

Comprehensive Annual Financial Report

For the fiscal year ending June 30, 2010



CITY OF
MARICOPA
PROUD HISTORY • PROSPEROUS FUTURE

Prepared by the City of Maricopa
Financial Services Department

**CITY OF MARICOPA, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

**CITY OF MARICOPA, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Issued by:
Financial Services Department

CITY OF MARICOPA, ARIZONA

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INTRODUCTORY SECTION

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December 28, 2010

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Maricopa:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2010.

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

Heinfeld, Meech & Co., P.C., Certified Public Accountants, have issued an unqualified (“clean”) opinion on the City of Maricopa financial statements for year ended June 30, 2010. The independent auditor’s report is located at the front of the financial section of this report.

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

Profile of the Government

The City of Maricopa, incorporated in 2003, is located in Pinal County, which is considered to be one of the top growth areas in both the state and the country. It currently occupies 45 square miles and serves a population of 35,000. The City of Maricopa is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation.

The City of Maricopa has operated under the council-manager form of government since incorporation in 2003. Policy-making authority is vested in a city council (Council) consisting of the mayor and six other members, all elected on a non-partisan basis. The Council appoints the city’s manager, who in turn appoints the heads of the various departments. Council members serve four-year terms, with three members elected every two years. The mayor is elected for a two-year term. The mayor and council members are elected at large.

The City of Maricopa provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational and cultural activities.

The Council is required to adopt a budget by no later than July 1st. This annual budget serves as the foundation for the City of Maricopa's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within a department as they see fit. Transfers between departments, however, need special approval from the city council.

Local economy

Major industries/employers in the area include governmental services – the City of Maricopa and the Maricopa Unified School District – and several private entities. These include automotive testing facilities, such as the Volkswagen North American Proving Grounds and the Nissan Technical Center. Due to its significant agricultural heritage, Maricopa has developed related local industries demonstrated in Shamrock Farms Dairy, Pinal Feeding Company, LP Steel industries and T & K Red River Cattle. The community also boasts gaming attractions – Harrak's Ak Chin Resort & Casino - and golf entertainment at Southern Dunes Golf Course and the Duke Golf Course. Maricopa is fast becoming a “clean and green” industry hub as home to Pinal Energy, the state's first ethanol plant, Pinal Power LLC (a planned biomass electric generation facility with 30MW capacity that will create 100 temporary and 25 direct and 100 indirect permanent jobs) and Yulex, a producer of organic hypo-allergenic latex from desert crops. The community is also home to the University of Arizona Agricultural Farm and the United States Department of Agriculture Arid Land Research Facility.

Higher education will play a significant role in Maricopa's future as Central Arizona College is developing a 217-acre campus capable at build-out of serving 15,000 students. An advantage to the City of Maricopa is the high education levels and skill sets of its workforce – 88% of adults have some post-high school education and 55% of households report an income level above \$75,000 annually (according to a 2009 City of Maricopa Labor Study). Three significant retail centers located in Maricopa are anchored by Bashas, Fry's Marketplace, and Super Walmart, respectively.

The current Maricopa economy mirrors that of similar periphery communities in the Phoenix Metro region. Currently in Maricopa new home building has stagnated since the expiration of the homebuyer tax credit and new single-family permits have declined sharply from the beginning of the year, consistent with the rest of the Phoenix market. However, Maricopa's homes continue to sell at or faster than the average rate. There is ample supply of planned homes – 29,352 - for near and long-term community growth.

Due to its rapid development and current dependency upon the Greater Phoenix area for employment opportunities, Maricopa's average unemployment rate for 2010 is 13.1% (with a Pinal County average of 11.8%). However, significant investments by the

City in municipal projects and economic development as well as local private investments are working to improve these figures.

During the past seven years, the government's expenses related to public safety and parks and recreation have increased not only in amount, but also as a percentage of total expenses (a seven-year increase of 44.4 percent and 3.6 percent, respectively). In the case of public safety, the increase is a result of the police and fire services absorbed into the city from the county and fire district. The growth in parks and recreation expenses reflects an increase in the number of sponsored programs and events.

During this same seven-year period, charges for services, continuing to increase in amount, have actually decreased as a percentage of total revenue (a seven-year decrease of 81 percent). The reason for this relative decline is the relative increase in expenses related to services that are not supported by fees and charges (e.g., public safety); thus, as taxes have increased to support these services, so has the proportion of total revenue generated by taxes.

Long-term financial planning

Unreserved, undesignated fund balance in the general fund (278 percent of total general fund revenues) falls within the policy guidelines set by the Council for budgetary and planning purposes.

Also as part of the strategic plan, the Council envisions developing a new park and recreation center to provide greater access to recreational facilities for residents and tourists.

Relevant financial policies

It is the City of Maricopa's policy that half of "onetime" resource inflows be reserved for capital outlay purposes. The General Fund annual budget shall include contingency funds equal to at least ten percent of budgeted expenditures in order to accommodate unplanned and unforeseen budgetary needs throughout the fiscal year. The City's policy on stabilization funds is 10 percent of current year budget expenditures.

Major initiatives

Higher education will play a significant role in Maricopa's future as Central Arizona College is developing a 217-acre campus capable at build-out of serving 15,000 students. An advantage to the City of Maricopa is the high education levels and skill sets of its workforce – 88% of adults have some post-high school education and 55% of households report an income level above \$75,000 annually (according to a 2009 City of Maricopa Labor Study). Three significant retail centers located in Maricopa are anchored by Bashas, Fry's Marketplace, and Super Walmart, respectively.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) has awarded the City of Maricopa its Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning July 1, 2009. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the financial services department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report.

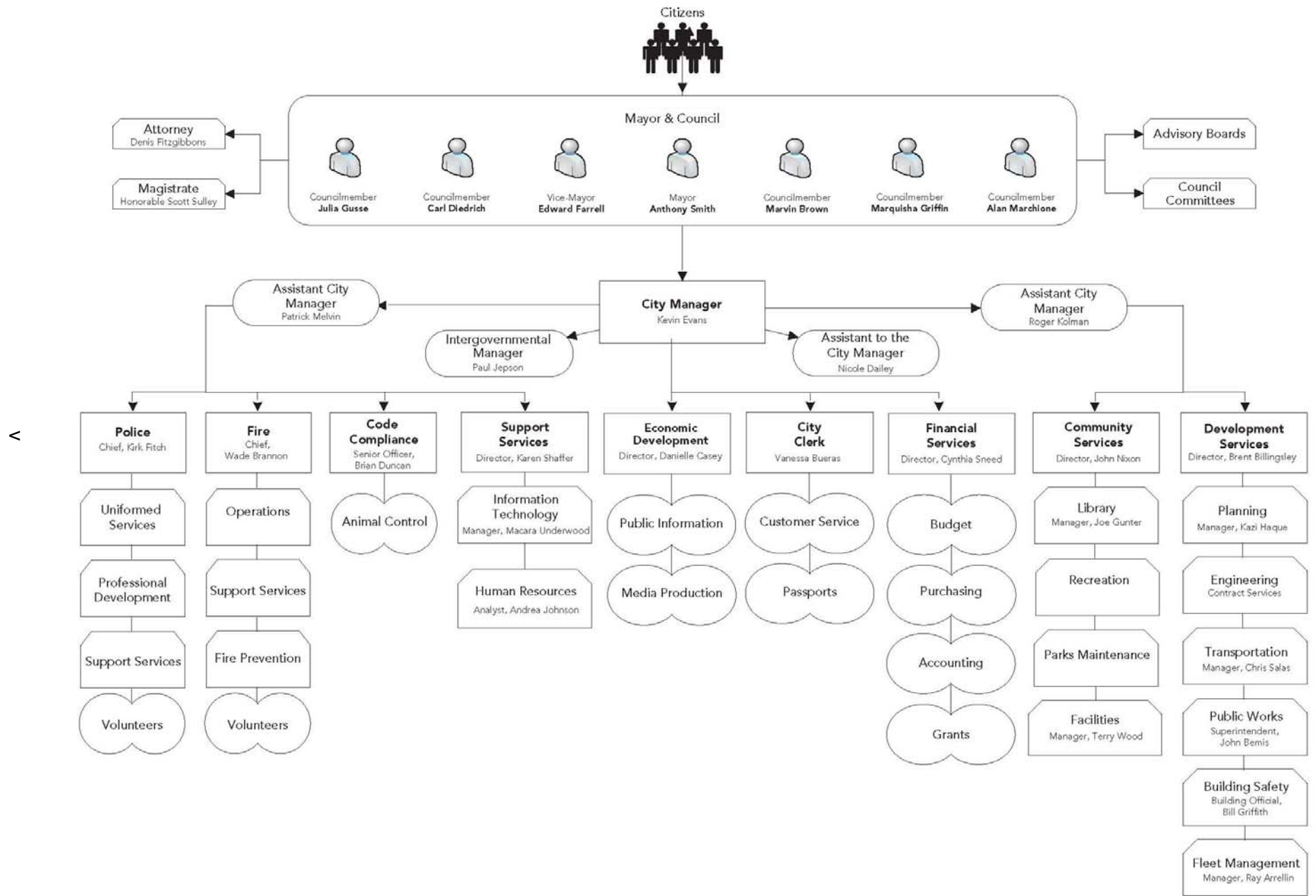
Respectfully submitted,



Kevin Evans
City Manager



Cynthia Sneed, CPA
Finance Director



**CITY OF MARICOPA, ARIZONA
LIST OF PRINCIPAL OFFICIALS**

ELECTED OFFICIALS

Mayor	Anthony Smith
Vice-Mayor	Edward Farrell
Council Member	Marquisha Griffin
Council Member	Carl Diedrich
Council Member	Marvin Brown
Council Member	Alan Marchione
Council Member	Julia Gusse

DEPARTMENT HEADS

Financial Services	Cynthia Sneed
City Clerk	Vanessa Bueras
Community Services	John Nixon
Police Chief	Kirk Fitch
Fire Chief	Wade Brannon
Economic Development	Danielle Casey
Development Services	Brent Billingsley
Human Resources	Karen Shaffer

FINANCIAL SECTION

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HEINFELD, MEECH & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Maricopa, Arizona (City), as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Maricopa, Arizona, as of June 30, 2010, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2010, on our consideration of the City of Maricopa, Arizona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 12 and budgetary comparison information on pages 48 and 49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The accompanying supplementary information such as the introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

December 28, 2010

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

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**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

As management of the City of Maricopa, Arizona (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

The financial statements which follow the Management's Discussion and Analysis provide those significant key financial highlights for 2009-10 as follows.

- The City's total net assets of governmental activities increased \$573,847 to \$254.8 million representing a less than one percent increase over the prior year.
- General revenues from governmental activities accounted for \$23.7 million in revenue, or 69 percent of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for \$10.4 million or 31 percent of total governmental activities revenues.
- The City had \$33.6 million in expenses related to governmental activities, a decrease of 5 percent from the prior fiscal year.
- Among major funds, the General Fund had \$23.1 million in current fiscal year revenues, which primarily consisted of property and sales taxes, and \$25.6 million in expenditures. The General Fund's fund balance decreased from \$66.7 million at the end of the prior fiscal year to \$64.2 million at the end of the current fiscal year.
- The Transportation Impact Fee Fund, had \$1.1 million in revenues, which primarily consisted of system development fees. Fund expenditures totaled \$528,804 resulting in an increase in fund balance of \$554,472 to \$20.9 million.
- The Parks Bond Fund had \$7,603 in interest revenues. Fund expenditures totaled \$7.0 million due primarily to the purchase of land. Fund balance increased to \$13.1 million as a result of revenue bonds issued during the fiscal year.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

In the government-wide financial statements the City's activities are presented in the following categories:

- **Governmental activities** – Most of the City's basic services are included here, such as general government, judicial, public safety, highways and streets, public works, and culture and recreation. Sales taxes, property taxes, state shared revenues, and charges for services finance most of these activities.

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 currently used by the City are governmental funds.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)

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

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

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, the Transportation Impact Fee, and the Parks Bond Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules as supplementary information presented with these financial statements.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic 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 process. The City adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund as supplementary information presented with these financial statements.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$254.8 million at the current fiscal year end.

