

Annual Comprehensive Financial Report



2000s



2010s



1940s



1970s

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

City of Goodyear, Arizona
Finance Department



CITY OF GOODYEAR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2022

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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 21, 2022

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

State law requires that 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 be published annually by cities after the close of each fiscal year. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) to the City of Goodyear, Arizona (City) for the fiscal year ended June 30, 2022.

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 HintonBurdick, PLLC, 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, 2022. 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 15-28 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. Located approximately 17 miles west of the downtown Phoenix business district, Goodyear has sustained continued growth and currently encompasses approximately 191 square miles in the western portion of Maricopa County. The city's growth is attributable to excellent transportation corridors, convenient access to the central valley, a

variety of housing options, a sense of community and outstanding school districts. Fiscal year 2022 began with an estimated population of 101,662, according to the Maricopa Association of Governments (MAG).

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 staggered 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 2022 a staff of 837.15 full-time equivalent authorized employees working within 15 different departments performed the various functions of Goodyear's city government. The city provides a full range of municipal services, including police, fire, residential sanitation, water, wastewater, streets, recreational programs, parks, cultural events, public transportation, planning and zoning, and general administrative services. Goodyear offers a wide range of community facilities including the Goodyear Ballpark, library, community center, swimming pool, and 18 parks encompassing 206 acres. In addition, Goodyear continues to attract major employers with its location along Interstate 10 and State Route 303, availability of land, access to the entire region, 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 eliminated 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 Council has adopted a specific budget transfer policy which delegates the authority to perform many transfers to the City Manager or appropriate designee. The City Manager is generally authorized to transfer budgeted amounts within any specific department's expenditure appropriation as well as transfers which are considered administrative in nature. Generally, budget revisions requiring a transfer between major program areas in the General Fund, from City reserves/contingencies 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

Construction activity within the City continues to be a major driver impacting local revenue growth. While it appears from a societal standpoint the worst of the Coronavirus pandemic is behind us, we're still very much dealing with the economic unpredictability not just in Goodyear but across the country. New challenges include widespread labor shortages, supply chain disruptions, and inflation rates not seen in over 40 years. Despite these challenges, the city of Goodyear and Maricopa County continue to see strong growth and ongoing construction activity.

Permits for single-family housing are still being issued at high levels, but are down compared to prior year activity due in large part to a lack of buildable lots and extended construction development cycles related to the challenges stated above. Despite these bottlenecks, our city continues to benefit from growth. In addition to our residential growth, new businesses continue to locate in Goodyear expanding our one-time revenues through permit fees, construction sales taxes, and use tax on equipment. Once completed these new and expanding businesses begin to generate ongoing sales and property taxes for the city, as well as local jobs for our residents, which in turn increases our state shared revenues.

Sales Tax

Goodyear, like all Arizona cities, places significant reliance on city sales tax revenues. Fueled by local growth, sales tax revenues continue to increase year over year. Sales tax revenues for fiscal year 2022 increased by 13% over fiscal year 2021 levels. With the exception of online purchases, all major categories of local sales tax exceeded the prior year's collections. The decrease in online purchase collections were more than offset by increases in retail and restaurant categories as consumer spending patterns normalized after the lifting of all coronavirus related restrictions.

State Shared Revenues

The city receives revenue allocations from the State. These state shared revenues include allocations of the state income tax, sales tax, fuel tax, and motor vehicle license tax. 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 17% of the general fund, general revenue for fiscal year 2022. This increase is attributable to the growth of the City, resulting in a higher allocation percentage, and a healthy economy statewide, increasing the total amount of shared revenues. But, it should be noted that there were several other factors that affected this year's collections appearing more moderate, including federal tax changes effective in 2019 that increased subsequent state tax liabilities. However, the main reason for the moderate increase is related to the income tax filing extension granted in 2020 as a result of the COVID-19 pandemic. The filing extension moved the due date from April 2020 to July 2020. Income tax revenue is shared on a two-year delay. Therefore, distributions for FY2022 are based on actual income tax collections received by the Arizona Department of Revenue during FY2020. The result is a significant shift in urban revenue sharing (state income tax) revenues from FY22 to FY23, with FY22 appearing artificially lower and FY23 appearing artificially higher. This was an isolated, one-time event, with the timing issue correcting itself in FY24.

Property Tax

The continued construction activity has had a positive impact on property tax collections, as well. For fiscal year 2022, the city's combined (primary and secondary) property tax rate increased slightly from \$1.7335 to \$1.7350 per \$100 of assessed valuation. Property tax collections, however, increased by more than \$2.3 million due to an increase in the overall valuation fueled by construction throughout the City. The near static rate and increasing property valuations ensures the city's ability to service outstanding debt and maintain basic infrastructure.

For the fiscal year 2023 budget, the Mayor and Council have adopted a total combined property tax rate of \$1.7350 per \$100 of assessed valuation, which represents no change from fiscal year 2022. In accordance with its budget policies, the City is below the targeted combined property tax rate of \$1.74 per \$100 of assessed valuation or less.

LONG-TERM FINANCIAL PLANNING

On an annual basis, the City Council reviews progress and determines priorities for the City's long-term strategic plan. 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 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, health care, trail systems and entertainment options, including major league sports venues.

- Goodyear was named by the U.S. Census Bureau to the Top 10 Fastest Growing Cities in the Nation.
- The most recent Citizen Satisfaction Survey revealed that 95% of residents surveyed rated Goodyear as an excellent-good place to live and 9 in 10 residents would recommend and remain in Goodyear.
- Money magazine and 24/7 Wall St. both rated Goodyear one of the "Best Places to Live."
- Movoto ranked Goodyear in its top 10 for "Best Places Near Phoenix for Young Professionals" and "Best Phoenix Suburb for Young Couples."
- 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 2022, the city finalized the construction of the Goodyear Recreation Campus that includes a 30-acre park, recreation center, and an aquatics facility which opened on July 3, 2021. Additionally, the city nearly finalized the construction of the Goodyear Civic Square at GSQ, which opened on July 18, 2022. This public/private partnership includes 100,000 square feet of Class A office space in addition to a library, city hall, and public park. Other projects of significance funded in FY2022 include the new surface water treatment facility, a fire station, improvements to the police administration building, and several streets projects.

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 annual comprehensive financial report for the fiscal year ended June 30, 2020. The City's application for the annual comprehensive financial report for the fiscal year ended June 30, 2021 is currently pending.

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 annual comprehensive 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 annual comprehensive 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, the highest form of recognition in governmental budgeting, for its annual budget document for the fiscal year beginning July 1, 2021. The City has received this award every year since 1994.

Acknowledgement

The preparation of this Annual Comprehensive 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', is written over a light gray rectangular background.

Doug Sandstrom
Finance Director



November 21, 2022

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

RE: Certificates of Achievement

The City's application for the annual comprehensive financial report for the fiscal year ended June 30, 2021 is currently pending review. According to a statement published on the GFOA's website (<https://www.gfoa.org/coa-award>), there is an approximate nine-month lag from the time of submission:

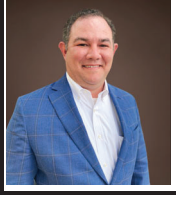
"We try to complete reviews within six months of receiving applications. GFOA's efforts to deal with COVID-19 and to ensure a successful implementation of the AMS have temporarily lengthened the turnaround time for the Certificate award decisions. Our current turnaround time is approximately nine months, but we are working hard to reduce that time frame back to the normal time of six months. Thank you for your patience as we resolve this temporary backlog."

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. We believe that our FY21 submission of the annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and are looking forward to the results of GFOA's review.

Goodyear Citizens



City Council

	Joe Pizzillo Mayor
	Brannon Hampton Vice Mayor
	Sheri Lauritano Councilmember
	Wally Campbell Councilmember
	Bill Stipp Councilmember
	Laura Kaino Councilmember
	Patrick Bray Councilmember

City Council

Julie Karins
City Manager

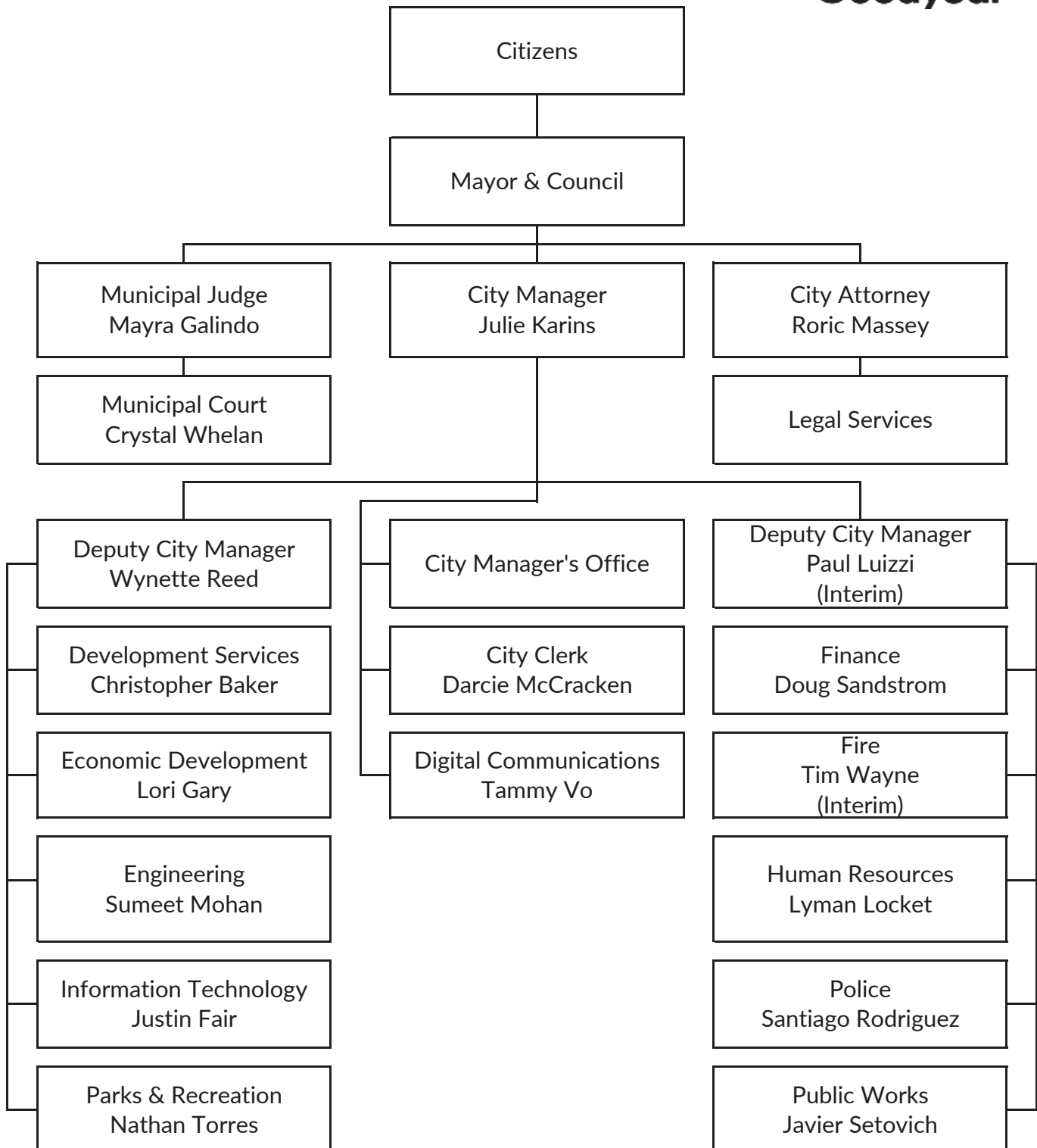
Roric Massey
City Attorney

Mayra Galindo
Municipal Judge

Effective: April 1, 2022

Organizational Chart Departments⁽¹⁵⁾

Effective: February 2022





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 Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Goodyear, Arizona, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Goodyear, Arizona, as of June 30, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1 to the financial statements, in fiscal year 2022, the City implemented the provisions of GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension and OPEB schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 *combining and individual nonmajor fund financial statements* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the City's internal control over financial reporting and compliance.

HintonBurdick, PLLC

Gilbert, Arizona
November 21, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended June 30, 2022

Management is pleased to provide readers of the City of Goodyear, Arizona (City) financial statements this overview and analysis for the fiscal year ended June 30, 2022. This narrative 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) provides a unique focus and serves a different purpose than the letter of transmittal. However, the MD&A is designed to be read in conjunction with the letter of transmittal, 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 \$1.125B (*net position*) at the close of fiscal year 2022. Of this amount, \$163M represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- ◆ The \$114 million increase in net position of the City is primarily driven by an \$80M net increase in fixed assets, of which \$36M was attributable to an increase in Land and a \$33M increase in Buildings.
- ◆ As of the close of fiscal year 2022, the City's governmental funds reported combined ending fund balances of \$302 million, an increase of \$48.6 million (19 percent) in comparison with the prior year fund balance of \$253 million.
- ◆ At June 30, 2022, total unassigned fund balance for the governmental funds is \$62.8 million, an increase of \$33.73 million from the prior fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

This overview provides an introduction to the City's basic financial statements. The basic financial statements are comprised 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, combining the two activities 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 from the City of Goodyear's website www.goodyearaz.gov/cfd.

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 ten (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, Non-Utility Development Impact Fees – Capital Projects, GO Bond – Capital Projects, 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 five (5) governmental funds are combined into a single, aggregated Non-major Funds column for presentation. Individual fund data for each of these non-major governmental funds is provided as Supplementary Information, in the form of combining statements and schedules.

Proprietary Funds. The City maintains three (3) 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, wastewater, 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 one internal service fund, the Self-Insurance Trust. 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 (5) 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 are presented immediately following the Supplementary Information – Budgetary Comparison Schedules – Major Governmental Funds.

Budget to actual comparison schedules for the enterprise funds are presented in the Budgetary Comparison Schedules – Other Funds 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, 2022 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	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 417,442,804	\$ 365,555,820	\$ 67,372,928	\$ 87,244,683	\$ 484,815,732	\$ 452,800,503
Capital assets, net	772,264,120	707,505,519	465,733,213	451,174,855	1,237,997,333	1,158,680,374
Total assets	1,189,706,923	1,073,061,338	533,106,141	538,419,538	1,722,813,064	1,611,480,876
Deferred outflows	40,014,534	62,456,589	4,654,329	4,554,152	44,668,863	67,010,741
Current and other liabilities	57,310,230	79,860,191	7,108,239	19,870,555	64,418,469	99,730,746
Long-term liabilities	345,537,906	362,114,922	199,080,093	201,203,668	544,617,999	563,318,590
Total liabilities	402,848,136	441,975,113	206,188,332	221,074,223	609,036,468	663,049,336
Deferred inflows	31,300,925	4,176,583	1,956,781	151,406	33,257,706	4,327,989
Net position:						
Net investment in capital assets	505,965,429	435,167,043	276,352,992	302,551,844	782,318,421	737,718,887
Restricted for:						
Charter mandates	-	-	-	-	-	-
Capital projects	26,425,693	38,019,761	20,881,614	-	47,307,307	38,019,761
Community facilities	6,586,516	5,643,082	-	-	6,586,516	5,643,082
Debt service	42,926,278	46,045,911	396,377	-	43,322,655	46,045,911
Other purposes	82,740,935	57,862,298	-	-	82,740,935	57,862,298
Unrestricted	130,927,545	106,628,136	31,984,374	19,196,217	162,911,919	125,824,353
Total net position	\$ 795,572,396	\$ 689,366,231	\$329,615,357	\$ 321,748,061	\$ 1,125,187,753	\$ 1,011,114,292

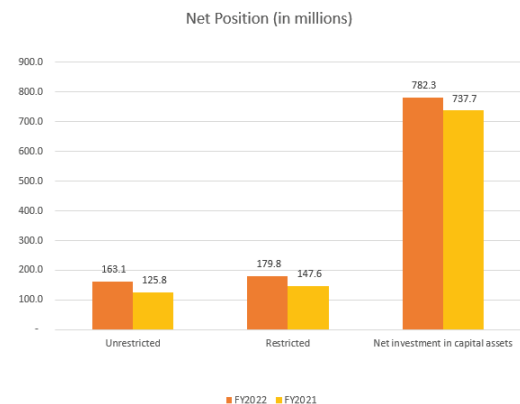
The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1.125 billion at the close of fiscal year 2022 and by \$1.011 billion in 2021, providing an overall increase in the City's net position of \$114 million. Here are the major factors driving the overall increase:

- Current and other assets increased by \$32 million. Governmental activities increased \$51.9M primarily due to a \$37M increase in cash and investments from the issuance of general obligation bonds, related to the funding of public safety, fire protection, transportation, and street and highway improvements and funds received from the State of Arizona, Department of Transportation for a specific project; \$7M due to the recording of a Lease Receivable from the implementation of GASB87, with the

remainder of the increase attributable to an increase in Tax and Intergovernmental Receivables. This was offset by a \$19.9 million decrease in cash related to the spending down of bond funds related to Water and Wastewater CIP projects.

- Capital assets, net of depreciation, increased by \$79.3 million. An increase in Land and Land Improvements accounts for \$36.2 million of the increase, related to a 30-acre park, the recreation campus, and other properties; \$43.6 million is attributable to an increase Buildings, related to the construction of a fire station, and an aquatics and recreation facility. The increase was offset by current year depreciation.
- Deferred outflows decreased by \$22.3 million, related to pensions and other post-employment benefits (OPEB). Deferred inflows increased by 28.9 million, related to pensions and other post-employment benefits (OPEB) and leases (from the implementation of GASB-87).
- Current and other liabilities decreased by \$35.3 million, attributable to a decrease in accounts payable and deposits received from developers.
- Long-term liabilities decreased by \$18.7 million, attributable to a decrease in Net Pension and OPEB Liability.

The largest portion of the City's net position totaling \$782.3 million (69.53% of total net position) reflects its net investment in capital assets (land and improvements, artwork, construction in progress, right of way, water rights, streetscape, infrastructure, buildings and improvements, vehicles, furniture, and equipment), 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.

Approximately \$180.0 million, or 15.99% of government-wide fund balance represents resources that are restricted, meaning that they are subject to internal or external use restrictions.

The remaining balance of \$162.9 million, or 14.48%, of government-wide fund balance is unrestricted and may be used to meet the City's ongoing obligations to its citizens and creditors.

At the end of fiscal year 2022, the City reported positive balances in all three categories of net position, 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 \$106.2 million from the prior fiscal year for an ending balance of \$795.6 million. The change was driven by an increase in cash related to debt proceeds received during the year, and capital assets.

Business-type Activities

The City's business-type activities reported an increase of \$7.9 million in net position bringing the total net position to \$329.6 million. The change was driven by an increase in construction in progress, buildings, and infrastructure, offset by a decrease in restricted cash. Restricted cash decreased as debt proceeds were used to finance the acquisition and construction of the fixed assets mentioned.

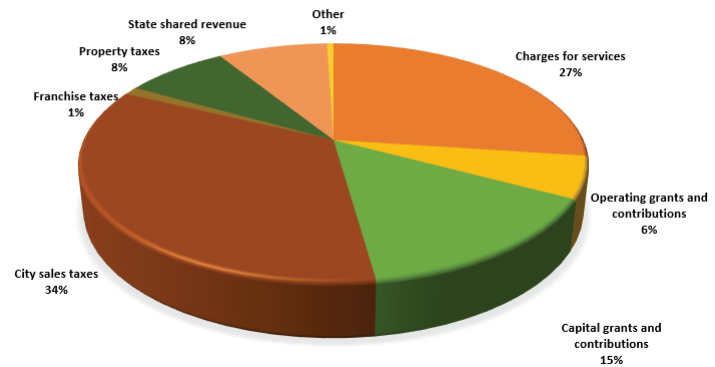
Changes in Net Position

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 35,868,174	\$ 38,088,917	\$ 61,078,284	\$ 71,026,425	\$ 96,946,458	\$ 109,115,342
Operating grants and contributions	20,334,900	9,587,222	-	-	20,334,900	9,587,222
Capital grants and contributions	42,192,506	30,499,488	11,254,372	26,481,652	53,446,878	56,981,140
General revenues:						
City sales taxes	122,858,885	108,495,439	-	-	122,858,885	108,495,439
Franchise taxes	3,880,685	3,604,030	-	-	3,880,685	3,604,030
Property taxes	28,180,626	25,858,467	-	-	28,180,626	25,858,467
State shared revenue	29,850,191	26,494,716	-	-	29,850,191	26,494,716
Unrestricted Investment earnings	(3,080,671)	899,168	33,866	(461,996)	(3,046,805)	437,172
Miscellaneous	1,240,870	309,020	35,570	113,950	1,276,440	422,970
Total revenues	281,326,166	243,836,467	72,402,092	97,160,031	353,728,258	340,996,498
Expenses:						
General government	34,157,389	31,006,001	-	-	34,157,389	31,006,001
Public safety	64,651,123	60,372,627	-	-	64,651,123	60,372,627
Highways and streets	23,563,017	21,439,214	-	-	23,563,017	21,439,214
Public works	5,602,891	9,655,317	-	-	5,602,891	9,655,317
Culture and recreation	25,843,304	19,716,170	-	-	25,843,304	19,716,170
Development services	14,906,593	11,665,512	-	-	14,906,593	11,665,512
Interest on long-term debt	9,236,464	10,360,626	-	-	9,236,464	10,360,626
Water and wastewater	-	-	49,204,444	48,483,586	49,204,444	48,483,586
Sanitation	-	-	7,314,418	6,547,622	7,314,418	6,547,622
Total expenses	177,960,781	164,215,467	56,518,862	55,031,208	234,479,643	219,246,675
Net Surplus (Deficit) before Transfers	103,365,385	79,621,000	15,883,230	42,128,823	119,248,615	121,749,823
Net Transfers	8,015,934	6,900,553	(8,015,934)	(6,900,553)	-	-
Net Surplus (Deficit)	111,381,319	86,521,553	7,867,296	35,228,270	119,248,615	121,749,823
Net position, beginning of the year	689,366,231	602,844,678	321,748,061	286,519,791	1,011,114,292	889,364,469
Changes in net position	111,381,319	86,521,553	7,867,296	35,228,270	119,248,615	121,749,823
Prior period adjustment	(5,175,154)	-	-	-	(5,175,154)	-
Net position, ending of the year	\$ 795,572,396	\$ 689,366,231	\$329,615,357	\$ 321,748,061	\$ 1,125,187,753	\$1,011,114,292

FY22 total revenues totaled \$354M, an increase of \$12.7M when compared to the previous year. General Revenues increased \$17.7M, with the majority of the increase attributable to City Sales Tax Revenue. The increase was offset by a decrease in Program Revenues of \$4.955M. Although Operating Grants & Contributions increased by \$10.8 million, Charges for Services and Capital Grants & Contributions decreased by \$12.2 million and \$3.5 million, respectively. The pie chart provides an illustration of government-wide revenues by source.

Government-Wide Revenues
by Source



Government-Wide Revenues

Governmental activities account for 79.53% of total revenues, compared to 71.51% the prior year. The City's sales tax revenue increased \$14.4 million, to \$122.9M, due to increased construction activity and population growth. Operating grants and contributions, capital grants and contributions, franchise tax, property tax, state shared revenues, and miscellaneous revenues increased \$10.8 million, \$11.7 million, \$276 thousand, \$2.3 million, \$3.4 million, and \$932 thousand, respectively, as a result of the continued increase in commercial and residential development within the City. The increase was offset by decreases in charge for services and unrestricted investment earnings, in the amount of \$2.2 million and \$4 million, respectively.

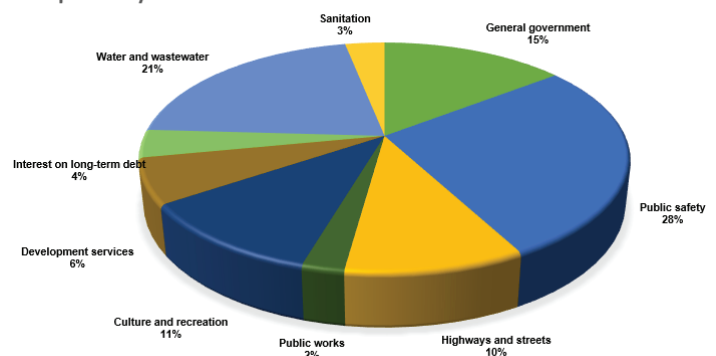
Business-type activities account for 20.47% of total revenues, compared to 28.49% the prior year. Unrestricted investment earnings increased \$500 thousand. Charges for services, capital grants and contributions and miscellaneous revenues decreased by \$10 million, \$15.2 million, and \$78 thousand, respectively.

Government-Wide Expenses

The following pie chart illustrates government-wide expenses by function.

Governmental activities account for 75.9% of expenses, and include the General Government (14.6%), Public Safety (27.6%), Highway and Streets (10%), Public Works (2.4%), Culture and Recreation (11.0%), Development Services (6.4%), and Interest on long-term debt (3.9%).

Government-Wide
Expenses by Function



Business-type activities account for 24.10% of total expenses, with Water and Wastewater accounting for 21% and Sanitation accounting for 3.1%.

As shown in the Net Position table on the previous pages, FY22 total expenses totaled \$234.5M, an increase of \$15.2M when compared to the previous year. The total change in expenses were attributable to the following:

- Governmental activities account for \$13.8M of the change, with General Government, Public Safety, Highway and Streets, Culture and Recreation and Development Services accounting for \$3.2 million, \$4.3 million, \$2.1 million, \$6.1 million, and \$3.2 million of the increase, respectively. This was offset by a decrease in Public Works and Interest of \$4.1 million and \$1.1 million, respectively.
- Business-type activities account for \$1.4M of the increase, with Water and Wastewater and Sanitation accounting for \$720 thousand and \$767 thousand, respectively.

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 FY22, the City's governmental funds reported combined ending fund balances of \$301.6 million, which is an increase of \$48.6 million, or 19%, from the previous year. The change in fund balance is due primarily to an increase in investments and restricted cash and investments, related to bond proceeds received in FY22. Nonspendable, Restricted, Committed, and Unassigned Fund balances changed by (\$1.3 million), \$15.1 million, \$1.0 million, and \$33.7 million, respectively.

Revenues for governmental functions overall totaled \$263.6 million for the fiscal year ended June 30, 2022, which represents an increase of \$32.5 million from the prior fiscal year. The increase is attributable to Tax Revenue, Intergovernmental Revenue, Charges for Services, Fines and Forfeitures, and Other Revenues in the amount of \$16.8 million, \$23.7 million, \$309 thousand, \$101 thousand, and \$585 thousand, respectively. These were offset by a decrease in Licenses, Permits and Fees, Investment Income, Special Assessments, and Contributions, in the amount of \$2.4 million, \$4 million, \$453 thousand, and \$2.1 million, respectively.

The expenditures for governmental functions totaled \$250.3 million, a decrease of \$7.6 million from the prior year. The decrease can be attributed to Public Safety, Public Works,

Capital Outlay, Debt Issuance Costs, and Principal and Interest in the amount of \$12.6 million, \$392 thousand, \$1.1 million, \$267 thousand, \$3.8 million and \$288 thousand, respectively. This was offset by increases in General Government, Highway and Streets, Culture and Recreation, and Development Services in the amount of \$2.3 million, \$555 thousand, \$.1 million, and \$2.8 million, respectively.

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 \$63.2 million, while total fund balance increased to \$179.1 million. As a measure of the General Fund's 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 25.26% of general fund expenditures, while total fund balance represents approximately 71.55% percent of general fund expenditures.

The fund balance of the Non-Utility Development Impact Fee Capital Projects Fund increased by \$24.6 million to \$80.3 million. The increase is predominately driven by development impact fee revenues and construction sales tax.

The fund balance of the General Obligation / Capital Expenditure Fund decreased by \$11.6 million to \$26.4 million. FY22 Capital outlays totaled \$60.4 million, with the Civic Square project accounting for the majority of expenses.

The fund balance of the McDowell Road Commercial Corridor – Debt Service increased \$704 thousand to \$936 thousand. There were special assessment collections of \$3.6 million and principal and interest payments of \$2.9 million.

The fund balance of the Community Facilities District – Debt Service fund increased by \$98 thousand to \$1.4 million. Revenues totaled \$9.3 million, and principal and interest payments were \$9.2 million.

The fund balance for the Non-Major funds increased by \$2.9 million to \$13.5 million. FY22 expenses of \$38.3 million were \$1.8 million more than the prior year. General Government and Public Safety expenses decreased \$4.5 million and \$10 thousand, respectively, compared to the previous year. The decrease in General Government expenses was attributable to less developer reimbursements paid by the CFDs. This was offset by an increase in expenses in Public Works, Culture & Recreation, Development Services, Capital, and Debt in the amount of \$550 thousand, \$1.2 million, \$200 thousand, \$2.8 million, and \$1.6 million.

Proprietary Funds

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

The proprietary funds net position totals \$329.6 million, an increase of \$7.9 million from the previous fiscal year. The net position for Water and Wastewater totaled \$325 million, an increase of \$8.95 million when compared to the prior year. The net position for Sanitation totaled \$4.6 million, a decrease of \$1.1 million when compared to last year.

FY22 operating revenues from Water and & Wastewater activities totaled \$53.4 million, a decrease of \$9.6 million from the prior year. Non-operating revenues of \$11.3 million were \$15.2 million less than the previous year, as major projects were completed and related developer contributions had been substantially paid in full. FY22 operating expenses of \$43.1 million were \$910 thousand more than the prior year; salaries, wages and benefits were \$169 thousand more than the previous year; cost of sales / services was \$11 thousand more than the previous year; and depreciation was \$730 thousand more than the previous year. Non-operating interest expense and fiscal charges totaled \$6.2 million, a decrease of \$189 thousand from the previous year.

