

**CITY OF MARICOPA, ARIZONA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**CITY OF MARICOPA, ARIZONA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Issued by:  
Financial Services Department

**CITY OF MARICOPA, ARIZONA**

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## **INTRODUCTORY SECTION**

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December 20, 2011

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

Arizona 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, 2011.

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, 2011. The independent auditor’s report is located at the front of the financial section of this report.

Additionally, the City is required to have an independent audit (“Single Audit”) of federal financial assistance received by the City directly from federal agencies, or passed through to the City by the State of Arizona, or other governmental entities during the fiscal year. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government’s internal controls and compliance with legal requirements having a direct and material impact on major programs, with special emphasis on internal controls and compliance requirements involving the administration of major federal awards.

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 complements this letter of transmittal and should be read in conjunction with it.



### ***Profile of the City***

The origins of the City took place at a series of watering holes eight miles north of present day Maricopa, and about a mile west of Pima Butte. Several of Arizona's rivers, the Gila, Santa Cruz, Vekol and Santa Rosa provided this oasis in the desert with an ample supply of water for agriculture and traders. The earliest known written record of the area was a journal entry made by Father Eusebio Francisco Kino in 1694. The area became an important stage stop in the 1800's on the Butterfield Overland Mail Line that stretched from St. Louis to San Francisco. In the 1870's, the Southern Pacific Railroad built a line from Yuma to Tucson, and a line was built from the present City of Maricopa area north into Phoenix and completed by the Maricopa & Phoenix Railroad in 1887.

Rail transportation was halted in the mid 1930's, and Maricopa continued as a farming and ranching hub for the area. The City of Maricopa is located 35 minutes from Phoenix Sky Harbor Airport and 100 miles northwest of Tucson in Pinal County, and is one of the top growth areas in both the state and the country, increasing in population over 750% since incorporation. In 2003, it became Arizona's 88th incorporated municipality and currently serves approximately 45 square miles of incorporated area and a population of over 43,000. The City of Maricopa is empowered to levy a property tax on real and personal property located within its boundaries. It 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. Policy-making authority is vested in a City Council (Council) consisting of the mayor and six Council members, all elected on a non-partisan basis. The Council appoints the City Magistrate, City Attorney, and the City 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.

### ***Economic Condition***

Key advantages for the City of Maricopa include the high education levels and skill sets of its workforce – 88% of adults have some post-high school education and 45% of households report an income level above \$75,000 annually (according to a 2009 City of Maricopa Labor Study).

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 – Harrah's Ak Chin Resort & Casino - and golf entertainment at Southern Dunes Golf Course and the Duke at Rancho el Dorado 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.

Bashas', Fry's Marketplace, and Super Walmart anchor three significant existing retail centers located in Maricopa. Additional planned retail sites that were stagnated due to bankruptcy proceedings or lack of market demand are now in the process of again moving forward, indicating slow but positive growth steps in new commercial development for the City.

Higher education is a priority for Maricopa's future and Central Arizona College is delivering through the development of a 217-acre campus with anticipated total population of 31,000 at full build-out. On December 16, 2011, Central Arizona College broke ground on Phase I of this new campus. The attraction of healthcare services to the community has been a strong focus for the City of Maricopa since its inception. After working closely with Banner Health for nearly four years, they are now under construction on a local Health Center that will expand to reach 85,000 square feet at full completion. The Center is expected to open the doors to its 45,000 square foot Phase I building by summer of 2012 and will provide a wide range of services including primary care, specialty care, pediatric care, OB/GYN, and advanced imaging services.

The current Maricopa economy mirrors that of similar periphery communities in the Phoenix Metro region. While new home building in Maricopa has slowed from the boom of 2006-07, trends have remained consistent with the rest of the Phoenix market. In 2011, Maricopa saw an approximate average of 11 new single family home permits per month. In addition, Maricopa's homes continue to sell at or faster than the average Valley rate with significant investment from Canadian visitors. There is ample supply of planned homes – 16,326 - 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 2011 is 12.4% (with a Pinal County average of 11.2%). However, significant investments by the City in municipal projects and economic development as well as local private investments are working to improve these figures.

### ***Major initiatives***

Higher education will play a significant role in Maricopa's future as Central Arizona College works to develop its campus; the City is in full support of this project and highly involved in assisting with its execution.

A key project in process is the City Complex development underway on a 20-acre portion of a larger 140-acre piece of City-owned property at White & Parker Road and Bowlin Road. The project will include a City Hall building of approximately 45,000 square feet as well as an adjacent public safety building to serve police and fire department needs. Approximately 10 acres of the 20-acre piece is being reserved for use by private partners for the development of appropriate retail and office uses, up to 140,000 square feet of total development. Additional City-owned properties are being planned to provide quality of life amenities and entertainment options to residents as well as site opportunities for business attraction and development to aid in overall economic growth.

As a key element in the City Council Strategic Plan, the Council envisions developing a new park and recreation center to provide greater access to recreational facilities for residents and tourists using existing bond proceeds.

### ***Relevant financial policies***

The Council is required to adopt a budget no later than July 1 of each year. The 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 Directors may transfer resources within a department as they see fit. Transfers between departments, however, require approval from the City Council.

It is the City of Maricopa's policy that half of "one-time" resource inflows from construction-related activities be reserved for capital outlay purposes. The General Fund annual budget shall also 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.

### ***Long-term financial planning***

Unassigned fund balance in the General Fund (240 percent of total General Fund revenues) falls within the policy guidelines set by the Council for budgetary and planning purposes.

During the past eight 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 (an eight-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, on July 1, 2007, from the county and a local volunteer fire district. The growth in parks and recreation expenses reflects an increase in the number of sponsored programs and events.

During this same eight-year period, charges for services, continuing to increase in amount, have actually decreased as a percentage of total revenue (an eight-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.

The City is committed to matching its expenditures with available revenues, and has restructured several departments to re-align service delivery to better serve the citizens at a lower cost.

## ACKNOWLEDGMENT

**Acknowledgment.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance/Administrative Service department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, without the leadership and support of the City Council, preparation of this report would not have been possible.

Respectfully submitted,

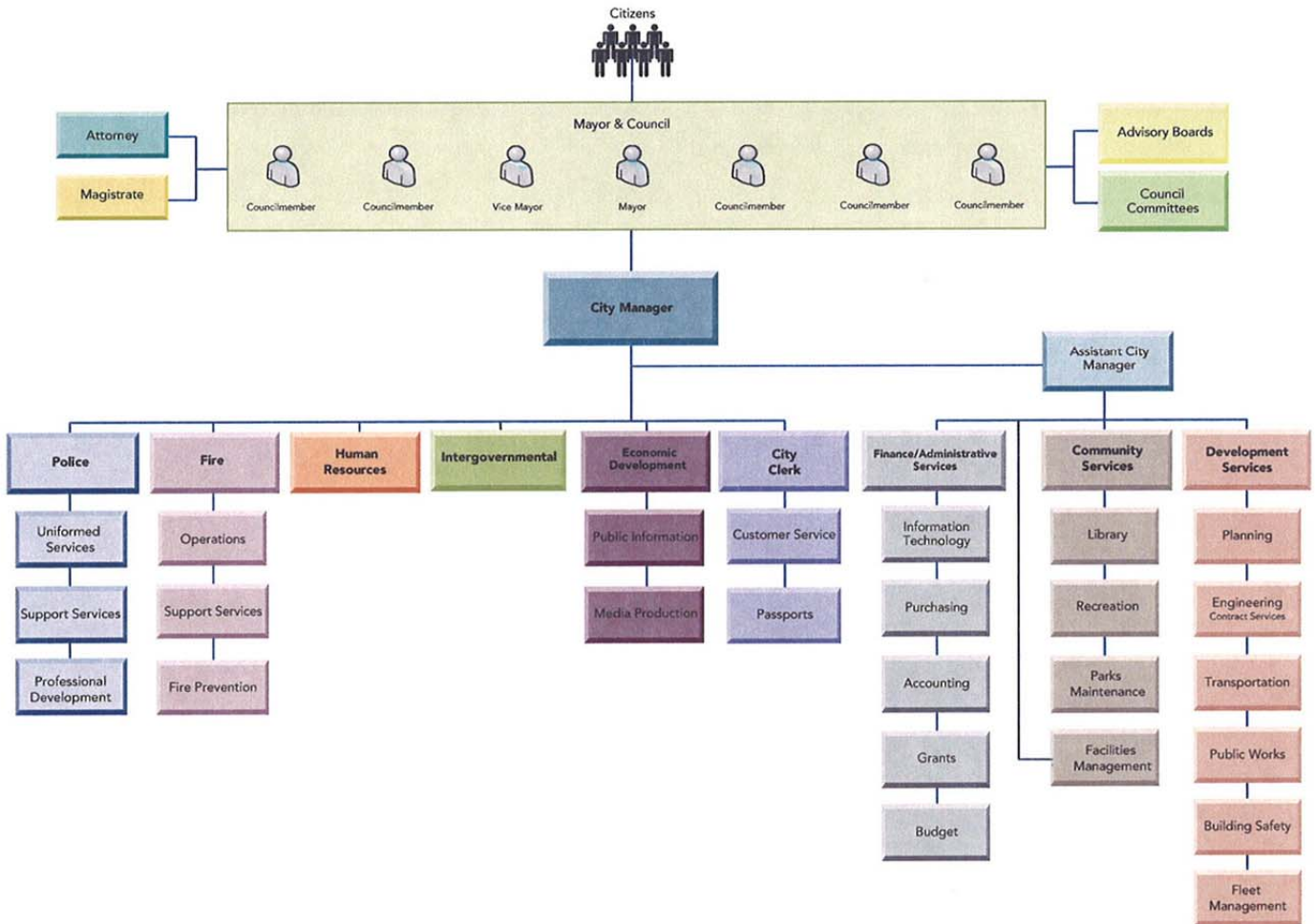


Brenda S. Fischer, ICMA-CM  
City Manager



Tom Duensing, CPA  
Finance/Administrative Services Director

# City Organization Chart



**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**

Finance/Administrative Services	Tom Duensing
City Clerk	Vanessa Bueras
Community Services	John Nixon
Police Chief	Patrick Melvin
Fire Chief	Wade Brannon
Economic Development	Danielle Casey
Development Services	Brent Billingsley
Human Resources	Karen Shaffer

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## **FINANCIAL SECTION**



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



## 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, 2011, 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, 2011, 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.

As described in Note 1, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, for the year ended June 30, 2011, which represents a change in accounting principle.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2011, 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 13 and budgetary comparison information on pages 50 through 52 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming 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 20, 2011

**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, 2011**

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, 2011. 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 2010-11 as follows:

- The City's total net assets of governmental activities decreased \$2.1 million to \$252.7 million representing a less than one percent decrease over the prior year.
- General revenues from governmental activities accounted for \$25.9 million in revenue, or 68 percent of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for \$11.9 million or 32 percent of total governmental activities revenues.
- The City had \$39.9 million in expenses related to governmental activities, an increase of 19 percent from the prior fiscal year primarily due to increased interest expense on long-term debt and purchase of land and other planned capital expenditures.
- Among major funds, the General Fund had \$23.1 million in current fiscal year revenues, which primarily consisted of property and sales taxes, and \$32.4 million in expenditures. The General Fund's fund balance decreased \$8.8 million from \$64.2 million at the end of the prior fiscal year to \$55.4 million at the end of the current fiscal year primarily due to a combination of planned capital expenditures and lower than anticipated revenues.
- The Grants Fund had \$4.1 million in revenues, an increase from \$1.5 million in the prior year. Similarly, expenditures increased from \$1.6 million to \$3.8 million. The increases were primarily related to funds awarded for American Recovery and Reinvestment Act (ARRA) energy projects and improving underperforming local schools.
- The Debt Service Fund had revenues of \$1.9 million and expenditures of \$2.2 million, resulting in a deficit fund balance of \$334,556 due to timing differences between recording of the initial year of debt service payments and the receipt of the related tax revenue to pay the debt.
- The Transportation Impact Fee Fund, had \$80,935 in revenues. Fund expenditures totaled \$1.3 million resulting in a decrease in fund balance of \$1.2 million to \$19.7 million.
- The Parks Bond Fund had \$18,822 in interest revenues. Fund expenditures totaled \$84,830.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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, development services, public safety, highways and streets, and community services. 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 are governmental funds.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**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, Grants, Debt Service, 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 and major Special Revenue Fund as required supplementary information presented with these financial statements.

