1/08 - 26	22,975,430	-
General Obligation Bonds Series 2008	4.25 - 6.00%	7/1/09 - 27	34,497,090	-
General Obligation Refunding Bonds Series 2009	5.25 - 5.125%	7/1/27 - 30	4,975,500	-
General Obligation Bonds Series 2010 - Build America	5.40 - 6.30%	7/1/21 - 30	5,710,000	-
General Obligation Refunding Bonds Series 2010	4.018 - 5.125%	7/1/22 - 30	4,610,000	-
Total Business-type activities			<u>\$ 92,753,020</u>	<u>\$ -</u>
Total			<u>\$ 126,355,001</u>	<u>\$ -</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 7 GENERAL OBLIGATION BONDS PAYABLE (Continued)

Annual debt service requirements to maturity on governmental bonds payable at June 30, 2010 are summarized as follows:

Fiscal year ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2011	\$ -	\$ 737,224	\$ -	\$ 2,185,559
2012	2,243,524	1,430,071	1,631,476	4,262,466
2013	2,357,821	1,338,100	1,727,179	4,082,845
2014	2,545,067	1,239,522	4,009,933	3,910,138
2015	2,651,833	1,134,061	4,143,167	3,726,952
2016-2020	11,725,487	3,912,948	24,524,513	15,504,599
2021-2025	5,141,659	2,171,489	21,693,341	9,846,765
2026-2030	3,952,217	1,010,314	21,552,783	5,162,854
2031-2035	1,727,795	458,588	8,327,205	1,897,601
2036-2038	1,256,578	81,984	5,143,423	335,579
Total	<u>\$33,601,981</u>	<u>\$13,514,301</u>	<u>\$92,753,020</u>	<u>\$50,915,358</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 issues 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 \$2,750,000 outstanding on these bonds as of June 30, 2010. The \$76,619 deferred amount on retirement bonds is being amortized over the lives of the refunding bonds on the straight-line basis.

The City issued \$5,815,000 General Obligation Bonds 2010 (Build America Bonds – Direct Pay) in January 2010 to acquire and construct certain sewer system and street improvements. \$5,710,000 will be repaid from sewer rates and \$105,000 will be repaid from excise taxes. The bonds have a stated interest rate 5.40 % - 6.30% with semi-annual interest payable for the next 20 years and principal payable over the last eleven years.

The City issued \$4,610,000 of General Obligation Refunding Bonds in June 2010 to do advance and current refunding of the 2002-2008 series general obligation bonds. Under the terms of the refunding issue, sufficient assets to pay all principal interest on the refunding bonds issues 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 amount sufficient for future payment of principal and interest of the issue refunded. There was \$6,770,000 outstanding on these bonds as of June 30, 2010. These bonds have been fully defeased. The transaction resulted in an economic loss (difference between the present value of the debt service on the old and the new bonds) of approximately \$385,892 and a nominal loss of approximately \$3,235,000. The \$340,000 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, 2010

NOTE 8 REVENUE BONDS PAYABLE

Revenue bonds payable at June 30, 2010 consisted of the outstanding revenue bonds presented below. The bonds are generally callable with interest payable semiannually.

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:				
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007B	4.00 - 5.00%	7/1/08 - 13	\$ 2,230,000	\$ 525,000
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007C	4.00 - 4.50%	7/1/08 - 21	3,000,000	195,000
McDowell Road Corridor Improvement District Bonds	5.25%	1/1/10 - 32	46,060,000	1,160,000
Total Governmental Activities			<u>\$ 51,290,000</u>	<u>\$1,880,000</u>

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Business-type activities:				
Revenue Bonds, Series 1999 Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2007A	4.47 - 6.73%	7/1/07 - 18	\$ 1,765,000	\$ -
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2008	4.50 - 5.00%	7/1/20 - 32	67,850,000	-
Revenue Bonds, Series 2009	5.00 - 6.375%	7/1/20 - 32	34,450,000	-
Revenue Bonds, Series 2010	6.75%	7/1/2049	325,000	-
Revenue Bonds, Series 2010	5.00 - 5.625%	7/1/23 - 40	14,950,000	-
Total Business-Type Activities			<u>\$ 119,340,000</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
2011	\$ 1,880,000	\$ 1,419,800	\$ -	\$ 3,107,635
2012	1,970,000	2,538,675	275,000	6,425,269
2013	2,065,000	2,443,338	260,000	6,445,269
2014	2,160,000	2,340,163	245,000	6,445,269
2015	1,650,000	2,244,375	230,000	6,460,269
2016-2020	9,660,000	9,850,571	7,510,000	31,838,854
2021-2025	11,385,000	7,165,306	28,270,000	25,249,681
2026-2030	13,890,000	4,002,600	42,195,000	17,508,836
2031-2035	6,630,000	526,574	33,160,000	4,705,177
2036-2040	-	-	6,870,000	1,117,969
2041-2045	-	-	-	109,688
2046-2050	-	-	325,000	98,719
	<u>\$ 51,290,000</u>	<u>\$ 32,531,402</u>	<u>\$119,340,000</u>	<u>\$ 109,512,635</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 9 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE

Community facilities district bonds payable at June 30, 2010 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, 2010, are presented below.

Description	Interest Rate	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
General District No. 1:				
G.O. Bonds, Series 1996 (A)	6.5 - 7.0%	07/15/21	\$ 500,000	\$ 30,000
G.O. Bonds, Series 1998	4.55 - 5.25%	07/15/23	1,690,000	80,000
G.O. Bonds, Series 2000	4.6 - 5.3%	07/15/25	5,040,000	190,000
G.O. Bonds, Series 2003	3.3 - 5.75%	07/15/28	5,195,000	105,000
Assessment Bonds, Series 1996(C)	6.75 - 7.25%	07/01/16	981,000	98,000
Palm Valley:				
G.O. Bonds, Series 2006	4.25 - 5.30%	07/15/31	4,210,000	110,000
G.O. Bonds, Series 2007	4.25 - 5.80%	07/15/32	3,805,000	80,000
Utilities District No. 1:				
G.O. Bonds, Series 1998	4.55 - 5.25%	07/15/22	4,435,000	270,000
G.O. Bonds, Series 2000	4.7 - 5.2%	07/15/25	6,335,000	205,000
G.O. Bonds, Series 2003	3.3 - 5.75%	07/15/28	7,740,000	135,000
G.O. Bonds, Series 2005	3.5 - 4.5%	07/15/29	7,190,000	180,000
G.O. Bonds, Series 2005 Refunding	3.0 - 4.3%	07/15/21	1,250,000	80,000
G.O. Bonds, Series 2007	4.00 - 5.00%	07/15/32	22,695,000	415,000
Wildflower Ranch General District 1:				
G.O. Bonds, Series 1997	5.875 - 6.5%	07/15/22	470,000	25,000
G.O. Bonds, Series 1998	5.2 - 5.75%	07/15/23	565,000	25,000
Wildflower Ranch General District 2:				
G.O. Bonds, Series 2000	6.0 - 7.0%	07/15/25	585,000	20,000
G.O. Bonds, Series 2001	4.5 - 5.9%	07/15/26	635,000	25,000
Estrella Mountain Ranch:				
Assessment Bonds, Series 2001(A)	7.88%	07/01/25	5,225,000	286,000
Assessment Bonds, Series 2002	7.38%	07/01/27	3,774,000	145,000
G.O. Bonds, Series 2005	5.0 - 5.8%	07/15/30	4,570,000	110,000
Assessment Bonds, Series 2007(M)	4.65 - 5.80%	07/01/32	7,451,000	184,000
G.O. Bonds, Series 2007	4.50 - 6.20%	07/15/32	12,485,000	280,000
Assessment Bonds, Series 2007(G)	6.00 - 6.75%	07/01/32	6,777,000	157,000
Cottonflower:				
G.O. Bonds, Series 2003	4.1 - 5.7%	07/15/28	1,535,000	50,000
G.O. Bonds, Series 2004	3.7 - 6.75%	07/15/28	1,210,000	35,000
Cortina:				
G.O. Bonds, Series 2005	5.0 - 5.7%	07/15/29	1,550,000	45,000
G.O. Bonds, Series 2006	5.0 - 5.375%	07/15/31	905,000	15,000
Centerra:				
G.O. Bonds, Series 2005	5.50%	07/15/29	2,190,000	65,000
G.O. Bonds, Series 2006	4.75 - 5.15%	07/15/31	595,000	5,000
G.O. Bonds, Series 2008	4.875-6.625%	07/15/32	725,000	10,000
Total			<u>\$ 122,313,000</u>	<u>\$ 3,460,000</u>

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 9 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>
2011	\$ 3,460,000	\$ 6,594,413
2012	3,442,000	6,420,553
2013	3,620,000	6,242,834
2014	3,875,000	6,053,130
2015	4,079,000	5,845,263
2016-2020	22,804,000	25,688,016
2021-2025	28,369,000	18,647,191
2026-2030	33,039,000	9,806,613
2031-2035	19,625,000	1,655,970
Total	<u>\$ 122,313,000</u>	<u>\$ 86,953,983</u>

On March 31, 2005, Community Facilities Utilities District #1 issued \$1,455,000 of General Obligation Bonds to do an advance refunding of the 1996(B) bonds. The \$56,974 deferred amount on retirement of bonds is being amortized over the lives of the refunding bonds on the straight-line basis. Amortization for the year ended June 30, 2010 of \$5,180 was taken on the deferred amount.

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, 2010

NOTE 10 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	\$ 80,823	\$ -	\$ 4,490	\$ 76,333
Series 2008	108,133	-	5,691	102,442
Series 2009-Refunding	4,732	-	237	4,495
Series 2010 - Build America	-	8,946	224	8,722
Public Improvement Corporation				
Series 2007B	27,196	-	6,048	21,148
Series 2007C	36,828	-	2,952	33,876
Improvement District Bonds				
McDowell Road	2,035,659	-	90,474	1,945,185
Community Facilities District Bonds Payable				
Palm Valley District #3 Series 2006	238,257	-	10,359	227,898
Palm Valley District #3 Series 2007	223,014	-	9,292	213,722
Utilities District #1 Series 2005	308,225	-	15,411	292,814
Utilities District #1 Series 2005 Refunding	13,410	-	1,118	12,292
Utilities District #1 Series 2007	695,408	-	28,975	666,433
Estrella Mountain Ranch Series 2005	151,361	-	6,880	144,481
Estrella Mountain Ranch Series 2007	386,907	-	16,121	370,786
Estrella Mountain Ranch Series 2007(M)	338,193	44,000	15,932	366,261
Estrella Mountain Ranch Series 2007(G)	335,674	-	13,986	321,688
Centerra Series 2005	105,223	-	5,261	99,962
Centerra Series 2006	68,665	-	2,985	65,680
Centerra Series 2008	110,808	-	4,617	106,191
Cortina Series 2005	92,191	-	4,610	87,581
Cortina Series 2006	115,940	-	5,040	110,900
Business-type Activities				
General Obligation Bonds				
Series 2005	290,816	-	24,234	266,582
Series 2007	196,509	-	10,917	185,592
Series 2008	450,386	-	15,531	434,855
Series 2009-Refunding	54,630	-	2,731	51,899
Series 2010-Refunding	-	39,084	-	39,084
Series 2010 - Build America	-	107,354	2,682	104,672
Public Improvement Corporation				
Series 2007A	767,190	-	32,574	734,616
Series 2008	241,904	-	10,751	231,153
Revenue Bonds, Series 1999	39,112	-	4,346	34,766
Revenue Bonds, Series 2009	24,226	-	2,692	21,534
Revenue Bonds, Series 2010	-	511,418	7,106	504,312
	<u>\$ 7,541,420</u>	<u>\$ 710,802</u>	<u>\$ 364,267</u>	<u>\$ 7,887,955</u>

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 11 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
2011	\$ 859,503	\$ 779,999
2012	859,503	709,090
2013	859,503	638,181
2014	859,503	567,272
2015	859,503	496,363
2016-2020	4,297,515	1,418,181
2021-2022	1,719,011	70,909
Total	<u>\$ 10,314,041</u>	<u>\$ 4,679,995</u>

NOTE 12 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 3,645,701	\$ 1,753,301	\$ 1,608,195	\$ 3,790,807	\$ 1,289,990
General obligation bonds payable	35,842,739	105,000	2,345,758	33,601,981	-
Community Facilities					
District bonds payable	127,125,000	-	4,812,000	122,313,000	3,460,000
Public improvement bonds	5,910,000	-	680,000	5,230,000	720,000
Revenue bonds payable	47,165,000	-	1,105,000	46,060,000	1,160,000
Contracts payable	7,755,628 *	-	2,000,000	5,755,628	-
Premiums	2,299,376	5,733	116,144	2,188,965	-
Discounts	(66,580)	-	(3,329)	(63,251)	-
Governmental activities long-term liabilities	<u>\$ 229,676,864</u>	<u>\$ 1,864,034</u>	<u>\$ 12,663,768</u>	<u>\$ 218,877,130</u>	<u>\$ 6,629,990</u>

* Beginning balance was changed to reflect the contractual obligations for purchase of right of way.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Compensated absences	\$ 379,731	\$ 229,613	\$ 189,650	\$ 419,694	\$ 175,643
General obligation bonds payable	88,282,261	10,320,000	5,849,241	92,753,020	-
Public improvement bonds	102,300,000	-	-	102,300,000	-
Revenue bonds payable	2,370,000	14,950,000	280,000	17,040,000	-
Water rights obligations	11,173,544	-	859,503	10,314,041	859,503
Loans payable	8,866,108	1,974,872	915,691	9,925,289	-
Premiums	2,483,789	111,654	124,154	2,471,289	-
Business-type activities long-term liabilities	<u>\$ 215,855,433</u>	<u>\$ 27,586,139</u>	<u>\$ 8,218,239</u>	<u>\$ 235,223,333</u>	<u>\$ 1,035,146</u>

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 13 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2010, interfund balances were as follows:

Interfund receivables/payable:

Fund	Receivable Amount	Payable Amount
General Fund	\$ 3,313,363	\$ -
Non-Major Governmental Funds	-	2,263,837
Internal Service Fund	-	87,686
Stadium Fund	-	961,840
Total	<u>\$ 3,313,363</u>	<u>\$ 3,313,363</u>

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

Interfund transfers:

Fund	Transfers Out	Transfers In
General Fund	\$ 7,704,350	\$ 4,342,839
Community Facilities Districts-Debt Service	-	805,097
Capital Improvements	124,979	357,342
Community Facilities Districts-Capital Projects	805,097	-
Non-Major Governmental Funds	5,557,149	871,012
Water and Sewer Fund	3,292,860	4,267,476
Sanitation Fund	925,000	-
Stadium Fund	-	7,765,669
Total	<u>\$ 18,409,435</u>	<u>\$ 18,409,435</u>

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 14 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, 2010; 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 15 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.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 15 RISK MANAGEMENT (Continued)

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 \$250,000 for the fiscal year ending June 30, 2010.