FY22 operating revenues from Sanitation activities totaled \$7.68 million, a decrease of \$359 thousand from the previous year. FY22 operating expenses of \$7.3 million were \$767 thousand more when compared to the prior year.

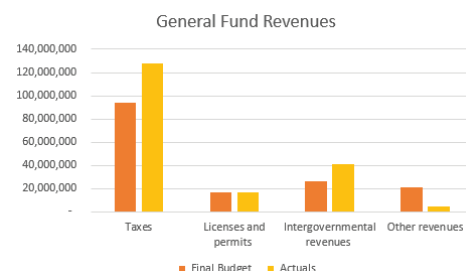
BUDGETARY HIGHLIGHTS

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.

Following are the budgetary highlights for the General Fund:

As shown in the "General Fund Revenues" chart, FY22 actual revenues exceeded budget in the Tax, Licenses and Permits, and Intergovernmental Revenue.

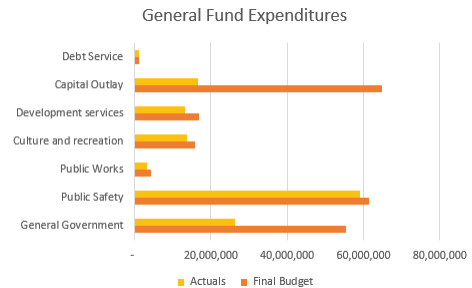
- Tax revenues, which consist of City Sales Tax, Construction Sales Tax, Property Tax and Franchise fees exceeded the budget by \$33.8 million. The variance is attributable to increased residential and commercial construction activity, increased property tax valuation and an increased sales tax base.
- Licenses and Permits, which consists of inspection fees, engineer permits, plan review, zoning, development services fees, business licenses, liquor licenses, other licenses, permits and fees were \$207 thousand more than plan.



- Intergovernmental revenues, state income tax, vehicle license tax, and state sales tax exceeded budget by \$14.7 million. The resulting population expansion, discussed previously, also increases the percentage of state shared revenues received by the City.

As shown in the “General Fund Expenditures” chart, FY22 actual expenditures were less than budget in each category, except Debt Service, which had a minimal \$15 thousand variance. The two largest positive variances were as follows:

- General Government actual expenditures of \$26.4 million were \$28.9 million less than a budget of \$55.287 million. The positive variance was attributable to a contingency reserve of \$23.8 million and positive variances in all general government departments.
- Capital Outlays of \$16.8 million were \$48.2 million less than a budget of \$64.9 million.

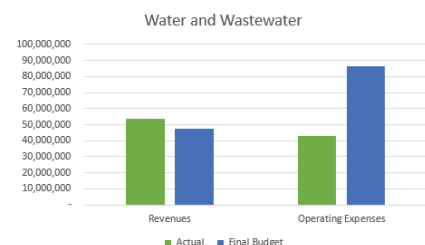


Following are the budgetary highlights for the Other Major Governmental Funds:

- Non-Utility Development Impact Fees – Actual revenues of \$29.5 million are \$11.9 million more than a final budget of \$17.5 million. Tax revenue and development impact fees were \$3.3 and \$8.4 million more than plan.
- GO Bonds / Capital Project Funds - Actual expenditures are \$80.2 million less than a final budget of \$140 million. The variance represents a timing difference based on when a project is completed. For example, the FY22 budget includes the total capital outlay of \$9.675 million for the Police Building Phase II project. However, FY22 actual expenditures totaled \$2.77 million. The difference of \$6.9 million is anticipated to be spent in subsequent years.
- McDowell Road Commercial Corridor – Actual revenues of \$3.641 million were \$68 thousand more than a budget amount of \$3.574 million. The variance is attributable to additional special assessment payments received from residents in the McDowell Road Commercial Corridor.
- Community Facilities Districts, Debt Service Funds – Actual revenues of \$9.3 million were \$314 thousand more than anticipated. Actual expenditures of \$9.2 million were \$658 thousand less than plan.

Following are the budgetary highlights for Water, Wastewater and Sanitation:

- Water and Wastewater – Change in Net Position of \$8.95 million was \$53.7 million favorable to a planned use in fund balance of \$44.7 million. Revenues of \$53.4 million were \$5.953 million



more than a plan of \$47.4 million. Operating expenses of \$43.1 million were \$43.5 million less than a plan of \$86.5 million. The variance in expenditures is related to the budget authority required for capital outlays which are included in the expense budget. Non-operating expenses of \$6.1 million were \$5.986 million less than a plan of \$12.1 million, attributable to a positive variance interest and debt costs.

- Sanitation – Change in Net Position of (\$1.1 million) was \$4.4 million favorable to a planned use of fund balance of \$5.5 million. Revenues were \$18 thousand less than a plan of \$7.7 million. Operating expenses of \$7.3 million were \$4.4 million less than a plan of \$11.7 million. Non-operating revenues of \$9 thousand were \$16 thousand less than plan, with less than expected investment income.

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, 2022 amounts to \$1.237 million. Capital assets include land and improvements, artwork, construction in progress, right of way, water rights, streetscape, infrastructure, buildings and improvements, vehicles, furniture and equipment, and the rights to use assets (leased assets). In total, there was an increase of \$139 million from the prior year.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2020
Land and improvements	\$ 67,840,738	\$ 32,197,555	\$ 8,155,895	\$ 8,155,895	\$ 75,996,633	\$ 40,353,450
Artwork	371,130	371,130	146,978	146,978	518,108	518,108
Construction in progress	78,684,688	86,118,710	123,940,030	111,469,677	202,624,718	197,588,387
Right of way	90,875,981	90,844,947	-	-	90,875,981	90,844,947
Water rights	-	-	18,307,453	18,497,925	18,307,453	18,497,925
Streetscape	9,061,008	9,061,008	-	-	9,061,008	9,061,008
Infrastructure	263,054,684	261,427,933	173,157,312	170,564,601	436,211,996	431,992,534
Building and improvements	235,519,310	201,542,550	133,772,846	135,032,542	369,292,156	336,575,092
Vehicles, furniture and equipment	26,781,171	25,941,686	8,252,699	7,307,237	35,033,870	33,248,923
Rights to use assets (leased assets)	75,410	-	-	-	75,410	-
Total	\$ 772,264,120	\$ 707,505,519	\$465,733,213	\$451,174,855	\$ 1,237,997,333	\$1,158,680,374

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 \$456.5 million. Of this amount \$150.6 million is in general obligation bonds backed by the full faith and credit of the City, \$67.2 million is in Community Facilities Districts bonds which are paid by the property owners within those districts, \$236.5 million is in revenue bonds which are payable from user fees, assessments, and general fund revenues and \$2.5 million in loans 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, 2022 and 2021:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 113,133,855	\$ 94,324,555	\$ 37,421,145	\$ 40,480,447	\$ 150,555,000	\$ 134,805,002
Community facilities districts bonds	67,187,000	72,888,000	-	-	67,187,000	72,888,000
Lease payable	79,374	-	-	-	79,374	-
Loan payable	-	-	2,198,125	2,488,002	2,198,125	2,488,002
Revenue bonds	99,396,237	110,298,918	137,125,000	139,065,000	236,521,237	249,363,918
Totals	<u>\$ 279,796,466</u>	<u>\$ 277,511,473</u>	<u>\$176,744,270</u>	<u>\$ 182,033,449</u>	<u>\$ 456,540,736</u>	<u>\$ 459,544,922</u>

The State constitution limits the amount of general obligation debt a city may issue to six percent (6%) of its total net full cash assessed property valuation. The current six percent debt limitation for the City is \$95.183 million. The City has \$36.485 million of outstanding revenue obligation bonds subject to the 6% limit. In addition, the State constitution limit allows a city to issue an additional twenty percent (20%) of its total net full cash assessed property valuation for water, wastewater, lights, transportation, public safety, open space preserves, parks, playgrounds and recreational facilities. The current 20 % debt limitation for the City is \$317.3 million. The City has \$114.1 million of outstanding general obligation debt of which all is subject to the 20% limit.

During the year, the City maintained the following bond ratings, as of June 30, 2022:

Type of Debt	Moody's Investors Service	Standard & Poor's	Fitch Ratings
General Obligation	Aa1	AA+	N/R
Water & Wastewater Revenue Debt			
Senior Lien Water & Sewer Revenue Debt	Aa3	AA-	N/R
Subordinate Lien Water & Sewer Revenue Debt	Aa3	A+	N/R
Excise Tax and Public Improvement Corporation Debt	Aa2	AA+	N/R
Improvement District Bonds	Aa2	A	N/R

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

While it appears from a societal standpoint the worst of the Coronavirus pandemic is behind us, we're still very much dealing with the economic unpredictability not just in Goodyear but across the country. New challenges include widespread labor shortages, supply chain disruptions, and inflation rates not seen in over 40 years. Despite these challenges, the city of Goodyear and Maricopa County continue to see strong growth and ongoing construction activity allowing the city to make progress with our strategic and community priorities while still working within the conservative boundaries of our City Council adopted financial policies.

While still being issued at high levels, permits for single-family housing are down compared to prior year activity due in large part to a lack of buildable lots and extended construction development cycles related to the challenges stated above. Despite these bottlenecks, our city continues to benefit from growth and is currently estimated at just under 102,000 residents. In addition to our residential growth, new businesses continue to locate in Goodyear expanding our one-time revenues through permit fees, construction sales taxes,

and use tax on equipment. Once completed these new and expanding businesses begin to generate ongoing sales and property taxes for the city, as well as local jobs for our residents, which in turn increases our state shared revenues.

The ongoing impact of growth on city revenues continues to materialize. For FY2023, newly constructed properties added \$94.7 million of assessed value to the city. Assessed valuation growth of existing properties grew by 2.4% which is in line with state law limiting assessed valuation growth. These property values serve as the base for both Primary and Secondary property taxes. Primary property tax revenue supports the day-to-day General Fund operating budget and is constrained to 2% growth over the prior year plus a levy on new properties. Secondary property taxes support voter-approved General Obligation bonded debt service.

Local economic forecasts for the Phoenix Metropolitan Statistical Area (MSA) predict annual personal income growth of 1.4% in CY2022. Personal income growth is lagging inflation which has impacted the housing market considerably making living in the greater Phoenix area noticeably less affordable than it was one to two years ago. The median price of a home in Goodyear has risen by 33.8% to \$477,000. This, among other factors, has led to a tremendous increase in the construction of multi-family dwelling units throughout the city.

On a statewide basis, retail sales are projected to grow by 3.4% in CY2022 and 2.6% in CY2023. Goodyear local sales taxes have consistently performed above these statewide economic measures that are indicative of local taxable spending. Our sales tax projections for retail sales include growth rates of 4.5% to 5.0% annually with actual total non-construction sales tax growth anticipated to continue to exceed these conservative estimates over the next five years.

The City continues to budget conservatively, with an emphasis on using one-time revenues for one-time expenses. The fiscal year 2023 budget focuses on providing services to the rapidly growing population and business base. A key feature is the addition of funding for the operations of newly completed and anticipated capital projects. The City also monitors the local, regional, and national economies, most notably the construction labor and materials markets, in order to be ready to adapt to any changes, while still positioning ourselves for future growth.

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 Annual Comprehensive Financial Report is available on-line at www.goodyearaz.gov. If you have questions about this report or need additional information, contact the City of Goodyear, 1900 N. Civic Square, Goodyear, Arizona 85395 or by email at gyfinance@goodyearaz.gov.

BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



CITY OF GOODYEAR, ARIZONA
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 124,002,021	\$ 59,410,378	\$ 183,412,399
Investments	177,422,544	977,275	178,399,819
Receivables (net of allowance)	61,995,676	5,038,413	67,034,089
Leases receivable	6,659,301	-	6,659,301
Inventory	1,327,477	1,276,801	2,604,278
Prepaid items/deposits	397,376	-	397,376
Net pension/OPEB asset	1,861,629	211,705	2,073,334
Temporarily restricted assets:			
Cash and cash equivalents	42,101,530	458,356	42,559,886
Notes receivable	1,675,250	-	1,675,250
Capital assets (net of accumulated depreciation):			
Land	36,219,456	8,155,895	44,375,351
Artwork	371,130	146,978	518,108
Right of way	90,875,981	-	90,875,981
Streetscape	9,061,008	-	9,061,008
Construction in progress	78,684,688	123,940,030	202,624,718
Buildings	235,519,310	133,772,846	369,292,156
Infrastructure	263,054,684	173,157,312	436,211,996
Land improvements	31,621,281	-	31,621,281
Vehicles, furniture, and equipment	26,781,171	8,252,699	35,033,870
Water rights	-	18,307,453	18,307,453
Right to use asset	75,410	-	75,410
Total assets	<u>1,189,706,923</u>	<u>533,106,141</u>	<u>1,722,813,064</u>
Deferred Outflows of Resources			
Deferred outflows related to pensions/OPEB	34,431,225	1,870,296	36,301,521
Deferred charge on refunding	5,583,309	2,784,033	8,367,342
Total deferred outflows	<u>40,014,534</u>	<u>4,654,329</u>	<u>44,668,863</u>
Liabilities			
Accounts payable and other current liabilities	22,808,089	5,203,871	28,011,960
Interest payable	1,012,984	-	1,012,984
Deposits	30,005,871	1,904,368	31,910,239
Unearned revenues	3,483,286	-	3,483,286
Noncurrent liabilities:			
Due within one year	27,954,580	5,935,259	33,889,839
Due in more than one year	279,960,413	187,538,004	467,498,417
Net pension and OPEB liability	37,622,913	5,606,830	43,229,743
Total liabilities	<u>402,848,136</u>	<u>206,188,332</u>	<u>609,036,468</u>
Deferred Inflows of Resources			
Deferred inflows related to pensions/OPEB	24,636,837	1,956,781	26,593,618
Deferred inflows related to leases	6,664,088	-	6,664,088
Total deferred inflows	<u>31,300,925</u>	<u>1,956,781</u>	<u>33,257,706</u>
Net Position			
Net investment in capital assets	505,965,429	276,352,992	782,318,421
Restricted for:			
Capital projects	26,425,693	20,881,614	47,307,307
Community facilities	6,586,516	-	6,586,516
Debt service	42,926,278	396,377	43,322,655
Other purposes	82,740,935	-	82,740,935
Unrestricted	130,927,545	31,984,374	162,911,919
Total net position	<u>\$ 795,572,396</u>	<u>\$ 329,615,357</u>	<u>\$ 1,125,187,753</u>

The accompanying notes are an integral part of the financial statements.

CITY OF GOODYEAR, ARIZONA
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions
Governmental activities:				
General government	\$ 34,157,389	\$ 4,052,068	\$ 3,431,239	\$ 1,967,363
Public safety	64,651,123	8,569,570	7,947,775	7,272,688
Highways and streets	23,563,017	722,058	6,918,602	25,948,970
Public works	5,602,891	603,704	-	395,000
Culture and recreation	25,843,304	4,322,415	260,979	4,755,295
Development services	14,906,593	17,598,359	249,237	1,853,190
Interest on long-term debt	9,236,464	-	1,527,068	-
Total governmental activities	177,960,781	35,868,174	20,334,900	42,192,506
Business-type activities:				
Water and wastewater	49,204,444	53,394,756	-	11,254,372
Sanitation	7,314,418	7,683,528	-	-
Total business-type activities	56,518,862	61,078,284	-	11,254,372
Total primary government	\$ 234,479,643	\$ 96,946,458	\$ 20,334,900	\$ 53,446,878

General Revenues:

Taxes:

City sales tax

Franchise tax

Property tax

Auto lieu tax (unrestricted)

State sales tax (unrestricted)

Urban revenue sharing (unrestricted)

Unrestricted investment earnings

Other

Transfers

Total general revenues & transfers

Change in net position

Net position - beginning

Prior period adjustment

Net position - ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (24,706,719)	\$ -	\$ (24,706,719)
(40,861,090)	-	(40,861,090)
10,026,613	-	10,026,613
(4,604,187)	-	(4,604,187)
(16,504,615)	-	(16,504,615)
4,794,193	-	4,794,193
(7,709,396)	-	(7,709,396)
<u>(79,565,201)</u>	<u>-</u>	<u>(79,565,201)</u>
-	15,444,684	15,444,684
-	369,110	369,110
<u>-</u>	<u>15,813,794</u>	<u>15,813,794</u>
122,858,885	-	122,858,885
3,880,685	-	3,880,685
28,180,626	-	28,180,626
4,066,108	-	4,066,108
13,422,577	-	13,422,577
12,361,506	-	12,361,506
(3,080,671)	33,866	(3,046,805)
1,240,870	35,570	1,276,440
8,015,934	(8,015,934)	-
<u>190,946,520</u>	<u>(7,946,498)</u>	<u>183,000,022</u>
111,381,319	7,867,296	119,248,615
689,366,231	321,748,061	1,011,114,292
(5,175,154)	-	(5,175,154)
<u>\$ 795,572,396</u>	<u>\$ 329,615,357</u>	<u>\$ 1,125,187,753</u>

The accompanying notes are an integral part of the financial statements.



FUND FINANCIAL STATEMENTS

CITY OF GOODYEAR, ARIZONA
Balance Sheet
Governmental Funds
June 30, 2022

	General	Non-Utility Development Impact Fees Capital Projects	GO Bonds Capital Projects
ASSETS			
Cash and cash equivalents	\$ 26,665,391	\$ 65,284,117	\$ 7,688,945
Investments	160,494,655	15,613,535	-
Receivables:			
Taxes	16,657,764	-	-
Interest	9,164	-	-
Other	1,353,155	4,728	-
Assessments	-	-	-
Intergovernmental	1,791,168	-	-
Lease receivable	6,659,301	-	-
Due from other funds	1,448,680	-	-
Inventories	299,683	-	-
Prepaid items	-	-	-
Notes receivable	1,675,250	-	-
Restricted cash and investments	7,990,919	-	27,494,707
Total assets	<u>\$ 225,045,130</u>	<u>\$ 80,902,380</u>	<u>\$ 35,183,652</u>
LIABILITIES			
Accounts payable	\$ 5,020,167	\$ 340,045	\$ 8,673,242
Accrued wages and benefits	1,429,660	-	-
Accrued interest payable	68	-	-
Accrued liabilities	1,219,686	221,792	8,718
Deposits held	29,815,663	-	-
Due to other funds	-	-	75,999
Current bonds payable	-	-	-
Unearned revenue	25,808	-	-
Total liabilities	<u>37,511,052</u>	<u>561,837</u>	<u>8,757,959</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	132,982	-	-
Unavailable revenue-special assessments	-	-	-
Unavailable revenue-intergovernmental	-	-	-
Unavailable revenue-other	1,675,250	-	-
Deferred inflows related to leases	6,664,088	-	-
Total deferred inflows of resources	<u>8,472,320</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	299,683	-	-
Restricted	2,236,280	80,340,543	26,425,693
Committed	-	-	-
Assigned	150,147,206	-	-
Unassigned	26,378,589	-	-
Total fund balances	<u>179,061,758</u>	<u>80,340,543</u>	<u>26,425,693</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 225,045,130</u>	<u>\$ 80,902,380</u>	<u>\$ 35,183,652</u>

The accompanying notes are an integral part of the financial statements.

McDowell Road			
Commercial Corridor ID Debt Service	Community Facilities Districts Debt Service	Non-major Funds	Total Governmental Funds
\$ 940,319	\$ -	\$ 14,446,955	\$ 115,025,727
-	-	1,314,354	177,422,544
-	97,193	157,287	16,912,244
-	-	-	9,164
-	-	21,312	1,379,195
20,382,193	19,220,855	-	39,603,048
-	-	2,169,294	3,960,462
-	-	-	6,659,301
-	-	-	1,448,680
-	-	1,027,794	1,327,477
-	-	323,750	323,750
-	-	-	1,675,250
-	6,615,904	-	42,101,530
<u>\$ 21,322,512</u>	<u>\$ 25,933,952</u>	<u>\$ 19,460,746</u>	<u>\$ 407,848,372</u>
\$ 85	\$ 900	\$ 734,835	\$ 14,769,274
-	-	68,122	1,497,782
-	1,012,916	-	1,012,984
-	-	30,221	1,480,417
-	-	190,208	30,005,871
-	-	1,372,681	1,448,680
-	4,342,000	-	4,342,000
4,375	-	3,453,103	3,483,286
<u>4,460</u>	<u>5,355,816</u>	<u>5,849,170</u>	<u>58,040,294</u>
-	-	99,502	232,484
20,382,193	19,220,855	-	39,603,048
-	-	94	94
-	-	-	1,675,250
-	-	-	6,664,088
<u>20,382,193</u>	<u>19,220,855</u>	<u>99,596</u>	<u>48,174,964</u>
-	-	1,351,544	1,651,227
935,859	1,357,281	7,780,718	119,076,374
-	-	4,754,655	4,754,655
-	-	-	150,147,206
-	-	(374,937)	26,003,652
<u>935,859</u>	<u>1,357,281</u>	<u>13,511,980</u>	<u>301,633,114</u>
<u>\$ 21,322,512</u>	<u>\$ 25,933,952</u>	<u>\$ 19,460,746</u>	<u>\$ 407,848,372</u>



CITY OF GOODYEAR, ARIZONA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

Total governmental fund balances	\$	301,633,114
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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	\$ 1,088,875,255	
Less accumulated depreciation	<u>(316,611,136)</u>	
		772,264,119

Net OPEB asset is not an available resource and, therefore is not reported in the funds.

1,861,629

Some liabilities, including bonds payable and capital leases, are not due and payable in the current period and therefore are not reported in the funds.

Bonds payable	\$ (299,297,332)	
Deferred charge on refunding	5,583,309	
Leases payable	(79,374)	
Net pension and OPEB liabilities	(37,622,913)	
Compensated absences	<u>(8,538,287)</u>	
		(339,954,597)

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

Property taxes	\$ 232,484	
Special assessments	39,603,048	
Intergovernmental	94	
Other	<u>1,675,250</u>	
		41,510,876

Internal service funds are used by management to charge costs of certain activities to individual funds. This amount represents the assets and liabilities of the internal service funds reported as governmental activities

8,462,867

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

Deferred outflows	\$ 34,431,225	
Deferred inflows	<u>(24,636,837)</u>	
		9,794,388

Total net position of governmental activities	\$	<u><u>795,572,396</u></u>
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The accompanying notes are an integral part of the financial statements.

CITY OF GOODYEAR, ARIZONA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

REVENUES	General	Non-Utility Development Impact Fees Capital Projects	GO Bonds Capital Projects
Taxes	\$ 127,848,317	\$ 10,318,258	\$ -
Licenses, permits and fees	16,654,379	-	-
Intergovernmental revenue	41,645,739	-	-
Charges for services	3,654,047	18,951,242	-
Fines and forfeitures	1,138,437	-	-
Investment income	(3,453,761)	180,010	104,887
Special assessments	-	-	-
Contributions	1,895,854	-	-
Other revenues	1,833,313	1,791	-
Total revenues	191,216,325	29,451,301	104,887
EXPENDITURES			
Current:			
General government	26,410,232	2,452,703	-
Public safety	59,129,561	-	-
Highways and streets	5,284	-	-
Public works	3,316,324	-	-
Culture and recreation	13,775,742	-	-
Development services	13,112,560	-	-
Capital outlay	16,743,244	3,167,208	60,359,308
Debt service			
Debt issuance cost	-	-	217,121
Principal	1,113,082	-	-
Interest and fiscal charges	51,358	-	-
Total expenditures	133,657,387	5,619,911	60,576,429
Excess (deficiency) of revenues over (under) expenditures	57,558,938	23,831,390	(60,471,542)
OTHER FINANCING SOURCES (USES)			
Debt issuance	-	-	23,475,000
Premium on debt issuance	-	-	2,715,816
Sale of assets	413,605	-	-
Transfers out	(41,887,213)	(1,933,890)	(3,653,395)
Transfers in	15,723,288	2,729,900	26,340,053
Total other financing sources (uses)	(25,750,320)	796,010	48,877,474
Net change in fund balances	31,808,618	24,627,400	(11,594,068)
Fund balances, beginning of year	147,253,140	55,713,143	38,019,761
Fund balances, end of year	\$ 179,061,758	\$ 80,340,543	\$ 26,425,693

The accompanying notes are an integral part of the financial statements.

McDowell Road Commercial Corridor ID Debt Service	Community Facilities Districts Debt Service	Non-major Funds	Total Governmental Funds
\$ -	\$ 6,531,771	\$ 10,126,494	\$ 154,824,840
-	-	-	16,654,379
-	-	16,679,586	58,325,325
-	-	1,502,866	24,108,155
-	-	-	1,138,437
-	6,064	82,129	(3,080,671)
3,640,847	2,716,419	-	6,357,266
-	-	1,559,036	3,454,890
1,128	-	6,031	1,842,263
3,641,975	9,254,254	29,956,142	263,624,884
-	9,720	1,660,681	30,533,336
-	-	371,032	59,500,593
85	-	8,098,528	8,103,897
-	-	-	3,316,324
-	-	5,790,390	19,566,132
-	-	208,000	13,320,560
-	-	3,428,074	83,697,834
-	-	178,360	395,481
2,235,000	6,269,000	12,235,699	21,852,781
702,720	2,877,573	6,359,863	9,991,514
2,937,805	9,156,293	38,330,627	250,278,452
704,170	97,961	(8,374,485)	13,346,432
-	-	598,000	24,073,000
-	-	-	2,715,816
-	-	-	413,605
-	-	(6,827,300)	(54,301,798)
-	-	17,524,491	62,317,732
-	-	11,295,191	35,218,355
704,170	97,961	2,920,706	48,564,787
231,689	1,259,320	10,591,274	253,068,327
\$ 935,859	\$ 1,357,281	\$ 13,511,980	\$ 301,633,114



CITY OF GOODYEAR, ARIZONA
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balance of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2022

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

Net change in fund balances - total governmental funds		\$ 48,564,787
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between capital outlay and depreciation in the current period.		
Capital outlay	\$ 80,485,269	
Depreciation expense	<u>(24,254,801)</u>	
		56,230,468
Governmental funds do not report contributions of capital assets as revenue, unless the assets will be held for sale. However, in the statement of activities, the donation of capital assets is reported as revenue.		8,433,358
Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	\$ 67,019	
Special assessments	(4,165,788)	
Intergovernmental	<u>(199,501)</u>	
		(4,298,270)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources in the governmental funds but increases long-term liabilities in the statement of net position.		(26,788,816)
Repayment of long-term debt (e.g., bonds, leases) principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond principal retirement	\$ 21,852,781	
Amortization of deferred charges	(721,533)	
Amortization of premiums and discounts	<u>1,651,182</u>	
		22,782,430
Pension and OPEB contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the net pension and OPEB liability is measured a year before the City's report date. Pension and OPEB expense, which is the change in the net pension and OPEB liability adjusted for changes in deferred outflows and inflows of resources related to pensions and OPEB, is reported in the Statement of Activities.		
Pension and OPEB contributions	\$ 14,064,633	
Pension and OPEB expense	<u>(8,791,230)</u>	
		5,273,403
Compensated absences are reported in the statement of activities and do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		(1,626,198)
Accrued interest for long-term debt is not reported as an expenditure for the current period while it is recorded in the statement of activities.		220,882
The net revenues of certain activities of the internal service fund is reported with governmental activities.		<u>2,589,275</u>
Change in net position of governmental activities		<u><u>\$ 111,381,319</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF GOODYEAR, ARIZONA
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water & Wastewater	Sanitation	Totals	Self-Insurance Trust Internal Service Fund
ASSETS				
Current Assets:				
Cash	\$ 55,097,038	\$ 4,313,340	\$ 59,410,378	\$ 8,976,294
Investments	782,576	194,699	977,275	-
Receivables (net of allowance)	4,555,844	482,569	5,038,413	131,563
Inventories	1,157,200	119,601	1,276,801	-
Prepaid items	-	-	-	73,626
Total current assets	61,592,658	5,110,209	66,702,867	9,181,483
Noncurrent Assets:				
Restricted cash and investments	458,356	-	458,356	-
Net pension/OPEB asset	181,609	30,096	211,705	-
Land	8,155,895	-	8,155,895	-
Artwork	146,978	-	146,978	-
Construction in progress	123,940,030	-	123,940,030	-
Buildings	172,615,299	150,522	172,765,821	-
Infrastructure	241,889,244	-	241,889,244	-
Vehicles, furniture, and equipment	19,218,896	1,906,159	21,125,055	-
Water rights	21,088,078	-	21,088,078	-
Accumulated depreciation	(122,210,192)	(1,167,696)	(123,377,888)	-
Total noncurrent assets	465,484,193	919,081	466,403,274	-
Total Assets	527,076,851	6,029,290	533,106,141	9,181,483
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding	2,784,033	-	2,784,033	-
Deferred outflows related to pensions/OPEB	1,604,224	266,072	1,870,296	-
Total deferred outflows of resources	4,388,257	266,072	4,654,329	-
LIABILITIES				
Current liabilities:				
Accounts payable	4,477,276	424,482	4,901,758	33,406
Accrued wages and benefits	99,411	18,490	117,901	21,543
Accrued liabilities	184,212	-	184,212	-
Claims payable	-	-	-	663,667
Customer deposits	1,879,618	24,750	1,904,368	-
Compensated absences - current portion	414,331	73,749	488,080	-
Loans payable - current portion	295,674	-	295,674	-
Bonds payable - current portion	5,151,505	-	5,151,505	-
Total current liabilities	12,502,027	541,471	13,043,498	718,616
Noncurrent liabilities:				
Compensated absences	294,104	68,469	362,573	-
Net pension/OPEB liability	4,809,753	797,077	5,606,830	-
Loans payable, net of current portion	1,902,451	-	1,902,451	-
Bonds payable, net of current portion	185,272,980	-	185,272,980	-
Total noncurrent liabilities	192,279,288	865,546	193,144,834	-
Total liabilities	204,781,315	1,407,017	206,188,332	718,616
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions/OPEB	1,678,405	278,376	1,956,781	-
Total deferred inflows of resources	1,678,405	278,376	1,956,781	-
NET POSITION				
Net investment in capital assets	275,464,007	888,985	276,352,992	-
Restricted for capital projects	20,881,614	-	20,881,614	-
Restricted for debt service	396,377	-	396,377	-
Unrestricted	28,263,390	3,720,984	31,984,374	8,462,867
Total net position	\$ 325,005,388	\$ 4,609,969	\$ 329,615,357	\$ 8,462,867

The accompanying notes are an integral part of the financial statements.

