

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

City of Goodyear, Arizona
Finance Department



CITY OF GOODYEAR COMPREHENSIVE ANNUAL FINANCIAL REPORT For the Year Ended June 30, 2018

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INTRODUCTORY SECTION

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



November 30, 2018

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

State law requires that cities annually publish after the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) to the City of Goodyear, Arizona (City) for the fiscal year ended June 30, 2018.

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 made available to elected officials, management personnel, bond rating agencies, Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (EMMA), and other agencies which have expressed interest in the City's financial matters. Copies of this financial report will be placed on the City's website for use by the general public.

The accounting firm of Heinfeld, Meech & Co., P.C., Certified Public Accountants, an independent public accounting firm, performed the City's annual financial statement audit. The auditors have issued an unmodified ("clean") opinion of the City of Goodyear's financial statements for the fiscal year ended June 30, 2018. 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 15-26 and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

CITY OF GOODYEAR PROFILE

The City of Goodyear, incorporated in 1946 and chartered in 1988, started as a small town cultivating cotton for the production of rubber tires during World War I. Over the years, Goodyear has sustained continued growth and currently encompasses approximately 191 square miles in the western portion of Maricopa County and is approximately 17 miles west of the downtown Phoenix business district. The City's growth is attributable to excellent housing, a small-town atmosphere, convenient access to the central valley, and outstanding school districts. The population of the City is 83,512.

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

In fiscal year 2018 a staff of 572 full-time authorized employees working within 15 different departments performed the various functions of Goodyear's City government and its operation. The City provides a full range of municipal services, including police and fire protection, sanitation services, water and wastewater services, construction and maintenance of streets, recreational programs, parks and cultural events, public transportation, planning and zoning services, and general administrative services. Goodyear offers a wide range of community facilities including the Goodyear Ballpark, library, community center, swimming pool, and 17 parks encompassing 204 acres. The City is community-driven and includes hundreds of volunteers that serve in various areas and, through their efforts, saved the City more than \$803,163 in fiscal year 2018 alone. In addition, Goodyear continues to attract major employers with its availability of land, access to the central valley, and available commercial space.

FINANCIAL CONTROLS

Internal Controls

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

The system of internal control is subject to periodic evaluation by management and is also considered by the independent auditors in connection with the annual audit of the City's financial statements. All internal control evaluations occur within the above framework. The City's internal accounting controls are considered to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Controls

The City of Goodyear, like all cities in the State of Arizona, is subject to numerous budget and related legal requirements. Article IX, Section 20 (1) of the Arizona Constitution sets limits on the City's legal budget capacity. At a general election held on March 11, 2003, citizens of Goodyear approved a permanent adjustment of the 1979 expenditure base for population and inflation growth. The City may utilize the additional expenditure authority for any local budgetary purposes. The permanent adjustment eliminates the need for voter approval of Home Rule 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 projects funds, enterprise funds, and internal service fund are included in the annual appropriated budget. The legal level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the total budget, as adopted by the City Council. All funds of the City have legally adopted budgets. The initial budget for the fiscal year may be amended during the year in a legally permissible manner. The City adopts the budget by major program area 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 major program areas in the General Fund or a transfer between funds must be approved by the City Council. In addition to maintaining budgetary control via a formal appropriation, the City maintains an encumbrance accounting system. Encumbrances are made against appropriations upon the issuance of a purchase order. Encumbered appropriations lapse at fiscal year-end and are re-encumbered as needed in the next fiscal year.

LOCAL ECONOMIC CONDITION AND OUTLOOK

During fiscal year 2018 there were 1,292 new single-family resident permits issued which represents an increase of 224 permits from the prior fiscal year. Fiscal year 2018 is the third consecutive year since the end of the recession that single-family resident permits were over 1,000. Goodyear's sales tax revenues remain strong and continue to increase year over year.

The City continues to budget conservatively and monitors the changes taking place in the local, regional, and national economies in order to be ready to adapt to any changes and to position ourselves for future growth.

Sales Tax

Goodyear, like all Arizona cities, places significant reliance on city sales tax revenues. City sales tax revenues for fiscal year 2018 increased by 11.4% over fiscal year 2017 levels.

State Shared Revenues

The City receives revenue allocations from the State. These state shared revenues include allocations of the state-collected income tax, sales tax, fuel tax, and motor vehicle in-lieu taxes. A significant portion of this revenue is placed in the City's general fund where it is used to support day-to-day activities. The City's state shared revenues represented over 20% of the general fund revenue for fiscal year 2018.

Property Tax

In fiscal year 2018, the City's combined (primary and secondary) property tax rate dropped slightly to \$1.7349 per \$100 of assessed valuation. Although the tax rate remained the same, assessed values increased resulting in a property tax levy increase of \$1,044,643. The stabilization in the tax rate ensured the City's ability to service currently outstanding debt and maintain basic infrastructure.

For the fiscal year 2019 budget, the Mayor and Council have adopted a total combined property tax rate of \$1.735 per \$100 of assessed valuation, which is the nearly the same as fiscal year 2018. In accordance with its budget policies, the City has now achieved the targeted combined property tax rate of \$1.74 per \$100 of assessed valuation or less to sell new general obligation bonds.

LONG-TERM FINANCIAL PLANNING

In 2013, the Council began a process of redefining the long-term strategic priorities of the City and adopted the first City Strategic Action Plan since 2002. This strategic plan is discussed yearly with City Council to review progress and determine priorities for the annual plan update. Any new funding requests are evaluated in the context of their relationship to the strategic focus areas. The City of Goodyear's mission is as follows:

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

Four focus priorities are identified within the Strategic Action Plan:

1. **Fiscal and Resource Management:** Maintaining a long-term view, we manage our fiscal, human, and physical resources in an efficient and effective manner. This effort is aligned across the organization with an emphasis on transparency. The City's business practices will be efficient, business friendly, and ensure exceptional customer service to all stakeholders and citizens.

2. Economic Vitality: We will continue to ensure the prosperity of our community by increasing the growth of our economy through diversity of industry, business investment, quality job creation, education, and tourism. To support this growing economy, we will invest in transportation and infrastructure and seek high quality retail and entertainment opportunities.
3. Sense of Community: The City will cultivate a sense of pride through programs, gathering places, and events where the community can come together to participate in opportunities of learning and recreation. We will continue to make Goodyear residents feel connected to their City government through community engagement, outstanding customer service, and clear, accessible communication.
4. Quality of Life: We will continue to make Goodyear a place to live, work, and play that provides diverse activities and amenities in a safe and well-maintained environment, while supporting the arts and promoting the health and wellness of our community.

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

MAJOR INITIATIVES

Goodyear is an award-winning community that provides a high quality of life with its master-planned communities, excellent schools and health care, trail systems and entertainment options, including major league sports venues.

- Goodyear was ranked by 24/7 Wall St. as one of America's Top 10 Best Cities to Live (#7).
- Goodyear was ranked by the U.S. Census Bureau as being among the fastest growing cities in the country.
- A NerdWallet study ranked Goodyear as one of the best cities in the nation for veterans, based on the level of economic opportunity for veterans.

During fiscal year 2018, the City began the design of a 30-acre park to include a recreation center and aquatics facility. These facilities are to begin construction in FY2019 using G.O. Bonds and impact fees. Additional recreation services and facilities were started in FY2018. A third summer recreation program, expanded library hours and replacement of park equipment and right of way landscaping were just a few of the projects funded in FY2018.

In an effort to support the growth in housing with jobs and an economic base, a one-time \$2.0 million allocation was made to implement an impact fee reduction program. This program is targeted to attract certain industries into the City and will continue into FY2019. In addition, the City funded temporary and ongoing increases for planning, permitting, building inspection and safety to keep up with building activity.

AWARDS AND ACKNOWLEDGEMENTS

Certificates of Achievement

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, 2017. The City has achieved this prestigious award every year since 2007. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This 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 it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning July 1, 2017. The City has received the highest form of recognition in governmental budgeting each year since 1994.

Acknowledgement

The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the dedicated commitment of every member of the Finance Department. We also wish to thank the Mayor and members of the City Council, the City's Audit Committee, and the City Manager's Office for their continued support in planning and conducting the financial affairs of the city in a responsible and progressive manner.

Sincerely,

A handwritten signature in black ink, appearing to read "Doug Sandstrom". The signature is stylized and cursive.

Doug Sandstrom
Finance Director





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Goodyear
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO



LIST OF PRINCIPAL OFFICIALS

MAYOR

Georgia Lord

VICE MAYOR

Wally Campbell

COUNCIL MEMBERS

Laura Kaino

Joe Pizzillo

Sheri Lauritano

William Stipp

Brannon Hampton

SENIOR MANAGEMENT STAFF

Julie Arendall
City Manager

Michael Simonson
Presiding Judge

Roric Massey
City Attorney

Dan Cotterman
Deputy City Manager

Wynette Reed
Deputy City Manager

Darcie McCracken
City Clerk

Lyman Locket
Human Resources Director

Paul Luizzi
Fire Chief

Doug Sandstrom
Finance Director

Gerald Geier
Police Chief

Christopher Baker
Development Services Director

Alan Claypool
Information Technology Director

Rebecca Zook
Engineering Director

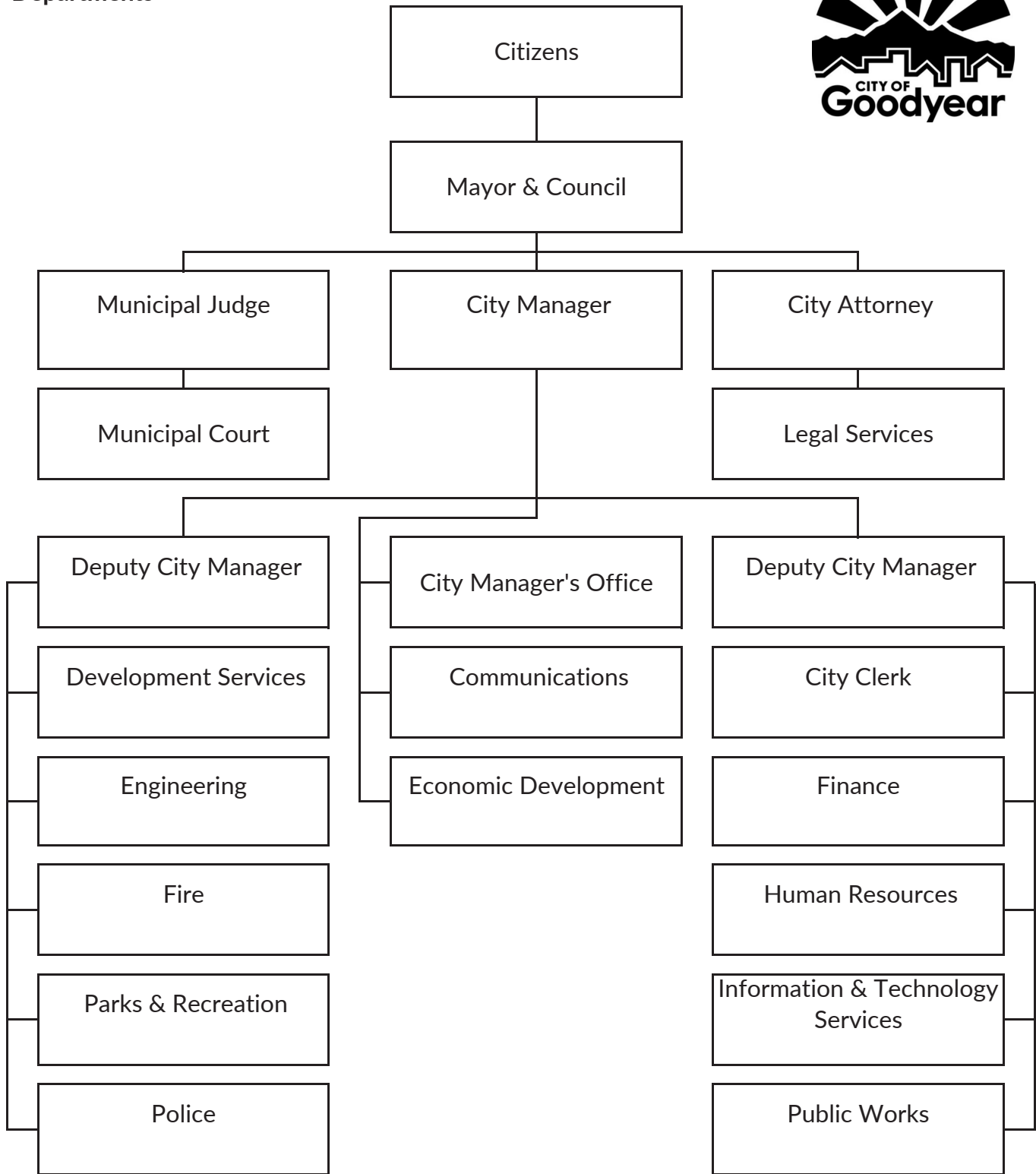
Nathan Torres
Park & Recreation Director

Harold Stewart
Acting Economic Development Director

Javier Setovich
Public Works Director

Jeanine L'Ecuyer
Acting Communications Manager

Organizational Chart
 Departments ⁽¹⁵⁾





FINANCIAL SECTION

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

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of City of Goodyear, Arizona (City) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities each major fund, and the aggregate remaining fund information of the City of Goodyear, Arizona, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 1, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, and Statement No. 86, *Certain Debt Extinguishment Issues*, for the year ended June 30, 2018, which represent changes in accounting principles. Our opinion is not modified with respect to this matter.

Other Matters*Required Supplementary Information*

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Other Supplementary Information, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Other Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2018, on our consideration of City of Goodyear, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Goodyear, Arizona's internal control over financial reporting and compliance.



Heinfeld, Meech & Co., P.C.

Phoenix, Arizona

November 30, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
(Required Supplementary Information)



MANAGEMENT'S DISCUSSION AND ANALYSIS For The Year Ended June 30, 2018

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, 2018. 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 and is designed to be read in conjunction with the transmittal letter as well as the financial statements and the accompanying notes to the financial statements.

FINANCIAL HIGHLIGHTS

- ◆ The City's government-wide assets and deferred outflows exceeded its liabilities and deferred inflows by \$735,758,693 (*net position*) at the close of fiscal year 2018. Of this amount, \$54,348,401 represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- ◆ The \$30.3 million increase in net position of the City is the result of an increase in sales tax revenues as well as charges for water and wastewater services.
- ◆ As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$131.4 million, an increase of \$21.6 million (20 percent) in comparison with the prior year fund balance of \$109.8 million. Approximately 46 percent of this amount (\$60.5 million) is available for spending at the government's discretion (unassigned fund balance).
- ◆ At June 30, 2018, total unassigned fund balance for the general fund is \$60.5 million, an increase of \$7.2 million (13 percent) from the prior fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

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

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

The ***Statement of Net Position*** presents information on all of the City's assets, deferred outflow of resources, liabilities, and deferred inflow of resources, with the net of all categories being reported as the City's *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

The government-wide financial statements include not only the City itself (known as the primary government), but also the operations of 10 Community Facilities Districts. Although legally separate from the City, these component units are blended with the primary government because of their governance and financial relationship to the City. Separate financial statements may be obtained at the City of Goodyear's Finance Department, 190 North Litchfield Road, Goodyear, Arizona 85338.

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

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

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

The City maintains 10 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, McDowell Road Commercial Corridor Improvement District – Debt Service, and Community Facilities Districts – Debt Service, all of which are considered to be major funds. Data from the other seven 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.

Proprietary Funds. The City maintains four proprietary funds. Proprietary funds (enterprise and internal service) utilize full accrual accounting, the same method used by private sector business. The City uses separate enterprise funds to account for its water and wastewater services, and 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 Management and the Self-Insurance Trust. The Fleet Management Fund reports activities that provide preventative maintenance, repairs and safety inspections for City vehicles and equipment. The Self-Insurance Trust Fund reports activities related to self-insurance for employee health benefits. The internal service fund activities are reported as governmental activities on the government-wide statements.

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

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

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 to actual comparison and progress in funding its obligation to provide pension and OPEB benefits to its employees.

The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the notes to the required supplementary information on pensions.

Budget to actual comparison schedules for the enterprise funds are presented in the other supplementary information section.

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, 2018 with comparative information for the previous year.

Net Position

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

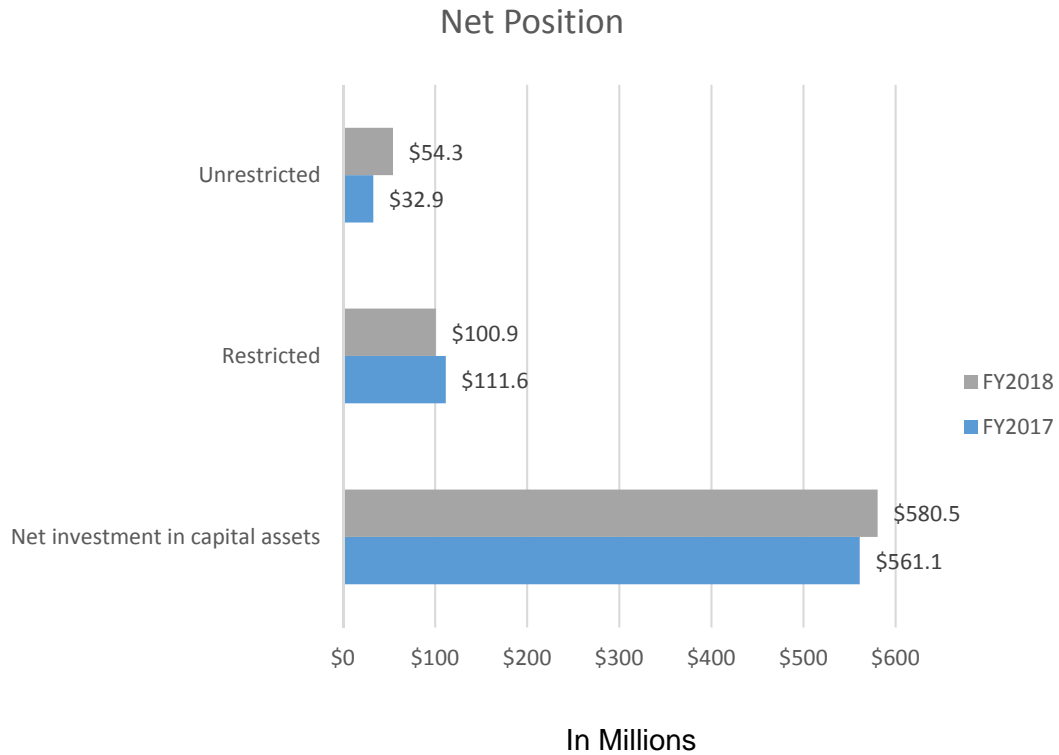
	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 218,766,500	\$ 194,978,728	\$ 52,987,723	\$ 52,691,519	\$ 271,754,223	\$ 247,670,247
Capital assets, net	644,680,645	652,711,039	298,998,510	287,651,808	943,679,155	940,362,847
Total assets	863,447,145	847,689,767	351,986,233	340,343,327	1,215,433,378	1,188,033,094
Deferred outflows	24,947,271	28,547,265	2,851,579	3,419,570	27,798,850	31,966,835
Current and other liabilities	23,638,432	24,894,829	9,452,444	6,153,422	33,090,876	31,048,251
Long-term liabilities	362,269,353	359,211,849	108,134,807	118,641,602	470,404,160	477,853,451
Total liabilities	385,907,785	384,106,678	117,587,251	124,795,024	503,495,036	508,901,702
Deferred inflows	3,596,176	4,788,586	382,323	677,835	3,978,499	5,466,421
Net position:						
Net investment in capital assets	381,473,262	379,899,821	199,032,946	181,242,982	580,506,208	561,142,803
Restricted for:						
Charter mandates	4,377,576	4,186,816			4,377,576	4,186,816
Capital projects	19,453,023	12,428,141	7,569,091	12,821,165	27,022,114	25,249,306
Community facilities operations	2,453,112	1,854,445			2,453,112	1,854,445
Debt service	59,379,423	69,904,013	5,899,617	8,251,069	65,279,040	78,155,082
Other purposes	1,772,242	2,124,090			1,772,242	2,124,090
Unrestricted	29,981,817	16,944,442	24,366,584	15,974,822	54,348,401	32,919,264
Total net position	\$ 498,890,455	\$ 487,341,768	\$ 236,868,238	\$ 218,290,038	\$ 735,758,693	\$ 705,631,806

The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$735.7 million at the close of fiscal year 2018 and by \$705.6 million in 2017, providing an overall increase in the City's net position of \$30.3 million. Current and other assets increased by \$24.1 million. This increase is primarily due to the issuance of general obligation bonds during the fiscal year. Long-term liabilities decreased by \$7.4 million as a result of a decrease in bonds payable due to scheduled bond payments.

The largest portion of the City's net position totaling \$580.5 million (79 percent of total net position) reflects its net investment in capital assets (e.g., land and improvements, buildings, furniture, equipment, vehicles, artwork, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position totaling \$100.9 million (14 percent of total net position) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$54.3 million (seven percent of total net position) is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors.

At the end of fiscal year 2018, the City reported positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.



Governmental Activities

During the current fiscal year, the net position for governmental activities increased \$11.5 million from the prior fiscal year for an ending balance of \$498.9 million. The City’s sales tax revenue increased \$6.7 million due to an overall improvement in the economy. Operating grants and contributions increased by \$5.6 million as a result of the revenues in the Goodyear Community Facilities Utilities District No. 1 that were eligible for recognition in association with the defeasance of debt in the fiscal year.

Business-type Activities

The City business-type activities reported an increase of \$18.6 million in net position bringing the total net position to \$236.9 million. Charges for services revenue increased by \$4.1 million due to an increase in water and wastewater rates as well as an increase in the usage of those services.

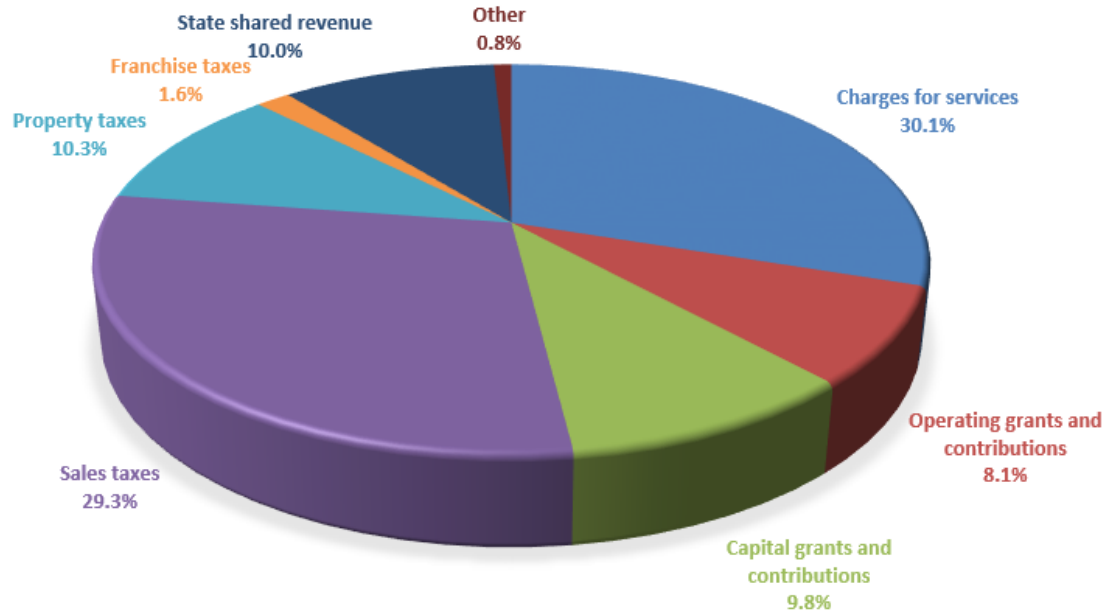
Changes in Net Position

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 17,448,370	\$ 15,896,063	\$ 43,015,750	\$ 38,936,643	\$ 60,464,120	\$ 54,832,706
Operating grants and contributions	16,164,698	10,546,333		110,718	16,164,698	10,657,051
Capital grants and contributions	7,442,815	12,246,216	12,237,823	13,317,172	19,680,638	25,563,388
General revenues:						
Sales taxes	58,831,503	52,082,570			58,831,503	52,082,570
Property taxes	20,649,103	19,875,628			20,649,103	19,875,628
Franchise taxes	3,181,840	2,941,175			3,181,840	2,941,175
State shared revenue	19,967,694	20,019,457			19,967,694	20,019,457
Investment earnings	1,196,857	560,547	47,246	123,100	1,244,103	683,647
Miscellaneous	341,814	886,502	37,024	31,081	378,838	917,583
Total revenues	145,224,694	135,054,491	55,337,843	52,518,714	200,562,537	187,573,205
Expenses:						
General government	23,781,937	20,151,975			23,781,937	20,151,975
Public safety	45,439,446	47,535,184			45,439,446	47,535,184
Highways and streets	26,460,464	19,181,162			26,460,464	19,181,162
Public works	4,232,567	3,569,658			4,232,567	3,569,658
Culture and recreation	19,080,188	15,363,752			19,080,188	15,363,752
Development services	6,591,111	7,316,935			6,591,111	7,316,935
Interest on long-term debt	11,582,014	12,131,284			11,582,014	12,131,284
Water and wastewater			26,853,794	30,139,626	26,853,794	30,139,626
Solid waste			6,206,843	5,868,228	6,206,843	5,868,228
Total expenses	137,167,727	125,249,950	33,060,637	36,007,854	170,228,364	161,257,804
Changes in net position before						
Transfers	8,056,967	9,804,541	22,277,206	16,510,860	30,334,173	26,315,401
Transfers	3,700,000	2,800,000	(3,700,000)	(2,800,000)		
Special item	(36,893)				(36,893)	
Changes in net position	11,720,074	12,604,541	18,577,206	13,710,860	30,297,280	26,315,401
Net position, beginning	487,341,768	473,164,033	218,290,038	206,152,372	705,631,806	679,316,405
Net effect of prior period adjustments	(171,387)	1,573,194	994	(1,573,194)	(170,393)	
Net position, beginning restated	487,170,381	474,737,227	218,291,032	204,579,178	705,461,413	679,316,405
Net position, ending	\$ 498,890,455	\$ 487,341,768	\$ 236,868,238	\$ 218,290,038	\$ 735,758,693	\$ 705,631,806

The pie chart below is a depiction of government-wide revenue sources. Governmental activities accounts for 72 percent of total revenues, while business activities account for 28 percent of total revenues. Charges for services are the largest source of City revenue at 30 percent, a 10 percent increase from the previous fiscal year due to increased water and wastewater rates and an increase in the usage of those services. The second largest source of City revenue are sales taxes at 29 percent of total revenue, which increased 13 percent over the previous fiscal year due to an increase in taxable sales as a result of an improved economy.

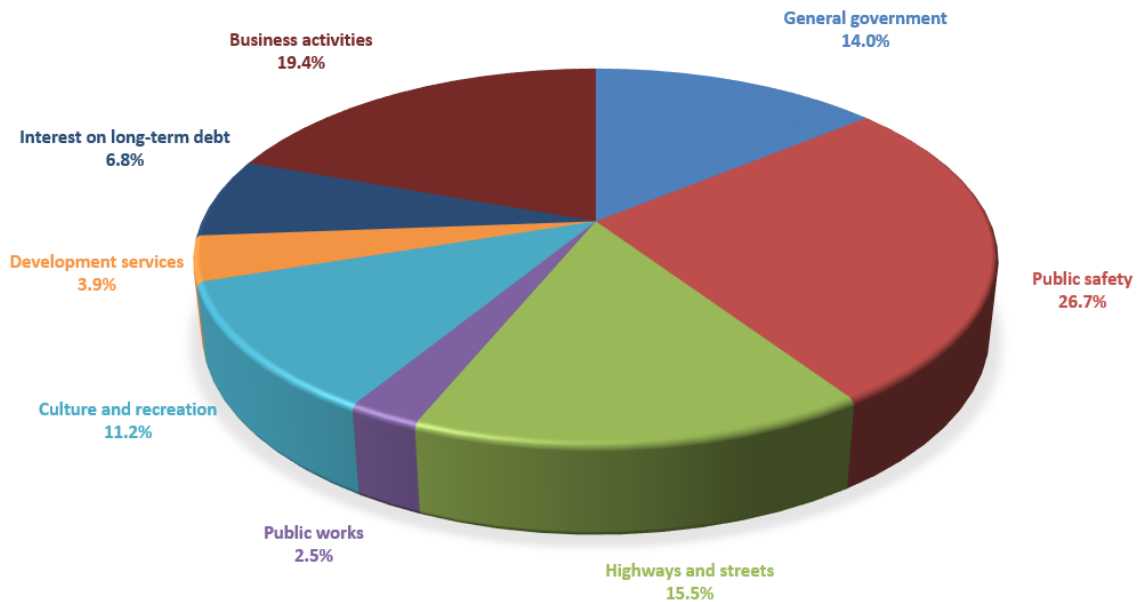
GOVERNMENT-WIDE REVENUE SOURCES FISCAL YEAR 2018



The reported expenses for fiscal year 2018 increased by \$9.0 million (six percent) over the prior year. As seen in the following pie chart for government-wide functional expenses, governmental activities account for 81 percent of total functional expenses, while business-type activities account for 19 percent of total functional expenses. The line items that experienced notable changes were:

- Highways and streets expenses account for 16 percent of the total government-wide expenses, an increase of \$7.3 million (38 percent) from the prior year. The increase is primarily due to expenses for street maintenance.
- Public safety expenses account for 27 percent of the total government-wide expenses, a decrease of \$2.1 million (four percent) from the prior year. The decrease is primarily due to adjustments related to pensions.
- Culture and recreation expenses account for 11 percent of the total government-wide expenses, an increase of \$3.7 (24 percent) from the prior year. This increase is attributed to landscaping improvements at the ballpark and other parks throughout the City.

