



CITY OF
MARICOPA
PROUD HISTORY • PROSPEROUS FUTURE

*Strategies for Reaching
our Prosperous Future*

**Comprehensive Annual Financial Report
For the year ending June 30, 2012**



PREPARED BY THE
FINANCE & ADMINISTRATIVE SERVICES DEPARTMENT
CITY OF MARICOPA, ARIZONA

**CITY OF MARICOPA, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Issued by:
Financial Services Department

CITY OF MARICOPA, ARIZONA

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INTRODUCTORY SECTION

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November 29, 2012

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, 2012.

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, 2012. 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 with a population of approximately 44,450. 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 Casino Resort – 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) and Waste Management/Garrick's green waste to fuel project. The community is also home to the University of Arizona's Maricopa Agricultural Center and the United States Department of Agriculture's Arid-Land Agricultural Research Center. Basha's, 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 in new commercial development for the City. Vacancy rates for all types of commercial space are very low at 8.3% for retail, 8.5% for office and 3.8% for industrial as of the end of third quarter 2012.

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 more than 20,000 at full build-out. On December 16, 2011, Central Arizona College broke ground on Phase I of this new campus and the first classes are planned for spring 2013. The attraction of healthcare services to the community has been a strong focus for the City of Maricopa since its inception. Banner Health Center, the City's first major medical facility, opened on May 16, 2012. The 40,000 square foot center was made possible through a public-private partnership between the City and Banner Health. Primary and specialty medical care services are offered and Banner Health has plans to expand the facility and its services as local demand requires. In September 2012, Dignity Health Arizona announced that it had acquired land in the City for a future 32,000 square foot emergency hospital. The healthcare provider also announced plans to open an urgent care center in spring 2013.

The current Maricopa housing market mirrors that of similar periphery communities in the Phoenix Metro region. While new home building in Maricopa has slowed from the boom of 2006-2007, 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. Through the first three months of the current fiscal year, this average has climbed to 29 new single family 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 was 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 lessen this dependency. Aided by modest economic recovery at the national and regional levels, the City's average annual unemployment rate through October 2012 had fallen to 9.0% (with a Pinal County average of 8.9%).

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 City is moving forward with developing a regional park and recreation complex to provide greater access to recreational facilities for residents and tourists using existing bond proceeds. The recreational facilities are in the design stage and the first phase, a multigenerational and aquatics center, is expected to open in late 2013.

The City is also implementing initiatives to support local business growth as well as attract larger employers to the community. The City received USDA grant funds to launch its first small business incubator, which will open in early 2013. The Maricopa Center for Entrepreneurship (MCE) will provide business training and business incubation services to local start-up companies with the goal of diversifying the local economy.

The City also conducted a feasibility study to determine the viability of developing approximately 50 acres of City-owned land as a mixed use business park. The business park feasibility study determined the project was viable and now the City is exploring partnership opportunities with interested industrial and office developers for the master planning, lease/purchase and development of City-owned land commonly referred to as the Estrella Gin Business Park. The primary development goal of the City is to seed and spur development of a business park which will provide employment opportunities for local residents, allow expanding businesses to remain in Maricopa and facilitate the relocation of industry to Maricopa.

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 of \$21.3 million in the General Fund represents 74 percent of total General Fund expenditures. This falls within the 10 percent policy guidelines set by the Council for budgetary and planning purposes.

Per the City's budget policies, the City shall adopt a balanced budget. A balanced budget means total budgetary expenditures shall be equal to or less than total financial resources available (revenues plus available fund balance). For financial planning purposes, the City now prepares a Comprehensive Financial Plan to initiate the annual budget process. This process was initiated in the fiscal year ended June 30, 2012 as part of the FY12-13 annual budget preparation.

The Comprehensive Financial Plan provides a five-year perspective on the financial condition of the City's General Fund and any other appropriated funds deemed necessary. For the FY12-13 budget process, a Comprehensive Financial Plan was prepared for both the General Fund and the Highway User Revenue Fund (HURF) as these are the two largest operating funds in the City. This plan provided a long-range context for staff and the City Council to make budgetary decisions for the upcoming fiscal year.

The financial forecasts are utilized to examine the revenue and expenditure structures a period of five years and include forecasted fund balance information.

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.

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.

AWARDS AND ACKNOWLEDGMENTS

Award. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2011. In order to be awarded this certificate, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

This certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to GFOA to determine its eligibility for the fiscal year 2011-12 certificate.

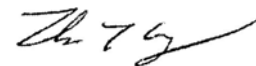
Acknowledgments. The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Finance/Administrative Service department. Each member of the department has our sincere appreciation for the contributions made in the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