During the year ended June 30, 2011, the City implemented the provisions of the Governmental Standards Accounting Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement No. 54 establishes standards for financial reporting, including note disclosure requirements, for fund balance classifications of the governmental funds and clarifies existing governmental fund type definitions. Additional information on the fund balance classifications, components of fund balance, and other information related to fund balance can be found in Note 2.



**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**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 \$252.7 million at the current fiscal year end.

The largest portion of the City's net assets 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.

The following table presents a summary of the City's net assets for the fiscal years ended June 30, 2011 and June 30, 2010.

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 109,044,719	\$ 118,722,756
Capital assets, net	167,686,930	160,751,634
<b>Total assets, net</b>	<u>276,731,649</u>	<u>279,474,390</u>
Current liabilities	2,788,645	3,062,235
Long-term liabilities	21,282,496	21,629,457
<b>Total liabilities</b>	<u>24,071,141</u>	<u>24,691,692</u>
Invested in capital assets, net of related debt	159,446,413	152,574,381
Restricted	44,235,838	48,605,910
Unrestricted	48,978,257	53,602,407
<b>Total net assets</b>	<u>\$ 252,660,508</u>	<u>\$ 254,782,698</u>

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 \$6.2 million in land-related acquisitions.
- The City expended \$1.5 million in interest on long-term debt for its outstanding debt including general obligation bonds.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)**

**Changes in net assets.** The City implemented a new ERP financial system during the fiscal year. As a result of that implementation, functional categories for expenses were modified to more closely match actual operational functions. As a result, comparisons to prior years' data do not correlate exactly between categories. Building Safety, Development Services, Administration, and Planning were moved out of General Government into Development Services, Public Works was moved into Development Services, and Judicial was moved into General Government.

The City's total revenues for the current fiscal year were \$37.8 million. The total cost of all programs and services was \$39.9 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2011 and June 30, 2010.

	Governmental Activities	
	2011	2010
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 1,648,396	1,989,266
Operating grants and contributions	3,436,610	866,471
Capital grants and contributions	6,815,917	7,558,625
General revenues:		
Property taxes, levied for general purposes	9,797,104	9,191,887
Property taxes, levied for debt service	1,415,568	
Sales taxes	7,454,918	6,649,744
Franchise taxes	315,240	494,091
Unrestricted grants, aid, and state shared revenues	6,277,756	7,110,730
Investment income (loss)	667,555	265,485
<b>Total revenues</b>	<b>37,829,064</b>	<b>34,126,299</b>
<b>Expenses:</b>		
General government	8,747,059	9,303,721
Development services	9,803,286	4,325,348
Public safety	16,001,267	14,898,669
Highways and streets	870,566	3,436,028
Community services	2,986,635	1,531,241
Interest on long-term debt	1,542,441	57,445
<b>Total expenses</b>	<b>39,951,254</b>	<b>33,552,452</b>
<b>Change in net assets</b>	<b>\$ (2,122,190)</b>	<b>\$ 573,847</b>

Total revenues increased \$3.7 million, or 11 percent, primarily as a result of setting an initial property tax levy for debt service and increased grant revenues related to improving underperforming schools in the community.

Total expenses increased \$6.4 million, or 19 percent, primarily due to initial debt debt service payments, planned outlays for capital facilities and infrastructure, and grant expenditures related to improving underperforming schools in the community.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)**

	<u>Year Ended June 30, 2011</u>		<u>Year Ended June 30, 2010</u>	
	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>
General government	\$ 8,747,059	\$ (5,736,371)	\$ 9,303,721	\$ (8,208,892)
Development services	9,803,286	(1,966,548)	4,325,348	(4,018,650)
Public safety	16,001,267	(15,237,484)	14,898,669	(13,227,343)
Highways and streets	870,566	(870,566)	3,436,028	3,402,675
Community services	2,986,635	(2,696,921)	1,531,241	(1,028,435)
Interest on long-term debt	1,542,441	(1,542,441)	57,445	(57,445)
<b>Total</b>	<u>\$ 39,951,254</u>	<u>\$ (28,050,331)</u>	<u>\$ 33,552,452</u>	<u>\$ (23,138,090)</u>

- The cost of all governmental activities this year was \$40.0 million.
- Federal and State grants and contributions and charges for services subsidized certain programs with grants and contributions and other local revenues of \$11.9 million.
- Net cost of governmental activities of \$28.1 million was financed by general revenues, which are made up of primarily property taxes of \$11.2 million, sales taxes of \$7.5 million, and state shared revenues of \$6.3 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 \$105.0 million, a decrease of \$10.1 million due primarily to planned capital infrastructure project expenditures for parks, highway and street improvements, and City facilities.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS (Concl'd)**

The General Fund is the principal operating fund of the City. The decrease in fund balance of \$8.9 million for the fiscal year to \$55.4 million was due primarily to expenditures related to land acquisition and new municipal facilities.

The newly created Debt Service Fund reported a deficit fund balance of \$334,556 at year end due primarily to timing differences between recording of the initial year of debt service payments and the receipt of the related tax revenue to pay the debt. This deficit will be eliminated in the following year.

The Transportation Impact Fee Fund showed a decrease in fund balance of \$1.2 million due primarily to expenses related to planned capital infrastructure improvements.

The Parks Bond Fund reported limited activity during the year due primarily to the delay in construction of planned projects.

**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 increased slightly from the prior year and are above budget.
- General Government includes the contingency fund of \$4,174,287 in the revised budget amount.
- Streets and Public Works actuals are below budget due to delayed capital projects.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the City had invested \$193.2 million in capital assets, including buildings, facilities, vehicles, computers, equipment, and infrastructure assets. This amount represents a net increase prior to depreciation of \$13.1 million from the prior fiscal year, primarily due to the purchase of land parcels for future development. Total depreciation expense for the current fiscal year was \$6.5 million.

The following schedule presents capital asset balances for the fiscal years ended June 30, 2011 and June 30, 2010.

<b>Governmental Activities</b>	As of June 30, 2011	As of June 30, 2010
Land and land improvements	\$ 88,407,015	\$ 81,188,679
Infrastructure	81,873,877	76,848,802
Buildings and improvements	9,754,336	9,754,336
Vehicles, machinery and equipment	11,926,083	11,038,071
Construction in progress	1,189,573	1,260,027
Less: Accumulated depreciation	<u>(25,463,954)</u>	<u>(19,338,281)</u>
<b>Total</b>	<b><u>\$ 167,686,930</u></b>	<b><u>\$ 160,751,634</u></b>

Additional information on the City's capital assets can be found in Note 6.

**Debt Administration.** – At year end, the City had \$20.4 million in long-term debt outstanding, \$827,391 due within one year.

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 \$52.0 million, of which \$20.0 million is issued and outstanding. 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 \$15.6 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 Note 7.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2011**

**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 2011-12. The most significant factors affecting the subsequent year's budget are:

- The 2012 budget conveyed an operations level at a lower rate of growth than previous years with the assumed issuance of five building permits per month, and realignment of personnel to match workload and council strategic plan priorities.
- State shared revenues increased due to the decennial census counts updating the City's population.
- Property tax assessed valuations have increased \$39,858 in total assessments with property tax rate increases from \$4.0168 to \$4.8105 per \$100 in assessed valuation.

**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 Finance/Administrative Services Department, City of Maricopa, Arizona, 45145 West Madison Avenue, P. O. Box 610, Maricopa, Arizona 85139.

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## **BASIC FINANCIAL STATEMENTS**



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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CITY OF MARICOPA, ARIZONA**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

	Governmental Activites
<b>ASSETS</b>	
Current assets:	
Cash and investments	\$ 106,264,866
Taxes receivable	880,416
Accounts receivable	444,026
Intergovernmental receivables	1,161,038
Prepaid items	2,550
Total current assets	108,752,896
Noncurrent assets:	
Deferred bond charges	291,823
Land and other non-depreciable assets	87,156,548
Infrastructure, buildings, equipment and other depreciable assets	105,994,336
Accumulated depreciation	(25,463,954)
Total noncurrent assets	167,978,753
<b>Total assets</b>	<b>276,731,649</b>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	1,571,730
Accrued interest payable	517,712
Accrued wages and benefits	600,579
Intergovernmental payables	32,842
Unearned revenue	14,864
Customer deposits	50,918
Compensated absences payable	425,264
Capital leases payable	97,391
General obligation bonds	730,000
Total current liabilities	4,041,300
Noncurrent liabilities:	
Compensated absences	347,943
Capital leases payable	316,405
Bonds payable	19,365,493
Total noncurrent liabilities	20,029,841
<b>Total liabilities</b>	<b>24,071,141</b>
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	159,446,413
Restricted for:	
Highways and streets	2,855,980
Capital outlay	39,742,973
Special purposes	1,636,885
Unrestricted	48,978,257
<b>Total net assets</b>	<b>\$ 252,660,508</b>

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

**CITY OF MARICOPA, ARIZONA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2011**

<b>Functions/Programs</b>	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
General government	\$ 8,747,059	\$ 1,056,489	\$ 1,909,676	\$ 44,523	\$ (5,736,371)
Development services	9,803,286	122,451	1,131,004	6,583,283	(1,966,548)
Public safety	16,001,267	211,428	374,453	177,902	(15,237,484)
Highway and streets	870,566				(870,566)
Community services	2,986,635	258,028	21,477	10,209	(2,696,921)
Interest on long-term debt	1,542,441				(1,542,441)
<b>Total governmental activities</b>	<b>\$ 39,951,254</b>	<b>\$ 1,648,396</b>	<b>\$ 3,436,610</b>	<b>\$ 6,815,917</b>	<b>(28,050,331)</b>

**General revenues:**

Taxes:

Sales taxes	7,454,918
Franchise taxes	315,240
Property taxes, levied for general purposes	9,797,104
Property taxes, levied for debt service	1,415,568
Unrestricted grants, aid, and state shared revenues	6,277,756
Investment income	667,555
<b>Total general revenues</b>	<b>25,928,141</b>

**Changes in net assets** (2,122,190)

**Net assets, beginning of year** 254,782,698

**Net assets, end of year** **\$ 252,660,508**

The notes to the basic 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, 2011**

	<u>General Fund</u>	<u>Grants</u>	<u>Debt Service</u>
<b>ASSETS</b>			
Cash and investments	\$ 55,253,099	\$ 1,372,823	\$ 891,055
Taxes receivable	829,449		50,967
Accounts receivable	444,026		
Intergovernmental receivables	433,234	380,631	
Prepaid items	2,550		
<b>Total assets</b>	<u>\$ 56,962,358</u>	<u>\$ 1,753,454</u>	<u>\$ 942,022</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 730,343	\$ 98,009	\$
Accrued wages and benefits	563,920	18,560	
Intergovernmental payables	32,842		
Interest payable	139		
Deferred revenue	220,015		29,005
Customer deposits	50,918		
Bonds payable			730,000
Bond interest payable			517,573
<b>Total liabilities</b>	<u>1,598,177</u>	<u>116,569</u>	<u>1,276,578</u>
Fund balances (deficits):			
Nonspendable	2,550		
Restricted		1,636,885	
Unassigned	55,361,631		(334,556)
<b>Total fund balances</b>	<u>55,364,181</u>	<u>1,636,885</u>	<u>(334,556)</u>
<b>Total liabilities and fund balances</b>	<u>\$ 56,962,358</u>	<u>\$ 1,753,454</u>	<u>\$ 942,022</u>