**GOVERNMENT-WIDE FUNCTIONAL EXPENSES
FISCAL YEAR 2018**



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 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.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$131.4 million, an increase of 20 percent from the previous year. The increase in fund balance is due to the issuance of general obligation bonds. Revenues increased by \$18.6 million and expenditures increased by \$28.9 million. Approximately 46 percent of the fund balance (\$60.5 million) constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either non-spendable, restricted, committed or assigned to indicate that it is 1) not in spendable form (\$2.4 million), 2) restricted for particular purposes (\$55.5 million), 3) committed for particular purposes (\$2.0 million) or 4) assigned for particular purposes (\$11.0 million).

Revenues for governmental functions overall totaled \$147.5 million in the fiscal year ended June 30, 2018, which represents an increase of \$18.6 million (14 percent) from the prior fiscal year. The most significant reason for this change is due to an increase in sales tax revenues.

The expenditures for governmental functions totaled \$157.8 million, an increase of \$28.9 million (22 percent) from the prior year. The majority of this increase is attributed to capital outlay and debt service. Capital outlays accounted for \$30.4 million in expenditures for the current fiscal year, an increase of \$12.7 million from the prior fiscal year. Debt service expenditures accounted for \$40.0 million in expenditures for the current fiscal year, an increase of \$12.4 million from prior fiscal year. The increase was a result of an increase in principal payments due to regularly scheduled debt payments as well as the early defeasance of debt in the Goodyear Community Facilities Utilities District No. 1.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$60.5 million, while total fund balance increased to \$131.4 million. As a measure of the general funds solvency, it may be useful to compare both unassigned fund balance and total fund balance to general fund expenditures. The unassigned fund balance represents approximately 66 percent of general fund expenditures, while total fund balance represents approximately 86 percent of general fund expenditures.

The fund balance of the City's general fund increased by \$9.2 million in the current fiscal year due primarily to growth in sales tax revenue.

The fund balance of the McDowell road commercial corridor ID debt service fund remained consistent with the prior fiscal year.

The fund balance of the community facilities debt service fund decreased by \$7.7 from the prior fiscal year as a result of debt service payments.

Proprietary Funds

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

The proprietary funds net position totals \$236.9 million, resulting from an increase of \$18.6 million from the previous fiscal year. The water and wastewater fund had an increase in net position of \$17.8 million, which is due to an increase in charges for services as a result of an increase in rates as well as usage. The sanitation fund had an increase in net position of \$728,365 which is similar to the increase in the prior year.

BUDGETARY HIGHLIGHTS

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

There were no significant changes to the original adopted budget. During the fiscal year there were two General Fund categories that came in significantly below estimates as shown below:

	Budgeted Expenditures	Actual Expenditures	Difference
Capital Outlay	\$ 26,740,200	\$ 14,493,302	\$ 12,246,898
Transfers out	17,977,300	9,686,180	8,291,120

General Fund actual inflows (revenues and other financing sources) of \$111.1 million, was more than budgeted inflows of \$96.6 million due to construction sales tax and development related revenues, while expenditures and other financing uses of \$101.8 million was only 66 percent of final budgeted outflows of \$153.7 million as a result of unspent capital outlay, budgeted transfers out that were not necessary and \$17.8 million in budgeted contingency that remained untouched throughout the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of June 30, 2018 amounts to \$943.7 million. Capital assets include land and improvements, artwork, construction in progress, right of way, water rights, streetscape, infrastructure, buildings and improvements and vehicles, furniture and equipment. In total, there was a slight increase of \$3.3 million from the prior year.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Land and improvements	\$ 31,983,773	\$ 35,562,466	\$ 7,570,661	\$ 4,108,251	\$ 39,554,434	\$ 39,670,717
Artwork	256,115	247,016	146,978	146,978	403,093	393,994
Construction in progress	9,107,572	24,578,294	12,015,646	7,913,766	21,123,218	32,492,060
Right of way	90,844,947	90,826,343			90,844,947	90,826,343
Water rights			18,009,011	17,717,219	18,009,011	17,717,219
Streetscape	9,061,008	9,061,008			9,061,008	9,061,008
Infrastructure	272,454,225	266,477,177	164,220,712	163,761,199	436,674,937	430,238,376
Building and improvements	213,228,438	209,193,265	90,828,593	87,962,898	304,057,031	297,156,163
Vehicles, furniture and equipment	17,744,567	16,765,469	6,206,909	6,041,497	23,951,476	22,806,966
Total	<u>\$ 644,680,645</u>	<u>\$ 652,711,038</u>	<u>\$ 298,998,510</u>	<u>\$ 287,651,808</u>	<u>\$ 943,679,155</u>	<u>\$ 940,362,846</u>

The change in governmental capital assets is due to an increase in accumulated depreciation which was offset by capital improvements to the ballpark. The change in business-type capital assets is the result of the increase in accumulated depreciation being offset by various water related projects including improvements to Site No. 12.

Additional information on the City's capital assets can be found in Note 4.

Debt Administration

At the end of the current fiscal year, the City had total long-term debt outstanding of \$375.1 million. Of this amount \$97.1 million is general obligation bonds backed by the full faith and credit of the City, \$90.2 million is Community Facilities Districts bonds which are paid by the property owners within those districts, \$184.5 million of revenue bonds which are payable from user fees, assessments, and general fund revenues and \$3.3 million loan payable to Water Infrastructure Finance Authority of Arizona (WIFA) which is payable from user fees. The following schedule shows the outstanding debt obligation as of June 30, 2018 and 2017:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 41,990,387	\$ 20,471,357	\$ 55,074,633	\$ 63,298,663	\$ 97,065,020	\$ 83,770,020
Community facilities districts bonds	90,160,000	98,797,000			90,160,000	98,797,000
Loan payable			3,323,972	3,591,773	3,323,972	3,591,773
Revenue bonds	144,712,865	151,473,467	39,830,000	41,240,000	184,542,865	192,713,467
Total	<u>\$276,863,252</u>	<u>\$270,741,824</u>	<u>\$ 98,228,605</u>	<u>\$108,130,436</u>	<u>\$375,091,857</u>	<u>\$378,872,260</u>

The State constitution limits the amount of general obligation debt a city may issue to six percent of its total assessed valuation. The current six percent debt limitation for the City is \$57.9 million. In addition, the State constitution limit allows a city to issue an additional 20 percent of its total assessed valuation for water, wastewater, lights, transportation, public safety, open space preserves, parks, playgrounds and recreational facilities. The current 20 percent debt limitation for the City is \$192.8 million. The City has \$97.1 million of outstanding general obligation debt of which all is subject to the 20 percent limit.

During the year, the City maintained the following bond ratings:

Bonded Debt Ratings As of June 30, 2018

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

Additional information on the City's long-term debt can be found in Notes 5 through 9.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The unemployment rate for Goodyear for June 2018 was 4.2 percent, which is lower than the state rate of 4.7 percent but higher than the national rate of 4.0 percent. Arizona cities remain dependent on sales taxes and other economically sensitive tax revenues and are susceptible to slowdowns in the economy. While unemployment is not a leading economic indicator, the state of the economy will likely coincide with current unemployment rates.

Total sales tax collections for fiscal year 2018 performed above anticipated budget and are exceeding fiscal year 2017 collections by 10.3 percent. For fiscal year 2018 non-construction sales taxes, which make up just over half of the on-going General Fund revenues, have performed above last year by 1.4 percent. This is reflective of ongoing steady growth in the local economy, including rising population and growing sales taxes, especially in the retail and restaurant categories. Construction sales taxes, which are planned conservatively in the budget, are performing well above budget and fiscal year 2017. Both commercial and residential building permit activity is above the prior year levels by more than 14.7 percent, which is reflected in higher than budgeted revenue collections from development related plan review, building permits and inspection fees.

The fiscal year 2019 budget assumes continued moderate growth and a conservative approach. Consistent with Council adopted financial policies, the primary property tax is maximized at the allowed two-percent growth in the levy plus the tax on new properties. At 50 percent of General Fund revenues, non-construction sales tax are estimated at five percent above fiscal year 2018 levels. State shared sales, income and vehicle license taxes are more than 20 percent of the General Fund revenues and are based population estimates provided by the state. In combination, the fiscal year 2018 state-shared General Fund revenues are projected at slightly above the fiscal year 2018 budget primarily due to changes in the corporate income taxation which has lowered state income tax collections. The fiscal year 2019 all funds budget totals \$447.4 million, which is an increase of \$127.6 million over fiscal year 2018. This increase is primarily due to an increase of \$114.8 million in capital projects. Debt service increased by \$6.1 million in principal and interest payments. Included in the recommended budget are carryover projects from fiscal year 2018. Carryovers comprise of \$84.3 million in capital projects and \$6.9 million in operating costs. Operating costs increased by \$9.5 million of which approximately one-half is from ongoing supplemental budget additions, the balance is from salary and benefit increases.

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 online at www.goodyearaz.gov/cafr. If you have questions about this report or need additional information, contact the City of Goodyear, 190 N. Litchfield Road, by mail at P.O. Box 5100, Goodyear, Arizona 85338 or by email at gyfinance@goodyearaz.gov.

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



**CITY OF GOODYEAR, ARIZONA
STATEMENT OF NET POSITION
JUNE 30, 2018**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 69,896,584	\$ 5,392,465	\$ 75,289,049
Investments	63,886,365	28,139,342	92,025,707
Receivables	65,928,642	6,016,779	71,945,421
Due from other governments	1,291,127		1,291,127
Inventories	814,853	645,108	1,459,961
Prepays	758,946		758,946
Total current assets	<u>202,576,517</u>	<u>40,193,694</u>	<u>242,770,211</u>
Noncurrent assets:			
Restricted cash and cash equivalents	16,011,577	12,774,476	28,786,053
Non-depreciable capital assets	138,254,206	19,733,285	157,987,491
Depreciable capital assets	506,426,439	279,265,225	785,691,664
Net other postemployment benefit assets	178,406	19,553	197,959
Total noncurrent assets	<u>660,870,628</u>	<u>311,792,539</u>	<u>972,663,167</u>
Total assets	<u>863,447,145</u>	<u>351,986,233</u>	<u>1,215,433,378</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding	7,446,139	2,074,529	9,520,668
Pension and other postemployment benefit plan items	17,501,132	777,050	18,278,182
Total deferred outflows of resources	<u>24,947,271</u>	<u>2,851,579</u>	<u>27,798,850</u>
LIABILITIES			
Current liabilities:			
Accounts payable	3,124,756	5,021,993	8,146,749
Accrued payroll and employee benefits	2,557,480	187,137	2,744,617
Claims payable	479,747		479,747
Accrued interest payable	5,912,314	1,149,213	7,061,527
Deposits	8,690,657	3,094,101	11,784,758
Unearned revenue	2,873,478		2,873,478
Compensated absences payable	2,330,471	209,231	2,539,702
Bonds payable	10,503,338	1,315,000	11,818,338
Total current liabilities	<u>36,472,241</u>	<u>10,976,675</u>	<u>47,448,916</u>
Noncurrent liabilities:			
Non-current portion of long-term obligations	349,435,544	106,610,576	456,046,120
Total noncurrent liabilities	<u>349,435,544</u>	<u>106,610,576</u>	<u>456,046,120</u>
Total liabilities	<u>385,907,785</u>	<u>117,587,251</u>	<u>503,495,036</u>
DEFERRED INFLOWS OF RESOURCES			
Gain on refunding	237,866		237,866
Pension and other postemployment benefit plan items	3,358,310	382,323	3,740,633
Total deferred inflows of resources	<u>3,596,176</u>	<u>382,323</u>	<u>3,978,499</u>
NET POSITION			
Net investment in capital assets	381,473,262	199,032,946	580,506,208
Restricted for:			
Charter mandates	4,377,576		4,377,576
Capital projects	19,453,023	7,569,091	27,022,114
Community facilities	2,453,112		2,453,112
Debt service	59,379,423	5,899,617	65,279,040
Other purposes	1,772,242		1,772,242
Unrestricted	29,981,817	24,366,584	54,348,401
Total net position	<u>\$ 498,890,455</u>	<u>\$ 236,868,238</u>	<u>\$ 735,758,693</u>

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

**CITY OF GOODYEAR, ARIZONA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government					
Governmental activities:					
General government	\$ 23,781,937	\$ 2,592,414	\$ 204,959		\$ (20,984,564)
Public safety	45,439,446	1,373,556	854,940		(43,210,950)
Highways and streets	26,460,464	81,727	8,054,223	2,793,895	(15,530,619)
Public works	4,232,567				(4,232,567)
Culture and recreation	19,080,188	2,984,530			(16,095,658)
Development services	6,591,111	10,416,143		4,648,920	8,473,952
Interest on long-term debt	11,582,014		7,050,576		(4,531,438)
Total governmental activities	137,167,727	17,448,370	16,164,698	7,442,815	(96,111,844)
Business-type activities:					
Water and wastewater	26,853,794	35,203,483		12,237,823	
Sanitation	6,206,843	7,812,267			
Total business-type activities	33,060,637	43,015,750		12,237,823	
Total primary government	\$ 170,228,364	\$ 60,464,120	\$ 16,164,698	\$ 19,680,638	(96,111,844)
General revenues:					
Taxes:					
Sales taxes					58,831,503
Property taxes					20,649,103
Franchise taxes					3,181,840
State shared revenues					19,967,694
Investment income					1,196,857
Miscellaneous					341,814
Transfers					3,700,000
Special item - Loss on debt extinguishment					(36,893)
Total general revenues, transfers and special items					107,831,918
Changes in net position					11,720,074
Net position, beginning of year, as restated					487,170,381
Net position, end of year					\$ 498,890,455

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

Net (Expense) Revenue and
Changes in Net Position

Business-type Activities	Totals
\$	\$ (20,984,564)
	(43,210,950)
	(15,530,619)
	(4,232,567)
	(16,095,658)
	8,473,952
	(4,531,438)
	<u>(96,111,844)</u>
20,587,512	20,587,512
1,605,424	1,605,424
<u>22,192,936</u>	<u>22,192,936</u>
<u>22,192,936</u>	<u>(73,918,908)</u>
	58,831,503
	20,649,103
	3,181,840
	19,967,694
47,246	1,244,103
37,024	378,838
(3,700,000)	(36,893)
<u>(3,615,730)</u>	<u>104,216,188</u>
18,577,206	30,297,280
<u>218,291,032</u>	<u>705,461,413</u>
<u>\$ 236,868,238</u>	<u>\$ 735,758,693</u>



FUND FINANCIAL STATEMENTS

**CITY OF GOODYEAR, ARIZONA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General	McDowell Road Commercial Corridor ID Debt Service	Community Facilities Districts Debt Service
ASSETS			
Cash and cash equivalents	\$ 46,917,938	\$ 120,152	\$
Investments	33,175,430		
Taxes receivable	8,420,837		87,657
Interest receivable	125,549		
Accounts receivable	1,505,635		103,571
Special assessments receivable		34,870,000	18,842,269
Due from other governments	719,287		
Due from other funds	1,091,866		
Advances to other funds	1,045,531		
Inventories			
Prepays	758,946		
Notes receivable	1,675,250		
Restricted cash and cash equivalents	259,822		11,219,510
Total assets	\$ 95,696,091	\$ 34,990,152	\$ 30,253,007
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,680,601	\$	\$
Accrued payroll and employee benefits	2,401,906		
Accrued interest payable	14,800		1,387,824
Deposits	7,727,805		
Due to other funds			
Unearned revenue	1,308,086	30,756	
Bonds payable	245,000		5,267,000
Advances from other funds			
Total liabilities	14,378,198	30,756	6,654,824
Deferred inflows of resources:			
Unavailable revenues - property taxes	92,583		47,105
Unavailable revenues - special assessments		34,870,000	18,842,269
Unavailable revenues - intergovernmental	8,375		
Unavailable revenues - other	1,700,222		
Total deferred inflows of resources	1,801,180	34,870,000	18,889,374
Fund balances (deficits):			
Nonspendable	1,804,477		
Restricted	6,113,955	89,396	4,708,809
Committed			
Assigned	11,046,166		
Unassigned	60,552,115		
Total fund balances	79,516,713	89,396	4,708,809
Total liabilities, deferred inflows of resources and fund balances	\$ 95,696,091	\$ 34,990,152	\$ 30,253,007

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 19,928,600	\$ 66,966,690
30,710,935	63,886,365
99,166	8,607,660
132,016	257,565
66,692	1,675,898
	53,712,269
571,840	1,291,127
	1,091,866
	1,045,531
553,663	553,663
	758,946
	1,675,250
4,532,245	16,011,577
<u>\$ 56,595,157</u>	<u>\$ 217,534,407</u>

\$ 377,866	\$ 3,058,467
129,663	2,531,569
2,167,245	3,569,869
962,852	8,690,657
856,498	856,498
1,534,636	2,873,478
2,365,000	7,877,000
1,045,531	1,045,531
<u>9,439,291</u>	<u>30,503,069</u>

63,377	203,065
	53,712,269
11,183	19,558
	1,700,222
<u>74,560</u>	<u>55,635,114</u>

553,663	2,358,140
44,586,548	55,498,708
1,963,850	1,963,850
	11,046,166
(22,755)	60,529,360
<u>47,081,306</u>	<u>131,396,224</u>

<u>\$ 56,595,157</u>	<u>\$ 217,534,407</u>
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**CITY OF GOODYEAR, ARIZONA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2018**

Total governmental fund balances **\$ 131,396,224**

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

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

Governmental capital assets	\$ 873,407,857	
Less accumulated depreciation	<u>(228,727,212)</u>	644,680,645

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

Property taxes	203,065	
Special assessments	53,712,269	
Intergovernmental	19,558	
Other	<u>1,700,222</u>	55,635,114

Interest payable on long-term debt is not due and payable in the current period and, therefore, is not reported in the funds. (2,342,444)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	17,501,132	
Deferred inflows of resources related to pensions	<u>(3,358,310)</u>	14,142,822

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

Compensated absences payable	(6,058,984)	
Loss on refunding	7,446,139	
Gain on refunding	(237,866)	
Net pension and OPEB liability/asset	(61,349,596)	
Bonds payable	<u>(286,805,367)</u>	(347,005,674)

Internal Service Funds are used by management to charge the cost of certain activities to the individual funds. The assets and liabilities of the Internal Service Funds are included in the Statement of Net Position. 2,383,768

Net position of governmental activities **\$ 498,890,455**

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

CITY OF GOODYEAR, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	General	McDowell Road Commercial Corridor ID Debt Service	Community Facilities Districts Debt Service
Revenues:			
Taxes	\$ 66,635,237	\$	\$ 6,136,703
Licenses and permits	10,634,433		
Intergovernmental	19,967,694		
Charges for services	3,143,399		
Fines and forfeits	1,044,317		
Investment income	861,622	1,312	118,085
Special assessments		3,537,643	2,431,155
Contributions	2,378,647		3,011,437
Miscellaneous	2,404,421		
Total revenues	107,069,770	3,538,955	11,697,380
Expenditures:			
Current -			
General government	19,955,558		
Public safety	39,378,039		
Highways and streets			
Public works	2,897,716		
Culture and recreation	6,985,081		
Development services	7,159,767		
Capital outlay	14,493,310		
Debt service -			
Principal retirement	1,235,603	1,660,000	9,996,000
Interest and debt cost	195,150	1,893,807	6,155,562
Bond issuance costs		490,945	616,739
Payment to refunded bond escrow agent			4,622,056
Total expenditures	92,300,224	4,044,752	21,390,357
Excess (deficiency) of revenues over expenditures	14,769,546	(505,797)	(9,692,977)
Other financing sources (uses):			
Bond issuance			
Refunding bonds issued		36,222,010	15,315,617
Refunding bonds premium			
Payment to refunded bond escrow agent		(35,731,065)	(13,325,637)
Transfer in	4,092,668		
Transfer out	(9,697,843)		
Total other financing sources (uses)	(5,605,175)	490,945	1,989,980
Changes in fund balances	9,164,371	(14,852)	(7,702,997)
Fund balances, beginning of year	70,352,342	104,248	12,411,806
Fund balances, end of year	\$ 79,516,713	\$ 89,396	\$ 4,708,809

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 9,830,507	\$ 82,602,447
2,235	10,636,668
6,805,630	26,773,324
7,275,140	10,418,539
	1,044,317
215,838	1,196,857
	5,968,798
967,918	6,358,002
81,251	2,485,672
<u>25,178,519</u>	<u>147,484,624</u>

870,338	20,825,896
400,967	39,779,006
5,517,174	5,517,174
	2,897,716
4,330,639	11,315,720
	7,159,767
15,873,573	30,366,883
6,750,970	19,642,573
5,980,901	14,225,420
374,897	1,482,581
	4,622,056
<u>40,099,459</u>	<u>157,834,792</u>
<u>(14,920,940)</u>	<u>(10,350,168)</u>

25,015,000	25,015,000
	51,537,627
722,171	722,171
	(49,056,702)
9,808,761	13,901,429
(503,586)	(10,201,429)
<u>35,042,346</u>	<u>31,918,096</u>
<u>20,121,406</u>	<u>21,567,928</u>
26,959,900	109,828,296
<u>\$ 47,081,306</u>	<u>\$ 131,396,224</u>



CITY OF GOODYEAR, ARIZONA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2018

Changes in fund balances - total governmental funds **\$ 21,567,928**

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

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

Capital contributions	2,793,895	
Expenditures for capitalized assets	14,170,111	
Less current year depreciation	<u>(21,451,541)</u>	(4,487,535)

Issuance of bonds provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position. (74,495,171)

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

Property taxes	60,001	
Special assessments	(2,897,576)	
Intergovernmental	(72,390)	
Other	<u>(471,808)</u>	(3,381,773)

Interest expense in the Statement of Activities differs from the amount reported in the governmental funds because accrued interest was calculated for bonds and notes payable for the Statement of Activities, but is expensed when due for the governmental fund statements. (226,160)

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

Bond principal retirement	19,642,573	
Bond principal refunded	<u>53,678,758</u>	73,321,331

Governmental funds report pension contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension liability, adjusted for deferred pension items, is reported as pension expense in the Statement of Activities.

Current year pension and OPEB contributions	7,310,369	
Pension expense	<u>(7,556,976)</u>	(246,607)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Loss on extinguishment of debt	(36,893)	
Loss on disposal of assets	(3,542,859)	
Amortization of deferred bond items	939,076	
Compensated absences	<u>(75,031)</u>	(2,715,707)

The Internal Service Funds are used by management to charge certain costs to the individual funds. The changes in net position of the Internal Service Funds is reported with governmental activities in the Statement of Activities. 2,383,768

Changes in net position in governmental activities **\$ 11,720,074**

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

**CITY OF GOODYEAR, ARIZONA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018**

	Enterprise Funds		
	Water & Wastewater	Sanitation	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 3,254,329	\$ 2,138,136	\$ 5,392,465
Investments	27,427,267	712,075	28,139,342
Interest receivable	120,922	2,992	123,914
Accounts receivable	4,992,195	900,670	5,892,865
Inventories	645,108		645,108
Total current assets	<u>36,439,821</u>	<u>3,753,873</u>	<u>40,193,694</u>
Noncurrent assets:			
Restricted cash and cash equivalents	12,774,476		12,774,476
Non-depreciable capital assets	19,733,285		19,733,285
Depreciable capital assets	278,410,277	854,948	279,265,225
Net other postemployment benefit assets	17,180	2,373	19,553
Total noncurrent assets	<u>310,935,218</u>	<u>857,321</u>	<u>311,792,539</u>
Total assets	<u>347,375,039</u>	<u>4,611,194</u>	<u>351,986,233</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding	2,074,529		2,074,529
Pension and other postemployment benefit plan items	682,737	94,313	777,050
Total deferred outflows of resources	<u>2,757,266</u>	<u>94,313</u>	<u>2,851,579</u>
LIABILITIES			
Current liabilities:			
Accounts payable	4,581,417	440,576	5,021,993
Accrued payroll and employee benefits	165,314	21,823	187,137
Claims payable			
Accrued interest payable	1,149,213		1,149,213
Deposits	3,094,101		3,094,101
Due to other funds			
Compensated absences payable	187,199	22,032	209,231
Bonds payable	1,315,000		1,315,000
Total current liabilities	<u>10,492,244</u>	<u>484,431</u>	<u>10,976,675</u>
Noncurrent liabilities:			
Non-current portion of long-term obligations	105,885,840	724,736	106,610,576
Total noncurrent liabilities	<u>105,885,840</u>	<u>724,736</u>	<u>106,610,576</u>
Total liabilities	<u>116,378,084</u>	<u>1,209,167</u>	<u>117,587,251</u>
DEFERRED INFLOWS OF RESOURCES			
Pension and other postemployment benefit plan items	335,924	46,399	382,323
NET POSITION			
Net investment in capital assets	198,177,998	854,948	199,032,946
Restricted for:			
Capital projects	7,569,091		7,569,091
Debt service	5,899,617		5,899,617
Unrestricted	21,771,591	2,594,993	24,366,584
Total net position	<u>\$ 233,418,297</u>	<u>\$ 3,449,941</u>	<u>\$ 236,868,238</u>

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

Governmental
Activities: Internal
Service Funds

\$ 2,929,894

261,190
3,191,084

3,191,084

66,289
25,912
479,747

235,368

807,316

807,316

2,383,768
\$ 2,383,768

CITY OF GOODYEAR, ARIZONA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Enterprise Funds		
	Water & Wastewater	Sanitation	Totals
Operating revenues:			
Charges for services	\$ 35,203,483	\$ 7,812,267	\$ 43,015,750
Self insurance premiums			
Miscellaneous	26,574	10,450	37,024
Total operating revenues	<u>35,230,057</u>	<u>7,822,717</u>	<u>43,052,774</u>
Operating expenses:			
Administration	4,816,040	730,972	5,547,012
Claims expense			
Costs of sales and services	8,735,089	5,313,996	14,049,085
Depreciation and amortization	7,545,004	161,875	7,706,879
Total operating expenses	<u>21,096,133</u>	<u>6,206,843</u>	<u>27,302,976</u>
Operating income (loss)	<u>14,133,924</u>	<u>1,615,874</u>	<u>15,749,798</u>
Nonoperating revenues (expenses):			
Investment income	34,875	12,371	47,246
Interest expense	(4,034,295)		(4,034,295)
Loss on disposal of assets	(1,723,366)		(1,723,366)
Total nonoperating revenues (expenses)	<u>(5,722,786)</u>	<u>12,371</u>	<u>(5,710,415)</u>
Income (loss) before transfers	<u>8,411,138</u>	<u>1,628,245</u>	<u>10,039,383</u>
Capital contributions	12,237,823		12,237,823
Transfer out	<u>(2,800,000)</u>	<u>(900,000)</u>	<u>(3,700,000)</u>
Changes in net position	<u>17,848,961</u>	<u>728,245</u>	<u>18,577,206</u>
Total net position, beginning of year, as restated	215,569,336	2,721,696	218,291,032
Total net position, end of year	<u>\$ 233,418,297</u>	<u>\$ 3,449,941</u>	<u>\$ 236,868,238</u>

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

Governmental
Activities: Internal
Service Funds

\$ 1,942,720
8,751,282
674,332
11,368,334

672,540
6,428,728
1,897,004

8,998,272

2,370,062

13,706

13,706

2,383,768

2,383,768

\$ 2,383,768

**CITY OF GOODYEAR, ARIZONA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2018**

	Water & Wastewater	Sanitation	Totals
<u>Increase/Decrease in Cash and Cash Equivalents</u>			
Cash flows from operating activities:			
Cash received from customers	\$ 35,848,910	\$ 7,759,816	\$ 43,608,726
Cash received from contributions			
Cash payments to suppliers for goods and services	(5,286,441)	(5,255,309)	(10,541,750)
Cash payments to employees	(4,832,089)	(741,143)	(5,573,232)
Cash payments for claims			
	25,730,380	1,763,364	27,493,744
Cash flows from investing activities:			
Purchase of investments	(7,489,152)	(487,979)	(7,977,131)
Investment income	(30,915)	9,999	(20,916)
	(7,520,067)	(477,980)	(7,998,047)
Cash flows from noncapital financing activities:			
Due from (to) other funds			
Transfers in (out)	(2,800,000)	(900,000)	(3,700,000)
	(2,800,000)	(900,000)	(3,700,000)
Cash flows from capital and related financing activities:			
Principal paid on long-term debt	(9,901,831)		(9,901,831)
Interest and fiscal fees	(4,626,580)		(4,626,580)
Intergovernmental revenue	290,000		290,000
Build America Bond interest subsidy	111,075		111,075
Acquisition of capital assets	(17,638,190)	(174,252)	(17,812,442)
Development impact fees received	9,273,318		9,273,318
	(22,492,208)	(174,252)	(22,666,460)
Net increase/decrease in cash and cash equivalents	(7,081,895)	211,132	(6,870,763)
Cash and cash equivalents, beginning of year	23,110,700	1,927,004	25,037,704
Cash and cash equivalents, end of year	\$ 16,028,805	\$ 2,138,136	\$ 18,166,941
<u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u>			
Operating income/loss	\$ 14,133,924	\$ 1,615,874	\$ 15,749,798
Adjustments to reconcile operating income/loss to net cash used for operating activities:			
Depreciation and amortization	7,545,004	161,875	7,706,879
Increase/decrease in accounts receivable	618,853	(62,901)	555,952
Increase/decrease in inventories	51,927		51,927
Increase/decrease in accounts payable	3,726,665	58,687	3,785,352
Increase/decrease in accrued payroll and benefits	(24,769)	(4,680)	(29,449)
Increase/decrease in deposits held for others	(329,944)		(329,944)
Increase/decrease in claims payable			
Increase/decrease in compensated absences payable	(79,786)	(3,703)	(83,489)
Increase/decrease in pension and OPEB expense	88,506	(1,788)	86,718
	11,596,456	147,490	11,743,946
Total adjustments	11,596,456	147,490	11,743,946
Net cash provided by/used for operating activities	\$ 25,730,380	\$ 1,763,364	\$ 27,493,744
Noncash investing, capital and financing activities:			
Contributions of capital assets	\$ 2,964,505		\$ 2,964,505
Amortization of bond premiums and discounts	276,649		276,649
Amortization of deferred loss on refunding	143,455		143,455

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

**Internal
Service Funds**

\$ 11,368,334
(2,451,720)
(57,659)
(5,948,981)
2,909,974

13,706

13,706

6,064

6,064

2,929,744

150

\$ 2,929,894

\$ 2,370,062

11,759

55,204

(6,798)

479,747

539,912

\$ 2,909,974

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



**CITY OF GOODYEAR, ARIZONA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2018**

	Pension Trust	Agency
<u>ASSETS</u>		
Cash and cash equivalents	\$ 18	\$ 37,608
Investments	491,423	
Total assets	491,441	\$ 37,608
<u>LIABILITIES</u>		
Deposits held for others		\$ 37,608
Total liabilities		\$ 37,608
<u>NET POSITION</u>		
Held in trust	\$ 491,441	

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

**CITY OF GOODYEAR, ARIZONA
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2018**

	Pension Trust
Additions:	
Investment income	\$ 52,327
Total additions	52,327
Deductions:	
Benefits	9,024
Total deductions	9,024
Changes in net position	43,303
Net position, beginning of year	448,138
Net position, end of year	\$ 491,441

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

Notes to the Financial Statements

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

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

During the year ended June 30, 2018, the City implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement requires governments providing defined benefit postemployment benefits other than pensions to recognize the long-term obligation for those benefits as a liability, and to more comprehensively and comparably measure the annual costs of those benefits. This Statement also enhances accountability and transparency through revised note disclosures and new required supplementary information.