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 16 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, 2010, active ASRS members and the City were each required by statute to contribute at the actuarially determined rate of 9.0 percent (8.6 percent retirement and .40 percent long-term disability) of the member's annual covered payroll. The City's contributions to ASRS for the years ended June 30, 2010, 2009, and 2008 were \$1,793,509, \$1,999,370, and \$2,044,154, 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.

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 16 RETIREMENT PLANS (Continued)

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, 2010, 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 13.52% and 10.83% of the covered payroll to the Plan for the Police and Firefighters, respectively. Annual pension cost and related information was not available by year end June 30, 2010.

Annual Pension Cost - The City's pension cost for the agent plan for the year ended June 30, 2009, and related information follows:

Contribution Rates:	<u>PSPRS – Police</u>	<u>PSPRS - Fire</u>
City	13.52%	10.83%
Plan members	7.65%	7.65%
Annual pension cost	\$1,003,236	\$856,004
Contributions made	\$1,003,236	\$856,004
Actuarial valuation date	June 30, 2009	June 30, 2009
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:

<u>Plan</u>	<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
PSPRS - Police	2009	\$ 1,003,236	100.0%	-
	2008	552,097	100.0%	-
	2007	452,954	100.0%	-
PSPRS - Fire	2009	856,004	100.0%	-
	2008	522,152	100.0%	-
	2007	325,166	100.0%	-

Funding Progress - An analysis of funding progress for each of the agent plans as most recent actuarial valuations, June 30, 2009 follows:

PSPR - Goodyear Police Plan:

<u>Valuation Date June 30,</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Annual Covered Payroll (c)</u>	<u>Unfunded AAL as a Percent of Covered Payroll ((b-a)/c)</u>
2009	\$12,239,614	\$ 15,500,586	\$ 3,260,972	79.0%	\$6,431,412	50.7%
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%

CITY OF GOODYEAR, ARIZONA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2010

NOTE 16 RETIREMENT PLANS (Continued)

PSPR - Goodyear Fire Plan:

Valuation Date June 30,	Actuarial Value of Plan Assets (a)	Actuarial 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)
2009	\$10,127,059	\$ 10,391,001	\$ 263,942	97.5%	\$7,047,317	3.8%
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%

Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan

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

The City discontinued using part-time firefighters as of December 1, 2005.

The assets of the plan are valued annually and the earnings or loss is distributed among the participant's accounts in the plan. The only expenditures being made from this fund are administration fees, benefit payments, and refunds to those firefighters who leave the service of the Fire Department before becoming eligible for pension benefits. The cost of administering the plan is financed from investment earnings. Retirement with full benefits can be at age fifty-five (55) or twenty years of credited service. This plan was fully vested as of June 30, 2010. As of June 30, 2010, there were 6 eligible employees participating in the plan. The plan is administered by LPL Financial.

As of June 30, 2010, the plan's assets consisted of the following:

Cash	\$ 369
LGIP	74,508
Mutual Funds	295,034
	<u>\$ 369,911</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 17 DEFICIT FUND BALANCE

Grants Fund Deficit Fund Balance - At June 30, 2010, the Grants Fund contains a deficit fund balance of \$2,179,269 in the fund financial statements. Future revenues are expected to cover this deficit.

CITY OF GOODYEAR, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 18 COMMITMENTS

The City has active construction projects as of June 30, 2010. The balances for work not yet complete as of June 30, 2010 were as follows:

Alliance Service & Control	\$ 33,424
AJP Electric	31,852
Goodyear Civic Center Developers	191,577
Nesbitt Contracting	2,362,234
PCL Constructors	1,805,291
Prime Contracting	2,836,336
	<u>\$ 7,260,714</u>

These commitments are being financed from existing fund balances.

NOTE 19 SUBSEQUENT EVENTS

The Mayor of The City of Goodyear as of June 30, 2010 resigned effective November 15, 2010.

OTHER SUPPLEMENTARY INFORMATION

COMBINING FUND FINANCIAL STATEMENTS

CITY OF GOODYEAR, ARIZONA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 June 30, 2010

	Special Revenue		
	Highway User Revenue	Grants	Community Facilities Districts
ASSETS			
Cash and cash equivalents	\$ 263,687	\$ 215,651	\$ 1,713,080
Taxes receivable	242,025	-	36,041
Accounts receivable	-	-	150
Due from other governments	-	2,298,649	-
Inventories	307,240	-	-
Prepaid items	-	505	-
Total assets	<u>\$ 812,952</u>	<u>\$ 2,514,805</u>	<u>\$ 1,749,271</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 249,599	734,837	\$ 57,102
Accrued payroll and employee benefits	63,681	-	-
Accrued interest payable	-	-	-
Deposits held for others	-	-	5,000
Due to other funds	-	1,699,718	564,119
Deferred revenue	290,592	2,259,519	27,993
Total liabilities	<u>603,872</u>	<u>4,694,074</u>	<u>654,214</u>
Fund balances:			
Reserved:			
Debt service	-	-	-
Unreserved, reported in			
Special revenue	209,080	(2,179,269)	1,095,057
Total fund balances	<u>209,080</u>	<u>(2,179,269)</u>	<u>1,095,057</u>
Total liabilities and fund balances	<u>\$ 812,952</u>	<u>\$ 2,514,805</u>	<u>\$ 1,749,271</u>

Special Revenue

Community Facilities Impact Fees	General Government Impact Fees	Public Works Impact Fees	Fire Impact Fees	Police Impact Fees	Transportation Impact Fees
\$ 2,750,512	\$ 2,816,063	\$ 5,711,562	\$ 984,626	\$ 6,883,236	\$ 832,097
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,750,512</u>	<u>\$ 2,816,063</u>	<u>\$ 5,711,562</u>	<u>\$ 984,626</u>	<u>\$ 6,883,236</u>	<u>\$ 832,097</u>
\$ 54,696	\$ -	\$ -	\$ -	\$ -	25,820
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	188,750	-	-
<u>54,696</u>	<u>-</u>	<u>-</u>	<u>188,750</u>	<u>-</u>	<u>25,820</u>
-	-	-	-	-	-
<u>2,695,816</u>	<u>2,816,063</u>	<u>5,711,562</u>	<u>795,876</u>	<u>6,883,236</u>	<u>806,277</u>
<u>2,695,816</u>	<u>2,816,063</u>	<u>5,711,562</u>	<u>795,876</u>	<u>6,883,236</u>	<u>806,277</u>
<u>\$ 2,750,512</u>	<u>\$ 2,816,063</u>	<u>\$ 5,711,562</u>	<u>\$ 984,626</u>	<u>\$ 6,883,236</u>	<u>\$ 832,097</u>

(Continued on next page)



CITY OF GOODYEAR, ARIZONA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 June 30, 2010

	Special Revenue			Total Non-Major Governmental Funds
	Library Impact Fees	Regional Transportation Impact Fees	Debt Services	
ASSETS				
Cash and cash equivalents	\$ 1,574,963	\$ 54,545	\$ 679,191	\$ 24,479,213
Taxes receivable	-	-	465,870	743,936
Accounts receivable	-	-	-	150
Due from other governments	-	-	-	2,298,649
Inventories	-	-	-	307,240
Prepaid items	-	-	-	505
Total assets	<u>\$ 1,574,963</u>	<u>\$ 54,545</u>	<u>\$ 1,145,061</u>	<u>\$ 27,829,693</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 11,027	\$ -	\$ 1,133,081
Accrued payroll and employee benefits	-	-	-	63,681
Deposits held for others	-	-	-	5,000
Due to other funds	-	-	-	2,263,837
Deferred revenue	-	-	305,585	3,072,439
Total liabilities	<u>-</u>	<u>11,027</u>	<u>317,045</u>	<u>6,549,498</u>
Fund balances:				
Reserved:				
Debt service	-	-	828,016	828,016
Unreserved:				
Special revenue	1,574,963	43,518	-	20,452,179
Total fund balances	<u>1,574,963</u>	<u>43,518</u>	<u>828,016</u>	<u>21,280,195</u>
Total liabilities and fund balances	<u>\$ 1,574,963</u>	<u>\$ 54,545</u>	<u>\$ 1,145,061</u>	<u>\$ 27,829,693</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 Year Ended June 30, 2010

	Special Revenue		
	Highway User Revenue	Grants	Community Facilities Districts
REVENUES			
Taxes	\$ -	\$ -	\$ 627,598
Intergovernmental	2,769,619	2,787,394	-
Charges for services	9,626	-	-
Investment income (loss)	816	48	4,760
Miscellaneous	104,170	3,659	174,846
Total revenues	<u>2,884,231</u>	<u>2,791,101</u>	<u>807,204</u>
EXPENDITURES			
Current:			
General government	-	96,303	1,112,477
Public safety	-	400,713	-
Highway and streets	3,744,516	85,575	-
Culture and recreation	-	6,600	-
Capital outlay	44,091	4,022,285	-
Debt service:			
Principal retirement	-	-	-
Interest and debt costs	-	-	-
Total expenditures	<u>3,788,607</u>	<u>4,611,476</u>	<u>1,112,477</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(904,376)</u>	<u>(1,820,375)</u>	<u>(305,273)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	871,012	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>871,012</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(33,364)	(1,820,375)	(305,273)
Fund balances, beginning of year	<u>242,444</u>	<u>(358,894)</u>	<u>1,400,330</u>
Fund balances, end of year	<u>\$ 209,080</u>	<u>\$ (2,179,269)</u>	<u>\$ 1,095,057</u>

Special Revenue

Community Facilities Impact Fees	General Government Impact Fees	Public Works Impact Fees	Fire Impact Fees	Police Impact Fees	Transportation Impact Fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
325,392	666,139	241,448	663,973	416,324	266,910
7,227	10,865	18,534	1,311	24,408	2,885
-	-	-	-	-	298,500
<u>332,619</u>	<u>677,004</u>	<u>259,982</u>	<u>665,284</u>	<u>440,732</u>	<u>568,295</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
125,904	-	-	-	-	-
41,479	1,274,227	-	5,341	745,522	403,046
-	-	-	-	-	-
-	-	-	-	-	-
<u>167,383</u>	<u>1,274,227</u>	<u>-</u>	<u>5,341</u>	<u>745,522</u>	<u>403,046</u>
165,236	(597,223)	259,982	659,943	(304,790)	165,249
-	-	-	-	-	-
-	-	-	(357,342)	-	-
-	-	-	(357,342)	-	-
165,236	(597,223)	259,982	302,601	(304,790)	165,249
2,530,580	3,413,286	5,451,580	493,275	7,188,026	641,028
<u>\$ 2,695,816</u>	<u>\$ 2,816,063</u>	<u>\$ 5,711,562</u>	<u>\$ 795,876</u>	<u>\$ 6,883,236</u>	<u>\$ 806,277</u>

(Continued on next page)



CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)
 Year Ended June 30, 2010

	Special Revenue			Total Non-Major Government Funds
	Library Impact Fees	Regional Transportation Impact Fees	Debt Service	
REVENUES				
Taxes	\$ -	\$ -	\$ 9,332,148	\$ 9,959,746
Intergovernmental	-	-	-	5,557,013
Charges for services	(74,808)	96,805	-	2,611,809
Investment income	6,227	7	302	77,390
Miscellaneous	-	-	-	581,175
Total revenues	<u>(68,581)</u>	<u>96,812</u>	<u>9,332,450</u>	<u>18,787,133</u>
EXPENDITURES				
Current:				
General government	-	-	-	1,208,780
Public safety	-	-	-	400,713
Highway and streets	-	61,498	-	3,891,589
Culture and recreation	-	-	-	132,504
Capital outlay	500,000	-	-	7,035,991
Debt service:				
Principal retirement	-	-	2,345,758	2,345,758
Interest and debt costs	-	-	1,553,113	1,553,113
Total expenditures	<u>500,000</u>	<u>61,498</u>	<u>3,898,871</u>	<u>16,568,448</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(568,581)</u>	<u>35,314</u>	<u>5,433,579</u>	<u>2,218,685</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	871,012
Transfers out	-	-	(5,199,807)	(5,557,149)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(5,199,807)</u>	<u>(4,686,137)</u>
Net change in fund balances	(568,581)	35,314	233,772	(2,467,452)
Fund balances, beginning of year	<u>2,143,544</u>	<u>8,204</u>	<u>594,244</u>	<u>23,747,647</u>
Fund balances, end of year	<u>\$ 1,574,963</u>	<u>\$ 43,518</u>	<u>\$ 828,016</u>	<u>\$ 21,280,195</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 June 30, 2010

	Brownfield EPA Cleanup	Gain	Fill-A-Need	Shop With A Cop	Total
ASSETS					
Cash and cash equivalents	\$ 864,022	\$ 21,230	\$ 2,858	\$ 1,302	\$ 889,412
Total assets	<u>\$ 864,022</u>	<u>\$ 21,230</u>	<u>\$ 2,858</u>	<u>\$ 1,302</u>	<u>\$ 889,412</u>
LIABILITIES					
Deposits held for others	\$ 829,715	\$ 21,230	\$ 2,858	\$ 1,302	\$ 855,105
Due to other funds	34,307	-	-	-	34,307
Total liabilities	<u>\$ 864,022</u>	<u>\$ 21,230</u>	<u>\$ 2,858</u>	<u>\$ 1,302</u>	<u>\$ 889,412</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 Year Ended June 30, 2010