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Maricopa
Arizona

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



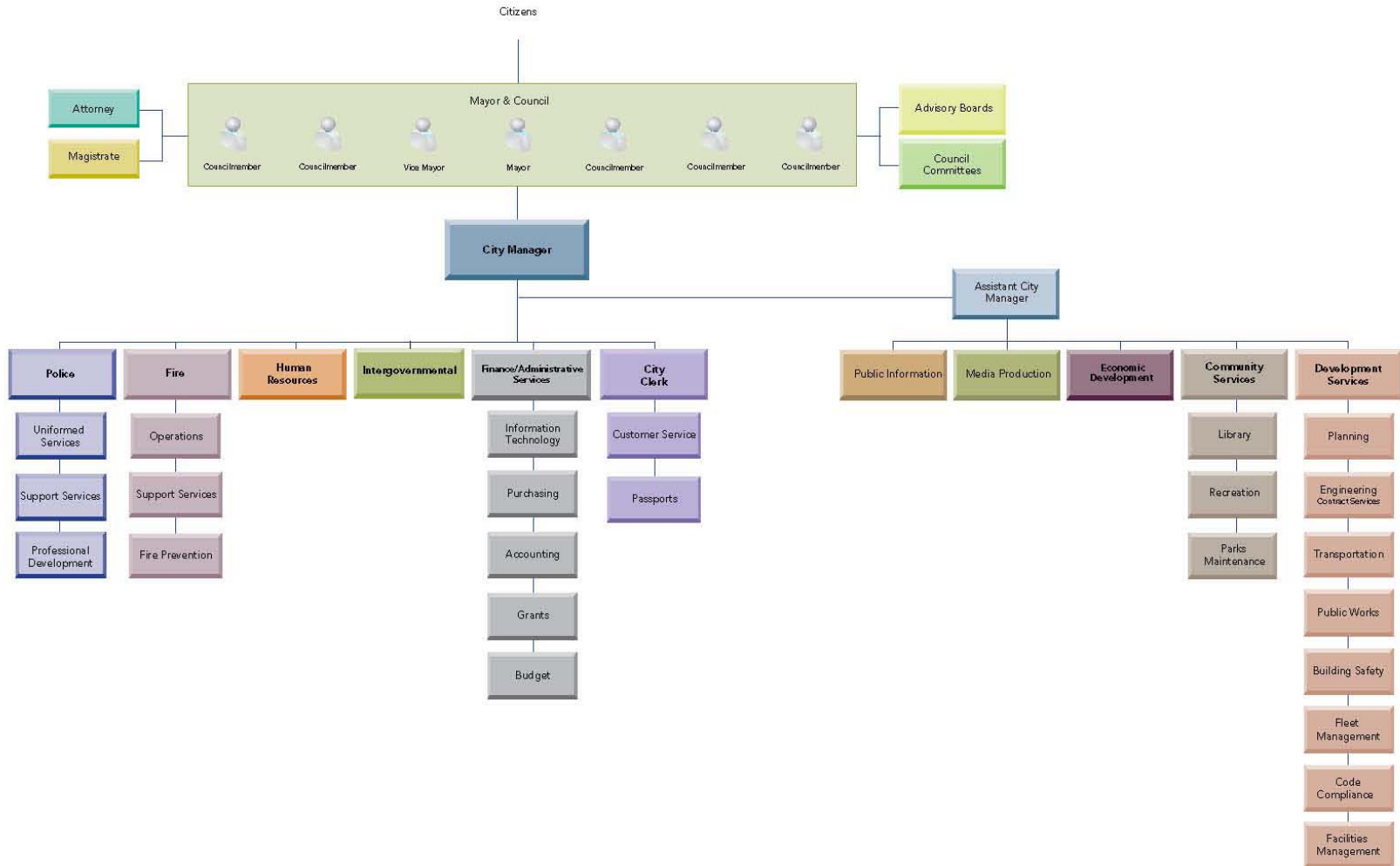
Christopher P. Morrell

President

Jeffrey R. Egan

Executive Director

City Organization Chart



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

ELECTED OFFICIALS

Mayor	Christian Price
Vice-Mayor	Edward Farrell
Council Member	Leon Potter
Council Member	Bridger Kimball
Council Member	Marvin Brown
Council Member	Alan Marchione
Council Member	Julia Gusse

CITY STAFF

City Manager	Brenda S. Fischer
Assistant City Manager	Danielle Casey
City Clerk	Vanessa Bueras
Community Services Director	Jennifer Campbell
Development Services Director	Brent Billingsley
Economic Development Director	Micah Miranda
Finance/Administrative Services Director	Tom Duensing
Fire Chief	Wade Brannon
Human Resources Director	Karen Shaffer
Police Chief	Steve Stahl

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Maricopa, Arizona (City), as of and for the year ended June 30, 2012, 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, 2012, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2012, 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 and 51 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.
CPAs and Business Consultants

November 29, 2012

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, 2012**

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, 2012. 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 2011-12 as follows:

- The City's total net assets of governmental activities decreased \$1.3 million to \$251.3 million representing a less than one percent decrease over the prior year.
- General revenues from governmental activities accounted for \$30.3 million in revenue, or 82 percent of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for \$6.6 million or 18 percent of total governmental activities revenues.
- The City had \$38.3 million in expenses related to governmental activities, a decrease of 4 percent from the prior fiscal year primarily due to a decrease in capital expense.
- Among major funds, the General Fund had \$28.8 million in current fiscal year revenues, which primarily consisted of property, sales taxes, and intergovernmental revenues, and \$26.0 million in expenditures. The General Fund's fund balance decreased \$34.0 million from \$55.4 million at the end of the prior fiscal year to \$21.3 million at the end of the current fiscal year primarily due to transfers to the General Government CIP Fund for construction projects.
- The Debt Service Fund had \$2.1 million of transfers in. Expenditures totaled \$1.8 million, resulting in an increase in fund balance of \$299,894.
- The Transportation Impact Fee Fund, had \$619,787 in revenues. Fund expenditures totaled \$507,926 resulting in an increase in fund balance of \$111,861 to \$19.8 million.
- The Parks Bond Fund had \$13,800 in interest revenues. Fund expenditures totaled \$1.3 million.
- The General Government CIP Fund had \$1.0 million in revenues, expenditures of \$2.8 million.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

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, public safety, community services, and development 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, 2012**

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budget process. The City adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund as required supplementary information presented with these financial statements.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

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 \$251.3 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, 2012 and June 30, 2011.