During the year ended June 30, 2018, the City also implemented the provisions of GASB Statement No. 86, *Certain Debt Extinguishment Issues*. This Statement improves consistency in accounting and financial reporting for in-substance defeasance of debt.

A. Reporting Entity

The City is a municipal entity governed by an elected mayor and six-member governing council (council). As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its blended component units, entities for which the City is considered financially accountable. In accordance with GASB Statement No. 14, and as amended by GASB Statement No. 61, the component units discussed below have been included in the City's reporting entity because of the significance of their operational or financial relationship with the city.

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 - Community Facilities Districts 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. Although it is legally separate from the City, the Districts are reported as if it is part of the primary government because the District's governing body is substantively the same as the governing body of the City and management of the City has operational responsibility for the Districts. The following are the community facilities districts currently operating in the City of Goodyear.

- Goodyear Community Facilities General District No. 1
- Goodyear Community Facilities Utilities District No. 1
- Wildflower Ranch Community Facilities District No. 1
- Wildflower Ranch Community Facilities 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
- King Ranch Community Facilities District

Complete financial statements of the individual component units may be obtained at the entities' administrative offices or online at www.goodyearaz.gov/cfd.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, state-shared revenues, investment income and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Fund Balances – Governmental Funds

As of June 30, 2018, fund balances of the governmental funds are classified as follows:

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

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

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

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City’s adopted policy, the City appropriates funding for information technology (IT) replacement, fleet replacement, risk management, police and fire equipment, parks and traffic signal asset management reserves. In addition, amounts encumbered related to projects that carry over into the next fiscal year are reported as assigned. The accumulated appropriations for these purposes which have not been spent are reflected as assigned fund balances. Only City Council or the City’s Finance Director may assign amounts for specific purposes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unassigned - includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that can report a positive unassigned fund balance. In other governmental funds, other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The General Fund has Unassigned Funds consisting of a contingency reserve in the amount of \$14.6 million. The contingency reserve is used to set aside resources to cover unanticipated deficits or revenue reductions that may be caused by adverse economic conditions or public emergency. The amount of the contingency reserve is equal to or greater than 15 percent of fiscal year 2018 on-going revenues.

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

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

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

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

Expenditures are generally recognized when the related fund 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, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 either required to be accounted for in other funds or when the city determines there is an operational advantage to do so.

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

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.

The City reports the following major proprietary funds:

Water and Wastewater Fund - This fund accounts for the City's water and wastewater utility operations, including the utility development impact fees.

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

Internal Service Fund – This fund is used to account for 1) citywide preventative maintenance, repairs, and safety inspections for City vehicles and equipment and 2) self-insurance for employee benefits. The Internal service fund activities are reported as governmental activities on the government-wide statements.

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

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

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

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 position and changes in net position and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements considering they are not assets of the City available to support City programs.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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)

Community Facilities Districts

Grants Fund

Ball Park Fund

Debt Service Fund

Capital Projects Funds

Non-Utility Development Impact Fees Fund

GO Bonds Capital Projects Fund

E. Cash and Cash Equivalents

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

F. Investments

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

G. Receivables and Payables

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

H. Inventory

Inventories are valued at average cost using the first-in, first-out (FIFO) flow method. Inventory, which consists of expendable supplies and vehicle repair parts, is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

J. Restricted Assets

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

K. Capital Assets

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has two items that qualify for reporting in this category. It is the deferred loss on refunding and deferred outflows related to pensions and OPEB reported in the government-wide statement of net position.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government only has three items that qualify for reporting in this category. It is unavailable revenue, which arises only under a modified accrual basis of accounting, deferred inflow related to pensions and OPEB, and deferred gain on refunding.

M. Compensated Absences

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

N. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

O. Inter-fund Activity

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

P. Estimates

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

Q. Budgetary Data

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

In April, the proposed budget for the following fiscal year is presented by the City Manager to the City Council. The budget includes proposed expenditures and the means of financing them. A public meeting is 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 2018.

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 major program area for the General Fund and by fund for all others.

In practice, the City Council approves all budget transfers that cross appropriation lines on a monthly basis. All unencumbered expenditure appropriations expire at the end of the fiscal year. Encumbered amounts are re-budgeted in the following year as deemed appropriate and necessary after review by the Budget Office. Budgetary carry forwards are approved by the City Council through the budgetary process.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

R. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension and other postemployment benefit (OPEB) assets and liabilities, related deferred outflows of resources and deferred inflows of resources, and related expenses, information about the pension and OPEB plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 CASH AND INVESTMENTS

At June 30, 2018, cash and cash equivalents are presented as follows:

	Governmental Activities	Business Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 69,896,584	\$ 5,392,465	\$ 37,626	\$ 75,326,675
Restricted cash and cash equivalents	16,011,577	12,774,476		28,786,053
Total	<u>\$ 85,908,161</u>	<u>\$ 18,166,941</u>	<u>\$ 37,626</u>	<u>\$ 104,112,728</u>

The restricted cash and cash equivalents are proceeds from debt issuances that are held in trustee accounts for the purpose of major capital improvements as well as funds held in trustee accounts for the purpose of debt service payments. The City also restricts the cash and cash equivalents in the Community Facilities Districts Debt Service Fund.

Deposits

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

At June 30, 2018, the City had \$16,100 of cash on hand. The carrying amount of the City's deposits totaled \$28,820,543, and the bank balance was \$31,704,533. Of the bank balance, \$250,000 was covered by federal depository insurance, \$13,720,104 was covered by the Statewide Pooled Collateral Program, and \$17,566,542 were securities held by the pledging financial institution's trust department in the City's name.

NOTE 2 CASH AND INVESTMENTS

Cash Equivalents

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 weighted average to maturity is 37 days. The net asset value per share of the pool at June 30, 2018 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 or www.aztreasury.gov.

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, 2018, the City’s funds invested with the State Treasurer totaled \$75,275,885.

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

<u>Investment Type</u>	<u>Total</u>	<u>Remaining Maturity (in Years)</u>
		<u>Less than 1</u>
LGIP	<u>\$ 75,275,885</u>	<u>\$ 75,275,885</u>
Total	<u>\$ 75,275,885</u>	<u>\$ 75,275,885</u>

<u>Investment Type</u>	<u>Total</u>	<u>Rating as of Year End</u>
		<u>AAAF/S1+</u>
LGIP	<u>\$ 75,275,885</u>	<u>\$ 75,275,885</u>
Total	<u>\$ 75,275,885</u>	<u>\$ 75,275,885</u>

Investments

The City’s portfolio complies with Arizona Revised Statutes (ARS) and the City’s investment policy. The Arizona Revised Statutes regulate the investment of surplus cash. Goodyear limits its investments to U.S. government securities, certificates of deposit, bonds, repurchase agreements, corporate notes, commercial paper, and money market accounts. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. U.S. Treasury securities and Money Market Accounts are valued using quoted market prices (Level 1 inputs); while Federal Agency Securities, Corporate Notes, Mutual Funds and Negotiable Certificates of Deposit are valued using a matrix pricing model (Level 2 inputs).

NOTE 2 CASH AND INVESTMENTS

At June 30, 2018 the City's investments included the following:

Investment Type	Total	Remaining Maturity (in Years)			Concentration of Credit Risk
		Less than 1	1 to 2	More than 2	
U.S. Treasuries	\$ 39,489,804	\$ 4,460,451	\$ 21,758,659	\$13,270,694	42%
Federal Agency Securities	19,306,515	5,535,736	8,414,539	5,356,240	21%
Corporate Notes	21,129,949	173,243	9,206,648	11,750,058	23%
Negotiable Certificates of Deposit	12,001,579		8,304,072	3,697,507	13%
Money Market Fund	97,860	97,860			0%
Mutual Funds	491,423	491,423			1%
Total	\$ 92,517,130	\$ 10,758,713	\$ 47,683,918	\$34,074,499	100%

Investment Type	Total	AAA	AA+	AA	AA-	A+	A	A-	BBB+	AAAm	Not Rated
U.S. Treasuries	\$ 39,489,804	\$	\$ 39,489,804	\$	\$	\$	\$	\$	\$	\$	\$
Federal Agency Securities	19,306,515		19,306,515								
Corporate Notes	21,129,949	683,951	1,354,211	1,242,009	562,089	5,908,968	5,245,921	3,722,207	2,410,593		
Negotiable Certificates of Deposit	12,001,579				4,617,628	4,617,212	2,766,739				
Mutual Funds	491,423										491,423
Money Market Fund	97,860									97,860	
Total	\$ 92,517,130	\$ 83,951	\$ 60,150,530	\$1,242,009	\$5,179,717	\$ 10,526,180	\$8,012,660	\$3,722,207	\$2,410,593	\$ 97,860	\$ 491,423

Custodial Credit Risk

To control custodial credit risk, State law and the City's investment policy requires all securities and collateral to be held by an independent third party custodian in the City's name. The custodian provides the City with monthly market values.

Interest Rate Risk

Interest rate risk is the risk of changes in market interest rates that will adversely affect the fair value of an investment. In order to limit interest rate and market risk, State law and the City's investment policy sets a maximum maturity on any investment to five years. In addition, the City has adopted an average portfolio duration limitation (ranging from 90 days to three years) consistent with the primary investment objective of safety, liquidity and yield. As of June 30, 2018 the average portfolio duration was 1.95 years.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

NOTE 2 CASH AND INVESTMENTS

Concentration of Credit Risk

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

NOTE 3 RECEIVABLES

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

	General Fund	McDowell Road Commercial Corridor ID Debt Service	Community Facilities Districts Debt Service	Non-Major Governmental Funds	Total
Receivables:					
Taxes	\$ 8,420,837	\$	\$ 87,657	\$ 99,166	\$ 8,607,660
Interest	125,549			132,016	257,565
Accounts	1,505,635		103,571	66,692	1,675,898
Special assessments		34,870,000	18,842,269		53,712,269
Notes	1,675,250				1,675,250
Total Receivables	<u>\$11,727,271</u>	<u>\$ 34,870,000</u>	<u>\$ 19,033,497</u>	<u>\$ 297,874</u>	<u>\$ 65,928,642</u>

As of June 30, 2018, the special assessment and notes receivable balances are not expected to be collected within the next year. Special assessment receivables will be collected in conjunction with the debt retirement schedule for the related bonds outstanding. The notes receivable mature in 2044 and accrue interest at 3.26 percent annum.

The following table summarizes the City's receivables for the proprietary funds as of June 30, 2018.

	Water and Wastewater Fund	Sanitation Fund	Total
Receivables:			
Interest	\$ 120,922	\$ 2,992	\$ 123,914
Accounts	5,014,714	908,768	5,923,482
	<u>5,135,636</u>	<u>911,760</u>	<u>6,047,396</u>
Less:			
Allowance	22,519	8,098	30,617
Total Receivables	<u>\$ 5,113,117</u>	<u>\$ 903,662</u>	<u>\$ 6,016,779</u>

Revenues of the Water & Wastewater Fund and Sanitation Fund are reported net of uncollectible amounts. Total bad debt expense related to the Water & Wastewater Fund revenues and Sanitation Fund revenues for the current year are \$60,425 and \$13,407, respectively.

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2018 follows:

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 32,493,472	\$	\$ 3,508,908	\$ 28,984,564
Artwork	247,016	9,099		256,115
Construction in progress	24,578,294	4,598,216	20,068,938	9,107,572
Right of Way	90,826,343	23,068	4,464	90,844,947
Streetscape	9,061,008			9,061,008
Total capital assets, not being depreciated	157,206,133	4,630,383	23,582,310	138,254,206
Capital assets, being depreciated:				
Land improvements	4,443,171	226,076		4,669,247
Infrastructure	382,365,497	15,536,624		397,902,121
Buildings and improvements	272,556,078	12,011,905		284,567,983
Vehicles, furniture and equipment	44,026,122	4,632,421	644,243	48,014,300
Total capital assets being depreciated	703,390,868	32,407,026	644,243	735,153,651
Less accumulated depreciation for:				
Land improvements	(1,374,177)	(295,861)		(1,670,038)
Infrastructure	(115,888,320)	(9,559,576)		(125,447,896)
Buildings and improvements	(63,362,813)	(7,976,732)		(71,339,545)
Vehicles, furniture and equipment	(27,260,653)	(3,619,372)	610,292	(30,269,733)
Total accumulated depreciation	(207,885,963)	(21,451,541)	610,292	(228,727,212)
Total capital assets, being depreciated, net	495,504,905	10,955,485	33,951	506,426,439
Governmental activities capital assets, net	\$ 652,711,038	\$ 15,585,868	\$23,616,261	\$ 644,680,645
Business-type Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,108,251	\$ 3,462,410	\$	\$ 7,570,661
Artwork	146,978			146,978
Construction in progress	7,913,766	10,038,689	5,936,809	12,015,646
Total capital assets, not being depreciated	12,168,995	13,501,099	5,936,809	19,733,285
Capital assets, being depreciated:				
Infrastructure	211,605,866	4,555,747		216,161,613
Buildings and improvements	108,985,820	5,599,805		114,585,625
Vehicles, furniture and equipment	15,545,086	850,349	336,899	16,058,536
Water rights	19,562,714	483,390		20,046,104
Total capital assets being depreciated	355,699,486	11,489,291	336,899	366,851,878
Less accumulated depreciation for:				
Infrastructure	(47,844,667)	(4,096,234)		(51,940,901)
Buildings and improvements	(21,022,922)	(2,734,110)		(23,757,032)
Vehicles, furniture and equipment	(9,503,589)	(684,937)	336,899	(9,851,627)
Water rights accumulation	(1,845,495)	(191,598)		(2,037,093)
Total accumulated depreciation	(80,216,673)	(7,706,879)	336,899	(87,586,653)
Total capital assets, being depreciated, net	275,482,813	3,782,412		279,265,225
Business-type activities capital assets, net	\$287,651,808	\$ 17,283,511	\$ 5,936,809	\$ 298,998,510

NOTE 4 CAPITAL ASSETS

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 573,881
Public safety	2,507,657
Highway and streets	14,021,769
Culture and recreation	3,363,946
Public works	984,288
Total depreciation expense	<u>\$ 21,451,541</u>
Business-type activities:	
Water and wastewater	\$ 7,545,004
Sanitation	161,875
Total depreciation expense	<u>\$ 7,706,879</u>

NOTE 5 LOAN PAYABLE

The City received a loan from the Water Infrastructure Finance Authority. The loan was used for expansion of an effluent wastewater facility and to rehabilitate an existing effluent lift station. The loan payable at June 30, 2018, is as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2018	Due Within One Year
Business-type activities:				
Water Infrastructure Finance Authority Loan	2.00%	7/1/19-29	\$ 3,323,972	\$
Total business-type activities			<u>\$ 3,323,972</u>	<u>\$</u>

Annual debt service requirements to maturity on the loans payable at June 30, 2018 are summarized as follows:

Year ending June 30:	Business-type Activities	
	Principal	Interest
2019	\$	\$ 33,240
2020	273,157	63,748
2021	278,620	58,230
2022	284,193	52,602
2023	289,877	46,861
2024-28	1,538,700	144,097
2029-33	659,425	13,254
Total	<u>\$ 3,323,972</u>	<u>\$ 412,032</u>

NOTE 6 GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at June 30, 2018, consisted of the outstanding general obligation and refunding bonds presented below. The bonds are generally callable with interest payable semi-annually. Of the total amounts originally authorized, \$142,641,616 remains unissued. The bonds payable at June 30, 2018 are presented below.

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2018	Due Within One Year
Governmental activities:				
General Obligation Bonds Refunding Series 2009	5.25-5.125%	7/1/27-29	\$ 604,500	
General Obligation Bonds Refunding Series 2010 (Build America Bonds)	5.40-6.00%	7/1/20-30	105,000	
General Obligation Bonds Refunding Series 2016	2.00-4.00%	7/1/19-37	18,050,887	
General Obligation Bonds Series 2017	3.00-5.00%	7/1/19-37	23,230,000	
Total governmental activities			<u>\$ 41,990,387</u>	
Business-type activities:				
General Obligation Bonds Refunding Bond Series 2009	5.125-5.25%	7/1/27-29	\$ 4,975,500	
General Obligation Bonds Refunding Series 2010 (Build America Bonds)	5.40-6.30%	7/1/21-30	5,710,000	
General Obligation Bonds Refunding Bond Series 2010	4.018-5.125%	7/1/21-30	4,610,000	
General Obligation Bonds Refunding Bond Series 2014	3.60-4.00%	7/1/19-20	6,200,000	
General Obligation Bonds Refunding Bond Series 2016	2.00-4.00%	7/1/19-37	33,579,133	
Total business-type activities			<u>55,074,633</u>	
Total			<u>\$ 97,065,020</u>	

Annual debt service requirements to maturity on general obligation bonds payable at June 30, 2018 are summarized as follows:

Year ending June 30:	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2019	\$	\$ 599,670	\$	\$ 1,492,721
2020	4,323,113	1,146,427	5,246,887	2,234,786
2021	3,069,907	1,065,963	4,320,093	2,090,590
2022	2,253,314	1,000,865	2,921,686	1,953,331
2023	1,620,699	946,870	3,169,301	1,838,786
2024-28	8,787,326	3,787,848	18,282,674	7,084,737
2029-33	10,034,015	2,263,620	13,450,995	2,902,735
2034-38	11,902,013	817,321	7,682,997	882,069
Total	<u>\$ 41,990,387</u>	<u>\$ 11,628,584</u>	<u>\$ 55,074,633</u>	<u>\$ 20,479,755</u>

NOTE 7 REVENUE BONDS PAYABLE

Revenue bonds payable at June 30, 2018 consisted of the outstanding revenue bonds and refunding bonds presented below. The bonds are generally callable after 10 years with interest payable semi-annually. The bonds payable at June 30, 2018 are presented below:

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2018	Due Within One Year
Governmental activities:				
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2011A	2.00%-5.25%	7/1/18-27	\$ 24,500,000	\$ 245,000
Public Improvement Corporation Municipal Facilities Revenue Bonds, Series 2011B	3.00%	7/1/18	1,515,000	1,515,000
Public Improvement Corporation Municipal Facilities Revenue Tax-Exempt Revenue Bonds, Series 2012A	2.48%	12/15/18-6/15/23	4,774,706	908,456
Public Improvement Corporation Municipal Facilities Revenue Taxable Revenue Bonds, Series 2012B	3.44%	12/15/18-6/15/23	578,159	107,882
Public Improvement Corporation Municipal Facilities Revenue Refunding Bonds, Series 2016A	3.00-5.00%	7/1/19-32	40,530,000	
Public Improvement Corporation Municipal Facilities Revenue Refunding Bonds, Series 2016B	4.00-5.00%	7/1/18-31	28,190,000	850,000
Public Improvement Corporation Subordination Municipal Facilities Revenue Bonds, Series 2017	3.31%	7/1/19-27	9,755,000	
McDowell Road Commercial Corridor Improvement District Refunding Bonds, Series 2018	1.95-3.60%	1/1/19-31	34,870,000	1,610,000
Total governmental activities			<u>\$ 144,712,865</u>	<u>\$ 5,236,338</u>
Business-type activities:				
Revenue Bonds, Series 2009	6.75%	7/1/49	\$ 325,000	\$
Revenue Bonds, Series 2010	5.00%-5.625%	7/1/22-39	14,950,000	
Revenue Bonds, Series 2011	2.00%-5.50%	7/1/18-41	13,960,000	320,000
Revenue Bonds, Series 2016	2.00-5.00%	7/1/18-45	10,595,000	995,000
Total business-type activities			<u>\$ 39,830,000</u>	<u>\$ 1,315,000</u>

Revenue bond debt service requirements to maturity are as follows:

Year ending June 30:	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2019	\$ 5,236,338	\$ 5,659,682	\$ 1,315,000	\$ 1,953,263
2020	9,457,750	5,556,375	1,340,000	1,926,132
2021	9,814,858	5,195,027	1,390,000	1,876,582
2022	10,187,681	4,811,960	1,480,000	1,828,657
2023	10,581,238	4,406,120	835,000	1,787,988
2024-28	53,630,000	15,464,435	4,800,000	8,291,319
2029-33	45,805,000	4,062,031	7,665,000	6,804,082
2034-38			11,145,000	4,199,804
2039-43			8,320,000	1,213,935
2044-48			1,215,000	202,815
2049-50			325,000	32,907
Total	<u>\$ 144,712,865</u>	<u>\$ 45,155,630</u>	<u>\$ 39,830,000</u>	<u>\$ 30,117,484</u>

NOTE 7 REVENUE BONDS PAYABLE

During the year ended June 30, 2018, the City issued \$34,870,000 in refunding bonds, with an effective interest rate of 3.32 percent, to advance refund \$34,870,000 of outstanding improvement district revenue bonds, with an average interest rate of 5.25 percent. The net proceeds of \$35,731,065, which includes \$1,352,010 of supplemental interest certificates, (after payment of \$490,945 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded bonds. As a result, the refunded bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The net carrying amount of the old debt exceeded the reacquisition price by \$256,163. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 13 years by \$6,396,020 and resulted in an economic gain of \$4,252,599.

Pledged Revenue

A. Revenue Bonds

Revenue bonds are collateralized by a pledge of the gross revenues of the utility systems, as defined in the bond indentures. The bonds are payable solely from water and wastewater customer net revenues with the last scheduled debt service payment occurring on 7/1/2049. Proceeds of the bonds were used for improvements to the City's water and wastewater system. Principal and interest paid for the current year and total water and wastewater customer net revenues were \$4,035,218 and \$21,678,928, respectively.

B. Public Improvement Corporation Municipal Facilities Revenue Bonds

The public improvement corporation municipal facilities revenue bonds are secured by excise taxes or other undesignated general fund revenues and the property referred to as Goodyear Municipal Complex. Proceeds from the bonds were used to construct a major league baseball training facility as well as other municipal facilities. The last scheduled debt service payment on the bonds is 7/1/2032. Principal and interest paid for the current year and total pledged revenues were \$8,210,941 and \$69,446,051, respectively.

C. McDowell Road Corridor Improvement District Bonds

The City acts as an administrator for the McDowell Road Corridor Improvement District whereby it collects the assessments levied against owners of property within the established district and disburses the amounts collected to retire the bonds issued to finance infrastructure improvements. The last scheduled debt service payment on the bond is 1/1/2031. At June 30, 2018, the special assessments receivable, together with amounts paid in advance and interest to be received over the life of the assessment period, is adequate for the scheduled maturities of the bonds payable and the related interest. Principal and interest paid for the current year and total net revenues and fund balance available to service the debt were \$3,553,807 and \$3,628,351, respectively.

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

NOTE 8 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE

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

Community facilities district bonds payable at June 30, 2018 consisted of outstanding general obligation and special assessment bonds. The bonds are generally callable with interest payable semiannually. Community facilities district bonds payable at June 30, 2018, are presented below.

Purpose	Interest Rates	Maturity	Outstanding Principal June 30, 2018	Due Within One Year
General District No. 1:				
G.O. Refunding Bonds, Series 2013	5.000%	7/15/28	\$ 8,915,000	\$ 560,000
Palm Valley:				
G.O. Refunding Bonds, Series 2016	2.000-4.000%	7/15/32	6,435,000	785,000
Utilities District No. 1				
CFUD No. 1 GO Refunding Bonds Series 2014	4.000%	7/15/28	9,675,000	910,000
CFUD No. 1 GO Refunding Bonds Series 2015	3.000-4.125%	7/15/29	6,265,000	400,000
CFUD No. 1 GO Refunding Bonds Series 2016	2.000-4.000%	7/15/32	18,500,000	610,000
Wildflower Ranch District 1:				
G.O. Bonds, Series 1997	6.500%	7/15/22	225,000	40,000
G.O. Bonds, Series 1998	5.700-5.750%	7/15/23	325,000	40,000
Wildflower Ranch District 2:				
G.O. Bonds, Series 2000	6.750-7.000%	7/15/25	365,000	35,000
G.O. Bonds, Series 2001	5.875 - 5.900%	7/15/26	410,000	35,000
Cottonflower:				
Cottonflower CFD GO Refunding Series 2017	2.920%	7/15/28	2,025,000	160,000
Estrella Mountain Ranch:				
Estrella MR CFD Special Assessment Revenue Bond Series 2015M	2.500-5.000%	7/1/39	4,557,000	
Estrella MR CFD GO Refunding 2017	3.000-5.000%	7/1/32	14,050,000	1,435,000
Estrella MR CFD Special Assessment Revenue Refunding Bonds Series 2018DV	3.150%	7/1/26	1,866,000	
Estrella MR CFD Special Assessment Revenue Refunding Bonds Series 2018GV1	2.810%	7/1/24	1,621,000	
Estrella MR CFD Special Assessment Revenue Refunding Bonds Series 2018GV2	3.670%	7/1/30	4,612,000	
Estrella MR CFD Special Assessment Revenue Refunding Bonds Series 2018M	3.750%	7/15/31	5,115,000	
Centerra:				
Centerra CFD GO Refunding 2016	2.700%	7/15/31	2,906,000	147,000
Centerra CFD GO Bond Series 2016	2.700%	7/15/31	323,000	
Cortina:				
Cortina CFD GO Refunding 2017	3.180%	7/15/31	1,970,000	110,000
Total business-type activities			<u>\$ 90,160,000</u>	<u>\$ 5,267,000</u>

NOTE 8 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2019	\$ 5,267,000	\$ 4,041,166
2020	3,889,000	3,201,904
2021	5,155,000	3,046,130
2022	5,485,000	2,854,976
2023	5,955,000	2,638,592
2024-28	32,472,000	9,522,579
2029-33	29,909,000	3,419,249
2034-38	1,375,000	342,125
2039	653,000	33,025
Total	<u>\$ 90,160,000</u>	<u>\$ 29,099,746</u>

On January 25, 2018, the Estrella Mountain Ranch Community Facilities District issued \$2,296,070 in refunding bonds, including \$311,070 in supplemental interest certificates with an effective interest rate of 3.13 percent, to advance refund \$2,228,000 of outstanding 2002 Series Special Assessment Lien bonds, with an average interest rate of 7.375 percent. The net proceeds of \$2,255,386, plus an additional contribution of \$289,756, (after payment of \$130,115 in underwriting fees, insurance, and other issuance costs) were immediately transferred to the refunding trustee to pay the bonds being refunded. As a result, the refunded bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$27,386. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 10 years by \$494,354 and resulted in an economic gain of \$332,148.

On January 25, 2018, the Estrella Mountain Ranch Community Facilities District issued \$2,196,070 in refunding bonds, including \$411,070 in supplemental interest certificates with an effective interest rate of 2.79 percent, to advance refund \$2,338,000 of outstanding 2001A Series Special Assessment Lien bonds, with an average interest rate of 7.875 percent. The net proceeds of \$2,368,686, plus an additional contribution of \$481,153, (after payment of \$128,212 in underwriting fees, insurance, and other issuance costs) were immediately transferred to the refunding trustee to pay the bonds being refunded. As a result, the refunded bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$30,686. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 8 years by \$676,678 and resulted in an economic gain of \$344,528.