The largest portion of the City's net assets (60 percent) reflects its investment in capital assets (e.g., land and improvements, buildings, infrastructure, vehicles, machinery and equipment, computer and software, and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. At June 30, 2010, the City had \$955,316 in capital lease obligations outstanding related to the acquisition of fire fighting equipment.

The following table presents a summary of the City's net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	Governmental Activities	
	2010	2009
Current and other assets	\$ 118,722,756	\$ 109,557,119
Capital assets, net	160,751,634	134,163,130
Total assets, net	279,474,390	243,720,249
Current liabilities	2,961,716	3,791,003
Non-current liabilities	21,729,976	1,789,809
Total liabilities	24,691,692	5,580,812
Invested in capital assets, net of related debt	152,574,381	133,067,896
Restricted	48,605,910	34,740,312
Unrestricted	53,602,407	70,331,229
Total net assets	\$ 254,782,698	\$ 238,139,437

At the end of the current fiscal year the City reported positive balances in all three categories of net assets. The same situation held true for the prior fiscal year.

The City's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following are significant current year transactions that had an impact on the Statement of Net Assets.

- The City expended over \$11.7 million in land related acquisitions.
- The City issued revenue bonds of \$20.0 million to be used for park and recreation projects.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net assets. The City's total revenues for the current fiscal year were \$34.1 million. The total cost of all programs and services was \$33.6 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	Governmental Activities	
	2010	2009
Revenues:		
Program revenues:		
Charges for services	\$ 1,989,266	\$ 2,413,163
Operating grants and contributions	866,471	3,967,175
Capital grants and contributions	7,558,625	8,238,154
General revenues:		
Property taxes, levied for general purposes	9,191,887	8,073,578
Sales taxes	6,649,744	10,230,103
Franchise taxes	494,091	536,966
Unrestricted grants, aid, and state shared revenues	7,110,730	4,583,320
Investment income (loss)	265,485	(378,160)
Miscellaneous		37,503
Total revenues	34,126,299	37,701,802
Expenses:		
General government	9,076,234	9,252,531
Judicial	227,487	249,551
Public safety	14,898,669	15,608,622
Highways and streets	3,436,028	3,308,393
Public works	4,325,348	4,302,586
Culture and recreation	1,531,241	2,506,551
Interest on long-term debt	57,445	64,346
Total expenses	33,552,452	35,292,580
Change in net assets	\$ 573,847	\$ 2,409,222

Total revenues decreased \$3.6 million, or 9 percent, primarily as a result of fewer local sales taxes received.

Total expenses decreased \$1.7 million, or 5 percent, primarily due to fewer culture and recreation expenses incurred.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

	<u>Year Ended June 30, 2010</u>		<u>Year Ended June 30, 2009</u>	
	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>
General government	\$ 9,076,234	\$ (8,456,819)	\$ 9,252,531	\$ (7,678,725)
Judicial	227,487	247,927	249,551	269,161
Public safety	14,898,669	(13,227,343)	15,608,622	(13,805,109)
Highways and streets	3,436,028	3,402,675	3,308,393	4,854,112
Public works	4,325,348	(4,018,650)	4,302,586	(2,290,513)
Culture and recreation	1,531,241	(1,028,435)	2,506,551	(1,958,668)
Interest on long-term debt	57,445	(57,445)	64,346	(64,346)
Total	<u>\$ 33,552,452</u>	<u>\$ (23,138,090)</u>	<u>\$ 35,292,580</u>	<u>\$ (20,674,088)</u>

- The cost of all governmental activities this year was \$33.6 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$10.4 million.
- Net cost of governmental activities of \$23.1 million was financed by general revenues, which are made up of primarily property taxes of \$9.2 million, sales taxes of \$6.4 million, and state shared revenues of \$7.1 million.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

The financial performance of the City as a whole is reflected in its governmental funds. As the City completed the year, its governmental funds reported a combined fund balance of \$115.1 million, an increase of \$11.5 million due primarily to the issuance of revenue bonds.

The General Fund is the principal operating fund of the City. The decrease in fund balance of \$2.5 million for the fiscal year to \$64.2 million, was due primarily to the decrease in sales tax revenues received. The Transportation Impact Fee Fund showed an increase in fund balance of \$554,472 due primarily to the postponement of capital projects.

The Parks Bond Fund showed an increase in fund balance of \$13.1 million due primarily to the issuance of revenue bonds.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

BUDGETARY HIGHLIGHTS

A schedule showing the original and final budget amounts compared to the City's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant variances between the original and final budgets and the final budget and actual amounts for the General Fund are as follows:

- Sales tax collections were less than expected due to current economic conditions where new home construction has dramatically declined.
- General Government includes the contingency fund of \$2,753,473 in the budget amount.
- Streets and Public Works actuals are below budget due to delayed capital projects.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As of June 30, 2010, the City had invested \$180.1 million in capital assets, including buildings, facilities, vehicles, computers, equipment, and infrastructure assets. This amount represents a net increase prior to depreciation of \$14.6 million from the prior fiscal year, primarily due to the completion of infrastructure construction and the purchase of land. Total depreciation expense for the current fiscal year was \$5.9 million.

The following schedule presents capital asset balances for the fiscal years ended June 30, 2010 and June 30, 2009.

<u>Governmental Activities</u>	As of <u>June 30, 2010</u>	As of <u>June 30, 2009</u> (as Restated)
Land and land improvements	\$ 81,188,679	\$ 69,454,979
Infrastructure	76,848,802	70,917,344
Buildings and improvements	9,754,336	9,558,125
Vehicles, machinery and equipment	11,038,071	10,083,249
Construction in progress	1,260,027	5,445,910
Less: Accumulated depreciation	<u>(19,338,281)</u>	<u>(13,454,802)</u>
Total	<u>\$ 160,751,634</u>	<u>\$ 152,004,805</u>

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

Debt Administration. – At year end, the City had \$21.0 million in long-term debt outstanding, \$147,777 due within one year. This represents a net increase of \$19.9 million due to the issuance of \$20.0 million in revenue bonds.

State statutes currently limit the amount of general obligation debt a city may issue to 20 percent of its total assessed valuation for water, sewer, lights, open space preserves, parks, playgrounds and recreational facilities. The current debt limitation for the City is \$71.2 million. State statutes also currently limit the amount of general obligation debt a City may issue to 6 percent of its total assessed valuation for all other purposes. The current debt limitation for the City is \$21.4 million. The City has no outstanding general obligation debt for this purpose.

Additional information on the City's long-term debt can be found in Notes 5 through 7.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2010**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

City management considered many factors in the process of developing the operating budget for the fiscal year 2010-11. The most significant factors affecting the subsequent year's budget are:

- The 2011 budget conveyed an operations level at a lower rate of growth than previous years, and assumed the issuance of 36 building permits per month.
- Property tax assessments have had an increase of \$194,697 in total assessments with property tax rate increases from \$3.9374 to \$4.0168 per \$100 in assessed valuation. The valuation base has decreased due to the reversal of Annexation 07-01, and overall valuations have decreased with individual home values that also declined due to economic conditions related to housing market adjustments.

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. If you have questions about this report or need additional information, contact the Financial Services Department, City of Maricopa, Arizona, 45145 West Madison Avenue, P. O. Box 610, Maricopa, Arizona 85139.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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**CITY OF MARICOPA, ARIZONA
STATEMENT OF NET ASSETS
JUNE 30, 2010**

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 116,528,616
Taxes receivable	867,449
Accounts receivable	18,217
Intergovernmental receivables	998,752
Prepaid items	<u>2,540</u>
Total current assets	<u>118,415,574</u>
Noncurrent assets:	
Deferred charges	307,182
Land and other non-depreciable assets	80,322,132
Infrastructure, buildings, equipment and other depreciable assets	99,767,783
Accumulated depreciation	<u>(19,338,281)</u>
Total noncurrent assets	<u>161,058,816</u>
Total assets	<u>279,474,390</u>
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	2,152,677
Accrued wages payable	593,308
Intergovernmental payables	25,445
Compensated absences payable	317,382
Customer deposits	52,390
Unearned revenue	137,896
Capital leases payable	<u>147,177</u>
Total current liabilities	<u>3,426,275</u>
Noncurrent liabilities:	
Deferred bonds premium	100,519
Compensated absences	356,759
Capital leases payable	808,139
Bonds payable	<u>20,000,000</u>
Total non-current liabilities	<u>21,265,417</u>
Total liabilities	<u>24,691,692</u>
 <u>NET ASSETS</u>	
Invested in capital assets, net of related debt	152,574,381
Restricted for:	
Capital projects	46,022,504
Highways and streets	2,583,406
Unrestricted	<u>53,602,407</u>
Total net assets	<u>\$ 254,782,698</u>

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

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**CITY OF MARICOPA, ARIZONA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental activities:						
General government	\$ 9,076,234	\$ 58,657	\$ 287,856	\$ 272,902	\$ (8,456,819)	
Judicial	227,487	475,414			247,927	
Public safety	14,898,669	922,084	475,876	273,366	(13,227,343)	
Highways and streets	3,436,028	74,369	94,257	6,670,077	3,402,675	
Public works	4,325,348	169,738		136,960	(4,018,650)	
Culture and recreation	1,531,241	289,004	8,482	205,320	(1,028,435)	
Interest on long-term debt	57,445				(57,445)	
Total governmental activities	\$ 33,552,452	\$ 1,989,266	\$ 866,471	\$ 7,558,625	(23,138,090)	
General revenues:						
Taxes:						
Property taxes, levied for general purposes						9,191,887
Sales taxes						6,649,744
Franchise taxes						494,091
Unrestricted grants, aid, and state shared revenues						7,110,730
Investment income						265,485
Total general revenues						23,711,937
Changes in net assets						573,847
Net assets, beginning of year, as restated						254,208,851
Net assets, end of year						\$254,782,698

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

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FUND FINANCIAL STATEMENTS

**CITY OF MARICOPA, ARIZONA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2010**

	General	Transportation Impact Fee	Parks Bond
<u>ASSETS</u>			
Cash and investments	\$ 65,174,136	\$ 21,354,277	\$ 13,120,704
Taxes receivable	867,449		
Accounts receivable	18,217		
Intergovernmental receivables	489,709		
Prepaid items	2,540		
Total assets	\$ 66,552,051	\$ 21,354,277	\$ 13,120,704
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 1,233,391	\$ 413,692	\$ 62,122
Accrued wages payable	575,511		
Intergovernmental payables	25,445		
Customer deposits	52,390		
Deferred revenue	458,643		
Total liabilities	2,345,380	413,692	62,122
Fund balances:			
Reserved for capital projects		20,940,585	
Reserved for highways and streets			
Unreserved:			
Undesignated	64,206,671		13,058,582
Unreserved reported in:			
Special revenue funds			
Total fund balances	64,206,671	20,940,585	13,058,582
Total liabilities and fund balances	\$ 66,552,051	\$ 21,354,277	\$ 13,120,704

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 16,879,499	\$ 116,528,616
	867,449
	18,217
509,043	998,752
	2,540
<u>\$ 17,388,542</u>	<u>\$ 118,415,574</u>

\$ 443,472	\$ 2,152,677
17,797	593,308
	25,445
	52,390
	458,643
<u>461,269</u>	<u>3,282,463</u>

12,023,337	32,963,922
2,583,406	2,583,406
	77,265,253
<u>2,320,530</u>	<u>2,320,530</u>
<u>16,927,273</u>	<u>115,133,111</u>

<u>\$ 17,388,542</u>	<u>\$ 118,415,574</u>
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**CITY OF MARICOPA, ARIZONA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2010**

Total governmental fund balances **\$ 115,133,111**

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

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

Governmental capital assets	\$ 180,089,915	
Less accumulated depreciation	<u>(19,338,281)</u>	160,751,634

Property taxes that will not be available to pay for current period expenditures and, therefore, are deferred in the funds.		320,747
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Deferred items related to the issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.		206,663
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(674,141)	
Obligations under capital leases	(955,316)	
Bonds payable	<u>(20,000,000)</u>	<u>(21,629,457)</u>