	Governmental Activities	
	2012	2011
Current and other assets	\$ 107,384,863	\$ 109,044,719
Capital assets, net	168,125,006	167,686,930
Total assets, net	275,509,869	276,731,649
Current liabilities	3,821,045	2,788,645
Long-term liabilities	20,378,143	21,282,496
Total liabilities	24,199,188	24,071,141
Invested in capital assets, net of related debt	160,277,610	159,446,413
Restricted	69,233,094	44,235,838
Unrestricted	21,799,977	48,978,257
Total net assets	\$ 251,310,681	\$ 252,660,508

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 acquired over \$7.7 million in capital asset additions with an increase in accumulated depreciation of \$6.3 million.
- Accounts payable increased \$726,780 primarily due to outstanding invoices of approximately \$280,000 for Parks Bond capital projects and \$490,000 in the General Fund for the one time purchase of radios and a development agreement amount due.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net assets. The City's total revenues for the current fiscal year were \$36.9 million. The total cost of all programs and services was \$38.2 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2012 and June 30, 2011.

	Governmental Activities	
	2012	2011
Revenues:		
Program revenues:		
Charges for services	\$ 1,928,688	\$ 1,648,396
Operating grants and contributions	1,732,451	3,436,610
Capital grants and contributions	2,917,234	6,815,917
General revenues:		
Property taxes, levied for general purposes	10,932,354	9,797,104
Property taxes, levied for debt service		1,415,568
Sales taxes	7,601,624	7,454,918
Franchise taxes	285,739	315,240
Unrestricted grants, aid, and state shared revenues	11,397,446	6,277,756
Investment income (loss)	112,707	667,555
Total revenues	36,908,243	37,829,064
Expenses:		
General government	8,832,289	8,747,059
Public safety	16,103,119	16,001,267
Community services	2,257,063	2,986,635
Development services	10,002,055	10,673,852
Interest on long-term debt	1,063,544	1,542,441
Total expenses	38,258,070	39,951,254
Change in net assets	(1,349,827)	(2,122,190)
Net assets, beginning	252,660,508	254,782,698
Net assets, ending	\$251,310,681	\$ 252,660,508

- Total revenues decreased \$920,821, or 2 percent.
- Total expenses decreased \$1.7 million, or 4 percent, primarily due to decreased capital grant funding during the year.
- The decrease in operating grants and contributions of \$1,704,159 was due to a decrease in federal grant funding received.
- The increase of \$5,119,690 in unrestricted grants, aid, and state shared revenues was due to increases in Urban Revenue Sharing and State Sales and Use Tax Funds received.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)

	<u>Year Ended June 30, 2012</u>		<u>Year Ended June 30, 2011</u>	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
General government	\$ 8,832,289	\$ (7,074,007)	\$ 8,747,059	\$ (5,736,371)
Public safety	16,103,119	(15,019,367)	16,001,267	(15,237,484)
Community services	2,257,063	(1,743,822)	2,986,635	(2,696,921)
Development services	10,002,055	(6,778,957)	10,673,852	(2,837,114)
Interest on long-term debt	1,063,544	(1,063,544)	1,542,441	(1,542,441)
Total	<u>\$ 38,258,070</u>	<u>\$ (31,679,697)</u>	<u>\$ 39,951,254</u>	<u>\$ (28,050,331)</u>

- The cost of all governmental activities this year was \$38.3 million.
- Federal and State grants and contributions and charges for services subsidized certain programs with grants and contributions and other local revenues of \$6.6 million.
- Net cost of governmental activities of \$31.7 million was financed by general revenues, which are made up of primarily property taxes of \$10.9 million, sales taxes of \$7.6 million, and state shared revenues of \$11.4 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, unassigned 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 \$102.2 million, a decrease of \$2.8 million due primarily to expenditures for capital asset acquisitions and capital projects.

The General Fund is the principal operating fund of the City. The decrease in fund balance of \$34.0 million for the fiscal year to \$21.3 million was due primarily to transfers to the General Government CIP Fund for construction projects.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

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

The Debt Service Fund reported a deficit fund balance of \$34,662 at year end due primarily to timing differences between debt service payments and the receipt of related tax revenue to pay the debt.

The Transportation Impact Fee Fund showed an increase in fund balance of \$111,861.

The Parks Bond Fund reported a decrease in fund balance of \$1.3 million due primarily to the commencement of construction 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 from the prior year and are above budget.
- General Government includes a contingency budget of \$1.0 million in the revised budget amount.
- Property taxes received are below budget due to a reduction by the county of the primary tax levies.

**CITY OF MARICOPA, ARIZONA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2012**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the City had invested \$199.6 million in capital assets, including buildings, facilities, vehicles, computers, equipment, and infrastructure assets. This amount represents a net increase prior to depreciation of \$6.5 million from the prior fiscal year, primarily due to the commencement of several construction projects. Total depreciation expense for the current fiscal year was \$6.3 million.

The following schedule presents capital asset balances for the fiscal years ended June 30, 2012 and June 30, 2011.