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

<u>Transportation Impact Fee</u>	<u>Parks Bond</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 20,370,488	\$ 13,002,695	\$ 15,374,706	\$ 106,264,866
			880,416
			444,026
		347,173	1,161,038
			2,550
<u>\$ 20,370,488</u>	<u>\$ 13,002,695</u>	<u>\$ 15,721,879</u>	<u>\$ 108,752,896</u>
\$ 635,130	\$ 10,121	\$ 98,127	\$ 1,571,730
		18,099	600,579
			32,842
			139
			249,020
			50,918
			730,000
			517,573
<u>635,130</u>	<u>10,121</u>	<u>116,226</u>	<u>3,752,801</u>
19,735,358	12,992,574	15,605,653	2,550
			49,970,470
<u>19,735,358</u>	<u>12,992,574</u>	<u>15,605,653</u>	<u>55,027,075</u>
			<u>105,000,095</u>
<u>\$ 20,370,488</u>	<u>\$ 13,002,695</u>	<u>\$ 15,721,879</u>	<u>\$ 108,752,896</u>



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**CITY OF MARICOPA, ARIZONA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2011**

**Total governmental fund balances** **\$ 105,000,095**

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	\$ 193,150,884	
Less accumulated depreciation	<u>(25,463,954)</u>	167,686,930

Property taxes that will not be available to pay for current period expenditures and, therefore, are deferred in the funds.		234,156
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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.		196,330
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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	(773,207)	
Obligations under capital leases	(413,796)	
Bonds payable	<u>(19,270,000)</u>	<u>(20,457,003)</u>

**Net assets of governmental activities** **\$ 252,660,508**

**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, 2011**

	General Fund	Grants	Debt Service
<b>Revenues:</b>			
Sales taxes	\$ 7,454,918	\$	\$
Franchise taxes	315,240		
Property taxes	9,912,700		1,386,563
Intergovernmental revenues	3,685,563	4,125,579	
Licenses, fees & permits	320,909		
Fines, forfeitures & penalties	470,509		
Charges for services	544,625		
Investment income	126,128		469,588
Miscellaneous	254,129		
<b>Total revenues</b>	23,084,721	4,125,579	1,856,151
<b>Expenditures:</b>			
Current -			
General government	6,317,926	1,713,949	
Development services	3,132,746	1,018,538	
Public safety	13,658,478	341,223	
Highway and streets			
Community services	1,818,910	19,341	
Capital outlay	6,851,199	689,469	
Debt service -			
Principal retirement	541,520		730,000
Interest and fiscal charges	71,401		1,460,707
<b>Total expenditures</b>	32,392,180	3,782,520	2,190,707
<b>Excess (deficiency) of revenues over expenditures</b>	(9,307,459)	343,059	(334,556)
<b>Other financing sources (uses):</b>			
Proceeds from sale of assets	438,460		
<b>Total other financing sources (uses):</b>	438,460		
<b>Changes in fund balances</b>	(8,868,999)	343,059	(334,556)
<b>Fund balances, beginning of year</b>	64,233,180	1,293,826	
<b>Fund balances, end of year</b>	\$ 55,364,181	\$ 1,636,885	\$ (334,556)

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

<u>Transportation Impact Fee</u>	<u>Parks Bond</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$	\$	\$ 7,454,918
			315,240
			11,299,263
		2,592,193	10,403,335
			320,909
			470,509
			544,625
30,317	18,822	22,700	667,555
50,618		8,106	312,853
<u>80,935</u>	<u>18,822</u>	<u>2,622,999</u>	<u>31,789,207</u>
			8,031,875
49,004		978,362	5,178,650
			13,999,701
		870,566	870,566
	84,075	587,215	2,509,541
1,237,158	755	188,141	8,966,722
			1,271,520
			1,532,108
<u>1,286,162</u>	<u>84,830</u>	<u>2,624,284</u>	<u>42,360,683</u>
<u>(1,205,227)</u>	<u>(66,008)</u>	<u>(1,285)</u>	<u>(10,571,476)</u>
			438,460
			438,460
<u>(1,205,227)</u>	<u>(66,008)</u>	<u>(1,285)</u>	<u>(10,133,016)</u>
20,940,585	13,058,582	15,606,938	115,133,111
<u>\$ 19,735,358</u>	<u>\$ 12,992,574</u>	<u>\$ 15,605,653</u>	<u>\$ 105,000,095</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, 2011**

**Net changes in fund balances - total governmental funds** **\$ (10,133,016)**

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	\$	6,665,532	
Expenditures for capitalized assets		7,209,712	
Less current year depreciation		<u>(6,487,574)</u>	7,387,670

Property taxes in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (86,591)

Governmental funds report the proceeds from sale of assets as an other financing source. However, in the Statement of Activities, the gain or loss on the sale of assets is reported. (438,460)

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

Capital lease principal retirement		541,520	
Bond principal retirement		<u>730,000</u>	1,271,520

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.

Loss on disposal of capital assets		(13,914)	
Amortization of deferred bond items		(10,333)	
Compensated absences		<u>(99,066)</u>	<u>(123,313)</u>

**Change in net assets in governmental activities** **\$ (2,122,190)**

**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, 2011**

**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.

During the year ended June 30, 2011, the City implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB Statement No. 54 establishes standards for financial reporting, including note disclosure requirements, for fund balance classifications of the governmental funds, and clarifies existing governmental fund type definitions.

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, 2011 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, 2011, the City had no business-type activities.



**CITY OF MARICOPA, ARIZONA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

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.

**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 resources are provided during the current year for payment of long-term debt principal and interest due early in the following year (not to exceed one month) and, therefore, the expenditures and related liabilities have been recognized. 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. 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.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

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

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.

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

Debt Service Fund – The Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

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 specific capital outlay purposes.

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.

**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 adopted 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.

**CITY OF MARICOPA, ARIZONA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

**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.

**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.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

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

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

Land improvements	20 years
Buildings	20-40 years
Infrastructure	12-50 years
Vehicles	5-7 years
Machinery and equipment	5-15 years
Computers/Software	3-5 years

**G. Compensated Absences**

Vacation leave vests with the employee as it is earned. All employees may carry forward only the amount of vacation benefits allowed per the vesting schedule in the City of Maricopa Personnel Policies and Procedures. 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 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.

**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.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

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

**I. 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.

**J. 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.

**K. Prepaid Items**

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

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

*Nonspendable.* The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

*Restricted.* Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

*Committed.* The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those accounts.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS (Concl'd)**

*Assigned.* Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Council or a management official delegated that authority by the formal Governing Board action.

*Unassigned.* Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had be restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The table below provides detail of the major components of the City's fund balance classifications at year end.

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Debt Service Fund</u>	<u>Transportation Impact Fee Fund</u>	<u>Parks Bond Fund</u>	<u>Non-Major Governmental Funds</u>
<b>Fund Balances:</b>						
<b>Nonspendable:</b>						
Prepaid items	\$ 2,550	\$	\$	\$	\$	\$
<b>Restricted:</b>						
Transportation projects				19,735,358		8,590,612
Parks and recreation projects					12,992,574	867,752
Community service projects						6,147,289
Federal and State projects		1,636,885				
<b>Unassigned</b>	<u>55,361,631</u>		<u>(334,556)</u>			
Total fund balances	<u>\$55,364,181</u>	<u>\$1,636,885</u>	<u>\$ (334,556)</u>	<u>\$ 19,735,358</u>	<u>\$ 12,992,574</u>	<u>\$ 15,605,653</u>

The July 1, 2010 fund balances of the General Fund and Non-Major Governmental Funds do not agree to the prior year financial statements for the reclassification of certain funds due to the new fund type definitions specified in GASB Statement No. 54.

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>
Fund balance, June 30, 2010, as previously reported	\$ 64,206,671	\$ 16,927,273
Reclassification of funds	26,509	(26,509)
Fund balance, July 1, 2010, as restated	<u>\$ 64,233,180</u>	<u>\$ 16,900,764</u>

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Individual Deficit Fund Balance** – At year end, the Debt Service fund reported a deficit of \$334,556 in fund balance.

The deficit arose because of timing differences between when the debt payments were made and the related tax collections were received. Additional revenues received in fiscal year 2011-12 are expected to eliminate the deficit.

**NOTE 4 – 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 \$3,088,119 and the bank balance was \$3,884,289. At year end, \$2,838,119 of the bank balance was exposed to custodial credit risk as uninsured and was collateralized with securities held by the pledging financial institution's trust department. In addition, at year end, the City had \$1,247,573 of cash held with a paying agent.

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.

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	20 days average	\$ 25,345,875
State Treasurer's investment pool 7	30 days average	76,583,299
Total		<u>\$ 101,929,174</u>

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 4 – CASH AND INVESTMENTS (Concl'd)**

*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.

**NOTE 5 – RECEIVABLES**

Receivable balances, net of allowance for uncollectibles, have been disaggregated by type and presented separately in the financial statements with the exception of due from governmental entities. Due from governmental entities, net of allowance for uncollectibles, as of year end for the City's individual major funds and non-major governmental funds in the aggregate, were as follows.

	General Fund	Grants Fund	Non-Major Governmental Funds
Due from other governmental entities:			
Due from Federal government	\$	\$ 270,029	
Due from State government	433,234	110,602	\$ 256,764
Due from County government			90,409
Net due from governmental entities	<u>\$433,234</u>	<u>\$ 380,631</u>	<u>\$ 347,173</u>

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 \$234,156 was reported in the governmental funds for delinquent property taxes receivable in the General Fund and Debt Service Funds.



**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 6 – CAPITAL ASSETS**

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

<u>Governmental Activities</u>	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 79,062,105	\$ 6,904,870	\$	\$ 85,966,975
Construction in progress	1,260,027	510,238	580,692	1,189,573
Total capital assets, not being depreciated	<u>80,322,132</u>	<u>7,415,108</u>	<u>580,692</u>	<u>87,156,548</u>
Capital assets, being depreciated:				
Land improvements	2,126,574	313,466		2,440,040
Buildings	9,435,659			9,435,659
Building improvements	318,677			318,677
Infrastructure	76,848,802	5,025,075		81,873,877
Vehicles	6,134,637	132,749	814,275	5,453,111
Machinery and equipment	3,138,163	1,241,465		4,379,628
Computers/Software	1,765,271	328,073		2,093,344
Total capital, assets being depreciated	<u>99,767,783</u>	<u>7,040,828</u>	<u>814,275</u>	<u>105,994,336</u>
Less accumulated depreciation for:				
Land improvements	(401,427)	(112,495)		(513,922)
Buildings	(1,191,805)	(504,687)		(1,696,492)
Building improvements	(27,104)	(27,644)		(54,748)
Infrastructure	(13,334,166)	(4,047,196)		(17,381,362)
Vehicles	(2,563,047)	(983,138)	(361,901)	(3,184,284)
Machinery and equipment	(761,946)	(414,005)		(1,175,951)
Computes/Software	(1,058,786)	(398,409)		(1,457,195)
Total accumulated depreciation	<u>(19,338,281)</u>	<u>(6,487,574)</u>	<u>(361,901)</u>	<u>(25,463,954)</u>
Total capital assets, being depreciated, net	<u>80,429,502</u>	<u>553,254</u>	<u>452,374</u>	<u>80,530,382</u>
Governmental activities capital assets, net	<u>\$ 160,751,634</u>	<u>\$ 7,968,362</u>	<u>\$ 1,033,066</u>	<u>\$ 167,686,930</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 393,248
Public safety	1,317,199
Community service	350,243
Development services	4,426,884
Total depreciation expense – governmental activities	<u>\$ 6,487,574</u>

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 7 – A. LONG-TERM OBLIGATIONS**

The City, through its acceptance of the Maricopa Volunteer Fire District at July 1, 2007 became responsible for four 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 City bought out two of the leases in June 2011.