	<u>Balance</u> <u>June 30, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2010</u>
Brownfield EPA Cleanup:				
Assets				
Cash and cash equivalents	\$ -	\$ 864,022	\$ -	\$ 864,022
Liabilities				
Deposits held for others	\$ -	\$ 829,715	\$ -	\$ 829,715
Due to other funds	-	34,307	-	34,307
Total liabilities	<u>\$ -</u>	<u>\$ 864,022</u>	<u>\$ -</u>	<u>\$ 864,022</u>
GAIN:				
Assets				
Cash and cash equivalents	\$ -	\$ 21,230	\$ -	\$ 21,230
Liabilities				
Deposits held for others	\$ -	\$ 21,230	\$ -	\$ 21,230
Fill-A-Need:				
Assets				
Cash and cash equivalents	\$ -	\$ 2,858	\$ -	\$ 2,858
Liabilities				
Deposits held for others	\$ -	\$ 2,858	\$ -	\$ 2,858
Shop With A COP:				
Assets				
Cash and cash equivalents	\$ -	\$ 1,302	\$ -	\$ 1,302
Liabilities				
Deposits held for others	\$ -	\$ 1,302	\$ -	\$ 1,302
Total - All Agency Funds				
Assets				
Cash and cash equivalents	\$ -	\$ 889,412	\$ -	\$ 889,412
Liabilities				
Deposits held for others	\$ -	\$ 855,105	\$ -	\$ 855,105
Due to other funds	-	34,307	-	34,307
Total liabilities	<u>\$ -</u>	<u>\$ 889,412</u>	<u>\$ -</u>	<u>\$ 889,412</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, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 6,840,169	\$ 6,840,169	\$ 6,656,740	\$ (183,429)
Investment income	79,960	79,960	46,302	(33,658)
Special assessments	5,994,381	5,994,381	2,970,177	(3,024,204)
Contributions	1,586,978	1,586,978	2,341,829	754,851
Total revenues	<u>14,501,488</u>	<u>14,501,488</u>	<u>12,015,048</u>	<u>(2,486,440)</u>
EXPENDITURES				
Debt service				
Principal retirement	8,690,000	8,690,000	4,812,000	3,878,000
Interest and debt costs	8,311,469	8,311,469	6,901,373	1,410,096
Total expenditures	<u>17,001,469</u>	<u>17,001,469</u>	<u>11,713,373</u>	<u>5,288,096</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,499,981)</u>	<u>(2,499,981)</u>	<u>301,675</u>	<u>2,801,656</u>
OTHER FINANCING SOURCES (USES)				
Debt issuance	1,000,000	1,000,000	-	(1,000,000)
Transfers in	55,000	55,000	805,097	750,097
Total other financing sources (uses)	<u>1,055,000</u>	<u>1,055,000</u>	<u>805,097</u>	<u>(249,903)</u>
Net change in fund balance	(1,444,981)	(1,444,981)	1,106,772	2,551,753
Fund balance, beginning of year	<u>12,984,536</u>	<u>12,984,536</u>	<u>12,984,536</u>	<u>-</u>
Fund balance, end of year	<u>\$ 11,539,555</u>	<u>\$ 11,539,555</u>	<u>\$ 14,091,308</u>	<u>\$ 2,551,753</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ 307	\$ 307
Special assessments			3,552,747	3,552,747
Total revenues	<u>-</u>	<u>-</u>	<u>3,553,054</u>	<u>3,553,054</u>
EXPENDITURES				
Debt service				
Principal retirement	1,105,000	1,105,000	1,105,000	-
Interest and debt costs	2,476,162	2,476,162	2,447,906	28,256
Total expenditures	<u>3,581,162</u>	<u>3,581,162</u>	<u>3,552,906</u>	<u>28,256</u>
Excess (deficiency) of revenues over (under) expenditures	(3,581,162)	(3,581,162)	148	3,581,310
Fund balance, beginning of year	<u>18,969</u>	<u>18,969</u>	<u>18,969</u>	<u>-</u>
Fund balance, end of year	<u>\$ (3,562,193)</u>	<u>\$ (3,562,193)</u>	<u>\$ 19,117</u>	<u>\$ 3,581,310</u>

CITY OF GOODYEAR, ARIZONA
 CAPITAL IMPROVEMENT PROJECTS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
 AND ACTUAL
 Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ 972	\$ 972
Total revenues	-	-	972	972
EXPENDITURES				
Capital outlay	166,998,830	155,037,740	156,256	154,881,484
Debt service				
Interest and debt cost	-	-	8,190	(8,190)
Total expenditures	166,998,830	155,037,740	164,446	154,873,294
Excess (deficiency) of revenues over (under) expenditures	(166,998,830)	(155,037,740)	(163,474)	154,874,266
OTHER FINANCING SOURCES (USES)				
Debt issuance	167,073,108	167,073,108	105,000	(166,968,108)
Debt premium	-	-	5,733	5,733
Transfers in	-	-	357,342	357,342
Transfers out	-	-	(124,979)	(124,979)
Total other financing sources (uses)	167,073,108	167,073,108	343,096	(166,730,012)
Net change in fund balance	74,278	12,035,368	179,622	(11,855,746)
Fund balance, beginning of year	(168,269)	(168,269)	(168,269)	-
Fund balance, end of year	\$ (93,991)	\$ 11,867,099	\$ 11,353	\$ (11,855,746)

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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ 12,628	\$ 12,628
Miscellaneous	-	-	1,259,776	1,259,776
Total revenues	-	-	1,272,404	1,272,404
EXPENDITURES				
Capital outlay	299,314	299,314	697,866	(398,552)
Total expenditures	299,314	299,314	697,866	(398,552)
Excess (deficiency) of revenues over (under) expenditures	(299,314)	(299,314)	574,538	873,852
Fund balance, beginning of year	807,658	807,658	807,658	-
Fund balance, end of year	\$ 508,344	\$ 508,344	\$ 1,382,196	\$ 873,852

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, 2010

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
REVENUES				
Investment income	\$ 183,550	\$ 183,550	\$ 2,039	\$ (181,511)
Contributions	3,585,000	3,585,000	-	(3,585,000)
Total revenues	<u>3,768,550</u>	<u>3,768,550</u>	<u>2,039</u>	<u>(3,766,511)</u>
EXPENDITURES				
Capital outlay	<u>79,520,739</u>	<u>79,520,739</u>	<u>4,103,438</u>	<u>75,417,301</u>
Total expenditures	<u>79,520,739</u>	<u>79,520,739</u>	<u>4,103,438</u>	<u>75,417,301</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(75,752,189)</u>	<u>(75,752,189)</u>	<u>(4,101,399)</u>	<u>71,650,790</u>
OTHER FINANCING SOURCES (USES)				
Debt issuance	68,370,000	68,370,000	-	(68,370,000)
Transfers out	<u>55,000</u>	<u>55,000</u>	<u>(805,097)</u>	<u>(860,097)</u>
Total other financing sources (uses)	<u>68,425,000</u>	<u>68,425,000</u>	<u>(805,097)</u>	<u>(69,230,097)</u>
Net change in fund balance	(7,327,189)	(7,327,189)	(4,906,496)	2,420,693
Fund balance, beginning of year	<u>4,906,496</u>	<u>4,906,496</u>	<u>4,906,496</u>	<u>-</u>
Fund balance, end of year	<u>\$ (2,420,693)</u>	<u>\$ (2,420,693)</u>	<u>\$ -</u>	<u>\$ 2,420,693</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, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 3,052,117	\$ 3,052,117	\$ 2,769,619	\$ (282,498)
Charges for services	-	-	9,626	9,626
Investment income	13,844	13,844	816	(13,028)
Miscellaneous	-	-	104,170	104,170
Total revenues	<u>3,065,961</u>	<u>3,065,961</u>	<u>2,884,231</u>	<u>(181,730)</u>
EXPENDITURES				
Current				
Highway and streets	4,640,389	4,640,389	3,744,516	895,873
Capital outlay	200,000	200,000	44,091	155,909
Total expenditures	<u>4,840,389</u>	<u>4,840,389</u>	<u>3,788,607</u>	<u>1,051,782</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,774,428)</u>	<u>(1,774,428)</u>	<u>(904,376)</u>	<u>870,052</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,571,428</u>	<u>1,571,428</u>	<u>871,012</u>	<u>(700,416)</u>
Total other financing sources (uses)	<u>1,571,428</u>	<u>1,571,428</u>	<u>871,012</u>	<u>(700,416)</u>
Net change in fund balance	(203,000)	(203,000)	(33,364)	169,636
Fund balance, beginning of year	<u>242,444</u>	<u>242,444</u>	<u>242,444</u>	<u>-</u>
Fund balance, end of year	<u>\$ 39,444</u>	<u>\$ 39,444</u>	<u>\$ 209,080</u>	<u>\$ 169,636</u>

CITY OF GOODYEAR, ARIZONA
 GRANTS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
 AND ACTUAL
 Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 12,000,000	\$ 12,000,000	\$ 2,787,394	\$ (9,212,606)
Investment income	-	-	48	48
Miscellaneous	-	-	3,659	3,659
Total revenues	<u>12,000,000</u>	<u>12,000,000</u>	<u>2,791,101</u>	<u>(9,208,899)</u>
EXPENDITURES				
Current				
General government	12,000,000	12,000,000	96,303	11,903,697
Public safety	-	-	400,713	(400,713)
Highway and streets	-	-	85,575	(85,575)
Culture and recreation	-	-	6,600	(6,600)
Capital outlay	5,498,877	5,498,877	4,022,285	1,476,592
Total expenditures	<u>17,498,877</u>	<u>17,498,877</u>	<u>4,611,476</u>	<u>12,887,401</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,498,877)</u>	<u>(5,498,877)</u>	<u>(1,820,375)</u>	<u>3,678,502</u>
Fund balance, beginning of year	<u>(358,894)</u>	<u>(358,894)</u>	<u>(358,894)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (5,857,771)</u>	<u>\$ (5,857,771)</u>	<u>\$ (2,179,269)</u>	<u>\$ 3,678,502</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, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget- Positive (Negative)
REVENUES				
Taxes	\$ 640,074	\$ 640,074	\$ 627,598	\$ (12,476)
Investment income	7,582	7,582	4,760	(2,822)
Miscellaneous	559,284	559,284	174,846	(384,438)
Total revenues	<u>1,206,940</u>	<u>1,206,940</u>	<u>807,204</u>	<u>(399,736)</u>
EXPENDITURES				
Current				
General government	<u>2,382,839</u>	<u>2,382,839</u>	<u>1,112,477</u>	<u>1,270,362</u>
Total expenditures	<u>2,382,839</u>	<u>2,382,839</u>	<u>1,112,477</u>	<u>1,270,362</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,175,899)</u>	<u>(1,175,899)</u>	<u>(305,273)</u>	<u>870,626</u>
Fund balance, beginning of year	<u>1,400,330</u>	<u>1,400,330</u>	<u>1,400,330</u>	<u>-</u>
Fund balance, end of year	<u>\$ 224,431</u>	<u>\$ 224,431</u>	<u>\$ 1,095,057</u>	<u>\$ 870,626</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 252,793	\$ 252,793	\$ 325,392	\$ 72,599
Investment income	37,205	37,205	7,227	(29,978)
Total revenues	<u>289,998</u>	<u>289,998</u>	<u>332,619</u>	<u>42,621</u>
EXPENDITURES				
Current:				
Capital outlay	97,859	97,859	167,383	(69,524)
Total expenditures	<u>97,859</u>	<u>97,859</u>	<u>167,383</u>	<u>(69,524)</u>
Excess (deficiency) of revenues over (under) expenditures	192,139	192,139	165,236	(26,903)
Fund balance, beginning of year	<u>2,530,580</u>	<u>2,530,580</u>	<u>2,530,580</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,722,719</u>	<u>\$ 2,722,719</u>	<u>\$ 2,695,816</u>	<u>\$ (26,903)</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 692,834	\$ 692,834	\$ 666,139	\$ (26,695)
Investment income	1,638	1,638	10,865	9,227
Total revenues	<u>694,472</u>	<u>694,472</u>	<u>677,004</u>	<u>(17,468)</u>
EXPENDITURES				
Current				
Capital outlay	1,968,528	1,968,528	1,274,227	694,301
Total expenditures	<u>1,968,528</u>	<u>1,968,528</u>	<u>1,274,227</u>	<u>694,301</u>
Excess (deficiency) of revenues over (under) expenditures	(1,274,056)	(1,274,056)	(597,223)	676,833
Fund balance, beginning of year	<u>3,413,286</u>	<u>3,413,286</u>	<u>3,413,286</u>	-
Fund balance, end of year	<u>\$ 2,139,230</u>	<u>\$ 2,139,230</u>	<u>\$ 2,816,063</u>	<u>\$ 676,833</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 243,876	\$ 243,876	\$ 241,448	\$ (2,428)
Investment income	85,423	85,423	18,534	(66,889)
Total revenues	<u>329,299</u>	<u>329,299</u>	<u>259,982</u>	<u>(69,317)</u>
EXPENDITURES				
Current				
Capital outlay	6,024,197	6,024,197	-	6,024,197
Total expenditures	<u>6,024,197</u>	<u>6,024,197</u>	<u>-</u>	<u>6,024,197</u>
Excess (deficiency) of revenues over (under) expenditures	(5,694,898)	(5,694,898)	259,982	5,954,880
Fund balance, beginning of year	<u>5,451,580</u>	<u>5,451,580</u>	<u>5,451,580</u>	<u>-</u>
Fund balance, end of year	<u>\$ (243,318)</u>	<u>\$ (243,318)</u>	<u>\$ 5,711,562</u>	<u>\$ 5,954,880</u>