On January 25, 2018, the Estrella Mountain Ranch Community Facilities District issued \$5,189,463 in refunding bonds, including \$400,463 in supplemental interest certificates with an effective interest rate of 3.67 percent, to advance refund \$5,061,000 of outstanding 2007 Series Special Assessment Revenue bonds, with an average interest rate of 6.72 percent. The net proceeds of \$5,117,196, plus an additional contribution of \$573,099, (after payment of \$164,641 in underwriting fees, insurance, and other issuance costs) were immediately transferred to the refunding trustee to pay the bonds being refunded. As a result, the refunded bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$56,196. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$1,528,021 and resulted in an economic gain of \$936,835.

NOTE 8 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE

On January 25, 2018, the Estrella Mountain Ranch Community Facilities District issued \$5,634,014 in refunding bonds, including \$305,014 in supplemental interest certificates with an effective interest rate of 3.75 percent, to advance refund \$5,439,000 of outstanding 2007 Series Special Assessment Revenue bonds, with an average interest rate of 5.75 percent. The net proceeds of \$5,490,723, plus an additional contribution of \$562,346, (after payment of \$170,912 in underwriting fees, insurance, and other issuance costs) were immediately transferred to the refunding trustee to pay the bonds being refunded. As a result, the refunded bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$51,723. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 15 years by \$926,844 and resulted in an economic gain of \$570,353.

During the year ended June 30, 2018, the Utilities Communities Facilities District partially defeased \$2,595,000 in Series 2014 General Obligation refunding bonds. Existing resources of \$2,715,702, (after payment of \$22,859 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities, which are essentially risk-free as to amount, timing, and collection of interest and principal. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded general obligation bonds. As a result, the refunded general obligation bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$36,893. This amount is reported as a special item on the Statement of Activities in the current year. This partial defeasance was undertaken to reduce total debt service payments.

NOTE 9 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2018 was as follows:

	Beginning Balance, as restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences payable	\$ 5,983,954	\$ 5,031,677	\$ 4,956,647	\$ 6,058,984	\$ 2,330,471
General obligation bonds payable	20,471,357	25,015,000	3,495,970	41,990,387	
Community Facilities District bonds payable	98,797,000	13,888,000	22,525,000	90,160,000	5,267,000
Public improvement bonds	114,943,467		5,100,602	109,842,865	3,626,338
Revenue bonds payable	36,530,000	34,870,000	36,530,000	34,870,000	1,610,000
Premiums	19,952,440	722,171	2,820,967	17,853,644	
Discounts	(36,173)		(1,644)	(34,529)	
Net OPEB liability	228,815		31,119	197,696	
Net pension liability	62,569,805		1,239,499	61,330,306	
Governmental activities long-term liabilities	<u>\$359,440,665</u>	<u>\$ 79,526,848</u>	<u>\$ 76,698,160</u>	<u>\$362,269,353</u>	<u>\$ 12,833,809</u>
Business-type activities:					
Compensated absences payable	\$ 632,249	\$ 440,702	\$ 524,190	\$ 548,761	\$ 209,231
General obligation bonds payable	63,298,663		8,224,030	55,074,633	
Revenue bonds payable	41,240,000		1,410,000	39,830,000	1,315,000
Loans payable	3,591,773		267,801	3,323,972	
Premiums	4,600,195		298,876	4,301,319	
Discounts	(512,048)		(22,227)	(489,821)	
Net OPEB liability		12,911		12,911	
Net pension liability	5,569,691		36,659	5,533,032	
Business-type activities long-term liabilities	<u>\$118,420,523</u>	<u>\$ 453,613</u>	<u>\$ 10,739,329</u>	<u>\$108,134,807</u>	<u>\$ 1,524,231</u>

NOTE 10 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At June 30, 2018, interfund balances were as follows:

	Receivable Amount	Payable Amount
General Fund	\$ 1,091,866	\$
Non-Major Governmental Funds		856,498
Internal Service Funds		235,368
Total	<u>\$ 1,091,866</u>	<u>\$ 1,091,866</u>

Interfund balances resulted from (1) the borrowing of cash to cover cash deficits and (2) to account for the amount due for Community Facilities Districts' operational expenditures paid from the General Fund. All interfund balances are expected to be paid within one year.

At June 30, 2018, advances between funds were as follows:

	Receivable Amount	Payable Amount
General Fund	\$ 1,045,531	\$
Non-Major Governmental Funds		1,045,531
Total	<u>\$ 1,045,531</u>	<u>\$ 1,045,531</u>

An advance from the General Fund to the Non-Utility Development Impact Fees Fund, a non-major governmental fund, existed at fiscal year end due to the timing of impact fee projects. Construction expenditures associated with these projects occurred during the fiscal year and the impact fees needed to fund the projects are expected to be collected in future years.

Transfers during the fiscal year were as follows:

	Transfers Out	Transfers In
General Fund	\$ 9,697,843	\$ 4,092,668
Non-Major Governmental Funds	503,586	9,808,761
Water and Wastewater Fund	2,800,000	
Sanitation Fund	900,000	
Total	<u>\$13,901,429</u>	<u>\$13,901,429</u>

All transfers made during the year were to cover operations or debt service as approved during budget development.

NOTE 11 CONTINGENT LIABILITIES

Federal and State grants and loans - The City has received a number of grants and loans from both the Federal and State governments. Although the programs have been audited, not all audits have been approved as of June 30, 2018; however, the City expects no material disallowances of expenditures.

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

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

NOTE 12 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City’s property and liability insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the City is a participating member. The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has authority to assess its members additional premiums should reserve and annual premiums be insufficient to meet the pool’s obligations.

During the year ended June 30, 2018, the City established a Self-Insurance Trust (an Internal Service Fund) to account for and finance its uninsured risks of loss related to healthcare benefits. Under this program, the Fund provides coverage for up to a maximum of \$250,000 for each claim, not to exceed an annual aggregate of \$7,577,975. The Fund purchases commercial insurance for claims in excess of this coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from subrogation, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows:

	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Payable at End of Year
<u>Healthcare Benefits</u>				
2017-18	\$	\$ 6,428,728	\$ 5,948,981	\$ 479,747

The City continues to carry commercial insurance for workers compensation. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Aggregate Amounts. At June 30, 2018, the City reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes.

	Governmental Activities	Business-type Activities	Total
Net pension and OPEB assets	\$ 178,406	\$ 19,553	\$ 197,959
Net pension and OPEB liability	61,528,002	5,545,943	67,073,945
Deferred outflows of resources	17,501,132	777,050	18,278,182
Deferred inflows of resources	3,358,310	382,323	3,740,633
Pension and OPEB expense	7,691,414	551,376	8,242,790

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The City reported \$7,745,204 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

A. Arizona State Retirement System

Plan Description. City employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

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

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

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

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$150 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a long-term disability benefit in the event they become unable to perform their work. The monthly benefit is equal to two-thirds of their monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999 are limited to 30 years of service or the service on record as of the effective disability date, if their service is greater than 30 years.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.50 percent (11.34 percent for retirement and 0.16 percent for long-term disability) of the members' annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 11.50 percent (10.90 percent for retirement, 0.44 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members' annual covered payroll. The City's contributions for the year ended June 30, 2018 were as follows:

	<u>Contributions</u>
Pension	\$ 2,760,437
Health Insurance Premium	143,399
Long-Term Disability	40,972

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The City was required by statute to contribute at the actuarially determined rate of 9.49 percent (9.26 for retirement, 0.10 percent for health insurance premium benefit, and 0.13 percent for long-term disability). ACR contributions are included in employer contributions presented above.

The City's pension and OPEB contributions are paid by the same funds as the employee's salary, with the largest component coming from the General Fund.

Pension and OPEB Assets/Liability. The net pension and OPEB assets/liability were measured as of June 30, 2017. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2016, to the measurement date of June 30, 2017. The City's proportion of the net asset/liability was based on the City's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2017.

At June 30, 2018, the City reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2017, the City's percentage proportion for each plan and the related change from its proportion measured as of June 30, 2016 was:

	<u>Net (Assets) Liability</u>	<u>City % Proportion</u>	<u>Increase (Decrease)</u>
Pension	\$ 37,471,443	0.241	(0.002)
Health Insurance Premium	(132,414)	0.243	
Long-Term Disability	87,433	0.241	

Pension/OPEB Expense and Deferred Outflows/Inflows of Resources. The City has deferred outflows and inflows of resources related to the net pension and OPEB assets/liability. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2018, the City recognized pension and OPEB expense as follows:

	<u>Expense</u>
Pension	\$ 2,380,003
Health Insurance Premium	77,450
Long-Term Disability	46,648

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$	\$	\$
Changes of assumptions or other inputs	1,627,471		
Net difference between projected and actual earnings on pension investments	269,019		
Changes in proportion and differences between contributions and proportionate share of contributions	421,102		
Contributions subsequent to the measurement date	2,760,437	143,399	40,972
Total	<u>\$ 5,078,029</u>	<u>\$ 143,399</u>	<u>\$ 40,972</u>

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 1,123,601	\$	\$
Changes of assumptions or other inputs	1,120,463		
Net difference between projected and actual earnings on pension investments		149,093	13,079
Changes in proportion and differences between contributions and proportionate share of contributions	182,805	160	13
Total	<u>\$ 2,426,869</u>	<u>\$ 149,253</u>	<u>\$ 13,092</u>

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2019	\$ (1,214,335)	\$ (37,306)	\$ (3,272)
2020	1,524,470	(37,306)	(3,272)
2021	442,542	(37,306)	(3,272)
2022	(861,955)	(37,306)	(3,272)
2023		(28)	(2)
Thereafter			(3)

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension and OPEB liability are as follows:

	<u>Pension</u>	<u>OPEB</u>
Actuarial valuation date	June 30, 2016	June 30, 2016
Actuarial roll forward date	June 30, 2017	June 30, 2017
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	8.0%	8.0%
Projected salary increases	3.0-6.75%	Not applicable
Inflation	3.0%	3.0%
Permanent base increases	Included	Not applicable
Mortality rates	1994 GAM Scale BB	1994 GAM Scale BB
Healthcare cost trend rate	Not applicable	Not applicable

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

The long-term expected rate of return on ASRS plan investments was determined to be 8.70 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for all ASRS plans are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	58%	6.73%
Fixed income	25	3.70
Real estate	10	4.25
Multi-asset	5	3.41
Commodities	2	3.84
Total	<u>100%</u>	

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Discount Rate. The discount rate used to measure the ASRS total pension and OPEB liability was 8.0 percent, which is less than the long-term expected rate of return of 8.70 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

Sensitivity of the Proportionate Share of the Net Pension and OPEB Assets/Liability to Changes in the Discount Rate. The following presents the City’s proportionate share of the net pension and OPEB assets/liability calculated using the discount rate of 8.0 percent, as well as what the proportionate share of the net pension and OPEB assets/liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	7.0%	8.0%	9.0%
Pension	\$ 48,095,249	\$ 37,471,443	\$ 28,594,344
Health Insurance Premium	219,902	(132,414)	(431,823)
Long-Term Disability	104,548	87,433	72,922

Pension and OPEB Plan Fiduciary Net Position. Detailed information about the pension and OPEB plan’s fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

B. Public Safety Personnel Retirement System

Plan Descriptions. City public safety employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The PSPRS issues a publicly available financial report that includes their financial statements and required supplementary information. The report is available on the PSPRS website at www.psprs.com.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Benefits Provided. The PSPRS provides retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefits terms. Certain retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows. See the publicly available PSPRS financial report for additional benefits information.

	Retirement Initial Membership Date:	
	Tier 1	Tier 2
Years of service and age required to receive benefit	20 years of service, any age 15 years of service, age 62	25 years or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years
Normal retirement	50% less 2.0% for each year of credited service less than 20 years or plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5 % to 2.5% per year of credited service, not to exceed 80%
Accidental disability retirement	50% or normal retirement, whichever is greater	
Survivor benefit: Retired members	80% to 100% of retired member's pension benefit	
Active members	80% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job	

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

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$150 per month to \$260 per month depending on the age of the member and dependents.

Employees Covered by Benefit Terms. At June 30, 2018, the following employees were covered by the agent plan's benefit terms:

	PSPRS - Police		PSPRS - Fire	
	Pension	Health Insurance	Pension	Health Insurance
Retirees and beneficiaries	24	24	8	8
Inactive, non-retired members	13	2	3	3
Active members	101	101	86	86
Total	138	127	97	97

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Contributions. State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contributions rates for the year ended June 30, 2018, are indicated below. Rates are a percentage of active members' annual covered payroll.

	<u>PSPRS - Police</u>	<u>PSPRS - Fire</u>
Active members – pension	7.65% to 11.65%	7.65% to 11.65%
City of Goodyear:		
Pension	29.60%	24.18%
Health insurance	0.33%	0.39%

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to PSPRS. The City was required by statute to contribute at the actuarially determined rate of 8.00 percent for the PSPRS. ACR contributions are included in employer contributions presented above.

The contributions to the pension and OPEB plans for the year ended were:

	<u>Contributions</u>	
	<u>PSPRS - Police</u>	<u>PSPRS - Fire</u>
Pension	\$ 2,648,244	\$ 2,088,935
Health insurance	29,524	33,693

The City's pension and OPEB contributions are paid by the same funds as the employee's salary, with the largest component coming from the General Fund.

Pension and OPEB Assets/Liability. At June 30, 2018, the City reported the following assets and liabilities.

	<u>Net (Assets) Liability</u>	
	<u>PSPRS - Police</u>	<u>PSPRS - Fire</u>
Pension	\$ 17,824,499	\$ 11,567,398
Health insurance	(65,545)	123,174

The net pension and OPEB assets/liability were measured as of June 30, 2017. The total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date. The total liability as of June 30, 2017, reflects changes of actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2016, including decreasing the investment rate of return from 7.5 percent to 7.4 percent, decreasing the wage inflation from 4.0 percent to 3.5 percent, and updating mortality, withdrawal, disability, and retirement assumptions.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Actuarial Assumptions. The significant actuarial assumptions used to measure the total pension/OPEB liability are as follows:

	Pension	OPEB
Actuarial valuation date	June 30, 2017	June 30, 2017
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	7.4%	7.4%
Projected salary increases	3.5%	Not applicable
Inflation	2.5%	Not applicable
Permanent benefit increase	Included	Not applicable
Mortality rates	RP-2014 tables using MP-2016 improvement scale with adjustments to match current experience	RP-2014 tables using MP-2016 improvement scale with adjustments to match current experience
Healthcare cost trend rate	Not applicable	Not applicable

Actuarial assumptions used in the June 30, 2017, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

The long-term expected rate of return on PSPRS plan investments was determined to be 7.40 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Short-term investments	2%	0.25%
Absolute return	2	3.75
Risk parity	4	5.00
Fixed income	5	1.25
Real assets	9	4.52
GTAA	10	3.96
Private credit	12	6.75
Real estate	10	3.75
Credit opportunities	16	5.83
Non-U.S. equity	14	8.70
U.S. equity	16	7.60
Total	100%	

Discount Rate. At June 30, 2017, the discount rate used to measure the total pension and OPEB liability was 7.4 percent, which was a decrease of 0.1 percent from the discount rate used as of June 30, 2016.

The projection of cash flows used to determine the PSPRS discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments for these plans to determine the total pension and OPEB liability.

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Changes in Net (Assets)/Liability

	Pension			Health Insurance		
	Increase (Decrease)			Increase (Decrease)		
	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability
PSPRS - Police						
Balances at June 30, 2017	\$ 39,390,239	\$ 22,545,318	\$ 16,844,921	\$ 761,355	\$ 737,009	\$ 24,346
Changes for the year:						
Service cost	1,914,605		1,914,605	27,494		27,494
Interest on the total liability	2,971,515		2,971,515	57,481		57,481
Changes of benefit terms	456,529		456,529	3,790		3,790
Differences between expected and actual experience in the measurement of the liability	494,534		494,534	4,452		4,452
Changes of assumptions or other inputs	824,808		824,808	(66,210)		(66,210)
Contributions – employer		1,633,633	(1,633,633)		30,113	(30,113)
Contributions – employee		930,370	(930,370)			
Net investment income		2,810,340	(2,810,340)		87,559	(87,559)
Benefit payments, including refunds of employee contributions	(1,454,686)	(1,454,686)		(17,372)	(17,372)	
Administrative expense		(25,267)	25,267		(774)	774
Other changes		333,337	(333,337)			
Net changes	5,207,305	4,227,727	979,578	9,635	99,526	(89,891)
Balances at June 30, 2018	\$ 44,597,544	\$ 26,773,045	\$ 17,824,499	\$ 770,990	\$ 836,535	\$ (65,545)

	Pension			Health Insurance		
	Increase (Decrease)			Increase (Decrease)		
	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability
PSPRS - Fire						
Balances at June 30, 2017	\$ 37,322,527	\$ 25,113,395	\$ 12,209,132	\$ 772,637	\$ 558,694	\$ 213,943
Changes for the year:						
Service cost	1,819,328		1,819,328	20,875		20,875
Interest on the total liability	2,846,014		2,846,014	58,459		58,459
Changes of benefit terms	208,024		208,024	375		375
Differences between expected and actual experience in the measurement of the liability	(389,024)		(389,024)	21,035		21,035
Changes of assumptions or other inputs	222,373		222,373	(94,084)		(94,084)
Contributions – employer		1,153,600	(1,153,600)		31,049	(31,049)
Contributions – employee		1,109,821	(1,109,821)			
Net investment income		3,112,669	(3,112,669)		66,973	(66,973)
Benefit payments, including refunds of employee contributions	(570,665)	(570,665)		(7,230)	(7,230)	
Administrative expense		(27,942)	27,942		(593)	593
Other changes		301	(301)			
Net changes	4,136,050	4,777,784	(641,734)	(570)	90,199	(90,769)
Balances at June 30, 2018	\$ 41,458,577	\$ 29,891,179	\$ 11,567,398	\$ 772,067	\$ 648,893	\$ 123,174

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Sensitivity of the Net Pension and OPEB Assets (Liability) to Changes in the Discount Rate. The following presents the **City/Town's** net pension and OPEB assets (liability) calculated using the discount rates noted above, as well as what the net assets (liability) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
PSPRS - Police:			
Rate	6.40	7.40	8.40
Net pension (assets) liability	\$ 25,111,169	\$ 17,824,499	\$ 11,991,466
Net OPEB (assets) liability	47,583	(65,545)	(157,982)
PSPRS - Fire			
Rate	6.40	7.40	8.40
Net pension (assets) liability	\$ 18,856,149	\$ 11,567,398	\$ 5,726,141
Net OPEB (assets) liability	242,054	123,174	25,880

Plan Fiduciary Net Position. Detailed information about the plans' fiduciary net position is available in the separately issued PSPRS financial report. The report is available on the PSPRS website at www.psprs.com.

Expense. For the year ended June 30, 2018, the City recognized the following as pension and OPEB expense:

	<u>Expense</u>	
	<u>PSPRS - Police</u>	<u>PSPRS - Fire</u>
Pension	\$ 3,322,621	\$ 2,371,319
Health insurance	19,354	25,396

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Deferred Outflows/Inflows of Resources. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health Insurance	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Police:				
Differences between expected and actual experience	\$ 819,169	\$ 92,923	\$ 3,869	\$
Changes of assumptions or other inputs	2,633,505			57,533
Net difference between projected and actual earnings on plan investments	239,320			25,468
Changes in proportion and differences between contributions and proportionate share of contributions				
Contributions subsequent to the measurement date	2,648,244		29,524	
Total	<u>\$ 6,340,238</u>	<u>\$ 92,923</u>	<u>\$ 33,393</u>	<u>\$ 83,001</u>
PSPRS - Fire				
Differences between expected and actual experience	\$ 2,305,588	\$ 871,444	\$ 18,935	\$
Changes of assumptions or other inputs	1,924,782			84,691
Net difference between projected and actual earnings on plan investments	270,219			19,360
Changes in proportion and differences between contributions and proportionate share of contributions				
Contributions subsequent to the measurement date	2,088,935		33,693	
Total	<u>\$ 6,589,524</u>	<u>\$ 871,444</u>	<u>\$ 52,628</u>	<u>\$ 104,051</u>

NOTE 13 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	PSPRS - Police		PSPRS - Fire	
	Pension	Health Insurance	Pension	Health Insurance
2019	\$ 804,695	\$ (14,461)	\$ 488,193	\$ (12,133)
2020	995,258	(14,461)	683,932	(12,133)
2021	828,095	(14,461)	505,805	(12,133)
2022	344,621	(14,461)	158,113	(12,133)
2023	471,305	(8,094)	391,456	(7,293)
Thereafter	155,097	(13,194)	1,401,646	(29,291)

Beginning Net Position Restatement. The implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, represents a change in accounting principle. Net position as of July 1, 2017, has been restated as follows for this change in accounting principle.

	Statement of Activities		Enterprise Fund	
	Governmental	Business-type	Water and Wastewater Fund	Sanitation Fund
Net position June 30, 2017 as previously reported	\$ 487,341,768	\$ 218,290,038	\$ 215,568,462	\$ 2,721,576
Net OPEB asset	5,740	994	874	120
Net OPEB liability	(177,127)			
Net position, July 1, 2017, as restated	<u>\$ 487,170,381</u>	<u>\$ 218,291,032</u>	<u>\$ 215,569,336</u>	<u>\$ 2,721,696</u>

C. Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan

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

The assets of the plan are valued annually and the earnings or loss is distributed among the participant's accounts in the plan. The only expenditures being made from this fund are administration fees, benefit payments, and refunds to those firefighters who leave the service of the Fire Department before becoming eligible for pension benefits. The cost of administering the plan is financed from investment earnings. Retirement with full benefits can be at age fifty (50) or fifteen years of credited service. This plan was fully vested as of June 30, 2018. As of June 30, 2018, there were five eligible employees participating in the plan. The plan is administered by Innes Associates LTD.

As of June 30, 2018, the plan's assets consisted of the following:

Investments \$491,423

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

NOTE 14 EXCESS OF EXPENDITURES OVER APPROPRIATIONS

At year end, the City had expenditures in several funds that exceeded the budgets; however, this does not constitute a violation of any legal provisions.

NOTE 15 FUND BALANCE CLASSIFICATIONS

	General Fund	McDowell Road Commercial Corridor ID Debt Service Fund	Community Facilities Districts Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
Fund Balances (deficits):					
Nonspendable:					
Advances to other funds	\$ 1,045,531	\$	\$	\$	\$ 1,045,531
Inventory				553,663	553,663
Prepaid items	758,946				758,946
Restricted:					
Capital projects				21,876,083	21,876,083
Charter mandates	4,377,576				4,377,576
Court	238,965				238,965
Law enforcement	432,662				432,662
Debt service		89,396	4,708,809	778,715	5,576,920
Development impact fees				19,453,023	19,453,023
Transit	1,064,752			35,863	1,100,615
Community facilities districts operations				2,442,864	2,442,864
Committed:					
Ball park				1,963,850	1,963,850
Assigned:					
IT replacement	1,956,201				1,956,201
Fleet replacement	4,504,416				4,504,416
Risk management	888,212				888,212
Parks management	3,033,620				3,033,620
Police asset reserve	134,146				134,146
Fire asset reserve	454,872				454,872
Traffic signal reserve	74,699				74,699
Unassigned	60,552,115			(22,755)	60,529,360
Total fund balances	<u>\$ 79,516,713</u>	<u>\$ 89,396</u>	<u>\$ 4,708,809</u>	<u>\$ 47,081,306</u>	<u>\$ 131,396,224</u>

NOTE 16 COMMITMENTS

The City has active construction projects as of June 30, 2018. The balances for work not yet complete as of June 30, 2018 were as follows:

General Fund:	
Mosaic Mural Community Park AT1803	\$ 10,000
City Hall Renovations FA1801	6,953
3 Fire Trucks 25% remaining	472,045
Pickleball Courts PK1805	120,262
Van Buren: Estrella to Sarival ST1608	13,423
Pump Station - Rio Paseo	21,969
86 Acre Rec Campus Harrison St ST1802	27,890
	<u>672,542</u>
Highway User Revenue Fund:	
Roadway to Sonoran Valley ST0805	5,443
	<u>5,443</u>
Non-Major Governmental Funds:	
Non Utility DI Fees - EMR Fire Station FD1801	389,482
Non Utility DI Fees - 30 Acre Recreation Campus PK1705	111,992
Non Utility DI Fees - Recreation Center PK1803	2,025
GO Bonds Capital Projects - Fire Station 181 New FD1802	490,463
GO Bonds Capital Projects - Aquatic Facility PK1802	3,591
	<u>997,553</u>
Water & Wastewater Fund:	
Site 12 Booster 9 WA1502	9,800
Adaman Well & Treatment WA1510	207,181
Site #12 Water Main/Improvements WA1802	1,280,253
GWRF 2 MGD Expansion Design WW1302	139,096
GWRF Expansion 4 to 5 MGD WW1605	14,503,629
GY WRF Solids Centrifuge WW1702	289,305
GYWRF Solids Facility WW1703	140,170
Aerobic Digester WW1704	111,640
Litchfield 12" Line WW1705	42,546
Perryville Grinder Station WW1709	93,023
Wells Fargo Lift Station WW1718	342,113
LS3 PV Lift Station Rehab WW1802	89,784
	<u>17,248,541</u>
Total commitments	<u><u>\$ 18,924,079</u></u>

These commitments are being financed from existing fund balances.

NOTE 17 TAX ABATEMENT AGREEMENTS

GPLET

The City enters into government property lease agreements with private parties. All property taxes are abated on these lease agreements; however, the private party may be subject to a government property lease excise tax (GPLET) in lieu of property taxes. GPLET is calculated based on rates state statute establishes on the property's square footage and use. The property tax abatement applies to private parties developing and occupying a government property for at least 30 consecutive days.

Under the City's government property lease agreements, private parties are committed to the construction of any improvements and the operation and maintenance of the improvements. The City has no commitments under these agreements other than to abate taxes.

For the year ended June 30, 2018, government property lease agreements the City entered into reduced the City tax revenues by \$374,260.

NOTE 17 TAX ABATEMENT AGREEMENTS

Foreign Trade Zone

The City has a foreign trade zone within its limits. Arizona state law allows for any property within a foreign trade zone to be subject to a reduced property valuation rate of 5% down from 18%. Under the City's foreign trade zones, business can qualify one of four ways:

1. Developers can construct a zone I-1 site of at least 200,000 square feet in a foreign trade zone.
2. Qualifying manufacturing companies can invest at least \$25 million in capital equipment and real property, construct a 75,000 square feet building, employ a minimum of 75 full-time employees with 51% paid 125% of the state median annual wage and paid 75% of employees' health insurance premiums.
3. Internet fulfillment companies can locate within a designated foreign trade zone building, generate a minimum of \$25 million of Arizona end-user sales and invest at least \$25 million in capital equipment and real property.
4. Businesses can locate within one of the federally approved Magnet foreign trade zones and comply with the City's Foreign Trade Zone policy and federal requirements.

For the year ended June 30, 2018, properties within the foreign trade zones reduced the City tax revenues by \$111,625.