Net assets of governmental activities **\$ 254,782,698**

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

CITY OF MARICOPA, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2010

	<u>General</u>	<u>Transportation Impact Fee</u>	<u>Parks Bond</u>
Revenues:			
Property taxes	\$ 9,201,246	\$	\$
Sales taxes	6,649,744		
Franchise taxes	494,091		
Licenses and permits	748,539		
Intergovernmental revenues	4,524,377		
Charges for services	675,406		
Fines and forfeitures	506,664		
Investment income	169,986	45,786	7,603
Miscellaneous	116,604	1,037,490	
Total revenues	<u>23,086,657</u>	<u>1,083,276</u>	<u>7,603</u>
Expenditures:			
Current -			
General government	7,269,574		
Judicial	227,487		
Public safety	13,274,097		
Highways and streets	478,290	22,120	
Public works	269,459		
Culture and recreation	1,080,013		
Capital outlay	2,803,322	506,684	6,742,358
Debt service -			
Principal	139,918		
Interest and fiscal charges	57,445		
Bond issuance costs			307,182
Total expenditures	<u>25,599,605</u>	<u>528,804</u>	<u>7,049,540</u>
Excess (deficiency) of revenues over expenditures	<u>(2,512,948)</u>	<u>554,472</u>	<u>(7,041,937)</u>
Issuance of revenue bonds			20,000,000
Premium on sale of bonds			100,519
Total other financing sources (uses)			<u>20,100,519</u>
Changes in fund balances	<u>(2,512,948)</u>	<u>554,472</u>	<u>13,058,582</u>
Fund balances, beginning of year, as restated	66,719,619	20,386,113	
Fund balances, end of year	<u>\$ 64,206,671</u>	<u>\$ 20,940,585</u>	<u>\$ 13,058,582</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$	\$ 9,201,246
	6,649,744
	494,091
	748,539
4,094,796	8,619,173
	675,406
	506,664
42,110	265,485
510,527	1,664,621
<u>4,647,433</u>	<u>28,824,969</u>
98,667	7,368,241
	227,487
313,996	13,588,093
2,695,723	3,196,133
51,717	321,176
1,806	1,081,819
1,116,268	11,168,632
	139,918
	57,445
	307,182
<u>4,278,177</u>	<u>37,456,126</u>
<u>369,256</u>	<u>(8,631,157)</u>
	20,000,000
	100,519
	<u>20,100,519</u>
<u>369,256</u>	<u>11,469,362</u>
16,558,017	103,663,749
<u>\$ 16,927,273</u>	<u>\$ 115,133,111</u>

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**CITY OF MARICOPA, ARIZONA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010**

Net changes in fund balances - total governmental funds **\$ 11,469,362**

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

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

Capital contributions	\$	5,310,689	
Expenditures for capitalized assets		9,375,099	
Less current year depreciation		<u>(5,907,730)</u>	8,778,058

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Assets. (20,000,000)

Property taxes in the Statement of Activates that do not provide current financial resources are not reported as revenues in the funds. (9,359)

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 139,918

Some items reported in the Statement of Activities do not provide or require current financial resources and, therefore, are not reported in the governmental funds.

Deferred charges on issuance of debt		307,182	
Loss on disposal of capital assets		(31,229)	
Amortization of deferred bond items		(100,519)	
Compensated absences		<u>20,434</u>	<u>195,868</u>

Change in net assets in governmental activities **\$ 573,847**

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Maricopa, Arizona 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.

The more significant of the City's accounting policies are described below.

A. Reporting Entity

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. 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; and therefore is not a component unit of any other reporting entity.

In a prior year, the City had formed an Industrial Development Authority (IDA) to provide conduit financing to spur economic development opportunities within the greater Maricopa area. The Mayor and Council appoint all seven members of the IDA Board and provide general oversight over the IDA's activities. As of June 30, 2010 the IDA had not incurred any financial transactions and therefore has no financial data to report.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) present financial information about the City as a whole. The reported information includes all of the nonfiduciary activities of the City. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the City. Governmental activities normally are supported by sales taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. As of June 30, 2010, the City had no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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. Property taxes, sales taxes, unrestricted state shared revenues, investment income and other items not included among program revenues are reported instead as general revenues.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

Government-wide Financial Statements – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule, the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Miscellaneous revenue is not susceptible to accrual because generally it is not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Deferred revenues arise when resources are received by the City before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

The City reports the following major governmental funds.

General Fund – This fund is used to account for all financial resources of the City, except those required to be accounted for in other funds.

Parks Bond Fund – This fund is used to account for the acquisition of land and equipment, development, construction and improvement of community parks and projects.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Transportation Impact Fee Fund – This fund is used to account for the receipt and expenditure of the City's transportation impact fee. The revenues in this fund are restricted for capital outlay purposes.

D. Budgeting and Budgetary Control

The City Council formally adopts an annual budget for all operating funds. The statutory level of control at which expenditures may not exceed budget is at the total expenditure level. However, the City's internal policy is that expenditures may not exceed the budgets by departments within each fund, except for bond and grants-in-aid funds, which are exempted by statute. Upon written request from the City Manager, the Council has the authority to transfer part or all of any unencumbered appropriation balance from one department or fund to another. The City Manager, upon request from Department Heads, may approve transfers of appropriations between divisions and expenditure categories within departments.

On June 3, 1980, the voters of Arizona approved an expenditure limitation for all governments. This limitation restricts the growth of expenditures to a percentage determined by population and inflation, with certain expenditures excluded from the limitation. Through a vote of the qualified electors, a government may permanently adjust its base limitation to increase its annual expenditure limitation. At the general election held November 2, 2004, the City of Maricopa voters approved a permanent adjustment of \$9,750,000 to the City's base limitation.

E. Property Taxes

Arizona Revised Statutes require that taxes be levied on or before the third Monday in August. Taxes are levied and collected by the Pinal County Treasurer's Office on real and personal properties. Real property taxes, payable in two installments, are due November 1 and May 1. Personal property taxes are billed throughout the year. Interest and penalties are assessed if a taxpayer fails to pay the tax within a period of time specified by law. Taxes are considered to be a lien against real property at the date of the levy.

The property tax levy, as described in the Arizona State Statutes, is divided into two levies, a primary levy and a secondary levy. Secondary taxes are levied strictly for the retirement and redemption of bonded indebtedness, while the primary levy may be used for any legal operating purpose.

The primary property tax levy is limited to a 2% annual increase over the prior year's maximum allowable levy plus an adjustment for properties that were not taxed in the previous year.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

F. Capital Assets

Capital assets, which include property, plant, equipment, 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. Capital assets are defined by the City as assets with an initial, individual cost of \$10,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

General government infrastructure capital assets include only those assets acquired or constructed since July 1, 2004. The City qualified as a Phase 3 implementer of GASB 34, and has elected under that standard to not report infrastructure assets in existence prior to that date. As part of the development process, the developers are required to construct much of the infrastructure in and around their developments. At completion, these infrastructure assets are donated to the City and capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

<u>Assets</u>	<u>Years</u>
Land improvements	20
Buildings	20-40
Infrastructure	12-50
Vehicles	5-7
Machinery and equipment	5-15
Computers/Software	3-5

G. Compensated Absences

Vacation leave vests with the employee as it is earned. All employees may carry forward only the amount of vacation benefits equal to the maximum allowable earned credits for the preceding calendar year. Accordingly, at fiscal year end, the liability for accumulated vacation is reported on the government-wide financial statements as a current liability. Upon termination or retirement, an employee will be compensated for accumulated vacation leave. Payment will be based upon the individual's rate of pay at termination or retirement. Upon death, the same benefits shall be paid to the employee's beneficiary. Sick leave benefits provided for ordinary sick pay are not vested with the employee. The current and long-term liabilities, including related benefits, for accumulated vacation and sick leave are reported on the government-wide 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, resignations and retirements. Generally, resources from the General Fund are used to pay for compensated absences.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concl'd)

H. Long-term Obligations

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

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.

I. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for expenditures or are legally restricted by outside parties for use for a specific purpose.

J. Interfund Activity

Flows of cash from one fund to another, without a requirement for repayment, are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund statements are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

K. 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.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 2 – CASH AND INVESTMENTS

A.R.S. authorize the City to invest public monies in obligations of the U.S. Government and its agencies, obligations of the State and certain local government subdivisions, interest-bearing savings accounts and certificates of deposit, collateralized repurchase agreements, certain obligations of U.S. corporations, and certain other securities. The statutes do not include any requirements for credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for the City's investments. All investments are stated at fair value.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the City's deposits may not be returned to the City. The City does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the City's deposits was \$13,062,535 and the bank balance was \$13,536,623. Of the bank balance, \$250,000 was covered by Federal depository insurance and \$13,286,623 was exposed to custodial credit risk as uninsured and was collateralized with securities held by the pledging financial institution's trust department.

The State Treasurer's pools are external investment pools, the Local Government Investment Pool (Pool 5) and Local Government Investment Pool-Government (Pool 7), with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The fair value of each participant's position in the State Treasurer investment pools approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments. No regulatory oversight is provided for the County Treasurer's investment pool and that pool's structure does not provide for shares.

At year end, the City's investments consisted of the following.

<u>Investment Type</u>	<u>Maturities</u>	<u>Fair Value</u>
State Treasurer's investment pool 5	22 days average	\$ 23,203,057
State Treasurer's investment pool 7	29 days average	80,263,024
Total		<u>\$ 103,466,081</u>

Interest Rate Risk. The City's formal investment policy limits interest rate risk by structuring the investment portfolio so that securities mature concurrent with the anticipated cash requirements for ongoing operations, thereby avoiding, as much as possible, the need to sell securities into an adverse market environment prior to maturity and utilizing external research and advice regarding the current interest rate outlook and global economic condition to optimize portfolio duration strategy.

Credit Risk. The City's formal investment policy limits credit risk by limiting investments in the portfolio to the asset classes designated as acceptable in A.R.S. §35-323, by diversifying the investment portfolio so that the impact of potential losses from any one individual issuer held in the portfolio will be limited and by utilizing external research and advice regarding the current global economic condition and its impact on the outlook for domestic corporate credit quality.

Custodial Credit Risk – Investments. The City's investment in the State Treasurer's investment pool represents 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.

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

NOTE 3 – RECEIVABLES

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, deferred revenue of \$320,747 was reported in the governmental funds for delinquent property taxes receivable in the General Fund.

NOTE 4 – CAPITAL ASSETS

A summary of capital asset activity for the current fiscal year follows.

Governmental Activities	Beginning Balance (as restated)	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 67,328,405	\$ 11,733,700	\$	\$ 79,062,105
Construction in progress	5,445,910	900,899	(5,086,782)	1,260,027
Total capital assets, not being depreciated	<u>72,774,315</u>	<u>12,634,599</u>	<u>(5,086,782)</u>	<u>80,322,132</u>
Capital assets, being depreciated:				
Land improvements	2,126,574			2,126,574
Buildings	9,257,952	177,707		9,435,659
Building improvements	300,173	18,504		318,677
Infrastructure	70,917,344	5,931,458		76,848,802
Vehicles	5,474,957	684,906	(25,226)	6,134,637
Machinery and equipment	2,849,231	288,932		3,138,163
Computers/Software	1,759,061	36,464	(30,254)	1,765,271
Total capital, assets being depreciated	<u>92,685,292</u>	<u>7,137,971</u>	<u>(55,480)</u>	<u>99,767,783</u>
Less accumulated depreciation for:				
Land improvements	(295,099)	(106,328)		(401,427)
Buildings	(706,616)	(485,189)		(1,191,805)
Building improvements	(11,385)	(15,719)		(27,104)
Infrastructure	(9,613,687)	(3,720,479)		(13,334,166)
Vehicles	(1,678,772)	(894,393)	(10,118)	(2,563,047)
Machinery and equipment	(423,653)	(338,293)		(761,946)
Computes/Software	(725,590)	(347,329)	(14,133)	(1,058,786)
Total accumulated depreciation	<u>(13,454,802)</u>	<u>(5,907,730)</u>	<u>(24,251)</u>	<u>(19,338,281)</u>
Total capital assets, being depreciated, net	<u>79,230,490</u>	<u>1,230,241</u>	<u>(31,229)</u>	<u>80,429,502</u>
Governmental activities capital assets, net	<u>\$ 152,004,805</u>	<u>\$ 13,864,840</u>	<u>\$ (5,166,513)</u>	<u>\$ 160,751,634</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 341,628
Public safety	1,230,019
Public works	4,005,389
Culture and recreation	330,694
Total depreciation expense – governmental activities	<u>\$ 5,907,730</u>

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 5 – OBLIGATIONS UNDER CAPITAL LEASES

The City, through its acceptance of the Maricopa Volunteer Fire District at July 1, 2007 has become responsible for lease agreements that were used to finance the acquisition of fire vehicles and equipment. These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases that meet the City's capitalization threshold are as follows.