Governmental Activities	As of June 30, 2012	As of June 30, 2011
Land and land improvements	\$ 88,910,185	\$ 88,407,015
Infrastructure	83,601,114	81,873,877
Buildings and improvements	9,698,623	9,754,336
Vehicles, machinery and equipment	13,146,637	11,926,083
Construction in progress	4,272,981	1,189,573
Less: Accumulated depreciation	<u>(31,504,534)</u>	<u>(25,463,954)</u>
Total	<u>\$ 168,125,006</u>	<u>\$ 167,686,930</u>

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

Debt Administration. – At year end, the City had \$19.4 million in long-term debt outstanding, \$822,017 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 \$43.4 million, of which \$18.5 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 \$13.0 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, 2012**

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 2012-13. The most significant factors affecting the subsequent year's budget are:

- The property tax levy assumed no growth in the primary levy.
- Sales tax, state shared and intergovernmental revenues only slightly increased due to the current economic uncertainty.
- Operating expenditures assumed no additional service levels in anticipation of future operating impacts of several key capital projects.

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, 2012**

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 105,007,135
Taxes receivable	1,079,233
Accounts receivable	223,141
Intergovernmental receivables	793,806
Prepaid items	5,084
Total current assets	107,108,399
Noncurrent assets:	
Deferred bond charges	276,464
Land and other non-depreciable assets	90,743,126
Infrastructure, buildings, equipment and other depreciable assets	108,886,414
Accumulated depreciation	(31,504,534)
Total noncurrent assets	168,401,470
Total assets	275,509,869
LIABILITIES	
Current liabilities:	
Accounts payable	2,298,510
Accrued interest payable	510,273
Accrued wages and benefits	952,407
Intergovernmental payables	22,992
Unearned revenue	21,153
Customer deposits	15,710
Compensated absences payable	643,786
Capital leases payable	72,017
Bonds payable	750,000
Total current liabilities	5,286,848
Noncurrent liabilities:	
Compensated absences	226,292
Capital leases payable	75,581
Bonds payable	18,610,467
Total noncurrent liabilities	18,912,340
Total liabilities	24,199,188
NET ASSETS	
Invested in capital assets, net of related debt	160,277,610
Restricted for:	
Highways and streets	9,949,794
Capital outlay	58,522,888
Grants	760,412
Unrestricted	21,799,977
Total net assets	\$ 251,310,681

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, 2012**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General government	\$ 8,832,289	\$ 956,062	\$ 558,175	\$ 244,045	\$ (7,074,007)
Public safety	16,103,119	590,689	366,808	126,255	(15,019,367)
Community services	2,257,063	285,986	23,993	203,262	(1,743,822)
Development services	10,002,055	95,951	783,475	2,343,672	(6,778,957)
Interest on long-term debt	1,063,544				(1,063,544)
Total governmental activities	<u>\$ 38,258,070</u>	<u>\$ 1,928,688</u>	<u>\$ 1,732,451</u>	<u>\$ 2,917,234</u>	<u>(31,679,697)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	10,932,354
Sales taxes	7,601,624
Franchise taxes	285,739
Unrestricted grants, aid, and state shared revenues	11,397,446
Investment income	112,707
Total general revenues	<u>30,329,870</u>

Changes in net assets (1,349,827)

Net assets, beginning of year 252,660,508

Net assets, end of year \$ 251,310,681

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, 2012**

	<u>General Fund</u>	<u>Debt Service</u>	<u>Transportation Impact Fee</u>
ASSETS			
Cash and investments	\$ 22,159,016	\$ 1,225,611	\$ 20,098,894
Taxes receivable	1,079,233		
Accounts receivable	223,141		
Intergovernmental receivables	362,283		
Prepaid items	5,084		
Total assets	<u>\$ 23,828,757</u>	<u>\$ 1,225,611</u>	<u>\$ 20,098,894</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,240,883	\$	\$ 251,675
Accrued wages and benefits	857,745		
Intergovernmental payables	22,992		
Bond interest payable		510,273	
Customer deposits	15,710		
Deferred revenue	361,362		
Bonds payable		750,000	
Total liabilities	<u>2,498,692</u>	<u>1,260,273</u>	<u>251,675</u>
Fund balances (deficits):			
Nonspendable	5,084		
Restricted			19,847,219
Unassigned	21,324,981	(34,662)	
Total fund balances	<u>21,330,065</u>	<u>(34,662)</u>	<u>19,847,219</u>
 Total liabilities and fund balances	 <u>\$ 23,828,757</u>	 <u>\$ 1,225,611</u>	 <u>\$ 20,098,894</u>

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

<u>Parks Bond</u>	<u>General Government CIP</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 11,997,391	\$ 33,545,763	\$ 15,980,460	\$ 105,007,135
			1,079,233
			223,141
		431,523	793,806
			5,084
<u>\$ 11,997,391</u>	<u>\$ 33,545,763</u>	<u>\$ 16,411,983</u>	<u>\$ 107,108,399</u>
\$ 328,743	\$ 312,686	\$ 164,523	\$ 2,298,510
		94,662	952,407
			22,992
			510,273
			15,710
			361,362
			750,000
<u>328,743</u>	<u>312,686</u>	<u>259,185</u>	<u>4,911,254</u>
11,668,648	33,233,077	16,152,798	5,084
			80,901,742
			21,290,319
<u>11,668,648</u>	<u>33,233,077</u>	<u>16,152,798</u>	<u>102,197,145</u>
<u>\$ 11,997,391</u>	<u>\$ 33,545,763</u>	<u>\$ 16,411,983</u>	<u>\$ 107,108,399</u>

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**CITY OF MARICOPA, ARIZONA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2012**