CITY OF GOODYEAR, ARIZONA
 FIRE IMPACT FEES
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
 AND ACTUAL
 Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 963,755	\$ 963,755	\$ 663,973	\$ (299,782)
Investment income	-	-	1,311	1,311
Total revenues	<u>963,755</u>	<u>963,755</u>	<u>665,284</u>	<u>(298,471)</u>
EXPENDITURES				
Current				
Capital outlay	<u>2,748,768</u>	<u>2,748,768</u>	<u>5,341</u>	<u>2,743,427</u>
Total expenditures	<u>2,748,768</u>	<u>2,748,768</u>	<u>5,341</u>	<u>2,743,427</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,785,013)</u>	<u>(1,785,013)</u>	<u>659,943</u>	<u>2,444,956</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>-</u>	<u>-</u>	<u>(357,342)</u>	<u>(357,342)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(357,342)</u>	<u>(357,342)</u>
Net change in fund balance	(1,785,013)	(1,785,013)	302,601	2,087,614
Fund balance, beginning of year	<u>493,275</u>	<u>493,275</u>	<u>493,275</u>	<u>-</u>
Fund balance, end of year	<u>\$ (1,291,738)</u>	<u>\$ (1,291,738)</u>	<u>\$ 795,876</u>	<u>\$ 2,087,614</u>

CITY OF GOODYEAR, ARIZONA
POLICE IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 412,188	\$ 412,188	\$ 416,324	\$ 4,136
Investment income	47,318	47,318	24,408	(22,910)
Total revenues	<u>459,506</u>	<u>459,506</u>	<u>440,732</u>	<u>(18,774)</u>
EXPENDITURES				
Current				
Capital outlay	<u>7,043,749</u>	<u>7,043,749</u>	<u>745,522</u>	<u>6,298,227</u>
Total expenditures	<u>7,043,749</u>	<u>7,043,749</u>	<u>745,522</u>	<u>6,298,227</u>
Excess (deficiency) of revenues over (under) expenditures	(6,584,243)	(6,584,243)	(304,790)	6,279,453
Fund balance, beginning of year	<u>7,188,026</u>	<u>7,188,026</u>	<u>7,188,026</u>	<u>-</u>
Fund balance, end of year	<u>\$ 603,783</u>	<u>\$ 603,783</u>	<u>\$ 6,883,236</u>	<u>\$ 6,279,453</u>

CITY OF GOODYEAR, ARIZONA
TRANSPORTATION IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 436,130	\$ 436,130	\$ 266,910	\$ (169,220)
Investment income	12,540	12,540	2,885	(9,655)
Miscellaneous	-	-	298,500	298,500
Total revenues	<u>448,670</u>	<u>448,670</u>	<u>568,295</u>	<u>119,625</u>
EXPENDITURES				
Current				
Capital outlay	<u>366,645</u>	<u>366,645</u>	<u>403,046</u>	<u>(36,401)</u>
Total expenditures	<u>366,645</u>	<u>366,645</u>	<u>403,046</u>	<u>(36,401)</u>
Excess (deficiency) of revenues over (under) expenditures	82,025	82,025	165,249	83,224
Fund balance, beginning of year	<u>641,028</u>	<u>641,028</u>	<u>641,028</u>	<u>-</u>
Fund balance, end of year	<u>\$ 723,053</u>	<u>\$ 723,053</u>	<u>\$ 806,277</u>	<u>\$ 83,224</u>

CITY OF GOODYEAR, ARIZONA
LIBRARY IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 221,381	\$ 221,381	\$ (74,808)	\$ (296,189)
Investment income	26,245	26,245	6,227	(20,018)
Total revenues	<u>247,626</u>	<u>247,626</u>	<u>(68,581)</u>	<u>(316,207)</u>
EXPENDITURES				
Current:				
Capital outlay	<u>2,870,513</u>	<u>2,870,513</u>	<u>500,000</u>	<u>2,370,513</u>
Total expenditures	<u>2,870,513</u>	<u>2,870,513</u>	<u>500,000</u>	<u>2,370,513</u>
Excess (deficiency) of revenues over (under) expenditures	(2,622,887)	(2,622,887)	(568,581)	2,054,306
Fund balance, beginning of year	<u>2,143,544</u>	<u>2,143,544</u>	<u>2,143,544</u>	<u>-</u>
Fund balance, end of year	<u>\$ (479,343)</u>	<u>\$ (479,343)</u>	<u>\$ 1,574,963</u>	<u>\$ 2,054,306</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, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 66,981	\$ 66,981	\$ 96,805	\$ 29,824
Investment income	-	-	7	7
Total revenues	<u>66,981</u>	<u>66,981</u>	<u>96,812</u>	<u>29,831</u>
EXPENDITURES				
Current				
Highway and streets	-	-	61,498	(61,498)
Total expenditures	<u>-</u>	<u>-</u>	<u>61,498</u>	<u>(61,498)</u>
Excess (deficiency) of revenues over (under) expenditures	66,981	66,981	35,314	(31,667)
Fund balance, beginning of year	<u>8,204</u>	<u>8,204</u>	<u>8,204</u>	<u>-</u>
Fund balance, end of year	<u>\$ 75,185</u>	<u>\$ 75,185</u>	<u>\$ 43,518</u>	<u>\$ (31,667)</u>

CITY OF GOODYEAR, ARIZONA
DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 9,386,279	\$ 9,386,279	\$ 9,332,149	\$ (54,130)
Investment income	-	-	301	301
Total revenues	<u>9,386,279</u>	<u>9,386,279</u>	<u>9,332,450</u>	<u>(53,829)</u>
EXPENDITURES				
Debt service				
Principal retirement	2,718,106	2,718,106	2,345,758	372,348
Interest and debt costs	2,400,698	2,400,698	1,553,113	847,585
Total expenditures	<u>5,118,804</u>	<u>5,118,804</u>	<u>3,898,871</u>	<u>1,219,933</u>
Excess (deficiency) of revenues over (under) expenditures	4,267,475	4,267,475	5,433,579	1,166,104
OTHER FINANCING SOURCES				
Transfers out	(4,267,475)	(4,267,475)	(5,199,807)	(932,332)
Total other financing sources	<u>(4,267,475)</u>	<u>(4,267,475)</u>	<u>(5,199,807)</u>	<u>(932,332)</u>
Net change in fund balance	-	-	233,772	233,772
Fund balance, beginning of year	<u>594,244</u>	<u>594,244</u>	<u>594,244</u>	<u>-</u>
Fund balance, end of year	<u>\$ 594,244</u>	<u>\$ 594,244</u>	<u>\$ 828,016</u>	<u>\$ 233,772</u>

CITY OF GOODYEAR, ARIZONA
WATER & SEWER ENTERPRISE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for service	\$ 17,182,557	\$ 17,182,557	\$ 16,258,079	\$ (924,478)
Miscellaneous	26,950	26,950	120,598	93,648
Total operating revenue	<u>17,209,507</u>	<u>17,209,507</u>	<u>16,378,677</u>	<u>(830,830)</u>
Operating expenses:				
Administration	3,408,145	3,408,145	3,068,187	339,958
Costs of sales and services	43,537,462	43,537,462	5,282,401	38,255,061
Depreciation	-	-	5,142,869	(5,142,869)
Total operating expenses	<u>46,945,607</u>	<u>46,945,607</u>	<u>13,493,457</u>	<u>33,452,150</u>
Operating income (loss)	<u>(29,736,100)</u>	<u>(29,736,100)</u>	<u>2,885,220</u>	<u>32,621,320</u>
Nonoperating revenues (expenses):				
Impact fees	4,733,532	4,733,532	3,259,108	(1,474,424)
Intergovernmental	-	-	7,425	7,425
Investment income	267,842	267,842	40,130	(227,712)
Proceeds from the sale of water rights	-	-	4,352,000	4,352,000
Interest expense	<u>(4,916,265)</u>	<u>(4,916,265)</u>	<u>(4,626,823)</u>	<u>289,442</u>
Total nonoperating revenues (expenses)	<u>85,109</u>	<u>85,109</u>	<u>3,031,840</u>	<u>2,946,731</u>
Income (loss) before capital contributions and transfers	<u>(29,650,991)</u>	<u>(29,650,991)</u>	<u>5,917,060</u>	<u>35,568,051</u>
Capital contributions	-	-	2,945,000	2,945,000
Transfers in	4,267,476	4,267,476	4,267,476	-
Transfers out	<u>(3,292,860)</u>	<u>(3,292,860)</u>	<u>(3,292,860)</u>	<u>-</u>
Change in net assets	<u>(28,676,375)</u>	<u>(28,676,375)</u>	<u>9,836,676</u>	<u>38,513,051</u>
Net assets, beginning of year	<u>160,772,198</u>	<u>160,772,198</u>	<u>160,772,198</u>	<u>-</u>
Net assets, end of year	<u>\$ 132,095,823</u>	<u>\$ 132,095,823</u>	<u>\$ 170,608,874</u>	<u>\$ 38,513,051</u>

CITY OF GOODYEAR, ARIZONA
SANITATION ENTERPRISE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Operating revenues:				
Charges for service	\$ 5,399,792	\$ 5,399,792	\$ 5,790,357	\$ 390,565
Miscellaneous	-	-	620	620
Total operating revenue	<u>5,399,792</u>	<u>5,399,792</u>	<u>5,790,977</u>	<u>391,185</u>
Operating expenses:				
Administration	714,458	714,458	708,784	5,674
Costs of sales and services	3,797,249	3,797,249	3,927,574	(130,325)
Depreciation	-	-	145,054	(145,054)
Total operating expenses	<u>4,511,707</u>	<u>4,511,707</u>	<u>4,781,412</u>	<u>(269,705)</u>
Operating income (loss)	<u>888,085</u>	<u>888,085</u>	<u>1,009,565</u>	<u>121,480</u>
Nonoperating revenues (expenses):				
Investment income	-	-	1,692	1,692
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>1,692</u>	<u>1,692</u>
Income (loss) before transfers	888,085	888,085	1,011,257	123,172
Transfers out	<u>(925,000)</u>	<u>(925,000)</u>	<u>(925,000)</u>	<u>-</u>
Change in net assets	(36,915)	(36,915)	86,257	123,172
Net assets, beginning of year	<u>1,948,028</u>	<u>1,948,028</u>	<u>1,948,028</u>	<u>-</u>
Net assets, end of year	<u>\$ 1,911,113</u>	<u>\$ 1,911,113</u>	<u>\$ 2,034,285</u>	<u>\$ 123,172</u>

CITY OF GOODYEAR, ARIZONA
STADIUM ENTERPRISE FUND
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for service	\$ 1,757,500	\$ 1,757,500	\$ 1,530,799	\$ (226,701)
Miscellaneous	-	-	21,260	21,260
Total operating revenue	<u>1,757,500</u>	<u>1,757,500</u>	<u>1,552,059</u>	<u>(205,441)</u>
Operating expenses:				
Administration	2,039,436	2,039,436	2,021,582	17,854
Costs of sales and services	9,639,811	9,639,811	1,698,607	7,941,204
Depreciation	250,000	250,000	2,045,589	(1,795,589)
Total operating expenses	<u>11,929,247</u>	<u>11,929,247</u>	<u>5,765,778</u>	<u>6,163,469</u>
Operating income (loss)	<u>(10,171,747)</u>	<u>(10,171,747)</u>	<u>(4,213,719)</u>	<u>5,958,028</u>
Nonoperating revenues (expenses):				
Investment income	-	-	15,705	15,705
Interest expense	(4,482,983)	(4,482,983)	(5,779,416)	(1,296,433)
Total nonoperating revenues (expenses)	<u>(4,482,983)</u>	<u>(4,482,983)</u>	<u>(5,763,711)</u>	<u>(1,280,728)</u>
Income (loss) before transfers	(14,654,730)	(14,654,730)	(9,977,430)	4,677,300
Transfers in	<u>6,618,497</u>	<u>6,618,497</u>	<u>7,765,669</u>	<u>1,147,172</u>
Change in net assets	(8,036,233)	(8,036,233)	(2,211,761)	5,824,472
Net assets, beginning of year	<u>25,516,941</u>	<u>25,516,941</u>	<u>25,516,941</u>	<u>-</u>
Net assets, end of year	<u>\$ 17,480,708</u>	<u>\$ 17,480,708</u>	<u>\$ 23,305,180</u>	<u>\$ 5,824,472</u>

COMBINING FINANCIAL STATEMENTS
INTERNAL SERVICE FUNDS

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 June 30, 2010

	<u>Internal Service Funds</u>		
	<u>Fleet Management</u>	<u>Health Insurance</u>	<u>Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 267,736	\$ 57,702	\$ 325,438
Inventories	119,488	-	119,488
Total current assets	<u>387,224</u>	<u>57,702</u>	<u>444,926</u>
Total assets	<u>387,224</u>	<u>57,702</u>	<u>444,926</u>
LIABILITIES			
Current liabilities:			
Accounts payable	2,309	-	2,309
Accrued payroll and employee benefits	29,494	-	29,494
Due to other funds	<u>87,686</u>	<u>-</u>	<u>87,686</u>
Total current liabilities	<u>119,489</u>	<u>-</u>	<u>119,489</u>
Total liabilities	<u>119,489</u>	<u>-</u>	<u>119,489</u>
NET ASSETS			
Unrestricted	<u>267,735</u>	<u>57,702</u>	<u>325,437</u>
Total net assets	<u>\$ 267,735</u>	<u>\$ 57,702</u>	<u>\$ 325,437</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 Year Ended June 30, 2010

	Internal Service Funds		
	Fleet Management	Health Insurance	Total
Operating revenues:			
Charges for service	\$ 1,354,854	\$ -	\$ 1,354,854
Miscellaneous	84,268	-	84,268
Total operating revenue	<u>1,439,122</u>	<u>-</u>	<u>1,439,122</u>
Operating expenses:			
Administration	569,048	-	569,048
Costs of sales and services	785,807	-	785,807
Total operating expenses	<u>1,354,855</u>	<u>-</u>	<u>1,354,855</u>
Operating income (loss)	<u>84,267</u>	<u>-</u>	<u>84,267</u>
Nonoperating revenues (expenses):			
Investment income	<u>357</u>	<u>43</u>	<u>400</u>
Total nonoperating revenues (expenses)	<u>357</u>	<u>43</u>	<u>400</u>
Change in net assets	84,624	43	84,667
Net assets, beginning of year	<u>183,111</u>	<u>57,659</u>	<u>240,770</u>
Net assets, end of year	<u>\$ 267,735</u>	<u>\$ 57,702</u>	<u>\$ 325,437</u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year Ended June 30, 2010