	<u>Governmental Activities</u>
Asset:	
Vehicles, furniture and equipment	\$ 1,813,886
Less: Accumulated depreciation	670,046
Total	<u>\$ 1,143,840</u>

The future minimum lease obligations and the net present value of these minimum lease payments at year end were as follows.

Year Ending June 30:	<u>Governmental Activities</u>
2011	\$ 197,363
2012	197,363
2013	197,363
2014	197,363
2015	118,039
2016-17	<u>236,078</u>
Total minimum lease payments	1,143,569
Less: amount representing interest	<u>188,253</u>
Present value of minimum lease payments	<u>\$ 955,316</u>
Due within one year	<u>\$ 147,177</u>

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

NOTE 6 – REVENUE BONDS PAYABLE

The City has entered into a Greater Arizona Development Authority (GADA) revenue bond agreement to finance park and recreation projects.

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2010	Due Within One Year
Governmental activities:					
GADA Bond, Series 2010 A	\$ 20,000,000	2.0 – 6.335%	7/1/11-31	\$ 20,000,000	
Total				<u>\$ 20,000,000</u>	

Principal and interest payments on the governmental activities revenue bonds payable at year end are summarized as follows.

Year ending June 30:	Governmental Activities	
	Principal	Interest
2011	\$	\$ 943,133
2012	730,000	1,027,846
2013	750,000	1,009,296
2014	775,000	986,421
2015	800,000	962,796
2016-20	4,330,000	4,318,852
2021-25	5,090,000	3,110,899
2026-30	6,140,000	1,439,149
2031-32	1,385,000	43,870
Total	<u>\$ 20,000,000</u>	<u>\$ 13,842,262</u>

Pledged revenues – governmental activities. The City has pledged future state shared revenues to repay outstanding bonds of \$20.0 million as of June 30, 2010. Proceeds from the original bond issuance, provided financing for park and recreation projects. The bond is paid solely from the City’s Debt Service Fund beginning fiscal year 2011 and is payable through 2031. Total annual principal and interest payments for the bond are expected to require approximately 25% of gross revenues. The total principal and interest to be paid on the bonds is \$33.8 million. The current total state shared revenues were \$7.1 million and the total principal and interest paid on the bond was \$0 or 0% of total state shared revenues.

NOTE 7 – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the current fiscal year was as follows.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$	\$ 20,000,000	\$	\$20,000,000	\$
Obligations under leases	1,095,234		139,918	955,316	147,177
Compensated absences payable	694,575	554,452	574,886	674,141	317,382
Governmental activity long-term liabilities	<u>\$1,789,809</u>	<u>\$20,554,452</u>	<u>\$ 714,804</u>	<u>\$21,629,457</u>	<u>\$ 464,559</u>

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 8 – CONTINGENT LIABILITIES

Lawsuits – The City is a defendant in a number of lawsuits at the current fiscal year end. It is the opinion of management and City Council that the amount of losses resulting from these litigations at fiscal year end would not be material to the financial position of the City.

NOTE 9 – RESTATEMENTS

The July 1, 2009, government-wide net assets and governmental fund balances do not agree to the prior year financial statements due to corrections of the following items.

	Statement of Activities	Governmental Funds		
		General Fund	Highway Users Revenue Fund	County Road Tax Fund
Net Assets/Fund balance, June 30, 2009, as previously reported	\$ 238,139,437	\$68,275,877	\$1,972,689	\$ 3,319,500
Unrecorded developer contributions	17,841,675			
Improper revenue accrual	(1,340,353)	(1,124,350)	(112,117)	(103,886)
Anticipated funds of the acquired Fire District not received	(431,908)	(431,908)		
Net Assets/Fund balance, July 1, 2009, as restated	<u>\$ 254,208,851</u>	<u>\$66,719,619</u>	<u>\$ 1,860,572</u>	<u>\$ 3,215,614</u>

NOTE 10 – 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; injuries to employees; and natural disasters.

The City mitigates the potential financial effects of these risks through its participation in the Arizona Municipal Risk Retention Pool (AMRRP), which is a common risk management and insurance program open to all Arizona municipalities. The City pays an annual premium to AMRRP for its general liability and automobile coverage. The AMRRP membership agreement provides that AMRRP will be self-sustaining through member premiums and will reinsure through commercial insurance companies for claims in excess of \$500,000 for general liability claims and \$250,000 for property claims. The City is also a member of the Arizona Municipal Workers' Compensation Pool (AMWCP) for workers' compensation insurance. AMWCP is a public entity workers' compensation pool currently operating for member cities and town. The City pays quarterly premiums to AMWCP for its workers' compensation insurance. The agreement provides that AMWCP will be self-sustaining through member premiums and will reinsure through commercial insurance companies for claims in excess of \$500,000.

The City continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 11 – RETIREMENT PLAN

Plan Descriptions – The City contributes to the two plans described below. Benefits are established by state statute and generally provide retirement, death, long-term disability, survivor, and health insurance premium benefits.

The City contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing multiple employer defined benefit health care plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan, all of which are administered by the Arizona State Retirement System (ASRS). The ASRS (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., a monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The *Public Safety Personnel Retirement System (PSPRS)* administers agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a five-member board, known as the Fund Manager, and the participating local boards, according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

Each plan issues a publicly available financial report that includes its financial statements and required supplementary information. A report may be obtained by writing or calling the applicable plan.

ASRS

P. O. Box 33910
Phoenix, AZ 85012-3910
(602) 240-2200 or (800) 621-3778

PSPRS

3010 E. Camelback Road Suite 200
Phoenix, AZ 85016
(602) 255-5575

Funding policy - The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates.

Cost-sharing plan - The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 9.40 percent (9.00 percent for retirement and 0.40 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 9.40 percent (8.34 percent for retirement, 0.66 percent for health insurance premium, and 0.4 percent for long-term disability) of the members' annual covered payroll.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 11 – RETIREMENT PLAN (Cont'd)

The City's contributions for the current and two preceding years, all of which were equal to the required contributions, were as follows.

	<u>Retirement Fund</u>	<u>Health Benefit Supplement Fund</u>	<u>Long- Term Disability Fund</u>
Year ending June 30:			
2010	\$ 432,728	\$ 34,245	\$ 20,754
2009	361,743	43,464	22,637
2008	334,144	43,584	20,754

Agent plan - For the current fiscal year, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 5.30 percent for police and 7.80 percent for fire fighters.

Annual Pension Cost – The City's pension cost for the agent plan for the year ended June 30, 2010 and related information follows.

	<u>PSPRS</u>
Contribution rates:	
Police:	
City	5.30%
Plan members	7.65%
Fire:	
City	7.80%
Plan members	7.65%
Annual pension cost	538,166
Contributions made	487,727
Actuarial valuation date	June 30, 2010
Actuarial cost method	Projected until credit
Actuarial assumptions:	
Investment rate of return	8.5%
Projected salary increases	5.5%-8.5%
Inflation rate	5.5%
Amortization method	Level percent-of-pay closed
Remaining amortization	26 years for underfunded and 20 years for excess value
Asset valuation method	7-year smoothed market

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 11 – RETIREMENT PLAN (Cont'd)

Trend Information – Information for the agent plan as of most recent actuarial valuations follows.

Maricopa Police Plan:

Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<i>Pension</i>			
2010	\$180,313	100%	-0-
2009	424,727	100%	-0-
2008	308,238	100%	-0-
<i>Health Insurance</i>			
2010	\$6,406	100%	-0-
2009	- 0 -	100%	-0-
2008	- 0 -	100%	-0-

Maricopa Fire Plan:

Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<i>Pension</i>			
2010	\$338,097	100%	-0-
2009	508,638	100%	-0-
2008	277,026	100%	-0-
<i>Health Insurance</i>			
2010	\$13,350	100%	-0-
2009	21,596	100%	-0-
2008	19,632	100%	-0-

Funding Progress – An analysis of funding progress for each of the agent plans as of the most recent actuarial valuations follows.

Maricopa Police Plan:

Pension

Valuation Date June 30,	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Funding Excess (Liability) (a-b)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded Liability as Percentage of Covered Payroll ((a-b)/c)
2010	\$3,705,762	\$4,146,534	\$(440,772)	89.4%	\$3,403,393	13.0%
2009	3,078,299	3,451,200	(372,901)	89.2%	3,436,841	10.9%
2008	1,972,504	1,916,359	56,145	102.9%	3,203,012	(1.8)%

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 11 – RETIREMENT PLAN (Concl'd)

Health Insurance

Valuation Date <u>June 30,</u>	Actuarial Value of Plan Assets <u>(a)</u>	Actuarial Accrued Liability <u>(b)</u>	Funding Excess (Liability) <u>(a-b)</u>	Funded Ratio <u>(a/b)</u>	Annual Covered Payroll <u>(c)</u>	Unfunded Liability as Percentage of Covered Payroll <u>([a-b]/c)</u>
2010	-0-	\$138,324	\$(138,324)	0.0%	\$3,403,393	4.1%
2009	-0-	112,461	(112,461)	0.0%	3,436,841	3.3%
2008	-0-	36,055	(36,055)	0.0%	3,203,012	1.1%

Maricopa Fire Plan:

Pension

Valuation Date <u>June 30,</u>	Actuarial Value of Plan Assets <u>(a)</u>	Actuarial Accrued Liability <u>(b)</u>	Funding Excess (Liability) <u>(a-b)</u>	Funded Ratio <u>(a/b)</u>	Annual Covered Payroll <u>(c)</u>	Unfunded Liability as Percentage of Covered Payroll <u>([a-b]/c)</u>
2010	\$4,721,852	\$4,890,021	\$(168,169)	96.6%	\$4,256,327	(4.0)%
2009	3,695,756	3,966,011	(270,255)	93.2%	4,214,681	(6.4)%
2008	2,842,540	2,729,453	113,087	104.1%	3,926,466	2.9 %

Health Insurance

Valuation Date <u>June 30,</u>	Actuarial Value of Plan Assets <u>(a)</u>	Actuarial Accrued Liability <u>(b)</u>	Funding Excess (Liability) <u>(a-b)</u>	Funded Ratio <u>(a/b)</u>	Annual Covered Payroll <u>(c)</u>	Unfunded Liability as Percentage of Covered Payroll <u>([a-b]/c)</u>
2010	-0-	\$123,137	\$(123,137)	0.0%	\$4,256,327	(2.9)%
2009	-0-	95,432	(95,432)	0.0%	4,214,681	(2.3)%
2008	-0-	45,931	(45,931)	0.0%	3,926,466	(1.2)%

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

NOTE 12 – FUND EQUITY

The City restricts net assets on its statement of net assets when the requirements imposed by external sources, either legislative or contractual, constrain the City's ability to utilize those net assets. The City reports reservations of fund balance in its governmental funds to indicate that portion of fund balance is not appropriable for expenditure or is legally segregated for a specific future use.

At June 30, 2010, reserved fund balance amounts in the governmental funds consisted of:

- 1) Reserve for capital projects of \$33.0 million, consisting of amounts collected for specific capital projects;
- 2) Reserve for highways and streets of \$2.6 million, consisting of amounts funded by legally restricted revenue sources.

At June 30, 2010, restricted net assets in the government-wide statements consisted of:

- 1) Capital projects of \$33.0 million, consisting of amounts collected for specific capital projects;
- 2) Highways and streets of \$2.6 million consisting of net assets funded by legally restricted revenue sources.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

At year end, the City had contractual commitments related to various capital projects for the construction of a park and certain infrastructure projects. At year end the City had spent \$1.3 million on the projects and had estimated remaining contractual commitments of \$96,154.

NOTE 14 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess Expenditures Over Budget – At year end, the Parks Bond Fund, a major governmental fund, had expenditures that exceeded the budget by \$149,540.