Total governmental fund balances		\$ 102,197,145
 Amounts reported for <i>governmental activities</i> 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	\$ 199,629,540	
Less accumulated depreciation	<u>(31,504,534)</u>	168,125,006
 Property tax revenues that will not be available to pay for current expenditures and, therefore, are deferred in the funds.		
		340,209
 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.		
		185,997
 Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated absences payable	(870,078)	
Obligations under capital leases	(147,598)	
Bonds payable	<u>(18,520,000)</u>	<u>(19,537,676)</u>
 Net assets of governmental activities		 <u>\$ 251,310,681</u>

CITY OF MARICOPA, ARIZONA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	General Fund	Debt Service	Transportation Impact Fee
Revenues:			
Property taxes	\$ 10,826,301	\$	\$
Sales taxes	6,833,629		
Franchise taxes	285,739		
Licenses, fees & permits	480,342		
Intergovernmental revenues	8,889,307		
Charges for services	512,393		
Fines, forfeitures & penalties	431,180		
Investment income	59,838		21,926
Miscellaneous	495,937		597,861
Total revenues	28,814,666		619,787
Expenditures:			
Current -			
General government	5,514,748		
Public safety	14,440,871		
Community services	1,905,550		
Development services	2,032,666		15,591
Capital outlay	1,753,976		492,335
Debt service -			
Principal retirement	266,198	750,000	
Interest and fiscal charges	10,703	1,042,508	
Total expenditures	25,924,712	1,792,508	507,926
Excess (deficiency) of revenues over expenditures	2,889,954	(1,792,508)	111,861
Other financing sources (uses):			
Proceeds from sale of assets	211,200		
Transfers in		2,092,402	
Transfers out	(37,135,270)		
Total other financing sources (uses):	(36,924,070)	2,092,402	
Changes in fund balances	(34,034,116)	299,894	111,861
Fund balances (deficits), beginning of year	55,364,181	(334,556)	19,735,358
Fund balances (deficits), end of year	\$ 21,330,065	\$ (34,662)	\$ 19,847,219

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

<u>Parks Bond</u>	<u>General Government CIP</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$	\$	\$
	767,995		10,826,301
			7,601,624
			285,739
			480,342
		5,720,911	14,610,218
		8,836	521,229
			431,180
13,800		17,143	112,707
	244,045	348,906	1,686,749
<u>13,800</u>	<u>1,012,040</u>	<u>6,095,796</u>	<u>36,556,089</u>
		2,987,359	8,502,107
	96,962	294,622	14,832,455
		24,348	1,929,898
1,337,726	180,500	2,531,561	6,098,044
	2,544,369	1,347,646	6,138,326
			1,016,198
			1,053,211
<u>1,337,726</u>	<u>2,821,831</u>	<u>7,185,536</u>	<u>39,570,239</u>
<u>(1,323,926)</u>	<u>(1,809,791)</u>	<u>(1,089,740)</u>	<u>(3,014,150)</u>
			211,200
	35,042,868		37,135,270
			(37,135,270)
	<u>35,042,868</u>		<u>211,200</u>
<u>(1,323,926)</u>	<u>33,233,077</u>	<u>(1,089,740)</u>	<u>(2,802,950)</u>
12,992,574		17,242,538	105,000,095
<u>\$ 11,668,648</u>	<u>\$ 33,233,077</u>	<u>\$ 16,152,798</u>	<u>\$ 102,197,145</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, 2012**

Net changes in fund balances - total governmental funds **\$ (2,802,950)**

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	\$ 239,543	
Expenditures for capitalized assets	7,031,001	
Less current year depreciation	<u>(6,309,503)</u>	961,041

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

Property taxes	(106,053)	
Intergovernmental	<u>(9,979)</u>	(116,032)

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. (211,200)

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	266,198	
Bond principal retirement	<u>750,000</u>	1,016,198

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	(283,422)	
Amortization of deferred bond items	(10,333)	
Compensated absences	<u>96,871</u>	<u>(196,884)</u>

Change in net assets in governmental activities **\$ (1,349,827)**

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CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The City is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments; and therefore is not a component unit of any other reporting entity.

In a prior year, the City had formed an Industrial Development Authority (IDA) to provide conduit financing to spur economic development opportunities within the greater Maricopa area. The Mayor and Council appoint all seven members of the IDA Board and provide general oversight over the IDA's activities. As of June 30, 2012 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, 2012, the City had no business-type activities.

CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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, 2012**

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.

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.

General Government CIP Fund – This fund is used to account for construction in progress for general government 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, 2012**

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, 2012

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.

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.

CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

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

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 amounts.

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.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 2 – FUND BALANCE CLASSIFICATIONS (Concl'd)

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.