CITY OF GOODYEAR, ARIZONA
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water & Wastewater	Sanitation	Totals	Self-Insurance Trust Internal Service Fund
Operating Revenues				
Charges for services	\$ 52,994,849	\$ 7,658,250	\$ 60,653,099	\$ -
Self insurance premiums	-	-	-	12,589,374
Other revenues	399,907	25,278	425,185	563,215
Total operating revenues	53,394,756	7,683,528	61,078,284	13,152,589
Operating Expenses				
Salaries, wages and benefits	6,897,572	1,180,075	8,077,647	-
Cost of sales and services	26,074,644	5,899,572	31,974,216	1,785,897
Claims expense	-	-	-	8,777,417
Depreciation	10,083,801	234,771	10,318,572	-
Total operating expenses	43,056,017	7,314,418	50,370,435	10,563,314
Operating income (loss)	10,338,739	369,110	10,707,849	2,589,275
Non-operating Revenues (Expenses)				
Investment income	24,844	9,022	33,866	-
Interest expense and fiscal charges	(6,148,427)	-	(6,148,427)	-
Gain (loss) on sale of assets	35,570	-	35,570	-
Total non-operating revenue (expense)	(6,088,013)	9,022	(6,078,991)	-
Income (loss) before contributions and transfers	4,250,726	378,132	4,628,858	2,589,275
Capital contributions	11,254,372	-	11,254,372	-
Transfers out	(6,554,122)	(1,461,812)	(8,015,934)	-
Change in net position	8,950,976	(1,083,680)	7,867,296	2,589,275
Total net position, beginning of year	316,054,412	5,693,649	321,748,061	5,873,592
Total net position, end of year	\$ 325,005,388	\$ 4,609,969	\$ 329,615,357	\$ 8,462,867

The accompanying notes are an integral part of the financial statements.

CITY OF GOODYEAR, ARIZONA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Water & Wastewater	Sanitation	Totals	Self-Insurance Trust Internal Service Fund
Cash Flows From Operating Activities:				
Cash received from customers	\$ 57,409,472	\$ 8,151,226	\$ 65,560,698	\$ (131,563)
Cash received from contributions	-	-	-	13,152,589
Cash paid to suppliers	(29,432,726)	(6,053,895)	(35,486,621)	(1,901,191)
Cash paid to employees	(6,191,463)	(1,242,805)	(7,434,268)	21,543
Cash paid for claims	-	-	-	(8,811,344)
Cash flows from operating activities	21,785,283	854,526	22,639,809	2,330,034
Cash Flows From Noncapital				
Financing Activities:				
Transfers	(6,554,122)	(1,461,812)	(8,015,934)	-
Cash flows from noncapital financing activities	(6,554,122)	(1,461,812)	(8,015,934)	-
Cash Flows From Capital and Related				
Financing Activities:				
Proceeds from long term debt	-	-	-	-
Purchase of capital assets	(29,764,273)	(38,379)	(29,802,652)	-
Proceeds from sale of capital assets	35,568	-	35,568	-
Principal paid on long term debt	(5,289,179)	-	(5,289,179)	-
Interest paid	(6,864,995)	-	(6,864,995)	-
Grant proceeds	-	-	-	-
Development fees	11,254,372	-	11,254,372	-
Cash flows from capital and related financing activities	(30,628,507)	(38,379)	(30,666,886)	-
Cash Flows From Investing Activities:				
Sale (purchase) of investments	1,198,141	589,409	1,787,550	-
Investment income	24,844	9,022	33,866	-
Cash flows from investing activities	1,222,985	598,431	1,821,416	-
Net change in cash and cash equivalents	(14,174,361)	(47,234)	(14,221,595)	2,330,034
Cash and cash equivalents, including temporarily restricted cash, beginning of year	69,729,755	4,360,574	74,090,329	6,646,260
Cash and cash equivalents, including temporarily restricted cash, end of year	\$ 55,555,394	\$ 4,313,340	\$ 59,868,734	\$ 8,976,294
Reconciliation of operating income to net cash flows from operating activities:				
Net operating income (loss)	\$ 10,338,739	\$ 369,110	\$ 10,707,849	\$ 2,589,275
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation/amortization	10,083,801	234,771	10,318,572	-
Pension/OPEB expense	312,048	29,799	341,847	-
Employer pension/OPEB contributions	(591,540)	(98,030)	(689,570)	-
Changes in operating assets and liabilities:				
(Increase) decrease in receivables	4,040,379	467,698	4,508,077	(131,563)
(Increase) decrease in prepaid items & deposits	-	-	-	(32,164)
(Increase) decrease in inventory	(344,456)	(119,601)	(464,057)	-
Increase (decrease) in payables	(3,013,626)	(50,562)	(3,064,188)	(117,057)
Increase (decrease) in accrued liabilities & deposits	985,601	21,341	1,006,942	21,543
Increase (decrease) in unearned revenue	(25,663)	-	(25,663)	-
Net cash flows from operating activities	\$ 21,785,283	\$ 854,526	\$ 22,639,809	\$ 2,330,034

The accompanying notes are an integral part of the financial statements.

CITY OF GOODYEAR, ARIZONA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

		Custodial Funds			
	Pension Trust Fund	GAIN	Fill-A-Need	Shop with a Cop	Arizona in Action
Assets					
Cash and cash equivalents	\$ 18,358	\$ 8,679	\$ 13,005	\$ 42,053	\$ 3,230
Mutual funds	214,128	-	-	-	-
Exchange traded funds	387,622	-	-	-	-
Total assets	<u>620,108</u>	<u>8,679</u>	<u>13,005</u>	<u>42,053</u>	<u>3,230</u>
Net Position					
Restricted for:					
Pensions	620,108	-	-	-	-
Individuals and organizations	-	8,679	13,005	42,053	3,230
Total net position	<u>\$ 620,108</u>	<u>\$ 8,679</u>	<u>\$ 13,005</u>	<u>\$ 42,053</u>	<u>\$ 3,230</u>

The accompanying notes are an integral part of the financial statements.

CITY OF GOODYEAR, ARIZONA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

		Custodial Funds			
	Pension Trust	GAIN	Fill-A-Need	Shop with a Cop	Arizona in Action
Additions					
Investment Income	\$ (89,150)	\$ -	\$ -	\$ -	\$ -
Other income	2,575	-	4,159	12,500	-
Total additions	<u>(86,575)</u>	<u>-</u>	<u>4,159</u>	<u>12,500</u>	<u>-</u>
Deductions					
Benefits	16,077	-	-	-	-
Recipient payments	-	-	5,826	6,770	-
Total deductions	<u>16,077</u>	<u>-</u>	<u>5,826</u>	<u>6,770</u>	<u>-</u>
Net increase (decrease) in fiduciary net position	(102,652)	-	(1,667)	5,730	-
Net position, beginning of year	722,760	8,679	14,672	36,323	3,230
Net position, end of year	<u>\$ 620,108</u>	<u>\$ 8,679</u>	<u>\$ 13,005</u>	<u>\$ 42,053</u>	<u>\$ 3,230</u>

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements

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

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City is a municipal entity governed by an elected mayor and six-member governing council (council). As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its 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.

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 31, 2022, 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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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. 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 2022 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 principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits are recognized later based on specific accounting rules applicable

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenues as soon as all eligibility requirements are met, including any time requirements, 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 City.

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.

Non-Utility Development Impact Fees Capital Projects - This fund accounts for the capital projects funded with development impact fees.

GO Bond Capital Projects Fund - This fund accounts for the capital projects financed by general obligation bond debt.

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 non-major governmental funds are as follows:

Highway User Revenue Fund (HURF) – This fund accounts for the City's share of tax revenues legally restricted to the maintenance of the highways within the City's boundaries.

Community Facilities Districts – This fund accounts for the operations and maintenance portion of the City's special districts formed for the purpose of financing the acquisition, construction, operation, and maintenance of the public infrastructure benefiting the community.

Office of Tourism Prop 302 – This fund accounts for the funds received to support Maricopa County tourism, marketing, and promotion.

Grants Funds – This fund accounts for the City's federal, state, local and tribal grants.

Ballpark Fund – This fund accounts for the operations of the City's ballpark facility and operations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Debt Service Fund – This fund accounts for debt proceeds and the accumulation of resources for the payment of principal and interest and related costs.

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 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.

Internal Service Fund – This fund is used to account for self-insurance for employee benefits. The Internal service fund activities are reported as governmental activities on the government-wide statements.

The City reports the following non-major proprietary funds:

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

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.

The City reports the following fiduciary funds:

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

Custodial 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 custodial 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 custodial 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

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. Additionally, certain resources appropriated to the City for a specific project by the State of Arizona, Department of Transportation, are classified as restricted cash and cash equivalents on the government-wide Statement of Net Position because their use is limited by an intergovernmental agreement. The City also restricts the cash and cash equivalents in the Community Facilities Districts Debt Service Fund.

K. Capital Assets

Capital assets are tangible and intangible 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 estimated 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 accounted for as construction work in progress until completed. Once completed and put into service, projects are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in note M below).

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment, and infrastructure of the primary government are depreciated / amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	20-65
Land Improvements	15
Buildings and Improvements	7-50
Right-to-use leased equipment	5-20
Vehicles, Furniture and Equipment	3-20
Water Rights	100

The City has a collection of artworks presented 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports 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 City has three items that qualify for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position, and deferred amounts related to pensions and OPEB. The deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB related differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related charges.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. 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 City has three items that qualify for reporting in this category. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported on the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: property taxes, special assessments, other and intergovernmental. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the City reports deferred amounts related to leases and deferred amounts related to pension and OPEB.

M. Leases

Lessee: The City is a lessee for a noncancellable lease for the use of parking and storage areas. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with longterm debt on the statement of net position.

Lessor: The City is a lessor for a noncancellable lease of a licensed areas, fiber optic communications systems, and certain buildings and common areas at the Goodyear Municipal Complex. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

N. 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.

O. 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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

P. 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.

Q. 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.

R. 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 2022.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

S. 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.

T. New Pronouncements

For the year ended June 30, 2022, the City implemented the provisions of GASB Statement No. 87, Leases. GASB Statement No. 87 is intended to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement increases the usefulness of the City's financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

For the year ended June 30, 2022, the City implemented the provisions of GASB Statement No. 89, Accounting for Interest Costs Incurred before the end of a Construction Period. GASB Statement No. 89 is intended to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest costs incurred before the end of a construction period.

For the year ended June 30, 2022, the City implemented the provisions of GASB Statement No. 98, The Annual Comprehensive Financial Report. GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

NOTE 2 CASH AND INVESTMENTS

On June 30, 2022, cash and cash equivalents are presented as follows:

	Governmental Activities	Business Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 124,002,021	\$ 59,410,378	\$ 85,325	\$ 183,497,724
Restricted cash and cash equivalents	42,101,530	458,356		42,559,886
Total	<u>\$ 166,103,551</u>	<u>\$ 59,868,734</u>	<u>\$ 85,325</u>	<u>\$ 226,057,610</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, funds held in trustee accounts for the purpose of debt service payments, amounts received from the State of Arizona, Department of Transportation for a specific project, and 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, 2022, the City had \$11,780 of cash on hand. The carrying amount of the City's deposits totaled \$47,948,724, and the bank balance was \$51,043,073. Of the bank balance, \$500,000 was covered by federal depository insurance, \$51,297,379 was covered by the Statewide Pooled Collateral Program, and \$482,445 were securities held by the pledging financial institution's trust department in the City's name.

Cash Equivalents

The City invests in the Local Government Investment Pool 5 and Pool 7 (LGIP) investment pools 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 18 months from the settlement date of the purchase and variable-rate securities with final maturity less than 2 years. The weighted average to maturity shall not exceed 90 days. The net asset value per share of the pool at June 30, 2022 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, 2022, the City's funds invested with the State Treasurer totaled \$178,076,476.

NOTE 2 CASH AND INVESTMENTS

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

Investment Type	Total	Remaining Maturity (in Years) Less than 1
LGIP 5	\$ 2,339,219	\$ 2,339,219
LGIP 7	175,737,257	175,737,257
Total	<u>\$178,076,476</u>	<u>\$178,076,476</u>

Investment Type	Total	Rating as of Year End AAA
LGIP 5	\$ 2,339,219	\$ 2,339,219
LGIP 7	175,737,257	175,737,257
Total	<u>\$178,076,476</u>	<u>\$178,076,476</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).

On June 30, 2022, 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	\$ 108,449,019	\$ 15,003,061	\$ 60,752,279	\$32,693,679	61%
Federal Agency Securities	23,891,972	11,510,438	12,381,534		13%
Corporate Notes	43,338,554	1,125,928	8,205,766	34,006,860	24%
Negotiable Certificates of Deposit	1,366,802	1,366,802			1%
Money Market Fund	1,374,103	1,374,103			0%
Mutual Funds	620,830	620,830			0%
Total	<u>\$ 179,041,281</u>	<u>\$ 31,001,163</u>	<u>\$ 81,339,579</u>	<u>\$66,700,539</u>	<u>100%</u>

NOTE 2 CASH AND INVESTMENTS

On June 30, 2022, the City's investment ratings were as follows:

Investment Rating	U.S. Treasuries	Corporate Notes	Federal Agency	Negotiable Certificates of Deposit	Mutual Funds	Money Market Fund	Total
A	\$ -	\$ 8,538,238	\$ -	\$ -	\$ -	\$ -	\$ 8,538,238
A-		12,675,114					12,675,114
A+		5,210,761					5,210,761
A-1				392,212			392,212
A-1+				972,293			972,293
AA		4,152,218					4,152,218
AA-		6,334,782					6,334,782
AA+	108,203,414	1,362,436	23,870,737				133,436,587
AAAm						20,631	20,631
BBB+		4,813,221					4,813,221
Accrued Interest	245,605	251,784	21,235	2,297		950	521,872
Not Rated					620,830	1,352,522	1,973,352
	<u>\$ 108,449,019</u>	<u>\$ 43,338,554</u>	<u>\$ 23,891,972</u>	<u>\$ 1,366,803</u>	<u>\$ 620,830</u>	<u>\$ 1,374,103</u>	<u>\$ 179,041,281</u>

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, 2022, the average duration to maturity is 1.82 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. Although the City's investment policy states that it will mitigate credit risk it does not impose any specific limitations.

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

Amounts, other than leases receivable, 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	Non Utility Development Impact Fees Capital Projects	GO Bond Debt Capital Projects Fund	McDowell Road Commercial Corridor ID Debt Service	Community Facilities Districts Debt Service	Non-Major Governmental Funds	Self Insurance Fund	Total
Tax Receivable	\$ 16,657,764	\$ -	\$ -	\$ -	\$ 97,193	\$ 157,287	\$ -	\$16,912,244
Accounts Receivable	1,353,155	4,728	-	-	-	21,312	131,563	1,510,758
Intergovernmental Receivable	1,791,168	-	-	-	-	2,169,294	-	3,960,462
Notes Receivable	1,675,250	-	-	-	-	-	-	1,675,250
Interest Receivable	9,164	-	-	-	-	-	-	9,164
Special Assessments Receivable	-	-	-	20,382,193	19,220,855	-	-	39,603,048
Lease	6,659,301	-	-	-	-	-	-	6,659,301
Total Receivables	\$ 28,145,803	\$ 4,728	\$ -	\$ 20,382,193	\$ 19,318,048	\$ 2,347,893	\$ 131,563	\$70,330,228

As of June 30, 2022, 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, 2022.

	Water and Wastewater Fund	Sanitation Fund	Total
Accounts Receivable	\$ 5,018,393	\$ 562,738	\$ 5,581,131
Interest Receivable	-	-	-
	<u>5,018,393</u>	<u>562,738</u>	<u>5,581,131</u>
Less:			
Allowance	462,549	80,169	542,718
Total Receivables	\$ 4,555,844	\$ 482,569	\$ 5,038,415

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 \$132,312 and \$30,551, respectively.

NOTE 4 CAPITAL ASSETS

A summary of capital assets activity for the fiscal year ended June 30, 2022 follows:

Governmental activities:	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 30,327,071	\$ 5,892,385	\$ -	\$ 36,219,456
Artwork	371,129	-	-	371,129
Construction in progress	86,118,710	66,368,565	73,802,587	78,684,688
Right of way	90,844,947	31,034	-	90,875,981
Streetscape	9,061,008	-	-	9,061,008
Total capital assets, not being depreciated	216,722,866	72,291,984	73,802,587	215,212,263
Capital assets, being depreciated:				
Land improvements	4,669,247	30,281,746	-	34,950,993
Infrastructure	414,264,434	10,899,338	-	425,163,772
Buildings and improvements	300,126,812	43,579,263	-	343,706,075
Vehicles, furniture and equipment	65,250,173	5,668,883	1,171,678	69,747,378
Right to use-asset	-	94,775	-	94,775
Total capital assets, being depreciated	784,310,665	90,524,005	1,171,678	873,662,992
Less accumulated depreciation for:				
Land improvements	(2,798,763)	(530,949)	-	(3,329,712)
Infrastructure	(152,836,500)	(9,272,588)	-	(162,109,088)
Buildings and improvements	(98,584,263)	(9,602,501)	-	(108,186,764)
Vehicles, furniture and equipment	(39,308,487)	(4,829,398)	1,171,678	(42,966,207)
Right to use-asset	-	(19,365)	-	(19,365)
Total accumulated depreciation	(293,528,013)	(24,254,800)	1,171,678	(316,611,135)
Total capital assets, being depreciated, net	490,782,652	66,269,205	-	557,051,857
Governmental activities capital assets, net	\$ 707,505,518	\$ 138,561,189	\$ 73,802,587	\$ 772,264,120

Business-type activities:	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 8,155,895	\$ -	\$ -	\$ 8,155,895
Artwork	146,978	-	-	146,978
Construction in progress	111,469,677	21,427,558	8,957,205	123,940,030
Total capital assets, not being depreciated	119,772,550	21,427,558	8,957,205	132,242,903
Capital assets, being depreciated:				
Infrastructure	235,006,036	6,883,208	-	241,889,244
Buildings and improvements	169,228,396	3,537,425	-	172,765,821
Vehicles, furniture and equipment	19,239,482	1,985,943	100,370	21,125,055
Water rights	21,088,078	-	-	21,088,078
Total capital assets, being depreciated	444,561,991	12,406,577	100,370	456,868,198
Less accumulated depreciation for:				
Infrastructure	(64,441,434)	(4,290,497)	-	(68,731,932)
Buildings and improvements	(34,195,853)	(4,797,122)	-	(38,992,975)
Vehicles, furniture and equipment	(11,932,245)	(1,040,481)	100,370	(12,872,356)
Water rights	(2,590,153)	(190,472)	-	(2,780,625)
Total accumulated depreciation	(113,159,686)	(10,318,572)	100,370	(123,377,888)
Total capital assets, being depreciated, net	331,402,305	2,088,005	-	333,490,310
Business-type activities capital assets, net	\$ 451,174,854	\$ 23,515,563	\$ 8,957,205	\$ 465,733,212

NOTE 4 CAPITAL ASSETS

Depreciation and amortization expense were charged to functions/programs as follows:

Governmental activities:		Business-type activities:	
General government	\$ 750,995	Water and wastewater	\$ 10,083,801
Public safety	3,858,593	Sanitation	234,771
Highway and streets	13,881,585	Total depreciation expense	<u>\$ 10,318,572</u>
Culture and recreation	4,386,147		
Public works	1,377,480		
Total depreciation expense	<u>\$ 24,254,800</u>		

NOTE 5 LEASES

Lease receivable

During the current fiscal year, the City began leasing the two licensed areas to a third party. The lease term is 192 months and the City will receive monthly fixed payments of \$18,227. The lease has an interest rate of 2.0680%. The City recognized lease revenue of \$213,092 and \$73,982 in interest revenue during the current fiscal year related to this lease. An initial lease receivable was recorded in the amount of \$3,668,998. As of June 30, 2022, the value of the lease receivable is \$3,519,199. The value of the deferred inflow of resources as of June 30, 2022 was \$3,455,906.

During the current fiscal year, the City began leasing fiber optic communications systems to a third party. The lease term is 45 months and the City will receive annual fixed payments of \$28,994. The lease has an interest rate of 0.8930%. The lessee has 3 extension option(s), each for 60 months. The City recognized lease revenue of \$17,191 and \$700 in interest revenue during the current fiscal year related to this lease. An initial lease receivable was recorded in the amount of \$85,639. As of June 30, 2022, the value of the lease receivable is \$57,219. The value of the deferred inflow of resources as of June 30, 2022 was \$68,448.

During the current fiscal year, the City began leasing certain buildings and common areas at the Goodyear Municipal Complex to a third party. The lease term is 120 months and the City will receive monthly fixed payments of \$35,292. The lease has an interest rate of 1.6040%. The lessee has a termination period of 60 months as of the lease commencement date. The City recognized lease revenue of \$195,481 and \$33,991 in interest revenue during the current fiscal year related to this lease. An initial lease receivable was recorded in the amount of \$3,335,215. As of June 30, 2022, the value of the lease receivable is \$3,082,882. The value of the deferred inflow of resources as of June 30, 2022 was \$3,139,734.

The future principal and interest lease receivables as of June 30, 2022, were as follows:

Principal and Interest Expected to Maturity			
Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	452,713	119,144	571,857
2024	444,206	111,647	555,852
2025	447,303	103,729	551,032
2026	479,885	95,504	575,389
2027	513,235	86,700	599,935
2028 - 2032	2,798,379	281,534	3,079,913
2033 - 2037	1,495,232	84,900	1,580,132
2038 - 2039	28,348	49	28,397

NOTE 5 LEASES

Lease payable

During the current fiscal year, the City entered into a 54-month lease as Lessee for the use of Calle Del Pueblo Parking and Storage Lease. An initial lease liability was recorded in the amount of \$94,775 during the current fiscal year. As of June 30, 2022, the value of the lease liability was \$79,374. The City is required to make monthly fixed payments of \$1,500. The lease has an interest rate of 1.0590%. The value of the right to use asset as of June 30, 2022 was \$75,410 with accumulated amortization of \$19,365.

The future principal and lease payments as of June 30, 2022, were as follows:

<u>Amount of Lease Assets by Major Classes of Underlying Asset</u>			
Asset Class	As of Fiscal Year-end		Net of
	Lease Asset Value	Accumulated Amortization	amortization
Infrastructure	94,775	19,365	75,410
Total Leases	94,775	19,365	75,410

<u>Principal and Interest Requirements to Maturity</u>			
Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	18,746	754	19,500
2024	21,960	540	22,500
2025	25,209	291	25,500
2026	13,458	42	13,500

NOTE 6 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 on June 30, 2022, is as follows:

<u>Description</u>	<u>Interest Rate (Including Fees)</u>	<u>Maturity</u>	<u>Outstanding Principal June 30, 2022</u>	<u>Due Within One Year</u>
Business-type activities				
Water Infrastructure Finance Authority Loan	2.00%	7/1/23-29	\$ 2,198,125	\$ 295,674
Total business-type activities			\$ 2,198,125	\$ 295,674

Annual debt service requirements to maturity on the loan payable on June 30, 2022 is summarized as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	295,674	43,962
2024	301,588	38,050
2025	307,619	32,018
2026	313,772	25,864
2027	320,047	19,590
2028-2032	659,425	19,848
	<u>2,198,125</u>	<u>179,332</u>

NOTE 7 GENERAL OBLIGATION BONDS PAYABLE

Bonds payable on June 30, 2022, 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, \$44,446,616 remains unissued. The bonds payable on June 30, 2022, are presented below.

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2022	Due Within One Year
Governmental activities:				
General Obligation Bonds Refunding Series 2016	2.00-4.00%	7/1/23-37	10,843,855	1,643,495
General Obligation Bonds Series 2017	3.00-5.00%	7/1/27-37	19,275,000	-
General Obligation Bonds Series 2019	2.00-3.00%	7/1/24-38	23,055,000	-
General Obligation Bonds Series 2021	3.00-5.00%	7/1/23-40	36,485,000	3,400,000
General Obligation Bonds Series 2022	4.00-5.00%	7/1/23-41	23,475,000	1,045,000
Total governmental activities			\$ 113,133,855	\$ 6,088,495
Business-type activities:				
General Obligation Bonds Refunding Series 2016	2.00-4.00%	7/1/23-37	25,796,145	2,341,505
General Obligation Bonds Refunding Series 2019	3.00-5.00%	7/1/27-29	4,105,000	-
General Obligation Bonds Refunding Series 2020	3.00-5.00%	7/1/23-30	7,520,000	785,000
Total business-type activities			37,421,145	3,126,505
Total			\$ 150,555,000	\$ 9,215,000

Annual debt service requirements to maturity on general obligation bonds payable on June 30, 2022, are summarized as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	6,088,495	4,373,537	3,126,505	1,421,098
2024	6,513,629	3,951,975	3,301,371	1,288,188
2025	7,757,327	3,682,429	3,412,672	1,164,432
2026	4,619,262	3,342,586	3,550,739	1,027,926
2027	4,822,406	3,150,717	3,932,594	885,896
2028-2032	27,090,723	12,772,145	12,414,278	2,279,344
2033-2037	32,602,014	7,289,398	7,682,986	708,586
2038-2042	23,640,000	1,637,150	-	-
	113,133,857	40,199,938	37,421,145	8,775,470

On April 11, 2022, the City issued general obligation bonds with a par amount of \$23,475,000 and coupon rates between 4.00 and 5.00 percent. The net proceeds of \$26,190,816 included an original issue premium of \$2,715,816 (after payment of \$102,807 in underwriting fees and \$122,000 in costs of issuance), \$25,965,000 was immediately deposited into a project fund. The general obligation bonds were issued to fund the construction of a certain projects for Fire, Police, Streets & Highway, and Transportation.

NOTE 8 REVENUE BONDS PAYABLE

Revenue bonds payable on June 30, 2022, consisted of the outstanding revenue bonds and refunding bonds presented on the following table. The bonds are generally callable after 10 years with interest payable semi-annually.

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2022	Due Within One Year
Governmental activities:				
Excise Tax Revenue Bond				
Taxable Excise Tax Revenue Refunding, Series 2021	.210-1.736%	7/1/23-27	23,855,000	4,705,000
			<u>23,855,000</u>	<u>4,705,000</u>
Public Improvement Corporation Municipal Facilities				
PIC Revenue Refunding Bonds, Series 2016A	3.00-5.00%	7/1/28-32	27,470,000	-
PIC Revenue Refunding Bonds, Series 2016B	4.00-5.00%	7/1/23-31	20,095,000	1,675,000
McDowell Road Commercial Improvement District Refunding Bonds, Series 2018	1.95-3.60%	1/1/23-31	21,080,000	2,295,000
Total			<u>68,645,000</u>	<u>3,970,000</u>
Direct borrowings or direct placements:				
Tax-Exempt Revenue Bonds, Series 2012A	2.48%	6/15/2023	1,002,586	1,002,585
Taxable Revenue Bonds, Series 2012B	3.44%	6/15/2023	123,651	123,651
Facilities Revenue Bonds, Series 2017	3.31%	7/1/23-27	5,770,000	1,080,000
Total direct borrowings or direct placements			<u>6,896,237</u>	<u>2,206,236</u>
Total governmental activities			<u>\$ 99,396,237</u>	<u>\$ 10,881,236</u>
Business-type activities:				
Revenue Bonds, Series 2009	6.75%	7/1/49	\$ 325,000	\$ -
Revenue Bonds, Series 2016	2.00-5.00%	7/1/23-45	6,260,000	165,000
Revenue Bonds, Series 2020	2.00-5.00%	7/1/23-49	76,170,000	1,005,000
Revenue Bonds, Second Series 2020	3.00-4.00%	7/1/30-49	30,950,000	-
Revenue Refunding Bonds, Series 2020	2.00-5.00%	7/1/23-39	11,495,000	355,000
Revenue Refunding Taxable Bonds, Series 2020	1.428-3.506%	7/1/23-41	11,925,000	500,000
Total business-type activities			<u>137,125,000</u>	<u>2,025,000</u>
Total			<u>\$ 236,521,237</u>	<u>\$ 12,906,236</u>

Revenue bond debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Governmental Activities				Business-Type Activities	
	Direct Borrowings or Direct Placements				Principal	Interest
	Principal	Interest	Principal	Interest		
2023	8,675,000	2,982,541	2,206,236	212,877	2,025,000	5,251,428
2024	8,840,000	2,817,241	1,115,000	155,239	2,070,000	5,168,118
2025	9,025,000	2,629,180	1,155,000	118,333	2,180,000	5,081,933
2026	9,250,000	2,409,367	1,190,000	80,102	2,245,000	5,022,781
2027	9,500,000	2,163,951	1,230,000	40,713	2,615,000	4,926,267
2028-2032	47,210,000	4,953,249	-	-	17,205,000	22,631,596
2033-2037	-	-	-	-	22,110,000	18,600,912
2038-2042	-	-	-	-	33,075,000	13,347,462
2043-2047	-	-	-	-	36,815,000	6,643,490
2048-2052	-	-	-	-	16,785,000	826,218
	<u>92,500,000</u>	<u>17,955,528</u>	<u>6,896,236</u>	<u>607,264</u>	<u>137,125,000</u>	<u>87,500,204</u>

Pledged Revenue

A. Revenue Bonds

Governmental Activities – The obligations are special revenue obligations of the City. The payments are payable from and secured by a first lien on the excise taxes received by the City. Excise Taxes includes amounts received from the imposition of unrestricted fines and forfeitures, license and permit fees, transaction privilege (sales) taxes, other transaction privilege, excise and business taxes, franchise fees and taxes, bed and rental taxes which the City now or in the future imposes and collects, and all state shared sales and income taxes and state revenue-sharing

NOTE 8 REVENUE BONDS PAYABLE

collected and allocated or apportioned, now or thereafter. Excise tax does not include revenue from development fees or building permit fees. The last scheduled debt service payment occurring on 7/1/2027. Proceeds of the bonds were used to refund in advance of maturity the Municipal Facilities Revenue Refunding Bonds, Series 2011A. Principal and interest paid for the current year and total pledged revenues were \$1,132,597 and \$158,008,523, respectively.