	<u>Internal Service Funds</u>		
	<u>Fleet Management</u>	<u>Health Insurance</u>	<u>Total</u>
Cash flows from operating activities:			
Received from customers	\$ 1,489,868	\$ -	\$ 1,489,868
Payments to vendors	(837,574)	-	(837,574)
Payments to employees	(568,026)	-	(568,026)
Net cash provided by operating activities	<u>84,268</u>	<u>-</u>	<u>84,268</u>
Cash flows from investing activities:			
Investment income received	<u>676</u>	<u>43</u>	<u>719</u>
Net cash provided by investing activities	<u>676</u>	<u>43</u>	<u>719</u>
Net change in cash and cash equivalents	84,944	43	84,987
Cash and cash equivalents, beginning of year	<u>182,792</u>	<u>57,659</u>	<u>240,451</u>
Cash and cash equivalents, end of year	<u><u>\$ 267,736</u></u>	<u><u>\$ 57,702</u></u>	<u><u>\$ 325,438</u></u>

CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year Ended June 30, 2010

	<u>Internal Service Funds</u>		
	<u>Fleet Management</u>	<u>Health Insurance</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 84,267	\$ -	\$ 84,267
Adjustment to reconcile operating income to net cash provided by operating activities:			
(Increase) decrease in:			
Inventories	(33,589)	-	(33,589)
Increase (decrease) in:			
Accounts payable	(18,178)	-	(18,178)
Accrued payroll and employee benefits	1,022	-	1,022
Due to other funds	<u>50,746</u>	<u>-</u>	<u>50,746</u>
Net cash provided by operating activities	<u>\$ 84,268</u>	<u>\$ -</u>	<u>\$ 84,268</u>



CITY OF GOODYEAR
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE BY SOURCE
 June 30, 2010

Governmental funds capital assets	<u>2010</u>
Land	\$ 19,426,644
Right of Way	90,128,522
Streetscape	8,749,608
Buildings and improvements	126,195,907
Vehicles, machinery and equipment	36,746,403
Infrastructure	327,219,553
Construction in progress	13,835,365
Total governmental funds capital assets	<u><u>\$ 622,302,002</u></u>
Investment in governmental funds capital assets by source:	
Government funds	\$ 622,302,002
Total governmental funds capital assets	<u><u>\$ 622,302,002</u></u>

CITY OF GOODYEAR
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 June 30, 2010

Function and Activity	Land Right of Way Streetscape	Buildings and Improvements	Improvements other than Buildings
General Government	\$ 6,184,658	\$ -	\$ 159,200
Public Safety	-	18,104,261	62,073
Highways and Streets	98,878,130	-	-
Culture and Recreation	12,493,223	813,910	6,646,487
Public Works	748,763	7,262,782	93,147,193
Total governmental funds capital assets	\$ 118,304,774	\$ 26,180,954	\$ 100,014,954

<u>Vehicles, Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Total</u>
\$ 7,851,642	\$ -	\$ 10,216,149	\$ 24,411,650
17,365,470	-	785	35,532,590
-	327,219,553	-	426,097,683
1,671,745	-	-	21,625,366
9,857,546	-	3,618,431	114,634,714
<u>\$ 36,746,403</u>	<u>\$ 327,219,553</u>	<u>\$ 13,835,365</u>	<u>\$ 622,302,002</u>

CITY OF GOODYEAR
 CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 For the fiscal year ended June 30, 2010

Function and Activity	Governmental Funds Capital Assets July 1, 2009	Additions	Deductions	Governmental Funds Capital Assets June 30, 2010
General Government	\$ 24,462,229	\$ 8,736,989	\$ (8,787,568)	\$ 24,411,649
Public Safety	35,529,477	554,126	(551,014)	35,532,590
Highways and Streets	411,689,054	14,408,628	-	426,097,682
Culture and Recreation	21,583,887	5,799,435	(5,757,957)	21,625,365
Public Works	106,613,697	8,054,005	(32,985)	114,634,716
Total governmental funds capital assets	\$ 599,878,344	\$ 37,553,183	\$ (15,129,524)	\$ 622,302,002

STATISTICAL SECTION



STATISTICAL SECTION

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<p>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</p>	
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<p>These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and sales and uses taxes.</p>	
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<p>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</p>	
Demographic and Economic Statistics (Table 20)	150
<p>These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	
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<p>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	

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

City of Goodyear
Net Assets by Component
Last Eight Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2010	2009	2008
Governmental Activities			
Invested in Capital Assets, Net of Related Debt	\$ 317,162,459	\$309,491,989	\$ 256,047,572
Restricted	115,881,050	117,787,315	70,835,115
Unrestricted	<u>19,272,548</u>	<u>20,522,420</u>	<u>36,122,934</u>
Total Governmental Activities Net Assets	<u>452,316,057</u>	<u>447,801,724</u>	<u>363,005,621</u>
Business-type Activities			
Invested in Capital Assets, Net of Related Debt	191,582,614	199,696,564	159,530,687
Restricted	-	-	-
Unrestricted	<u>4,365,725</u>	<u>(11,409,545)</u>	<u>(13,193,174)</u>
Total Business-type Activities Net Assets	<u>195,948,339</u>	<u>188,287,019</u>	<u>146,337,513</u>
Primary Government			
Invested in Capital Assets, Net of Related Debt	508,745,073	509,188,553	415,578,259
Restricted	115,881,050	117,787,315	70,835,115
Unrestricted	<u>23,638,273</u>	<u>9,112,875</u>	<u>22,929,760</u>
Total Primary Government Net Assets	<u>\$ 648,264,396</u>	<u>\$636,088,743</u>	<u>\$ 509,343,134</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				
2007	2006	2005	2004	2003
\$ 206,294,183	\$ 144,405,463	\$ 127,120,944	\$ 162,387,951	\$ 73,017,558
60,388,579	67,199,030	92,391,268	36,249,889	3,058,777
<u>57,992,720</u>	<u>49,858,294</u>	<u>26,380,488</u>	<u>31,059,204</u>	<u>31,801,683</u>
<u>324,675,482</u>	<u>261,462,787</u>	<u>245,892,700</u>	<u>229,697,044</u>	<u>107,878,018</u>
101,366,083	61,259,814	55,662,610	46,277,707	40,297,163
-	-	-	-	335,000
<u>8,166,207</u>	<u>24,329,033</u>	<u>3,498,896</u>	<u>4,850,793</u>	<u>(4,302,180)</u>
<u>109,532,290</u>	<u>85,588,847</u>	<u>59,161,506</u>	<u>51,128,500</u>	<u>36,329,983</u>
307,660,266	205,665,277	182,783,554	208,665,658	113,314,721
60,388,579	67,199,030	92,391,268	36,249,889	3,058,777
<u>66,158,927</u>	<u>74,187,327</u>	<u>29,879,384</u>	<u>35,909,997</u>	<u>27,499,503</u>
<u>\$ 434,207,772</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 Eight Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2010	2009	2008
Expenses			
Governmental Activities:			
General Government	\$ 6,469,757	\$ 4,701,916	\$ 9,260,326
Police	16,050,100	15,580,923	18,491,397
Financial Services	3,190,931	2,842,884	2,751,164
Community Services	454,550	1,248,219	1,290,021
Information Services	2,722,449	2,743,877	2,931,295
Fire	11,413,558	12,249,685	8,840,019
Municipal Services	1,497,249	1,636,533	1,484,507
Human Resources	1,929,973	2,222,189	1,998,317
Community Development	2,555,353	9,583,326	14,731,322
Culture and Recreation	4,023,639	5,435,750	1,909,303
Highways and Streets	12,179,531	8,436,341	9,104,717
Public Works	11,070,853	14,370,096	59,138,044
Interest on Long-term Debt	11,210,504	12,001,714	9,710,526
Total Governmental Activities Expenses	<u>\$ 84,768,447</u>	<u>\$ 93,053,453</u>	<u>\$ 141,640,958</u>
Business-type Activities			
Water Utility	\$ 10,475,189	\$ 11,608,878	\$ 11,794,505
Wastewater Utility	7,649,704	7,046,385	5,189,053
Sanitation	4,782,565	5,090,150	4,839,626
Stadium*	11,547,500	6,475,960	861,000
Total Business-type Activities Expenses	<u>\$ 34,454,958</u>	<u>\$ 30,221,373</u>	<u>\$ 22,684,184</u>
Total Primary Government Net Assets	<u>\$ 119,223,405</u>	<u>\$ 123,274,826</u>	<u>\$ 164,325,142</u>

Note:

* Stadium Fund did not have operating activity until 2008
N/A data was not separated in these years.

Table 2

Fiscal Year				
2007	2006	2005	2004	2003
\$ 5,020,742	\$ 3,007,708	\$ 4,238,904	\$ 481,277	\$ 5,731,101
11,091,150	9,305,303	7,798,053	7,416,958	6,507,095
2,233,303	1,768,327	2,888,511	2,690,132	1,151,840
1,277,245	1,108,528	1,012,533	1,326,811	479,498
1,769,833	1,551,418	1,434,932	2,056,194	1,907,004
10,129,091	5,839,807	7,275,586	5,862,554	4,879,245
1,163,005	853,289	981,256	1,460,026	811,904
1,976,324	1,361,992	1,276,457	1,987,100	1,525,546
19,683,385	6,668,282	4,613,424	5,386,786	888,182
3,181,071	2,016,304	2,591,911	1,716,362	1,925,726
9,581,333	13,536,118	8,007,969	4,217,554	6,433,665
25,397,680	1,791,319	6,398,665	2,744,892	3,409,198
5,785,031	5,573,064	4,567,604	5,649,175	4,153,359
<u>\$ 98,289,192</u>	<u>\$ 54,381,459</u>	<u>\$ 53,085,805</u>	<u>\$ 42,995,822</u>	<u>\$ 39,803,363</u>
\$ 10,866,043	\$ 9,722,925	\$ 15,150,219	\$ 13,696,021	\$ 9,535,629
4,872,792	4,313,533	N/A	N/A	N/A
4,401,267	3,435,486	2,588,541	2,133,917	1,911,839
-	-	-	-	-
<u>\$ 20,140,102</u>	<u>\$ 17,471,944</u>	<u>\$ 17,738,760</u>	<u>\$ 15,829,938</u>	<u>\$ 11,447,468</u>
<u>\$ 118,429,294</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 Eight Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year		
	2010	2009	2008
Program Revenue			
Governmental Activities:			
Charges for Services:			
General Government	\$ 863,192	\$ 301,151	\$ 3,988,792
Fire	336,303	24,054	57,630
Police	320,967	240,293	210,707
Municipal Services	852,500	730,571	686,135
Public Works	-	-	-
Culture and recreation	287,805	357,039	343,274
Community Development	3,615,255	4,776,076	12,183,231
Operating Grants and Contributions	5,648,867	4,843,140	4,587,630
Capital Grants and Contributions	16,436,375	102,028,190	85,108,447
Total Governmental Activities Program Revenues	<u>\$ 28,361,264</u>	<u>\$ 113,300,514</u>	<u>\$ 107,165,846</u>
Business-type Activities			
Charges for Services:			
Water Utility	\$ 9,022,576	\$ 8,880,151	\$ 8,894,793
Wastewater Utility	7,235,503	6,389,190	6,244,742
Sanitation	5,790,357	5,625,426	5,145,922
Stadium	1,530,799	1,014,221	-
Operating Grants and Contributions	-	25,000	762,200
Capital Grants and Contributions	6,211,533	41,595,562	27,405,133
Total Business-type Activities Revenues	<u>29,790,768</u>	<u>63,529,550</u>	<u>48,452,790</u>
Total Primary Government Revenues	<u>\$ 58,152,032</u>	<u>\$ 176,830,064</u>	<u>\$ 155,618,636</u>
Net (Expense)/Revenue			
Governmental Activities	\$ (56,407,183)	\$ 20,247,061	\$ (34,475,112)
Business-type Activities	<u>(4,664,190)</u>	<u>33,308,177</u>	<u>25,768,606</u>
Total Primary Government Net Revenue	<u>\$ (61,071,373)</u>	<u>\$ 53,555,238</u>	<u>\$ (8,706,506)</u>

Table 2

Fiscal Year				
2007	2006	2005	2004	2003
\$ 396,770	\$ 286,419	\$ 133,367	\$ 276,990	\$ 5,416,791
54,887	61,456	434,179	38,716	45,991
128,040	67,264	-	8,425	35,035
638,390	529,007	-	293,355	1,454,454
3,527,777	-	-	1,162,624	2,195,739
272,516	126,800	259,993	-	-
13,241,940	14,584,804	10,631,653	8,774,894	
895,854	648,756	523,405	109,956	397,092
<u>62,732,783</u>	<u>26,761,281</u>	<u>16,472,105</u>	<u>46,863,563</u>	<u>9,475,823</u>
<u>\$ 81,888,957</u>	<u>\$ 43,065,787</u>	<u>\$ 28,454,702</u>	<u>\$ 57,528,523</u>	<u>\$ 19,020,925</u>
\$ 7,588,225	\$ 5,952,571	\$ 8,895,239	\$ 10,525,392	\$ 2,334,840
6,137,152	4,846,569	3,775,636	3,631,132	3,729,617
4,392,794	3,185,387	2,786,148	2,335,547	1,939,809
-	-	-	-	-
20,000	240,000	-	-	-
<u>24,414,623</u>	<u>26,016,946</u>	<u>10,853,019</u>	<u>12,702,625</u>	<u>4,813,617</u>
<u>42,552,794</u>	<u>40,241,473</u>	<u>26,310,042</u>	<u>29,194,696</u>	<u>12,817,883</u>
<u>\$ 124,441,751</u>	<u>\$ 83,307,260</u>	<u>\$ 54,764,744</u>	<u>\$ 86,723,219</u>	<u>\$ 31,838,808</u>
\$ (16,672,751)	\$ (11,315,672)	\$ (24,631,103)	\$ 14,532,701	\$ (20,782,438)
<u>22,412,692</u>	<u>22,769,529</u>	<u>8,571,282</u>	<u>13,364,758</u>	<u>1,370,415</u>
<u>\$ 5,739,941</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 Eight Fiscal Years
 (accrual basis of accounting)
 (Unaudited)