	General Fund	Debt Service Fund	Transportation Impact Fee Fund	Parks Bond Fund	General Government CIP Fund	Non-Major Governmental Funds
Fund Balances:						
Nonspendable:						
Prepaid items	\$ 5,084	\$	\$	\$	\$	\$
Restricted:						
Transportation projects			19,847,219			9,949,794
Parks and recreation projects				11,668,648		1,055,510
Capital projects					33,233,077	
Community service projects						4,387,082
Federal and State projects						760,412
Unassigned:	21,324,981	(34,662)				
Total fund balances	<u>\$ 21,330,065</u>	<u>\$ (34,662)</u>	<u>\$ 19,847,219</u>	<u>\$ 11,668,648</u>	<u>\$ 33,233,077</u>	<u>\$ 16,152,798</u>

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end, the Debt Service Fund reported a deficit of \$34,662 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 2012-13 are expected to eliminate the deficit.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 \$2,346,112 and the bank balance was \$2,899,172. In addition, at year end, the City had \$1,260,273 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	26 days average	\$ 27,061,192
State Treasurer's investment pool 7	29 days average	74,339,558
Total		<u>\$ 101,400,750</u>

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

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 4 – CASH AND INVESTMENTS (Concl'd)

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	Non-Major Governmental Funds
Due from other governmental entities:		
Due from Federal government	\$	\$ 56,056
Due from State government	362,283	249,399
Due from County government		126,068
Net due from governmental entities	\$362,283	\$ 431,523

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 \$361,362 was reported in the governmental funds for delinquent property taxes receivable in the General and Debt Service Funds.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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	\$ 85,966,975	\$ 503,170	\$	\$ 86,470,145
Construction in progress	1,189,573	3,761,074	677,666	4,272,981
Total capital assets, not being depreciated	<u>87,156,548</u>	<u>4,264,244</u>	<u>677,666</u>	<u>90,743,126</u>
Capital assets, being depreciated:				
Land improvements	2,440,040			2,440,040
Buildings	9,435,659		55,713	9,379,946
Building improvements	318,677			318,677
Infrastructure	81,873,877	1,727,237		83,601,114
Vehicles	5,453,111	1,300,750	456,504	6,297,357
Machinery and equipment	4,379,628	403,686		4,783,314
Computers/Software	2,093,344	12,750	40,128	2,065,966
Total capital, assets being depreciated	<u>105,994,336</u>	<u>3,444,423</u>	<u>552,345</u>	<u>108,886,414</u>
Less accumulated depreciation for:				
Land improvements	(513,922)	(106,329)		(620,251)
Buildings	(1,696,492)	(481,945)	(24,761)	(2,153,676)
Building improvements	(54,748)	(31,607)		(86,355)
Infrastructure	(17,381,362)	(4,110,867)		(21,492,229)
Vehicles	(3,184,284)	(809,770)	(221,423)	(3,772,631)
Machinery and equipment	(1,175,951)	(456,692)		(1,632,643)
Computes/Software	(1,457,195)	(312,293)	(22,739)	(1,746,749)
Total accumulated depreciation	<u>(25,463,954)</u>	<u>(6,309,503)</u>	<u>(268,923)</u>	<u>(31,504,534)</u>
Total capital assets, being depreciated, net	<u>80,530,382</u>	<u>(2,865,080)</u>	<u>283,422</u>	<u>77,381,880</u>
Governmental activities capital assets, net	<u>\$ 167,686,930</u>	<u>\$ 1,399,164</u>	<u>\$ 961,088</u>	<u>168,125,006</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 306,804
Public safety	1,148,880
Community service	330,250
Development services	4,523,569
Total depreciation expense – governmental activities	<u>\$ 6,309,503</u>

Construction Commitments – 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 \$4.3 million on the projects and had estimated remaining contractual commitments of \$3.7 million.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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 one of the leases in August 2011. One lease remained at fiscal year end.

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

	Governmental Activities
Asset:	
Vehicles, furniture and equipment	\$ 385,512
Less: Accumulated depreciation	321,260
Total	\$ 64,252

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

	Governmental Activities
Year Ending June 30:	
2013	\$ 79,323
2014	79,323
Total minimum lease payments	158,646
Less: amount representing interest	11,048
Present value of minimum lease payments	\$ 147,598
Due within one year	\$ 72,017

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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, 2012, the City was in compliance with Federal arbitrage requirements. 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	Remaining Maturities	Outstanding Principal June 30, 2012	Due Within One Year
Governmental activities:					
GADA Bond, Series 2010 A	\$ 20,000,000	2.0 – 6.335%	7/1/12-31	\$ 19,270,000	\$ 750,000
Total				<u>\$ 19,270,000</u>	<u>\$ 750,000</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
2013	\$ 750,000	\$ 1,009,296
2014	775,000	986,421
2015	800,000	962,796
2016	820,000	936,049
2017	840,000	904,018
2018-22	4,595,000	3,897,450
2023-27	5,475,000	2,497,566
2028-31	5,215,000	677,687
Total	<u>\$ 19,270,000</u>	<u>\$ 11,871,283</u>

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

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
Governmental activities:					
Bonds payable	\$20,000,000	\$	\$ 730,000	\$ 19,270,000	\$ 750,000
Unamortized bond premium	95,493		5,026	90,467	
Obligations under leases	413,796		266,198	147,598	72,017
Compensated absences payable	773,207	1,496,135	1,399,264	870,078	643,786
Governmental activity long-term liabilities	<u>\$21,282,496</u>	<u>\$ 1,496,135</u>	<u>\$ 2,400,488</u>	<u>\$ 20,378,143</u>	<u>\$ 1,465,803</u>

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Transfers of \$37.1 million between funds were used to (1) create the General Government CIP Fund and (2) to provide assets for debt service payments.

NOTE 9 – 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 10 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

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

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

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 11 – 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.

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.

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 10.74 percent (10.50 percent for retirement and 0.24 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 10.74 percent (9.87 percent for retirement, 0.63 percent for health insurance premium, and 0.24 percent for long-term disability) of the members' annual covered payroll.

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 12 – 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:			
2012	\$ 355,528	\$ 22,693	\$ 8,645
2011	375,577	24,594	10,421
2010	432,728	34,245	20,754

Agent plan - For the current fiscal year, active PSPRS members were required by statute to contribute 7.65 percent of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 11.90 percent for police and 10.25 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, 2012 and related information follows.