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**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
(REQUIRED SUPPLEMENTARY INFORMATION)**

**CITY OF MARICOPA, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL
YEAR ENDED JUNE 30, 2010**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes	\$ 9,407,713	\$ 9,407,713	\$ 9,201,246	\$ (206,467)
Sales taxes	9,500,000	9,500,000	6,649,744	(2,850,256)
Franchise taxes	500,000	500,000	494,091	(5,909)
Licenses and permits	645,250	645,250	748,539	103,289
Intergovernmental revenues	4,132,198	4,132,198	4,524,377	392,179
Charges for services	638,197	638,197	675,406	37,209
Fines and forfeitures	450,400	450,400	506,664	56,264
Investment income	600,000	600,000	169,986	(430,014)
Miscellaneous	39,400	39,400	116,604	77,204
Total revenues	<u>25,913,158</u>	<u>25,913,158</u>	<u>23,086,657</u>	<u>(2,826,501)</u>
Expenditures:				
Current -				
General government	11,139,039	11,175,631	7,269,574	3,906,057
Judicial	265,562	265,562	227,487	38,075
Public safety	14,183,517	14,263,365	13,274,097	989,268
Highways and streets	2,468,215	2,463,658	478,290	1,985,368
Public works	882,833	2,644,436	269,459	2,374,977
Culture and recreation	1,276,732	1,270,551	1,080,013	190,538
Capital outlay	3,201,230	4,039,164	2,803,322	1,235,842
Debt service -				
Principal		139,918	139,918	
Interest and fiscal charges		57,445	57,445	
Total expenditures	<u>33,417,128</u>	<u>36,319,730</u>	<u>25,599,605</u>	<u>10,720,125</u>
Change in fund balances	<u>(7,503,970)</u>	<u>(10,406,572)</u>	<u>(2,512,948)</u>	<u>7,893,624</u>
Fund balances, July 1, 2009, as restated	66,719,619	66,719,619	66,719,619	
Fund balances, June 30, 2010	<u>\$ 59,215,649</u>	<u>\$ 56,313,047</u>	<u>\$ 64,206,671</u>	<u>\$ 7,893,624</u>

See accompanying notes to this schedule.

**CITY OF MARICOPA, ARIZONA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2010**

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

The adopted budget of the City is prepared on a basis of accounting consistent with accounting principles generally accepted in the United States of America.

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**COMBINING AND INDIVIDUAL
FUND FINANCIAL STATEMENTS
AND SCHEDULES**

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**OTHER MAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

**CITY OF MARICOPA, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - TRANSPORTATION IMPACT FEE
YEAR ENDED JUNE 30, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Investment income	\$ 200,000	\$ 200,000	\$ 45,786	\$ (154,214)
Miscellaneous	673,560	673,560	1,037,490	363,930
Total revenues	<u>873,560</u>	<u>873,560</u>	<u>1,083,276</u>	<u>209,716</u>
Expenditures:				
Current -				
Highways and streets		382,765	22,120	360,645
Capital outlay	13,860,000	12,572,235	506,684	12,065,551
Total expenditures	<u>13,860,000</u>	<u>12,955,000</u>	<u>528,804</u>	<u>12,426,196</u>
Change in fund balances	<u>(12,986,440)</u>	<u>(12,081,440)</u>	<u>554,472</u>	<u>12,635,912</u>
Fund balances, July 1, 2009	20,386,113	20,386,113	20,386,113	
Fund balances, June 30, 2010	<u>\$ 7,399,673</u>	<u>\$ 8,304,673</u>	<u>\$ 20,940,585</u>	<u>\$ 12,635,912</u>

**CITY OF MARICOPA, ARIZONA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - PARKS BOND
YEAR ENDED JUNE 30, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$	\$	\$ 7,603	\$ 7,603
Total revenues			7,603	7,603
Expenditures:				
Capital outlay		6,900,000	6,742,358	157,642
Debt service - Bond issuance costs			307,182	(307,182)
Total expenditures		6,900,000	7,049,540	(149,540)
Excess (deficiency) of revenues over expenditures		(6,900,000)	(7,041,937)	(141,937)
Other financing sources (uses):				
Issuance of revenue bonds			20,000,000	20,000,000
Premium on sale of bonds			100,519	100,519
Total other financing sources (uses)			20,100,519	20,100,519
Change in fund balances		(6,900,000)	13,058,582	19,958,582
Fund balances, July 1, 2009				
Fund balances (deficits), June 30, 2010	\$	\$ (6,900,000)	\$ 13,058,582	\$ 19,958,582

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NON-MAJOR GOVERNMENTAL FUNDS

CITY OF MARICOPA, ARIZONA
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2010

	Special Revenue	Capital Projects	Total Non-Major Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$ 9,227,815	\$ 7,651,684	\$ 16,879,499
Intergovernmental receivables	509,043		509,043
Total assets	<u>\$ 9,736,858</u>	<u>\$ 7,651,684</u>	<u>\$ 17,388,542</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 431,300	\$ 12,172	\$ 443,472
Accrued wages payable	17,797		17,797
Total liabilities	<u>449,097</u>	<u>12,172</u>	<u>461,269</u>
Fund balances:			
Reserved for capital projects	4,410,334	7,613,003	12,023,337
Reserved for highways and streets	2,556,897	26,509	2,583,406
Unreserved:			
Undesignated	2,320,530		2,320,530
Total fund balances	<u>9,287,761</u>	<u>7,639,512</u>	<u>16,927,273</u>
Total liabilities and fund balances	<u>\$ 9,736,858</u>	<u>\$ 7,651,684</u>	<u>\$ 17,388,542</u>

**CITY OF MARICOPA, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2010**

	Special Revenue	Capital Projects	Total Non-Major Governmental Funds
Revenues:			
Intergovernmental revenues	\$ 4,094,796	\$	\$ 4,094,796
Investment income	21,880	20,230	42,110
Miscellaneous	41,815	468,712	510,527
Total revenues	<u>4,158,491</u>	<u>488,942</u>	<u>4,647,433</u>
Expenditures:			
Current -			
General government	93,667	5,000	98,667
Public safety	313,996		313,996
Highways and streets	2,695,723		2,695,723
Public works	51,717		51,717
Culture and recreation	1,806		1,806
Capital outlay	1,032,129	84,139	1,116,268
Total expenditures	<u>4,189,038</u>	<u>89,139</u>	<u>4,278,177</u>
Change in fund balances	<u>(30,547)</u>	<u>399,803</u>	<u>369,256</u>
Fund balances, beginning of year, as restated	9,318,308	7,239,709	16,558,017
Fund balances, end of year	<u>\$ 9,287,761</u>	<u>\$ 7,639,512</u>	<u>\$ 16,927,273</u>

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NON-MAJOR SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific revenue sources, other than major capital projects, that are legally restricted to expenditures for specified purposes.

Highway User Revenue Fund – This fund is used to account for the City's share of motor fuel tax revenues.

Road Maintenance – This fund is used to account for roadway maintenance funded from developer contributions.

Local Transportation Assistance Fund – This fund is used to account for the City's portion of the State lottery distribution.

Grants – This fund is used to account for the receipt and expenditure of miscellaneous federal, state, and local grants awarded to the City of various, specific purposes.

County Road Tax – This fund is used to account for roadway improvements funded through the Pinal County Transportation Excise Tax.

**CITY OF MARICOPA, ARIZONA
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2010**

	Highway Users Revenue Fund	Road Maintenance	Local Transportation Assistance Fund	Grants
<u>ASSETS</u>				
Cash and investments	\$ 2,181,414	\$ 2,320,530	\$ 343,329	\$ 1,134,829
Intergovernmental receivables	120,515			299,542
Total assets	<u>\$ 2,301,929</u>	<u>\$ 2,320,530</u>	<u>\$ 343,329</u>	<u>\$ 1,434,371</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 57,146	\$	\$ 18,798	\$ 135,165
Accrued wages payable	11,677		740	5,380
Total liabilities	<u>68,823</u>		<u>19,538</u>	<u>140,545</u>
Fund balances:				
Reserved for capital projects				1,293,826
Reserved for highways and streets	2,233,106		323,791	
Unreserved:				
Undesignated		2,320,530		
Total fund balances	<u>2,233,106</u>	<u>2,320,530</u>	<u>323,791</u>	<u>1,293,826</u>
Total liabilities and fund balances	<u>\$ 2,301,929</u>	<u>\$ 2,320,530</u>	<u>\$ 343,329</u>	<u>\$ 1,434,371</u>

County Road Tax	Totals
\$ 3,247,713	\$ 9,227,815
88,986	509,043
<u>\$ 3,336,699</u>	<u>\$ 9,736,858</u>

\$ 220,191	\$ 431,300
	17,797
<u>220,191</u>	<u>449,097</u>

3,116,508	4,410,334
	2,556,897
	<u>2,320,530</u>
<u>3,116,508</u>	<u>9,287,761</u>

<u>\$ 3,336,699</u>	<u>\$ 9,736,858</u>
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**CITY OF MARICOPA, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010**

	Highway Users Revenue Fund	Road Maintenance	Local Transportation Assistance Fund
Revenues:			
Intergovernmental revenues	\$ 1,322,121	\$	\$ 141,651
Investment income	5,130	6,578	1,082
Miscellaneous	132	41,683	
Total revenues	<u>1,327,383</u>	<u>48,261</u>	<u>142,733</u>
Expenditures:			
Current -			
General government			
Public safety			
Highways and streets	803,212	147,552	204,728
Public works			
Culture and recreation			
Capital outlay	151,637		
Total expenditures	<u>954,849</u>	<u>147,552</u>	<u>204,728</u>
Change in fund balances	<u>372,534</u>	<u>(99,291)</u>	<u>(61,995)</u>
Fund balances, beginning of year, as restated	1,860,572	2,419,821	385,786
Fund balances, end of year	<u>\$ 2,233,106</u>	<u>\$ 2,320,530</u>	<u>\$ 323,791</u>

<u>Grants</u>	<u>County Road Tax</u>	<u>Totals</u>
\$ 1,508,443	\$ 1,122,581	\$ 4,094,796
	9,090	21,880
		41,815
<u>1,508,443</u>	<u>1,131,671</u>	<u>4,158,491</u>
93,667		93,667
313,996		313,996
547,842	992,389	2,695,723
51,717		51,717
1,806		1,806
642,104	238,388	1,032,129
<u>1,651,132</u>	<u>1,230,777</u>	<u>4,189,038</u>
<u>(142,689)</u>	<u>(99,106)</u>	<u>(30,547)</u>
1,436,515	3,215,614	9,318,308
<u>\$ 1,293,826</u>	<u>\$ 3,116,508</u>	<u>\$ 9,287,761</u>

**CITY OF MARICOPA, ARIZONA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
 YEAR ENDED JUNE 30, 2010**

	Highway Users Revenue Fund		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Intergovernmental revenues	\$ 1,347,358	\$ 1,322,121	\$ (25,237)
Investment income	12,000	5,130	(6,870)
Miscellaneous		132	132
Total revenues	1,359,358	1,327,383	(31,975)
Expenditures:			
Current -			
General government			
Public safety			
Highways and streets	1,172,308	803,212	369,096
Public works			
Culture and recreation			
Capital outlay	289,400	151,637	137,763
Total expenditures	1,461,708	954,849	506,859
Change in fund balances	(102,350)	372,534	474,884
Fund balances, July 1, 2009, as restated	1,860,572	1,860,572	
Fund balances, June 30, 2010	\$ 1,758,222	\$ 2,233,106	\$ 474,884

Road Maintenance			Local Transportation Assistance Fund		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 24,000	\$ 6,578	\$ (17,422)	\$ 162,497	\$ 141,651	\$ (20,846)
100,000	41,683	(58,317)	2,000	1,082	(918)
124,000	48,261	(75,739)	164,497	142,733	(21,764)
1,200,000	147,552	1,052,448	212,000	204,728	7,272
1,200,000	147,552	1,052,448	212,000	204,728	7,272
(1,076,000)	(99,291)	976,709	(47,503)	(61,995)	(14,492)
2,419,821	2,419,821		385,786	385,786	
\$ 1,343,821	\$ 2,320,530	\$ 976,709	\$ 338,283	\$ 323,791	\$ (14,492)