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	\$ 792,650
Less: Accumulated depreciation	437,956
Total	<u>\$ 354,694</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>
2012	\$ 118,724
2013	118,724
2014	118,724
2015	39,400
2016	39,400
2017	<u>39,400</u>
Total minimum lease payments	474,372
Less: amount representing interest	<u>60,576</u>
Present value of minimum lease payments	<u>\$ 413,796</u>
Due within one year	<u>\$ 97,391</u>

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**B. GENERAL OBLIGATION BONDS PAYABLE**

The City issued its first general obligation bonds in the amount of \$20.0 million on March 3, 2010. These bonds were issued via the Greater Arizona Development Authority Infrastructure Revenue Bonds, Series 2010A as authorized by eligible voters in the November 4, 2008 election called for the purpose of authorizing debt for Parks, Recreation, and Library uses. Property taxes from the Debt Service Fund will be used to pay the bonded debt. The City has \$45.5 million of remaining authorization available; however, is constitutionally limited in the amount of debt that can be issued for parks and recreation purposes. This limit is not to exceed 20% of the secondary assessed valuation of property subject to taxation. Because of declining property values in the last few years, the City has \$32.0 million of capacity to issue additional debt, which is less than the remaining authorization. At June 30, 2011, the City was in compliance with Federal arbitrage requirements. The City established its Debt Service Fund in fiscal year 2011. The General Fund was the primary fund used to liquidate long-term liabilities in past years.

Bonds payable at year end consisted of the following outstanding general obligation bonds. The bonds are callable with interest payable semiannually.

Purpose	Original Amount Issued	Interest Rates	Maturity	Outstanding Principal June 30, 2011	Due Within One Year
<b>Governmental activities:</b>					
GADA Bond, Series 2010 A	\$ 20,000,000	2.0 – 6.335%	7/1/11-31	\$ 20,000,000	\$ 730,000
Total				<u>\$ 20,000,000</u>	<u>\$ 730,000</u>

Principal and interest payments on the general obligations bonds payable at year end are summarized as follows.

Year ending June 30:	Governmental Activities	
	Principal	Interest
2012	\$ 730,000	\$ 1,027,846
2013	750,000	1,009,296
2014	775,000	986,421
2015	800,000	962,796
2016	820,000	936,049
2017-21	4,455,000	4,118,650
2022-26	5,280,000	2,812,796
2027-31	6,390,000	1,045,275
Total	<u>\$ 20,000,000</u>	<u>\$ 12,899,129</u>

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**C. CHANGES IN LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable	\$20,000,000	\$	\$	\$ 20,000,000	\$ 730,000
Unamortized bond premium	100,519		5,026	95,493	
Obligations under leases	955,316		541,520	413,796	97,391
Compensated absences payable	674,141	1,321,396	1,222,330	773,207	425,264
Governmental activity long-term liabilities	<u>\$21,729,976</u>	<u>\$ 1,321,396</u>	<u>\$ 1,768,876</u>	<u>\$ 21,282,496</u>	<u>\$ 1,252,655</u>

**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 – 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, 2011**

**NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**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 the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined health insurance premium plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan that covers employees of the State of Arizona and employees of participating political subdivisions and school districts. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The ASRS issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the ASRS, 3300 North Central Avenue, P.O. Box 33910, Phoenix, Arizona 85067-3910 or by calling (602) 240-2000 or (800) 621-3778. The report is also available on the ASRS' website at [www.azasrs.gov](http://www.azasrs.gov).

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.

The PSPRS issues a comprehensive annual financial report that includes financial statements and other required supplementary information. The most recent report can be obtained by writing the PSPRS at 3010 East Camelback road Suite 200, Phoenix, Arizona 85016, or by calling (602) 255-5575. The report is also available on the PSPRS' website at [www.psprs.com](http://www.psprs.com).

**Funding policy** – *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 9.85 percent (9.60 percent for retirement and 0.25 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 9.85 percent (9.01 percent for retirement, 0.59 percent for health insurance premium, and 0.25 percent for long-term disability) of the members' annual covered payroll.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (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:			
2011	\$ 375,577	\$ 24,594	\$ 10,421
2010	432,728	34,245	20,754
2009	361,743	43,464	22,637

*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 11.68 percent for police and 9.92 percent of the members' annual covered payroll for fire fighters.

**Annual Pension Cost** – The City's pension cost for the agent plan for the year ended June 30, 2011 and related information follows.

	<u>PSPRS</u>
Contribution rates:	
Police:	
City	11.68%
Plan members	7.65%
Fire:	
City	9.92%
Plan members	7.65%
Annual pension cost	918,553
Contributions made	918,553
Actuarial valuation date	June 30, 2009
Actuarial cost method	Projected unit 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	27 years for underfunded and 20 years for excess value
Asset valuation method	7-year smoothed market

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and the actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Consistent with this perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. The actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (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
<b><i>Pension</i></b>			
2011	\$419,634	100%	-0-
2010	180,313	100%	-0-
2009	424,727	100%	-0-
<b><i>Health Insurance</i></b>			
2011	\$27,160	100%	-0-
2010	6,406	100%	-0-
2009	- 0 -	100%	-0-

**Maricopa Fire Plan:**

Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
<b><i>Pension</i></b>			
2011	\$443,025	100%	-0-
2010	338,097	100%	-0-
2009	508,638	100%	-0-
<b><i>Health Insurance</i></b>			
2011	\$22,517	100%	-0-
2010	13,350	100%	-0-
2009	21,596	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]
2011	\$4,513,081	\$4,864,022	(350,941)	92.8%	\$3,180,580	11.0%
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%

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 10 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (Concl'd)**

***Health Insurance***

Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Funding Excess (Liability)	Funded Ratio	Annual Covered Payroll	Unfunded Liability as Percentage of Covered Payroll
<u>June 30,</u>	<u>(a)</u>	<u>(b)</u>	<u>(a-b)</u>	<u>(a/b)</u>	<u>(c)</u>	<u>([a-b]/c)</u>
2011	-0-	\$193,709	\$(193,709)	0.0%	\$3,180,580	6.1%
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%

**Maricopa Fire Plan:  
*Pension***

Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Funding Excess (Liability)	Funded Ratio	Annual Covered Payroll	Unfunded Liability as Percentage of Covered Payroll
<u>June 30,</u>	<u>(a)</u>	<u>(b)</u>	<u>(a-b)</u>	<u>(a/b)</u>	<u>(c)</u>	<u>([a-b]/c)</u>
2011	\$5,865,402	\$6,581,860	(716,458)	89.1%	\$4,498,142	(15.9)%
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)%

***Health Insurance***

Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Funding Excess (Liability)	Funded Ratio	Annual Covered Payroll	Unfunded Liability as Percentage of Covered Payroll
<u>June 30,</u>	<u>(a)</u>	<u>(b)</u>	<u>(a-b)</u>	<u>(a/b)</u>	<u>(c)</u>	<u>([a-b]/c)</u>
2011	-0-	\$211,845	\$(211,845)	0.0%	\$4,498,142	(4.7)%
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)%



**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2011**

**NOTE 11 – 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 \$1.2 million on the projects and had estimated remaining contractual commitments of \$3.0 million.

**NOTE 12 – SUBSEQUENT EVENT**

The City paid \$208,208 in August 2011 to buyout a capital lease which financed fire apparatus and equipment.

**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 FUND**  
**YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual	Variance with Final
	Original	Final		Budget Positive (Negative)
<b>Revenues:</b>				
Sales taxes	\$ 7,250,000	\$ 7,250,000	\$ 7,454,918	\$ 204,918
Franchise taxes	500,000	500,000	315,240	(184,760)
Property taxes	11,278,686	11,278,686	9,912,700	(1,365,986)
Intergovernmental revenues	3,737,721	3,737,721	3,685,563	(52,158)
Licenses and permits	1,155,100	1,155,100	320,909	(834,191)
Fines and forfeitures	475,500	475,500	470,509	(4,991)
Charges for services	870,249	870,249	544,625	(325,624)
Investment income	200,000	200,000	126,128	(73,872)
Miscellaneous	41,500	41,500	254,129	212,629
<b>Total revenues</b>	<u>25,508,756</u>	<u>25,508,756</u>	<u>23,084,721</u>	<u>(2,424,035)</u>
<b>Expenditures:</b>				
Current -				
City Magistrate	273,616	273,616	242,562	31,054
Mayor and Council	350,136	353,136	287,023	66,113
City Manager	1,001,024	1,003,684	981,300	22,384
Information Technology	734,591	704,936	667,521	37,415
City Clerk	357,760	357,760	348,305	9,455
Finance	1,405,016	1,360,381	790,504	569,877
City Attorney	460,000	645,000	676,296	(31,296)
Human Resources	117,441	101,076	84,739	16,337
Support Services Administration	201,592	198,692	190,903	7,789
Planning	446,021	327,937	173,037	154,900
Development Services Administration	30,804	308,004	286,396	21,608
Building Safety	603,792	541,350	580,781	(39,431)
Code Enforcement	260,016	200,016	168,024	31,992
Facilities Management	577,643	668,143	472,194	195,949
Fleet Management	342,580	366,580	345,137	21,443
Police	6,511,684	6,315,960	6,214,542	101,418
Fire	8,029,006	8,557,844	7,275,912	1,281,932
Engineering	2,461,405	2,461,405	809,617	1,651,788
Transportation	2,626,766	3,021,766	999,782	2,021,984
Community Services	176,018	289,637	283,133	6,504
Recreation	835,318	806,810	550,233	256,577
Park Maintenance	981,949	763,615	417,766	345,849
Libraries	403,798	393,456	378,717	14,739
Economic Development	1,218,545	1,395,315	1,295,636	99,679
Non-Departmental	9,288,646	10,685,609	408,000	10,277,609
Capital outlay	4,170,888	7,125,530	6,851,199	274,331
Debt service -				
Principal retirement	1,271,520	541,520	541,520	
Interest and fiscal charges	594,374	71,401	71,401	
<b>Total expenditures</b>	<u>45,731,949</u>	<u>49,840,179</u>	<u>32,392,180</u>	<u>17,447,999</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(20,223,193)</u>	<u>(24,331,423)</u>	<u>(9,307,459)</u>	<u>15,023,964</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of assets			438,460	438,460
<b>Total other financing sources (uses):</b>			<u>438,460</u>	<u>438,460</u>
<b>Changes in fund balances</b>	<u>(20,223,193)</u>	<u>(24,331,423)</u>	<u>(8,868,999)</u>	<u>15,462,424</u>
<b>Fund balances, beginning of year</b>	<u>127,798,147</u>	<u>127,798,147</u>	<u>64,233,180</u>	<u>(63,564,967)</u>
<b>Fund balances, end of year</b>	<u>\$ 107,574,954</u>	<u>\$ 103,466,724</u>	<u>\$ 55,364,181</u>	<u>\$ (48,102,543)</u>

**CITY OF MARICOPA, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GRANTS**  
**YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental revenues	\$ 51,912,056	\$ 51,912,056	\$ 4,125,579	\$ (47,786,477)
<b>Total revenues</b>	<u>51,912,056</u>	<u>51,912,056</u>	<u>4,125,579</u>	<u>(47,786,477)</u>
<b>Expenditures:</b>				
Current -				
City Manager	4,968,300	4,968,300	1,660,120	3,308,180
Information Technology	175,000	219,523		219,523
City Clerk	1,000	1,000	800	200
Planning	358,698	358,698		358,698
Building Safety	15,000	15,000		15,000
Police	2,903,312	2,858,789	164,611	2,694,178
Fire	8,133,429	8,133,429	176,612	7,956,817
Engineering	4,824,038	4,824,038	55,037	4,769,001
Transportation	25,631,083	25,569,583	963,501	24,606,082
Recreation	261,426	261,426	11,243	250,183
Park Maintenance	39,000	39,000		39,000
Libraries	136,770	136,770	8,098	128,672
Economic Development	4,465,000	4,465,000	53,029	4,411,971
Capital outlay			689,469	(689,469)
<b>Total expenditures</b>	<u>51,912,056</u>	<u>51,850,556</u>	<u>3,782,520</u>	<u>48,068,036</u>
<b>Changes in fund balances</b>		<u>61,500</u>	<u>343,059</u>	<u>281,559</u>
<b>Fund balances, beginning of year</b>			1,293,826	1,293,826
<b>Fund balances, end of year</b>	<u>\$</u>	<u>\$ 61,500</u>	<u>\$ 1,636,885</u>	<u>\$ 1,575,385</u>

See accompanying notes to this schedule.