	Fiscal Year		
	2010	2009	2008
Governmental Revenues and Other Changes in Net Assets			
Governmental Activities:			
Taxes	\$ 55,623,884	\$ 59,003,971	\$ 61,251,635
Intergovernmental	10,907,518	12,236,437	12,654,235
Interest and Investment Income	179,114	148,687	4,268,448
Miscellaneous	2,026,285	911,254	4,075,011
Transfers	<u>(7,815,285)</u>	<u>(7,751,307)</u>	<u>(9,444,077)</u>
Total Governmental Activities	<u>\$ 60,921,516</u>	<u>\$ 64,549,042</u>	<u>\$ 72,805,252</u>
Business-type Activities			
Interest and Investment Income	\$ 57,527	\$ 121,900	\$ 1,379,832
Proceeds from the sale of water rights	4,352,000	-	-
Mitigation proceeds	-	-	-
Miscellaneous	100,698	78,586	212,708
Transfers	<u>7,815,285</u>	<u>7,751,307</u>	<u>9,444,077</u>
Total Business-type Activities	<u>\$ 12,325,510</u>	<u>\$ 7,951,793</u>	<u>\$ 11,036,617</u>
Total Primary Government	<u>\$ 73,247,026</u>	<u>\$ 72,500,835</u>	<u>\$ 83,841,869</u>
Changes in Net Assets			
Governmental Activities	\$ 4,514,333	\$ 84,796,103	\$ 38,330,140
Business-type Activities	<u>7,661,320</u>	<u>41,259,970</u>	<u>36,375,158</u>
Total Primary Government	<u>\$ 12,175,653</u>	<u>\$ 126,056,073</u>	<u>\$ 74,705,298</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

2007	2006	2005	2004	2003
\$ 59,428,806	\$ 48,726,571	\$ 31,498,052	\$ 25,487,392	\$ 21,111,029
15,053,501	6,997,920	5,973,538	5,756,754	5,587,983
4,723,886	4,436,598	1,079,720	556,145	(499,021)
1,029,445	1,486,027	1,641,295	408,114	233,858
(56,622)	(117,062)	634,153	(799,999)	2,257,938
<u>\$ 80,179,016</u>	<u>\$ 61,530,054</u>	<u>\$ 40,826,758</u>	<u>\$ 31,408,406</u>	<u>\$ 28,691,787</u>
\$ 1,447,446	\$ 715,181	\$ 88,211	\$ 119,849	\$ 152,306
-	-	-	-	-
-	1,950,000	-	-	-
26,683	17,431	7,666	67,756	82,345
56,622	117,062	(634,153)	799,999	(2,257,938)
<u>\$ 1,530,751</u>	<u>\$ 2,799,674</u>	<u>\$ (538,276)</u>	<u>\$ 987,604</u>	<u>\$ (2,023,287)</u>
<u>\$ 81,709,767</u>	<u>\$ 64,329,728</u>	<u>\$ 40,288,482</u>	<u>\$ 32,396,010</u>	<u>\$ 26,668,500</u>
\$ 63,505,623	\$ 50,214,382	\$ 16,195,655	\$ 45,941,107	\$ 7,909,349
23,943,443	25,569,203	8,033,006	14,352,362	(652,872)
<u>\$ 87,449,066</u>	<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	
2010	\$21,941,576	\$ 31,448,399	\$ 2,233,909	\$ 4,940,934	\$ 5,966,584	\$ 2,769,619
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

Source: City financial records and reports

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

	Fiscal Year				
	2010	2009	2008	2007	2006
Mining & Government	\$ 15,141	\$ 11,412	\$ 6,391	\$ 1,055	\$ 371
Construction	5,365,079	12,779,596	17,256,194	19,305,179	15,029,430
Manufacturing	535,972	508,454	451,147	405,882	600,356
Utilities	3,085,682	2,448,686	2,397,905	2,115,344	1,640,534
Wholesale Trade	540,630	538,279	775,843	815,930	746,566
Retail Trade	11,569,427	9,568,935	9,526,853	9,789,605	8,727,607
Restaurant & Bar	4,161,539	3,687,991	3,740,867	3,996,446	3,441,051
Real Estate	2,692,806	2,227,491	2,698,200	2,603,404	1,506,238
Hotels	820,902	854,203	1,006,334	944,488	889,513
Services	1,388,178	1,176,780	1,451,721	3,725,380	643,325
Miscellaneous	640,388	622,042	1,035,306	2,286,662	641,428
Total*	<u>\$ 30,815,744</u>	<u>\$ 34,423,869</u>	<u>\$ 40,346,762</u>	<u>\$ 45,989,375</u>	<u>\$ 33,866,419</u>

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

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

Table 4

Fiscal Year				
2005	2004	2003	2002	2001
\$ 17,116	\$ 16,597	\$ -	\$ -	\$ 798
8,915,836	6,918,462	5,271,160	4,786,758	4,042,637
301,797	116,997	26,120	34,008	52,286
671,037	352,894	403,567	354,844	333,763
177,946	92,257	343,762	48,402	58,406
6,397,775	5,393,963	4,935,805	4,041,687	3,768,041
2,544,019	2,087,339	1,947,312	1,680,128	1,052,863
1,011,414	693,762	486,911	461,419	432,028
719,181	527,267	500,620	394,327	247,445
441,333	483,406	612,169	492,499	473,238
<u>633,503</u>	<u>730,151</u>	<u>4,309</u>	<u>11,004</u>	<u>8,423</u>
<u>\$ 21,830,957</u>	<u>\$ 17,413,095</u>	<u>\$ 14,531,735</u>	<u>\$ 12,305,076</u>	<u>\$ 10,469,928</u>

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

	Fiscal Year			
	2010	2009	2008	2007
General Fund				
Reserved	\$ 17,812,619	\$ -	\$ -	\$ -
Unreserved	<u>10,742,777</u>	<u>29,117,875</u>	<u>42,219,809</u>	<u>61,037,128</u>
Total General Fund	<u>\$ 28,555,396</u>	<u>\$ 29,117,875</u>	<u>\$ 42,219,809</u>	<u>\$ 61,037,128</u>
All Other Governmental Funds				
Reserved, Reported in:				
Debt Service Funds	\$ 14,891,228	\$ 13,597,749	\$ 15,356,746	\$ 8,726,046
Capital Projects Funds	1,393,549	4,110,554	10,942,787	7,810,178
Community Facilities District	47,213	-	-	-
Unreserved, Reported in:				
Special Revenue Funds	20,452,179	23,153,403	25,851,665	20,649,813
Capital Projects Funds	<u>-</u>	<u>1,435,331</u>	<u>27,462,037</u>	<u>10,220,953</u>
Total All Other Governmental Funds	<u>\$ 36,784,169</u>	<u>\$ 42,297,037</u>	<u>\$ 79,613,235</u>	<u>\$ 47,406,990</u>

Source: Statement of Net Assets
City financial records and reports

Table 5

Fiscal Year					
2006	2005	2004	2003	2002	2001
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>53,853,901</u>	<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>\$ 53,853,901</u>	<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>
\$ 7,833,170	\$ 6,643,132	\$ 6,388,963	\$ 3,027,055	\$ 4,096,549	\$ 3,804,079
21,303,978	9,704,731	-	-	-	-
-	-	-	-	-	-
19,835,781	14,475,469	8,731,725	4,613,137	3,773,232	2,973,780
<u>3,354,296</u>	<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>\$ 52,327,225</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>

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

	Fiscal Year			
	2010	2009	2008	2007
Expenditures				
Transfer in	\$ 6,376,290	\$ 4,123,384	\$ 11,561,671	\$ 17,288,179
Transfer out	(14,191,575)	(11,874,691)	(21,005,748)	(17,387,710)
Debt issuance	105,000	604,500	112,248,000	16,969,302
Debt premium	5,733	5,722	2,300,192	(72,151)
Refunding Bonds	-	-	6,415,000	-
Payment to refunded bond escrow agent	-	(3,585,000)	(6,734,459)	-
Total Other Financing Sources and (Uses)	<u>(7,704,552)</u>	<u>(10,726,085)</u>	<u>104,784,656</u>	<u>16,797,620</u>
Net Change in Fund Balances	<u>\$ (6,075,347)</u>	<u>\$ (50,418,132)</u>	<u>\$ 13,388,927</u>	<u>\$ 2,262,992</u>
Debt Service as a Percentage of Noncapital Expenditures	27.0%	17.5%	10.8%	12.4%

Source: City financial records and reports

Table 6

Fiscal Year					
2006	2005	2004	2003	2002	2001
\$ 18,210,420	\$ 2,933,372	\$ 2,242,149	\$ 8,994,203	\$ 7,799,778	\$ 10,043,729
(47,966,568)	(2,299,219)	(3,042,148)	(6,736,265)	(5,831,078)	(9,303,528)
5,005,000	42,005,000	27,050,000	16,010,000	5,078,915	21,188,698
-	479,593	-	272,362	-	-
-	-	-	2,300,000	-	-
-	-	-	-	-	-
<u>(24,751,148)</u>	<u>43,118,746</u>	<u>26,250,001</u>	<u>20,840,300</u>	<u>7,047,615</u>	<u>21,928,899</u>
\$ (55,157)	\$ 51,285,241	\$ (69,812)	\$ 14,240,042	\$ (1,819,539)	\$ 10,897,171
17.9%	21.6%	18.7%	18.8%	16.7%	16.8%

concluded

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

	Fiscal Year			
	2010	2009	2008	2007
Expenditures				
Transfer in	\$ 6,376,290	\$ 4,123,384	\$ 11,561,671	\$ 17,288,179
Transfer out	(14,191,575)	(11,874,691)	(21,005,748)	(17,387,710)
Debt issuance	105,000	604,500	112,248,000	16,969,302
Debt premium	5,733	5,722	2,300,192	(72,151)
Refunding Bonds	-	-	6,415,000	-
Payment to refunded bond escrow agent	-	(3,585,000)	(6,734,459)	-
 Total Other Financing Sources and (Uses)	 <u>(7,704,552)</u>	 <u>(10,726,085)</u>	 <u>104,784,656</u>	 <u>16,797,620</u>
 Net Change in Fund Balances	 <u>\$ (6,075,347)</u>	 <u>\$ (50,418,132)</u>	 <u>\$ 13,388,927</u>	 <u>\$ 2,262,992</u>
 Debt Service as a Percentage of Noncapital Expenditures	 28.5%	 18.5%	 19.1%	 16.3%

Source: City financial records and reports

Table 6

Fiscal Year					
2006	2005	2004	2003	2002	2001
\$ 18,210,420	\$ 2,933,372	\$ 2,242,149	\$ 8,994,203	\$ 7,799,778	\$ 10,043,729
(47,966,568)	(2,299,219)	(3,042,148)	(6,736,265)	(5,831,078)	(9,303,528)
5,005,000	42,005,000	27,050,000	16,010,000	5,078,915	21,188,698
-	479,593	-	272,362	-	-
-	-	-	2,300,000	-	-
-	-	-	-	-	-
<u>(24,751,148)</u>	<u>43,118,746</u>	<u>26,250,001</u>	<u>20,840,300</u>	<u>7,047,615</u>	<u>21,928,899</u>
<u>\$ (55,157)</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>
18.1%	24.5%	18.7%	19.3%	16.7%	16.8%

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	
2010	\$ 21,908,223	\$ 31,183,096	\$ 2,233,909	\$ 4,940,934	\$ 5,966,584	\$ 2,769,619
2009	22,332,774	34,205,906	2,195,748	5,355,676	6,880,761	3,008,499
2008	18,004,766	41,036,060	2,071,378	6,101,593	6,503,557	3,401,589
2007	12,289,010	45,240,436	1,817,387	6,307,272	5,252,405	3,493,824
2006	9,769,889	37,420,013	1,479,868	3,225,710	1,979,970	1,792,240
2005	8,583,676	22,475,427	1,166,525	2,600,534	1,738,442	1,634,562
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

Source: City financial records and reports

City of Goodyear
Property Tax Rates
Direct and Overlapping Governments¹
Last Five Fiscal Years
(Unaudited)

City Direct Rate			Overlapping Rates					
			County-Wide Jurisdictions					
Fiscal Year	Operating Rate	Debt Service Rate	Total City Rate	County Operating Rate	County Library District Rate	County Fire District Assistance Rate	County Flood District Rate	County Education Equalization Rate
2010	\$ 0.6320	\$ 0.9679	\$ 1.5999	\$ 0.9909	\$ 0.0353	\$ 0.0057	\$ 0.1367	\$ 0.3306
2009	0.6678	0.9322	1.6000	1.0327	0.0353	0.0053	0.1367	-
2008	0.7321	0.8679	1.6000	1.1046	0.0391	0.0053	0.1533	-
2007	0.7945	0.7991	1.5936	1.1794	0.0507	0.0068	0.2047	-
2006	0.8222	0.7778	1.6000	1.1971	0.0521	0.0069	0.2119	0.4358

* = Assessed / Acreage Basis

Note: Data not available prior to 2006

¹ Source: Maricopa County Assessor's Office

Overlapping Rates									
County-Wide Jurisdictions					School Districts				
Fiscal Year	Community College Rate	Central Arizona Project Rate	Special Health Care District Rate	Total County Rate	Agua Fria/ Avondale Rate	Agua Fria/ Litchfield Rate	Buckeye/ Liberty Rate	Tolleson/ Littleton Rate	Mobile Rate
2010	\$ 0.8844	\$0.1000	\$0.0914	\$2.5750	\$ 6.0066	\$ 5.3164	\$ 5.2568	\$5.8681	\$6.2147
2009	0.9386	0.1000	0.0856	2.3342	5.7554	4.9382	5.5581	6.3843	8.3984
2008	0.9760	0.1000	0.0935	2.4718	6.4298	5.3545	6.7267	6.8078	N/A
2007	1.0646	0.1200	0.1184	2.7446	7.8564	6.8558	7.3005	7.3586	N/A
2006	1.0315	0.1200	0.1206	3.1759	7.8631	6.9430	7.4944	8.3794	N/A

continued

City of Goodyear
Property Tax Rates
Direct and Overlapping Governments¹
Last Five Fiscal Years
(Unaudited)