Business-Type Activities

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 7/1/2032. 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 \$7,259,710 and \$20,422,540, 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, including the refunded bonds, for the current year and total pledged revenues were \$10,435,798 and \$158,008,523, 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. On June 30, 2021, 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 revenues available to service the debt were \$2,937,420 and \$3,641,975, 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 9 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 on June 30, 2022, consisted of outstanding general obligation and special assessment bonds. The bonds are generally callable with interest payable semiannually. Community facilities district bonds payable on June 30, 2022, are presented on the following page.

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2022	Due Within One Year
General District No. 1:				
General Obligation Refunding Bonds, Series 2013	5.00%	7/15/23-7/15/28	\$ 5,190,000	\$ 830,000
Palm Valley:				
General Obligation Refunding Bonds, Series 2016	3.00-4.00%	7/15/23-7/15/32	4,085,000	360,000
Utilities District No. 1:				
General Obligation Refunding Bonds, Series 2014	4.00%	7/15/23-7/15/28	7,340,000	1,105,000
General Obligation Refunding Bonds, Series 2015	3.00-4.125%	7/15/23-7/15/29	4,260,000	325,000
General Obligation Refunding Bonds, Series 2016	4.00%	7/15/23-7/15/32	14,050,000	530,000
Wildflower Ranch District 1:				
General Obligation Bonds, Series 1998	5.70-5.75%	7/15/23	80,000	80,000
Wildflower Ranch District 2:				
General Obligation Bonds, Series 2000	7.00%	7/15/23-7/15/25	160,000	50,000
General Obligation Bonds, Series 2001	5.90%	7/15/23-7/15/26	200,000	50,000
Estrella Mountain Ranch:				
Special Assessment Revenue Bonds, Series 2015M2	2.50-5.00%	7/1/23-7/1/39	3,880,000	156,000
Special Assessment Revenue Bonds, Series 2015M3	1.90-3.75%	7/1/23-7/1/46	584,000	14,000
General Obligation Refunding Bonds, Series 2017	3.25-5.00%	7/1/23-7/1/32	7,795,000	810,000
Special Assessment Revenue Bonds Series 2019 Lucero	2.60-4.75%	7/1/23-7/1/43	6,355,000	202,000
Total			53,979,000	4,512,000
Direct placements:				
Centerra:				
General Obligation Refunding Bonds, Series 2016	2.70%	7/15/23-7/15/31	1,944,000	202,000
General Obligation Bonds, Series 2016	2.70%	7/15/23-7/15/31	315,000	11,000
Cortina:				
General Obligation Refunding Bonds, Series 2017	3.18%	7/15/23-7/15/31	1,365,000	135,000
Cottonflower:				
General Obligation Refunding Bonds, Series 2017	2.92%	7/15/23-7/15/28	1,180,000	180,000
Estrella Mountain Ranch:				
Special Assessment Revenue Refunding Bonds				
Series 2018 Desert Village	3.15%	7/1/23-7/1/26	986,000	277,000
Series 2018 Golf Village	2.81%	7/1/23-7/1/24	430,000	257,000
Series 2018 Golf Village 2	3.67%	7/1/23-7/1/30	3,234,000	411,000
Series 2018 Montecito 2	3.75%	7/15/23-7/15/31	3,754,000	403,000
Total direct borrowings or direct placements			13,208,000	1,876,000
Total			\$ 67,187,000	\$ 6,388,000

NOTE 9 COMMUNITY FACILITIES DISTRICTS BONDS PAYABLE

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

Fiscal Year Ending June 30,	Governmental Activities			
	Principal	Interest	Direct Borrowings / Placements	
			Principal	Interest
2023	4,512,000	2,189,240	1,844,000	442,643
2024	4,782,000	2,007,189	1,848,000	381,200
2025	4,977,000	1,820,654	1,670,000	320,281
2026	5,125,000	1,611,564	1,686,000	264,288
2027	5,275,000	1,410,429	1,555,000	207,672
2028-2032	22,984,000	4,110,499	4,605,000	351,818
2033-2037	3,052,000	1,218,568	-	-
2038-2042	2,691,000	477,413	-	-
2043-2047	581,000	34,123	-	-
2048-2052	-	-	-	-
	<u>53,979,000</u>	<u>14,879,676</u>	<u>13,208,000</u>	<u>1,967,902</u>

NOTE 10 CHANGES IN LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences payable	6,912,090	18,982,819	17,351,068	8,543,841	4,578,102
Lease liability	-	94,775	15,401	79,374	18,746
General obligation bonds payable	94,324,553	23,475,000	4,665,698	113,133,855	6,088,495
Community Facilities District bonds payable	57,673,000	598,000	4,292,000	53,979,000	4,512,000
Direct borrowings or direct placements-CFD	15,185,000		1,977,000	13,208,000	1,876,000
Public improvement bonds payable	53,210,000		5,645,000	47,565,000	1,675,000
Direct borrowings or direct placements-PIC	9,038,918		2,142,680	6,896,238	2,206,236
Revenue bonds payable	48,050,000		3,115,000	44,935,000	7,000,000
Premiums	18,545,204	2,715,816	1,652,830	19,608,191	-
Discounts	(29,597)		(1,644)	(27,953)	-
Net OPEB liability	198,788		148,919	49,869	-
Net pension liability	83,457,500		45,884,456	37,573,044	-
Governmental activities long-term liabilities	<u>\$ 386,565,456</u>	<u>\$ 45,866,410</u>	<u>\$ 86,888,407</u>	<u>\$ 345,543,459</u>	<u>\$ 27,954,579</u>
Business-type activities:					
Compensated absences payable	712,306	1,801,818	1,663,472	850,652	488,079
Lease liability	-			-	-
General obligation bonds payable	40,480,447		3,059,302	37,421,145	3,126,505
Revenue bonds payable	139,065,000		1,940,000	137,125,000	2,025,000
Loans payable - Direct borrowing	2,488,002		289,877	2,198,125	295,674
Premiums	16,782,558		904,193	15,878,365	-
Discounts	-		-	-	-
Net OPEB liability	32,158		23,275	8,883	-
Net pension liability	7,258,513		1,660,566	5,597,947	-
Business-type activities long-term liabilities	<u>\$ 206,818,984</u>	<u>\$ 1,801,818</u>	<u>\$ 9,540,685</u>	<u>\$ 199,080,117</u>	<u>\$ 5,935,258</u>

The City's outstanding notes from direct borrowings and direct placements related to community facilities districts' debt of \$13,208,000 are secured by either (1) an ad valorem tax on all taxable property; (2) an

NOTE 10 CHANGES IN LONG-TERM LIABILITIES

assessment levied on each lot in the assessment district; or (3) a debt reserve fund. These notes contain a provision that in the event of default the interest rate will increase, and the legal rights of the creditor will be enforced.

The City's outstanding notes from direct borrowings and direct placements related to the Public Improvement Corporation's debt of \$6,896,238 are secured by the lease rental payments received pursuant to a Taxable and a Tax-Exempt Lease Agreement. These outstanding notes contain a provision that in an event of default the interest rate will increase, and the legal rights of the creditor will be enforced.

The City's outstanding note from direct borrowings and direct placements related to the business-type activities of \$2,198,125 is secured by pledged water and wastewater revenues. This outstanding note contains a provision that in an event of default a late charge of 6% per annum will be charged and the legal rights of the creditor will be enforced.

NOTE 11 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Transfers during the fiscal year were as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	41,887,213	15,723,288
GO Bond Capital Projects	3,653,395	26,340,053
Non Utility Development Impact Fee	1,933,890	2,729,900
Non-Major Governmental Funds	6,827,300	17,524,491
Sanitation	1,461,812	-
Water and Wastewater Fund	6,554,122	-
Total	<u>62,317,732</u>	<u>62,317,732</u>

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

Interfund balances as of June 30, 2022, is as follows:

	<u>Due to</u>	<u>Due From</u>
General Fund		1,448,680
GO Bond Capital Projects	75,998	
Non-Major Governmental Funds	<u>1,372,681</u>	
	<u>1,448,679</u>	<u>1,448,680</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems and (3) payments between funds are made. These amounts also include balances of working capital loans made to several nonmajor governmental funds, which the general fund expects to collect in the subsequent year.

NOTE 12 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, 2022; 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 13 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.

The City established a Self-Insurance Trust (an Internal Service Fund) to account for and finance its uninsured risk loss related to healthcare claims. 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 \$12,654,585. The Fund purchases commercial insurance for claims in excess of this coverage. Settled claims have not exceeded the annual aggregate in any of the past five 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
Healthcare Benefits				
2020-22	\$ 697,594	\$ 8,755,522	\$ 8,789,449	\$ 663,667

NOTE 13 RISK MANAGEMENT

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

NOTE 14 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, 2022, 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	\$ 1,861,629	\$ 211,705	\$ 2,073,334
Net pension and OPEB liability	37,622,913	5,606,830	43,229,743
Deferred outflows of resources	34,431,225	1,870,296	36,301,521
Deferred inflows of resources	24,636,837	1,956,781	26,593,618
Pension and OPEB expense	8,740,028	341,847	9,081,875

The City reported \$8,740,028 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% *With actuarially reduced benefits	2.1% to 2.3%

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT 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 \$100 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.

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 12.41 percent (12.22 percent for retirement and 0.19 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 12.41 percent (12.01 percent for retirement, 0.21 percent for health insurance premium benefit, and 0.19 percent for long-term disability) of the active members' annual covered payroll.

	<u>Contributions</u>
Pension	\$ 4,413,873
Health Insurance Premium	77,178
Long-Term Disability	69,828

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 10.22 percent (10.13 for retirement and 0.09 percent for long-term disability). ACR contributions are included in employer contributions presented above.

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Pension and OPEB Assets/Liability. The net pension and OPEB assets/liability were measured as of June 30, 2021. 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, 2020, to the measurement date of June 30, 2021. The total liabilities as of June 30, 2021 reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent. 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, 2021.

At June 30, 2022, the City reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2021, the City's percentage proportion for each plan and the related change from its proportion measured as of June 30, 2020 was:

	Net (Assets) Liability	City % Proportion	Increase (Decrease)
Pension	\$ 37,024,641	0.282	0.02
Health Insurance Premium	(1,400,236)	0.287	0.02
Long-Term Disability	58,752	0.285	0.02

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, 2022, the City recognized pension and OPEB expense as follows:

	Expense
Pension	\$ 4,486,256
Health Insurance Premium	(285,809)
Long-Term Disability	(10,635)

NOTE 14 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	\$ 564,407	\$ -	\$ 16,971
Changes of assumptions or other inputs	4,819,053	69,420	18,790
Net difference between projected and actual earnings on pension investments	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	2,283,396	509	17,195
Contributions subsequent to the measurement date	4,413,873	77,178	69,828
Total	<u>\$ 12,080,729</u>	<u>\$ 147,107</u>	<u>\$ 122,784</u>

	Deferred Inflows of Resources		
	Pension	Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ -	\$ 485,604	\$ 4,788
Changes of assumptions or other inputs	-	56,612	74,029
Net difference between projected and actual earnings on pension investments	11,730,709	519,417	40,690
Changes in porportion and differences between contributions and proportionate share of contributions	-	7,527	2,651
Total	<u>\$ 11,730,709</u>	<u>\$ 1,069,160</u>	<u>\$ 122,158</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, 2023. 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
2022	1,540,002	(234,083)	(8,862)
2023	1,024,655	(224,585)	(8,155)
2024	(2,586,020)	(246,284)	(9,625)
2025	(4,042,490)	(271,851)	(15,782)
2026	-	(22,428)	(5,500)
Thereafter	-	-	(21,278)

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9-8.4% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent base increases	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pensions and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The long-term expected rate of return on ASRS plan investments was determined to be 7.0 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:

Asset Class	Target Allocation	Long-Term Geometric Real Rate of Return
Equity	50%	4.90%
Fixed income - credit	20%	5.20%
Fixed income- interest rate sensitive	10%	0.70%
Real estate	20%	5.70%
Total	100%	

Discount Rate. At June 30, 2021, the discount rate used to measure the ASRS Total pension/OPEB liability was 7.0 percent, which was a decrease of 0.5 form the discount rate used as of June 30, 2020. 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.

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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 7.0 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	6.0%	7.0%	8.0%
Pension	\$ 58,236,659	\$ 37,024,641	\$ 19,339,687
Health Insurance Premium	(927,102)	(1,400,236)	(1,802,557)
Long-Term Disability	76,504	58,752	41,578

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. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool).

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 14 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	Tier 3
Years of service and age required to receive benefit	20 years of service, any age or 15 years of service, age 62	25 years or 15 years of credited service, age 52.5	15 years of credited service, age 52.5 or 15 or more years of service, age 55
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years	Highest 60 consecutive months of last 15 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%	1.5 % to 2.5% per year of credited service, not to exceed 80%
Accidental disability retirement	50% or normal retirement, whichever is greater		
Catastrophic disability retirement	90% of the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater		
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20		
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		

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

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 \$100 per month to \$260 per month depending on the age of the member and dependents.

Employees Covered by Benefit Terms. At June 30, 2022 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	30	30	15	15
Inactive, non-retired members	32	11	14	12
Active members	103	103	89	89
Total	165	144	118	116

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. The Tier three calculation below uses the Total Board Approved Tier 3 Required Employer Defined Benefit Cost from the Actuarial Valuation Reports. Contribution rates for the year ended June 30, 2022, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Tier 1 & 2		Tier 3	
	PSPRS - Police	PSPRS - Fire	PSPRS - Police	PSPRS - Fire
Active members - pension	7.65% to 11.65%		9.05%	9.05%
City of Goodyear:				
Pension	32.83%	30.94%	27.35%	25.64%
Health insurance	0.06%	0.31%	0.13%	0.13%

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 15.83 percent for fire PSPRS and 17.54 percent for Police PSPRS. ACR contributions are included in employer contributions presented above.

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

In addition to the current contributions shown below, the city had a prepaid overpayment of \$2,160,164 in Fire, and \$1,568,573 in Police applied towards its unfunded liability. The contributions to the pension and OPEB plans for the year ended were:

	Contributions	
	PSPRS - Police	PSPRS - Fire
Pension	\$ 1,811,103	\$ 2,213,888
Pension - Tier 2	1,072,593	225,806
Pension - Tier 3	586,756	507,881
Health insurance	2,890	24,832
Health insurance - Tier 2	1,711	2,533
Health insurance - Tier 3	7,823	6,772

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, 2022, the City reported the following assets and liabilities.

	Net (Asset) Liability	
	PSPRS - Police	PSPRS - Fire
Pension	\$ 4,217,115	\$ 1,929,142
Health insurance	(508,055)	(165,043)

The net pension and OPEB assets/liability were measured as of June 30, 2021. 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, 2021, reflects no changes of actuarial assumptions to the investment rate of return of 7.3 percent or the mortality rates.

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

Actuarial valuation date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return Tier 1 & 2	7.3%,
Investment rate of return Tier 3	7.0%,
Wage inflation	3.5% for pensions/not applicable for OPEB
Price inflation	2.5% for pensions/not applicable for OPEB
Cost-of-living adjustment	1.75% for pensions/not applicable for OPEB
Mortality rates	Mortality rate was updated to reflect the PubS-2010 Tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2017.

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

The long-term expected rate of return on PSPRS plan investments was determined to be 7.30 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 Geometric Real Rate of Return
U.S. public Equity	24%	4.08%
International Public Equity	16%	5.20%
Global Private Equity	20%	7.67%
Other Assets	7%	5.43%
Core Bonds	2%	0.42%
Private Credit	20%	5.74%
Diversifying Strategies	10%	3.99%
Cash – Mellon	1%	(0.31)%
Total	100%	

Discount Rate. At June 30, 2021, the discount rate used to measure the total pension and OPEB liability was 7.3 percent, which was the same discount rate used in the previous year, June 30, 2020.

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 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Changes in Net (Assets)/Liability

	Pension Increase (Decrease)			Health Insurance 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, 2021	\$61,494,383	\$37,507,990	\$ 23,986,393	\$ 727,609	\$ 1,008,384	\$ (280,775)
Change for the year:						
Service cost	2,208,847	-	2,208,847	37,876	-	37,876
Interest on the total liability	4,586,569	-	4,586,569	55,315	-	55,315
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the liability	641,214	-	641,214	(23,230)	-	(23,230)
Changes of assumptions or other inputs	-	-	-	-	-	-
Contributions - employer	-	14,918,307	(14,918,307)	-	21,141	(21,141)
Contributions - employee	-	819,075	(819,075)	-	-	-
Net investment income	-	11,521,830	(11,521,830)	-	277,240	(277,240)
Benefit payments, including refunds of employee contributions	(1,747,026)	(1,747,026)	-	(15,483)	(15,483)	-
Administrative expense	-	(53,304)	53,304	-	(1,140)	1,140
Other changes/Adjustments to PY	-	-	-	-	-	-
Net changes	5,689,604	25,458,882	(19,769,278)	54,478	281,758	(227,280)
Balances at June 30, 2022	\$67,183,987	\$62,966,872	\$ 4,217,115	\$ 782,087	\$ 1,290,142	\$ (508,055)

	Pension Increase (Decrease)			Health Insurance 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, 2021	\$62,406,936	\$41,282,449	\$ 21,124,487	\$ 811,708	\$ 782,811	\$ 28,897
Change for the year:						
Service cost	1,944,759	-	1,944,759	30,073	-	30,073
Interest on the total liability	4,652,630	-	4,652,630	61,078	-	61,078
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience in the measurement of the liability	1,925,481	-	1,925,481	(38,999)	-	(38,999)
Changes of assumptions or other inputs	-	-	-	-	-	-
Contributions - employer	-	14,569,689	(14,569,689)	-	33,001	(33,001)
Contributions - employee	-	693,071	(693,071)	-	-	-
Net investment income	-	12,513,461	(12,513,461)	-	213,971	(213,971)
Benefit payments, including refunds of employee contributions	(1,234,072)	(1,234,072)	-	(10,196)	(10,196)	-
Administrative expense	-	(58,006)	58,006	-	(880)	880
Other changes/Adjustments to PY	-	-	-	-	-	-
Net changes	7,288,798	26,484,143	(19,195,345)	41,956	235,896	(193,940)
Balances at June 30, 2022	\$69,695,734	\$67,766,592	\$ 1,929,142	\$ 853,664	\$ 1,018,707	\$ (165,043)

NOTE 14 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:

	1% Decrease	Current Discount Rate	1% Increase
PSPRS - Police			
Rate	6.30%	7.30%	8.30%
Net pension (assets) liability	\$ 14,671,560	\$ 4,217,115	\$ (4,184,028)
Net OPEB (assets) liability	(403,095)	(508,055)	(595,592)
PSPRS - Fire			
Rate	6.30%	7.30%	8.30%
Net pension (assets) liability	\$ 13,055,758	\$ 1,929,142	\$ (7,068,174)
Net OPEB (assets) liability	(56,376)	(165,043)	(256,423)

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, 2022, the City recognized the following as pension and OPEB expense:

	Expense	
	PSPRS - Police	PSPRS - Fire
Pension	\$ 2,581,449	\$ 2,381,102
Health insurance	(50,723)	(19,765)

Deferred Outflows/Inflows of Resources. At June 30, 2022, 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	\$ 2,785,334	\$ 510,975	\$ 8,365	\$ 248,533
Changes of assumptions or other inputs	1,327,324	-	10,346	22,825
Net difference between projected and actual earnings on plan investments	-	5,063,725		119,044
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-	-
Contributions subsequent to the measurement date	5,037,619	-	23,658	-
Total	\$ 9,150,277	\$ 5,574,700	\$ 42,369	\$ 390,402

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

	Pension		Health Insurance	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Fire				
Differences between expected and actual experience	\$ 7,777,560	\$ 1,930,031	\$ 11,790	\$ 167,138
Changes of assumptions or other inputs	1,825,969	-	10,885	47,119
Net difference between projected and actual earnings on plan investments		5,471,428		90,774
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-	-
Contributions subsequent to the measurement date	5,072,153	-	59,895	-
Total	\$ 14,675,682	\$ 7,401,459	\$ 82,570	\$ 305,031

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, 2023. 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
2023	(74,724)	(64,910)	175,673	(49,009)
2024	(422,098)	(65,649)	141,709	(49,640)
2025	(696,308)	(66,256)	7,620	(52,432)
2026	(1,125,281)	(73,085)	(457,456)	(61,709)
2027	455,046	(32,392)	1,160,928	(30,504)
Thereafter	401,323	(69,399)	1,173,596	(39,062)

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, 2022. As of June 30,

NOTE 14 PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

2022, there were four eligible employees participating in the plan. The plan was administered by Cetera Advisor Networks LLC.

As of June 30, 2022, the plan's assets consisted of the following:

Investments \$ 620,830

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 15 EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended, June 30, 2022, expenditures did not exceed budget at the fund level in any funds.

NOTE 16 FUND BALANCE CLASSIFICATIONS

	General Fund	Non Utility Development Impact Fees Capital Projects	GO Bonds Capital Projects	McDowell Road Commerical Corridor ID Debt Service Fund	Community Facilities Districts Debt Service Fund	Non-Major Funds	Total Governmental Funds
Fund Balances (deficits):							
Nonspendable							
Inventory	299,683	-	-	-	-	1,027,794	1,327,477
Prepaid items	0	-	-	-	-	323,750	323,750
Restricted							
Capital projects	-	-	26,425,693	-	-	-	26,425,693
Community facilities districts operations	-	-	-	-	-	6,586,516	6,586,516
Court	509,763	-	-	-	-	-	509,763
Debt service	-	-	-	935,859	1,357,281	1,030,090	3,323,230
Development impact fees	-	80,340,543	-	-	-	-	80,340,543
Grants	-	-	-	-	-	-	-
Law enforcement	324,149	-	-	-	-	-	324,149
Streets	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	164,112	164,112
Transit	1,402,368	-	-	-	-	-	1,402,368
Committed							
Ball park	-	-	-	-	-	4,754,655	4,754,655
Assigned							
Facilities Asset Mgmt Plan	1,938,782	-	-	-	-	-	1,938,782
Fire asset reserve	1,228,220	-	-	-	-	-	1,228,220
Fleet replacement	8,190,265	-	-	-	-	-	8,190,265
IT replacement	3,113,269	-	-	-	-	-	3,113,269
Risk management	750,000	-	-	-	-	-	750,000
Parks management	3,733,077	-	-	-	-	-	3,733,077
Traffic signal reserve	1,418,793	-	-	-	-	-	1,418,793
General Fund FY2022 Budget	129,774,800	-	-	-	-	-	129,774,800
Unassigned	26,378,589	-	-	-	-	(374,937)	26,003,652
Total fund balances	179,061,757	80,340,543	26,425,693	935,859	1,357,281	13,511,980	301,633,113

NOTE 17 DEFICIT FUND BALANCES

As of June 30, 2022, the Grants Fund had a deficit fund balance of \$51,117. The deficit exists due to timing of reimbursements for grant related expenses. Specifically, some reimbursements were not received within 60 days of the end of the fiscal year. The deficit is expected to be resolved in the subsequent fiscal year. Further detail can be found in the budget to actual schedule within the supplemental information.

NOTE 18 COMMITMENTS

Construction Commitments

The City has active construction projects as of June 30, 2022. The commitments for these active projects are being financed from existing fund balances. The balances for work not yet complete as of June 30, 2022 were as follows:

Project	Amount
30007 - Fire Station 188 Design Build	946,290
30008 - Fire Station 183 Tenant Improvements	316,362
35003 - Police Building Phase II	4,062,828
40007 - DSD - Permitting System	4,850
41003 - Enhanced Bullard Landscape and Branding	187,924
42016 - Civic Square at Estrella Falls	12,074,778
42024 - North Subdivision Street Lights	205,852
42042 - Western Avenue Parking Lot	107,846
60002 - Public Works Facility Management TI (Space Sol	680,440
60015 - Surface Water Project	4,776,105
60016 - Treatment Improvements - Site 18	1,373,048
60042 - Fiber Conduit	281,310
60046 - Historic Goodyear Waterlines	123,553
60047 - Booster 11 Generator	132,035
60064 - Goodyear WRF Grit System Replacement	15,721
60065 - Goodyear WRF East Centrifuge	8,833
60066 - Corgett WRF RAS Station Upgrades	21,831
60068 - RV Lift Station Generator Replacement	69,985
60071 - Fire Alarm Panel - PW Administration	80,768
	<u><u>\$ 25,470,359</u></u>

Encumbrances

In order to facilitate effective planning and control of funds, encumbrances are used to plan for certain items. Encumbrance amounts have been classified as assigned, unless classified as restricted or committed due to the nature of the fund. As of June 30, 2022, the encumbrances to be honored in the next fiscal year are as follows:

Fund	Amount
General Fund	\$ 12,752,018
Non-Utility Development Impact Fees	\$ 856,290
GO Bonds Capital Projects	<u>\$ 4,379,190</u>
Total Governmental Funds	<u><u>\$ 17,987,498</u></u>
Water & Wastewater Fund	\$ 7,482,861
Total Proprietary Funds	<u><u>\$ 7,482,861</u></u>

NOTE 19 TAX ABATEMENT AGREEMENTS

Government Property Lease Excise Tax

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, 2022, government property lease agreements the City entered into reduced the City tax revenues by \$410,348.

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 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, 2022, properties within the foreign trade zones reduced the City tax revenues by \$464,822.90.

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, 2022, the one developer agreement reduced City sales tax revenues by \$2,656,562.