Sales Tax Abatements

The City has entered into agreements with developers to reimburse for the construction of public infrastructure that will benefit the community. These reimbursements are paid to developers over time from the collection of sales taxes. Payments to developers are considered during the City's budget process. For the year ended June 30, 2018, the two developer agreements reduced City sales tax revenues by \$1,857,451 and \$49,857, respectively.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 61,669,100	\$ 61,669,100	\$ 66,635,237	\$ 4,966,137
Licenses and permits	6,821,300	6,821,300	10,634,433	3,813,133
Intergovernmental revenues	20,033,400	20,033,400	19,967,694	(65,706)
Charges for services	2,243,400	2,243,400	2,864,099	620,699
Fines and forfeitures	739,700	739,700	947,913	208,213
Investment earnings	291,200	291,200	846,534	555,334
Contributions	502,500	502,500	2,378,647	1,876,147
Miscellaneous	606,200	606,200	2,404,417	1,798,217
Total revenues	<u>92,906,800</u>	<u>92,906,800</u>	<u>106,678,974</u>	<u>13,772,174</u>
Expenditures:				
General Government				
City attorney	1,584,200	1,584,200	1,340,147	244,053
City clerk	739,500	739,500	673,360	66,140
City manager	4,786,500	4,933,000	4,480,576	452,424
Engineering	-	-	20,118	(20,118)
Finance	3,999,200	3,999,200	3,208,456	790,744
Human resources	3,250,200	3,250,200	2,047,343	1,202,857
ITS	6,471,400	5,660,100	4,769,181	890,919
Mayor and council	329,700	329,700	226,421	103,279
Non-departmental	8,249,800	7,813,100	3,189,956	4,623,144
Reserved for contingency	17,800,000	17,800,000	-	17,800,000
Public Safety:				
Fire	18,690,900	18,796,000	16,228,635	2,567,365
Municipal court	1,126,400	1,139,644	1,070,309	69,335
Police	22,520,600	22,431,600	21,887,477	544,123
Public Works:				
Administration	501,800	501,800	470,943	30,857
Building services	2,362,300	2,431,200	2,257,293	173,907
Program Management	296,900	314,900	169,480	145,420
Culture and recreation:				
Parks	5,746,100	5,746,400	5,326,839	419,561
Recreation and aquatics	1,764,600	1,772,700	1,658,242	114,458
Development Services:				
Development services	3,109,800	3,105,600	2,814,596	291,004
Economic development	1,136,200	1,188,600	938,811	249,789
Engineering	4,249,700	4,045,200	3,406,360	638,840
Capital outlay	26,404,600	26,740,200	14,493,302	12,246,898
Debt service:				
Principal retirement	1,235,600	1,235,600	1,235,603	(3)
Interest and debt cost	195,800	195,800	195,150	650
Total expenditures	<u>136,551,800</u>	<u>135,754,244</u>	<u>92,108,598</u>	<u>43,645,646</u>
Excess (deficiency) of revenues over expenditures	<u>(43,645,000)</u>	<u>(42,847,444)</u>	<u>14,570,376</u>	<u>57,417,820</u>
Other financing sources (uses):				
Transfers in	3,700,000	3,700,000	4,389,411	689,411
Transfers out	(17,977,300)	(17,977,300)	(9,686,180)	8,291,120
Total other financing sources (uses)	<u>(14,277,300)</u>	<u>(14,277,300)</u>	<u>(5,296,769)</u>	<u>8,980,531</u>
Changes in fund balances	<u>(57,922,300)</u>	<u>(57,124,744)</u>	<u>9,273,607</u>	<u>66,398,351</u>
Fund balances, beginning of year			68,506,727	68,506,727
Fund balances (deficits), end of year	<u>\$ (57,922,300)</u>	<u>\$ (57,124,744)</u>	<u>\$ 77,780,334</u>	<u>\$ 134,905,078</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FOUR FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
City's proportion of the net pension liability (asset)	0.24%	0.24%	0.24%	0.22%
City's proportionate share of the net pension liability (asset)	\$ 37,471,443	\$ 39,085,443	\$ 36,986,742	\$ 33,264,817
City's covered payroll	\$ 23,806,419	\$ 22,599,315	\$ 21,761,494	\$ 20,166,796
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	157.40%	172.95%	169.96%	164.95%
Plan fiduciary net position as a percentage of the total pension liability	69.92%	67.06%	68.35%	69.49%

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF CONTRIBUTIONS
ALL PENSION PLANS
LAST FOUR FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Arizona State Retirement System:				
Actuarially determined contribution	\$ 2,760,437	\$ 2,566,332	\$ 2,452,025	\$ 2,369,823
Contributions in relation to the actuarially determined contribution	<u>2,760,437</u>	<u>2,566,332</u>	<u>2,452,025</u>	<u>2,369,823</u>
Contribution deficiency (excess)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
City's covered payroll	\$ 25,325,110	\$ 23,806,419	\$ 22,599,315	\$ 21,761,494
Contributions as a percentage of covered payroll	10.90%	10.78%	10.85%	10.89%
 Public Safety Personnel Retirement System - Police:				
Actuarially determined contribution	\$ 2,648,244	\$ 1,791,402	\$ 1,597,875	\$ 1,173,949
Contributions in relation to the actuarially determined contribution	<u>2,648,244</u>	<u>1,791,402</u>	<u>1,597,875</u>	<u>1,173,949</u>
Contribution deficiency (excess)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
City's covered payroll	\$ 8,946,770	\$ 8,371,037	\$ 7,519,412	\$ 6,957,993
Contributions as a percentage of covered payroll	29.60%	21.40%	21.25%	16.87%
 Public Safety Personnel Retirement System - Fire:				
Actuarially determined contribution	\$ 2,088,935	\$ 1,191,487	\$ 1,133,359	\$ 968,539
Contributions in relation to the actuarially determined contribution	<u>2,088,935</u>	<u>1,191,487</u>	<u>1,133,359</u>	<u>968,539</u>
Contribution deficiency (excess)	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>
City's covered-employee payroll	\$ 8,639,103	\$ 8,291,489	\$ 8,426,461	\$ 7,674,635
Contributions as a percentage of covered-employee payroll	24.18%	14.37%	13.45%	12.62%

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

CITY OF GOODYEAR, ARIZONA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM - POLICE
LAST FOUR FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total pension liability				
Service cost	\$ 1,914,605	\$ 1,437,416	\$ 1,278,133	\$ 1,278,071
Interest	2,971,515	2,477,882	2,301,498	1,966,048
Changes of benefit terms	456,529	3,357,342		186,683
Differences between expected and actual experience	494,534	389,465	(159,382)	260,090
Changes of assumptions	824,808	1,580,891		1,746,183
Benefit payments, including refunds of employee contributions	<u>(1,454,686)</u>	<u>(1,398,856)</u>	<u>(1,107,068)</u>	<u>(1,220,650)</u>
Net change in total pension liability	5,207,305	7,844,140	2,313,181	4,216,425
Total pension liability—beginning	39,390,239	31,546,099	29,232,918	25,016,493
Total pension liability—ending	<u>\$ 44,597,544</u>	<u>\$ 39,390,239</u>	<u>\$ 31,546,099</u>	<u>\$ 29,232,918</u>
Plan fiduciary net position				
Contributions—employer	\$ 1,633,633	\$ 1,597,875	\$ 1,173,950	\$ 1,116,495
Contributions—employee	930,370	885,129	768,858	704,171
Net investment income	2,810,340	130,212	739,152	2,330,439
Benefit payments, including refunds of employee contributions	<u>(1,454,686)</u>	<u>(1,398,856)</u>	<u>(1,107,068)</u>	<u>(1,220,650)</u>
Administrative expense	<u>(25,267)</u>	<u>(19,137)</u>	<u>(18,421)</u>	<u>(18,769)</u>
Other	<u>333,337</u>	<u>167,861</u>	<u>(57,781)</u>	<u>31,204</u>
Net change in plan fiduciary net position	4,227,727	1,363,084	1,498,690	2,942,890
Plan fiduciary net position—beginning	22,545,318	21,182,234	19,683,544	16,740,654
Plan fiduciary net position—ending	<u>\$ 26,773,045</u>	<u>\$ 22,545,318</u>	<u>\$ 21,182,234</u>	<u>\$ 19,683,544</u>
Net pension liability—ending	<u>\$ 17,824,499</u>	<u>\$ 16,844,921</u>	<u>\$ 10,363,865</u>	<u>\$ 9,549,374</u>
Plan fiduciary net position as a percentage of the total pension liability	60.03%	57.24%	67.15%	67.33%
Covered payroll	\$ 8,371,037	\$ 7,519,412	\$ 6,957,993	\$ 6,630,426
Net pension liability as a percentage of covered payroll	212.93%	224.02%	148.95%	144.02%

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

CITY OF GOODYEAR, ARIZONA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM - FIRE
LAST FOUR FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total pension liability				
Service cost	\$ 1,819,328	\$ 1,558,056	\$ 1,409,380	\$ 1,405,013
Interest	2,846,014	2,121,084	1,822,450	1,640,015
Changes of benefit terms	208,024	4,046,976		(18,156)
Differences between expected and actual experience	(389,024)	1,915,498	1,030,908	(813,497)
Changes of assumptions	222,373	1,632,401		619,565
Benefit payments, including refunds of employee contributions	(570,665)	(385,270)	(680,367)	(341,865)
Net change in total pension liability	4,136,050	10,888,745	3,582,371	2,491,075
Total pension liability—beginning	37,322,527	26,433,782	22,851,411	20,360,336
Total pension liability—ending	<u>\$ 41,458,577</u>	<u>\$ 37,322,527</u>	<u>\$ 26,433,782</u>	<u>\$ 22,851,411</u>
Plan fiduciary net position				
Contributions—employer	\$ 1,153,600	\$ 1,173,975	\$ 968,726	\$ 948,481
Contributions—employee	1,109,821	992,221	848,048	754,465
Net investment income	3,112,669	141,788	791,715	2,393,724
Benefit payments, including refunds of employee contributions	(570,665)	(385,270)	(680,367)	(341,865)
Administrative expense	(27,942)	(20,803)	(19,707)	(19,278)
Other	301	278,213	304,136	137,157
Net change in plan fiduciary net position	4,777,784	2,180,124	2,212,551	3,872,684
Plan fiduciary net position—beginning	25,113,395	22,933,271	20,720,720	16,848,036
Plan fiduciary net position—ending	<u>\$ 29,891,179</u>	<u>\$ 25,113,395</u>	<u>\$ 22,933,271</u>	<u>\$ 20,720,720</u>
Net pension liability—ending	<u>\$ 11,567,398</u>	<u>\$ 12,209,132</u>	<u>\$ 3,500,511</u>	<u>\$ 2,130,691</u>
Plan fiduciary net position as a percentage of the total pension liability	72.10%	67.29%	86.76%	90.68%
Covered payroll	\$ 8,291,489	\$ 8,426,461	\$ 7,674,635	\$ 7,338,828
Net pension liability as a percentage of covered payroll	139.51%	144.89%	45.61%	29.03%

NOTE: The pension schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM
JUNE 30, 2018**

2018

Measurement date	June 30, 2017
City's proportion of the net OPEB (assets) liability	0.24%
City's proportionate share of the net OPEB (assets) liability	\$ (132,414)
City's covered payroll	\$ 23,806,419
City's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.56%
Plan fiduciary net position as a percentage of the total OPEB liability	103.57%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

CITY OF GOODYEAR, ARIZONA
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY
JUNE 30, 2018

2018

Measurement date	June 30, 2017
City's proportion of the net OPEB (assets) liability	0.24%
City's proportionate share of the net OPEB (assets) liability	\$ (6,734)
City's covered payroll	\$ 23,806,419
City's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.03%
Plan fiduciary net position as a percentage of the total OPEB liability	84.44%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF OPEB CONTRIBUTIONS
ALL OPEB PLANS
JUNE 30, 2018**

2018

Arizona State Retirement System - Health Insurance Premium:

Actuarially determined contribution	\$ 143,399
Contributions in relation to the actuarially determined contribution	<u>143,399</u>
Contribution deficiency (excess)	<u>\$</u>
City's covered payroll	\$ 25,325,110
Contributions as a percentage of covered payroll	0.57%

Arizona State Retirement System - Long-Term Disability:

Actuarially determined contribution	\$ 40,972
Contributions in relation to the actuarially determined contribution	<u>40,972</u>
Contribution deficiency (excess)	<u>\$</u>
City's covered payroll	\$ 25,325,110
Contributions as a percentage of covered payroll	0.16%

Public Safety Personnel Retirement System - Police - Health Insurance Premium:

Actuarially determined contribution	\$ 29,524
Contributions in relation to the actuarially determined contribution	<u>29,524</u>
Contribution deficiency (excess)	<u>\$</u>
City's covered payroll	\$ 8,946,770
Contributions as a percentage of covered payroll	0.33%

Public Safety Personnel Retirement System - Fire - Health Insurance Premium:

Actuarially determined contribution	\$ 33,693
Contributions in relation to the actuarially determined contribution	<u>33,693</u>
Contribution deficiency (excess)	<u>\$</u>
City's covered payroll	\$ 8,639,103
Contributions as a percentage of covered payroll	0.39%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

CITY OF GOODYEAR, ARIZONA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM - POLICE - HEALTH INSURANCE PREMIUM
JUNE 30, 2018

2018

Measurement date	June 30, 2017
Total OPEB liability	
Service cost	\$ 27,494
Interest	57,481
Changes of benefit terms	3,790
Differences between expected and actual experience	4,452
Changes of assumptions or other inputs	(66,210)
Benefit payments	<u>(17,372)</u>
Net change in total OPEB liability	9,635
Total OPEB liability—beginning	<u>761,355</u>
Total OPEB liability—ending	<u><u>\$ 770,990</u></u>
Plan fiduciary net position	
Contributions—employer	\$ 30,113
Contributions—employee	
Net investment income	87,559
Benefit payments	(17,372)
Administrative expense	(774)
Other	
Net change in plan fiduciary net position	<u>99,526</u>
Plan fiduciary net position—beginning	<u>737,009</u>
Plan fiduciary net position—ending	<u><u>\$ 836,535</u></u>
Net OPEB (assets) liability—ending	<u><u>\$ (65,545)</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	108.50%
Covered payroll	\$ 8,371,037
Net OPEB (assets) liability as a percentage of covered payroll	-0.78%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

CITY OF GOODYEAR, ARIZONA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM - FIRE - HEALTH INSURANCE PREMIUM
JUNE 30, 2018

2018

Measurement date June 30, 2017

Total OPEB liability	
Service cost	\$ 20,875
Interest	58,459
Changes of benefit terms	375
Differences between expected and actual experience	21,035
Changes of assumptions or other inputs	(94,084)
Benefit payments	(7,230)
Net change in total OPEB liability	<u>(570)</u>
Total OPEB liability—beginning	<u>772,637</u>
Total OPEB liability—ending	<u><u>\$ 772,067</u></u>

Plan fiduciary net position	
Contributions—employer	\$ 31,049
Contributions—employee	
Net investment income	66,973
Benefit payments	(7,230)
Administrative expense	(593)
Other	
Net change in plan fiduciary net position	<u>90,199</u>
Plan fiduciary net position—beginning	<u>558,694</u>
Plan fiduciary net position—ending	<u><u>\$ 648,893</u></u>

Net OPEB (assets) liability—ending \$ 123,174

Plan fiduciary net position as a percentage of the total OPEB liability 84.05%

Covered payroll \$ 8,291,489

Net OPEB (assets) liability as a percentage of covered payroll 1.49%

NOTE: The pension and OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

See accompanying notes to this schedule.

NOTE 1 BUDGETARY BASIS OF ACCOUNTING

The City budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the following item:

- Certain activities reported in the General Fund are budgeted in separate funds.

The following schedule reconciles fund balance reported at the end of the year:

	Beginning Fund Balance	Revenue	Expenditures	Ending Fund Balance
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 70,352,342	\$107,069,770	\$ 92,300,224	\$ 79,516,713
Activity budgeted as special revenue funds	(1,537,209)	(390,796)	(191,626)	(1,736,379)
Activity budgeted as capital projects funds	(308,406)			
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 68,506,727</u>	<u>\$106,678,974</u>	<u>\$ 92,108,598</u>	<u>\$ 77,780,334</u>

NOTE 2 PENSION PLAN SCHEDULES

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2016, valuation for ASRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2012. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2013, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

The actuarial assumptions used in the June 30, 2017, valuation for PSPRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The total pension liability used to calculate the net pension liability for PSPRS was determined by an actuarial valuation as of that date.

OTHER SUPPLEMENTARY INFORMATION



NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Debt Service Fund

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

Non-Utility Development Impact Fees Fund

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

GO Bonds Capital Projects

This fund accounts for the proceeds and interest of the sale of voter-approved general obligation bonds that are used for authorized capital improvements.

**CITY OF GOODYEAR, ARIZONA
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue		
	Highway User Revenue	Community Facilities Districts	Grants
ASSETS			
Cash and cash equivalents	\$	\$ 3,247,465	\$ 682,790
Investments			82,164
Taxes receivable		19,912	
Interest receivable			2,603
Accounts receivable		4,415	
Due from other governments	463,114		108,726
Inventories	553,663		
Restricted cash and cash equivalents			
Total assets	\$ 1,016,777	\$ 3,271,792	\$ 876,283
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 132,639	\$	\$ 21,736
Accrued payroll and employee benefits	58,120		
Accrued interest payable			
Deposits	171,146		
Due to other funds	37,818	818,680	
Unearned revenue			807,501
Bonds payable			
Advances from other funds	86,146		
Total liabilities	485,869	818,680	829,237
Deferred inflows of resources:			
Unavailable revenues - property taxes		10,248	
Unavailable revenues - intergovernmental			11,183
Total deferred inflows of resources		10,248	11,183
Fund balances (deficits):			
Nonspendable	553,663		
Restricted		2,442,864	35,863
Committed			
Unassigned	(22,755)		
Total fund balances	530,908	2,442,864	35,863
Total liabilities, deferred inflows of resources and fund balances	\$ 1,016,777	\$ 3,271,792	\$ 876,283

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>		<u>Total Non-Major Governmental Funds</u>
<u>Ball Park Fund</u>	<u>Debt Service</u>	<u>Non-Utility Development Impact Fees</u>	<u>GO Bonds Capital Projects</u>	
\$ 1,144,556	\$ 109,725	\$ 14,658,158	\$ 85,906	\$ 19,928,600
931,967	1,370,000	6,624,950	21,701,854	30,710,935
	79,254			99,166
3,905		27,362	98,146	132,016
62,277				66,692
				571,840
				553,663
	4,532,245			4,532,245
<u>\$ 2,142,705</u>	<u>\$ 6,091,224</u>	<u>\$ 21,310,470</u>	<u>\$ 21,885,906</u>	<u>\$ 56,595,157</u>
\$ 46,853	\$ 135	\$ 166,680	\$ 9,823	\$ 377,866
71,543				129,663
	2,167,245			2,167,245
60,324		731,382		962,852
				856,498
135	727,000			1,534,636
	2,365,000			2,365,000
		959,385		1,045,531
<u>178,855</u>	<u>5,259,380</u>	<u>1,857,447</u>	<u>9,823</u>	<u>9,439,291</u>
	53,129			63,377
				11,183
	<u>53,129</u>			<u>74,560</u>
				553,663
	778,715	19,453,023	21,876,083	44,586,548
1,963,850				1,963,850
				(22,755)
<u>1,963,850</u>	<u>778,715</u>	<u>19,453,023</u>	<u>21,876,083</u>	<u>47,081,306</u>
<u>\$ 2,142,705</u>	<u>\$ 6,091,224</u>	<u>\$ 21,310,470</u>	<u>\$ 21,885,906</u>	<u>\$ 56,595,157</u>

CITY OF GOODYEAR, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2018

	Special Revenue		
	Highway User Revenue	Community Facilities Districts	Grants
Revenues:			
Taxes	\$	\$ 1,354,851	\$
Licenses and permits	2,235		
Intergovernmental	5,042,068		1,763,562
Charges for services	81,727		
Investment income	36,578	32,105	3,567
Contributions			
Miscellaneous	461	79,383	
Total revenues	<u>5,163,069</u>	<u>1,466,339</u>	<u>1,767,129</u>
Expenditures:			
Current -			
General government		870,338	
Public safety			400,967
Highways and streets	5,206,460		310,714
Culture and recreation			
Capital outlay	39,460		913,856
Debt service -			
Principal retirement			
Interest and debt cost			
Bond issuance costs			
Total expenditures	<u>5,245,920</u>	<u>870,338</u>	<u>1,625,537</u>
Excess (deficiency) of revenues over expenditures	<u>(82,851)</u>	<u>596,001</u>	<u>141,592</u>
Other financing sources (uses):			
Bond issuance			
Refunding bonds premium			
Transfer in	43,325		
Transfer out			
Total other financing sources (uses)	<u>43,325</u>		
Changes in fund balances	<u>(39,526)</u>	<u>596,001</u>	<u>141,592</u>
Fund balances (deficits), beginning of year	570,434	1,846,863	(105,729)
Fund balances, end of year	<u>\$ 530,908</u>	<u>\$ 2,442,864</u>	<u>\$ 35,863</u>

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>		<u>Total Non-Major Governmental Funds</u>
<u>Ball Park Fund</u>	<u>Debt Service</u>	<u>Non-Utility Development Impact Fees</u>	<u>GO Bonds Capital Projects</u>	
\$	\$ 4,537,848	\$ 3,937,808	\$	\$ 9,830,507
				2,235
2,544,493		4,648,920		6,805,630
16,026	3,686	123,876		7,275,140
	967,918			215,838
1,407				967,918
<u>2,561,926</u>	<u>5,509,452</u>	<u>8,710,604</u>		<u>81,251</u>
				<u>25,178,519</u>
				870,338
				400,967
4,330,639				5,517,174
10,476,623		1,304,717	3,138,917	4,330,639
				15,873,573
	6,750,970			6,750,970
	5,980,901			5,980,901
142,500	232,397			374,897
<u>14,949,762</u>	<u>12,964,268</u>	<u>1,304,717</u>	<u>3,138,917</u>	<u>40,099,459</u>
<u>(12,387,836)</u>	<u>(7,454,816)</u>	<u>7,405,887</u>	<u>(3,138,917)</u>	<u>(14,920,940)</u>
			25,015,000	25,015,000
	722,171			722,171
2,945,970	6,807,803	11,663		9,808,761
(110,918)		(392,668)		(503,586)
<u>2,835,052</u>	<u>7,529,974</u>	<u>(381,005)</u>	<u>25,015,000</u>	<u>35,042,346</u>
<u>(9,552,784)</u>	<u>75,158</u>	<u>7,024,882</u>	<u>21,876,083</u>	<u>20,121,406</u>
11,516,634	703,557	12,428,141		26,959,900
<u>\$ 1,963,850</u>	<u>\$ 778,715</u>	<u>\$ 19,453,023</u>	<u>\$ 21,876,083</u>	<u>\$ 47,081,306</u>



INTERNAL SERVICE FUNDS

**CITY OF GOODYEAR, ARIZONA
COMBINING STATEMENT OF NET POSITION -
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2018**

	Self-Insurance Trust	Fleet Service	Totals
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 2,907,215	\$ 22,679	\$ 2,929,894
Inventories		261,190	261,190
Total current assets	2,907,215	283,869	3,191,084
Total assets	2,907,215	283,869	3,191,084
 <u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	43,760	22,529	66,289
Accrued payroll and employee benefits		25,912	25,912
Claims payable	479,747		479,747
Due to other funds		235,368	235,368
Total current liabilities	523,507	283,809	807,316
Total liabilities	523,507	283,809	807,316
 <u>NET POSITION</u>			
Unrestricted	2,383,708	60	2,383,768
Total net position	\$ 2,383,708	\$ 60	\$ 2,383,768

**CITY OF GOODYEAR, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Self-Insurance Trust	Fleet Service	Totals
Operating revenues:			
Charges for services	\$	\$ 1,942,720	\$ 1,942,720
Self insurance premiums	8,751,282		8,751,282
Miscellaneous	669,127	5,205	674,332
Total operating revenues	<u>9,420,409</u>	<u>1,947,925</u>	<u>11,368,334</u>
Operating expenses:			
Administration	621,679	50,861	672,540
Claims expense	6,428,728		6,428,728
Costs of sales and services		1,897,004	1,897,004
Total operating expenses	<u>7,050,407</u>	<u>1,947,865</u>	<u>8,998,272</u>
Operating income (loss)	<u>2,370,002</u>	<u>60</u>	<u>2,370,062</u>
Nonoperating revenues (expenses):			
Investment income	13,706		13,706
Total nonoperating revenues (expenses)	<u>13,706</u>		<u>13,706</u>
Changes in net position	<u>2,383,708</u>	<u>60</u>	<u>2,383,768</u>
Total net position, beginning of year			
Total net position, end of year	<u>\$ 2,383,708</u>	<u>\$ 60</u>	<u>\$ 2,383,768</u>

**CITY OF GOODYEAR, ARIZONA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2018**

	Self-Insurance Trust	Fleet Service	Totals
<u>Increase/Decrease in Cash and Cash Equivalents</u>			
Cash flows from operating activities:			
Cash received from contributions	\$ 9,420,409	\$ 1,947,925	\$ 11,368,334
Cash payments to suppliers for goods and services	(577,919)	(1,873,801)	(2,451,720)
Cash payments to employees		(57,659)	(57,659)
Cash payments for claims	(5,948,981)		(5,948,981)
Net cash provided by/used for operating activities	2,893,509	16,465	2,909,974
Cash flows from investing activities:			
Investment income	13,706		13,706
Net cash provided by/used for investing activities	13,706		13,706
Cash flows from noncapital financing activities:			
Due from (to) other funds		6,064	6,064
Net cash provided by noncapital financing activities		6,064	6,064
Net increase/decrease in cash and cash equivalents	2,907,215	22,529	2,929,744
Cash and cash equivalents, beginning of year		150	150
Cash and cash equivalents, end of year	\$ 2,907,215	\$ 22,679	\$ 2,929,894
 <u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u>			
Operating income/loss	\$ 2,370,002	\$ 60	\$ 2,370,062
Adjustments to reconcile operating income/loss to net cash used for operating activities:			
Increase/decrease in inventories		11,759	11,759
Increase/decrease in accounts payable	43,760	11,444	55,204
Increase/decrease in accrued payroll and benefits		(6,798)	(6,798)
Increase/decrease in claims payable	479,747		479,747
Total adjustments	523,507	16,405	539,912
Net cash provided by/used for operating activities	\$ 2,893,509	\$ 16,465	\$ 2,909,974

AGENCY FUNDS

- G.A.I.N
- Fill-A-Need
- Shop With a Cop
- Arizona in Action

**CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2018**

	<u>GAIN</u>	<u>Fill-A-Need</u>	<u>Shop With A Cop</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 8,679	\$ 2,901	\$ 22,798
Total assets	<u>\$ 8,679</u>	<u>\$ 2,901</u>	<u>\$ 22,798</u>
<u>LIABILITIES</u>			
Deposits held for others	\$ 8,679	\$ 2,901	\$ 22,798
Total liabilities	<u>\$ 8,679</u>	<u>\$ 2,901</u>	<u>\$ 22,798</u>

<u>Arizona in Action</u>	<u>Totals</u>
\$ 3,230	\$ 37,608
<u>\$ 3,230</u>	<u>\$ 37,608</u>

\$ 3,230	\$ 37,608
<u>\$ 3,230</u>	<u>\$ 37,608</u>

**CITY OF GOODYEAR, ARIZONA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 2018**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>GAIN</u>				
<u>Assets</u>				
Cash and investments	\$ 8,679	\$ -	\$ -	\$ 8,679
<u>Liabilities</u>				
Deposits held for others	\$ 8,679	\$ -	\$ -	\$ 8,679
<u>FILL-A-NEED</u>				
<u>Assets</u>				
Cash and investments	\$ 5,402	\$ 8,761	\$ 11,262	\$ 2,901
<u>Liabilities</u>				
Deposits held for others	\$ 5,402	\$ 8,761	\$ 11,262	\$ 2,901
<u>SHOP WITH A COP</u>				
<u>Assets</u>				
Cash and investments	\$ 18,018	\$ 10,200	\$ 5,420	\$ 22,798
<u>Liabilities</u>				
Deposits held for others	\$ 18,018	\$ 10,200	\$ 5,420	\$ 22,798
<u>ARIZONA IN ACTION</u>				
<u>Assets</u>				
Cash and investments	\$ 3,230	\$ -	\$ -	\$ 3,230
<u>Liabilities</u>				
Deposits held for others	\$ 3,230	\$ -	\$ -	\$ 3,230
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 35,329	\$ 18,961	\$ 16,682	\$ 37,608
<u>Liabilities</u>				
Deposits held for others	\$ 35,329	\$ 18,961	\$ 16,682	\$ 37,608

**BUDGETARY COMPARISON SCHEDULES
OTHER MAJOR GOVERNMENTAL FUNDS**



**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MCDOWELL ROAD COMMERCIAL CORRIDOR ID DEBT SERVICE
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$	\$	\$ 1,312	\$ 1,312
Special assessments	3,534,200	3,534,200	3,537,643	3,443
Total revenues	<u>3,534,200</u>	<u>3,534,200</u>	<u>3,538,955</u>	<u>4,755</u>
Expenditures:				
Debt service -				
Principal retirement	1,660,000	1,660,000	1,660,000	
Interest and debt cost	1,875,200	1,875,200	1,893,807	(18,607)
Bond issuance costs		30,756	490,945	(460,189)
Total expenditures	<u>3,535,200</u>	<u>3,565,956</u>	<u>4,044,752</u>	<u>(478,796)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,000)</u>	<u>(31,756)</u>	<u>(505,797)</u>	<u>(474,041)</u>
Other financing sources (uses):				
Refunding bonds issued			36,222,010	36,222,010
Payment to refunded bond escrow agent			(35,731,065)	(35,731,065)
Total other financing sources (uses)			<u>490,945</u>	<u>490,945</u>
Changes in fund balances	<u>(1,000)</u>	<u>(31,756)</u>	<u>(14,852)</u>	<u>16,904</u>
Fund balances, beginning of year			104,248	104,248
Fund balances (deficits), end of year	<u>\$ (1,000)</u>	<u>\$ (31,756)</u>	<u>\$ 89,396</u>	<u>\$ 121,152</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY FACILITIES DISTRICTS DEBT SERVICE
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Taxes	\$ 6,128,896	\$ 6,136,703	\$ 7,807
Investment income	22,400	118,085	95,685
Special assessments	4,569,974	2,431,155	(2,138,819)
Contributions	650,000	3,011,437	2,361,437
Total revenues	<u>11,371,270</u>	<u>11,697,380</u>	<u>326,110</u>
Expenditures:			
Debt service -			
Principal retirement	10,670,000	9,996,000	674,000
Interest and debt cost	6,661,833	6,155,562	506,271
Bond issuance costs		616,739	(616,739)
Payment to refunded bond escrow agent		4,622,056	(4,622,056)
Total expenditures	<u>17,331,833</u>	<u>21,390,357</u>	<u>(4,058,524)</u>
Excess (deficiency) of revenues over expenditures	<u>(5,960,563)</u>	<u>(9,692,977)</u>	<u>(3,732,414)</u>
Other financing sources (uses):			
Refunding bonds issued		15,315,617	15,315,617
Payment to refunded bond escrow agent		(13,325,637)	(13,325,637)
Total other financing sources (uses)		<u>1,989,980</u>	<u>1,989,980</u>
Changes in fund balances	<u>(5,960,563)</u>	<u>(7,702,997)</u>	<u>(1,742,434)</u>
Fund balances, beginning of year		12,411,806	12,411,806
Fund balances (deficits), end of year	<u>\$ (5,960,563)</u>	<u>\$ 4,708,809</u>	<u>\$ 10,669,372</u>