Overlapping Rates

Other Special Taxing Districts

Fiscal Year	West			Other Special Taxing Districts			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
2010	\$ 0.0500	\$ 1.0000	\$17.1000	\$ 2.6829	\$ 1.2146	\$ 2.1198	\$ 1.3000
2009	0.0500	1.0000	17.1000	2.6965	0.1520	1.2843	1.3000
2008	0.0500	1.0000	15.0000	3.0000	2.8500	1.7639	1.3000
2007	0.0500	1.0000	15.0000	3.0000	2.8500	3.0000	1.3000
2006	0.0500	1.0000	15.0000	3.0000	2.8500	3.0000	1.3000

Table 8

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
2010	\$ 0.6629	\$ 1.0000	\$ 0.2165	\$ 0.3000	\$ 1.5905	\$ 1.6561
2009	0.5313	1.0000	1.7949	0.3000	1.1703	1.3143
2008	0.8040	1.0000	1.6295	0.3000	1.3123	1.4154
2007	1.0000	1.0000	2.0000	0.3000	2.1340	2.3935
2006	1.0000	1.0000	0.3000	\$ -	2.1893	2.3547

concluded



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

Taxpayer	Fiscal Year					
	2010			2003		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Arizona Public Service Company	\$ 20,220,531	1	2.06%	\$ 7,739,112	3	3.48%
Suncor Development Company	16,767,833	2	1.71%	14,143,894	1	6.36%
VHS of South Phoenix, Inc.	15,583,182	3	1.59%	-		
NNP III Estrella Mountain Ranch, LLC	13,715,458	4	1.40%	-		
Duke Realty LP	11,857,862	5	1.21%	-		
First American Title Insurance Company	11,735,998	6	1.19%	3,580,451	6	1.61%
NNP III EMR 3, LLC	9,883,681	7	1.01%	-		
Macy's Retail Holdings, Inc.	8,866,241	8	0.90%	-		
DOA Properties I, LLC	8,748,880	9	0.89%	-		
Cardinal Capital Co.	7,472,133	10	0.76%	-		
Rubbermaid, Inc.	-			8,339,560	2	3.75%
Sun Chase Estrella LP	-			6,560,454	4	2.95%
McLane Company	-			4,492,243	5	2.02%
Qwest Communications	-			2,646,420	7	1.19%
Dayton Hudson	-			2,246,121	8	1.01%
Byrd Enterprises of Arizona Inc.	-			2,068,211	9	0.93%
Southwest Gas Corporation	-			1,801,345	10	0.81%
Total	<u>\$ 124,851,799</u>		<u>12.70%</u>	<u>\$ 53,617,811</u>		<u>24.11%</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 Five 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
2010	\$ 497,383,109	\$ 284,491,038	\$374,640,069	\$ 28,842	\$ 173,686,635	\$ 982,856,423
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 10

Secondary Tax Rate	Estimated Actual Taxable Value	Assessed Value as Percentage of Actual Value
\$ 0.9679	\$ 8,607,745,155	11.4%
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
2010	\$ 14,959,898	\$ 14,527,751	97.11%	\$ 96,134	\$ 14,623,885	97.75%
2009	14,460,290	13,888,743	96.05%	44,605	13,933,348	96.36%
2008	10,843,797	10,706,881	98.74%	77,686	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	5,923,200	97.58%	49,184	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%

Note: Data not available for FY2003, FY2004 & FY2005. All secondary collections are reported as current collections. Delinquent tax collections are shown in the year collected.

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

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

Entity	Type of User	Fiscal Year					
		2010		2009		2008	
		Rank	Fees & Charges	Rank	Fees & Charges	Rank	Fees & Charges
Canyon Trails 3	Homeowner's Association	1	\$ 197,098	2	\$ 175,863	8	\$ 93,896
Canyon Trails HOA	Homeowner's Association	2	189,539	1	197,693		-
Canyon Trails Unit 4	Homeowner's Association	3	164,577	3	154,868	5	145,474
Canyon Trails 4 - South	Homeowner's Association	4	139,712	4	143,926	2	166,139
Centerra, LLC	Homeowner's Association	5	121,117	7	106,752	7	102,443
Agua Fria High School	School	6	104,297	6	113,045	1	173,266
Avondale School	School	7	102,992	8	92,499	6	105,348
Sarival Paseo Joint Community	Homeowner's Association	8	99,371	5	127,107	3	154,195
Cottonflower Goodyear Community	Homeowner's Association	9	74,265		-		-
Park Shadows	Apartments	10	67,355	9	70,677	9	76,401
Pueblo Verda HOA	Homeowner's Association		-	10	65,138		-
Evergreen Lawn Sprinklers	Homeowner's Association		-		-	4	148,800
Estrella Vista HOA	Homeowner's Association		-		-	10	64,527
Total			<u>\$ 1,260,323</u>		<u>\$ 1,247,568</u>		<u>\$ 1,230,489</u>
Total as a percent of total FY 2010, FY 2009 & FY 2008							
Water System Operating Revenue			<u>14.10%</u>		<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 Three Fiscal Years
(Unaudited)

Entity	Type of User	Fiscal Year					
		2010		2009		2008	
		Rank	Fees & Charges	Rank	Fees & Charges	Rank	Fees & Charges
Arizona State Prison/Perryville	Prison	1	\$ 287,556	1	\$ 310,582	1	\$ 317,331
Park Shadows	Apartments	2	54,303	2	50,718	2	50,512
Cancer Treatment Center	Hospital	3	48,613		-		-
Fairfield Development	Real Estate	4	42,942	3	37,170		-
Airport Training Center	Airport	5	40,286	4	31,970	5	22,656
Fairfield Centerra	Real Estate	6	38,030		-		-
Poore Brothers, Inc.	Food Manufacturer, Snacks	7	31,889	5	29,681	6	22,656
Pem Investments	Real Estate	8	28,887		-		-
Alliance Residential	Real Estate	9	28,260	9	20,015		-
Avondale Elementary	Education	10	26,585	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
Americas Best Value Inn	Hotel		-	10	19,547		-
Wal-Mart Stores, Inc.	Grocery Retail		-		-	4	24,273
La Jolla Court, Inc.	Apartments		-		-	9	18,044
Estrella Joint Committee	Homeowner's Association		-		-	10	17,581
Total			<u>\$ 627,351</u>		<u>\$ 575,616</u>		<u>\$ 546,100</u>
Total as a percent of total FY 2010, FY 2009 & FY 2008							
Wastewater System Operating Revenue							
			<u>8.81%</u>		<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
Schedule of Existing and Adopted
Monthly Water & Sewer Service Charges (2010 - 2013) (1)
(Unaudited)

<u>Description of Water System Services</u>	<u>Existing Fees</u>	<u>Adopted</u> <u>2010</u>	<u>Adopted</u> <u>2011</u>	<u>Adopted</u> <u>2012</u>	<u>Adopted</u> <u>2013</u>
Base Charge					
(Meter Size)					
3/4 Inch	\$ 9.67	\$ 9.69	\$ 9.94	\$ 10.05	\$ 10.23
1 Inch	10.15	10.95	11.81	12.74	14.14
1 1/2 Inch	11.24	13.56	16.36	19.74	22.86
2 Inches	17.58	21.47	26.22	32.02	37.01
3 Inches	29.89	38.05	48.43	61.64	70.67
4 Inches	58.41	69.78	83.36	99.58	115.24
6 Inches	114.21	135.11	159.83	189.08	218.71
Monthly Volume Charge - Residential					
0 - 6,000 gallons (per thousand)	\$ 1.76 (2)	\$ 1.27	\$ 1.32	\$ 1.46	\$ 1.18
6,001 - 12,000 (per thousand)	2.70 (3)	2.54	2.64	2.92	2.36
12,001 - 30,000 (per thousand)	3.47 (4)	3.81	3.96	4.38	3.54
30,001+ gallons (per thousand)	3.77	4.95	5.15	5.69	5.69
Monthly Volume Charge - Commercial					
0 - 40,000 gallons (per thousand)	\$ 1.76	\$ 1.70	\$ 2.30	\$ 2.60	\$ 3.00
40,001 - 100,000 gallons (per thousand)	2.70	2.72	3.68	4.16	4.80
100,001+ gallons (per thousand)	3.47	3.54	4.78	5.41	6.24

(1) Rates shown are for inside City customers. Outside City rates are 25% greater than inside City rates. Rate increases were adopted, but are subject to change at the direction of City Council.

(2) Monthly volume change for fees is 0 - 8,000 gallons (per thousand).

(3) Monthly volume change for fees is 8,000 - 20,000 gallons (per thousand).

(2) Monthly volume change for fees is 20,001 - 30,000 gallons (per thousand).

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

Schedule of Water System Rate Increases (2010-2013) (1)

Date	Rate <u>Increase</u>
Fiscal Year 2010	0.00%
Fiscal Year 2011	7.50%
Fiscal Year 2012	9.40%
Fiscal Year 2013	0.00%

(1) Rate increases were adopted, but are subject to change at the discretion of City Council.

Source: City of Goodyear Finance Department.

<u>Description of Sewer System Services</u>	<u>Existing Fees</u>	Adopted <u>2010</u>	Adopted <u>2011</u>	Adopted <u>2012</u>	Adopted <u>2013</u>
Residential Sewer Service					
Base Charge	(See below)				
Volume Charge (per 1,000 gallons)	\$ 3.00	\$ 4.05	\$ 4.45	\$ 4.90	\$ 5.78
General Commercial Sewer Service					
Base Charge	(See below)				
Volume Charge (per 1,000 gallons)	\$ 3.00	\$ 4.05	\$ 4.45	\$ 4.90	\$ 5.78
Base Charge					
(Meter Size)					
3/4 Inch	\$ 14.96	\$ 16.19	\$ 17.52	\$ 18.96	\$ 21.12
1 Inch	16.96	20.05	23.70	28.02	32.41
1 1/2 Inch	21.98	25.57	29.75	34.61	39.94
2 Inches	36.03	44.34	54.57	67.16	77.58
3 Inches	61.24	72.04	84.74	99.68	115.22
4 Inches	114.52	122.19	130.37	139.10	152.86
6 Inches	214.15	247.06	285.03	328.83	378.70

Schedule of Wastewater System Rate Increases (2010-2013) (1)

Date	Rate <u>Increase</u>
Fiscal Year 2010	22.20%
Fiscal Year 2011	9.30%
Fiscal Year 2012	9.50%
Fiscal Year 2013	15.20%

(1) Rate increases were adopted, but are subject to change at the discretion of City Council.

Source: City of Goodyear Finance Department.

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

Fiscal Year Ended June 30	Governmental Activities					
	General Obligation Bonds	Contract Payable	Greater Arizona Development Authority Loan	Public Improvement Corporation Municipal Facilities Revenue Bond	McDowell Road Corridor Improvement District	Community Facilities District Bonds
2010	\$ 33,601,981	\$ 5,755,628	\$ -	\$ 5,230,000	\$ 46,060,000	\$ 122,313,000
2009	35,842,739	11,755,628	-	5,910,000	47,165,000	127,125,000
2008	41,719,857	-	-	6,415,000	47,165,000	131,116,000
2007	36,050,000	-	3,185,000	3,320,000	-	76,844,000
2006	27,280,000	-	3,645,000	3,485,000	-	73,000,000

Note: Data prior to 2006 is not available.

Source: City Financial Records and Reports

Business-Type Activities								
General Obligation Bonds	Public Improvement Corporation		Water Infrastructure Finance Authority		Water Rights	Total	Percentage of Personal Income	Per Capita
	Municipal Facilities Revenue Bond	Revenue Bonds	Finance Authority Loan					
\$92,753,019	\$102,300,000	\$17,040,000	\$ 9,925,289	\$10,314,041	\$445,292,958	24.92%	\$ 6,858	
88,282,261	102,300,000	2,370,000	8,866,108	11,173,544	440,790,280	24.89%	\$ 7,047	
88,125,143	67,850,000	2,345,000	9,443,400	-	394,179,400	25.65%	6,742	
54,145,000		2,460,000	9,985,012	-	185,989,012	12.34%	3,335	
28,990,000		2,580,000	10,505,512	-	149,485,512	11.74%	3,007	

City of Goodyear
Ratios of General Bonded Debt Outstanding
Last Nine 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
2010	\$126,355,000	\$ 828,016	\$ 125,526,984	11.40%	\$ 1,933
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, 2010
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Overlapping Debt
Debt repaid with property taxes and special assessment liens			
Overlapping Debt:			
Maricopa County	\$ -	1.7000%	\$ -
Maricopa County Community College District	653,040,000	1.7000%	11,101,680
Avondale Elementary School District #44	33,050,000	78.1200%	25,818,660
Liberty Elementary School District #25	11,265,000	48.1600%	5,425,224
Litchfield Elementary School District #79	25,205,000	36.8200%	9,280,481
Agua Fria Union High School District #216	52,485,000	51.6200%	27,092,757
Buckeye Union High School District #201	56,960,000	15.5100%	8,834,496
Centerra Community Facilities District	3,510,000	100.0000%	3,510,000
Cortina Community Facilities District	2,455,000	100.0000%	2,455,000
Cottonflower Community Facilities District	2,745,000	100.0000%	2,745,000
Estrella Mountain Ranch Community Facilities District	17,055,000	100.0000%	17,055,000
Goodyear Community Facilities Utilities District #1	49,645,000	100.0000%	49,645,000
Goodyear Community Facilities General District #1	12,425,000	100.0000%	12,425,000
Palm Valley Community Facilities District #3	8,015,000	100.0000%	8,015,000
Wildflower Ranch Community Facilities General District #1	1,035,000	100.0000%	1,035,000
Wildflower Ranch Community Facilities General District #2	1,220,000	100.0000%	1,220,000
Subtotal of overlapping debt	<u>\$ 930,110,000</u>		<u>\$ 185,658,298</u>
Direct Debt:			
City of Goodyear	126,355,000	100.0000%	126,355,000