	<u>PSPRS</u>
Contribution rates:	
Police:	
City	11.90%
Plan members	7.65%
Fire:	
City	10.25%
Plan members	7.65%
Annual pension cost	995,620
Contributions made	995,620
Actuarial valuation date	June 30, 2010
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%
Healthcare cost trend rate	N/A - flat rate subsidy
Amortization method	Level percent-of-pay closed
Remaining amortization	26 years for underfunded and 20 years for excess value
Asset valuation method	7-year smoothed market

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, 2012**

NOTE 12 – 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 <u>June 30,</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
<i>Pension</i>			
2012	\$421,611	100%	-0-
2011	419,634	100%	-0-
2010	180,313	100%	-0-
<i>Health Insurance</i>			
2012	\$ 29,168	100%	-0-
2011	27,160	100%	-0-
2010	6,406	100%	-0-

Maricopa Fire Plan:

Year Ended <u>June 30,</u>	Annual Pension <u>Cost (APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
<i>Pension</i>			
2012	\$459,528	100%	-0-
2011	443,025	100%	-0-
2010	338,097	100%	-0-
<i>Health Insurance</i>			
2012	\$26,056	100%	-0-
2011	22,517	100%	-0-
2010	13,350	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 <u>June 30,</u>	Actuarial Value of Plan Assets <u>(a)</u>	Actuarial Accrued Liability <u>(b)</u>	Funding Excess (Liability) <u>(a-b)</u>	Funded Ratio <u>(a/b)</u>	Annual Covered Payroll <u>(c)</u>	Unfunded Liability as Percentage of Covered Payroll <u>[(a-b)/c]</u>
2012	\$5,536,006	\$5,330,686	\$205,320	103.9%	\$3,431,134	(6.0)%
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%

**CITY OF MARICOPA, ARIZONA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012**

NOTE 12 – 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>
2012	-0-	\$162,957	\$(162,957)	0.0%	\$3,431,134	4.8%
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%

**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>
2012	\$7,762,013	\$8,128,878	\$(366,865)	95.5%	\$4,648,101	(7.9)%
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)%

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>
2012	-0-	\$240,817	\$(240,817)	0.0%	\$4,648,101	(5.2)%
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)%

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

CITY OF MARICOPA, ARIZONA
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Property taxes	\$ 11,750,826	\$ 11,750,826	\$ 10,826,301	\$ (924,525)
Sales taxes	4,470,000	4,470,000	6,833,629	2,363,629
Franchise taxes	290,000	290,000	285,739	(4,261)
Licenses and permits	340,050	340,050	480,342	140,292
Intergovernmental revenues	8,880,582	8,880,582	8,889,307	8,725
Charges for services	646,570	646,570	512,393	(134,177)
Fines and forfeitures	500,000	500,000	431,180	(68,820)
Investment income	210,000	210,000	59,838	(150,162)
Miscellaneous	426,379	426,379	495,937	69,558
Total revenues	<u>27,514,407</u>	<u>27,514,407</u>	<u>28,814,666</u>	<u>1,300,259</u>
Expenditures:				
Current -				
City Magistrate	305,115	305,115	258,918	46,197
Community services	2,187,813	2,232,447	1,905,550	326,897
Development services	5,040,715	2,323,685	2,032,666	291,019
Mayor and Council	801,057	761,057	695,089	65,968
City Manager	547,670	685,341	666,058	19,283
City Clerk	405,355	405,355	358,936	46,419
Finance and administrative services	1,592,820	1,612,405	1,387,986	224,419
City Attorney	660,000	735,000	670,219	64,781
Human Resources	304,681	309,681	294,509	15,172
Economic Development	901,130	897,167	794,542	102,625
Police	7,264,805	7,560,990	6,946,631	614,359
Non-Departmental	3,850,368	1,631,243	388,491	1,242,752
Fire	7,751,362	7,763,910	7,494,240	269,670
Capital outlay	7,704,475	2,198,054	1,753,976	444,078
Debt service -				
Principal retirement	97,391	266,198	266,198	
Interest and fiscal charges	21,333	21,333	10,703	10,630
Total expenditures	<u>39,436,090</u>	<u>29,708,981</u>	<u>25,924,712</u>	<u>3,784,269</u>
Excess (deficiency) of revenues over expenditures	<u>(11,921,683)</u>	<u>(2,194,574)</u>	<u>2,889,954</u>	<u>5,084,528</u>
Other financing sources (uses):				
Proceeds from sale of assets			211,200	211,200
Transfers out	(1,757,846)	(1,757,846)	(37,135,270)	(35,377,424)
Total other financing sources (uses):	<u>(1,757,846)</u>	<u>(1,757,846)</u>	<u>(36,924,070)</u>	<u>(35,166,224)</u>
Changes in fund balances	<u>(13,679,529)</u>	<u>(3,952,420)</u>	<u>(34,034,116)</u>	<u>(30,081,696)</u>
Fund balances, beginning of year			55,364,181	55,364,181
Fund balances (deficits), end of year	<u>\$ (13,679,529)</u>	<u>\$ (3,952,420)</u>	<u>\$ 21,330,065</u>	<u>\$ 25,282,485</u>

See accompanying notes to this schedule.