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CITY OF MARICOPA, ARIZONA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Intergovernmental revenues	\$ 25,049,120	\$ 1,508,443	\$ (23,540,677)
Investment income			
Miscellaneous			
Total revenues	25,049,120	1,508,443	(23,540,677)
Expenditures:			
Current -			
General government	914,345	93,667	820,678
Public safety	1,386,912	313,996	1,072,916
Highways and streets	5,144,434	547,842	4,596,592
Public works	1,577,513	51,717	1,525,796
Culture and recreation		1,806	(1,806)
Capital outlay	6,425,765	642,104	5,783,661
Total expenditures	15,448,969	1,651,132	13,797,837
Change in fund balances	9,600,151	(142,689)	(9,742,840)
Fund balances, July 1, 2009, as restated	1,436,515	1,436,515	
Fund balances, June 30, 2010	\$ 11,036,666	\$ 1,293,826	\$ (9,742,840)

County Road Tax			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 1,500,000	\$ 1,122,581	\$ (377,419)	\$ 28,058,975	\$ 4,094,796	\$ (23,964,179)
25,000	9,090	(15,910)	63,000	21,880	(41,120)
			100,000	41,815	(58,185)
<u>1,525,000</u>	<u>1,131,671</u>	<u>(393,329)</u>	<u>28,221,975</u>	<u>4,158,491</u>	<u>(24,063,484)</u>
			914,345	93,667	820,678
			1,386,912	313,996	1,072,916
1,612,100	992,389	619,711	9,340,842	2,695,723	6,645,119
			1,577,513	51,717	1,525,796
				1,806	(1,806)
137,900	238,388	(100,488)	6,853,065	1,032,129	5,820,936
<u>1,750,000</u>	<u>1,230,777</u>	<u>519,223</u>	<u>20,072,677</u>	<u>4,189,038</u>	<u>15,883,639</u>
			8,149,298	(30,547)	(8,179,845)
			9,318,308	9,318,308	
<u>\$ 2,990,614</u>	<u>\$ 3,116,508</u>	<u>\$ 125,894</u>	<u>\$ 17,467,606</u>	<u>\$ 9,287,761</u>	<u>\$ (8,179,845)</u>

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NON-MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for the purchase or construction of major capital facilities which are not financed by the general, enterprise, or special revenue funds.

Voluntary Regional Transportation – This fund is used to account for certain transportation improvements through a developer agreement.

Parks Impact Fee – This fund is used to account for parks development projects funded by development impact fees imposed on new development.

Library Impact Fee – This fund is used to account for library development projects funded by development impact fees imposed on new development.

Public Safety Impact Fee – This fund is used to account for police development projects funded by development impact fees imposed on new development.

General Government Impact Fee – This fund is used to account for the acquisition, construction, and improvements of general government projects funded by development impact fees imposed on new development.

**CITY OF MARICOPA, ARIZONA
 COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2010**

	Voluntary Regional Transportation	Parks Impact Fee	Library Impact Fee	Public Safety Impact Fee
<u>ASSETS</u>				
Cash and investments	\$ 26,509	\$ 102,983	\$ 786,919	\$ 945,757
Total assets	<u>\$ 26,509</u>	<u>\$ 102,983</u>	<u>\$ 786,919</u>	<u>\$ 945,757</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$	\$	\$	\$ 8,245
Total liabilities	<u></u>	<u></u>	<u></u>	<u>8,245</u>
Fund balances:				
Reserved for capital projects		102,983	786,919	937,512
Reserved for highways and streets	26,509			
Total fund balances	<u>26,509</u>	<u>102,983</u>	<u>786,919</u>	<u>937,512</u>
Total liabilities and fund balances	<u>\$ 26,509</u>	<u>\$ 102,983</u>	<u>\$ 786,919</u>	<u>\$ 945,757</u>

General Government Impact Fee	Totals
\$ 5,789,516	\$ 7,651,684
<u>\$ 5,789,516</u>	<u>\$ 7,651,684</u>
\$ 3,927	\$ 12,172
<u>3,927</u>	<u>12,172</u>
5,785,589	7,613,003
<u>5,785,589</u>	<u>26,509</u>
	<u>7,639,512</u>
<u>\$ 5,789,516</u>	<u>\$ 7,651,684</u>

**CITY OF MARICOPA, ARIZONA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
 NON-MAJOR CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2010**

	Voluntary Regional Transportation	Parks Impact Fee	Library Impact Fee
Revenues:			
Investment income	\$ 24	\$ 138	\$ 2,129
Miscellaneous	30,099	83,914	120,192
Total revenues	30,123	84,052	122,321
Expenditures:			
Current -			
General government			
Capital outlay			
Total expenditures			
 Change in fund balances	 30,123	 84,052	 122,321
Fund balances (deficits), beginning of year	(3,614)	18,931	664,598
 Fund balances, end of year	 \$ 26,509	 \$ 102,983	 \$ 786,919

<u>Public Safety Impact Fee</u>	<u>General Government Impact Fee</u>	<u>Totals</u>
\$ 2,509	\$ 15,430	\$ 20,230
44,008	190,499	468,712
<u>46,517</u>	<u>205,929</u>	<u>488,942</u>
	5,000	5,000
27,242	56,897	84,139
<u>27,242</u>	<u>61,897</u>	<u>89,139</u>
<u>19,275</u>	<u>144,032</u>	<u>399,803</u>
918,237	5,641,557	7,239,709
<u>\$ 937,512</u>	<u>\$ 5,785,589</u>	<u>\$ 7,639,512</u>

**CITY OF MARICOPA, ARIZONA
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
 YEAR ENDED JUNE 30, 2010**

	Voluntary Regional Transportation		
	Budget*	Actual	Variance - Positive (Negative)
Revenues:			
Investment income	\$	\$ 24	\$ 24
Miscellaneous		30,099	30,099
Total revenues		30,123	30,123
Expenditures:			
Current -			
General government			
Capital outlay			
Total expenditures			
Change in fund balances		30,123	30,123
Fund balances (deficits), July 1, 2009		(3,614)	(3,614)
Fund balances (deficits), June 30, 2010	\$	\$ 26,509	\$ 26,509

*The Voluntary Regional Transportation Fund was included in the City's budget, however, the budget was -0-.

Parks Impact Fee		
Budget	Actual	Variance - Positive (Negative)
\$ 500	\$ 138	\$ (362)
57,340	83,914	26,574
57,840	84,052	26,212

Library Impact Fee		
Budget	Actual	Variance - Positive (Negative)
\$ 500	\$ 2,129	\$ 1,629
78,480	120,192	41,712
78,980	122,321	43,341

1,005,000		1,005,000
1,005,000		1,005,000
(947,160)	84,052	1,031,212
18,931	18,931	
<u>\$ (928,229)</u>	<u>\$ 102,983</u>	<u>\$ 1,031,212</u>

78,980	122,321	43,341
664,598	664,598	
<u>\$ 743,578</u>	<u>\$ 786,919</u>	<u>\$ 43,341</u>

(Continued)

CITY OF MARICOPA, ARIZONA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2010
(Concluded)

	Public Safety Impact Fee		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Investment income	\$ 8,000	\$ 2,509	\$ (5,491)
Miscellaneous	26,100	44,008	17,908
Total revenues	34,100	46,517	12,417
Expenditures:			
Current -			
General government			
Capital outlay	78,300	27,242	51,058
Total expenditures	78,300	27,242	51,058
Change in fund balances	(44,200)	19,275	63,475
Fund balances (deficits), July 1, 2009	918,237	918,237	
Fund balances (deficits), June 30, 2010	\$ 874,037	\$ 937,512	\$ 63,475

General Government Impact Fee			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 24,000	\$ 15,430	\$ (8,570)	\$ 33,000	\$ 20,230	\$ (12,770)
125,280	190,499	65,219	287,200	468,712	181,512
149,280	205,929	56,649	320,200	488,942	168,742
5,000	5,000		5,000	5,000	
5,497,398	56,897	5,440,501	6,580,698	84,139	6,496,559
5,502,398	61,897	5,440,501	6,585,698	89,139	6,496,559
(5,353,118)	144,032	5,497,150	(6,265,498)	399,803	6,665,301
5,641,557	5,641,557		7,243,323	7,239,709	(3,614)
<u>\$ 288,439</u>	<u>\$ 5,785,589</u>	<u>\$ 5,497,150</u>	<u>\$ 977,825</u>	<u>\$ 7,639,512</u>	<u>\$ 6,661,687</u>

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STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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**CITY OF MARICOPA, ARIZONA
NET ASSETS BY COMPONENT
LAST 7 FISCAL YEARS
(Accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental activities					
Invested in capital assets, net of related debt	\$ 152,574,381	\$ 133,067,896	\$ 124,909,707	\$ 87,820,431	\$ 62,802,743
Restricted	48,605,910	34,740,312	35,329,613	28,090,363	12,328,627
Unrestricted	53,602,407	70,331,229	75,491,411	67,926,655	45,835,279
Total governmental activities	<u>\$ 254,782,698</u>	<u>\$ 238,139,437</u>	<u>\$ 235,730,731</u>	<u>\$ 183,837,449</u>	<u>\$ 120,966,649</u>
Business-type activities					
Invested in capital assets, net of related debt	\$	\$	\$	\$	\$
Restricted					
Unrestricted					
Total business-type activities net assets	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Primary government					
Invested in capital assets, net of related debt	\$ 152,574,381	\$ 133,067,896	\$ 124,909,707	\$ 87,820,431	\$ 62,802,743
Restricted	48,605,910	34,740,312	35,329,613	28,090,363	12,328,627
Unrestricted	53,602,407	70,331,229	75,491,411	67,926,655	45,835,279
Total primary government net assets	<u>\$ 206,176,788</u>	<u>\$ 238,139,437</u>	<u>\$ 235,730,731</u>	<u>\$ 183,837,449</u>	<u>\$ 120,966,649</u>
2005					
Governmental activities					
Invested in capital assets, net of related debt	\$ 14,309,850	\$ 14,000			
Restricted	2,749,549				
Unrestricted	14,134,563	781,631			
Total governmental activities	<u>\$ 31,193,962</u>	<u>\$ 795,631</u>			
Business-type activities					
Invested in capital assets, net of related debt	\$	\$			
Restricted					
Unrestricted					
Total business-type activities net assets	<u>\$</u>	<u>\$</u>			
Primary government					
Invested in capital assets, net of related debt	\$ 14,309,850	\$ 14,000			
Restricted	2,749,549				
Unrestricted	14,134,563	781,631			
Total primary government net assets	<u>\$ 31,193,962</u>	<u>\$ 795,631</u>			

Source: The source of this information is the City's financial records.

Notes: 1. The City of Maricopa incorporated in Fiscal Year 2004.

2. The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2004 therefore only 7 years are shown.

3. The City of Maricopa has only Governmental activities and no Business-type activities to report.

CITY OF MARICOPA, ARIZONA
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES EXPENSES
LAST 7 FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenses					
Governmental activities:					
General government	\$ 9,076,234	\$ 9,252,531	\$ 7,692,170	\$ 5,024,639	\$ 4,583,480
Judicial	227,487	249,551	96,906	167,219	112,863
Public safety	14,898,669	15,608,622	15,675,619	2,583,068	1,624,485
Highways and streets	3,436,028	3,308,393	2,763,552	3,176,273	1,766,389
Pubic works	4,325,348	4,302,586	4,597,237	936,215	351,707
Culture and recreation	1,531,241	2,506,551	2,027,478	1,082,524	368,726
Economic and community development			572,519	453,879	326,005
Interest on long-term debt	57,445	64,346	64,397		
Total governmental activities expenses	<u>33,552,452</u>	<u>35,292,580</u>	<u>33,489,878</u>	<u>13,423,817</u>	<u>9,133,655</u>
Business-type activities:					
Water					
Wastewater					
Airport					
Total business-type activities expenses					
Total primary government expenses	<u>\$ 33,552,452</u>	<u>\$ 35,292,580</u>	<u>\$ 33,489,878</u>	<u>\$ 13,423,817</u>	<u>\$ 9,133,655</u>

(Continued)

**CITY OF MARICOPA, ARIZONA
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES EXPENSES
LAST 7 FISCAL YEARS
(Accrual basis of accounting)**

	<u>2005</u>	<u>2004</u>
Expenses		
Governmental activities:		
General government	\$ 2,808,741	\$ 432,863
Judicial		
Public safety	810,924	
Highways and streets	672,895	
Pubic works	171,735	11,507
Culture and recreation	129,531	4,785
Economic and community development		
Interest on long-term debt		2,055
Total governmental activities expenses	4,593,826	451,210
Business-type activities:		
Water		
Wastewater		
Airport		
Total business-type activities expenses		
Total primary government expenses	\$ 4,593,826	\$ 451,210

Source: The source of this information is the City's financial records.