(a) Proportion applicable to the City of Goodyear, Arizona is computed on the ratio of secondary assessed valuation for 2010-2011

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

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

	Fiscal Year				
	2010	2009	2008	2007	2006
Secondary Assessed Value	\$ 982,856,423	\$ 1,000,721,049	\$ 764,237,138	\$ 494,913,013	\$ 391,377,371
<u>20% Limitation</u>					
Debt Limit Equal to 20% of Assessed Valuation	196,571,285	200,144,210	152,847,428	98,982,603	78,275,474
Total Debt Applicable to 20% Limit	<u>126,070,000</u>	<u>123,830,000</u>	<u>129,540,000</u>	<u>90,195,000</u>	<u>47,795,000</u>
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 70,501,285</u>	<u>\$ 76,314,210</u>	<u>\$ 23,307,428</u>	<u>\$ 8,787,603</u>	<u>\$ 30,480,474</u>
Total net debt applicable to the limit as a percentage of debt limit	64.13%	61.87%	84.75%	91.12%	61.06%
<u>6% Limitation</u>					
Debt Limit Equal to 6% of Assessed Valuation	\$ 58,971,385	\$ 60,043,263	\$ 45,854,228	\$ 29,694,781	\$ 23,482,642
Total Debt Applicable to 6% Limit	<u>285,000</u>	<u>295,000</u>	<u>305,000</u>	<u>-</u>	<u>8,475,000</u>
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 58,686,385</u>	<u>\$ 59,748,263</u>	<u>\$ 45,549,228</u>	<u>\$ 29,694,781</u>	<u>\$ 15,007,642</u>
Total net debt applicable to the limit as a percentage of debt limit	0.48%	0.49%	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 Five Fiscal Years
(Unaudited)

Public Improvement Corporation Municipal Facilities Revenue Bonds*						
Fiscal Year Ended June 30	Operating Revenue	Pledged Revenue	Debt Service		Coverage	
			Principal	Interest		
2010	\$ 57,363,961	\$ 45,810,806	\$ 720,000	\$ 4,545,393	8.70	
2009	62,281,214	49,324,646	680,000	4,735,308	9.11	
2008	85,680,828	56,440,267	505,000	2,019,691	22.36	

Water & Sewer Bonds & Loans						
Fiscal Year Ended June 30	Operating Revenue	Less: Operating Expenses	Net Operating Revenue	Debt Service		Coverage
				Principal	Interest	
2010	\$ 16,378,677	\$ 8,350,588	\$ 8,028,089	\$ 1,195,691	\$ 543,662	4.62
2009	15,300,056	9,733,836	5,566,220	877,292	540,523	3.93
2008	15,151,775	11,424,111	3,727,664	656,612	474,992	3.29
2007	13,760,462	11,008,102	2,752,360	640,500	506,104	2.40
2006	10,816,571	9,629,632	1,186,939	502,118	516,469	1.17

Note: 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 Five Fiscal Years
(Unaudited)

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	Unemployment Rate
2010	64,927	\$ 1,786,856	\$ 27,521	35.5	13 to 16	6.4%
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 Seven Years Ago
(Unaudited)

Major Corporation	Fiscal Year			Fiscal Year		
	2010		Percentage of Total City Employment*	2003		Percentage of Total City Employment*
Employees	Rank	Employees		Rank		
Arizona State Prison/Perryville	794	1	2.70%	825	1	6.28%
Metokote Corporation	750	2	2.55%			0.00%
City of Goodyear	703	3	2.39%	200	7	1.52%
Lockheed Martin	700	4	2.38%			0.00%
Amazon.com	600	5	2.04%			0.00%
McLane Sunwest	510	6	1.73%	450	2	3.42%
Americus Logistics, LLC	500	7	1.70%			0.00%
West Valley Hospital	444	8	1.51%			0.00%
Wal-Mart Supercenter	370	9	1.26%			0.00%
Cancer Treatment Centers of America	279	10	0.95%			0.00%
Newell Rubbermaid, Inc.			0.00%	250	4	1.90%
Timco Aviation Services			0.00%	430	5	1.60%
Rudolfo Brothers			0.00%	260	8	0.97%
Cavco Industries, Inc.			0.00%	400	3	3.04%
Fry's Food and Drug Store			0.00%	225	5	1.71%
Aviation Management Systems			0.00%	220	6	1.67%
Target			0.00%	175	8	1.33%
Lufthansa-German Airlines			0.00%	170	9	1.29%
Arizona Glavanizing			0.00%	150	10	1.14%
Total	<u>5,650</u>		<u>19.90%</u>	<u>3,755</u>		<u>25.88%</u>

Note: This schedule should be current and nine years ago, but the earliest information available is FY2003.

¹Source: City Records

*2010 labor force = 29,450; 2003 labor force = 13,147



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

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

Note: Data prior to 2006 is not available.

Source: City Financial Records and Reports

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

Function	Fiscal Year				
	2010	2009	2008	2007	2006
General Government					
<i>City Clerk's Office</i>					
# of records requests	504	613	648	576	180
<i>City Prosecutor's Office</i>					
Charges filed/charges adjudicated (resolved)	3,395	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	90%	94%	94%	94%	91%
<i>Communications & Public Information</i>					
News releases/media updates	235	161	182	129	92
Traffic construction alerts	253	1,135	462	215	267
Total newsletter pages sent to citizens	176	186	136	116	42
Web pages created/updated	4,825	5,721	5,788	4,296	2,520
Number of visits to website	715,285	738,949	1,509,717	1,322,259	840,757
Number of web pages viewed	2,208,180	2,346,423	7,203,478	4,865,081	5,318,311
Number of graphics/photography projects completed	217	200	200	175	140
Police					
# Total arrests	4,731	2,829	2,614	2,814	2,603
# Moving violations citations	11,810	13,313	11,452	12,422	12,175
Fire					
# Emergency responses	5,570	5,328	3,431	3,236	1,960
# Fire extinguished	226	270	143	154	150
# Inspections	4,262	3,953	3,427	2,403	759
Financial Services					
# accounts payable checks issued	8,024	10,184	9,949	9,305	9,014
# purchase orders	1,147	918	1,043	1,002	1,067
# water meters read annually	168,647	163,444	155,805	147,241	125,382
Information Services					
# documents requests for service (Help Desk tickets)	3,637	5,045	6,052	4,000	3,477
# of SPAM emails blocked from being delivered to the staff	11,948,508	15,370,086	5,214,519	3,587,184	878,595
# of emails received	12,857,998	16,327,382	6,008,336	4,264,236	1,246,386
Planning and Development					
Customer wait-time (in minutes) at One Stop Shop	< 3	< 5	< 5	< 5	< 5
Total Number of Permits Issued	4,232	3,401	5,874	1,340	7,859
Provide applicant with pre-application meeting within 30 days of submitting request	100%	100%	100%	100%	100%
% of inspections performed within 24 hours of request	100%	100%	100%	100%	100%
Human Resources					
# of new hires (FT & PT)	247	158	179	164	174
HR operating cost as a % of City payroll	4.18%	4.11%	4.36%	5.50%	5.26%

continued

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

Function	Fiscal Year				
	2010	2009	2008	2007	2006
Parks and Recreation					Table 23
# attending Park & Recreation facilities and Libraries annually	52,241	51,844	49,111	50,093	46,330
# of square feet of medians and rights of way maintained *	22,175,027	22,118,000	15,320,000	15,320,000	15,320,000
Economic Vitality					
Sales Tax growth (% annual change)	-10.40%	-12.30%	-10.25%	21%	70%
Bed Tax growth (% annual change)	-3.90%	-15%	6%	7%	23%
Municipal Services					
# of homes serviced by Residential Refuse Collection	20,928	20,149	19,811	18,664	17,228
# of citizens serviced by Household Hazardous Waste collection program	848	-	634	510	531
Water Service					
Water Service Connections	14,488	13,975	13,500	13,051	11,597
Drinking Water Supplied (million gallons per day)	11.10	11.00	10.80	6.86	6.95
Reclaimed Water Supplied (million gallons per day)	0.23	0.45	0.27	0.09	0.09
Wastewater					
Sewer Service Connections	16,144	16,144	13,500	11,398	5,037
Sewage Treated (millions gallons per day)	3.73	3.70	3.24	2.48	2.29
Other Public Works					
Street resurfacing (miles)	-	4	-	34	32.7
Potholes repaired	372	681	783	1,096	977
Citizen & Neighborhood Resources					
# of new Code Enforcement cases processed per year	2,255	2,155	2,698	2,755	2,092

Note: Data prior to 2006 is not available.

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

Source: City Financial Records and Reports

concluded

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

Function	Fiscal Year				
	2010	2009	2008	2007	2006
Public Safety					
Police:					
Stations	3	3	3	4	1
Police Vehicles	124	130	125	146	107
Fire Stations	6	6	6	4	4
Highways and Streets					
Street (miles)	704	563	450	360	360
Streetlights	8329	7969	7391	7391	7,391
Traffic signals	72	67	56	37	30
Culture and Recreation					
Parks	17	16	16	12	11
Parks Acreage	204	184	156	117	82
Swimming Pools	1	1	1	1	1
Tennis Courts	6	6	6	6	2
Community Centers	1	1	1	1	1
Water					
Water Mains (miles)	310	307	286	257	173
Fire Hydrants	2791	2,754	2,481	2,370	2,053
Storage capacity (thousands of gallons)	16	16	15	11	12
Wastewater					
Sanitary Sewers (miles)	223	225	236	152	167
Storm Sewers (miles)	54	58	80	105	105
Treatment capacity (thousands of gallons)	5.6 MGD	5.6 MGD	5.5 MGD	4.55 MGD	11.6 MGD

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, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 17, 2010. 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 *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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.

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The Honorable Mayor and Council
City of Goodyear
Page Two

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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.

A handwritten signature in black ink, appearing to read "Kaye Hove, CPA". The signature is written in a cursive style with a large initial "K".

Casa Grande, Arizona
November 17, 2010



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON 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, 2010. 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 of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. However, the results of our auditing procedures disclosed no instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133.

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Internal Control Over Compliance


Management of the City of Goodyear, Arizona is responsible for establishing and maintaining effective internal control over compliance with the 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 the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and, accordingly, we express no opinion on the responses.

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 17, 2010
Casa Grande, Arizona



CITY OF GOODYEAR
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2010

	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	\$ 152,423
Community Development Block Grant	DG0902	14.218	600
Total U.S. Department of Housing and Urban Development			<u>153,023</u>
U.S. Department of the Interior:			
Passed through Bureau of Reclamation:			
Water Audit of City Facilities	08FG320180	15.530	7,426
Total U.S. Department of the Interior			<u>7,426</u>
U.S. Department of Justice:			
Passed through Governor's Office for Children, Youth & Families:			
STOP Calendar 2009	ST-WSG-09-9365-05	16.588	16,178
STOP Calendar 2010	ST-WSG-09-9365-05Y2	16.588	9,055
Passed through The Bureau of Justice Assistance:			
Bullet Proof Vest	2008-BVP	16.607	2,491
Bullet Proof Vest	2009-BVP	16.607	5,256
Passed through Maricopa County:			
ARRA MCNNET Grant	C5009010300	16.803	74,410
ARRA MCNNET OT Grant	C5010021300	16.804	3,119
ARRA Prosecution Initiative	2009SBB92970	16.804	56,245
Total U.S. Department of Justice			<u>166,754</u>
U.S. Department of Transportation:			
Passed through Arizona Department of Transportation:			
Yuma Road Bridge	P0012010001008	20.205	352,950 *
Passed through Arizona Governor's Office of Highway Safety:			
Highway Safety Cluster			
Speed Awareness & Monitoring Trailer	2009-PT-003	20.600	20,000
Capital Outlay Equipment	2010-PT-038	20.600	31,332
DRE Conference	2008-410-048	20.601	2,280
West Valley DUI Task Force Enf OT	2008-410-042	20.601	29,937
Highway Safety Cluster Subtotal			<u>83,549</u>
CIOT Next Generation Maricopa County	2009-NG-008	20.614	1,365
Total U.S. Department of Transportation			<u>437,864</u>
U.S. Environmental Protection Agency:			
Passed through Water Infrastructure Finance Authority			
ARRA Wastewater Facility Expansion & Rehabilitation Proje	91A129-10	66.458	500,000 *
Total U.S. Environmental Protection Agency			<u>500,000</u>

U.S. Department of Homeland Security			
Assistance to Firefighters	EMW-2008-FO-07032	97.044	<u>354,000</u> *
Passed through Arizona Division of Emergency Management:			
Arizona Dept of Homeland Security	2008-GE-T8-0021	97.067	180,842
Arizona Dept of Homeland Security	2008-GE-T8-0021	97.067	7,698
Arizona Dept of Homeland Security	2007-GE-T7-0006	97.067	620
Arizona Dept of Homeland Security	2007-GE-T7-0006	97.067	42,134
Arizona Dept of Homeland Security	09-AZDOHS-HSGP	97.067	86,794
Arizona Dept of Homeland Security	09-AZDOHS-HSGP	97.067	5,381
Subtotal			<u>323,469</u>
Total Department of Homeland Security			<u>677,469</u>
Total Expenditures of Federal Awards			<u>\$ 1,942,536</u>

*Denotes major program

CITY OF GOODYEAR, ARIZONA
NOTE TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2010

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, 2010

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 Transportation passed through Arizona Department of Transportation, U.S. Environmental Protection Agency passed Water Infrastructure Finance Authority and U.S. Department of Homeland Security 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 Transportation passed through Arizona Department of Transportation (CFDA 20.205), U.S. Environmental Protection Agency passed Water Infrastructure Finance Authority (CFDA 66.458) and U.S. Department of Homeland Security (CFDA 97.044).
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.