**BUDGETARY COMPARISON SCHEDULES
NON-MAJOR GOVERNMENTAL FUNDS
AND ENTERPRISE FUNDS**

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
IMPOUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Non-GAAP Actual	
Revenues:			
Charges for services	\$ 140,000	\$ 178,800	\$ 38,800
Investment income		3,288	3,288
Total revenues	<u>140,000</u>	<u>182,088</u>	<u>42,088</u>
Expenditures:			
Current -			
Public safety	182,400	163,985	18,415
Capital outlay		8	(8)
Total expenditures	<u>182,400</u>	<u>163,993</u>	<u>18,407</u>
Changes in fund balances	<u>(42,400)</u>	<u>18,095</u>	<u>60,495</u>
Fund balances, beginning of year		284,699	284,699
Fund balances (deficits), end of year	<u>\$ (42,400)</u>	<u>\$ 302,794</u>	<u>\$ 345,194</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HIGHWAY USER REVENUE
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 1,000	\$ 1,000	\$ 2,235	\$ 1,235
Intergovernmental	5,113,900	5,113,900	5,042,068	(71,832)
Charges for services	15,000	15,000	81,727	66,727
Investment income	1,500	1,500	36,578	35,078
Miscellaneous			461	461
Total revenues	<u>5,131,400</u>	<u>5,131,400</u>	<u>5,163,069</u>	<u>31,669</u>
Expenditures:				
Current -				
Highways and streets	5,517,700	5,418,400	5,206,460	211,940
Capital outlay	50,000	50,000	39,460	10,540
Total expenditures	<u>5,567,700</u>	<u>5,468,400</u>	<u>5,245,920</u>	<u>222,480</u>
Excess (deficiency) of revenues over expenditures	<u>(436,300)</u>	<u>(337,000)</u>	<u>(82,851)</u>	<u>254,149</u>
Other financing sources (uses):				
Transfer in	436,300	436,300	43,325	(392,975)
Total other financing sources (uses)	<u>436,300</u>	<u>436,300</u>	<u>43,325</u>	<u>(392,975)</u>
Changes in fund balances		<u>99,300</u>	<u>(39,526)</u>	<u>(138,826)</u>
Fund balances, beginning of year			570,434	570,434
Fund balances, end of year	<u>\$</u>	<u>\$ 99,300</u>	<u>\$ 530,908</u>	<u>\$ 431,608</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARK AND RIDE MARQUEE
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts	Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original & Final		(Negative)
Revenues:			
Charges for services	\$ 100,500	\$ 100,500	\$
Investment income		12,013	12,013
Total revenues	<u>100,500</u>	<u>112,513</u>	<u>12,013</u>
Changes in fund balances	<u>100,500</u>	<u>112,513</u>	<u>12,013</u>
Fund balances, beginning of year		952,239	952,239
Fund balances, end of year	<u>\$ 100,500</u>	<u>\$ 1,064,752</u>	<u>\$ 964,252</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COURT ENHANCEMENT
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts	Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original & Final		(Negative)
Revenues:			
Fines and forfeits	\$ 42,000	\$ 49,508	\$ 7,508
Investment income		103	103
Total revenues	<u>42,000</u>	<u>49,611</u>	<u>7,611</u>
Expenditures:			
Current -			
Public safety	100,200		100,200
Total expenditures	<u>100,200</u>		<u>100,200</u>
Changes in fund balances	<u>(58,200)</u>	<u>49,611</u>	<u>107,811</u>
Fund balances, beginning of year		98,968	98,968
Fund balances (deficits), end of year	<u>\$ (58,200)</u>	<u>\$ 148,579</u>	<u>\$ 206,779</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
JCEF
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts	Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original & Final		(Negative)
Revenues:			
Fines and forfeits	\$ 13,000	\$ 16,489	\$ 3,489
Investment income		(297)	(297)
Total revenues	<u>13,000</u>	<u>16,192</u>	<u>3,192</u>
Expenditures:			
Current -			
Public safety	60,000	27,633	32,367
Total expenditures	<u>60,000</u>	<u>27,633</u>	<u>32,367</u>
Changes in fund balances	<u>(47,000)</u>	<u>(11,441)</u>	<u>35,559</u>
Fund balances, beginning of year		101,827	101,827
Fund balances (deficits), end of year	<u>\$ (47,000)</u>	<u>\$ 90,386</u>	<u>\$ 137,386</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FILL THE GAP
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Non-GAAP Actual	
Revenues:			
Fines and forfeits	\$ 7,500	\$ 7,603	\$ 103
Investment income		(20)	(20)
Total revenues	<u>7,500</u>	<u>7,583</u>	<u>83</u>
Expenditures:			
Current -			
Public safety	9,000		9,000
Total expenditures	<u>9,000</u>		<u>9,000</u>
Changes in fund balances	<u>(1,500)</u>	<u>7,583</u>	<u>9,083</u>
Fund balances, beginning of year		95,349	95,349
Fund balances (deficits), end of year	<u>\$ (1,500)</u>	<u>\$ 102,932</u>	<u>\$ 104,432</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
OFFICER SAFETY EQUIPMENT
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts	Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original & Final		(Negative)
Revenues:			
Fines and forfeits	\$ 13,000	\$ 22,804	\$ 9,804
Investment income		1	1
Miscellaneous		4	4
Total revenues	<u>13,000</u>	<u>22,809</u>	<u>9,809</u>
Changes in fund balances	<u>13,000</u>	<u>22,809</u>	<u>9,809</u>
Fund balances, beginning of year		4,127	4,127
Fund balances, end of year	<u>\$ 13,000</u>	<u>\$ 26,936</u>	<u>\$ 13,936</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY FACILITIES DISTRICTS
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Original & Final	Actual	
Revenues:			
Taxes	\$ 1,350,918	\$ 1,354,851	\$ 3,933
Investment income	11,300	32,105	20,805
Miscellaneous	90,000	79,383	(10,617)
Total revenues	<u>1,452,218</u>	<u>1,466,339</u>	<u>14,121</u>
Expenditures:			
Current -			
General government	1,160,500	870,338	290,162
Total expenditures	<u>1,160,500</u>	<u>870,338</u>	<u>290,162</u>
Changes in fund balances	<u>291,718</u>	<u>596,001</u>	<u>304,283</u>
Fund balances, beginning of year		1,846,863	1,846,863
Fund balances, end of year	<u>\$ 291,718</u>	<u>\$ 2,442,864</u>	<u>\$ 2,151,146</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GRANTS
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,097,000	\$ 1,097,000	\$ 1,763,562	\$ 666,562
Investment income			3,567	3,567
Total revenues	<u>1,097,000</u>	<u>1,097,000</u>	<u>1,767,129</u>	<u>670,129</u>
Expenditures:				
Current -				
Public safety	89,000	554,640	400,967	153,673
Highways and streets	174,200	327,900	310,714	17,186
Capital outlay	902,000	922,700	913,856	8,844
Total expenditures	<u>1,165,200</u>	<u>1,805,240</u>	<u>1,625,537</u>	<u>179,703</u>
Changes in fund balances	<u>(68,200)</u>	<u>(708,240)</u>	<u>141,592</u>	<u>849,832</u>
Fund balances (deficits), beginning of year			(105,729)	(105,729)
Fund balances (deficits), end of year	<u>\$ (68,200)</u>	<u>\$ (708,240)</u>	<u>\$ 35,863</u>	<u>\$ 744,103</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BALL PARK FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 3,208,800	\$ 3,208,800	\$ 2,544,493	\$ (664,307)
Investment income			16,026	16,026
Miscellaneous	25,500	25,500	1,407	(24,093)
Total revenues	<u>3,234,300</u>	<u>3,234,300</u>	<u>2,561,926</u>	<u>(672,374)</u>
Expenditures:				
Current -				
Culture and recreation	4,375,600	4,375,600	4,330,639	44,961
Capital outlay	11,637,900	10,704,600	10,476,623	227,977
Debt service -				
Bond issuance costs			142,500	(142,500)
Total expenditures	<u>16,013,500</u>	<u>15,080,200</u>	<u>14,949,762</u>	<u>130,438</u>
Excess (deficiency) of revenues over expenditures	<u>(12,779,200)</u>	<u>(11,845,900)</u>	<u>(12,387,836)</u>	<u>(541,936)</u>
Other financing sources (uses):				
Transfer in	10,291,000	10,291,000	2,945,970	(7,345,030)
Transfer out			(110,918)	(110,918)
Total other financing sources (uses)	<u>10,291,000</u>	<u>10,291,000</u>	<u>2,835,052</u>	<u>(7,455,948)</u>
Changes in fund balances	<u>(2,488,200)</u>	<u>(1,554,900)</u>	<u>(9,552,784)</u>	<u>(7,997,884)</u>
Fund balances, beginning of year			11,516,634	11,516,634
Fund balances (deficits), end of year	<u>\$ (2,488,200)</u>	<u>\$ (1,554,900)</u>	<u>\$ 1,963,850</u>	<u>\$ 3,518,750</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,581,800	\$ 4,581,800	\$ 4,537,848	\$ (43,952)
Investment income			3,686	3,686
Contributions			967,918	967,918
Total revenues	<u>4,581,800</u>	<u>4,581,800</u>	<u>5,509,452</u>	<u>927,652</u>
Expenditures:				
Debt service -				
Principal retirement	7,158,000	8,048,000	6,750,970	1,297,030
Interest and debt cost	5,045,500	4,687,300	5,980,901	(1,293,601)
Bond issuance costs		233,800	232,397	1,403
Total expenditures	<u>12,203,500</u>	<u>12,969,100</u>	<u>12,964,268</u>	<u>4,832</u>
Excess (deficiency) of revenues over expenditures	<u>(7,621,700)</u>	<u>(8,387,300)</u>	<u>(7,454,816)</u>	<u>932,484</u>
Other financing sources (uses):				
Refunding bonds premium			722,171	722,171
Transfer in			6,807,803	6,807,803
Total other financing sources (uses)			<u>7,529,974</u>	<u>7,529,974</u>
Changes in fund balances	<u>(7,621,700)</u>	<u>(8,387,300)</u>	<u>75,158</u>	<u>8,462,458</u>
Fund balances, beginning of year			703,557	703,557
Fund balances (deficits), end of year	<u>\$ (7,621,700)</u>	<u>\$ (8,387,300)</u>	<u>\$ 778,715</u>	<u>\$ 9,166,015</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NON-UTILITY DEVELOPMENT IMPACT FEES
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,173,300	\$ 2,173,300	\$ 3,937,808	\$ 1,764,508
Charges for services	5,262,100	5,262,100	4,648,920	(613,180)
Investment income			123,876	123,876
Total revenues	<u>7,435,400</u>	<u>7,435,400</u>	<u>8,710,604</u>	<u>1,275,204</u>
Expenditures:				
Capital outlay	4,200,100	8,737,000	1,304,717	7,432,283
Total expenditures	<u>4,200,100</u>	<u>8,737,000</u>	<u>1,304,717</u>	<u>7,432,283</u>
Excess (deficiency) of revenues over expenditures	<u>3,235,300</u>	<u>(1,301,600)</u>	<u>7,405,887</u>	<u>8,707,487</u>
Other financing sources (uses):				
Transfer in			11,663	11,663
Transfer out			(392,668)	(392,668)
Total other financing sources (uses)			<u>(381,005)</u>	<u>(381,005)</u>
Changes in fund balances	<u>3,235,300</u>	<u>(1,301,600)</u>	<u>7,024,882</u>	<u>8,326,482</u>
Fund balances, beginning of year			12,428,141	12,428,141
Fund balances (deficits), end of year	<u>\$ 3,235,300</u>	<u>\$ (1,301,600)</u>	<u>\$ 19,453,023</u>	<u>\$ 20,754,623</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GO BONDS CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Capital outlay	\$ 12,907,500	\$ 14,089,100	\$ 3,138,917	\$ 10,950,183
Total expenditures	<u>12,907,500</u>	<u>14,089,100</u>	<u>3,138,917</u>	<u>10,950,183</u>
Excess (deficiency) of revenues over expenditures	<u>(12,907,500)</u>	<u>(14,089,100)</u>	<u>(3,138,917)</u>	<u>10,950,183</u>
Other financing sources (uses):				
Bond issuance	25,000,000	25,000,000	25,015,000	15,000
Total other financing sources (uses)	<u>25,000,000</u>	<u>25,000,000</u>	<u>25,015,000</u>	<u>15,000</u>
Changes in fund balances	<u>12,092,500</u>	<u>10,910,900</u>	<u>21,876,083</u>	<u>10,965,183</u>
Fund balances, beginning of year				
Fund balances, end of year	<u><u>\$ 12,092,500</u></u>	<u><u>\$ 10,910,900</u></u>	<u><u>\$ 21,876,083</u></u>	<u><u>\$ 10,965,183</u></u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT PROJECTS
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Non-GAAP Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Contributions	\$ 5,870,000	\$ 5,870,000	\$	\$ (5,870,000)
Total revenues	<u>5,870,000</u>	<u>5,870,000</u>		<u>(5,870,000)</u>
Expenditures:				
Capital outlay	4,746,300			
Total expenditures	<u>4,746,300</u>			
Excess (deficiency) of revenues over expenditures	<u>1,123,700</u>	<u>5,870,000</u>		<u>(5,870,000)</u>
Other financing sources (uses):				
Transfer out			(308,406)	(308,406)
Total other financing sources (uses)			<u>(308,406)</u>	<u>(308,406)</u>
Changes in fund balances	<u>1,123,700</u>	<u>5,870,000</u>	<u>(308,406)</u>	<u>(6,178,406)</u>
Fund balances, beginning of year			308,406	308,406
Fund balances, end of year	<u>\$ 1,123,700</u>	<u>\$ 5,870,000</u>	<u>\$</u>	<u>\$ (5,870,000)</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
WATER AND WASTEWATER ENTERPRISE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 33,976,000	\$ 33,976,000	\$ 35,203,483	\$ 1,227,483
Miscellaneous	125,900	125,900	26,574	(99,326)
Total operating revenues	<u>34,101,900</u>	<u>34,101,900</u>	<u>35,230,057</u>	<u>1,128,157</u>
Operating expenses:				
Administration	43,650,300	70,071,100	4,816,040	65,255,060
Cost of sales and services	22,260,600	21,931,100	8,735,089	13,196,011
Depreciation	-	-	7,545,004	(7,545,004)
Total operating expenses	<u>65,910,900</u>	<u>92,002,200</u>	<u>21,096,133</u>	<u>70,906,067</u>
Operating income (loss)	<u>(31,809,000)</u>	<u>(57,900,300)</u>	<u>14,133,924</u>	<u>72,034,224</u>
Nonoperating revenues (expenses):				
Investment income	108,400	108,400	34,875	(73,525)
Loss on sale of assets	4,000	4,000	(1,723,366)	(1,727,366)
Interest and debt cost	(11,928,900)	(12,835,500)	(4,034,295)	8,801,205
Total nonoperating revenues (expenses)	<u>(11,816,500)</u>	<u>(12,723,100)</u>	<u>(5,722,786)</u>	<u>7,000,314</u>
Income before capital contributions and transfers	<u>(43,625,500)</u>	<u>(70,623,400)</u>	<u>8,411,138</u>	<u>79,034,538</u>
Capital contributions	11,493,800	11,493,800	12,237,823	744,023
Transfers out	(2,800,000)	(2,800,000)	(2,800,000)	-
Change in net position	<u>(34,931,700)</u>	<u>(61,929,600)</u>	<u>17,848,961</u>	<u>79,778,561</u>
Net position, beginning of year, as restated			215,569,336	215,569,336
Net position, end of year	<u>\$ (34,931,700)</u>	<u>\$ (61,929,600)</u>	<u>\$ 233,418,297</u>	<u>\$ 295,347,897</u>

**CITY OF GOODYEAR, ARIZONA
SCHEDULE OF OPERATIONS - BUDGET AND ACTUAL
SANITATION ENTERPRISE FUND
YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for services	\$ 7,685,000	\$ 7,685,000	\$ 7,812,267	\$ 127,267
Miscellaneous	6,000	6,000	10,450	4,450
Total operating revenues	<u>7,691,000</u>	<u>7,691,000</u>	<u>7,822,717</u>	<u>131,717</u>
Operating expenses:				
Administration	1,138,700	1,146,400	730,972	415,428
Cost of sales and services	5,570,000	5,549,300	5,313,996	235,304
Depreciation	-	-	161,875	(161,875)
Total operating expenses	<u>6,708,700</u>	<u>6,695,700</u>	<u>6,206,843</u>	<u>488,857</u>
Operating income (loss)	<u>982,300</u>	<u>995,300</u>	<u>1,615,874</u>	<u>620,574</u>
Nonoperating revenues (expenses):				
Investment income	2,000	2,500	12,371	9,871
Total nonoperating revenues (expenses)	<u>2,000</u>	<u>2,500</u>	<u>12,371</u>	<u>9,871</u>
Income before transfers	<u>984,300</u>	<u>997,800</u>	<u>1,628,245</u>	<u>630,445</u>
Transfers out	(900,000)	(900,000)	(900,000)	
Change in net position	<u>84,300</u>	<u>97,800</u>	<u>728,245</u>	<u>630,445</u>
Net position, beginning of year, as restated			2,721,696	2,721,696
Net position, end of year	<u>\$ 84,300</u>	<u>\$ 97,800</u>	<u>\$ 3,449,941</u>	<u>\$ 3,352,141</u>



STATISTICAL SECTION

STATISTICAL SECTION

The statistical section presents financial statement trends as well as detailed financial and operational information not available elsewhere in the report. The statistical section is intended to enhance the reader's understanding of the information presented in the financial statements, notes to the financial statements, and other supplementary information presented in this report. The statistical section is comprised of the five categories of statistical information presented below.

Financial Trends

These schedules contain information on financial trends to help the reader understand how the City's financial position and financial activities have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate revenue.

Debt Capacity

These schedules present information to help the reader evaluate the City's current levels of outstanding debt as well as assess the City's ability to make debt payments and/or issue additional debt in the future.

Demographic and Economic Information

These schedules present various demographic and economic indicators to help the reader understand the environment in which the City's financial activities take place and to help make comparisons with other cities.

Operating Information

These schedules contain information about the City's operations and various resources to help the reader draw conclusions as to how the City's financial information relates to the services provided by the City.

Due to cost considerations for the accumulation of data, the City has elected to present less than ten years of data, or data from less than nine years prior, for certain statistical schedules. This information will be accumulated and reported each year until the complete ten years of data is presented.

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to five percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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

	Fiscal Year				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012*</u>	<u>2013</u>
Governmental Activities					
Net investment in capital assets	\$ 309,491,989	\$ 317,162,459	\$ 327,503,686	\$ 329,064,345	\$ 333,034,884
Restricted	117,787,315	115,881,050	110,105,296	108,246,415	99,128,020
Unrestricted	<u>20,522,420</u>	<u>19,272,548</u>	<u>18,249,626</u>	<u>20,147,669</u>	<u>35,820,702</u>
Total Governmental Activities Net Position	<u>447,801,725</u>	<u>452,316,057</u>	<u>455,858,608</u>	<u>457,458,429</u>	<u>467,983,606</u>
Business-type Activities					
Net investment in capital assets	199,696,564	191,582,614	179,254,929	178,432,900	178,456,590
Restricted			3,567,237	3,799,026	3,196,131
Unrestricted	<u>(11,409,545)</u>	<u>4,365,725</u>	<u>9,263,439</u>	<u>11,229,680</u>	<u>16,616,254</u>
Total Business-type Activities Net Position	<u>188,287,019</u>	<u>195,948,339</u>	<u>192,085,605</u>	<u>193,461,606</u>	<u>198,268,975</u>
Primary Government					
Net investment in capital assets	509,188,553	508,745,073	506,758,615	507,497,245	511,491,474
Restricted	117,787,315	115,881,050	113,672,533	112,045,441	102,324,151
Unrestricted	<u>9,112,875</u>	<u>23,638,273</u>	<u>27,513,065</u>	<u>31,377,349</u>	<u>52,436,956</u>
Total Primary Government Net Position	<u>\$ 636,088,744</u>	<u>\$ 648,264,396</u>	<u>\$ 647,944,213</u>	<u>\$ 650,920,035</u>	<u>\$ 666,252,581</u>

Notes:

*Net position adjusted for adoption of GASB Statement No. 65

**Net position adjusted for adoption of GASB Statement No. 68

Source: Statement of Net Position

Table 1

Fiscal Year				
<u>2014**</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 345,513,895	\$ 365,019,949	\$ 361,739,970	\$ 379,899,821	\$ 381,473,262
85,246,465	92,247,738	92,276,066	90,497,505	87,435,376
<u>9,672,461</u>	<u>5,722,007</u>	<u>19,147,997</u>	<u>16,944,442</u>	<u>29,981,817</u>
<u>440,432,821</u>	<u>462,989,694</u>	<u>473,164,033</u>	<u>487,341,768</u>	<u>498,890,455</u>
177,274,142	176,380,867	180,640,162	181,242,982	199,032,946
5,640,492	7,607,902	18,131,719	21,072,234	13,468,708
<u>9,860,573</u>	<u>14,190,297</u>	<u>7,380,491</u>	<u>15,974,822</u>	<u>24,366,584</u>
<u>192,775,207</u>	<u>198,179,066</u>	<u>206,152,372</u>	<u>218,290,038</u>	<u>236,868,238</u>
522,788,037	541,400,816	542,380,132	561,142,803	580,506,208
90,886,957	99,855,640	110,407,785	111,569,739	100,904,084
<u>19,533,034</u>	<u>19,912,304</u>	<u>26,528,488</u>	<u>32,919,264</u>	<u>54,348,401</u>
<u>\$ 633,208,028</u>	<u>\$ 661,168,760</u>	<u>\$ 679,316,405</u>	<u>\$ 705,631,806</u>	<u>\$ 735,758,693</u>

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

	Fiscal Year				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Expenses***					
Governmental Activities:					
General government	\$ 14,147,399	\$ 15,810,359	\$ 17,207,556	\$ 18,353,630	\$ 17,652,646
Public safety	27,830,608	27,463,658	28,032,217	25,423,233	27,987,404
Community services**	1,248,219	454,550			
Highways and streets	8,436,341	12,179,531	14,798,670	13,179,678	14,355,644
Public works	14,370,096	11,070,853	3,658,756	4,168,252	3,090,345
Culture and recreation	5,435,750	4,023,639	4,439,181	4,962,070	5,539,612
Development services	9,583,326	2,555,353	5,150,677	6,225,917	7,194,428
Interest on long-term debt	12,001,714	11,210,504	10,710,302	10,441,684	10,411,562
Total Governmental Activities Expenses	<u>\$ 93,053,453</u>	<u>\$ 84,768,447</u>	<u>\$ 83,997,359</u>	<u>\$ 82,754,464</u>	<u>\$ 86,231,641</u>
Business-type Activities					
Water and wastewater	\$ 18,655,263	\$ 18,124,893	\$ 20,733,932	\$ 20,654,800	\$ 21,912,587
Sanitation	5,090,150	4,782,565	4,815,314	5,154,201	5,246,666
Stadium*	6,475,960	11,547,500	11,958,862	11,634,491	12,204,354
Total Business-type Activities Expenses	<u>\$ 30,221,373</u>	<u>\$ 34,454,958</u>	<u>\$ 37,508,108</u>	<u>\$ 37,443,492</u>	<u>\$ 39,363,607</u>
Total Primary Government Expenses	<u>\$ 123,274,826</u>	<u>\$ 119,223,405</u>	<u>\$ 121,505,467</u>	<u>\$ 120,197,956</u>	<u>\$ 125,595,248</u>

Notes:

- * Stadium Fund did not have operating activity until 2008, and was reclassified to governmental activities in 2017
- ** Community Services was reorganized into General Government and Development Services for fiscal year 2011
- *** Beginning in fiscal year 2016 expense functions were consolidated to align with the basic financial statements

Source: Statement of Activities

Table 2

Fiscal Year				
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 18,216,169	\$ 19,624,056	\$ 19,824,313	\$ 20,151,975	\$ 23,781,937
30,710,193	31,834,683	34,823,588	47,535,184	45,439,446
19,368,539	17,941,162	20,753,487	19,181,162	26,460,464
2,773,348	3,361,822	7,920,958	3,569,658	4,232,567
5,827,309	6,422,764	6,880,654	15,363,752	19,080,188
5,836,254	7,005,308	7,981,904	7,316,935	6,591,111
<u>9,282,269</u>	<u>8,763,353</u>	<u>8,479,284</u>	<u>12,131,284</u>	<u>11,582,014</u>
<u>\$ 92,014,081</u>	<u>\$ 94,953,148</u>	<u>\$ 106,664,188</u>	<u>\$ 125,249,950</u>	<u>\$ 137,167,727</u>
\$ 23,511,395	\$ 25,489,522	\$ 27,647,487	\$ 30,139,626	\$ 26,853,794
5,472,534	5,802,163	6,444,459	5,868,228	6,206,843
<u>12,529,987</u>	<u>12,407,494</u>	<u>12,647,134</u>		
<u>\$ 41,513,916</u>	<u>\$ 43,699,179</u>	<u>\$ 46,739,080</u>	<u>\$ 36,007,854</u>	<u>\$ 33,060,637</u>
<u>\$ 133,527,997</u>	<u>\$ 138,652,327</u>	<u>\$ 153,403,268</u>	<u>\$ 161,257,804</u>	<u>\$ 170,228,364</u>

continued

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

	Fiscal Year			
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Program Revenue*				
Governmental Activities:				
Charges for Services:				
General government	\$ 1,031,722	\$ 1,715,692	\$ 1,977,735	\$ 1,691,455
Public safety	264,347	657,270	628,671	807,498
Highway and streets				
Culture and recreation	357,039	287,805	325,552	322,215
Developmental services	4,776,076	3,615,255	3,879,823	4,163,050
Operating Grants and Contributions	4,843,140	5,648,867	5,818,158	7,636,691
Capital Grants and Contributions	<u>102,028,190</u>	<u>16,436,375</u>	<u>13,951,581</u>	<u>9,701,254</u>
Total Governmental Activities Program Revenues	<u>\$ 113,300,514</u>	<u>\$ 28,361,264</u>	<u>\$ 26,581,520</u>	<u>\$ 24,322,163</u>
Business-type Activities				
Charges for Services:				
Water and wastewater	\$ 15,269,341	\$ 16,258,079	\$ 17,634,821	\$ 20,105,006
Sanitation	5,625,426	5,790,357	5,774,010	6,115,977
Stadium*	1,014,221	1,530,799	1,564,324	1,633,230
Operating Grants and Contributions	25,000			
Capital Grants and Contributions	<u>41,595,562</u>	<u>6,211,533</u>	<u>4,570,849</u>	<u>9,252,599</u>
Total Business-type Activities Revenues	<u>63,529,550</u>	<u>29,790,768</u>	<u>29,544,004</u>	<u>37,106,812</u>
Total Primary Government Revenues	<u>\$ 176,830,064</u>	<u>\$ 58,152,032</u>	<u>\$ 56,125,524</u>	<u>\$ 61,428,975</u>
Net (Expense)/Revenue				
Governmental Activities	\$ 20,247,061	\$ (56,407,183)	\$ (57,415,839)	\$ (58,432,301)
Business-type Activities	<u>33,308,177</u>	<u>\$ (4,664,190)</u>	<u>\$ (7,964,104)</u>	<u>(336,680)</u>
Total Primary Government Net Revenues	<u>\$ 53,555,238</u>	<u>\$ (61,071,373)</u>	<u>\$ (65,379,943)</u>	<u>\$ (58,768,981)</u>

Note:

* Beginning in fiscal year 2016 program revenues were consolidated to align with the basic financial statements