**CITY OF MARICOPA, ARIZONA  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2011**

**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.

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

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**GOVERNMENTAL FUNDS**



**CITY OF MARICOPA, ARIZONA**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2011**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 8,325,958	\$ 7,048,748	\$ 15,374,706
Intergovernmental receivables	347,173		347,173
<b>Total assets</b>	<b>\$ 8,673,131</b>	<b>\$ 7,048,748</b>	<b>\$ 15,721,879</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 64,420	\$ 33,707	\$ 98,127
Accrued wages and benefits	18,099		18,099
<b>Total liabilities</b>	<b>82,519</b>	<b>33,707</b>	<b>116,226</b>
Fund balances:			
Restricted	8,590,612	7,015,041	15,605,653
<b>Total fund balances</b>	<b>8,590,612</b>	<b>7,015,041</b>	<b>15,605,653</b>
 <b>Total liabilities and fund balances</b>	 <b>\$ 8,673,131</b>	 <b>\$ 7,048,748</b>	 <b>\$ 15,721,879</b>

**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, 2011**

	Special Revenue	Capital Projects	Total Non-Major Governmental Funds
<b>Revenues:</b>			
Intergovernmental revenues	\$ 2,592,193	\$	\$ 2,592,193
Investment income	11,861	10,839	22,700
Miscellaneous	500	7,606	8,106
<b>Total revenues</b>	2,604,554	18,445	2,622,999
<b>Expenditures:</b>			
Current -			
Development services	978,362		978,362
Highway and streets	870,566		870,566
Community services		587,215	587,215
Capital outlay	158,949	29,192	188,141
<b>Total expenditures</b>	2,007,877	616,407	2,624,284
<b>Changes in fund balances</b>	596,677	(597,962)	(1,285)
<b>Fund balances, beginning of year</b>	7,993,935	7,613,003	15,606,938
<b>Fund balances, end of year</b>	\$ 8,590,612	\$ 7,015,041	\$ 15,605,653

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## **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 (HURF)** – 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** – This fund is used to account for the City's portion of the State lottery distribution.

**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, 2011**

	HURF	Road Maintenance	Local Transportation Assistance Fund
<b><u>ASSETS</u></b>			
Cash and investments	\$ 2,532,102	\$ 2,323,877	\$ 111,655
Intergovernmental receivables	256,764		
<b>Total assets</b>	<b>\$ 2,788,866</b>	<b>\$ 2,323,877</b>	<b>\$ 111,655</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 8,158	\$	\$ 18,284
Accrued wages and benefits	17,114		985
<b>Total liabilities</b>	<b>25,272</b>		<b>19,269</b>
Fund balances:			
Restricted	2,763,594	2,323,877	92,386
<b>Total fund balances</b>	<b>2,763,594</b>	<b>2,323,877</b>	<b>92,386</b>
 <b>Total liabilities and fund balances</b>	<b>\$ 2,788,866</b>	<b>\$ 2,323,877</b>	<b>\$ 111,655</b>

<u>County Road Tax</u>	<u>Totals</u>
\$ 3,358,324	\$ 8,325,958
90,409	347,173
<u>\$ 3,448,733</u>	<u>\$ 8,673,131</u>
\$ 37,978	\$ 64,420
	18,099
<u>37,978</u>	<u>82,519</u>
3,410,755	8,590,612
<u>3,410,755</u>	<u>8,590,612</u>
<u>\$ 3,448,733</u>	<u>\$ 8,673,131</u>

**CITY OF MARICOPA, ARIZONA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2011**

	<u>HURF</u>	<u>Road Maintenance</u>	<u>Local Transportation Assistance Fund</u>
<b>Revenues:</b>			
Intergovernmental revenues	\$ 1,446,243	\$	\$ 23,658
Investment income	3,287	3,347	338
Miscellaneous	500		
<b>Total revenues</b>	<u>1,450,030</u>	<u>3,347</u>	<u>23,996</u>
<b>Expenditures:</b>			
Current -			
Development services			255,401
Highway and streets	870,566		
Capital Outlay	48,976		
<b>Total expenditures</b>	<u>919,542</u>	<u></u>	<u>255,401</u>
<b>Changes in fund balances</b>	<u>530,488</u>	<u>3,347</u>	<u>(231,405)</u>
<b>Fund balances, beginning of year</b>	2,233,106	2,320,530	323,791
<b>Fund balances, end of year</b>	<u>\$ 2,763,594</u>	<u>\$ 2,323,877</u>	<u>\$ 92,386</u>

County Road Tax	Totals
\$ 1,122,292	\$ 2,592,193
4,889	11,861
	500
<u>1,127,181</u>	<u>2,604,554</u>
722,961	978,362
	870,566
109,973	158,949
<u>832,934</u>	<u>2,007,877</u>
294,247	596,677
3,116,508	7,993,935
<u>\$ 3,410,755</u>	<u>\$ 8,590,612</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, 2011**

	HURF		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Intergovernmental revenues	\$ 1,326,263	\$ 1,446,243	\$ 119,980
Investment income	12,000	3,287	(8,713)
Miscellaneous		500	500
<b>Total revenues</b>	1,338,263	1,450,030	111,767
<b>Expenditures:</b>			
Current -			
Engineering			
Transportation			
Streets	1,623,236	870,566	752,670
Capital outlay		48,976	(48,976)
<b>Total expenditures</b>	1,623,236	919,542	703,694
<b>Changes in fund balances</b>	(284,973)	530,488	815,461
<b>Fund balances, beginning of year</b>		2,233,106	2,233,106
<b>Fund balances (deficits), end of year</b>	\$ (284,973)	\$ 2,763,594	\$ 3,048,567

Road Maintenance

Budget	Actual	Variance - Positive (Negative)
\$ 15,000	\$ 3,347	\$ (11,653)
50,000		(50,000)
<u>65,000</u>	<u>3,347</u>	<u>(61,653)</u>
1,200,000		1,200,000
<u>1,200,000</u>		<u>1,200,000</u>
<u>(1,135,000)</u>	<u>3,347</u>	<u>1,138,347</u>
	2,320,530	2,320,530
<u>\$ (1,135,000)</u>	<u>\$ 2,323,877</u>	<u>\$ 3,458,877</u>

Local Transportation Assistance

Budget	Actual	Variance - Positive (Negative)
\$ 2,000	\$ 23,658	\$ 23,658
	338	(1,662)
<u>2,000</u>	<u>23,996</u>	<u>21,996</u>
331,704	255,401	76,303
<u>331,704</u>	<u>255,401</u>	<u>76,303</u>
<u>(329,704)</u>	<u>(231,405)</u>	<u>98,299</u>
	323,791	323,791
<u>\$ (329,704)</u>	<u>\$ 92,386</u>	<u>\$ 422,090</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, 2011**

	County Road Tax		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Intergovernmental revenues	\$ 1,000,000	\$ 1,122,292	\$ 122,292
Investment income	15,000	4,889	(10,111)
Miscellaneous			
<b>Total revenues</b>	1,015,000	1,127,181	112,181
<b>Expenditures:</b>			
Current -			
Engineering			
Transportation	1,600,000	722,961	877,039
Streets			
Capital outlay		109,973	(109,973)
<b>Total expenditures</b>	1,600,000	832,934	767,066
<b>Changes in fund balances</b>	(585,000)	294,247	879,247
<b>Fund balances, beginning of year</b>		3,116,508	3,116,508
<b>Fund balances (deficits), end of year</b>	\$ (585,000)	\$ 3,410,755	\$ 3,995,755

Totals

Budget	Actual	Variance - Positive (Negative)
\$ 2,326,263	\$ 2,592,193	\$ 265,930
44,000	11,861	(32,139)
50,000	500	(49,500)
<u>2,420,263</u>	<u>2,604,554</u>	<u>184,291</u>
1,200,000		1,200,000
1,931,704	978,362	953,342
1,623,236	870,566	752,670
	158,949	(158,949)
<u>4,754,940</u>	<u>2,007,877</u>	<u>2,747,063</u>
<u>(2,334,677)</u>	<u>596,677</u>	<u>2,931,354</u>
	7,993,935	7,993,935
<u>\$ (2,334,677)</u>	<u>\$ 8,590,612</u>	<u>\$ 10,925,289</u>

## DEBT SERVICE FUND

**Debt Service** - to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

**CITY OF MARICOPA, ARIZONA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DEBT SERVICE**  
**YEAR ENDED JUNE 30, 2011**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$	\$	\$ 1,386,563	\$ 1,386,563
Investment income			469,588	469,588
<b>Total revenues</b>			<u>1,856,151</u>	<u>1,856,151</u>
<b>Expenditures:</b>				
Debt service -				
Principal retirement		730,000	730,000	
Interest and fiscal charges		522,973	1,460,707	(937,734)
<b>Total expenditures</b>		<u>1,252,973</u>	<u>2,190,707</u>	<u>(937,734)</u>
<b>Changes in fund balances</b>		<u>(1,252,973)</u>	<u>(334,556)</u>	<u>918,417</u>
<b>Fund balances, beginning of year</b>				
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ (1,252,973)</u>	<u>\$ (334,556)</u>	<u>\$ 918,417</u>

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## 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.

**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, 2011**

	<u>Parks Impact Fee</u>	<u>Library Impact Fee</u>	<u>Public Safety Impact Fee</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 108,458	\$ 760,634	\$ 940,715
<b>Total assets</b>	<u>\$ 108,458</u>	<u>\$ 760,634</u>	<u>\$ 940,715</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 1,340	\$
<b>Total liabilities</b>	<u></u>	<u>1,340</u>	<u></u>
Fund balances:			
Restricted	108,458	759,294	940,715
<b>Total fund balances</b>	<u>108,458</u>	<u>759,294</u>	<u>940,715</u>
<b>Total liabilities and fund balances</b>	<u>\$ 108,458</u>	<u>\$ 760,634</u>	<u>\$ 940,715</u>

General Government Impact Fee	Totals
\$ 5,238,941	\$ 7,048,748
<u>\$ 5,238,941</u>	<u>\$ 7,048,748</u>

<u>\$ 32,367</u>	<u>\$ 33,707</u>
32,367	33,707

<u>5,206,574</u>	<u>7,015,041</u>
5,206,574	7,015,041

<u>\$ 5,238,941</u>	<u>\$ 7,048,748</u>
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**CITY OF MARICOPA, ARIZONA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2011**

	<u>Parks Impact Fee</u>	<u>Library Impact Fee</u>	<u>Public Safety Impact Fee</u>
<b>Revenues:</b>			
Investment income	\$ 154	\$ 1,130	\$ 1,355
Miscellaneous	5,321		2,285
<b>Total revenues</b>	<u>5,475</u>	<u>1,130</u>	<u>3,640</u>
<b>Expenditures:</b>			
Current -			
Community services			
Capital outlay		28,755	437
<b>Total expenditures</b>		<u>28,755</u>	<u>437</u>
<b>Changes in fund balances</b>	<u>5,475</u>	<u>(27,625)</u>	<u>3,203</u>
<b>Fund balances, beginning of year</b>	102,983	786,919	937,512
<b>Fund balances, end of year</b>	<u>\$ 108,458</u>	<u>\$ 759,294</u>	<u>\$ 940,715</u>

General Government Impact Fee	Totals
\$ 8,200	\$ 10,839
<u>8,200</u>	<u>7,606</u>
	<u>18,445</u>
587,215	587,215
<u>587,215</u>	<u>29,192</u>
	<u>616,407</u>
<u>(579,015)</u>	<u>(597,962)</u>
5,785,589	7,613,003
<u>\$ 5,206,574</u>	<u>\$ 7,015,041</u>

**CITY OF MARICOPA, ARIZONA  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 ALL CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2011**

	Parks Impact Fee		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Investment income	\$ 500	\$ 154	\$ (346)
Miscellaneous	131,460	5,321	(126,139)
<b>Total revenues</b>	131,960	5,475	(126,485)
<b>Expenditures:</b>			
Current -			
Facilities Management			
Police			
Fire			
Engineering			
Transportation			
Recreation	150,000		150,000
Park Maintenance			
Libraries			
Capital outlay			
<b>Total expenditures</b>	150,000		150,000
<b>Changes in fund balances</b>	(18,040)	5,475	23,515
<b>Fund balances, beginning of year</b>		102,983	102,983
<b>Fund balances (deficits), end of year</b>	\$ (18,040)	\$ 108,458	\$ 126,498