Notes: 1. The City of Maricopa was incorporated in Fiscal Year 2004

2. The provisions of the Governmental Accounting Standards Board (GASB) Statement No.34 were adopted in fiscal year 2004 therefore only 7 years are shown.

3. The City of Maricopa has only Governmental activities and no Business-type activities to report

(Concluded)

**CITY OF MARICOPA, ARIZONA
PROGRAM REVENUES AND NET (EXPENSE)/REVENUE
LAST 7 FISCAL YEARS
(Accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 58,657	\$ 1,113,758	\$ 3,113,666	\$ 5,610,082	\$ 10,817,160
Judicial	475,414	518,712	436,598	199,036	98,870
Public safety	922,084	426,086	53,814		
Highways and streets	74,369	77,547			
Public works	169,738				
Culture and recreation	289,004	277,060	232,334	130,990	77,517
Operating grants and contributions	866,471	3,967,175	2,978,293	2,313,870	1,873,086
Capital grants and contributions	7,558,625	8,238,154	38,175,235	35,344,625	57,471,658
Total governmental activities program revenues	<u>10,414,362</u>	<u>14,618,492</u>	<u>44,989,940</u>	<u>43,598,603</u>	<u>70,338,291</u>
Business-type activities:					
Charges for services:					
Water					
Wastewater					
Airport					
Operating grants and contributions					
Capital grants and contributions					
Total business-type activities program revenues					
Total primary government revenues	<u>\$ 10,414,362</u>	<u>\$ 14,618,492</u>	<u>\$ 44,989,940</u>	<u>\$ 43,598,603</u>	<u>\$ 70,338,291</u>
Net (Expense)/Revenue					
Governmental activities	\$ (23,138,090)	\$ (20,674,088)	\$ 11,500,062	\$ 30,174,786	\$ 61,204,636
Business-type activities					
Total primary government net (expense)/revenues	<u>\$ (23,138,090)</u>	<u>\$ (20,674,088)</u>	<u>\$ 11,500,062</u>	<u>\$ 30,174,786</u>	<u>\$ 61,204,636</u>

(Continued)

**CITY OF MARICOPA, ARIZONA
PROGRAM REVENUES AND NET (EXPENSE)/REVENUE
LAST 7 FISCAL YEARS
(Accrual basis of accounting)**

	<u>2005</u>	<u>2004</u>
Program Revenues		
Governmental activities:		
Charges for services:		
General government	\$ 7,476,840	\$ 83,670
Judicial		
Public safety		
Highways and streets		
Public works	1,030,436	4,753
Culture and recreation	14,931	
Operating grants and contributions	1,030,950	
Capital grants and contributions	15,827,680	
Total governmental activities program revenues	<u>25,380,837</u>	<u>88,423</u>
Business-type activities:		
Charges for services:		
Water		
Wastewater		
Airport		
Operating grants and contributions		
Capital grants and contributions		
Total business-type activities program revenues	<u> </u>	<u> </u>
Total primary government revenues	<u>\$ 25,380,837</u>	<u>\$ 88,423</u>
Net (Expense)/Revenue		
Governmental activities	\$ 20,787,011	\$ (362,787)
Business-type activities		
Total primary government net (expense)/revenues	<u>\$ 20,787,011</u>	<u>\$ (362,787)</u>

Source: The source of this information is the City's financial records.

- Notes:** 1. The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2004 therefore only 7 years are shown.
2. The City of Maricopa has only Governmental activities and no Business-type activities to report

(Concluded)

CITY OF MARICOPA, ARIZONA
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST 7 FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Revenues:					
Governmental activities:					
Taxes:					
Property taxes, levied for general purposes	\$ 9,191,887	\$ 8,073,578	\$ 5,504,915	\$ 2,431,339	\$
Sales taxes	6,649,744	10,230,103	18,141,568	22,032,882	25,432,643
Franchise taxes	494,091	536,966	758,442	660,317	303,480
Unrestricted grants, aid, and state shared revenues	7,110,730	4,583,320	5,392,623	3,718,174	1,515,829
Investment income (loss)	265,485	(378,160)	4,378,266	3,853,077	1,315,924
Miscellaneous		37,503	30,441	225	175
Total governmental activities	<u>\$ 23,711,937</u>	<u>\$ 23,083,310</u>	<u>\$ 34,206,255</u>	<u>\$ 32,696,014</u>	<u>\$ 28,568,051</u>
Business-type activities:					
Development impact fees	\$	\$	\$	\$	\$
Investment income (loss)					
Miscellaneous					
Total business-type activities	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Extraordinary Item			6,186,965		
Changes in Net Assets					
Governmental activities	\$ 573,847	\$ 2,409,222	\$ 51,893,282	\$ 62,870,800	\$ 89,772,687
Business-type activities					
Total primary government	<u>\$ 573,847</u>	<u>\$ 2,409,222</u>	<u>\$ 51,893,282</u>	<u>\$ 62,870,800</u>	<u>\$ 89,772,687</u>

(Continued)

**CITY OF MARICOPA, ARIZONA
GENERAL REVENUES AND TOTAL CHANGES IN NET ASSETS
LAST 7 FISCAL YEARS
(Accrual basis of accounting)**

	<u>2005</u>	<u>2004</u>
General Revenues:		
Governmental activities:		
Taxes:		
Property taxes, levied for general purposes	\$	\$ 859,799
Sales taxes	7,439,799	
Franchise taxes	97,362	
Unrestricted grants, aid, and state shared revenues	1,912,697	298,355
Investment income (loss)	127,403	
Miscellaneous	34,059	264
Total governmental activities	<u>\$ 9,611,320</u>	<u>\$ 1,158,418</u>
Business-type activities:		
Development impact fees	\$	\$
Investment income (loss)		
Miscellaneous		
Total business-type activities	<u>\$</u>	<u>\$</u>
Extraordinary Item		
Changes in Net Assets		
Governmental activities	\$ 30,398,331	\$ 795,631
Business-type activities		
Total primary government	<u>\$ 30,398,331</u>	<u>\$ 795,631</u>

Source: The source of this information is the City's financial records.

Notes: 1. The City of Maricopa was incorporated in Fiscal Year 2004

2. The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2004 therefore only 7 years are shown.

(Concluded)

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**CITY OF MARICOPA, ARIZONA
FUND BALANCES - GOVERNMENTAL FUNDS
LAST 7 FISCAL YEARS
(Modified accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund:					
Reserved for encumbrances	\$	\$	\$	\$ 412,091	\$ 246,296
Unreserved					
Undesignated	64,206,671	68,275,877	72,950,101	65,105,942	43,914,118
Total General Fund	<u>\$ 64,206,671</u>	<u>\$ 68,275,877</u>	<u>\$ 72,950,101</u>	<u>\$ 65,518,033</u>	<u>\$ 44,160,414</u>
All Other Governmental Funds:					
Reserved for capital projects	32,963,922	\$ 32,385,451	\$ 32,975,157	\$ 26,291,975	\$ 10,609,721
Reserved for highways and streets	2,583,406	2,354,861	2,354,456	1,813,149	1,718,906
Unreserved, reported in:					
Special revenue funds	2,320,530	2,419,821	2,900,630	2,301,282	1,724,152
Capital projects funds	13,058,582				
Total all other governmental funds	<u>\$ 50,926,440</u>	<u>\$ 37,160,133</u>	<u>\$ 38,230,243</u>	<u>\$ 30,406,406</u>	<u>\$ 14,052,779</u>
	<u>2005</u>	<u>2004</u>			
General Fund:					
Reserved for encumbrances	\$	\$			
Unreserved					
Undesignated	14,148,712	655,065			
Total General Fund	<u>\$ 14,148,712</u>	<u>\$ 655,065</u>			
All Other Governmental Funds:					
Reserved for capital projects	\$	\$			
Reserved for highways and streets					
Unreserved, reported in:					
Special revenue funds	1,461,310	129,641			
Capital projects funds	1,288,239				
Total all other governmental funds	<u>\$ 2,749,549</u>	<u>\$ 129,641</u>			

Source: The source of this information is the City's financial records.

Notes: 1. The City of Maricopa incorporated in Fiscal Year 2004

2. The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2004 therefore only 7 years are shown.

CITY OF MARICOPA, ARIZONA
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND DEBT SERVICE RATIO
LAST 7 FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Revenues:					
Property taxes	\$ 9,201,246	\$ 7,936,092	\$ 5,547,387	\$ 2,196,247	\$
Sales taxes	6,649,744	10,230,103	18,141,568	22,032,882	25,432,643
Franchise taxes	494,091	536,966	758,442	660,317	303,480
Licenses and permits	748,539	866,940	2,494,759	4,578,929	8,916,082
Intergovernmental revenues	8,619,173	10,991,426	9,114,700	8,329,956	2,744,065
Charges for services	675,406	1,023,168	905,055	1,162,087	1,968,618
Fines and forfeitures	506,664	518,712	436,598	199,036	95,795
Investment income (loss)	265,485	(378,160)	4,378,266	3,853,077	1,315,924
Miscellaneous	1,664,621	4,410,405	8,605,812	11,890,546	10,680,272
Total revenues	<u>28,824,969</u>	<u>36,135,652</u>	<u>50,382,587</u>	<u>54,903,077</u>	<u>51,456,879</u>
Expenditures:					
Current -					
General government	7,368,241	8,340,335	7,060,112	4,656,937	4,370,884
Judicial	227,487	249,551	96,906	167,219	112,863
Public safety	13,588,093	14,008,800	13,114,436	2,372,859	1,624,485
Highways and streets	3,196,133	2,390,661	1,760,075	1,114,225	589,069
Public works	321,176	579,872	912,954	941,566	346,356
Culture and recreation	1,081,819	1,360,816	1,586,766	733,355	254,544
Economic and community development			569,528	453,879	326,005
Capital outlay	11,168,632	14,752,588	11,145,898	6,751,791	2,517,741
Debt service -					
Principal retirement	139,918	133,017	132,966		
Interest and fiscal charges	57,445	64,346	64,397		
Bond issuance costs	307,182				
Total expenditures	<u>37,456,126</u>	<u>41,879,986</u>	<u>36,444,038</u>	<u>17,191,831</u>	<u>10,141,947</u>
Extraordinary Item			1,317,356		
Excess (deficiency) of revenues over expenditures	<u>\$ (8,631,157)</u>	<u>\$ (5,744,334)</u>	<u>\$ 15,255,905</u>	<u>\$ 37,711,246</u>	<u>\$ 41,314,932</u>
Expenditures for capitalized assets	\$ 9,375,099	\$ 12,177,408	\$ 7,678,877	\$ 5,984,896	
Debt service as a percentage of noncapital expenditures	2%	1%	1%	0%	0%

(Continued)

CITY OF MARICOPA, ARIZONA
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND DEBT SERVICE RATIO
LAST 7 FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2005</u>	<u>2004</u>
Revenues:		
Property taxes	\$	\$ 859,799
Sales taxes	7,537,161	
Franchise taxes		
Licenses and permits	6,580,727	18,239
Intergovernmental revenues	2,033,941	298,355
Charges for services	4,048,832	70,184
Fines and forfeitures	44,749	
Investment income (loss)	173,247	
Miscellaneous	34,059	264
Total revenues	<u>20,452,716</u>	<u>1,246,841</u>
Expenditures:		
Current -		
General government	2,766,528	424,283
Judicial		
Public safety	810,924	
Highways and streets	448,280	
Public works	75,991	11,507
Culture and recreation	126,349	4,785
Economic and community development		
Capital outlay	111,089	19,505
Debt service -		
Principal retirement		
Interest and fiscal charges		2,055
Bond issuance costs		
Total expenditures	<u>4,339,161</u>	<u>462,135</u>
Extraordinary Item		
Excess (deficiency) of revenues over expenditures	<u>\$ 16,113,555</u>	<u>\$ 784,706</u>
Expenditures for capitalized assets		
Debt service as a percentage of noncapital expenditures	0%	0%

Source: The source of this information is the City's financial records.