NOTE 20 RESTATEMENT OF NET POSITION

The beginning net position of Governmental Activities, has been restated by (\$5,175,154) to record prior period adjustments related to the recording of unspent American Rescue Plan Act of 2021 (ARPA) funds that were previously recorded as deferred inflows and revenue and were properly reclassified to unearned revenue.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GOODYEAR, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 94,016,600	\$ 94,016,600	\$ 127,848,317	\$ 33,831,717
Licenses and permits	16,447,500	16,447,500	16,654,379	206,879
Intergovernmental revenues	26,397,700	26,397,700	41,101,813	14,704,113
Charges for services	1,912,100	1,912,100	3,448,050	1,535,950
Fines and forfeitures	666,300	666,300	1,016,840	350,540
Investment income	-	-	(3,493,550)	(3,493,550)
Contributions	17,487,000	17,487,000	1,895,854	(15,591,146)
Other revenues	924,200	924,200	1,833,316	909,116
Total revenues	157,851,400	157,851,400	190,305,019	32,453,619
EXPENDITURES				
Current:				
General government:				
City attorney	2,267,500	2,267,500	2,014,785	252,715
City clerk	836,000	820,000	734,078	85,922
City manager	2,931,300	3,581,300	2,735,179	846,121
Communications	1,269,700	1,301,700	1,257,984	43,716
Finance	4,634,100	4,394,100	4,146,738	247,362
Human resources	5,587,000	6,525,700	5,393,068	1,132,632
ITS	8,729,400	8,775,000	7,177,686	1,597,314
Mayor and council	356,900	356,900	289,423	67,477
Non-departmental	3,506,000	3,506,000	2,661,288	844,712
Reserved for contingency	21,663,500	23,758,500	-	23,758,500
Total general government	51,781,400	55,286,700	26,410,229	28,876,471
Public safety:				
Fire	25,967,100	25,931,700	25,276,508	655,192
Municipal Court	1,349,800	1,454,800	1,293,887	160,913
Police	34,118,000	34,140,700	32,445,801	1,694,899
Total public safety	61,434,900	61,527,200	59,016,196	2,511,004
Public works:				
Administration	608,400	622,500	624,558	(2,058)
Building services	2,095,200	2,081,100	1,732,345	348,755
Fleet services	464,000	699,000	271,785	427,215
Program management	957,000	957,000	687,635	269,365
Total public works	4,124,600	4,359,600	3,316,323	1,043,277

(Continued)

CITY OF GOODYEAR, ARIZONA
GENERAL FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Culture and recreation:				
Arts and culture	512,000	512,000	582,554	(70,554)
Parks	10,226,400	10,226,400	8,544,865	1,681,535
Recreation	5,022,800	5,027,800	4,648,322	379,478
Total culture and recreation	15,761,200	15,766,200	13,775,741	1,990,459
Development services:				
Development services	5,553,100	7,601,800	6,464,905	1,136,895
Economic development	3,957,900	4,907,100	2,865,736	2,041,364
Engineering	6,077,300	4,300,500	3,781,920	518,580
Total development services	15,588,300	16,809,400	13,112,561	3,696,839
Capital Outlay	38,734,700	64,906,800	16,728,432	48,178,368
Debt Service				
Principal	1,098,000	1,098,000	1,113,082	(15,082)
Interest	51,000	51,000	51,358	(358)
Total debt service	1,149,000	1,149,000	1,164,440	(15,440)
Total expenditures	188,574,100	219,804,900	133,523,922	86,280,978
Excess of revenues over expenditures	(30,722,700)	(61,953,500)	56,781,097	118,734,597
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	413,605	413,605
Transfers out	(76,451,000)	(62,303,200)	(41,259,220)	21,043,980
Transfers in	7,344,500	18,423,250	15,723,288	(2,699,962)
Total other financing sources and (uses)	(69,106,500)	(43,879,950)	(25,122,327)	18,757,623
Net change in fund balance	(99,829,200)	(105,833,450)	31,658,770	137,492,220
Fund balance, beginning of year	145,166,556	145,166,556	145,166,556	-
Fund balance, end of year	\$ 45,337,356	\$ 39,333,106	\$ 176,825,326	\$ 137,492,220

CITY OF GOODYEAR, ARIZONA
Notes to Budget and Actual Schedules
For the Year Ended June 30, 2022

Note 1. Budgetary Basis of Accounting

The City's budget is prepared on a basis consistent with generally accepted accounting principles, except for the following items:

- 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	\$ 147,253,140	\$ 207,353,218	\$ 175,544,600	\$ 179,061,758
Activity budgeted as special revenue funds	<u>(2,086,584)</u>	<u>(911,306)</u>	<u>(761,458)</u>	<u>(2,236,432)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances - General Fund	<u>\$ 145,166,556</u>	<u>\$ 206,441,912</u>	<u>\$ 174,783,142</u>	<u>\$ 176,825,326</u>



CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of the Proportionate Share of the Net Pension Liability
June 30, 2022

ASRS - Pension	Reporting Fiscal Year (Measurement Date)		
	2022 (2021)	2021 (2020)	2020 (2019)
Proportion of the net pension liability (asset)	0.28178%	0.26321%	0.25462%
Proportionate share of the net pension liability (asset)	\$ 37,024,641	\$ 45,605,133	\$ 37,050,173
Covered payroll	\$ 32,091,131	\$ 28,572,110	\$ 26,747,686
Proportionate share of the net pension liability (asset) as a percentage of its covered payroll	115.37%	159.61%	138.52%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%

Note: The City implemented GASB 68 in fiscal year 2015. Prior year information is not available

2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
0.26689%	0.24000%	0.24000%	0.24000%	0.22000%
\$ 37,221,762	\$ 37,471,443	\$ 39,085,443	\$ 36,986,742	\$ 33,264,817
\$ 25,325,110	\$ 23,806,419	\$ 22,599,315	\$ 21,761,494	\$ 20,166,769
146.98%	157.40%	172.95%	169.96%	164.95%
73.40%	69.92%	67.06%	68.35%	69.49%

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of the Proportionate Share of the Net OPEB Liability
June 30, 2022

ASRS - Health insurance premium benefit	Reporting Fiscal Year (Measurement Date)	
	2022	2021
	(2021)	(2020)
Proportion of the net OPEB (asset)	0.287400%	0.268850%
Proportionate share of the net OPEB (asset)	\$ (1,400,236)	\$ (190,345)
Covered payroll	\$ 32,091,131	\$ 28,572,110
Proportionate share of the net OPEB (asset) as a percentage of its covered payroll	-4.36%	-0.67%
Plan fiduciary net position as a percentage of the total OPEB liability	130.24%	104.33%
ASRS - Long-term disability	Reporting Fiscal Year (Measurement Date)	
	2022	2021
	(2021)	(2020)
Proportion of the net OPEB (asset)	0.284620%	0.266340%
Proportionate share of the net OPEB (asset)	\$ 58,752	\$ 202,049
Covered payroll	\$ 32,091,131	\$ 28,572,110
Proportionate share of the net OPEB (asset) as a percentage of its covered payroll	0.18%	0.71%
Plan fiduciary net position as a percentage of the total OPEB liability	90.38%	68.01%

Note: The City implemented GASB 75 in fiscal year 2018. Prior year information is not available.

2020 (2019)	2019 (2018)	2018 (2017)
0.260420%	0.271700%	0.243230%
\$ (71,968)	\$ (97,837)	\$ (132,414)
\$ 26,747,686	\$ 25,325,110	\$ 23,806,419
-0.27%	-0.39%	-0.56%
101.62%	102.20%	103.57%

2020 (2019)	2019 (2018)	2018 (2017)
0.258210%	0.267470%	0.241210%
\$ 168,210	\$ 139,754	\$ 87,433
\$ 26,747,686	\$ 25,325,110	\$ 23,806,419
0.63%	0.55%	0.37%
72.85%	77.83%	84.44%

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2022

PSPRS Police - Pension	Reporting Fiscal Year (Measurement Date)		
	2022 (2021)	2021 (2020)	2020 (2019)
Total pension liability			
Service cost	\$ 2,208,847	\$ 2,269,992	\$ 2,184,422
Interest on total pension liability	4,586,569	4,141,357	3,834,071
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total net pension liability	641,214	1,426,978	(759,999)
Changes of assumptions	-	-	1,323,823
Benefit payments, including refunds of employee contributions	(1,747,026)	(1,609,732)	(1,887,751)
Net change in total pension liability	5,689,604	6,228,595	4,694,566
Total pension liability - beginning	61,494,383	55,265,788	50,571,222
Total pension liability - ending (a)	\$ 67,183,987	\$ 61,494,383	\$ 55,265,788
Plan fiduciary net position			
Contributions - employer	\$ 14,918,307	\$ 2,900,958	\$ 3,042,548
Contributions - employee	819,075	870,194	785,605
Net investment income	11,521,830	479,482	1,784,598
Benefit payments, including refunds of employee contributions	(1,747,026)	(1,609,732)	(1,887,751)
Hall/Parker settlement	-	-	-
Plan administrative expenses	(53,304)	(39,094)	(32,005)
Other (net transfer)	-	17,383	-
Net change in plan fiduciary net position	25,458,882	2,619,191	3,692,995
Plan fiduciary net position - beginning	37,507,990	34,888,797	31,210,198
Adjustment to beginning of year	-	2	(14,396)
Plan fiduciary net position - ending (b)	\$ 62,966,872	\$ 37,507,990	\$ 34,888,797
Net pension liability - ending (a) - (b)	\$ 4,217,115	\$ 23,986,393	\$ 20,376,991
Plan fiduciary net position as a percentage of the total pension liability	93.72%	60.99%	63.13%
Covered payroll	\$ 8,656,917	\$ 9,220,411	\$ 9,600,397
Net pension liability as a percentage of covered payroll	48.71%	260.14%	212.25%

Note: The City implemented GASB 68 in fiscal year 2015. Information prior to 2015 is not available.

2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
\$ 2,123,570	\$ 1,914,605	\$ 1,437,416	\$ 1,278,133	\$ 1,278,071
3,331,300	2,971,515	2,477,882	2,301,498	1,966,048
-	456,529	3,357,342	-	186,683
1,802,331	494,534	389,465	(159,382)	260,090
-	824,808	1,580,891	-	1,746,183
<u>(1,283,523)</u>	<u>(1,454,686)</u>	<u>(1,398,856)</u>	<u>(1,107,068)</u>	<u>(1,220,650)</u>
5,973,678	5,207,305	7,844,140	2,313,181	4,216,425
44,597,544	39,390,239	31,546,099	29,232,918	25,016,493
<u>\$ 50,571,222</u>	<u>\$ 44,597,544</u>	<u>\$ 39,390,239</u>	<u>\$ 31,546,099</u>	<u>\$ 29,232,918</u>
\$ 3,953,950	\$ 1,633,633	\$ 1,597,875	\$ 1,173,950	\$ 1,116,495
947,565	930,370	885,129	768,858	704,171
1,918,567	2,810,340	130,212	739,152	2,311,670
(1,283,523)	(1,454,686)	(1,398,856)	(1,107,068)	(1,220,650)
(1,135,981)	-	-	-	-
(29,900)	(25,267)	(19,137)	(18,421)	-
66,475	333,337	167,861	(57,781)	(476,423)
4,437,153	4,227,727	1,363,084	1,498,690	2,435,263
26,773,045	22,545,318	21,182,234	19,683,544	17,248,281
-	-	-	-	-
<u>\$ 31,210,198</u>	<u>\$ 26,773,045</u>	<u>\$ 22,545,318</u>	<u>\$ 21,182,234</u>	<u>\$ 19,683,544</u>
<u>\$ 19,361,024</u>	<u>\$ 17,824,499</u>	<u>\$ 16,844,921</u>	<u>\$ 10,363,865</u>	<u>\$ 9,549,374</u>
61.72%	60.03%	57.24%	67.15%	67.33%
\$ 9,388,019	\$ 8,331,614	\$ 7,375,148	\$ 7,012,489	\$ 6,630,426
206.23%	213.94%	228.40%	147.79%	144.02%

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
June 30, 2022

PSPRS Fire - Pension	Reporting Fiscal Year (Measurement Date)		
	2022 (2021)	2021 (2020)	2020 (2019)
Total pension liability			
Service cost	\$ 1,944,759	\$ 1,996,708	\$ 1,979,628
Interest on total pension liability	4,652,630	4,060,626	3,813,916
Changes of benefit terms	-	-	-
Difference between expected and actual experience of the total net pension liability	1,925,481	3,164,096	(2,153,410)
Changes of assumptions	-	-	1,175,572
Benefit payments, including refunds of employee contributions	(1,234,072)	(885,597)	(608,760)
Net change in total pension liability	7,288,798	8,335,833	4,206,946
Total pension liability - beginning	62,406,936	54,071,103	49,864,157
Total pension liability - ending (a)	\$ 69,695,734	\$ 62,406,936	\$ 54,071,103
Plan fiduciary net position			
Contributions - employer	\$ 14,569,689	\$ 2,448,698	\$ 2,107,184
Contributions - employee	693,071	668,206	598,158
Net investment income	12,513,461	531,059	1,962,666
Benefit payments, including refunds of employee contributions	(1,234,072)	(885,597)	(608,760)
Hall/Parker settlement	-	-	-
Plan administrative expenses	(58,006)	(43,297)	(35,097)
Other (net transfer)	-	-	-
Net change in plan fiduciary net position	26,484,143	2,719,069	4,024,151
Plan fiduciary net position - beginning	41,282,449	38,563,377	34,551,812
Adjustment to beginning of year	-	3	(12,586)
Plan fiduciary net position - ending (b)	\$ 67,766,592	\$ 41,282,449	\$ 38,563,377
Net pension liability - ending (a) - (b)	\$ 1,929,142	\$ 21,124,487	\$ 15,507,726
Plan fiduciary net position as a percentage of the total pension liability	97.23%	66.15%	71.32%
Covered payroll	\$ 8,629,914	\$ 8,191,627	\$ 8,445,713
Net pension liability as a percentage of covered payroll	22.35%	257.88%	183.62%

Note: The City implemented GASB 68 in fiscal year 2015. Information prior to 2015 is not available.

2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
\$ 2,044,963	\$ 1,819,328	\$ 1,558,056	\$ 1,409,380	\$ 1,405,013
3,111,423	2,846,014	2,121,084	1,822,450	1,640,015
-	208,024	4,046,976	-	(18,156)
4,118,805	(389,024)	1,915,498	1,030,908	(813,497)
-	222,373	1,632,401	-	619,565
<u>(869,611)</u>	<u>(570,665)</u>	<u>(385,270)</u>	<u>(680,367)</u>	<u>(341,865)</u>
8,405,580	4,136,050	10,888,745	3,582,371	2,491,075
<u>41,458,577</u>	<u>37,322,527</u>	<u>26,433,782</u>	<u>22,851,411</u>	<u>20,360,336</u>
<u>\$ 49,864,157</u>	<u>\$ 41,458,577</u>	<u>\$ 37,322,527</u>	<u>\$ 26,433,782</u>	<u>\$ 22,851,411</u>
\$ 3,893,514	\$ 1,153,600	\$ 1,173,975	\$ 968,726	\$ 948,481
905,341	1,109,821	992,221	848,048	754,465
2,135,563	3,112,669	141,788	791,715	2,374,446
(869,611)	(570,665)	(385,270)	(680,367)	(341,865)
(1,424,092)	-	-	-	-
(33,203)	(27,942)	(20,803)	(19,707)	-
<u>53,121</u>	<u>301</u>	<u>278,213</u>	<u>304,136</u>	<u>(228,831)</u>
4,660,633	4,777,784	2,180,124	2,212,551	3,506,696
29,891,179	25,113,395	22,933,271	20,720,720	17,214,024
-	-	-	-	-
<u>\$ 34,551,812</u>	<u>\$ 29,891,179</u>	<u>\$ 25,113,395</u>	<u>\$ 22,933,271</u>	<u>\$ 20,720,720</u>
<u>\$ 15,312,345</u>	<u>\$ 11,567,398</u>	<u>\$ 12,209,132</u>	<u>\$ 3,500,511</u>	<u>\$ 2,130,691</u>
69.29%	72.10%	67.29%	86.76%	90.68%
\$ 8,787,982	\$ 8,028,810	\$ 8,217,597	\$ 7,822,842	\$ 7,338,829
174.24%	144.07%	148.57%	44.75%	29.03%

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
June 30, 2022

PSPRS Police Health Insurance Premium Benefit	Reporting Fiscal Year (Measurement Date)				
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability					
Service cost	\$ 37,876	\$ 40,698	\$ 27,225	\$ 30,980	\$ 27,494
Interest on total OPEB liability	55,315	57,502	64,999	57,711	57,481
Changes of benefit terms	-	-	-	-	3,790
Difference between expected and actual experience of the total net OPEB liability	(23,230)	(103,246)	(210,833)	11,892	4,452
Changes of assumptions or other inputs	-	-	14,776	-	(66,210)
Benefit payments	(15,483)	(7,405)	(14,484)	(13,196)	(17,372)
Net change in total OPEB liability	54,478	(12,451)	(118,317)	87,387	9,635
Total OPEB liability - beginning	727,609	740,060	858,377	770,990	761,355
Total OPEB liability - ending (a)	\$ 782,087	\$ 727,609	\$ 740,060	\$ 858,377	\$ 770,990
Plan fiduciary net position					
Contributions - employer	\$ 21,141	\$ 28,426	\$ 30,174	\$ 17,033	\$ 30,113
Contributions - employee	-	-	-	-	-
Net investment income	277,240	12,337	48,982	58,322	87,559
Benefit payments	(15,483)	(7,405)	(14,484)	(13,196)	(17,372)
Administrative expense	(1,140)	(1,003)	(846)	(888)	(774)
Other changes	-	-	-	1	-
Net change in plan fiduciary net position	281,758	32,355	63,826	61,272	99,526
Plan fiduciary net position - beginning	1,008,384	976,029	897,807	836,535	737,009
Adjustment to beginning of year	-	-	14,396	-	-
Plan fiduciary net position - ending (b)	\$ 1,290,142	\$ 1,008,384	\$ 976,029	\$ 897,807	\$ 836,535
Net OPEB liability - ending (a) - (b)	\$ (508,055)	\$ (280,775)	\$ (235,969)	\$ (39,430)	\$ (65,545)
Plan fiduciary net position as a percentage of the total OPEB liability	164.96%	138.59%	131.89%	104.59%	108.50%
Covered payroll	\$ 8,656,917	\$ 9,220,411	\$ 9,600,397	\$ 9,388,019	\$ 8,331,614
Net OPEB (asset) liability as a percentage of covered payroll	-5.87%	-3.05%	-2.46%	-0.42%	-0.79%

Note: The City implemented GASB 75 in fiscal year 2018. Information prior to 2018 is not available.

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios
June 30, 2022

PSPRS Fire Health Insurance Premium Benefit	Reporting Fiscal Year (Measurement Date)				
	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)
Total OPEB liability					
Service cost	\$ 30,073	\$ 31,919	\$ 19,334	\$ 22,849	\$ 20,875
Interest on total OPEB liability	61,078	60,500	62,411	57,087	58,459
Changes of benefit terms	-	-	-	-	375
Difference between expected and actual experience of the total net OPEB liability	(38,999)	(61,104)	(124,547)	2,063	21,035
Changes of assumptions or other inputs	-	-	15,548	-	(94,084)
Benefit payments	(10,196)	(10,499)	(11,820)	(24,100)	(7,230)
Net change in total OPEB liability	41,956	20,816	(39,074)	57,899	(570)
Total OPEB liability - beginning	811,708	790,892	829,966	772,067	772,637
Total OPEB liability - ending (a)	<u>\$ 853,664</u>	<u>\$ 811,708</u>	<u>\$ 790,892</u>	<u>\$ 829,966</u>	<u>\$ 772,067</u>
Plan fiduciary net position					
Contributions - employer	\$ 33,001	\$ 26,821	\$ 28,091	\$ 22,840	\$ 31,049
Contributions - employee	-	-	-	-	-
Net investment income	213,971	9,500	37,808	44,799	66,973
Benefit payments	(10,196)	(10,499)	(11,820)	(24,100)	(7,230)
Administrative expense	(880)	(773)	(653)	(682)	(593)
Other changes	-	-	-	1	-
Net change in plan fiduciary net position	235,896	25,049	53,426	42,858	90,199
Plan fiduciary net position - beginning	782,811	757,762	691,751	648,893	558,694
Adjustment to beginning of year	-	-	12,585	-	-
Plan fiduciary net position - ending (b)	<u>\$ 1,018,707</u>	<u>\$ 782,811</u>	<u>\$ 757,762</u>	<u>\$ 691,751</u>	<u>\$ 648,893</u>
Net OPEB liability - ending (a) - (b)	<u>\$ (165,043)</u>	<u>\$ 28,897</u>	<u>\$ 33,130</u>	<u>\$ 138,215</u>	<u>\$ 123,174</u>
Plan fiduciary net position as a percentage of the total OPEB liability	119.33%	96.44%	95.81%	83.35%	84.05%
Covered payroll	\$ 8,629,914	\$ 8,191,627	\$ 8,445,713	\$ 8,787,982	\$ 8,028,810
Net OPEB (asset) liability as a percentage of covered payroll	-1.91%	0.35%	0.39%	1.57%	1.53%

Note: The City implemented GASB 75 in fiscal year 2018. Information prior to 2018 is not available.

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2022

ASRS - Pension	Reporting Fiscal Year		
	2022	2021	2020
Contractually required contribution	\$ 4,413,873	\$ 3,690,370	\$ 3,294,032
Contributions in relation to the contractually required contribution	\$ (4,413,873)	\$ (3,690,370)	\$ (3,294,032)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 38,450,304	\$ 32,091,131	\$ 28,572,110
Contributions as a percentage of covered payroll	11.48%	11.50%	11.53%

PSPRS Police-Pension	Reporting Fiscal Year		
	2022	2021	2020
Actuarially determined contribution	\$ 3,492,704	\$ 2,918,307	\$ 2,900,958
Contributions in relation to the actuarially determined contribution	\$ (5,061,277)	\$ (14,918,307)	\$ (2,900,958)
Contribution deficiency (excess)	<u>\$ (1,568,573)</u>	<u>\$ (12,000,000)</u>	<u>\$ -</u>
Covered payroll	\$ 13,130,356	\$ 8,656,917	\$ 9,220,411
Contributions as a percentage of covered payroll	38.55%	172.33%	31.46%

PSPRS Fire-Pension	Reporting Fiscal Year		
	2022	2021	2020
Actuarially determined contribution	\$ 2,941,811	\$ 2,569,689	\$ 2,448,698
Contributions in relation to the actuarially determined contribution	(5,101,975)	(14,569,689)	(2,448,698)
Contribution deficiency (excess)	<u>\$ (2,160,164)</u>	<u>\$ (12,000,000)</u>	<u>\$ -</u>
Covered payroll	\$ 12,175,244	\$ 8,629,914	\$ 8,191,627
Contributions as a percentage of covered payroll	41.90%	168.83%	29.89%

Note: The City implemented GASB 68 in fiscal year 2015. Prior year information is not available

2019	2018	2017	2016	2015
\$ 3,002,190	\$ 2,760,437	\$ 2,566,332	\$ 2,452,025	\$ 2,369,823
\$ (3,002,190)	\$ (2,760,437)	\$ (2,566,332)	\$ (2,452,025)	\$ (2,369,823)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$26,747,686	\$25,325,110	\$23,806,419	\$22,599,315	\$21,761,494
11.22%	10.90%	10.78%	10.85%	10.89%

2019	2018	2017	2016	2015
\$ 3,042,548	\$ 3,953,950	\$ 1,633,633	\$ 1,597,875	\$ 1,173,950
\$ (3,042,548)	\$ (3,953,950)	\$ (1,633,633)	\$ (1,597,875)	\$ (1,173,950)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,600,397	\$ 9,388,019	\$ 8,331,614	\$ 7,375,148	\$ 7,012,489
31.69%	42.12%	19.61%	21.67%	16.74%

2019	2018	2017	2016	2015
\$ 2,107,184	\$ 3,893,514	\$ 1,153,600	\$ 1,173,975	\$ 968,726
(2,107,184)	(3,893,514)	(1,153,600)	(1,173,975)	(968,726)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,445,713	\$ 8,787,982	\$ 8,028,810	\$ 8,217,597	\$ 7,822,842
24.95%	44.30%	14.37%	14.29%	12.38%

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2022

ASRS - Health insurance premium benefit

	Reporting Fiscal Year				
	2022	2021	2020	2019	2018
Contractually required contribution	\$ 77,178	\$ 122,906	\$ 140,567	\$ 123,288	\$ 143,399
Contributions in relation to the contractually required contribution	(77,178)	(122,906)	(140,567)	(123,288)	(143,399)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 38,450,304	\$ 32,091,131	\$ 28,572,110	\$ 26,747,686	\$ 25,325,110
Contributions as a percentage of covered payroll	0.20%	0.38%	0.49%	0.46%	0.57%

ASRS - Long-term disability

	Reporting Fiscal Year				
	2022	2021	2020	2019	2018
Contractually required contribution	\$ 69,828	\$ 56,856	\$ 48,822	\$ 42,908	\$ 40,972
Contributions in relation to the contractually required contribution	(69,828)	(56,856)	(48,822)	(42,908)	(40,972)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 38,450,304	\$ 32,091,131	\$ 28,572,110	\$ 26,747,686	\$ 25,325,110
Contributions as a percentage of covered payroll	0.18%	0.18%	0.17%	0.16%	0.16%

Note: The City implemented GASB 75 in fiscal year 2018. Information prior to 2018 is not available.

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Schedule of Pension/OPEB Contributions
June 30, 2022

PSPRS Police

Health Insurance Premium Benefit

	Reporting Fiscal Year					
	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 37,876	\$ 21,141	\$ 28,426	\$ 30,174	\$ 17,033	\$ 30,113
Contributions in relation to the actuarially determined contribution	\$ (37,876)	\$ (21,141)	\$ (28,426)	\$ (30,174)	\$ (17,033)	\$ (30,113)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 13,130,356	\$ 8,656,917	\$ 9,220,411	\$ 9,600,397	\$ 9,388,019	\$ 8,331,614
Contributions as a percentage of covered payroll	0.29%	0.24%	0.31%	0.31%	0.18%	0.36%

PSPRS Fire

Health Insurance Premium Benefit

	Reporting Fiscal Year					
	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 30,073	\$ 33,001	\$ 26,821	\$ 28,091	\$ 22,840	\$ 31,049
Contributions in relation to the actuarially determined contribution	\$ (30,073)	\$ (33,001)	\$ (26,821)	\$ (28,091)	\$ (22,840)	\$ (31,049)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 12,175,244	\$ 8,629,914	\$ 8,191,627	\$ 8,445,713	\$ 8,787,982	\$ 8,028,810
Contributions as a percentage of covered payroll	0.25%	0.38%	0.33%	0.33%	0.26%	0.39%

Note: The City implemented GASB 75 in fiscal year 2018. Information prior to 2017 is not available.

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedules
June 30, 2022

Note 1. Actuarially Determined Contribution Rates

Actuarially determined contribution rates for PSPRS are calculated as of June 30 two years prior to the end of the fiscal year in which contributions are made. The actuarial methods and assumptions used to establish the contribution requirements are as follows:

Actuarial cost method	Entry Age Normal
Amortization Method	Level percent-of-pay, closed
Remaining Amortization Period as of the 2020 actuarial valuation	16 years for unfunded liabilities; 20 years for excess
Asset valuation method	7-Year smoothed market; 80%/120% market corridor
Actuarial assumptions:	
Investment rate of return	In the 2019 actuarial valuation, the investment rate of return was decreased from 7.4% to 7.3%. In the 2017 actuarial valuation, the investment rate of return was decreased from 7.5% to 7.4%. In the 2016 actuarial valuation, the investment rate of return was decreased from 7.85% to 7.5%. In the 2013 actuarial valuation, the investment rate of return was decreased from 8.0% to 7.85%.
Projected salary increases	In the 2017 actuarial valuation, projected salary increases were decreased from 4.0%-8.0% to 3.5%-7.5%. In the 2014 actuarial valuation, projected salary increases were decreased from 4.5%-8.5% to 4.0%-8.0%. In the 2013 actuarial valuation, projected salary increases were decreased from 5.0%-9.0% to 4.5%-8.5%.
Wage growth	In the 2017 actuarial valuation, wage growth was decreased from 4% to 3.5%. In the 2014 actuarial valuation, wage growth was decreased from 4.5% to 4.0%. In the 2013 actuarial valuation, wage growth was decreased from 5.0% to 4.5%.
Retirement age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period July 1, 2006 - June 30, 2011.
Mortality	In the 2019 actuarial valuation, changed to PubS-2010 tables. In the 2017 actuarial valuation, changed to RP-2014 tables, with 75% of MP-2016 fully generational projection scales. RP-2000 mortality table (adjusted by 105% for both males and females).

CITY OF GOODYEAR, ARIZONA
Required Supplementary Information
Notes to Pension/OPEB Plan Schedules
June 30, 2022

Note 2. Factors That Affect Trends

Arizona courts have ruled that provisions of a 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional or a breach of contract because those provisions apply to individuals who were members as of the law's effective date. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. PSPRS also reduced those members' employee contribution rates. These changes are reflected in the plans' pension liabilities for fiscal year 2015 (measurement date 2014) for members who were retired as of the law's effective date and fiscal year 2018 (measurement date 2017) for members who retired or will retire after the law's effective date. These changes also increased the PSPRS required pension contributions beginning in fiscal year 2016 for members who were retired as of the law's effective date. These changes increased the required contributions beginning in fiscal year 2019 for members who retired or will retire after the law's effective date.

SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
MAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

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

Debt Service Funds

- **McDowell Road Commercial Corridor ID Fund** – This fund accounts for the debt portion of the McDowell Road Improvement District.
- **Community Facilities Districts 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.