Library Impact Fee

Budget	Actual	Variance - Positive (Negative)
\$ 3,000	\$ 1,130	\$ (1,870)
193,500		(193,500)
<u>196,500</u>	<u>1,130</u>	<u>(195,370)</u>
50,000		50,000
	28,755	(28,755)
<u>50,000</u>	<u>28,755</u>	<u>21,245</u>
<u>146,500</u>	<u>(27,625)</u>	<u>(174,125)</u>
	786,919	786,919
<u>\$ 146,500</u>	<u>\$ 759,294</u>	<u>\$ 612,794</u>

Public Safety Impact Fee

Budget	Actual	Variance - Positive (Negative)
\$ 4,500	\$ 1,355	\$ (3,145)
62,350	2,285	(60,065)
<u>66,850</u>	<u>3,640</u>	<u>(63,210)</u>
226,600		226,600
16,000		16,000
	437	(437)
<u>242,600</u>	<u>437</u>	<u>242,163</u>
<u>(175,750)</u>	<u>3,203</u>	<u>178,953</u>
	937,512	937,512
<u>\$ (175,750)</u>	<u>\$ 940,715</u>	<u>\$ 1,116,465</u>

**CITY OF MARICOPA, ARIZONA  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 ALL CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2011**

	General Government Impact Fee		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Investment income	\$ 15,000	\$ 8,200	\$ (6,800)
Miscellaneous	299,280		(299,280)
<b>Total revenues</b>	314,280	8,200	(306,080)
<b>Expenditures:</b>			
Current -			
Facilities Management	3,000,000	587,215	2,412,785
Police			
Fire			
Engineering			
Transportation			
Recreation			
Park Maintenance			
Libraries			
Capital outlay			
<b>Total expenditures</b>	3,000,000	587,215	2,412,785
<b>Changes in fund balances</b>	(2,685,720)	(579,015)	2,106,705
<b>Fund balances, beginning of year</b>		5,785,589	5,785,589
<b>Fund balances (deficits), end of year</b>	\$ (2,685,720)	\$ 5,206,574	\$ 7,892,294

Transportation Impact Fee

Parks Bond

Transportation Impact Fee			Parks Bond		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 75,000	\$ 30,317	\$ (44,683)	\$ 75,000	\$ 18,822	\$ (56,178)
1,609,060	50,618	(1,558,442)			
<u>1,684,060</u>	<u>80,935</u>	<u>(1,603,125)</u>	<u>75,000</u>	<u>18,822</u>	<u>(56,178)</u>
1,445,618		1,445,618			
10,591,522	49,004	10,542,518	9,519,336	84,075	9,435,261
	1,237,158	(1,237,158)		755	(755)
<u>12,037,140</u>	<u>1,286,162</u>	<u>10,750,978</u>	<u>9,519,336</u>	<u>84,830</u>	<u>9,434,506</u>
<u>(10,353,080)</u>	<u>(1,205,227)</u>	<u>9,147,853</u>	<u>(9,444,336)</u>	<u>(66,008)</u>	<u>9,378,328</u>
	20,940,585	20,940,585		13,058,582	13,058,582
<u>\$ (10,353,080)</u>	<u>\$ 19,735,358</u>	<u>\$ 30,088,438</u>	<u>\$ (9,444,336)</u>	<u>\$ 12,992,574</u>	<u>\$ 22,436,910</u>



**CITY OF MARICOPA, ARIZONA  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 ALL CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2011**

	Totals		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Investment income	\$ 173,000	\$ 59,978	\$ (113,022)
Miscellaneous	2,295,650	58,224	(2,237,426)
<b>Total revenues</b>	<u>2,468,650</u>	<u>118,202</u>	<u>(2,350,448)</u>
<b>Expenditures:</b>			
Current -			
Facilities Management	3,000,000	587,215	2,412,785
Police	226,600		226,600
Fire	16,000		16,000
Engineering	1,445,618		1,445,618
Transportation	10,591,522	49,004	10,542,518
Recreation	150,000		150,000
Park Maintenance	9,519,336	84,075	9,435,261
Libraries	50,000		50,000
Capital outlay		1,267,105	(1,267,105)
<b>Total expenditures</b>	<u>24,999,076</u>	<u>1,987,399</u>	<u>23,011,677</u>
<b>Changes in fund balances</b>	<u>(22,530,426)</u>	<u>(1,869,197)</u>	<u>20,661,229</u>
<b>Fund balances, beginning of year</b>		41,612,170	41,612,170
<b>Fund balances (deficits), end of year</b>	<u>\$ (22,530,426)</u>	<u>\$ 39,742,973</u>	<u>\$ 62,273,399</u>

## **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.

NOTE: The City of Maricopa incorporated in fiscal year 2004; therefore, ten years of data is not presented.

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

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	\$ 159,446,413	\$ 152,574,381	\$ 133,067,896	\$ 124,909,707	\$ 87,820,431
Restricted	44,235,838	48,605,910	34,740,312	35,329,613	28,090,363
Unrestricted	48,978,257	53,602,407	70,331,229	75,491,411	67,926,655
Total net assets	\$ 252,660,508	\$ 254,782,698	\$ 238,139,437	\$ 235,730,731	\$ 183,837,449
	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>2004</u></b>		
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	\$ 62,802,743	\$ 14,309,850	\$ 14,000		
Restricted	12,328,627	2,749,549			
Unrestricted	45,835,279	14,134,563	781,631		
Total net assets	\$ 120,966,649	\$ 31,193,962	\$ 795,631		

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

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

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2011</b></u>	<u><b>2010</b></u>	<u><b>2009</b></u>	<u><b>2008</b></u>	<u><b>2007</b></u>
<b>Expenses</b>					
Governmental activities:					
General government	\$ 8,747,059	\$ 9,076,234	\$ 9,252,531	\$ 7,692,170	\$ 5,024,639
Judicial		227,487	249,551	96,906	167,219
Public safety	16,001,267	14,898,669	15,608,622	15,675,619	2,583,068
Highways and streets	870,566	3,436,028	3,308,393	2,763,552	3,176,273
Public works		4,325,348	4,302,586	4,597,237	936,215
Culture and recreation		1,531,241	2,506,551	2,027,478	1,082,524
Development services	9,803,286				
Community services	2,986,635				
Economic and community development				572,519	453,879
Interest on long-term debt	1,542,441	57,445	64,346	64,397	
Total governmental activities expenses	<u>39,951,254</u>	<u>33,552,452</u>	<u>35,292,580</u>	<u>33,489,878</u>	<u>13,423,817</u>
 <b>Total primary government expenses</b>	 <u><u>\$ 39,951,254</u></u>	 <u><u>\$ 33,552,452</u></u>	 <u><u>\$ 35,292,580</u></u>	 <u><u>\$ 33,489,878</u></u>	 <u><u>\$ 13,423,817</u></u>

(Continued)

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

	<b>Fiscal Year Ended June 30</b>		
	<u><b>2006</b></u>	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Expenses</b>			
Governmental activities:			
General government	\$ 4,583,480	\$ 2,808,741	\$ 432,863
Judicial	112,863		
Public safety	1,624,485	810,924	
Highways and streets	1,766,389	672,895	
Public works	351,707	171,735	11,507
Culture and recreation	368,726	129,531	4,785
Development services			
Community services			
Economic and community development	326,005		
Interest on long-term debt			2,055
Total governmental activities expenses	<u>9,133,655</u>	<u>4,593,826</u>	<u>451,210</u>
 <b>Total primary government expenses</b>	 <u><u>\$ 9,133,655</u></u>	 <u><u>\$ 4,593,826</u></u>	 <u><u>\$ 451,210</u></u>

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

**Note:** The City implemented a new ERP financial system during the fiscal year. As a result of that implementation, functional categories for expenses were modified to more closely match actual operational functions. As a result, comparisons to prior fiscal years' data do not correlate exactly between categories. Building Safety, Development Services Administration, and Planning, were moved out of General Government into Development Services, Public Works was moved into Development Services and Judicial was moved into General Government.

(Concluded)

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

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2011</b></u>	<u><b>2010</b></u>	<u><b>2009</b></u>	<u><b>2008</b></u>	<u><b>2007</b></u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 1,056,489	\$ 58,657	\$ 1,113,758	\$ 3,113,666	\$ 5,610,082
Judicial		475,414	518,712	436,598	199,036
Public safety	211,428	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
Development services	122,451				
Community services	258,028				
Operating grants and contributions	3,436,610	866,471	3,967,175	2,978,293	2,313,870
Capital grants and contributions	6,815,917	7,558,625	8,238,154	38,175,235	35,344,625
Total program revenues	<u>11,900,923</u>	<u>10,414,362</u>	<u>14,618,492</u>	<u>44,989,940</u>	<u>43,598,603</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (28,050,331)</u>	<u>\$ (23,138,090)</u>	<u>\$ (20,674,088)</u>	<u>\$ 11,500,062</u>	<u>\$ 30,174,786</u>

(Continued)

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for services:			
General government	\$ 10,817,160	\$ 7,476,840	\$ 83,670
Judicial	98,870		
Public safety			
Highways and streets			
Public works		1,030,436	
Culture and recreation	77,517	14,931	
Development services			4,753
Community services			
Operating grants and contributions	1,873,086	1,030,950	
Capital grants and contributions	57,471,658	15,827,680	
Total program revenues	<u>70,338,291</u>	<u>25,380,837</u>	<u>88,423</u>
 <b>Net (Expense)/Revenue</b>	 <u>\$ 61,204,636</u>	 <u>\$ 20,787,011</u>	 <u>\$ (362,787)</u>

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

**Note:** The City implemented a new ERP financial system during the fiscal year. As a result of that implementation, functional categories for expenses were modified to more closely match actual operational functions. As a result, comparisons to prior fiscal years' data do not correlate exactly between categories. Building Safety, Development Services Administration, and Planning, were moved out of General Government into Development Services, Public Works was moved into Development Services and Judicial was moved into General Government.



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

	<b>Fiscal Year Ended June 30</b>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Net (Expense)/Revenue</b>	\$ (28,050,331)	\$ (23,138,090)	\$ (20,674,088)	\$ 11,500,062	\$ 30,174,786
<b>General Revenues:</b>					
Governmental activities:					
Taxes:					
Property taxes, levied for general purpose \$	9,797,104	\$ 9,191,887	\$ 8,073,578	\$ 5,504,915	\$ 2,431,339
Property taxes, levied for debt service	1,415,568				
Sales taxes	7,454,918	6,649,744	10,230,103	18,141,568	22,032,882
Franchise taxes	315,240	494,091	536,966	758,442	660,317
Investment income	667,555	265,485	(378,160)	4,378,266	3,853,077
Unrestricted state aid	6,277,756	7,110,730	4,583,320	5,392,623	3,718,174
Unrestricted federal aid					
Miscellaneous			37,503	30,441	225
<b>Total general revenues</b>	<u>25,928,141</u>	<u>23,711,937</u>	<u>23,083,310</u>	<u>34,206,255</u>	<u>32,696,014</u>
Extraordinary Item				6,186,965	
<b>Changes in Net Assets</b>	<u>\$ (2,122,190)</u>	<u>\$ 573,847</u>	<u>\$ 2,409,222</u>	<u>\$ 51,893,282</u>	<u>\$ 62,870,800</u>

(Continued)

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Net (Expense)/Revenue</b>	\$ 61,204,636	\$ 20,787,011	\$ (362,787)
<b>General Revenues:</b>			
Governmental activities:			
Taxes:			
Property taxes, levied for general purpose	\$	\$	\$
Property taxes, levied for debt service			
Sales taxes	25,432,643	7,439,799	859,799
Franchise taxes	303,480	97,362	
Investment income	1,315,924	127,403	
Unrestricted state aid	1,515,829	1,912,697	298,355
Unrestricted federal aid			
Miscellaneous	175	34,059	264
<b>Total general revenues</b>	<u>28,568,051</u>	<u>9,611,320</u>	<u>1,158,418</u>
Extraordinary Item			
<b>Changes in Net Assets</b>	<u>\$ 89,772,687</u>	<u>\$ 30,398,331</u>	<u>\$ 795,631</u>