Source: Statement of Activities

Table 2

Fiscal Year					
<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 2,884,854	\$ 2,603,723	\$ 2,766,974	\$ 2,398,256	\$ 2,368,056	\$ 2,592,414
1,176,336	714,614	1,624,427	1,713,627	1,313,160	1,373,556
					81,727
304,128	433,384	416,607	386,041	3,135,416	2,984,530
6,206,750	6,899,047	5,353,778	7,043,227	9,079,431	10,416,143
4,654,268	7,565,511	10,777,134	9,518,206	10,546,333	16,164,698
<u>11,358,824</u>	<u>6,171,185</u>	<u>8,252,449</u>	<u>12,134,476</u>	<u>12,246,216</u>	<u>7,442,815</u>
<u>\$ 26,585,160</u>	<u>\$ 24,387,464</u>	<u>\$ 29,191,369</u>	<u>\$ 33,193,833</u>	<u>\$ 38,688,612</u>	<u>\$ 41,055,883</u>
\$ 22,667,401	\$ 24,767,428	\$ 24,650,687	\$ 27,724,410	\$ 31,358,803	\$ 35,203,483
6,368,920	6,641,318	6,922,425	7,125,427	7,577,840	7,812,267
1,741,609	2,182,278	2,237,359	2,234,046		
			110,837	110,718	
<u>7,987,680</u>	<u>5,962,050</u>	<u>14,454,883</u>	<u>11,692,490</u>	<u>13,317,172</u>	<u>12,237,823</u>
<u>38,765,610</u>	<u>39,553,074</u>	<u>48,265,354</u>	<u>48,887,210</u>	<u>52,364,533</u>	<u>55,253,573</u>
<u>\$ 65,350,770</u>	<u>\$ 63,940,538</u>	<u>\$ 77,456,723</u>	<u>\$ 82,081,043</u>	<u>\$ 91,053,145</u>	<u>\$ 96,309,456</u>
\$ (59,646,481)	\$ (67,626,617)	\$ (65,761,779)	\$ (73,470,355)	\$ (86,561,338)	\$ (96,111,844)
(597,997)	(1,960,842)	4,566,175	2,148,130	16,356,679	22,192,936
<u>\$ (60,244,478)</u>	<u>\$ (69,587,459)</u>	<u>\$ (61,195,604)</u>	<u>\$ (71,322,225)</u>	<u>\$ (70,204,659)</u>	<u>\$ (73,918,908)</u>

continued

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

	Fiscal Year			
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes	\$ 59,003,971	\$ 55,623,884	\$ 53,595,119	\$ 55,301,512
Intergovernmental	12,236,437	10,907,518	9,699,146	12,704,826
Investment income	148,687	179,114	227,446	319,017
Special assessments*				
Miscellaneous	911,254	2,026,285	827,619	493,244
Transfers	(7,751,307)	(7,815,285)	(3,390,940)	(3,892,665)
Special item - Loss on debt extinguishment	-	-	-	-
Total Governmental Activities	<u>\$ 64,549,042</u>	<u>\$ 60,921,516</u>	<u>\$ 60,958,390</u>	<u>\$ 64,925,934</u>
Business-type Activities				
Investment income	\$ 121,900	\$ 57,527	\$ 71,819	\$ 92,945
Proceeds from the sale of water rights		4,352,000		
Miscellaneous	78,586	100,698	638,611	117,103
Transfers	7,751,307	7,815,285	3,390,940	3,892,665
Total Business-type Activities	<u>\$ 7,951,793</u>	<u>\$ 12,325,510</u>	<u>\$ 4,101,370</u>	<u>\$ 4,102,713</u>
Total Primary Government	<u>\$ 72,500,835</u>	<u>\$ 73,247,026</u>	<u>\$ 65,059,760</u>	<u>\$ 69,028,647</u>
Changes in Net Position				
Governmental Activities	\$ 84,796,103	\$ 4,514,333	\$ 3,542,551	\$ 6,493,633
Business-type Activities	41,259,970	7,661,320	(3,862,734)	3,766,033
Total Primary Government	<u>\$ 126,056,073</u>	<u>\$ 12,175,653</u>	<u>\$ (320,183)</u>	<u>\$ 10,259,666</u>

Note:

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

Source: Statement of Activities

Table 2

Fiscal Year					
<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 58,957,595	\$ 63,495,983	\$ 66,223,459	\$ 71,256,446	\$ 74,899,373	\$ 82,662,446
14,194,960	15,285,440	16,361,588	16,848,837	20,019,457	19,967,694
439,982	414,689	361,146	710,040	560,547	1,196,857
	2,189,906	4,980,000			
1,455,665	1,183,618	975,258	393,977	886,502	341,814
(4,876,544)	(5,138,252)	(582,797)	(5,564,606)	2,800,000	3,700,000
-	-	-	-	-	(36,893)
<u>\$ 70,171,658</u>	<u>\$ 77,431,384</u>	<u>\$ 88,318,654</u>	<u>\$ 83,644,694</u>	<u>\$ 99,165,879</u>	<u>\$ 107,831,918</u>
\$ 95,839	\$ 136,531	\$ 151,405	\$ 237,615	\$ 123,100	\$ 47,246
432,983	222,911	103,482	22,955	31,081	37,024
<u>4,876,544</u>	<u>5,138,252</u>	<u>582,797</u>	<u>5,564,606</u>	<u>(2,800,000)</u>	<u>(3,700,000)</u>
<u>\$ 5,405,366</u>	<u>\$ 5,497,694</u>	<u>\$ 837,684</u>	<u>\$ 5,825,176</u>	<u>\$ (2,645,819)</u>	<u>\$ (3,615,730)</u>
<u>\$ 75,577,024</u>	<u>\$ 82,929,078</u>	<u>\$ 89,156,338</u>	<u>\$ 89,469,870</u>	<u>\$ 96,520,060</u>	<u>\$ 104,216,188</u>
\$ 10,525,177	\$ 9,804,767	\$ 22,556,875	\$ 10,174,339	\$ 12,604,541	\$ 11,720,074
<u>4,807,369</u>	<u>3,536,852</u>	<u>5,403,859</u>	<u>7,973,306</u>	<u>13,710,860</u>	<u>18,577,206</u>
<u>\$ 15,332,546</u>	<u>\$ 13,341,619</u>	<u>\$ 27,960,734</u>	<u>\$ 18,147,645</u>	<u>\$ 26,315,401</u>	<u>\$ 30,297,280</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 for Specific Programs		Highway User Revenue
				State Shared Sales	State Revenue Sharing	
2009	\$ 22,332,774	\$ 34,205,906	\$ 2,195,748	\$ 5,355,676	\$ 6,855,644	\$ 2,771,889
2010	21,908,223	31,448,398	2,233,908	4,940,934	5,966,584	2,626,096
2011	18,862,731	32,729,749	2,316,821	5,201,106	4,498,039	2,752,001
2012	16,572,825	36,364,557	2,460,521	7,195,568	5,509,258	3,269,285
2013	16,218,397	40,222,752	2,529,456	7,527,259	6,667,701	3,575,158
2014	17,109,458	43,775,464	2,611,061	8,009,713	7,275,727	3,681,156
2015	18,171,606	45,333,649	2,718,204	8,459,645	7,901,942	4,041,402
2016	19,114,087	49,309,600	2,832,759	8,988,686	7,859,101	4,264,827
2017	19,875,628	52,085,570	2,941,175	10,324,010	9,665,448	5,066,574
2018	20,649,103	58,831,503	3,181,840	10,354,186	9,613,508	5,042,068

Source: City Financial Records and Reports

City of Goodyear
Excise Tax Collections
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
City Privilege (Sales) Tax	\$ 34,205,906	\$ 31,448,398	\$ 32,729,749	\$ 36,364,557	\$ 40,222,752	\$ 43,775,464
State-Shared Sales Tax	3,676,853	3,391,361	3,661,678	5,100,608	5,342,879	5,681,717
State-Shared Income Tax	6,855,644	5,966,584	4,498,039	5,509,258	6,667,701	7,275,727
State-Share Vehicle License Tax	1,678,823	1,549,573	1,539,429	2,094,960	2,184,380	2,327,996
Fines and Forfeitures	686,557	846,143	849,060	825,971	809,334	884,735
Franchise Taxes	<u>2,195,748</u>	<u>2,233,909</u>	<u>2,316,820</u>	<u>2,460,521</u>	<u>2,529,456</u>	<u>2,611,016</u>
Total	<u>\$ 49,299,531</u>	<u>\$ 45,435,968</u>	<u>\$ 45,594,775</u>	<u>\$ 52,355,875</u>	<u>\$ 57,756,502</u>	<u>\$ 62,556,655</u>

Source: City Financial Records and Reports

Table 4

Fiscal Year			
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 45,333,649	\$ 49,309,600	\$ 52,085,570	\$ 58,831,503
5,965,400	6,258,721	7,217,395	7,151,224
7,901,942	7,859,101	9,665,448	9,613,508
2,494,245	2,729,966	3,106,615	3,202,962
860,313	839,108	925,314	1,044,317
<u>2,718,204</u>	<u>2,832,759</u>	<u>2,941,175</u>	<u>3,181,840</u>
<u>\$ 65,273,754</u>	<u>\$ 69,829,255</u>	<u>\$ 75,941,517</u>	<u>\$ 83,025,354</u>

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

	Fiscal Year					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Mining & Government	\$ 11,412	\$ 15,141	\$ 5,234	\$ 9,534	\$ 970	\$ 4,024
Construction	12,779,596	5,365,079	3,251,977	4,755,592	7,027,296	7,988,471
Manufacturing	508,454	535,972	642,255	701,876	759,858	931,362
Utilities	2,448,686	3,085,682	3,275,325	3,469,559	3,656,309	3,819,536
Wholesale Trade	538,279	540,630	598,098	924,842	977,475	1,072,608
Retail Trade	9,568,935	11,569,427	12,950,291	13,576,350	14,265,735	15,787,043
Restaurant & Bar	3,687,991	4,161,539	4,415,910	4,763,951	5,079,528	5,450,424
Real Estate	2,227,491	2,692,806	3,510,263	3,480,031	4,405,695	4,467,373
Hotels	854,203	820,902	764,996	873,241	885,571	849,052
Services	1,176,780	1,388,178	1,771,527	1,640,296	1,700,258	1,764,488
Miscellaneous	622,042	640,388	1,055,398	1,414,929	873,005	968,896
Total*	<u>\$ 34,423,869</u>	<u>\$ 30,815,744</u>	<u>\$ 32,241,274</u>	<u>\$ 35,610,202</u>	<u>\$ 39,631,700</u>	<u>\$ 43,103,277</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 5

Fiscal Year			
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 7,159	\$ 6,534	\$ 1,411	\$ 2,064
5,559,142	7,545,663	7,276,208	9,248,956
1,318,999	1,410,894	1,430,501	1,195,577
4,051,837	4,077,652	4,088,382	4,143,475
1,130,527	1,032,679	1,071,275	1,432,261
16,348,224	17,279,498	18,204,620	19,381,848
6,343,415	7,032,111	7,551,936	8,567,822
5,480,481	5,575,550	6,043,628	6,485,025
1,067,357	1,096,710	1,054,997	1,142,972
2,424,312	2,833,590	2,900,952	3,209,135
<u>1,032,464</u>	<u>839,592</u>	<u>1,256,834</u>	<u>1,804,279</u>
<u>\$ 44,763,917</u>	<u>\$ 48,730,473</u>	<u>\$ 50,880,744</u>	<u>\$ 56,613,413</u>

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

	Fiscal Year				
	<u>2009</u>	<u>2010</u>	<u>2011*</u>	<u>2012</u>	<u>2013</u>
General Fund					
Reserved	\$	\$ 17,812,619	\$	\$	\$
Unreserved	29,117,875	10,742,777			
Nonspendable:					
Advances to other funds			961,840	961,840	961,840
Inventories			3,627	16,258	8,916
Prepaid items			422,681	500,911	486,842
Restricted by:					
Charter mandates			3,209,321	3,377,572	3,528,982
Court			198,457	261,229	234,813
Law enforcement			129,231	125,812	208,085
Transit					543,022
Assigned to:					
IT replacement			407,961	437,873	170,684
Fleet replacement			383,225	1,730,168	3,032,429
Risk management			558,310	811,244	357,741
Parks management					
Police asset reserve					
Fire asset reserve					
Traffic signal reserve					
Unassigned			21,481,088	23,074,844	33,325,255
Total General Fund	<u>\$ 29,117,875</u>	<u>\$ 28,555,396</u>	<u>\$ 27,755,741</u>	<u>\$ 31,297,751</u>	<u>\$ 42,858,609</u>
All Other Governmental Funds					
Reserved, Reported in:					
Debt Service Funds	\$ 13,597,749	\$ 14,891,228	\$	\$	\$
Capital Projects Funds	4,110,554	1,393,549			
Community Facilities District		47,213			
Unreserved, Reported in:					
Special revenue funds	23,153,403	20,452,179			
Capital projects funds	1,435,331				
Nonspendable:					
Inventories			289,782	412,916	595,675
Prepaid items			46,238	45,225	36,182
Restricted by:					
Debt service			15,113,512	15,663,838	15,482,259
Development impact fees			21,992,019	21,720,718	16,241,644
Highway user funds			285,914	400,610	493,395
Transit					
Capital projects					1,695,700
Community facilities districts operations			536,230	538,410	711,980
Committed					
Unassigned			(2,336,765)	(9,854)	(26,073)
Total All Other Governmental Funds	<u>\$ 42,297,037</u>	<u>\$ 36,784,169</u>	<u>\$ 35,926,930</u>	<u>\$ 38,771,863</u>	<u>\$ 35,230,762</u>

Note:

*Starting with fiscal year 2011, fund balances were stated in classification required by GASB Statement No. 54

Source: City Financial Records and Reports

Table 6

Fiscal Year				
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$	\$	\$	\$	\$
961,840	961,840	961,840	1,251,242	1,045,531
25,261	21,656			
504,865	573,473	667,798	683,056	758,946
3,676,547	3,841,444	4,009,183	4,186,816	4,377,576
221,290	240,631	178,351	200,753	238,965
274,392	309,112	427,243	384,144	432,662
644,135	745,210	847,446	952,239	1,064,752
1,484,148	108,301	498,851	1,829,656	1,956,201
1,502,483	2,508,319	3,196,101	1,251,242	4,504,416
792,947	1,088,234	1,077,452	933,704	888,212
		1,271,367	2,729,350	3,033,620
			2,147,562	134,146
			403,209	454,872
				74,699
<u>43,707,677</u>	<u>49,783,760</u>	<u>52,620,845</u>	<u>53,399,369</u>	<u>60,552,115</u>
<u>\$ 53,795,585</u>	<u>\$ 60,181,980</u>	<u>\$ 65,756,477</u>	<u>\$ 70,352,342</u>	<u>\$ 79,516,713</u>
\$	\$	\$	\$	
650,344	487,413	564,639	533,304	553,663
14,848,703	13,810,210	12,989,198	13,219,610	5,576,920
7,892,792	9,833,566	12,882,857	12,428,141	19,453,023
47,570	174,025	721	37,130	
				35,863
274,106	4,414,851		9,869,218	21,876,083
803,837	1,109,573	1,434,106	1,846,863	2,442,864
			1,647,416	1,963,850
<u>(73,354)</u>	<u>(66,487)</u>	<u>(28,737)</u>	<u>(105,729)</u>	<u>(22,755)</u>
<u>\$ 24,443,998</u>	<u>\$ 29,763,151</u>	<u>\$ 27,842,784</u>	<u>\$ 39,475,953</u>	<u>\$ 51,879,511</u>

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

	Fiscal Year					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues						
Taxes	\$ 58,734,426	\$ 55,590,530	\$ 53,909,300	\$ 55,397,903	\$ 58,970,605	\$ 63,577,425
Licenses and permits	3,091,729	629,979	4,541,951	4,729,946	6,793,070	7,460,830
Intergovernmental	16,827,730	16,464,531	15,825,858	19,319,623	18,723,318	19,325,653
Charges for services	6,387,350	7,402,083	3,978,325	3,876,918	6,322,025	4,658,927
Fines and forfeits	686,557	846,143	849,060	825,971	809,334	884,735
Investment income	148,220	178,715	225,588	319,017	439,982	414,689
Special assessments	3,065,304	6,522,924	4,859,749	5,844,915	5,845,306	5,839,886
Contributions	3,403,370	3,042,851	2,707,926	3,099,952	4,024,175	2,408,357
Miscellaneous	593,684	1,942,018	157,090	361,202	567,839	1,327,008
Total Revenues	<u>92,938,370</u>	<u>92,619,774</u>	<u>87,054,847</u>	<u>93,775,447</u>	<u>102,495,654</u>	<u>105,897,510</u>
Expenditures **						
General government	14,752,949	15,316,159	15,913,718	16,953,769	17,376,427	16,895,276
Public safety	26,043,960	24,367,955	24,045,015	24,862,833	26,764,289	28,310,822
Community services*	1,248,219					
Highways and streets	5,686,483	4,098,986	3,808,328	3,340,208	4,674,325	5,585,966
Public works	3,901,157	3,075,759	3,047,742	2,967,386	2,093,312	2,045,578
Culture and recreation	4,393,748	3,882,621	3,936,203	4,115,701	4,884,349	4,975,947
Development services	9,723,957	4,654,052	4,376,985	4,557,391	5,232,999	5,823,318
Capital outlay	47,556,824	13,494,149	9,234,659	6,437,600	18,252,039	18,496,444
Debt Service:						
Principal retirement	7,392,618	10,942,758	11,254,524	12,433,024	10,226,228	9,441,923
Interest and debt cost	11,930,502	11,158,130	10,645,162	10,687,152	10,987,906	9,765,514
Payment to refunded bond escrow agent	-	-	-	-	-	-
Total Expenditures	<u>132,630,417</u>	<u>90,990,569</u>	<u>86,262,336</u>	<u>86,355,064</u>	<u>100,491,874</u>	<u>101,340,788</u>
Excess of Revenues over (under)						
Expenditures	<u>(39,692,047)</u>	<u>1,629,205</u>	<u>792,511</u>	<u>7,420,383</u>	<u>2,003,780</u>	<u>4,556,722</u>

Notes:

* Community Services was reorganized into General Government and Development Services for fiscal year 2010

** Beginning in fiscal year 2016 expenditure functions were consolidated to align with the basic financial statements

Source: Statement of Revenues, Expenditures and Changes in Fund Balances

Table 7

Fiscal Year			
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 66,203,440	\$ 71,287,200	\$ 74,924,078	\$ 82,602,447
6,558,607	7,357,205	9,302,729	10,636,668
21,749,386	21,811,572	25,780,719	26,773,324
4,576,618	5,792,947	9,227,037	10,418,539
860,313	839,108	925,314	1,044,317
361,146	710,040	560,547	1,196,857
5,762,295	6,096,012	6,009,405	5,968,798
2,976,642	1,346,713	1,638,229	6,358,002
243,473	728,930	516,160	2,485,672
<u>109,291,920</u>	<u>115,969,727</u>	<u>128,884,218</u>	<u>147,484,624</u>
18,081,622	17,968,635	19,191,902	20,825,896
29,505,746	32,881,648	36,905,961	39,779,006
5,494,087	5,680,917	5,748,952	5,517,174
2,268,109	2,255,101	2,598,519	2,897,716
5,265,454	5,712,191	12,090,866	11,315,720
6,933,854	7,933,367	7,187,389	7,159,767
11,326,103	15,988,901	17,628,611	30,366,883
9,291,703	9,772,183	14,581,544	19,642,573
9,323,202	9,046,458	12,968,581	15,708,001
-	-	-	4,622,056
<u>97,489,880</u>	<u>107,239,401</u>	<u>128,902,325</u>	<u>157,834,792</u>
<u>11,802,040</u>	<u>8,730,326</u>	<u>(18,107)</u>	<u>(10,350,168)</u>

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

	Fiscal Year				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Other Financing Sources and (Uses)					
Transfer in	\$ 4,123,384	\$ 6,376,290	\$ 8,388,300	\$ 5,504,462	\$ 4,726,150
Transfer out	(11,874,691)	(14,191,575)	(10,837,705)	(9,397,127)	(9,602,694)
Debt issuance	604,500	105,000		1,780,000	10,500,000
Debt premium	5,722	5,733		129,958	
Refunding bonds				11,530,000	10,685,000
Refunding bonds premium				949,267	672,545
Payment to refunded bond escrow agent	<u>(3,585,000)</u>			<u>(11,530,000)</u>	<u>(10,965,024)</u>
Total Other Financing Sources and (Uses)	<u>(10,726,085)</u>	<u>(7,704,552)</u>	<u>(2,449,405)</u>	<u>(1,033,440)</u>	<u>6,015,977</u>
Net Change in Fund Balances	<u>\$ (50,418,132)</u>	<u>\$ (6,075,347)</u>	<u>\$ (1,656,894)</u>	<u>\$ 6,386,943</u>	<u>\$ 8,019,757</u>
Debt Service as a Percentage of Noncapital Expenditures	21.5%	27.0%	27.3%	28.9%	25.8%

Source: City Financial Records and Reports

Table 7

Fiscal Year				
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 5,356,364	\$ 4,588,019	\$ 3,539,227	\$ 12,768,632	\$ 13,901,429
(10,494,616)	(9,923,248)	(9,091,060)	(9,968,632)	(10,201,429)
	4,980,000		10,968,000	25,015,000
	(39,461)			
14,755,000	7,015,000	18,535,000	118,130,941	51,537,627
1,114,908	452,099	2,047,350	14,546,606	722,171
<u>(15,138,166)</u>	<u>(7,168,901)</u>	<u>(20,106,713)</u>	<u>(130,387,703)</u>	<u>(49,056,702)</u>
<u>(4,406,510)</u>	<u>(96,492)</u>	<u>(5,076,196)</u>	<u>16,057,844</u>	<u>31,918,096</u>
<u>\$ 150,212</u>	<u>\$ 11,705,548</u>	<u>\$ 3,654,130</u>	<u>\$ 16,039,737</u>	<u>\$ 21,567,928</u>
22.3%	20.6%	18.4%	24.7%	27.8%

City of Goodyear
Property Tax Rates
Direct and Overlapping Governments
Last Ten 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
2009	0.6678	0.9322	1.6000	1.0327	0.0353	0.0053	0.1367	
2010	0.6320	0.9679	1.5999	0.9909	0.0353	0.0057	0.1367	0.3306
2011	0.7603	0.6630	1.4233	1.0508	0.0412	0.0066	0.1489	0.3564
2012	0.9446	0.6554	1.6000	1.2407	0.0492	0.0084	0.1780	0.4259
2013	1.1115	0.6635	1.7750	1.2407	0.0492	0.0110	0.1780	0.4717
2014	1.1994	0.7006	1.9000	1.2807	0.0438	0.0121	0.1392	0.5123
2015	1.1836	0.6864	1.8700	1.3209	0.0556	0.0113	0.1392	0.5089
2016	1.1637	0.7063	1.8700	1.3609	0.0556	0.0116	0.1592	0.5054
2017	1.1598	0.7025	1.8623	1.4009	0.0556	0.0112	0.1792	0.5010
2018	1.1344	0.6005	1.7349	1.4009	0.0556	0.0102	0.1792	0.4875

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	Litchfield Rate	Buckeye/ Liberty Rate	Tolleson/ Littleton Rate	Mobile Rate
2009	0.9386	0.1000	0.0856	2.3342	5.7554	4.9382	5.5581	6.3843	8.3984
2010	0.8844	0.1000	0.0914	2.5750	6.0066	5.3164	5.2568	5.8681	6.2147
2011	0.9728	0.1000	0.1122	2.7889	5.3923	5.3658	6.1069	6.1935	5.4994
2012	1.2082	0.1000	0.1494	3.3598	7.4753	3.2590	6.2698	7.8626	4.9490
2013	1.3778	0.1000		3.4284	7.4945	3.8863	6.9607	9.2259	6.9350
2014	1.5340	0.1400		3.6621	8.2090	3.9772	7.1092	11.4641	7.7572
2015	1.5187	0.1400		3.6946	10.0022	3.7780	8.0102	10.4333	7.8876
2016	1.4940	0.1400		3.7267	9.4960	3.8352	7.6149	9.9303	7.8876
2017	1.4651	0.1400	0.3053	4.0583	9.8771	3.8142	7.0163	9.5342	8.1213
2018	1.4096	1.4000	0.2941	5.2371	8.9315	3.4763	7.0616	9.8185	7.8876

continued

City of Goodyear
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(Unaudited)

Overlapping Rates

Other Special Taxing Districts

Fiscal Year	West						Estrella
	Maricopa	Central	Roosevelt	Centerra	Cortina	Cottonflower	Mtn. Ranch
	Education	Arizona	Irrigation	Community	Community	Community	Community
	Center	GRD	District	Facilities	Facilities	Facilities	Facilities
	District	Rate	District	District	District	District	District
	Rate	Rate	Rate	Rate	Rate	Rate	Rate
2009	0.0500	1.0000	17.1000	2.6965	0.1520	1.2843	1.3000
2010	0.0500	1.0000	17.1000	2.6829	1.2146	2.1198	1.3000
2011	0.5000	1.0000	17.1000	2.3797	2.2087	2.9776	1.3000
2012	0.0500	1.0000	17.1000	2.1961	2.7298	3.4033	1.3000
2013	0.0500	1.0000	17.1000	3.2961	2.8500	3.8528	1.3000
2014	0.0592	1.0000	17.1000	3.3559	2.8500	3.9890	1.3000
2015	0.0810	1.0000	27.1000	3.0361	2.6034	3.2768	1.3000
2016	0.0698	1.0000	27.1000	3.1327	2.5999	3.3377	1.3000
2017	0.0840	1.0000	27.1000	2.7404	2.3824	3.0482	1.3000
2018	0.1780	1.0000	27.1000	2.6706	1.8877	2.5714	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
2009	0.5313	1.0000	1.7949	0.3000	1.1703	1.3143
2010	0.6629	1.0000	0.2165	0.3000	1.5905	1.6561
2011	0.7570	1.0000	1.2952	0.3000	2.2891	2.5496
2012	0.8034	1.0000	1.2684	0.3000	2.8718	2.9933
2013	1.0000	1.0000	1.8035	0.3000	3.3150	3.3467
2014	1.0000	1.0000	1.7844	0.3000	3.4365	3.8922
2015	0.7334	1.0162	1.2592	0.3000	2.7761	3.0227
2016	0.7075	1.1497	1.1097	0.3000	2.9103	3.1070
2017	0.8466	1.1500	0.9308	0.3000	2.7238	2.9330
2018	0.9600	1.1500	0.8682	0.3000	2.8882	3.0463

concluded



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

Taxpayer	Fiscal Year					
	2009			2018		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Arizona Public Service Company	\$ 19,960,801	1	1.99%	\$ 22,462,449	1	2.74%
VHS of South Phoenix, Inc.	15,583,182	3	1.56%	16,495,971	2	2.02%
Macys Corporate Services Inc	8,866,241	8	0.89%	8,316,180	3	1.02%
HUHTAMAKI Inc				7,443,240	4	0.91%
HCL Goodyear Centerpointe LLC (Lease)				6,278,830	5	0.77%
Southwest Gas Corporation (T&D)				5,157,219	6	0.63%
HGREIT II Goodyear Crossing LLC				6,666,252	7	0.81%
The Market at Estrella Falls LLC				5,595,681	8	0.68%
FR PV 303 LLC				6,493,487	9	0.79%
Litchfield Park Service Company Sewer				4,132,524	10	0.50%
Suncor Development Company	15,902,473	2	1.59%			
NNP Estrella Mountain Ranch LLC	13,715,458	4	1.37%			
Duke Realty	11,857,862	5	1.18%			
First American Title Ins Co TR 7854	10,401,767	6	1.04%			
NNP III EMR 3 LLC	9,883,681	7	0.99%			
DOA Properties I LLC	8,696,214	9	0.87%			
Cardinal Capital Co.	7,472,133	10	0.75%			
Total	<u>\$ 122,339,812</u>		<u>12.23%</u>	<u>\$ 89,041,833</u>		<u>10.88%</u>

Source: Maricopa County Treasurer

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

Fiscal Year Ended June 30		Total Assessed Value		Agricultural/ Vacant Land	Other	Less: Tax-Exempt Property	Net Assessed Value
		Residential Property	Commercial Property				
2009	Primary	\$ 434,868,600	\$ 179,455,120	\$ 191,759,294	\$ 62,183	\$ 71,196,812	\$ 734,948,385
	Secondary	586,181,619	211,360,209	323,172,973	30,053	120,023,805	1,000,721,049
2010	Primary	482,286,104	233,187,882	248,660,120	63,427	113,281,184	850,916,349
	Secondary	497,383,109	284,491,038	374,640,069	28,842	173,686,635	982,856,423
2011	Primary	404,164,550	265,580,527	246,048,945	70,064	126,711,288	789,152,798
	Secondary	405,850,285	297,842,341	308,078,489	33,349	163,045,578	848,758,886
2012	Primary	357,230,458	238,218,141	194,223,071	226,506	122,548,914	667,349,262
	Secondary	357,367,570	252,752,614	206,673,571	214,401	144,006,328	673,001,828
2013	Primary	338,747,451	220,657,668	163,082,414	240,243	120,560,037	602,167,739
	Secondary	339,165,652	228,812,312	167,084,029	244,254	129,664,064	605,642,183
2014	Primary	340,280,668	205,111,305	161,905,429	273,421	122,898,455	584,672,368
	Secondary	342,294,870	211,390,271	165,979,539	275,521	129,681,549	590,258,652
2015	Primary	393,827,703	192,119,198	158,537,781	1,158,177	115,918,333	629,724,526
	Secondary	416,834,896	196,638,563	169,043,455	1,167,249	122,400,093	661,284,070
2016	Limited Property Value	427,218,918	223,077,763	149,242,505	1,127,677	129,713,965	670,952,898
2017	Limited Property Value	457,689,029	227,887,800	146,856,414	6,601,784	128,500,705	710,534,322
2018	Limited Property Value	499,088,340	234,739,156	159,566,464	6,975,609	137,331,297	763,038,272

Notes: Beginning in fiscal year 2016, the Net Assessed Limited Property Value is statutorily required to be used for the calculation of primary and secondary property taxes. Prior to fiscal year 2016, the primary levy was calculated using the limited assessed valuation and the secondary levy was calculated using the full cash assessed valuation.