CITY OF GOODYEAR, ARIZONA
NON-UTILITY DEVELOPMENT IMPACT FEES
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 6,981,000	\$ 6,981,000	\$ 10,318,258	\$ 3,337,258
Charges for services	10,558,900	10,558,900	18,951,242	8,392,342
Investment income	-	-	180,010	180,010
Other revenues	-	-	1,791	1,791
Total revenues	17,539,900	17,539,900	29,451,301	11,911,401
EXPENDITURES				
Current:				
General Government	-	-	2,452,703	(2,452,703)
Capital outlay	32,687,400	45,484,200	3,167,208	42,316,992
Total expenditures	32,687,400	45,484,200	5,619,911	39,864,289
Excess (deficiency) of revenues over (under) expenditures	(15,147,500)	(27,944,300)	23,831,390	51,775,690
OTHER FINANCING SOURCES (USES)				
Transfers out	(18,685,400)	(2,071,400)	(1,933,890)	137,510
Transfers in	-	2,729,900	2,729,900	-
Total other financing Sources (Uses)	(18,685,400)	658,500	796,010	137,510
Net change in fund balances	(33,832,900)	(27,285,800)	24,627,400	51,913,200
Fund balance, beginning of year	55,713,143	55,713,143	55,713,143	-
Fund balance, end of year	\$ 21,880,243	\$ 28,427,343	\$ 80,340,543	\$ 51,913,200

CITY OF GOODYEAR, ARIZONA
GO BONDS
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Investment income	\$ -	\$ -	\$ 104,887	\$ 104,887
Other revenues	15,000,000	14,618,100	-	(14,618,100)
Total revenues	15,000,000	14,618,100	104,887	(14,513,213)
EXPENDITURES				
Capital outlay	170,149,700	140,586,600	60,359,308	80,227,292
Debt service				
Debt issuance cost	-	225,000	217,121	7,879
Total expenditures	170,149,700	140,811,600	60,576,429	80,235,171
Excess (deficiency) of revenues over (under) expenditures	(155,149,700)	(126,193,500)	(60,471,542)	65,721,958
OTHER FINANCING SOURCES (USES)				
Debt issuance	26,040,000	26,040,000	23,475,000	(2,565,000)
Premium on debt issuance	-	-	2,715,816	2,715,816
Transfers out	-	(5,787,700)	(3,653,395)	2,134,305
Transfers in	75,219,400	46,647,700	26,340,053	(20,307,647)
Total other financing Sources (Uses)	101,259,400	66,900,000	48,877,474	(18,022,526)
Net change in fund balances	(53,890,300)	(59,293,500)	(11,594,068)	47,699,432
Fund balance, beginning of year	38,019,761	38,019,761	38,019,761	-
Fund balance, end of year	<u>\$ (15,870,539)</u>	<u>\$ (21,273,739)</u>	<u>\$ 26,425,693</u>	<u>\$ 47,699,432</u>

CITY OF GOODYEAR, ARIZONA
MCDOWELL ROAD COMMERCIAL CORRIDOR ID
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Investment income	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Special assessments	3,573,000	3,573,000	3,640,847	67,847
Other revenues	-	-	1,128	1,128
Total revenues	3,574,000	3,574,000	3,641,975	67,975
EXPENDITURES				
Current:				
Public works/streets	229,300	229,300	85	229,215
Debt service:				
Principal	2,840,000	2,840,000	2,235,000	605,000
Interest and fiscal charges	734,000	734,000	702,720	31,280
Total expenditures	3,803,300	3,803,300	2,937,805	865,495
Excess (deficiency) of revenues over (under) expenditures	(229,300)	(229,300)	704,170	933,470
Fund balance, beginning of year	231,689	231,689	231,689	-
Fund balance, end of year	\$ 2,389	\$ 2,389	\$ 935,859	\$ 933,470

CITY OF GOODYEAR, ARIZONA
COMMUNITY FACILITIES DISTRICTS
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 6,330,400	\$ 6,330,400	\$ 6,531,771	\$ 201,371
Investment income	-	-	6,064	6,064
Special assessments	2,609,900	2,609,900	2,716,419	106,519
Total revenues	8,940,300	8,940,300	9,254,254	313,954
EXPENDITURES				
Current:				
General Government	-	-	9,720	(9,720)
Debt service:				
Principal	6,723,000	6,737,000	6,269,000	468,000
Interest and fiscal charges	3,063,300	3,077,100	2,877,573	199,527
Total expenditures	9,786,300	9,814,100	9,156,293	657,807
Excess (deficiency) of revenues over (under) expenditures	(846,000)	(873,800)	97,961	971,761
OTHER FINANCING SOURCES (USES)				
Payments to refunding escrow	-	(141,300)	-	141,300
Total other financing sources (uses)	-	(141,300)	-	141,300
Net change in fund balance	(846,000)	(1,015,100)	97,961	1,113,061
Fund balance, beginning of year	1,259,320	1,259,320	1,259,320	-
Fund balance, end of year	\$ 413,320	\$ 244,220	\$ 1,357,281	\$ 1,113,061

SUPPLEMENTARY INFORMATION
COMBINING STATEMENTS
AND BUDGETARY COMPARISON SCHEDULES
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 Fund** – CFDs represent special districts formed for the purpose of financing the acquisition, construction, operation, and maintenance of the public infrastructure benefiting the community.
- **Office of Tourism Prop 302** – Used to account for restricted funds to support Maricopa County tourism, marketing, and promotion.
- **Grants Fund** – Based on application to granting agencies by the City and availability of funding by grantors.
- **Ball Park** – Used to account for the activities of the City’s ball park operations

Debt Service Funds

- **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.

CITY OF GOODYEAR, ARIZONA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue		
	Highway User Revenue	Community Facilities District	Office of Tourism Prop 302
ASSETS			
Cash	\$ 695,630	\$ 6,586,797	\$ 164,112
Investments	-	-	-
Receivables:			
Taxes	-	17,591	-
Intergovernmental	731,513	-	-
Accounts	-	4,312	-
Prepaid items	-	-	-
Inventories	1,027,794	-	-
Total assets	<u>\$ 2,454,937</u>	<u>\$ 6,608,700</u>	<u>\$ 164,112</u>
LIABILITIES			
Accounts payable	\$ 317,718	\$ 18,511	\$ -
Accrued wages and salaries	24,470	-	-
Accrued liabilities	24,121	3,673	-
Deposits held for others	190,208	-	-
Due to other funds	210,011	-	-
Unearned revenues	660,685	-	-
Total liabilities	<u>1,427,213</u>	<u>22,184</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues- property taxes	-	-	-
Unavailable revenue-intergovernmental	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	1,027,794	-	-
Restricted	-	6,586,516	164,112
Committed	-	-	-
Unassigned	(70)	-	-
Total fund balances	<u>1,027,724</u>	<u>6,586,516</u>	<u>164,112</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,454,937</u>	<u>\$ 6,608,700</u>	<u>\$ 164,112</u>

Grants	Ball Park Special Revenue	Debt Service	Total
\$ 2,451,668	\$ 3,558,971	\$ 989,777	\$ 14,446,955
-	1,314,235	119	1,314,354
-	-	139,696	157,287
1,437,781	-	-	2,169,294
17,000	-	-	21,312
323,750	-	-	323,750
-	-	-	1,027,794
<u>\$ 4,230,199</u>	<u>\$ 4,873,206</u>	<u>\$ 1,129,592</u>	<u>\$ 19,460,746</u>
\$ 326,134	\$ 72,472	\$ -	\$ 734,835
-	43,652	-	68,122
-	2,427	-	30,221
-	-	-	190,208
1,162,670	-	-	1,372,681
2,792,418	-	-	3,453,103
<u>4,281,222</u>	<u>118,551</u>	<u>-</u>	<u>5,849,170</u>
-	-	99,502	99,502
94	-	-	94
<u>94</u>	<u>-</u>	<u>99,502</u>	<u>99,596</u>
323,750	-	-	1,351,544
-	-	1,030,090	7,780,718
-	4,754,655	-	4,754,655
(374,867)	-	-	(374,937)
<u>(51,117)</u>	<u>4,754,655</u>	<u>1,030,090</u>	<u>13,511,980</u>
<u>\$ 4,230,199</u>	<u>\$ 4,873,206</u>	<u>\$ 1,129,592</u>	<u>\$ 19,460,746</u>

CITY OF GOODYEAR, ARIZONA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue		
	Highway User Revenue	Community Facilities Districts	Office of Tourism Prop 302
REVENUES			
Taxes	\$ -	\$ 1,710,209	\$ -
Intergovernmental	6,918,602	-	260,979
Charges for services	179,346	-	-
Investment income	51,147	4,074	-
Contributions	-	292,536	-
Other revenues	-	-	-
Total revenues	7,149,095	2,006,819	260,979
EXPENDITURES			
Current:			
General government	-	1,483,025	-
Public safety	-	-	-
Public works/streets	8,098,528	-	-
Culture and recreation	-	-	159,367
Development services	-	-	-
Capital outlay	1,200,654	-	-
Debt service:			
Bond issuance costs	-	178,360	-
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	9,299,182	1,661,385	159,367
Excess (deficiency) of revenues over (under) expenditures	(2,150,087)	345,434	101,612
OTHER FINANCING SOURCES (USES)			
Debt issuance	-	598,000	-
Transfers out	-	-	-
Transfers in	2,656,524	-	-
Total other financing sources (uses):	2,656,524	598,000	-
Net change in fund balances	506,437	943,434	101,612
Fund balances, beginning of year	521,287	5,643,082	62,500
Fund balances, end of year	\$ 1,027,724	\$ 6,586,516	\$ 164,112

Grants	Ball Park Special Revenue	Debt Service	Total
\$ -	\$ -	\$ 8,416,285	\$ 10,126,494
9,500,005	-	-	16,679,586
-	1,323,520	-	1,502,866
-	26,843	65	82,129
-	1,266,500	-	1,559,036
-	6,031	-	6,031
9,500,005	2,622,894	8,416,350	29,956,142
177,619	-	37	1,660,681
371,032	-	-	371,032
-	-	-	8,098,528
2,000	5,629,023	-	5,790,390
208,000	-	-	208,000
1,814,423	412,997	-	3,428,074
-	-	-	178,360
-	7,570,000	4,665,699	12,235,699
-	2,853,273	3,506,590	6,359,863
2,573,074	16,465,293	8,172,326	38,330,627
6,926,931	(13,842,399)	244,024	(8,374,485)
-	-	-	598,000
(6,827,300)	-	-	(6,827,300)
-	14,867,967	-	17,524,491
(6,827,300)	14,867,967	-	11,295,191
99,631	1,025,568	244,024	2,920,706
(150,748)	3,729,087	786,066	10,591,274
\$ (51,117)	\$ 4,754,655	\$ 1,030,090	\$ 13,511,980

CITY OF GOODYEAR, ARIZONA
HIGHWAY USER REVENUE
Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenue	\$ 6,102,600	\$ 6,102,600	\$ 6,918,602	\$ 816,002
Charges for services	-	-	179,346	179,346
Investment income	-	-	51,147	51,147
Total revenues	6,102,600	6,102,600	7,149,095	1,046,495
EXPENDITURES				
Current:				
Highways and streets	8,724,600	8,801,900	8,098,528	703,372
Capital outlay	2,044,400	2,403,900	1,200,654	1,203,246
Total expenditures	10,769,000	11,205,800	9,299,182	1,906,618
Excess (deficiency) of revenues over (under) expenditures	(4,666,400)	(5,103,200)	(2,150,087)	2,953,113
OTHER FINANCING				
SOURCES (USES)				
Transfers out	(18,900)	(205,700)	-	205,700
Transfers in	4,666,400	4,666,400	2,656,524	(2,009,876)
Total other financing sources (uses)	4,647,500	4,460,700	2,656,524	(1,804,176)
Net change in fund balance	(18,900)	(642,500)	506,437	1,148,937
Fund balance, beginning of year	521,287	521,287	521,287	-
Fund balance, end of year	\$ 502,387	\$ (121,213)	\$ 1,027,724	\$ 1,148,937

CITY OF GOODYEAR, ARIZONA
COMMUNITY FACILITIES DISTRICTS
Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 2,014,200	\$ 2,014,200	\$ 1,710,209	\$ (303,991)
Investment income	3,300	3,300	4,074	774
Contributions	106,000	106,000	292,536	186,536
Total revenues	2,123,500	2,123,500	2,006,819	(116,681)
EXPENDITURES				
Current:				
General government	2,008,300	2,786,300	1,483,025	1,303,275
Debt service				
Bond issuance costs	-	-	178,360	(178,360)
Total expenditures	2,008,300	2,786,300	1,661,385	1,124,915
Excess (deficiency) of revenues over (under) expenditures	115,200	(662,800)	345,434	1,008,234
OTHER FINANCING SOURCES (USES)				
Debt issuance	-	-	598,000	598,000
Total other financing sources (uses)	-	-	598,000	598,000
Net change in fund balance	115,200	(662,800)	943,434	1,606,234
Fund balance, beginning of year	5,643,082	5,643,082	5,643,082	-
Fund balance, end of year	\$ 5,758,282	\$ 4,980,282	\$ 6,586,516	\$ 1,606,234

CITY OF GOODYEAR, ARIZONA
OFFICE OF TOURISM PROP 302
Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental revenue	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260,979</u>	<u>\$ 260,979</u>
Total revenues	<u>-</u>	<u>-</u>	<u>260,979</u>	<u>260,979</u>
EXPENDITURES				
Current:				
Culture and recreation	<u>-</u>	<u>332,200</u>	<u>159,367</u>	<u>172,833</u>
Total expenditures	<u>-</u>	<u>332,200</u>	<u>159,367</u>	<u>172,833</u>
Net change in fund balance	-	(332,200)	101,612	433,812
Fund balance, beginning of year	<u>62,500</u>	<u>62,500</u>	<u>62,500</u>	<u>-</u>
Fund balance, end of year	<u>\$ 62,500</u>	<u>\$ (269,700)</u>	<u>\$ 164,112</u>	<u>\$ 433,812</u>

CITY OF GOODYEAR, ARIZONA
GRANTS
Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental revenue	\$ 11,364,800	\$ 11,364,800	\$ 9,500,005	\$ (1,864,795)
Total revenues	<u>11,364,800</u>	<u>11,364,800</u>	<u>9,500,005</u>	<u>(1,864,795)</u>
EXPENDITURES				
Current:				
General government	10,445,300	215,900	177,619	38,281
Public safety	499,300	576,600	371,032	205,568
Culture and recreation	-	7,000	2,000	5,000
Development services	-	2,000,000	208,000	1,792,000
Capital outlay	<u>759,000</u>	<u>1,166,700</u>	<u>1,814,423</u>	<u>(647,723)</u>
Total expenditures	<u>11,703,600</u>	<u>3,966,200</u>	<u>2,573,074</u>	<u>1,393,126</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(338,800)</u>	<u>7,398,600</u>	<u>6,926,931</u>	<u>(471,669)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(564,100)</u>	<u>(8,275,150)</u>	<u>(6,827,300)</u>	<u>1,447,850</u>
Total other financing sources (uses)	<u>(564,100)</u>	<u>(8,275,150)</u>	<u>(6,827,300)</u>	<u>1,447,850</u>
Net change in fund balance	(902,900)	(876,550)	99,631	976,181
Fund balance, beginning of year	<u>(150,748)</u>	<u>(150,748)</u>	<u>(150,748)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (1,053,648)</u>	<u>\$ (1,027,298)</u>	<u>\$ (51,117)</u>	<u>\$ 976,181</u>

CITY OF GOODYEAR, ARIZONA
BALL PARK
Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	\$ 3,409,100	\$ 2,125,700	\$ 1,323,520	\$ (802,180)
Investment income	-	-	26,843	26,843
Contributions	50,000	1,333,400	1,266,500	(66,900)
Miscellaneous	-	-	6,031	6,031
Total revenues	3,459,100	3,459,100	2,622,894	(836,206)
EXPENDITURES				
Current:				
Culture and recreation	5,871,500	5,970,600	5,629,023	341,577
Capital outlay	678,000	678,000	412,997	265,003
Debt Service:				
Principal	6,690,000	6,690,000	7,570,000	(880,000)
Interest	3,740,000	3,740,000	2,853,273	886,727
Total expenditures	16,979,500	17,078,600	16,465,293	613,307
Excess (deficiency) of revenues over (under) expenditures	(13,520,400)	(13,619,500)	(13,842,399)	(222,899)
OTHER FINANCING SOURCES (USES)				
Transfers in	14,472,400	14,921,500	14,867,967	(53,533)
Total other financing sources (uses)	14,472,400	14,921,500	14,867,967	(53,533)
Net change in fund balance	952,000	1,302,000	1,025,568	(276,432)
Fund balance, beginning of year	3,729,087	3,729,087	3,729,087	-
Fund balance, end of year	\$ 4,681,087	\$ 5,031,087	\$ 4,754,655	\$ (276,432)

CITY OF GOODYEAR, ARIZONA
DEBT SERVICE FUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 8,604,100	\$ 8,604,100	\$ 8,416,285	\$ (187,815)
Investment income	-	-	65	65
Total revenues	<u>8,604,100</u>	<u>8,604,100</u>	<u>8,416,350</u>	<u>(187,750)</u>
EXPENDITURES				
Current:				
General government	395,900	395,900	37	395,863
Debt service				
Bond issuance cost	5,569,300	5,569,300	-	5,569,300
Principal	1,621,000	1,621,000	4,665,699	(3,044,699)
Interest and fiscal charges	1,824,500	1,824,500	3,506,590	(1,682,090)
Total expenditures	<u>9,410,700</u>	<u>9,410,700</u>	<u>8,172,326</u>	<u>1,238,374</u>
Net change in fund balance	(806,600)	(806,600)	244,024	1,050,624
Fund balance, beginning of year	<u>786,066</u>	<u>786,066</u>	<u>786,066</u>	<u>-</u>
Fund balance, end of year	<u>\$ (20,534)</u>	<u>\$ (20,534)</u>	<u>\$ 1,030,090</u>	<u>\$ 1,050,624</u>



**BUDGETARY COMPARISON SCHEDULES
OTHER FUNDS**

CITY OF GOODYEAR, ARIZONA
PARK AND RIDE MARQUEE
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Non-GAAP Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 109,300	\$ 109,300	\$ 108,677	\$ (623)
Other revenues	-	-	-	-
Total revenues	109,300	109,300	147,148	37,848
EXPENDITURES				
Current:				
Highways and streets	1,372,700	1,372,700	5,284	1,367,416
Total expenditures	1,372,700	1,372,700	5,284	1,367,416
Net change in fund balances	(1,263,400)	(1,263,400)	141,864	1,405,264
Fund balance, beginning of year	1,260,501	1,260,501	1,260,501	-
Fund balance, end of year	\$ (2,899)	\$ (2,899)	\$ 1,402,365	\$ 1,405,264

CITY OF GOODYEAR, ARIZONA
COURT ENHANCEMENT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Non-GAAP Actual	Variance with Final Budget
REVENUES				
Fines and forfeits	\$ 55,000	\$ 55,000	\$ 83,095	\$ 28,095
Investment income	-	-	314	314
Total revenues	55,000	55,000	83,409	28,409
EXPENDITURES				
Current:				
Public safety	280,200	280,200	48,476	231,724
Total expenditures	280,200	280,200	48,476	231,724
Net change in fund balances	(225,200)	(225,200)	34,933	260,133
Fund balance, beginning of year	270,480	270,480	270,480	-
Fund balance, end of year	\$ 45,280	\$ 45,280	\$ 305,413	\$ 260,133

CITY OF GOODYEAR, ARIZONA
FILL-THE-GAP
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and forfeits	\$ 6,000	\$ 6,000	\$ 5,724	\$ (276)
Investment income	-	-	220	220
Total revenues	6,000	6,000	5,944	(56)
EXPENDITURES				
Current:				
Public Safety	33,600	33,600	25	33,575
Total expenditures	33,600	33,600	25	33,575
Net change in fund balances	(27,600)	(27,600)	5,919	33,519
Fund balance, beginning of year	63,213	63,213	63,213	-
Fund balance, end of year	\$ 35,613	\$ 35,613	\$ 69,132	\$ 33,519

CITY OF GOODYEAR, ARIZONA
JCEF
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Non-GAAP Actual	Variance with Final Budget
REVENUES				
Fines and forfeits	\$ 8,500	\$ 8,500	\$ 14,559	\$ 6,059
Investment income	-	-	785	785
Total revenues	8,500	8,500	15,344	6,844
EXPENDITURES				
Current:				
Public Safety	124,500	124,500	92	124,408
Total expenditures	124,500	124,500	92	124,408
Net change in fund balances	(116,000)	(116,000)	15,252	131,252
Fund balance, beginning of year	120,121	120,121	120,121	-
Fund balance, end of year	\$ 4,121	\$ 4,121	\$ 135,373	\$ 131,252

CITY OF GOODYEAR, ARIZONA
IMPOUND
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Non-GAAP Actual	Variance with Final Budget
REVENUES				
Charges for services	\$ 70,800	\$ 70,800	\$ 97,318	\$ 26,518
Investment income	1,200	1,200	-	(1,200)
Total revenues	72,000	72,000	97,318	25,318
EXPENDITURES				
Current:				
Public safety	266,400	251,000	64,775	186,225
Capital outlay	-	15,400	14,812	588
Total expenditures	266,400	266,400	79,587	186,813
Net change in fund balances	(194,400)	(194,400)	17,731	212,131
Fund balance, beginning of year	240,862	240,862	240,862	-
Fund balance, end of year	\$ 46,462	\$ 46,462	\$ 258,593	\$ 212,131

CITY OF GOODYEAR, ARIZONA
AZ SMART AND SAFE
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenue	\$ -	\$ -	\$ 543,926	\$ 543,926
Total revenues	-	-	543,926	543,926
Other Financing Sources (Uses):				
Transfers out	-	(630,000)	(627,994)	2,006
Total other financing Sources (Uses)	-	(630,000)	(627,994)	2,006
Net change in fund balances	-	(630,000)	(84,068)	545,932
Fund balance, beginning of year	84,098	84,098	84,098	-
Fund balance, end of year	\$ 84,098	\$ (545,902)	\$ 30	\$ 545,932

CITY OF GOODYEAR, ARIZONA
OFFICER SAFETY EQUIPMENT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			
	Original	Final	Non-GAAP Actual	Variance with Final Budget
REVENUES				
Fines and forfeits	\$ 20,000	\$ 20,000	\$ 18,217	\$ (1,783)
Total revenues	20,000	20,000	18,217	(1,783)
EXPENDITURES				
Current:				
Public safety	59,300	59,300	-	59,300
Total expenditures	59,300	59,300	-	59,300
Net change in fund balances	(39,300)	(39,300)	18,217	57,517
Fund balance, beginning of year	47,310	47,310	47,310	-
Fund balance, end of year	\$ 8,010	\$ 8,010	\$ 65,527	\$ 57,517

CITY OF GOODYEAR, ARIZONA
WATER AND WASTEWATER
Enterprise Fund
Schedule of Operations
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Operating Revenues				
Charges for services	\$ 45,653,700	\$ 47,353,700	\$ 52,994,849	\$ 5,641,149
Other revenues	88,000	88,000	399,907	311,907
Total operating revenues	45,741,700	47,441,700	53,394,756	5,953,056
Operating Expenses				
Salaries, wages and benefits	8,032,400	8,032,400	6,897,572	1,134,828
Cost of sales and services	86,433,400	78,509,200	26,074,644	52,434,556
Depreciation	-	-	10,083,801	(10,083,801)
Total operating expenses	94,465,800	86,541,600	43,056,017	43,485,583
Operating income (loss)	(48,724,100)	(39,099,900)	10,338,739	49,438,639
Non-operating Revenues (Expenses)				
Investment income	215,400	215,400	24,844	(190,556)
Interest and debt cost	(12,290,000)	(12,290,000)	(6,148,427)	6,141,573
Gain (loss) on sale of assets	-	-	35,570	35,570
Total non-operating revenue (expense)	(12,074,600)	(12,074,600)	(6,088,013)	5,986,587
Income (loss) before contributions and transfers	(60,798,700)	(51,174,500)	4,250,726	55,425,226
Capital contributions	13,074,900	13,074,900	11,254,372	(1,820,528)
Transfers out	(6,782,800)	(6,620,600)	(6,554,122)	66,478
Transfers in	2,424,500	-	-	-
Change in net position	(52,082,100)	(44,720,200)	8,950,976	53,671,176
Total net position, beginning of year	316,054,412	316,054,412	316,054,412	-
Total net position, end of year	\$ 263,972,312	\$ 271,334,212	\$ 325,005,388	\$ 53,671,176

CITY OF GOODYEAR, ARIZONA
SANITATION
Enterprise Fund
Schedule of Operations
Budget and Actual
For the Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Operating Revenues				
Charges for services	\$ 7,692,200	\$ 7,692,200	\$ 7,658,250	\$ (33,950)
Other revenues	9,000	9,000	25,278	16,278
Total operating revenues	7,701,200	7,701,200	7,683,528	(17,672)
Operating Expenses				
Salaries, wages and benefits	1,314,100	1,314,100	1,180,075	134,025
Cost of sales and services	9,941,700	10,401,700	5,899,572	4,502,128
Depreciation	-	-	234,771	(234,771)
Total operating expenses	11,255,800	11,715,800	7,314,418	4,401,382
Operating income (loss)	(3,554,600)	(4,014,600)	369,110	4,383,710
Non-operating Revenues (Expenses)				
Investment income	25,000	25,000	9,022	(15,978)
Total non-operating revenue (expense)	25,000	25,000	9,022	(15,978)
Income (loss) before contributions and transfers	(3,529,600)	(3,989,600)	378,132	4,367,732
Transfers out	(1,625,000)	(1,495,000)	(1,461,812)	33,188
Change in net position	(5,154,600)	(5,484,600)	(1,083,680)	4,400,920
Total net position, beginning of year	5,693,649	5,693,649	5,693,649	-
Total net position, end of year	\$ 539,049	\$ 209,049	\$ 4,609,969	\$ 4,400,920

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.



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 trend information 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 assess the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain information about the City's operations and various resources to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

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 year 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			
	2013	2014**	2015	2016
Governmental Activities				
Net investment in capital assets	\$ 333,034,884	\$ 345,513,895	\$ 365,019,949	\$ 361,739,970
Restricted	99,128,020	85,246,465	92,247,738	92,276,066
Unrestricted	<u>35,820,702</u>	<u>9,672,461</u>	<u>5,722,007</u>	<u>19,147,997</u>
Total Governmental Activities Net Position	<u>467,983,606</u>	<u>440,432,821</u>	<u>462,989,694</u>	<u>473,164,033</u>
Business-type Activities				
Net investment in capital assets	178,456,590	177,274,142	176,380,867	180,640,162
Restricted	3,196,131	5,640,492	7,607,902	18,131,719
Unrestricted	<u>16,616,254</u>	<u>9,860,573</u>	<u>14,190,297</u>	<u>7,380,491</u>
Total Business-type Activities Net Position	<u>198,268,975</u>	<u>192,775,207</u>	<u>198,179,066</u>	<u>206,152,372</u>
Primary Government				
Net investment in capital assets	511,491,474	522,788,037	541,400,816	542,380,132
Restricted	102,324,151	90,886,957	99,855,640	110,407,785
Unrestricted	<u>52,436,956</u>	<u>9,112,875</u>	<u>19,912,304</u>	<u>26,528,488</u>
Total Primary Government Net Position	<u>\$ 666,252,581</u>	<u>\$ 622,787,869</u>	<u>\$ 661,168,760</u>	<u>\$ 679,316,405</u>

Notes:

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

Source: Statement of Net Position

Table 1

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 379,899,821	\$ 381,473,262	\$ 342,610,234	\$ 334,972,021	\$ 435,167,043	\$ 505,965,429
90,497,505	87,435,376	149,077,511	155,095,665	147,571,052	158,679,422
16,944,442	29,981,817	43,643,472	112,776,992	106,628,136	130,927,545
487,341,768	498,890,455	535,331,217	602,844,678	689,366,231	795,572,396
181,242,982	199,032,946	227,004,152	254,623,951	302,551,844	276,352,992
21,072,234	13,468,708	6,346,204	-	-	21,277,991
15,974,822	24,366,584	26,960,200	31,895,840	19,196,217	31,984,374
218,290,038	236,868,238	260,310,556	286,519,791	321,748,061	329,615,357
561,142,803	580,506,208	569,614,386	589,595,972	737,718,887	782,318,421
111,569,739	100,904,084	155,423,715	155,095,665	147,571,052	179,957,413
32,919,264	54,348,401	70,603,672	144,672,832	125,824,353	162,911,919
<u>\$ 705,631,806</u>	<u>\$ 735,758,693</u>	<u>\$ 795,641,773</u>	<u>\$ 889,364,469</u>	<u>\$ 1,011,114,292</u>	<u>\$ 1,125,187,753</u>

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

	2013	2014	2015	2016	2017
Expenses**					
Governmental Activities:					
General government	\$ 17,652,646	\$ 18,216,169	\$ 19,624,056	\$ 19,824,313	\$ 20,151,975
Public safety	27,987,404	30,710,193	31,834,683	34,823,588	47,535,184
Highways and streets	14,355,644	19,368,539	17,941,162	20,753,487	19,181,162
Public works	3,090,345	2,773,348	3,361,822	7,920,958	3,569,658
Culture and recreation	5,539,612	5,827,309	6,422,764	6,880,654	15,363,752
Development services	7,194,428	5,836,254	7,005,308	7,981,904	7,316,935
Interest on long-term debt	10,411,562	9,282,269	8,763,353	8,479,284	12,131,284
Total Governmental Activities Expenses	<u>\$ 86,231,641</u>	<u>\$ 92,014,081</u>	<u>\$ 94,953,148</u>	<u>\$ 106,664,188</u>	<u>\$ 125,249,950</u>
Business-type Activities					
Water and wastewater	\$ 21,912,587	\$ 23,511,395	\$ 25,489,522	\$ 27,647,487	\$ 30,139,626
Sanitation	5,246,666	5,472,534	5,802,163	6,444,459	5,868,228
Stadium*	12,204,354	12,529,987	12,407,494	12,647,134	-
Total Business-type Activities Expenses	<u>\$ 39,363,607</u>	<u>\$ 41,513,916</u>	<u>\$ 43,699,179</u>	<u>\$ 46,739,080</u>	<u>\$ 36,007,854</u>
Total Primary Government Expenses	<u>\$ 125,595,248</u>	<u>\$ 133,527,997</u>	<u>\$ 138,652,327</u>	<u>\$ 153,403,268</u>	<u>\$ 161,257,804</u>

Notes:

** Beginning in fiscal year 2016 expense functions were consolidated to align with the basic financial statement

Source: Statement of Activities

Table 2

2018	2019	2020	2021	2022
\$ 23,781,937	\$ 23,478,993	\$ 26,604,672	\$ 31,006,001	\$ 34,157,389
45,439,446	52,241,594	59,271,160	60,372,627	64,651,123
26,460,464	21,330,274	21,599,888	21,439,214	23,563,017
4,232,567	7,972,935	10,177,808	9,655,317	5,602,891
19,080,188	19,083,232	18,739,373	19,716,170	25,843,304
6,591,111	8,380,985	10,466,142	11,665,512	14,906,593
11,582,014	8,797,275	9,009,554	10,360,626	9,236,464
<u>\$ 137,167,727</u>	<u>\$ 141,285,288</u>	<u>\$ 155,868,597</u>	<u>\$ 164,215,467</u>	<u>\$ 177,960,781</u>
\$ 26,853,794	\$ 31,493,180	\$ 40,540,282	\$ 48,483,586	\$ 49,204,444
6,206,843	6,681,134	6,028,780	6,547,622	7,314,418
-	-	-	-	-
<u>\$ 33,060,637</u>	<u>\$ 38,174,314</u>	<u>\$ 46,569,062</u>	<u>\$ 55,031,208</u>	<u>\$ 56,518,862</u>
<u>\$ 170,228,364</u>	<u>\$ 179,459,602</u>	<u>\$ 202,437,659</u>	<u>\$ 219,246,675</u>	<u>\$ 234,479,643</u>

continued

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

	Fiscal Year				
	2013	2014	2015	2016	2017
Program Revenue*					
Governmental Activities:					
Charges for Services:					
General government	\$ 2,884,854	\$ 2,603,723	\$ 2,766,974	\$ 2,398,256	\$ 2,368,056
Public safety	1,176,336	714,614	1,624,427	1,713,627	1,313,160
Highway and streets	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	304,128	433,384	416,607	386,041	3,135,416
Developmental services	6,206,750	6,899,047	5,353,778	7,043,227	9,079,431
Operating Grants and Contributions	4,654,268	7,565,511	10,777,134	9,518,206	10,546,333
Capital Grants and Contributions	11,358,824	6,171,185	8,252,449	12,134,476	12,246,216
Total Governmental Activities Program Revenues	<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>
Business-type Activities					
Charges for Services:					
Water and wastewater	\$ 22,667,401	\$ 24,767,428	\$ 24,650,687	\$ 27,724,410	\$ 31,358,803
Sanitation	6,368,920	6,641,318	6,922,425	7,125,427	7,577,840
Stadium*	1,741,609	2,182,278	2,237,359	2,234,046	-
Operating Grants and Contributions	-	-	-	110,837	110,718
Capital Grants and Contributions	7,987,680	5,962,050	14,454,883	11,692,490	13,317,172
Total Business-type Activities Revenues	<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>
Total Primary Government Revenues	<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>
Net (Expense)/Revenue					
Governmental Activities	\$ (59,646,481)	\$ (67,626,617)	\$ (65,761,779)	\$ (73,470,355)	\$ (86,561,338)
Business-type Activities	(597,997)	(1,960,842)	4,566,175	2,148,130	16,356,679
Total Primary Government Net Revenues	<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>

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				
2018	2019	2020	2021	2022
\$ 2,592,414	\$ 4,965,435	\$ 3,509,152	\$ 7,070,344	\$ 4,052,068
1,373,556	6,987,626	7,243,340	7,421,123	8,569,570
81,727	382,531	440,190	490,969	722,058
-	405,393	583,405	501,541	603,704
2,984,530	4,008,274	2,916,950	2,765,727	4,322,415
10,416,143	12,993,399	18,765,859	19,839,213	17,598,359
16,164,698	9,809,818	18,571,098	9,587,222	20,334,900
7,442,815	21,231,123	23,253,699	30,499,488	42,192,506
<u>\$ 41,055,883</u>	<u>\$ 60,783,599</u>	<u>\$ 75,283,693</u>	<u>\$ 78,175,627</u>	<u>\$ 98,395,580</u>
\$ 35,203,483	\$ 42,658,585	\$ 60,392,907	\$ 62,983,880	\$ 53,394,756
7,812,267	8,058,461	8,319,350	8,042,545	7,683,528
-	-	-	-	-
-	-	-	-	-
12,237,823	12,962,807	5,765,107	26,481,652	11,254,372
55,253,573	63,679,853	74,477,364	97,508,077	72,332,656
<u>\$ 96,309,456</u>	<u>\$ 124,463,452</u>	<u>\$ 149,761,057</u>	<u>\$ 175,683,704</u>	<u>\$ 170,728,236</u>
\$ (96,111,844)	\$ (80,501,689)	\$ (80,584,904)	\$ (86,039,840)	\$ (79,565,201)
22,192,936	25,505,539	27,908,302	42,476,869	15,813,794
<u>\$ (73,918,908)</u>	<u>\$ (54,996,150)</u>	<u>\$ (52,676,602)</u>	<u>\$ (43,562,971)</u>	<u>\$ (63,751,407)</u>

continued

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

	Fiscal Year				
	2013	2014	2015	2016	2017
Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes	\$ 58,957,595	\$ 63,495,983	\$ 66,223,459	\$ 71,256,446	\$ 74,899,373
Intergovernmental	14,194,960	15,285,440	16,361,588	16,848,837	20,019,457
Investment income	439,982	414,689	361,146	710,040	560,547
Special assessments*	-	2,189,906	4,980,000	-	-
Miscellaneous	1,455,665	1,183,618	975,258	393,977	886,502
Transfers	(4,876,544)	(5,138,252)	(582,797)	(5,564,606)	2,800,000
Special item - Loss on debt extinguishment	-	-	-	-	-
Total Governmental Activities	<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>
Business-type Activities					
Investment income	\$ 95,839	\$ 136,531	\$ 151,405	\$ 237,615	\$ 123,100
Proceeds from the sale of water rights	-	-	-	-	-
Miscellaneous	432,983	222,911	103,482	22,955	31,081
Transfers	4,876,544	5,138,252	582,797	5,564,606	(2,800,000)
Total Business-type Activities	<u>\$ 5,405,366</u>	<u>\$ 5,497,694</u>	<u>\$ 837,684</u>	<u>\$ 5,825,176</u>	<u>\$ (2,645,819)</u>
Total Primary Government	<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>
Changes in Net Position					
Governmental Activities	\$ 10,525,177	\$ 9,804,767	\$ 22,556,875	\$ 10,174,339	\$ 12,604,541
Business-type Activities	4,807,369	3,536,852	5,403,859	7,973,306	13,710,860
Total Primary Government	<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>

Note:

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

Source: Statement of Activities

Table 2

Fiscal Year				
2018	2019	2020	2021	2022
\$ 82,662,446	\$ 90,314,174	\$ 116,603,604	\$ 137,957,936	\$ 154,920,196
19,967,694	21,244,412	22,785,856	26,494,716	29,850,191
1,196,857	4,661,685	4,412,256	899,168	(3,080,671)
-	-	-	-	-
341,814	934,949	797,405	309,020	1,240,870
3,700,000	3,700,000	3,499,244	6,900,553	8,015,934
(36,893)	-	-	-	-
<u>\$ 107,868,811</u>	<u>\$ 120,855,220</u>	<u>\$ 148,098,365</u>	<u>\$ 172,561,393</u>	<u>\$ 190,946,520</u>
\$ 47,246	\$ 1,595,877	\$ 1,800,177	\$ (461,996)	\$ 33,866
-	-	-	-	-
37,024	40,902	-	113,950	35,570
(3,700,000)	(3,700,000)	(3,499,244)	(6,900,553)	(8,015,934)
<u>\$ (3,615,730)</u>	<u>\$ (2,063,221)</u>	<u>\$ (1,699,067)</u>	<u>\$ (7,248,599)</u>	<u>\$ (7,946,498)</u>
<u>\$ 104,253,081</u>	<u>\$ 118,791,999</u>	<u>\$ 146,399,298</u>	<u>\$ 165,312,794</u>	<u>\$ 183,000,022</u>
\$ 11,756,967	\$ 40,353,531	\$ 67,513,461	\$ 86,521,553	\$ 111,381,319
18,577,206	23,442,318	26,209,235	35,228,270	7,867,296
<u>\$ 30,334,173</u>	<u>\$ 63,795,849</u>	<u>\$ 93,722,696</u>	<u>\$ 121,749,823</u>	<u>\$ 119,248,615</u>

concluded



Table 3

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	
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
2019	22,099,698	64,940,363	3,274,113	11,573,618	9,670,794	5,463,045
2020	23,673,696	89,722,744	3,207,164	12,074,091	10,711,765	5,622,730
2021	25,858,467	108,495,439	3,604,030	14,084,067	12,410,649	6,020,431
2022	28,180,626	122,858,885	3,880,685	17,488,685	12,361,506	7,149,095

Source: City Financial Records and Reports

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

	Fiscal Year				
	2013	2014	2015	2016	2017
City Privilege (Sales) Tax	\$ 40,222,752	\$ 43,775,464	\$ 45,333,649	\$ 49,309,600	\$ 52,085,570
State-Shared Sales Tax	5,342,879	5,681,717	5,965,400	6,258,721	7,217,395
State-Shared Income Tax	6,667,701	7,275,727	7,901,942	7,859,101	9,665,448
State-Share Vehicle License Tax	2,184,380	2,327,996	2,494,245	2,729,966	3,106,615
Fines and Forfeitures	809,334	884,735	860,313	839,108	925,314
Franchise Taxes	2,529,456	2,611,016	2,718,204	2,832,759	2,941,175
Total	<u>\$ 57,756,502</u>	<u>\$ 62,556,655</u>	<u>\$ 65,273,754</u>	<u>\$ 69,829,255</u>	<u>\$ 75,941,517</u>

Source: City Financial Records and Reports

Table 4

Fiscal Year				
2018	2019	2020	2021	2022
\$ 58,831,503	\$ 64,940,363	\$ 89,722,744	\$ 108,495,439	\$ 122,858,885
7,151,224	8,121,305	8,558,218	9,962,516	13,422,577
9,613,508	9,670,794	10,711,765	12,410,649	12,361,506
3,202,962	3,452,313	3,515,873	4,121,551	4,066,108
1,044,317	1,044,516	869,101	1,037,122	1,138,437
3,181,840	3,274,113	3,207,164	3,604,030	3,880,685
<u>\$ 83,025,354</u>	<u>\$ 90,503,404</u>	<u>\$ 116,584,865</u>	<u>\$ 139,631,307</u>	<u>\$ 157,728,198</u>

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

	Fiscal Year				
	2013	2014	2015	2016	2017
Retail Trade	\$ 14,265,735	\$ 15,787,043	\$ 16,348,224	\$ 17,279,498	\$ 15,858,660
Food for Home Consumption	N/A	N/A	N/A	N/A	3,025,758
Retail Sales Single Item Over \$5,000	N/A	N/A	N/A	N/A	1,467,287
Online Marketplace	N/A	N/A	N/A	N/A	N/A
Construction	7,027,296	7,988,471	5,559,142	7,545,663	10,836,043
Restaurant & Bar	5,079,528	5,450,424	6,343,415	7,032,111	8,506,564
Utilities	3,656,309	3,819,536	4,051,837	4,077,652	3,606,813
Real Estate	4,405,695	4,467,373	5,480,481	5,575,550	4,772,566
Use Tax	N/A	N/A	N/A	N/A	1,185,539
Hotels	885,571	849,052	1,067,357	1,096,710	1,109,804
Miscellaneous	873,005	968,896	1,032,464	839,592	511,710
Services	1,700,258	1,764,488	2,424,312	2,833,590	N/A
Mining & Government	970	4,024	7,159	6,534	N/A
Manufacturing	759,858	931,362	1,318,999	1,410,894	N/A
Wholesale Trade	977,475	1,072,608	1,130,527	1,032,679	N/A
Total*	<u>\$ 39,631,700</u>	<u>\$ 43,103,277</u>	<u>\$ 44,763,917</u>	<u>\$ 48,730,473</u>	<u>\$ 50,880,744</u>

Note: 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) & Business Class Summary

Table 5

Fiscal Year				
2018	2019	2020	2021	2022
\$ 17,225,692	\$ 19,005,260	\$ 23,110,619	\$ 33,935,084	\$ 34,990,477
3,010,974	3,521,946	4,244,991	4,934,402	5,136,245
1,551,211	1,572,031	1,808,400	2,235,620	2,292,930
N/A	N/A	1,420,681	4,453,219	4,173,776
13,341,879	16,452,327	32,982,384	32,360,764	38,424,569
9,225,969	9,958,478	10,088,705	11,978,934	14,691,883
3,804,722	3,882,328	3,880,600	4,325,833	4,898,487
5,005,280	5,690,265	6,518,205	8,006,495	10,860,200
1,530,696	3,025,135	3,013,942	3,414,172	3,522,351
1,269,275	1,408,405	1,302,400	1,682,639	2,444,697
647,714	690,088	717,475	436,584	688,860
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
<u>\$ 56,613,413</u>	<u>\$ 65,206,263</u>	<u>\$ 89,088,402</u>	<u>\$ 107,763,744</u>	<u>\$ 122,124,474</u>

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

	Fiscal Year				
	2013	2014	2015	2016	2017
General Fund					
Nonspendable:					
Advances to other funds	\$ 961,840	\$ 961,840	\$ 961,840	\$ 961,840	\$ 1,251,242
Inventories	8,916	25,261	21,656	-	-
Prepaid items	486,842	504,865	573,473	667,798	683,056
Restricted by:					
Charter mandates	3,528,982	3,676,547	3,841,444	4,009,183	4,186,816
Court	234,813	221,290	240,631	178,351	200,753
Law enforcement	208,085	274,392	309,112	427,243	384,144
Transit	543,022	644,135	745,210	847,446	952,239
Assigned to:					
IT replacement	170,684	1,484,148	108,301	498,851	1,829,656
Facilities asset mgmt plan	-	-	-	-	-
Fleet replacement	3,032,429	1,502,483	2,508,319	3,196,101	1,251,242
Risk management	357,741	792,947	1,088,234	1,077,452	933,704
Parks management	-	-	-	1,271,367	2,729,350
Police asset reserve	-	-	-	-	2,147,582
Fire asset reserve	-	-	-	-	403,209
Traffic signal reserve	-	-	-	-	-
General Fund FY2022 Budget	-	-	-	-	-
Unassigned	<u>33,325,255</u>	<u>43,707,677</u>	<u>49,783,760</u>	<u>52,620,845</u>	<u>53,399,369</u>
Total General Fund	<u>\$ 42,858,609</u>	<u>\$ 53,795,585</u>	<u>\$ 60,181,980</u>	<u>\$ 65,756,477</u>	<u>\$ 70,352,362</u>
All Other Governmental Funds					
Nonspendable:					
Inventories	\$ 595,675	\$ 650,344	\$ 487,413	\$ 564,639	\$ 533,304
Prepaid items	36,182	-	-	-	-
Restricted by:					
Debt service	15,482,259	14,848,703	13,810,210	12,989,198	13,219,610
Development impact fees	16,241,644	7,892,792	9,833,566	12,882,857	12,428,141
Highway user funds	493,395	47,570	174,025	721	37,130
Tourism	-	-	-	-	-
Transit	-	-	-	-	-
Capital projects	1,695,700	274,106	4,414,851	-	9,869,218
Community facilities districts operations	711,980	803,837	1,109,573	1,434,106	1,846,863
Committed	-	-	-	-	1,647,416
Ball Park	-	-	-	-	-
Unassigned	<u>(26,073)</u>	<u>(73,354)</u>	<u>(66,487)</u>	<u>(28,737)</u>	<u>(105,729)</u>
Total All Other Governmental Funds	<u>\$ 35,230,762</u>	<u>\$ 24,443,998</u>	<u>\$ 29,763,151</u>	<u>\$ 27,842,784</u>	<u>\$ 39,475,953</u>

Note:

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

Table 6

Fiscal Year				
2018	2019	2020	2021	2022
\$ 1,045,531	\$ -	\$ -	\$ -	\$ -
-	311,940	210,154	283,305	299,683
758,946	1,402,473	2,134,415	2,159,059	-
4,377,576	4,582,213	4,813,576	-	-
238,965	294,594	445,474	453,814	509,763
432,662	470,847	327,832	372,270	324,149
1,064,752	1,189,336	1,156,827	1,260,501	1,402,368
1,956,201	1,988,219	2,656,884	3,209,868	3,113,269
-	-	-	-	1,938,782
4,504,416	3,910,722	3,455,394	5,953,763	8,190,265
888,212	805,987	475,484	750,000	750,000
3,033,620	3,280,541	2,421,309	3,103,501	3,733,077
134,146	156,142	-	-	-
454,872	738,260	892,018	987,419	1,228,220
74,699	1,362,099	1,299,118	1,387,206	1,418,793
-	55,747,287	86,240,624	98,074,000	129,774,800
60,552,115	16,546,219	18,030,053	29,258,434	26,378,589
<u>\$ 79,516,713</u>	<u>\$ 92,786,879</u>	<u>\$ 124,559,162</u>	<u>\$ 147,253,140</u>	<u>\$ 179,061,758</u>
\$ 553,663	\$ 678,548	\$ 497,974	\$ 521,217	\$ 1,027,794
-	-	-	-	323,750
5,576,920	5,913,772	5,945,421	2,277,075	3,323,230
19,453,023	29,633,601	43,001,310	55,713,143	80,340,543
-	-	-	70	-
-	-	-	62,500	164,112
35,863	249	-	-	-
21,876,083	43,953,339	40,471,387	38,019,761	26,425,693
2,442,864	10,164,456	9,978,487	5,643,082	6,586,516
1,963,850	2,555,378	-	-	-
-	-	3,043,242	3,729,087	4,754,655
(22,755)	(188,894)	(501,057)	(150,748)	(374,937)
<u>\$ 51,879,511</u>	<u>\$ 92,710,449</u>	<u>\$ 102,436,764</u>	<u>\$ 105,815,187</u>	<u>\$ 122,571,356</u>

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

	Fiscal Year				
	2013	2014	2015	2016	2017
Revenues					
Taxes	\$ 58,970,605	\$ 63,577,425	\$ 66,203,440	\$ 71,287,200	\$ 74,924,078
Licenses and permits	6,793,070	7,460,830	6,558,607	7,357,205	9,302,729
Intergovernmental	18,723,318	19,325,653	21,749,386	21,811,572	25,780,719
Charges for services	6,322,025	4,658,927	4,576,618	5,792,947	9,227,037
Fines and forfeits	809,334	884,735	860,313	839,108	925,314
Investment income	439,982	414,689	361,146	710,040	560,547
Special assessments	5,845,306	5,839,886	5,762,295	6,096,012	6,009,405
Contributions	4,024,175	2,408,357	2,976,642	1,346,713	1,638,229
Miscellaneous	567,839	1,327,008	243,473	728,930	516,160
Total Revenues	<u>102,495,654</u>	<u>105,897,510</u>	<u>109,291,920</u>	<u>115,969,727</u>	<u>128,884,218</u>
Expenditures *					
General government	17,376,427	16,895,276	18,081,622	17,968,635	19,191,902
Public safety	26,764,289	28,310,822	29,505,746	32,881,648	36,905,961
Highways and streets	4,674,325	5,585,966	5,494,087	5,680,917	5,748,952
Public works	2,093,312	2,045,578	2,268,109	2,255,101	2,598,519
Culture and recreation	4,884,349	4,975,947	5,265,454	5,712,191	12,090,866
Development services	5,232,999	5,823,318	6,933,854	7,933,367	7,187,389
Capital outlay	18,252,039	18,496,444	11,326,103	15,988,901	17,628,611
Debt Service:					
Principal retirement	10,226,228	9,441,923	9,291,703	9,772,183	14,581,544
Interest and debt cost	10,987,906	9,765,514	9,323,202	9,046,458	12,968,581
Payment to refunded bond escrow agent	-	-	-	-	-
Total Expenditures	<u>100,491,874</u>	<u>101,340,788</u>	<u>97,489,880</u>	<u>107,239,401</u>	<u>128,902,325</u>
Excess of Revenues over (under)					
Expenditures	<u>2,003,780</u>	<u>4,556,722</u>	<u>11,802,040</u>	<u>8,730,326</u>	<u>(18,107)</u>

Notes:

* 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				
2018	2019	2020	2021	2022
\$ 82,602,447	\$ 90,300,757	\$ 116,390,115	\$ 138,046,896	\$ 154,824,840
10,636,668	12,314,128	18,061,371	19,073,277	16,654,379
26,773,324	27,458,465	39,616,094	34,652,939	58,325,325
10,418,539	12,234,549	17,351,117	23,799,246	24,108,155
1,044,317	1,044,516	869,101	1,037,122	1,138,437
1,196,857	4,606,033	4,351,915	898,599	(3,080,671)
5,968,798	9,868,376	5,509,308	6,810,016	6,357,266
6,358,002	4,036,766	6,247,217	5,588,920	3,454,890
2,485,672	1,192,520	1,504,393	1,257,515	1,842,263
147,484,624	163,056,110	209,900,631	231,164,530	263,624,884
20,825,896	20,801,270	22,828,171	28,189,094	30,533,336
39,779,006	43,459,463	45,641,389	72,064,162	59,500,593
5,517,174	7,563,123	7,399,662	7,548,526	8,103,897
2,897,716	2,827,608	4,044,509	3,708,625	3,316,324
11,315,720	14,108,472	13,042,653	14,500,770	19,566,132
7,159,767	7,641,804	8,916,314	10,500,186	13,320,560
30,366,883	17,066,876	40,565,230	84,788,927	83,697,834
19,642,573	21,763,951	19,465,657	25,673,172	21,852,781
15,708,001	12,599,646	10,818,794	10,941,518	10,386,995
4,622,056	-	-	-	-
157,834,792	147,832,213	172,722,379	257,914,980	250,278,452
(10,350,168)	15,223,897	37,178,252	(26,750,450)	13,346,432

continued

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

	Fiscal Year				
	2013	2014	2015	2016	2017
Other Financing Sources and (Uses)					
Transfer in	\$ 4,726,150	\$ 5,356,364	\$ 4,588,019	\$ 3,539,227	\$ 12,768,632
Transfer out	(9,602,694)	(10,494,616)	(9,923,248)	(9,091,060)	(9,968,632)
Sale of assets*	-	-	-	-	-
Debt issuance	10,500,000	-	4,980,000	-	10,968,000
Debt premium	-	-	(39,461)	-	-
Refunding bonds	10,685,000	14,755,000	7,015,000	18,535,000	118,130,941
Refunding bonds premium	672,545	1,114,908	452,099	2,047,350	14,546,606
Payment to refunded bond escrow agent	<u>(10,965,024)</u>	<u>(15,138,166)</u>	<u>(7,168,901)</u>	<u>(20,106,713)</u>	<u>(130,387,703)</u>
Total Other Financing Sources and (Uses)	<u>6,015,977</u>	<u>(4,406,510)</u>	<u>(96,492)</u>	<u>(5,076,196)</u>	<u>16,057,844</u>
Net Change in Fund Balances	<u>\$ 8,019,757</u>	<u>\$ 150,212</u>	<u>\$ 11,705,548</u>	<u>\$ 3,654,130</u>	<u>\$ 16,039,737</u>
Debt Service as a Percentage of Noncapital Expenditures	25.8%	22.3%	20.6%	18.4%	24.7%

Notes:

* Beginning in fiscal year 2019 sales of assets was broken out to align with the basic financial statements.

Source: City Financial Records and Reports

Table 7

Fiscal Year				
2018	2019	2020	2021	2022
\$ 13,901,429	\$ 17,954,246	\$ 28,400,983	\$ 45,929,762	\$ 62,317,732
(10,201,429)	(14,254,246)	(24,901,739)	(39,029,209)	(54,301,798)
-	346,124	291,817	213,803	413,605
25,015,000	33,873,000	529,285	39,530,000	24,073,000
-	958,083	-	-	2,715,816
51,537,627	-	-	25,520,000	-
722,171	-	-	5,859,505	-
(49,056,702)	-	-	(25,201,010)	-
<u>31,918,096</u>	<u>38,877,207</u>	<u>4,320,346</u>	<u>52,822,851</u>	<u>35,218,355</u>
<u>\$ 21,567,928</u>	<u>\$ 54,101,104</u>	<u>\$ 41,498,598</u>	<u>\$ 26,072,401</u>	<u>\$ 48,564,787</u>
27.8%	26.3%	22.9%	22.9%	19.4%
				concluded

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
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
2019	1.1084	0.6266	1.7350	1.4009	0.0556	0.0107	0.1792	0.4741
2020	1.0619	0.6713	1.7332	1.4009	0.0556	0.0095	0.1792	0.4566
2021	1.0330	0.7005	1.7335	1.4009	0.0556	0.0090	0.1792	0.4426
2022	1.0000	0.7350		1.3459	0.0556	0.0086	0.1792	0.4263

Source: Maricopa County Assessor's Office

continued

Table 8

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
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	0.1400	0.2941	3.9771	8.9315	3.4763	7.0616	9.8185	7.8876
2019	1.1708	0.1400	0.2941	3.7254	8.4894	3.8499	6.8080	10.0261	7.8876
2020	1.1565	0.1400	0.1871	3.5854	7.8709	3.6716	6.6742	10.6716	7.8876
2021	1.1250	0.1400	0.1838	3.5361	7.6157	3.5229	8.8758	10.2551	7.8876
2022	1.1112	0.1400	0.1803	3.4471	7.5438	3.4950	9.3434	10.1994	7.5960

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 Maricopa Education Center District Rate	Central Arizona GRD Rate	Roosevelt Irrigation District Rate	Centerra Community Facilities District Rate	Cortina Community Facilities District Rate	Cottonflower Community Facilities District Rate	Estrella Mtn. Ranch Community Facilities District Rate
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
2019	0.1494	1.0000	29.8100	2.5823	1.8664	2.5413	1.3000
2020	0.1634	1.0000	29.8100	2.4421	1.8994	2.5400	1.3000
2021	0.1655	1.0000	29.8100	2.1576	1.9843	2.5443	1.3000
2022	1.7694	1.0000	29.8100	1.8888	1.5848	1.9407	1.3000

continued

Table 8

Overlapping Rates						
Fiscal Year	Other Special Taxing Districts					
	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
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	2.7230	2.9330
2018	0.9600	1.1500	0.8682	0.3000	2.8882	3.0463
2019	0.8896	1.1480	0.8085	0.3000	2.8489	2.7801
2020	0.8903	0.9390	0.6107	0.3000	2.6309	2.7362
2021	0.9040	0.9039	0.5450	0.3000	2.5582	2.7278
2022	0.7679	0.8559	0.4647	0.3000	2.3306	2.3779

concluded



Table 9

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

Taxpayer	Fiscal Year					
	2013			2022		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Arizona Public Service Company	\$ 20,690,805	1	3.42%	\$ 35,938,715	1	3.07%
Microsoft Corporation	\$ -		0.00%	23,843,088	2	2.04%
Estrella North LLC	\$ -		0.00%	21,280,466	3	1.82%
VHS of South Phoenix, Inc.	\$ 8,559,046	2	1.41%	19,563,586	4	1.67%
Elwood Logistics Center LLC	\$ -		0.00%	12,599,388	5	1.08%
Macys Logistics LLC	\$ 5,211,997	5	0.86%	11,560,728	6	0.99%
Prologis Commerce Park 1QOZB LLC	\$ -		0.00%	11,465,213	7	0.98%
Amazon Com Services LLC	\$ -		0.00%	10,566,185	8	0.90%
Southwest Gas Corporation (T&D)	\$ 4,331,101	10	0.72%	9,910,247	9	0.85%
SVF Goodyear Logistics Center LLC	\$ -		0.00%	9,050,668	10	0.77%
NNP III EMR 3 LLC	\$ 4,942,368	3	0.82%			
DH Goodyear LLC	\$ 5,232,509	4	0.86%			
Cardinal Capital Co	\$ 5,039,173	6	0.83%			
First American Title Ins Co TR 7854	\$ 4,032,152	7	0.67%			
The Market at Estrella Falls LLC	\$ 4,653,392	8	0.77%			
BT Goodyear LLC	\$ 4,265,960	9	0.70%			
Total	<u>\$ 66,958,503</u>		<u>11.06%</u>	<u>\$ 165,778,284</u>		<u>14.16%</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 Residential Property	Total Assessed Value Commercial Property	Agricultural/ Vacant Land	Other	Less: Tax-Exempt Property	Net Assessed Value
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
2019	Limited Property Value	538,457,161	256,367,234	152,787,152	7,383,730	132,980,202	822,015,075
2020	Limited Property Value	590,823,853	299,172,489	163,622,803	7,807,328	139,439,679	921,986,794
2021	Limited Property Value	650,949,118	344,929,979	177,112,944	8,038,693	150,205,990	1,030,824,744
2022	Limited Property Value	715,248,375	390,866,605	182,107,720	28,564,695	155,524,146	1,161,263,249

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. Detail data prior to 2009 for "primary" is not available.