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

**(Concluded)**

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

	<u>Fiscal Year Ended June 30</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund:					
Nonspendable	\$ 2,550				
Restricted					
Committed					
Assigned					
Unassigned	55,361,631				
Reserved		\$ 64,206,671	\$ 68,275,877	\$ 72,950,101	\$ 412,091
Unreserved					65,105,942
Total General Fund	<u>\$ 55,364,181</u>	<u>\$ 64,206,671</u>	<u>\$ 68,275,877</u>	<u>\$ 72,950,101</u>	<u>\$ 65,518,033</u>
All Other Governmental Funds:					
Nonspendable					
Restricted	49,970,470				
Committed					
Assigned					
Unassigned	(334,556)				
Reserved		35,547,328	34,740,312	35,329,613	28,105,124
Unreserved, reported in:					
Special revenue funds		2,320,530	2,419,821	2,900,630	2,301,282
Capital projects funds		13,058,582			
Debt service fund					
Total all other governmental funds	<u>\$ 49,635,914</u>	<u>\$ 50,926,440</u>	<u>\$ 37,160,133</u>	<u>\$ 38,230,243</u>	<u>\$ 30,406,406</u>

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:			
Reserved	\$ 246,296		
Unreserved	43,914,118	14,148,712	655,065
Total General Fund	<u>\$ 44,160,414</u>	<u>\$ 14,148,712</u>	<u>\$ 655,065</u>
All Other Governmental Funds:			
Reserved	\$ 12,328,627		
Unreserved, reported in:			
Special revenue funds	1,724,152	1,461,310	129,641
Capital projects funds		1,288,239	
Debt service fund			
Total all other governmental funds	<u>\$ 14,052,779</u>	<u>\$ 2,749,549</u>	<u>\$ 129,641</u>

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

**Note:** The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 54 were adopted in fiscal year 2011. The standard replaces the previous reserved and unreserved fund balance categories with the following five fund balance classifications: nonspendable, restricted, committed, assigned, and unassigned fund balance.

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

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
<b>Revenues:</b>					
Property taxes	11,299,263	\$ 9,201,246	\$ 7,936,092	\$ 5,547,387	\$ 2,196,247
Sales taxes	7,454,918	6,649,744	10,230,103	18,141,568	22,032,882
Franchise taxes	315,240	494,091	536,966	758,442	660,317
Licenses and permits	320,909	748,539	866,940	2,494,759	4,578,929
Intergovernmental revenues	10,403,335	8,619,173	10,991,426	9,114,700	8,329,956
Charges for services	544,625	675,406	1,023,168	905,055	1,162,087
Fines, forfeitures, and penalties	470,509	506,664	518,712	436,598	199,036
Investment income (loss)	667,555	265,485	(378,160)	4,378,266	3,853,077
Miscellaneous	312,853	1,664,621	4,410,405	8,605,812	11,890,546
<b>Total revenues</b>	<b><u>31,789,207</u></b>	<b><u>28,824,969</u></b>	<b><u>36,135,652</u></b>	<b><u>50,382,587</u></b>	<b><u>54,903,077</u></b>
<b>Expenditures:</b>					
Current -					
General government	\$ 8,031,875	7,368,241	8,340,335	7,060,112	4,656,937
Judicial		227,487	249,551	96,906	167,219
Public safety	13,999,701	13,588,093	14,008,800	13,114,436	2,372,859
Highways and streets	870,566	3,196,133	2,390,661	1,760,075	1,114,225
Public works		321,176	579,872	912,954	941,566
Culture and recreation		1,081,819	1,360,816	1,586,766	733,355
Development services	5,178,650				
Community services	2,509,541				
Economic and community development				569,528	453,879
Capital outlay	8,966,722	11,168,632	14,752,588	11,145,898	6,751,791
Debt service -					
Principal retirement	1,271,520	139,918	133,017	132,966	
Interest and fiscal charges	1,532,108	57,445	64,346	64,397	
Bond issuance costs		307,182			
<b>Total expenditures</b>	<b><u>\$ 42,360,683</u></b>	<b><u>\$ 37,456,126</u></b>	<b><u>\$ 41,879,986</u></b>	<b><u>\$ 36,444,038</u></b>	<b><u>\$ 17,191,831</u></b>
<b>Extraordinary Item</b>				1,317,356	
<b>Excess (deficiency) of revenues over expenditures</b>	<b><u>\$ (10,571,476)</u></b>	<b><u>\$ (8,631,157)</u></b>	<b><u>\$ (5,744,334)</u></b>	<b><u>\$ 15,255,905</u></b>	<b><u>\$ 37,711,246</u></b>
Expenditures for capitalized assets	\$ 7,209,712	\$ 9,375,099	\$ 12,177,408	\$ 7,678,877	\$ 5,984,896
Debt service as a percentage of noncapital expenditures	11%	3%	1%	1%	0%

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

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Revenues:</b>			
Property taxes	\$	\$	\$
Sales taxes	25,432,643	7,537,161	859,799
Franchise taxes	303,480		
Licenses and permits	8,916,082	6,580,727	18,239
Intergovernmental revenues	2,744,065	2,033,941	298,355
Charges for services	1,968,618	4,048,832	70,184
Fines and forfeitures	95,795	44,749	
Investment income (loss)	1,315,924	173,247	
Miscellaneous	10,680,272	34,059	264
<b>Total revenues</b>	<u>51,456,879</u>	<u>20,452,716</u>	<u>1,246,841</u>
<b>Expenditures:</b>			
Current -			
General government	4,370,884	2,766,528	424,283
Judicial	112,863		
Public safety	1,624,485	810,924	
Highways and streets	589,069	448,280	
Public works	346,366	75,991	11,507
Culture and recreation	254,544	126,349	4,785
Development services			
Community services			
Economic and community development	326,005		
Capital outlay	2,517,741	111,089	19,505
Debt service -			
Principal retirement			
Interest and fiscal charges			2,055
Bond issuance costs			
<b>Total expenditures</b>	<u>\$ 10,141,957</u>	<u>\$ 4,339,161</u>	<u>\$ 462,135</u>
<b>Extraordinary Item</b>			
<b>Excess (deficiency) of revenues over expenditures</b>	<u>\$ 41,314,922</u>	<u>\$ 16,113,555</u>	<u>\$ 784,706</u>
Expenditures for capitalized assets			
Debt service as a percentage of			
noncapital expenditures	0%	0%	0%

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

**Note:** The City implemented a new ERP financial system during the fiscal year. As a result of that implementation, functional categories for expenses were modified to more closely match actual operational functions. As a result, comparisons to prior fiscal years' data do not correlate exactly between categories. Building Safety, Development Services Administration, and Planning, were moved out of General Government into Development Services, Public Works was moved into Development Services and Judicial was moved into General Government.

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

	Fiscal Year Ended June 30				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (10,571,476)	\$ (8,631,157)	\$ (5,744,334)	\$ 15,255,905	\$ 37,711,246
<b>Other financing sources (uses):</b>					
Revenue bonds issued		20,000,000			
Premium on sale of bonds		100,519			
Proceeds from sale of assets	438,460				
Total other financing sources (uses)	438,460	20,100,519	-	-	-
<b>Changes in fund balances</b>	\$ (10,133,016)	\$ 11,469,362	\$ (5,744,334)	\$ 15,255,905	\$ 37,711,246
	<b><u>2006</u></b>	<b><u>2005</u></b>	<b><u>2004</u></b>		
<b>Excess (deficiency) of revenues over expenditures</b>	\$ 41,314,922	\$ 16,113,555	\$ 784,706		
<b>Other financing sources (uses):</b>					
Revenue bonds issued					
Premium on sale of bonds					
Proceeds from sale of assets					
Total other financing sources (uses)	-	-	-		
<b>Changes in fund balances</b>	\$ 41,314,922	\$ 16,113,555	\$ 784,706		

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

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

	<b>Fiscal Year Ended June 30</b>							
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Mining	\$ 1,947	\$ 3,893	\$ 3,070	\$ (844)	\$ 85	\$ 5,150	\$	\$
Communication & Utilities	575,198	540,097	414,839	457,988	492,936	344,710	126,893	10,861
Transportation	5,925	9,395	5,272	2,762	3,700	2,493	32,254	13
Construction	1,802,458	1,357,920	5,492,829	13,622,584	18,096,007	19,476,707	4,728,883	302,012
Manufacturing	257,176	234,542	308,076	107,944	61,759	56,553	105,747	1,404
Wholesale	189,691	326,914	108,875	75,310	95,063	51,008	17,242	4,462
Retail	3,446,044	3,145,911	2,806,983	2,481,306	2,401,870	1,773,151	893,947	134,770
Financial and Insurance	32,286	30,353	18,001	14,281	18,601	4,901	2,050	628
Real Estate Rental	496,443	470,484	524,427	969,820	1,371,736	371,742	214,252	3,594
Restaurant & Bar	357,595	381,273	369,659	395,455	360,007	161,712	21,071	2,014
Accommodation	806	8,423	14,008	10,973	19	175	94	12
Public Administration	(2,813)	3,240	266	39	1,188	2,652	1,068	
Services	150,913	95,398	108,262	122,634	149,934	89,186	36,098	2,494
Arts & Entertainment	22,341	510	40,640	50,210	53,190	55,552	42,402	22,319
Other	151,517	225,795	319,141	373,526	836,182	716,390	318,423	158,903
<b>Total</b>	<b><u>\$ 7,487,527</u></b>	<b><u>\$ 6,834,148</u></b>	<b><u>\$ 10,534,347</u></b>	<b><u>\$ 18,683,988</u></b>	<b><u>\$ 23,942,279</u></b>	<b><u>\$ 23,112,080</u></b>	<b><u>\$ 6,540,423</u></b>	<b><u>\$ 643,486</u></b>
City's direct sales tax rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
City's construction sales tax rate	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	

**Source:** Arizona Department of Revenue and the City's financial records.

**Note:** The increased rate on construction became effective March 2005.



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

<u>Fiscal Year</u>	<u>City's Direct Rate</u>	<u>City's Construction Sales Tax Rate</u>	<u>Arizona Rate</u>	<u>County Rate</u>
2011	2.00%	3.50%	6.60%	1.10%
2010	2.00%	3.50%	6.60%	1.10%
2009	2.00%	3.50%	5.60%	1.10%
2008	2.00%	3.50%	5.60%	1.10%
2007	2.00%	3.50%	5.60%	1.10%
2006	2.00%	3.50%	5.60%	1.10%
2005	2.00%	3.50%	5.60%	1.10%
2004	2.00%	N/A	5.60%	1.10%
2003	N/A	N/A	5.60%	1.10%
2002	N/A	N/A	5.60%	1.10%

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

**CITY OF MARICOPA, ARIZONA  
GENERAL GOVERNMENT TAX REVENUES BY SOURCE  
LAST EIGHT FISCAL YEARS**

<u>Fiscal Year</u>	<u>Sales Taxes</u>	<u>Percentage Change</u>	<u>Property Taxes</u>	<u>Percentage Change</u>	<u>Franchise Taxes</u>	<u>Percentage Change</u>	<u>Total</u>	<u>Percentage Change</u>
2011	\$ 7,454,918	12.11 %	\$ 9,912,700	7.73 %	\$ 315,420	(36.16) %	\$ 17,683,058	8.19 %
2010	6,649,744	(35.00)	9,201,246	15.94	494,091	(7.98)	16,345,062	(12.61)
2009	10,230,103	(43.61)	7,936,092	43.06	536,966	(29.20)	18,703,160	(23.50)
2008	18,141,568	(17.66)	5,547,387	152.58	758,442	14.86	24,447,532	(1.78)
2007	22,032,881	(13.37)	2,196,247	N/A	660,317	117.58	24,889,432	(3.29)
2006	25,432,643	241.85		N/A	303,480	211.70	25,736,365	241.42
2005	7,439,799	765.30		N/A	97,362	N/A	7,537,926	776.71
2004	859,799	N/A		N/A		N/A	859,799	N/A

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

**Note:** Prior to fiscal year ended June 30, 2007, the City did not collect property taxes; therefore, this information is not displayed for those years.