Source: Maricopa County Assessor's Office

Table 10

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as Percentage of Actual Value
\$ 0.6678	\$ 6,329,622,800	11.6%
0.9322	8,799,999,309	11.4%
0.6320	7,439,067,045	11.4%
0.9679	8,607,745,155	11.4%
0.7603	6,843,890,271	11.5%
0.6630	7,401,814,203	11.5%
0.9446	5,978,258,706	11.2%
0.6554	6,130,095,795	11.0%
1.1115	5,513,086,956	10.9%
0.6635	5,583,052,641	10.8%
1.1994	5,485,036,603	10.7%
0.7006	5,562,951,789	10.6%
1.1836	6,012,798,998	10.5%
0.6864	6,332,435,414	10.4%
1.8700	6,479,932,484	10.4%
1.8623	6,951,354,974	10.2%
1.7349	7,490,466,600	10.2%

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year (a)	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 14,460,290	\$ 13,724,436	94.91%	\$ 346,004	\$ 14,070,440	97.30%
2010	14,959,898	14,328,617	95.78%	317,754	14,646,371	97.90%
2011	11,650,452	11,291,963	96.92%	24,739	11,316,702	97.14%
2012	10,743,752	10,454,308	97.31%	101,729	10,556,037	98.25%
2013	10,714,099	10,523,654	98.22%	47,705	10,571,359	98.67%
2014	11,185,149	10,949,615	97.89%	51,739	11,001,355	98.36%
2015	11,992,446	11,808,563	98.47%	113,307	11,921,870	99.41%
2016	12,599,829	12,392,149	98.35%	23,886	12,416,035	98.54%
2017	13,157,209	13,024,932	98.99%	53,465	13,078,397	99.40%
2018	13,232,702	13,071,185	98.78%		13,071,185	98.78%

(a) Tax levy is reported by the Treasurer as of August of each fiscal year. Amount does not include adjustments made to levy amounts after the August report.

Source: Maricopa County Treasurer's Office

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

Entity	Type of User	Fiscal Year			
		2009		2018	
		Rank	Fees & Charges	Rank	Fees & Charges
Cancer Treatment	Commercial		\$ -	1	\$ 209,340
Canyon Trails HOA	Homeowner's Association	1	197,693	2	164,067
Canyon Trails Unit HOA 3A	Homeowner's Association	2	175,863	3	155,991
Snyders	Industry			4	147,927
Poor Brothers	Industry			5	145,390
Canyon Trails Unit HOA 3B	Homeowner's Association			6	126,490
Canyon Trails Unit HOA 4A	Homeowner's Association	3	154,868	7	119,922
Canyon Trails 4 - South	Homeowner's Association	4	143,926	8	117,240
3 Minute Car Wash	Car Wash			9	122,299
Shepard Investment	Apartments			10	119,599
Sarival Paseo Joint Community	Homeowner's Association	5	127,107		
Agua Fria Union High School Dist.	School	6	113,045		
Centerra, LLC	Homeowner's Association	7	106,752		
Avondale School	School	8	92,499		
JB Park Shadows	Apartments	9	70,677		
Pueblo Verda HOA	Homeowner's Association	10	65,138		
Total			<u>\$ 1,247,568</u>		<u>\$ 1,428,266</u>
Total as a percent of total Water System Operating Revenue			<u>14.00%</u>		<u>7.15%</u>

Source: City customer service and billing records



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

Entity	Type of User	Rank	Fiscal Year	
			2009	2018
			Fees & Charges	Fees & Charges
Arizona State Prison/Perryville	Prison	1	\$ 310,582	\$ 1,093,805
Cancer Treatment Center	Hospital			110,565
Poore Brothers, Inc.	Food Manufacturer, Snacks	5	29,681	76,193
3 Minute Car Wash	Car Wash			62,929
Shepard Inv Apartments	Apartments			62,069
Park Shadows	Apartments	2	50,718	54,217
Huhtamaki	Manufacturer			38,092
McLane Sunwest	Grocery Distributor	8	22,180	32,447
Lunaire Apartments	Apartments			32,191
Schoeller Arca Systems Inc	Manufacturer			31,800
Fairfield Centerra LLC	Real Estate	3	37,170	
Airport Training Center	Airport	4	31,970	
Avondale Elementary	Education	6	28,237	
Agua Fria Union High School District	Education	7	25,516	
Alliance Residential	Real Estate	9	20,015	
Americas Best Value Inn	Hotel	10	19,547	
Total			<u>\$ 575,616</u>	<u>\$ 1,594,307</u>
Total as a percent of total Wastewater System Operating Revenue			<u>9.01%</u>	<u>10.46%</u>

City of Goodyear
Schedule of Existing and Adopted
Monthly Water & Wastewater Service Charges (2011 - 2018)
(Unaudited)

<u>Description of Water System Services</u>	<u>Existing Fees</u>	<u>Adopted</u> <u>2011</u>	<u>Adopted</u> <u>2012</u>	<u>Adopted</u> <u>2013</u>	<u>Adopted</u> <u>2015</u>	<u>Adopted</u> <u>2016</u>	<u>Adopted</u> <u>2017</u>	<u>Adopted</u> <u>2018</u>
Base Charge								
<i>(Meter Size)</i>								
3/4 Inch	\$ 16.35	\$ 9.94	\$ 10.05	\$ 10.23	\$ 11.24	\$ 12.70	\$ 14.73	\$ 16.35
1 Inch	22.61	11.81	12.74	14.14	15.54	17.56	20.37	22.61
1 1/2 Inch	36.55	16.36	19.74	22.86	25.12	28.39	32.93	36.55
2 Inches	59.17	26.22	32.02	37.01	40.67	45.96	53.31	59.17
3 Inches	77.67	48.43	61.64	70.67	77.67	77.67	77.67	77.67
4 Inches	126.65	83.36	99.58	115.24	126.65	126.65	126.65	126.65
6 Inches	240.36	159.83	189.08	218.71	240.36	240.36	240.36	240.36
Monthly Volume Charge - Residential								
0 - 6,000 gallons (per thousand)	\$ 1.71 (2)	\$ 1.32	\$ 1.46	\$ 1.18	\$ 1.30	\$ 1.47	\$ 1.71	\$ 1.90
6,001 - 12,000 (per thousand)	3.40 (3)	2.64	2.92	2.36	2.59	2.93	3.40	3.77
12,001 - 30,000 (per thousand)	5.10 (4)	3.96	4.38	3.54	3.89	4.40	5.10	5.66
30,001+ gallons (per thousand)	8.19 (5)	5.15	5.69	5.69	6.25	7.06	8.19	9.09
Monthly Volume Charge - Commercial								
0 - 40,000 gallons (per thousand)	\$ 4.29	\$ 2.30	\$ 2.60	\$ 3.00	\$ 3.30	\$ 3.73	\$ 4.29	\$ 4.72
40,001 - 100,000 gallons (per thousand)	6.87	3.68	4.16	4.80	5.28	5.97	6.87	7.56
100,001+ gallons (per thousand)	8.97	4.78	5.41	6.24	6.86	7.75	8.97	9.80

Schedule of Water System Rate Increases (2011-2018)

Date	Rate Increase
Fiscal Year 2011	7.50%
Fiscal Year 2012	9.40%
Fiscal Year 2013	0.00%
Fiscal Year 2014	N/A
Fiscal Year 2015	10.00%
Fiscal Year 2016	13.00%
Fiscal Year 2017	16.00%
Fiscal Year 2018	11.00%

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

Source: City Financial Records, Reports and Water & Wastewater Rate Study.
The table above reflects only certain fees and charges of the
City's water system and is not a comprehensive statement of all such fees.

<u>Description of Wastewater System Services</u>	<u>Existing Fees</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>
		<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Residential Wastewater Service							
Base Charge	(See below)						
Volume Charge (per 1,000 gallons)	\$ 6.25	\$ 4.45	\$ 4.90	\$ 5.78	\$ 5.95	\$ 6.13	\$ 6.25
General Commercial Wastewater Service							
Base Charge	(See below)						
Volume Charge (per 1,000 gallons)	\$ 6.25	\$ 4.45	\$ 4.90	\$ 5.78	\$ 5.95	\$ 6.13	\$ 6.25
Base Charge							
(Meter Size)							
3/4 Inch	\$ 22.85	\$ 17.52	\$ 18.96	\$ 21.12	\$ 21.75	\$ 22.40	\$ 22.85
1 Inch	35.07	23.70	28.02	32.41	33.38	34.38	35.07
1 1/2 Inch	43.22	29.75	34.61	39.94	41.14	42.37	43.22
2 Inches	83.96	54.57	67.16	77.58	79.91	82.31	83.96
3 Inches	115.22	84.74	99.68	115.22	115.22	115.22	115.22
4 Inches	152.86	130.37	139.10	152.86	152.86	152.86	152.86
6 Inches	378.70	285.03	328.83	378.70	378.70	378.70	378.70

Schedule of Wastewater System Rate Increases (2011-2018)

<u>Date</u>	<u>Rate</u>
	<u>Increase</u>
Fiscal Year 2011	9.30%
Fiscal Year 2012	9.50%
Fiscal Year 2013	15.20%
Fiscal Year 2014	N/A
Fiscal Year 2015	N/A
Fiscal Year 2016	3.00%
Fiscal Year 2017	3.00%
Fiscal Year 2018	2.00%

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

Governmental Activities					
Fiscal Year Ended June 30	Public				
	General Obligation Bonds	Contract Payable	Improvement Corporation Municipal Facilities Revenue Bond	McDowell Road Corridor Improvement District	Community Facilities District Bonds
2009	\$ 35,842,739	\$ 11,755,628	\$ 5,910,000	\$ 47,165,000	\$ 127,125,000
2010	33,601,981	5,755,628	5,230,000	46,060,000	122,313,000
2011	31,358,457	3,755,628	4,510,000	44,900,000	117,182,000
2012	29,000,636	1,755,628	2,940,000	43,675,000	113,555,000
2013	26,555,569		12,431,467	42,390,000	109,823,000
2014	24,616,149		11,047,495	42,383,378	107,194,657
2015	21,638,323		10,037,745	40,881,328	108,520,857
2016	18,564,501		8,859,189	39,304,278	106,289,435
2017	21,987,761		127,152,711	37,647,228	103,870,391
2018	43,983,309		121,145,790	34,870,000	94,683,268

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

Business-Type Activities							
Public							
General Obligation Bonds	Improvement Corporation Municipal Facilities Revenue Bond	Revenue Bonds	Water Infrastructure Finance Authority Loan	Water Rights	Total	Percentage of Personal Income	Per Capita
\$ 88,282,261	\$ 102,300,000	\$ 2,370,000	\$ 8,866,108	\$ 11,173,544	\$ 440,790,280	28.68%	7,540
92,753,019	102,300,000	17,040,000	9,925,289	10,314,041	445,292,958	25.14%	7,119
91,121,543	102,300,000	32,245,000	12,554,096		439,926,724	24.49%	6,740
89,394,364	102,180,000	31,985,000	11,908,603		426,394,231	20.10%	6,430
85,384,431	102,180,000	31,390,000	10,998,942		421,153,409	22.13%	6,264
82,113,973	104,096,689	30,596,520	10,064,007		412,112,868	20.81%	5,773
77,607,211	103,970,274	30,114,933	9,096,237		401,866,908	21.38%	5,443
73,018,360	104,164,132	42,413,304	3,854,322		396,467,521	19.80%	5,304
66,702,679		41,924,131	3,591,773		402,876,674	21.52%	5,180
58,226,165		40,489,966	3,323,972		396,722,470	16.23%	4,750

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

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage Estimated Actual Taxable Value of Property	Per Capita
2009	\$ 124,125,000	\$ 592,244	\$ 123,532,756	12.34%	\$ 2,113
2010	126,355,000	828,016	125,526,984	12.77%	2,007
2011	122,480,000	668,186	121,811,814	14.35%	1,866
2012	118,395,000	1,246,110	117,148,890	17.41%	1,767
2013	111,940,000	841,716	111,098,284	18.34%	1,652
2014	106,730,122	98,876	106,631,246	18.07%	1,494
2015	99,245,534		99,245,534	15.01%	1,344
2016	91,582,861	13,202	91,569,659	13.65%	1,225
2017	88,690,440	703,557	87,986,883	12.38%	1,131
2018	102,209,474	778,715	101,430,759	10.52%	1,215

Source: City Financial Records and Reports

City of Goodyear
Direct and Overlapping Governmental Activities Debt
As of June 30, 2018
(Unaudited)

Overlapping Jurisdiction	Net Assessed Limited Property Value	Debt Outstanding	Estimated Percentage Applicable (a)	Net Debt Amount
Maricopa County	\$ 38,251,891,249	\$ -	1.99 %	\$ -
Maricopa County Community College District	38,251,891,249	380,740,000	1.99	7,594,897
Maricopa Special Healthcare District	38,236,246,402	75,000,000	2.00	1,496,692
Western Maricopa Education Center	14,005,834,321	126,600,000	5.45	6,897,172
Liberty Elementary School District No. 25	226,724,370	16,420,000	58.79	9,653,237
Avondale Elementary School District No. 44	342,636,621	33,500,000	83.28	27,900,007
Littleton Elementary School District No. 65	232,755,385	23,705,000	0.03	6,219
Litchfield Elementary School District No. 79	760,011,412	50,845,000	44.76	22,759,587
Mobile Elementary School District No. 86	8,543,295	-	44.02	-
Buckeye Union High School District No. 201	670,274,018	77,930,000	19.89	15,497,096
Tolleson Union High School District No. 214	1,063,693,901	72,210,000	0.01	4,145
Agua Fria Union High School District No. 216	1,102,200,012	93,570,000	56.76	53,106,334
Wildflower Ranch Community Facilities District No. 1	4,763,851	550,000	100.00	550,000
Wildflower Ranch Community Facilities District No. 2	4,730,046	775,000	100.00	775,000
Community Facilities General District No. 1	115,968,583	8,915,000	100.00	8,915,000
Community Facilities Utility District No. 1	317,994,295	34,440,000	100.00	34,440,000
Estrella Mountain Ranch Community Facilities District	84,854,802	31,821,000	100.00	31,821,000
Cottonflower Community Facilities District	8,998,929	2,025,000	100.00	2,025,000
Centerra Community Facilities District	11,300,727	3,229,000	100.00	3,229,000
Cortina Community Facilities District	9,787,519	1,970,000	100.00	1,970,000
Palm Valley Community Facilities District	70,779,991	6,435,000	100.00	6,435,000
Subtotal of overlapping debt:	<u>\$ 133,781,880,978</u>	<u>\$ 1,040,680,000</u>		<u>\$ 235,075,386</u>
Direct Debt:				
City of Goodyear	\$ 763,038,272	\$ 186,703,252	100.00 %	\$ 186,703,252
Total Direct and Overlapping Debt				<u>\$ 421,778,638</u>
Total Governmental and Business-Type General Obligation Bonds		\$ 97,065,020	100.00 %	\$ 97,065,020

(a) Proportion applicable to the City of Goodyear, Arizona is computed on the ratio of net assessed limited property value for 2017/18.

Sources: Maricopa County Assessor's Office and Official Statements

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

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

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

	Fiscal Year				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Net Full Cash Assessed Value	\$1,000,721,049	\$ 982,856,423	\$ 848,758,886	\$ 673,001,828	\$ 605,642,183
<u>20% Limitation</u>					
Debt Limit Equal to 20% of Assessed Valuation	200,144,210	196,571,285	169,751,777	134,600,366	121,128,437
Total Debt Applicable to 20% Limit	<u>123,830,000</u>	<u>126,070,000</u>	<u>122,205,000</u>	<u>118,130,000</u>	<u>111,690,000</u>
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 76,314,210</u>	<u>\$ 70,501,285</u>	<u>\$ 47,546,777</u>	<u>\$ 16,470,366</u>	<u>\$ 9,438,437</u>
Total net debt applicable to the limit as a percentage of debt limit	61.87%	64.13%	71.99%	87.76%	92.21%
<u>6% Limitation</u>					
Debt Limit Equal to 6% of Assessed Valuation	\$ 60,043,263	\$ 58,971,385	\$ 50,925,533	\$ 40,380,110	\$ 36,338,531
Total Debt Applicable to 6% Limit	<u>295,000</u>	<u>285,000</u>	<u>275,000</u>	<u>265,000</u>	<u>250,000</u>
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 59,748,263</u>	<u>\$ 58,686,385</u>	<u>\$ 50,650,533</u>	<u>\$ 40,115,110</u>	<u>\$ 36,088,531</u>
Total net debt applicable to the limit as a percentage of debt limit	0.49%	0.48%	0.54%	0.66%	0.69%

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

Table 18

Fiscal Year				
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 590,258,652	\$ 659,588,897	\$ 670,952,898	\$ 871,205,504	\$ 964,201,508
118,051,730	131,917,779	134,190,580	174,241,101	192,840,302
<u>104,775,000</u>	<u>97,570,000</u>	<u>90,065,000</u>	<u>106,130,000</u>	<u>97,065,000</u>
<u>\$ 13,276,730</u>	<u>\$ 34,347,779</u>	<u>\$ 44,125,580</u>	<u>\$ 68,111,101</u>	<u>\$ 95,775,302</u>
88.75%	73.96%	67.12%	60.91%	50.33%
\$ 35,415,519	\$ 39,575,334	\$ 40,257,174	\$ 52,272,330	\$ 57,852,090
<u>250,000</u>	<u>220,000</u>	<u>205,000</u>	<u>190,000</u>	<u>-</u>
<u>\$ 35,165,519</u>	<u>\$ 39,355,334</u>	<u>\$ 40,052,174</u>	<u>\$ 52,082,330</u>	<u>\$ 57,852,090</u>
0.71%	0.56%	0.51%	0.36%	0.00%

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

Public Improvement Corporation Municipal Facilities Revenue Bonds					
Fiscal Year Ended June 30	Operating Revenue	Pledged Revenue	Debt Service		Coverage
			Principal	Interest	
2009	\$ 62,281,214	\$ 49,326,896	\$ 680,000	\$ 4,907,984	8.83
2010	57,363,961	45,979,781	720,000	5,594,412	7.28
2011	57,697,609	45,808,725	745,000	5,562,612	7.26
2012	65,501,422	52,566,675	570,000	4,925,626	9.57
2013	76,004,072	57,969,777	590,000	5,505,685	9.51
2014	81,109,035	62,768,755	85,000	5,702,661	10.85
2015	82,672,164	59,861,110	230,000	5,458,563	10.52
2016	87,880,128	67,903,484	235,000	5,451,663	11.94
2017	95,623,345	68,619,826	3,220,000	3,674,649	9.95
2018	107,069,770	69,446,051	3,500,000	4,710,941	8.46

Water & Sewer Bonds & Loans						
Fiscal Year Ended June 30	Operating Revenue	Less: Operating Expenses	Net Operating Revenue	Debt Service		Coverage
				Principal	Interest	
2009	15,300,056	9,733,836	5,566,220	877,292	540,523	3.93
2010	16,378,677	8,350,588	8,028,089	1,195,691	543,662	4.62
2011	18,271,778	8,965,363	9,306,415	1,167,815	1,802,534	3.13
2012	20,221,750	8,703,445	11,518,305	1,139,026	5,554,656	1.72
2013	23,133,152	10,837,296	12,295,856	1,504,661	5,819,924	1.68
2014	24,989,997	12,684,374	12,305,623	1,439,935	2,212,948	3.37
2015	24,748,802	13,405,653	11,343,149	1,467,770	2,207,414	3.09
2016	27,964,881	15,205,094	12,759,787	1,496,834	2,159,000	3.49
2017	31,380,884	18,471,783	12,909,101	1,682,550	2,268,124	3.27
2018	35,230,057	13,551,129	21,678,928	1,742,801	2,292,417	5.37

Source: City Financial Records and Reports

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

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	Unemployment Rate
2009	62,554	1,771,217	28,315	39.1	13 to 16	6.9%
2010	65,275	1,796,433	27,521	35.5	13 to 16	7.1%
2011	66,309	2,120,960	31,986	33.5	13 to 16	9.8%
2012	67,239	1,903,133	28,304	35.2	13 to 16	8.2%
2013	71,381	1,980,537	27,746	38.4	13 to 16	8.3%
2014	73,832	1,879,673	25,459	36.5	13 to 16	7.2%
2015	74,743	2,001,907	26,784	35.6	13 to 16	5.7%
2016	77,776	1,871,990	24,069	36.7	13 to 16	5.5%
2017	78,189	2,157,938	27,599	36.7	13 to 16	4.4%
2018	83,512	2,443,812	29,263	37.1	13 to 16	4.2%

Source: Bureau of Labor Statistics and City Financial Records

City of Goodyear
Principal Employers
Current Fiscal Year and Nine Fiscal Years Prior
(Unaudited)

Major Corporation	Fiscal Year			Fiscal Year		
	2009			2018		
	Employees	Rank	Percentage of Total City Employment*	Employees	Rank	Percentage of Total City Employment*
(Abrazo Healthcare) West Valley Hospital	510	5	2.26%	1,010	1	2.68%
Macy's Inc				1,010	2	2.68%
Amazon.com	600	4	2.66%	980	3	2.60%
Arizona State Prison/Perryville	750	2	3.33%	950	4	2.52%
Western Regional Medical Center				770	5	2.04%
City of Goodyear	621	3	2.76%	530	6	1.41%
Subzero Freezer Co				500	7	1.33%
Avondale Elementary School Dist #44				420	8	1.11%
McLane Sunwest	497	6	2.21%	350	9	0.93%
Walmart Supercenter	430	7	1.91%	340	10	0.90%
Lockheed Martin	940	1	4.17%			
Newell Rubbermaid, Inc.	330	8	1.46%			
Timco Aviation Services	300	9	1.33%			
Rudolfo Brothers	291	10	1.29%			
Total	<u>5,269</u>		<u>23.39%</u>	<u>6,860</u>		<u>18.20%</u>

Source: Maricopa Association of Governments

*2018 labor force = 37688 ; 2009 labor force = 22530

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

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Government	47	53	52	52	55	55	69	55	62	50
Financial Services	30	30	30	28	29	27	28	29	31	31
Information Services	15	13	13	14	14	15	18	18	18	19
Police										
Officers	97	97	94	94	94	91	93	96	103	108
Civilians	30	29	29	27	30	29	30	35	38	42
Planning and Development	16	10	9	9	25	23	21	50	50	49
Fire										
Firefighters and Officers	91	90	87	91	90	91	90	92	92	92
Civilians	22	22	24	20	7	8	12	10	10	17
Human Resources	10	8	7	9	10	10	10	10	11	10
Community Services	0	0	0	0	0	0	0	0	0	0
Economic Development	4	7	7	6	4	4	5	6	6	6
Municipal Services	14	10	8	13	13	10	13	13	13	14
Public Works	87	79	78	65	73	75	87	63	63	81
Water	24	23	22	21	23	24	26	27	27	28
Wastewater	19	18	17	18	17	20	19	19	17	18
Sanitation	9	9	9	7	5	5	6	8	7	7
Total	<u>515</u>	<u>498</u>	<u>486</u>	<u>474</u>	<u>489</u>	<u>487</u>	<u>527</u>	<u>531</u>	<u>548</u>	<u>572</u>

Source: City Financial Records and Reports

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

Function	Fiscal Year		
	2009	2010	2011
General Government			
<i>City Clerk's Office</i>			
# of records requests	613	504	550
<i>City Prosecutor's Office</i>			
Charges filed/charges adjudicated (resolved)	2,494	3,395	3,380
<i>City Manager's Office</i>			
% of survey respondents rating "Your Neighborhood as a Place to Live" as good to excellent	94%	90%	90%
<i>Communications & Public Information</i>			
News releases/media updates	161	235	150
Total newsletter pages sent to citizens	186	176	144
Number of visits to website	738,949	715,285	703,174
Number of web pages viewed	2,346,423	2,208,180	2,104,553
Number of graphics/photography projects completed	200	217	230
Police			
# of total arrests	2,829	4,731	2,254
# of moving violations citations	13,313	11,810	12,581
Fire			
# of emergency responses	5,328	5,570	6,597
# of fires extinguished	270	226	235
# of inspections	3,953	4,262	3,229
Financial Services			
# accounts payable checks issued	10,184	8,024	6,413
# purchase orders	918	1,147	1,344
# water meters read annually	163,444	168,647	170,657
Planning and Development			
Customer wait-time (in minutes) at One Stop Shop	< 5	< 3	< 3
Total number of permits issued	3,401	4,232	3,269
Provide applicant with pre-application meeting within 30 days of submitting request	1	1	1
% of inspections performed within 24 hours of request	1	1	1
Human Resources			
# of new hires (FT & PT) (1)	158	247	125
HR budgeted operating cost as a % of City budgeted payroll	4.11%	4.18%	4.11%
Parks and Recreation			
# attending Park & Recreation facilities and Libraries annually (2)	51,844	52,241	54,428
# of square feet of medians and rights of way maintained	22,118,000	22,175,027	22,696,736

Table 23

Fiscal Year						
<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
484	470	504	598	629	770	904
3,827	2,514	3,170	3,623	3,608	4,261	4,031
94%	94%	95%	95%	93%	93%	91%
49	59	76	N/A	88	126	132
136	112	114	136	144	128	232
771,938	804,542	491,540	633,643	543,565	302,777	588,580
2,203,995	2,185,489	1,850,471	1,855,914	1,472,765	1,500,539	1,271,883
262	254	275	135	103	157	318
2,402	2,532	2,612	2,846	2,661	3,296	2,808
11,468	10,259	10,586	5,919	3,479	4,382	2,281
7,195	5,604	8,298	6,972	6,002	7,498	9,115
271	243	242	205	165	214	252
212	969	752	1,539	1,253	2,050	853
6,132	6,298	6,403	6,254	5,914	5,772	5,254
1,229	1,238	1,091	1,009	1,442	1,512	1,166
178,466	184,638	191,189	196,863	201,704	208,083	269,146
< 1	<1	<1	<1	N/A	N/A	NA
3,576	3,529	3,580	2,868	5,610	5,732	5,228
1	1	1	1	1	1	1
0.7	1	1	0.96	1	1	1
118	178	180	144	362	204	220
4.86%	5.01%	4.85%	5.05%	5.06%	6.00%	3.12%
63,256	69,596	74,527	74,527	188,000	249,000	275,000
23,151,438	23,151,438	23,151,438	23,151,438	23,151,438	23,151,438	23,151,438

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

Function	Fiscal Year		
	2009	2010	2011
Economic Vitality			
Sales Tax growth (% annual change)	-12.30%	-10.40%	4.42%
Bed Tax growth (% annual change)	-15.00%	-3.90%	-7.31%
Municipal Services			
# of homes serviced by Residential Refuse Collection	20,149	20,928	21,489
# of citizens serviced by Household Hazardous Waste collection program	0	848	729
Water Service			
# of residential customers	12,394	13,051	13,319
# of multifamily customers	36	36	36
# of commercial customers	781	742	963
Water Service Connections	13,975	14,488	14,588
Drinking Water Supplied (million gallons per day)	11.00	11.10	11.40
Reclaimed Water Supplied (million gallons per day)	0.45	0.23	0.37
Wastewater			
# of residential customers	12,322	12,962	13,298
# of multifamily customers	36	36	36
# of commercial customers	370	372	363
Sewer Service Connections	16,144	16,144	16,743
Sewage Treated (millions gallons per day)	3.70	3.73	3.73
Other Public Works			
Street resurfacing (miles)	4.00		12.50
Potholes repaired	681	372	260
Citizen & Neighborhood Resources			
# of new Code Enforcement cases processed per year	2,155	2,255	2,016

Source: City Financial Records and Reports

Table 23

Fiscal Year						
<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
10.45%	11.29%	8.76%	3.85%	8.86%	4.04%	11.66%
14.15%	1.41%	-4.12%	25.71%	2.75%	-3.80%	14.37%
22,363	23,387	24,346	25,320	26,323	26,792	29,911
503	546	550	536	503	592	816
13,755	14,430	14,959	15,404	16,132	16,713	13,950
36	36	35	36	36	36	36
976	999	1,025	1,055	865	846	839
16,809	17,533	17,533	17,533	17,034	17,899	18,552
11.60	9.60	11.70	12.70	11.70	12.90	12.90
0.32	0.39	0.32	0.63	0.63	0.38	0.13
13,599	14,231	14,877	15,335	16,064	16,649	17,886
36	38	36	69	36	36	36
364	382	370	373	382	381	381
16,856	16,918	16,918	17,139	18,236	18,980	19,340
3.82	4.15	4.20	3.81	4.15	4.36	4.47
24.00	30.00	19.20	83.23	109.00	70.33	105.27
264	296	1,166	1,253	1,339	756	1,344
2,069	2,841	3,018	2,863	3,544	3,212	2,738

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

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Safety										
Police:										
Stations	3	3	3	3	3	3	4	4	6	5
Police Vehicles	130	124	130	125	126	119	133	134	150	133
Fire Stations	6	6	6	6	6	6	6	7	6	6
Highways and Streets										
Street (miles)	563	704	704	934	934	934	934	934	934	939
Streetlights	7,969	8,329	8,438	8,465	8,660	8,832	8,832	9,041	8,651	9,021
Traffic signals	67	72	72	77	84	86	86	89	89	91
Culture and Recreation										
Parks	16	17	17	17	17	17	18	18	18	18
Parks Acreage	184	204	204	204	204	204	206	206	206	206
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	6	6	6	6	6	6	6	6	6	6
Community Centers	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains (miles)	307	308	308	308	308	308	308	330	336	326
Fire Hydrants	2,754	2,791	2,791	2,791	2,796	2,808	2,951	3,031	3,152	3,177
Storage capacity (thousands of gallons)	16	16	16	16	16	16	16	16	16	16
Wastewater										
Sanitary Sewers (miles)	225	223	229	227	229	239	242	254	260	265
Storm Sewers (miles)	58	54	57	57	57	63	55	54	55	N/A
Treatment capacity (MGD) (thousands of gallons)	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6

N/A - Indicates the information is not available.

Source: City Financial Records and Reports

COMPREHENSIVE ANNUAL FINANCIAL REPORT

City of Goodyear, Arizona
Finance Department
190 North Litchfield Road
Goodyear, Arizona 85338
623-932-3015