Source: Maricopa County Assessor's Office

Table 10

Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as Percentage of Actual Value
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%
1.7350	7,985,016,888	10.3%
1.7332	8,822,931,900	10.4%
1.7335	9,758,686,383	10.6%
1.7350	11,002,212,492	10.6%

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
2013	10,714,099	10,523,654	98.22%	46,234	10,569,888	98.65%
2014	11,185,149	10,949,615	97.89%	47,683	10,997,298	98.32%
2015	11,992,446	11,808,563	98.47%	85,557	11,894,120	99.18%
2016	12,599,829	12,392,149	98.35%	39,922	12,432,071	98.67%
2017	13,157,209	13,024,932	98.99%	(8,521)	13,016,411	98.93%
2018	13,232,702	13,071,185	98.78%	77,358	13,148,543	99.36%
2019	14,263,392	14,097,133	98.83%	(12,356)	14,084,777	98.75%
2020	15,981,505	15,760,028	98.61%	164,371	15,924,399	99.64%
2021	17,871,100	17,528,715	98.08%	121,086	17,649,801	98.76%
2022	20,150,452	19,740,256	97.96%	-	19,740,256	97.96%

(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

Table 12

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			
		2013		2022	
		Rank	Fees & Charges	Rank	Fees & Charges
City of Goodyear	Multi Purpose			1	\$ 1,180,310
Microsoft Corporation	Commercial			2	\$ 563,795
Las Brisas	Homeowner's Association	6	160,246	3	\$ 517,872
Canyon Trails HOA	Homeowner's Association			4	\$ 392,732
Sarival Paseo Joint Community	Homeowner's Association	10	111,695	5	\$ 354,025
Canyon Trails Unit HOA 4A	Homeowner's Association			6	\$ 315,455
Avondale Elementary	School	7	157,016	7	\$ 258,023
Shepard Investment	Apartments			8	\$ 254,272
Pro-Low Joint Venture	Construction			9	\$ 250,752
Estrella Joint Committee	Homeowner's Association			10	\$ 231,679
Canyon Trails 4 - South	Homeowner's Association	2	249,963		
Agua Fria Union High School Dist.	School	8	142,771		
Cottonflower Goodyear Community	Homeowner's Association	5	192,421		
Canyon Trails Unit HOA 3A	Homeowner's Association	1	292,061		
Cancer Treatment Center of America	Multi Purpose	9	112,051		
JB Park Shadows	Apartments				
Canyon Trails Unit 4	Homeowner's Association	3	207,683		
Canyon Trails 3	Homeowner's Association	4	206,507		
Total			<u>\$ 1,832,414</u>		<u>\$ 4,318,915</u>
Total as a percent of total Water System Operating Revenue			<u>15.47%</u>		<u>14.50%</u>

Source: City customer service and billing records



Table 13

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			
			2013		2022	
			Fees & Charges	Rank	Fees & Charges	
Arizona State Prison/Perryville	Prison	1	\$ 469,723	1	\$ 1,349,531	
Microsoft Corporation	Commercial			2	285,587	
City of Goodyear	Multi Purpose			3	100,184	
Shepard Invest Group	Apartments			4	94,361	
Cancer Treatment Center of America	Multi Purpose	3		5	86,177	
JB Park Shadows	Apartments	5	78,240	6	82,110	
Huhtamaki	Irrigation			7	80,544	
Schoeller Arca Systems NC	Industrial			8	74,677	
Acero Estrella Parkway LLC	Irrigation			9	69,926	
Taylor Morrison Homes	Multi Purpose			10	69,433	
Christopher Todd Estrella	Irrigation					
Grayson Place Apartments	Apartments					
3 Minute Car Wash	Car Wash					
Fairfield Development	Apartments					
Fairfield Centerra LLC	Real Estate	4	78,888			
Poore Brothers, Inc.	Food Manufacturer	7	64,458			
Airport Training Center	Airport	9	44,899			
Avondale Elementary	Education					
Alliance Residential	Real Estate	10	42,792			
Pem Investments	Real Estate	8	46,475			
Saint Gobain Glass Corp	Manufacturer	2	94,900			
Fairfield Goodyear, LLC	Apartments	6	74,012			
Total			\$ 994,387		\$ 2,292,530	
Total as a percent of total Wastewater System Operating Revenue			8.76%		11.30%	

Source: City customer service and billing records

City of Goodyear
Schedule of Existing and Adopted
Monthly Water & Wastewater Service Charges (2013 - 2022)
(Unaudited)

<u>Description of Water System Services</u>	<u>Existing Fees</u>	<u>Adopted 2013</u>	<u>Adopted 2015</u>	<u>Adopted 2016</u>	<u>Adopted 2017</u>	<u>Adopted 2018</u>	<u>Adopted 2019</u>	<u>Adopted 2020</u>	<u>Adopted 2021</u>	<u>Adopted 2022</u>
Base Charge										
(Meter Size)										
3/4 Inch	\$ 12.70	\$ 10.23	\$ 11.24	\$ 12.70	\$ 14.73	\$ 16.35	\$ 17.49	\$ 18.54	\$ 18.54	\$ 19.10
1 Inch	17.56	14.14	15.54	17.56	20.37	22.61	24.19	25.64	25.64	26.41
1 1/2 Inch	28.39	22.86	25.12	28.39	32.93	36.55	39.11	41.46	41.46	42.70
2 Inches	45.96	37.01	40.67	45.96	53.31	59.17	63.31	67.11	67.11	69.12
3 Inches	77.67	70.67	77.67	77.67	77.67	77.67	77.67	77.67	77.67	80.00
4 Inches	126.65	115.24	126.65	126.65	126.65	126.65	126.65	126.65	126.65	130.45
6 Inches	240.36	218.71	240.36	240.36	240.36	240.36	240.36	240.36	240.36	247.57
12 Inch										247.57
Monthly Volume Charge - Residential										
0 - 6,000 gallons (per thousand)	\$ 1.47 (2)	\$ 1.18	\$ 1.30	\$ 1.47	\$ 1.71	\$ 1.90	\$ 2.03	\$ 2.15	\$ 2.15	\$ 2.21
6,001 - 12,000 (per thousand)	2.93 (3)	2.36	2.59	2.93	3.40	3.77	4.03	4.27	4.27	4.40
12,001 - 30,000 (per thousand)	4.40 (4)	3.54	3.89	4.40	5.10	5.66	6.06	6.42	6.42	6.61
30,001+ gallons (per thousand)	7.06 (5)	5.69	6.25	7.06	8.19	9.09	9.73	10.31	10.31	10.62
Monthly Volume Charge - Commercial										
0 - 40,000 gallons (per thousand)	\$ 3.73	\$ 3.00	\$ 3.30	\$ 3.73	\$ 4.29	\$ 4.72	\$ 4.91	\$ 5.06	\$ 5.06	\$ 5.21
40,001 - 100,000 gallons (per thousand)	5.97	4.80	5.28	5.97	6.87	7.56	7.86	8.10	8.10	8.34
100,001+ gallons (per thousand)	7.75	6.24	6.86	7.75	8.91	9.80	10.19	10.50	10.50	10.82

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

(1) Rates were updated during January 2017

(2) Monthly volume change for fees is 0 - 6,000 gallons (per thousand).

(3) Monthly volume change for fees is 6,001 - 12,000 gallons (per thousand).

(4) Monthly volume change for fees is 12,001 - 30,000 gallons (per thousand).

(5) Monthly volume change for fees is 30,001 - and over gallons (per thousand).

Schedule of Water System Rate Increases (2013-2022)

<u>Date</u>	<u>Rate Increase</u>
Fiscal Year 2013	0.0%
Fiscal Year 2014	N/A
Fiscal Year 2015	10.0%
Fiscal Year 2016	13.0%
Fiscal Year 2017	16.0%
Fiscal Year 2018	11.0%
Fiscal Year 2019	7.0%
Fiscal Year 2020	6.0%
Fiscal Year 2021	0.0%
Fiscal Year 2022	3.0%

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 Service</u>	<u>Existing Fees</u>	<u>Adopted 2013</u>	<u>Adopted 2016</u>	<u>Adopted 2017</u>	<u>Adopted 2018</u>	<u>Adopted 2019</u>	<u>Adopted 2020</u>	<u>Adopted 2021</u>	<u>Adopted 2022</u>
Residential Wastewater Service									
Base Charge	(See below)								
Volume Charge (per 1,000 gallons)	\$ 5.78	\$ 5.78	\$ 5.95	\$ 6.13	\$ 6.25	\$ 6.38	\$ 6.51	\$ 6.51	\$ 6.71
General Commercial Wastewater Service									
Base Charge	(See below)								
Volume Charge (per 1,000 gallons)	\$ 5.78	\$ 5.78	\$ 5.95	\$ 6.13	\$ 6.25	\$ 6.38	\$ 6.51	\$ 6.51	\$ 6.71
Base Charge									
(Meter Size)									
3/4 Inch	\$ 21.12	\$ 21.12	\$ 21.75	\$ 22.40	\$ 22.85	\$ 23.31	\$ 23.78	\$ 23.78	\$ 24.49
1 Inch	32.41	32.41	33.38	34.38	35.07	35.77	36.49	36.49	37.58
1 1/2 Inch	39.94	39.94	41.14	42.37	43.22	44.08	44.96	44.96	46.31
2 Inches	77.58	77.58	79.91	82.31	83.96	85.64	87.35	87.35	89.97
3 Inches	115.22	115.22	115.22	115.22	115.22	115.22	115.22	115.22	118.68
4 Inches	152.86	152.86	152.86	152.86	152.86	152.86	152.86	152.86	157.45
6 Inches	378.70	378.70	378.70	378.70	378.70	378.70	378.70	378.70	390.06

Schedule of Wastewater System Rate Increases (2013-2022)

<u>Date</u>	<u>Rate Increase</u>
Fiscal Year 2013	15.2%
Fiscal Year 2014	N/A
Fiscal Year 2015	N/A
Fiscal Year 2016	3.0%
Fiscal Year 2017	3.0%
Fiscal Year 2018	2.0%
Fiscal Year 2019	2.0%
Fiscal Year 2020	2.0%
Fiscal Year 2021	0.0%
Fiscal Year 2022	3.0%

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

Fiscal Year Ended June 30	Governmental Activities					
	General Obligation Bonds	Revenue Bonds	Contract Payable	Public		
				Improvement Corporation Municipal Facilities Revenue Bond	McDowell Road Corridor Improvement District	Community Facilities District Bonds
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
2019	64,022,774	-	-	100,376,526	28,910,000	87,776,000
2020	61,007,711	-	-	102,722,600	26,610,000	86,300,170
2021	94,324,553	24,735,000	-	62,248,918	23,315,000	73,456,000
2022	113,133,855	23,855,000	-	54,461,237	21,080,000	67,187,000

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

Business-Type Activities							
General Obligation Bonds	Public Improvement Corporation		Water Infrastructure		Water Rights	Total	Percentage of Personal Income
	Municipal Facilities Revenue Bond	Revenue Bonds	Finance Authority Loan				
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
48,957,226	-	37,175,000	3,050,815	-	370,268,341	14.16%	4,374
48,509,399	-	153,719,816	2,772,195	-	481,641,891	16.75%	5,420
40,480,447	-	139,065,000	2,488,002	-	460,112,920	14.90%	4,822
37,421,145	-	137,125,000	2,198,125	-	456,461,362	12.84%	4,490

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
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	13.29%	1,215
2019	112,980,000	229,724	112,750,276	13.72%	1,332
2020	109,517,110	229,320	109,287,790	11.85%	1,230
2021	134,805,000	786,066	134,018,934	13.00%	1,406
2022	150,555,000	1,030,090	149,524,910	12.88%	1,471

Source: City Financial Records and Reports

Table 17

City of Goodyear
Direct and Overlapping Governmental Activities Debt
As of June 30, 2022
(Unaudited)

Overlapping Jurisdiction	Net Assessed Limited Property Value	Debt Outstanding	Estimated Percentage Applicable (a)	Net Debt Amount
Maricopa County	\$ 48,724,126,672	\$ -	2.40 %	\$ -
Maricopa County Community College District	48,724,126,672	184,715,000	2.40	4,437,867
Maricopa Special Healthcare District	48,837,616,505	640,695,000	2.40	15,357,237
Western Maricopa Education Center	18,045,628,311	144,220,000	6.49	9,355,558
Liberty Elementary School District No. 25	340,654,928	44,740,000	59.78	26,744,974
Avondale Elementary School District No. 44	531,806,142	39,765,000	84.29	33,519,600
Littleton Elementary School District No. 65	310,115,890	49,445,000	0.02	9,356
Litchfield Elementary School District No. 79	1,101,917,815	43,385,000	45.80	19,869,216
Mobile Elementary School District No. 86	8,912,382	-	45.40	-
Buckeye Union High School District No. 201	885,537,591	68,495,000	22.37	15,319,027
Tolleson Union High School District No. 214	1,471,718,800	217,315,000	0.00	8,928
Agua Fria Union High School District No. 216	1,633,723,788	123,255,000	58.04	71,541,179
Wildflower Ranch Community Facilities District No. 1	5,766,663	80,000	100.00	80,000
Wildflower Ranch Community Facilities District No. 2	5,818,380	360,000	100.00	360,000
Community Facilities General District No. 1	140,714,524	5,190,000	100.00	5,190,000
Community Facilities Utility District No. 1	448,150,116	25,656,500	100.00	25,656,500
Estrella Mountain Ranch Community Facilities District	134,052,722	7,795,000	100.00	7,795,000
Cottonflower Community Facilities District	10,952,317	1,180,000	100.00	1,180,000
Centerra Community Facilities District	17,097,355	2,259,000	100.00	2,259,000
Cortina Community Facilities District	12,243,498	1,365,000	100.00	1,365,000
Palm Valley Community Facilities District	134,095,526	4,085,000	100.00	4,085,000
Subtotal of overlapping debt:	<u>\$ 171,524,776,597</u>	<u>\$ 1,604,000,500</u>		<u>\$ 244,133,441</u>
Direct Debt:				
City of Goodyear	\$ 1,170,620,728	\$ 293,686,068	100.00 %	\$ 293,686,068
Total Direct and Overlapping Debt				\$ 537,819,509
Total Governmental and Business-Type General Obligation Bonds		\$ 150,555,000	100.00 %	\$ 150,555,000

(a) Proportion applicable to the City of Goodyear, Arizona is computed on the ratio of net assessed limited property value for 2020/21

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
As of June 30, 2022
(Unaudited)

	Fiscal Year			
	2013	2014	2015	2016
Net Full Cash Assessed Value	\$ 605,642,183	\$ 590,258,652	\$ 659,588,897	\$ 670,952,898
<u>20% Limitation</u>				
Debt Limit Equal to 20% of Assessed Valuation	121,128,437	118,051,730	131,917,779	134,190,580
Total Debt Applicable to 20% Limit	<u>111,690,000</u>	<u>104,775,000</u>	<u>97,570,000</u>	<u>90,065,000</u>
Legal 20% Debt Margin (Available Borrowing Capacity)	<u>\$ 9,438,437</u>	<u>\$ 13,276,730</u>	<u>\$ 34,347,779</u>	<u>\$ 44,125,580</u>
Total net debt applicable to the limit as a percentage of debt limit	92.21%	88.75%	73.96%	67.12%
<u>6% Limitation</u>				
Debt Limit Equal to 6% of Assessed Valuation	\$ 36,338,531	\$ 35,415,519	\$ 39,575,334	\$ 40,257,174
Total Debt Applicable to 6% Limit	<u>250,000</u>	<u>250,000</u>	<u>220,000</u>	<u>205,000</u>
Legal 6% Debt Margin (Available Borrowing Capacity)	<u>\$ 36,088,531</u>	<u>\$ 35,165,519</u>	<u>\$ 39,355,334</u>	<u>\$ 40,052,174</u>
Total net debt applicable to the limit as a percentage of debt limit	0.69%	0.71%	0.56%	0.51%

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

Table 18

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 871,205,504	\$ 964,201,508	\$ 1,043,418,163	\$ 1,183,659,155	\$ 1,360,568,112	\$ 1,586,384,072
174,241,101	192,840,302	208,683,633	236,731,831	272,113,622	317,276,814
<u>106,130,000</u>	<u>97,065,000</u>	<u>112,980,000</u>	<u>102,605,000</u>	<u>95,275,000</u>	<u>114,070,000</u>
<u>\$ 68,111,101</u>	<u>\$ 95,775,302</u>	<u>\$ 95,703,633</u>	<u>\$ 134,126,831</u>	<u>\$ 176,838,622</u>	<u>\$ 203,206,814</u>
60.91%	50.33%	54.14%	43.34%	35.01%	35.95%
\$ 52,272,330	\$ 57,852,090	\$ 62,605,090	\$ 71,019,549	\$ 81,634,087	\$ 95,183,044
<u>190,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,530,000</u>	<u>36,485,000</u>
<u>\$ 52,082,330</u>	<u>\$ 57,852,090</u>	<u>\$ 62,605,090</u>	<u>\$ 71,019,549</u>	<u>\$ 42,104,087</u>	<u>\$ 58,698,044</u>
0.36%	0.00%	0.00%	0.00%	48.42%	38.33%

Table 19

City of Goodyear
Pledged-Revenue Coverage
As of June 30, 2022
(Unaudited)

Public Improvement Corporation Municipal Facilities Revenue Bonds						
Fiscal Year Ended June 30	Operating Revenue	Pledged Revenue	Debt Service		Coverage	
			Principal	Interest		
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
2019	116,486,271	90,707,954	5,840,000	4,563,216		8.72
2020	152,851,661	116,812,121	6,110,000	4,299,271		11.22
2021	167,084,631	139,901,726	6,920,000	3,493,813		13.43
2022	191,216,325	158,008,523	7,787,680	2,648,118		15.14

Water & Sewer Bonds & Loans						
Fiscal Year Ended June 30	Operating Revenue	Less: Operating Expenses	Net Operating Revenue	Debt Service		Coverage
				Principal	Interest	
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
2019	42,658,585	19,584,574	23,074,011	1,613,157	2,014,361	6.36
2020	60,392,907	26,552,787	33,840,120	2,283,620	1,199,376	9.72
2021	62,983,880	32,793,218	30,190,662	2,439,193	5,071,602	4.02
2022	53,394,756	32,972,216	20,422,540	2,229,877	5,369,470	2.69

Source: City Financial Records and Reports

Table 20

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
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%
2019	84,659	\$ 2,615,370	\$ 30,893	37.1	13 to 16	4.8%
2020	88,870	\$ 2,875,389	\$ 32,355	38.2	13 to 16	9.4%
2021	95,294	\$ 3,083,237	\$ 32,355	38.7	13 to 16	6.9%
2022	101,662	\$ 3,554,917	\$ 34,968	37.8	13 to 16	3.6%

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		
	2013		Percentage of Total City Employment*	2022		Percentage of Total City Employment*
	Employees	Rank		Employees	Rank	
Amazon.com	500	7	1.49%	4,165	1	9.37%
UPS - Regional Ops Center			0.00%	1,852	2	4.17%
Macy's Inc	550	5	1.64%	1,550	3	3.49%
Chewy.com			0.00%	1,547	4	3.48%
(Abrazo Healthcare) West Valley Hospital			0.00%	1,003	5	2.26%
Cancer Treatment Center's of America	600	4	1.79%	768	6	1.73%
Subzero Freezer Co	400	8	1.19%	693	7	1.56%
Cavco Industries	230	10	0.69%	385	8	0.87%
McLane Sunwest	360	9	1.07%	375	9	0.84%
AerSale			0.00%	358	10	0.81%
Lockheed Martin	1,000	1	2.98%			
Arizona State Prison/Perryville	825	2	2.46%			
City of Goodyear	511	6	1.52%			
Walmart Supercenter			0.00%			
West valley Hospital	600	3	1.79%			
Total	<u>5,576</u>		<u>16.62%</u>	<u>12,696</u>		<u>28.56%</u>

Source: City Records (Employment numbers are self-reported; does not include grocery/retail stores)

2022 labor force = 44,457 ; 2013 labor force = 33,542

*Company did not respond, previous year data used

Table 22

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

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	55	55	69	55	62	50	83	83	83	109
Financial Services	29	27	28	29	31	31	31	32	32	34
Information Services	14	15	18	18	18	19	23	24	24	34
Police										
Officers	94	91	93	96	103	108	111	114	114	136
Civilians	30	29	30	35	38	42	43	49	49	53
Planning and Development	25	23	21	50	50	49	46	50	52	65
Fire										
Firefighters and Officers	90	91	90	92	92	92	106	106	106	126
Civilians	7	8	12	10	10	17	19	20	20	21
Human Resources	10	10	10	10	11	10	11	14	14	16
Community Services	0	0	0	0	0	0	0	0	0	0
Economic Development	4	4	5	6	6	6	6	8	8	11
Municipal Services	13	10	13	13	13	14	15	16	16	20
Public Works	73	75	87	63	63	81	93	95	111	138
Water	23	24	26	27	27	28	29	33	35	32
Wastewater	17	20	19	19	17	18	19	25	28	31
Sanitation	5	5	6	8	7	7	9	10	14	11
Total	<u>489</u>	<u>487</u>	<u>527</u>	<u>531</u>	<u>548</u>	<u>572</u>	<u>644</u>	<u>680</u>	<u>706</u>	<u>837</u>

Source: City Financial Records and Reports

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

Function	2013	2014	2015	2016
General Government				
<i>City Clerk's Office</i>				
# of records requests	470	504	598	629
<i>City Prosecutor's Office</i>				
Charges filed/charges adjudicated (resolved)	2,514	3,170	3,623	3,608
<i>City Manager's Office</i>				
% of survey respondents rating "Your Neighborhood as a Place to Live" as good to excellent	94%	95%	95%	93%
<i>Digital Communications</i>				
News releases/media updates	59	76	NA	88
Growth of Digital assets (Facebook, Twitter, Instagram, & LinkedIn combined)				
Total newsletter pages sent to citizens	112	114	136	144
Number of visits to website	804,542	491,540	633,643	543,565
Number of web pages viewed	2,185,489	1,850,471	1,855,914	1,472,765
Number of graphics/photography projects completed	254	275	135	103
Police				
# of total arrests	2,532	2,612	2,846	2,661
# of moving violations citations	10,259	10,586	5,919	3,479
Fire				
# of emergency responses	5,604	8,298	6,972	6,002
# of fires extinguished	243	242	205	165
# of inspections	969	752	1,539	1,253
Financial Services				
# accounts payable checks issued	6,298	6,403	6,254	5,914
# purchase orders	1,238	1,091	1,009	1,442
# water meters read annually	184,638	191,189	196,863	201,704
Planning and Development				
Customer wait-time (in minutes) at One Stop Shop	<1	<1	<1	NA
Total number of permits issued	3,529	3,580	2,868	5,610
Provide applicant with pre-application meeting within 30 days of submitting request %	1	1	1	1
% of inspections performed within 24 hours of request	1	1	0.96	1
Human Resources				
# of new hires (FT & PT) (1)	178	180	144	362
HR budgeted operating cost as a % of City budgeted payroll	5.01%	4.85%	5.05%	5.06%
Parks and Recreation				
# attending Park & Recreation facilities and Libraries annually (2)	69,596	74,527	74,527	188,000
# of square feet of medians and rights of way maintained	23,151,438	23,151,438	23,151,438	23,151,438
Economic Vitality				
Sales Tax growth (% annual change)	11.29%	8.76%	3.85%	8.86%
Bed Tax growth (% annual change)	1.41%	-4.12%	25.71%	2.75%

Table 23

2017	2018	2019	2020	2021	2022
770	904	767	898	1,106	1,008
4,261	4,031	3,656	3,032	3,959	3,539
93%	91%	95%	95%	93%	93%
126	132	NA	132	114	59
	9,650	14,380	22,307	28,466	31,152
128	232	192	206	194	204
302,777	588,580	480,518	533,395	685,787	877,105
1,500,539	1,271,883	1,407,259	1,450,461	1,615,332	1,984,408
157	318	143	485	177	494
3,296	2,808	1,585	1,478	2,456	4,462
4,382	2,281	2,327	2,465	2,844	4,561
7,498	9,115	9,583	9,671	9,681	10,406
214	252	204	182	210	193
2,050	853	909	2,024	4,183	3,235
5,772	5,254	4,941	5,205	4,146	4,372
1,512	1,166	1,309	1,407	1,379	1,480
208,083	217,700	226,869	233,432	256,488	271,179
NA	NA	NA	NA	NA	<1
5,732	5,228	5,137	1,490	60	1,235
1	1	1	1	1	NA
1	1	1	1	1	100%
204	220	234	143	258	320
6.00%	3.12%	2.23%	4.44%	4.45%	4.83%
249,000	275,000	299,000	283,093	266,262	1,236,522
23,151,438	23,151,438	23,151,438	23,250,000	23,295,000	23,675,000
4.04%	11.66%	13.50%	37.90%	21.00%	13.30%
-3.80%	14.37%	9.60%	-6.60%	29.20%	45.30%

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

Function	2013	2014	2015	2016
Municipal Services				
# of homes serviced by Residential Refuse Collection	23,387	24,346	25,320	26,323
# of citizens serviced by Household Hazardous Waste collection program	546	550	536	503
Water Service				
# of residential customers	14,430	14,959	15,404	16,132
# of multifamily customers	36	35	36	36
# of commercial customers	999	1,025	1,055	865
Water Service Connections	17,533	17,533	17,533	17,034
Water production daily peak demand (million gallons per day)	9.60	11.70	12.70	11.70
Reclaimed Water Supplied (million gallons per day)	0.39	0.32	0.63	0.63
Wastewater				
# of residential customers	14,231	14,877	15,335	16,064
# of multifamily customers	38	36	69	36
# of commercial customers	382	370	373	382
Sewer Service Connections	16,918	16,918	17,139	18,236
Sewage Treated (millions gallons per day)	4.15	4.20	3.81	4.15
Other Public Works				
Street resurfacing (miles)	30.00	19.20	83.23	109.00
Potholes repaired	296	1,166	1,253	1,339
Citizen & Neighborhood Resources				
# of new Code Enforcement cases processed per year	2,841	3,018	2,863	3,544

Source: City Financial Records and Reports

NA - information is not readily available at time of production

(1) Large increase is due to a one-time hiring of special census employees

(2) Large increase is due to inclusion of library visitors in FY2016 and new Recreation Center in FY2022

Table 23

2017	2018	2019	2020	2021	2022
26,792	29,911	29,673	29,673	31,864	33,094
592	816	631	418	469	361
16,713	17,733	19,333	19,374	20,284	21,688
36	36	38	38	39	60
846	839	621	636	1,054	1,025
17,899	18,552	19,992	20,048	21,377	21,464
12.90	12.90	12.40	13.60	15.30	16.90
0.38	0.13	NA	NA	NA	NA
16,649	17,886	19,325	20,383	20,383	22,732
36	36	16	16	16	60
381	381	270	271	271	444
18,980	19,340	20,292	20,670	20,670	21,781
4.36	4.47	4.70	4.69	4.69	5.82
70.33	105.27	51.56	133.41	116.00	102.20
756	1,344	586	60	103	67
3,212	2,738	2,615	1,943	2,488	3,352

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

Function	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police:										
Stations	3	3	4	4	6	5	5	4	2	2
Police Vehicles	126	119	133	134	150	133	139	147	155	191
Fire Stations	6	6	6	7	6	6	5	5	7	7
Highways and Streets										
Street (miles)	934	934	934	934	934	939	945	1,012	1,041	1,136
Streetlights	8,660	8,832	8,832	9,041	8,651	9,184	9,635	9,635	9,991	10,198
Traffic signals	84	86	86	89	89	92	93	95	102	106
Culture and Recreation										
Parks	17	17	18	18	18	18	18	18	18	20
Parks Acreage	204	204	206	206	206	206	206	206	206	238
Swimming Pools	1	1	1	1	1	1	1	1	1	2
Tennis Courts	6	6	6	6	6	6	6	6	6	8
Community Centers	1	1	1	1	1	1	1	1	1	2
Water										
Water Mains (miles)	308	308	308	330	336	326	330	331	353	374
Fire Hydrants	2,796	2,808	2,951	3,031	3,152	3,177	3,348	3,461	3,475	3,575
Storage capacity (Millions of Gallons)	16	16	16	16	16	16	16	18	18	18
Wastewater										
Sanitary Sewers (miles)	229	239	242	254	260	265	276	270	276	284
Storm Sewers (miles)	57	63	55	54	55	N/A	N/A	N/A	N/A	62
Treatment capacity (MGD) (thousands of gallons)	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.3	7.6

Source: City Financial Records and Reports

FEDERAL AND STATE REPORTS





**Independent Auditors' Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Honorable Mayor and
City Council
Goodyear, Arizona

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Goodyear, Arizona as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Goodyear, Arizona's basic financial statements, and have issued our report thereon dated November 21, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Goodyear, Arizona's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Goodyear, Arizona's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Goodyear, Arizona's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HintonBurdick, PLLC

Gilbert, Arizona
November 21, 2022



Independent Auditors' Report on State Legal Compliance

The Honorable Mayor and
City Council
Goodyear, Arizona

We have audited the basic financial statements of the City of Goodyear, Arizona for the year ended June 30, 2022, and have issued our report thereon dated November 21, 2022. Our audit also included test work on the City of Goodyear's compliance with selected requirements identified in the State of Arizona Revised Statutes and the Arizona State Constitution including, but not limited to, Title 28, Chapter 18, Article 2.

The management of the City of Goodyear is responsible for the City's compliance with all requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit; accordingly, we make the following statements:

The City of Goodyear established separate funds to account for Highway User Revenue funds and Local Transportation Assistance funds. Highway user revenue fund monies received by the City of Goodyear pursuant to Title 28, Chapter 18, Article 2 and other dedicated state transportation revenues received during the current fiscal year appear to have been used solely for authorized purposes. The funds are administered in accordance with Generally Accepted Accounting Principles. Sources of revenues available and fund balances are reflected in the individual fund financial statements.

Our opinion regarding the City's compliance with annual expenditure limitations has been issued separately with the City's Annual Expenditure Limitation Report.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *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 material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, The City of Goodyear complied, in all material respects, with the requirements identified above for the year ended June 30, 2022.

The purpose of this report is solely to describe the scope of our testing of the applicable compliance requirements identified in the Arizona Revised Statutes as noted above and the results of that testing based on the state requirements. Accordingly, this report is not suitable for any other purpose.

HintonBurdick, PLLC

Gilbert, Arizona
November 21, 2022

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1980s



1990s



2020s



Future

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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