**CITY OF MARICOPA, ARIZONA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR FIVE YEARS PRIOR**

<u>Taxpayer</u>	<u>2011</u>		<u>2006</u>	
	<u>Primary Assessed Valuation</u>	<u>Percentage of City's Net Assessed Valuation</u>	<u>Primary Assessed Valuation</u>	<u>Percentage of City's Net Assessed Valuation</u>
Global Water: Santa Cruz Water Co.	\$ 3,863,000	0.20 %	\$	%
Global Water: Palo Verde Utilities	2,739,199	0.14		
Wal-Mart Stores Inc #2778	2,388,473	0.12		
Volkswagen of America dba Vorelco Inc.	2,257,671	0.12	1,603,214	0.24
Meritage Homes of Arizona Inc.	2,230,074	0.12		
Pinal Energy LLC	2,172,947	0.11		
Maricopa Fiesta Investors L L C etal	1,738,000	0.09		
Smith's Food & Drug Centers Inc	1,286,887	0.07		
Shea Maricopa LLC	1,162,833	0.06		
Barclay Holding XIX LLC	983,488	0.05	726,796	0.11
Smith's Food & Drug Center Inc			1,630,606	0.24
Hiro Investment LLC etal			426,854	0.06
Maricopa Groves Self Storage LLC			417,092	0.06
El Paso Natural Gas Co.			352,141	0.05
Murphy Land Investors LLC			351,061	0.05
CMG 900 LLC			303,674	0.05
Sunset Tartesso LLC			303,196	0.05
Wells Fargo Bank NA TR			303,408	0.05
Total	<u>\$ 20,822,572</u>	<u>1.08 %</u>	<u>\$ 6,418,042</u>	<u>0.95 %</u>
City's Total Assessed Valuation	<u>\$ 1,921,773,683</u>		<u>\$ 672,655,480</u>	

**Source:** The source of this information is the Pinal County Treasurer's tax records.

**Note:** Information prior to fiscal year 2006 was not available.

**CITY OF MARICOPA, ARIZONA  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST SEVEN FISCAL YEARS**

Fiscal Year		Real Property		Personal Property		Total		Direct Tax Rate	Ratio of Total Assessed Value to Estimated
		Net Assesed Value	Estimated Actual Value	Net Assesed Value	Estimated Actual Value	Net Assesed Value	Estimated Actual Value		
2005	P	\$38,256,351	\$335,697,021	\$517,014	\$2,068,028	\$38,773,365	\$337,765,049		11.48%
	S	\$45,793,677	\$386,990,073	\$517,014	\$2,068,028	\$46,310,691	\$389,058,101		11.90%
2006	P	\$74,875,827	\$668,990,368	\$897,957	\$3,665,112	\$75,773,784	\$672,655,480	3.2000	11.26%
	S	\$82,904,354	\$724,926,425	\$897,957	\$3,665,112	\$83,802,311	\$728,591,537		11.50%
2007	P	\$163,323,630	\$1,532,695,889	\$1,233,063	\$5,260,965	\$164,556,693	\$1,537,956,854	3.7565	10.70%
	S	\$218,990,679	\$2,023,828,541	\$1,233,063	\$5,260,965	\$220,223,742	\$2,029,089,506		10.85%
2008	P	\$235,967,801	\$2,222,115,079	\$5,882,736	\$26,220,739	\$241,850,537	\$2,248,335,818	3.2326	10.76%
	S	\$321,826,257	\$2,970,332,974	\$5,882,736	\$26,220,739	\$327,708,993	\$2,996,553,713		10.94%
2009	P	\$288,801,931	\$2,902,754,652	\$8,583,362	\$40,203,060	\$297,385,293	\$2,942,957,712	2.8894	10.10%
	S	\$347,510,045	\$3,202,240,784	\$8,583,362	\$40,203,060	\$356,093,407	\$3,242,443,844		10.98%
2010	P	\$234,678,353	\$2,219,435,798	\$10,450,029	\$51,670,515	\$245,128,382	\$2,271,106,313	4.0168	10.79%
	S	\$249,336,606	\$2,259,829,103	\$10,450,029	\$51,670,515	\$259,786,635	\$2,311,499,618		0.5514
2011	P	\$195,083,227	\$1,851,950,077	\$13,587,423	\$69,823,606	\$208,670,650	\$1,921,773,683	4.8105	10.86%
	S	\$206,652,235	\$1,888,879,939	\$10,299,472	\$69,823,606	\$216,951,707	\$1,958,703,545		0.6528

**Source:** The source of this information is the City's records and the State and County Abstract of the Assessment Roll, Arizona Department of Revenue for the City of Maricopa.  
 P-primary  
 S-secondary

**CITY OF MARICOPA, ARIZONA  
OUTSTANDING DEBT BY TYPE  
LAST EIGHT 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	Percentage of Personal Income	
2011	\$ 20,000,000	\$ 730,000	\$ 19,270,000	0.98 %	\$ 443	\$ 413,796	\$ 19,683,796	1.00 %	\$ 453	N/A %	
2010	20,000,000		20,000,000	0.87	507	955,316	20,955,316	0.91	531	2.54	
2009						1,095,234	1,095,234	0.03	31	0.14	
2008						1,228,251	1,228,251	0.04	38	0.17	
2007											
2006											
2005											
2004											

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

**CITY OF MARICOPA, ARIZONA  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2011**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to City</u>	<u>Estimated Amount Applicable to City</u>
Pinal County	\$ 153,726,218	0.00 %	\$
Community College District	45,405,000	0.00	
Maricopa Unified School District	45,750,000	100.00	45,750,000
Subtotal, Overlapping Debt			<u>45,750,000</u>
Direct:			
The City of Maricopa	20,413,796	100.00	<u>20,413,796</u>
Total Direct and Overlapping Debt			<u><u>\$ 66,163,796</u></u>

**Source:** 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.

**Notes:** 1) Estimated percentage of debt outstanding applicable to the City is calculated based on the City's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.

2) Outstanding debt as of June 30, 2010 is presented for the overlapping governments as this is the most recent available information.

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

**Legal Debt Margin Calculations for Fiscal Year 2011:**

	20% Limitation		6% Limitation
Secondary assessed valuation	\$ 259,786,635	Secondary assessed valuation	\$ 259,786,635
Debt limit	51,957,327	Debt limit	15,587,198
Debt applicable to limit	20,000,000	Debt applicable to limit	-
Legal 20% debt margin	\$ 31,957,327	Legal 6% debt margin	\$ 15,587,198

	Fiscal Year Ended June 30				
	2011	2010	2009	2008	2007
<b>20% Limitation:</b>					
Debt limit	\$ 51,957,327	\$ 71,218,681	\$	\$	\$
Total net debt applicable to limit	20,000,000	20,000,000			
Legal 20% debt margin	\$ 31,957,327	\$ 51,218,681	\$	\$	\$
Total net debt applicable to the 20% limit as a percentage of 20% debt limit	38%	28%	N/A	N/A	N/A
<b>6% Limitation:</b>					
Debt limit	\$ 15,587,198	\$ 21,365,604	\$	\$	\$
Total net debt applicable to limit					
Legal 6% debt margin	\$ 15,587,198	\$	\$	\$	\$
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 EIGHT FISCAL YEARS**

	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>20% Limitation:</b>			
Debt limit	\$	\$	\$
Total net debt applicable to limit	_____	_____	_____
Legal 20% debt margin	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total net debt applicable to the 20% limit as a percentage of 20% debt limit	N/A	N/A	N/A
<b>6% Limitation:</b>			
Debt limit	\$	\$	\$
Total net debt applicable to limit	_____	_____	_____
Legal 6% debt margin	<u>\$</u>	<u>\$</u>	<u>\$</u>
Total net debt applicable to the 6% limit as a percentage of 6% debt limit	N/A	N/A	N/A

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

**Note:** Prior to fiscal year ended June 30, 2010, the City had no debt; therefore, this information is not displayed for those years.

**(Concluded)**



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

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated City Population</u>
2010	375,770	\$ N/A	\$ N/A	12.0 %	43,482
2009	356,303	8,259,897	24,225	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 University of Arizona, Eller College of Management, Economic and Business Research Center.

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

**CITY OF MARICOPA, ARIZONA  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Employer	Industry	2011			2003		
		Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Maricopa Unified School District	Schools	650	1	16.25 %	100	3	20.00 %
Walmart	Department Stores	239	2	5.98			
Maricopa City Office	Government Offices-City, Village & Twp	215	3	5.38			
Fry's Food Store	Grocers-Retail	200	4	5.00			
Volkswagen Proving Grounds	Automotive Testing	150	5	3.75	150	2	30.00
McDonald's (2 store total)	Fast Food	87	6	2.18			
Bashas'	Grocers-Retail	82	7	2.05			
Legacy Traditional School	Schools	80	8	2.00			
Pinal Feeding Co Inc	Livestock Feeding	63	9	1.58	200	1	40.00
Southern Dunes Golf Club	Golf Courses	60	10	1.50			
Sequoia Pathway Academy	Schools	57	11	1.43			
Duke At Rancho El Dorado	Golf Courses	38	12	0.95	20	4	4.00
Pinal Energy LLC	Energy Management Systems & Products	36	13	0.90			
Scott's Miracle Gro	Nitrogenous Fertilizers	31	14	0.78			
Ace Hardware	Hardware-Retail	30	15	0.75			
H&N Landscape	Landscape Services	30	16	0.75			
Hogenes Dairy	Farming	10	17	0.25	10	5	2.00
Total		<u>1,988</u>		<u>49.73 %</u>	<u>480</u>		<u>96.00 %</u>
Total employment		<u>4,000</u>			<u>500</u>		

**Sources:** 2011 employee numbers were obtained from individual employers. 2011 total employment was 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.

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

	<b>Full-time Equivalent Employees as of June 30</b>							
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>General Government</b>								
Court	4.5	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	7.0
City Manager	5.5	7.5	5.5	3.5	6.0	4.0	1.0	1.0
Information Technology	4.0	4.0	6.0	6.0	0.0	0.0	0.0	0.0
Marketing & Communication	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0
City Clerk	5.0	5.0	6.0	6.0	2.0	1.0	1.0	0.0
Finance	10.5	10.5	9.5	10.0	9.0	3.0	1.0	1.0
Support Services Administration	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Human Resources	3.0	1.0	3.0	3.0	2.0	0.0	0.0	0.0
Planning	3.0	3.0	5.0	5.0	7.0	5.0	0.0	0.0
Development Services	3.0	4.0	0.0	0.0	13.0	4.0	1.0	0.0
Building Safety	7.0	7.0	14.0	14.0	0.0	0.0	0.0	0.0
Code Enforcement	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Facilities Management	2.5	2.0	2.0	1.0	0.0	0.0	0.0	0.0
Fleet Management	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Safety Administration	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Police	62.0	63.0	67.5	62.5	9.0	0.0	0.0	0.0
Fire	63.0	66.0	66.5	64.5	0.0	0.0	10.0	2.0
Engineering	3.0	3.0	4.0	4.0	3.0	2.0	0.0	0.0
Transportation	4.0	2.0	2.0	3.0	0.0	0.0	0.0	0.0
Community Services Administration	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Recreation	3.0	4.0	7.0	7.0	5.0	4.0	0.0	0.0
Park Maintenance	3.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Libraries	7.0	7.0	4.0	4.0	2.5	2.5	0.0	0.0
Economic Development	3.0	1.0	1.0	0.0	0.0	0.0	1.0	0.0
HURF/Public Works	8.0	8.0	8.0	11.0	4.0	3.0	1.0	0.0
<b>Total</b>	<b><u>215.0</u></b>	<b><u>219.5</u></b>	<b><u>224.5</u></b>	<b><u>214.0</u></b>	<b><u>72.0</u></b>	<b><u>37.0</u></b>	<b><u>23.0</u></b>	<b><u>11.0</u></b>

**Source:** The source of this information is the Annual Budget Books-06, 07, 08, 09, 10 and the City's Human Resources Office.