Notes: 1. The City of Maricopa incorporated in Fiscal Year 2004

2. The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 34 were adopted in fiscal year 2004 therefore only 7 years are shown.

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CITY OF MARICOPA, ARIZONA
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST 7 FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Excess (deficiency) of revenues over expenditures	\$ (8,631,157)	\$ (5,744,334)	\$ 15,255,905	\$ 37,711,246	\$ 41,314,932
Other financing sources (uses):					
Issuance of revenue bonds	20,000,000				
Premium on sale of bonds	100,519				
Total other financing sources (uses)	20,100,519				
Changes in fund balances	\$ 11,469,362	\$ (5,744,334)	\$ 15,255,905	\$ 37,711,246	\$ 41,314,932
	<u>2005</u>	<u>2004</u>			
Excess (deficiency) of revenues over expenditures	\$ 16,113,555	\$ 784,706			
Other financing sources (uses):					
Issuance of revenue bonds					
Premium on sale of bonds					
Total other financing sources (uses)					
Changes in fund balances	\$ 16,113,555	\$ 784,706			

Source: The source of this information is the City's financial records.

Note: The City of Maricopa incorporated in Fiscal Year 2004

**CITY OF MARICOPA, ARIZONA
SALES TAX COLLECTED BY CATEGORY
LAST 7 FISCAL YEARS**

	Fiscal Year Ended June 30						
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Mining	\$	\$ 3,070	\$ (844)	\$ 85	\$ 5,150	\$	\$
Communication & Utilities	540,097	414,839	457,988	492,936	344,710	126,893	10,861
Transportation	9,395	5,272	2,762	3,700	2,493	32,254	13
Construction	1,357,920	5,492,829	13,622,584	18,096,007	19,476,707	4,728,883	302,012
Manufacturing	234,542	308,076	107,944	61,759	56,553	105,747	1,404
Wholesale	326,914	108,875	75,310	95,063	51,008	17,242	4,462
Retail	3,145,911	2,806,983	2,481,306	2,401,870	1,773,151	893,947	134,770
Financial and Insurance	30,353	18,001	14,281	18,601	4,901	2,050	628
Real Estate Rental	470,484	524,427	969,820	1,371,736	371,742	214,252	3,594
Restaurant & Bar	381,273	369,659	395,455	360,007	161,712	21,071	2,014
Accommodation	8,423	14,008	10,973	19	175	94	12
Public Administration	3,240	266	39	1,188	2,652	1,068	
Services	95,398	108,262	122,634	149,934	89,186	36,098	2,494
Arts & Entertainment	510	40,640	50,210	53,190	55,552	42,402	22,319
Other	50,038	88,939	301,513	836,182	716,390	318,423	158,903
Total	<u><u>\$ 6,654,498</u></u>	<u><u>\$ 10,304,146</u></u>	<u><u>\$ 18,611,975</u></u>	<u><u>\$ 23,942,279</u></u>	<u><u>\$ 23,112,080</u></u>	<u><u>\$ 6,540,423</u></u>	<u><u>\$ 643,486</u></u>
City's direct sales tax rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Source: Arizona Department of Revenue

Note: The City of Maricopa incorporated in Fiscal Year 2004.

**CITY OF MARICOPA, ARIZONA
SALES TAX RATES
LAST 10 FISCAL YEARS**

Fiscal Year	City's Direct Rate	Arizona Rate	County Rate
2010	2.00%	6.60%	1.10%
2009	2.00%	5.60%	1.10%
2008	2.00%	5.60%	1.10%
2007	2.00%	5.60%	1.10%
2006	2.00%	5.60%	1.10%
2005	2.00%	5.60%	1.10%
2004	2.00%	5.60%	1.10%
2003	N/A	5.60%	1.10%
2002	N/A	5.60%	1.10%
2001	N/A	5.60%	1.10%

Source: The source of this information is the City's records.

Note: The City of Maricopa incorporated in Fiscal Year 2004.

**CITY OF MARICOPA, ARIZONA
OUTSTANDING DEBT BY TYPE
LAST 7 FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt			
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita
2010	\$ 20,000,000	\$	\$ 20,000,000	N/A %	\$ 507	\$ 955,316	\$ 20,955,316	N/A %	\$ 531
2009						1,095,234	1,095,234	13.88	31
2008						1,228,251	1,228,251	17.14	38
2007									
2006									
2005									
2004									

Source: The source of this information is the City's financial records.

- Notes:** 1. The City of Maricopa incorporated in Fiscal Year 2004
2. N/A indicates that the information is not available.

**CITY OF MARICOPA, ARIZONA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2010**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Pinal County	\$ 172,129,000	0.00 %	\$
Community College District	15,815,000	0.00	
Maricopa Unified School District		100.00	
Subtotal, Overlapping Debt			<u>\$</u>
Direct:			
The City of Maricopa	20,000,000	100.00	<u>20,000,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 20,000,000</u></u>

Sources: The source of this information is the City's records and the State and County Abstract of the Assessment Roll, Arizona Department of Revenue and the applicable governmental unit.

Note: Proportion applicable to the City is computed on the ratio of secondary assessed valuation for 2008-09.

**CITY OF MARICOPA, ARIZONA
LEGAL DEBT MARGIN INFORMATION
LAST 7 FISCAL YEARS**

Legal Debt Margin Calculations for Fiscal Year 2010:

20% Limitation		6% Limitation	
Secondary assessed valuation	\$ 356,093,407	Secondary assessed valuation	\$ 356,093,407
Debt limit	71,218,681	Debt limit	21,365,604
Debt applicable to limit	20,000,000	Debt applicable to limit	
Legal 20% debt margin	\$ 51,218,681	Legal 6% debt margin	\$ 21,365,604

	Fiscal Year Ended June 30				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
20% Limitation:					
Debt limit	\$ 71,218,681	\$	\$	\$	\$
Total net debt applicable to limit	20,000,000				
Legal 20% debt margin	\$ 51,218,681	\$	\$	\$	\$
Total net debt applicable to the 20% limit as a percentage of 20% debt limit	28%	N/A	N/A	N/A	N/A
6% Limitation:					
Debt limit	\$ 21,365,604	\$	\$	\$	\$
Total net debt applicable to limit					
Legal 6% debt margin	\$ 21,365,604	\$	\$	\$	\$
Total net debt applicable to the 6% limit as a percentage of 6% debt limit	0%	N/A	N/A	N/A	N/A

(Continued)

**CITY OF MARICOPA, ARIZONA
LEGAL DEBT MARGIN INFORMATION
LAST 7 FISCAL YEARS**

	<u>2005</u>	<u>2004</u>
20% Limitation:		
Debt limit	\$	\$
Total net debt applicable to limit	_____	_____
Legal 20% debt margin	<u>\$</u>	<u>\$</u>
Total net debt applicable to the 20% limit as a percentage of 20% debt limit	N/A	N/A
6% Limitation:		
Debt limit	\$	\$
Total net debt applicable to limit	_____	_____
Legal 6% debt margin	<u>\$</u>	<u>\$</u>
Total net debt applicable to the 6% limit as a percentage of 6% debt limit	N/A	N/A

Source: The source of this information is the City's financial records.

- Notes:** 1. City of Maricopa incorporated in 2004.
2. First bond issue occurred in 2010.

(Concluded)

**CITY OF MARICOPA, ARIZONA
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST 9 CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated City Population</u>
2009	356,303	\$ N/A	\$ N/A	11.4 %	39,429
2008	309,653	7,892,358	23,985	7.1	35,000
2007	276,266	7,164,122	23,673	4.6	32,157
2006	254,703	6,432,713	23,785	5.0	30,559
2005	226,995	5,585,848	23,524	5.6	15,934
2004	204,266	4,682,265	21,213	6.0	4,998
2003	188,110	4,147,189	19,865	7.0	3,000
2002	179,898	3,779,132	19,103	7.3	2,000
2001	171,032	3,620,453	19,220	5.3	1,040

Sources: The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information is State of Arizona, Department of Economic Security.

Note: N/A indicates that the information is not available.

**CITY OF MARICOPA, ARIZONA
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND 7 YEARS AGO**

<u>Employer</u>	<u>Industry</u>	<u>2010</u>			<u>2003</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Harrah's Phoenix Ak-Chin	Casinos	600	1	11.09 %	500	1	37.74 %
Maricopa Unified School District	Schools	475	2	8.78	100	5	7.55
Fry's Food Store	Grocers-Retail	280	3	5.18	0		0.00
Walmart	Department Stores	220	4	4.07	0		0.00
Maricopa City Office	Government Offices-City, Village & Twp	210	5	3.88	0		0.00
Ak Chin Farms	Farms	200	6	3.70	200	2	15.09
Volkswagen Proving Grounds	Automotive Testing	150	7	2.77	150	4	11.32
Bashas'	Grocers-Retail	146	8	2.70	0		0.00
Pinal Feeding Co Inc	Livestock Feeding	100	9	1.85	200	3	15.09
Duke At Rancho El Dorado	Golf Courses	75	10	1.39	20	8	1.51
University Of Arizona Maricopa	Schools-Universities & Colleges Academic	70	11	1.29	70	6	5.28
Maricopa-Stanfield Irrigation	Irrigation Companies	60	12	1.11	60	7	4.53
Pinal Energy LLC	Energy Management Systems & Products	49	13	0.91	0		0.00
Legacy Montessori	Schools	45	14	0.83	0		0.00
Electrical District 3	Electric Companies	42	15	0.78	25	9	1.89
Tutor Time Child Care	Schools-Nursery & Kindergarten Academic	40	16	0.74	0		0.00
Total		<u>2,762</u>		<u>51.05 %</u>	<u>1,325</u>		<u>100.00 %</u>
Total employment		<u>5,410</u>			<u>1,325</u>		

Sources: 2010 numbers were obtained from InfoUsa.com database. 2003 numbers were taken from staff estimates based on population, demand at time and existence of entities. Data regarding total employment figures are considered to be estimates at this time.

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**CITY OF MARICOPA, ARIZONA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST 7 FISCAL YEARS**

	Full-time Equivalent Employees as of June 30						
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Government							
Court	4.5	4.5	2.5	2.5	1.5	0.0	0.0
Mayor and Council	7.0	7.0	7.0	7.0	7.0	7.0	7.0
City Manager	7.5	5.5	3.5	6.0	4.0	1.0	1.0
Information Technology	4.0	6.0	6.0	0.0	0.0	0.0	0.0
Marketing & Communication	0.0	1.0	0.0	0.0	0.0	0.0	0.0
City Clerk	5.0	6.0	6.0	2.0	1.0	1.0	0.0
Finance	10.5	9.5	10.0	9.0	3.0	1.0	1.0
Support Services Administration	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Human Resources	1.0	3.0	3.0	2.0	0.0	0.0	0.0
Planning	3.0	5.0	5.0	7.0	5.0	0.0	0.0
Development Services	4.0	0.0	0.0	13.0	4.0	1.0	0.0
Building Safety	7.0	14.0	14.0	0.0	0.0	0.0	0.0
Code Enforcement	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Facilities Management	2.0	2.0	1.0	0.0	0.0	0.0	0.0
Fleet Management	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Safety Administration	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Police	63.0	67.5	62.5	9.0	0.0	0.0	0.0
Fire	66.0	66.5	64.5	0.0	0.0	10.0	2.0
Engineering	3.0	4.0	4.0	3.0	2.0	0.0	0.0
Transportation	2.0	2.0	3.0	0.0	0.0	0.0	0.0
Community Services Administration	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Recreation	4.0	7.0	7.0	5.0	4.0	0.0	0.0
Park Maintenance	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Libraries	7.0	4.0	4.0	2.5	2.5	0.0	0.0
Economic Development	1.0	1.0	0.0	0.0	0.0	1.0	0.0
HURF/Public Works	8.0	8.0	11.0	4.0	3.0	1.0	0.0
Total	<u>219.5</u>	<u>224.5</u>	<u>214.0</u>	<u>72.0</u>	<u>37.0</u>	<u>23.0</u>	<u>11.0</u>

Source: The source of this information is the Annual Budget Books-06, 07, 08, 09, and the City's Human Resources Office.

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