**CITY OF MARICOPA, ARIZONA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2012**

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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GOVERNMENTAL FUNDS

**CITY OF MARICOPA, ARIZONA
 COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
 JUNE 30, 2012**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 10,494,154	\$ 5,486,306	\$ 15,980,460
Intergovernmental receivables	431,523		431,523
Total assets	<u>\$ 10,925,677</u>	<u>\$ 5,486,306</u>	<u>\$ 16,411,983</u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 120,809	\$ 43,714	\$ 164,523
Accrued wages and benefits	94,662		94,662
Total liabilities	<u>215,471</u>	<u>43,714</u>	<u>259,185</u>
Fund balances:			
Restricted	10,710,206	5,442,592	16,152,798
Total fund balances	<u>10,710,206</u>	<u>5,442,592</u>	<u>16,152,798</u>
 Total liabilities and fund balances	 <u>\$ 10,925,677</u>	 <u>\$ 5,486,306</u>	 <u>\$ 16,411,983</u>

CITY OF MARICOPA, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2012

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Intergovernmental revenues	\$ 5,720,911	\$	\$ 5,720,911
Charges for services	8,836		8,836
Investment income	10,243	6,900	17,143
Miscellaneous	19,389	329,517	348,906
Total revenues	<u>5,759,379</u>	<u>336,417</u>	<u>6,095,796</u>
Expenditures:			
Current -			
General government	1,722,480	1,264,879	2,987,359
Public safety	294,622		294,622
Community services	24,348		24,348
Development services	2,531,561		2,531,561
Capital outlay	703,659	643,987	1,347,646
Total expenditures	<u>5,276,670</u>	<u>1,908,866</u>	<u>7,185,536</u>
Changes in fund balances	<u>482,709</u>	<u>(1,572,449)</u>	<u>(1,089,740)</u>
Fund balances, beginning of year	10,227,497	7,015,041	17,242,538
Fund balances, end of year	<u>\$ 10,710,206</u>	<u>\$ 5,442,592</u>	<u>\$ 16,152,798</u>

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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.

Grants – 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.

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, 2012**

	HURF	Road Maintenance	Grants
ASSETS			
Cash and investments	\$ 3,817,068	\$ 2,194,715	\$ 795,274
Intergovernmental receivables	249,399		56,056
Total assets	\$ 4,066,467	\$ 2,194,715	\$ 851,330
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 24,543	\$	\$ 28,753
Accrued wages and benefits	32,497		62,165
Total liabilities	57,040		90,918
Fund balances:			
Restricted	4,009,427	2,194,715	760,412
Total fund balances	4,009,427	2,194,715	760,412
 Total liabilities and fund balances	 \$ 4,066,467	 \$ 2,194,715	 \$ 851,330

<u>County Road Tax</u>	<u>Totals</u>
\$ 3,687,097	\$ 10,494,154
126,068	431,523
<u>\$ 3,813,165</u>	<u>\$ 10,925,677</u>
\$ 67,513	\$ 120,809
<u>67,513</u>	<u>94,662</u>
	<u>215,471</u>
3,745,652	10,710,206
<u>3,745,652</u>	<u>10,710,206</u>
<u>\$ 3,813,165</u>	<u>\$ 10,925,677</u>

CITY OF MARICOPA, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	<u>HURF</u>	<u>Road Maintenance</u>	<u>Local Transportation Assistance</u>
Revenues:			
Intergovernmental revenues	\$ 2,508,139	\$	\$
Charges for services			8,836
Investment income	3,519	2,472	30
Miscellaneous	3,105	13,326	197
Total revenues	<u>2,514,763</u>	<u>15,798</u>	<u>9,063</u>
Expenditures:			
Current -			
General government			
Public safety			
Community services			
Development services	1,023,084	144,960	101,449
Capital outlay	245,846		
Total expenditures	<u>1,268,930</u>	<u>144,960</u>	<u>101,449</u>
Changes in fund balances	<u>1,245,833</u>	<u>(129,162)</u>	<u>(92,386)</u>
Fund balances, beginning of year	2,763,594	2,323,877	92,386
Fund balances, end of year	<u>\$ 4,009,427</u>	<u>\$ 2,194,715</u>	<u>\$</u>

<u>Grants</u>	<u>County Road Tax</u>	<u>Totals</u>
\$ 1,726,388	\$ 1,486,384	\$ 5,720,911
		8,836
	4,222	10,243
	2,761	19,389
<u>1,726,388</u>	<u>1,493,367</u>	<u>5,759,379</u>
1,722,480		1,722,480
294,622		294,622
24,348		24,348
561,411	700,657	2,531,561
	457,813	703,659
<u>2,602,861</u>	<u>1,158,470</u>	<u>5,276,670</u>
<u>(876,473)</u>	<u>334,897</u>	<u>482,709</u>
1,636,885	3,410,755	10,227,497
<u>\$ 760,412</u>	<u>\$ 3,745,652</u>	<u>\$ 10,710,206</u>

CITY OF MARICOPA, ARIZONA
DETAILED COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	HURF		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Intergovernmental revenues	\$ 2,507,096	\$ 2,508,139	\$ 1,043
Charges for services			
Investment income	7,500	3,519	(3,981)
Miscellaneous		3,105	3,105
Total revenues	<u>2,514,596</u>	<u>2,514,763</u>	<u>167</u>
Expenditures:			
Current -			
Community services			
Development services	3,296,703	1,023,084	2,273,619
City Manager			
Finance and administrative services			
Economic Development			
Police			
Fire			
Capital outlay		245,846	(245,846)
Total expenditures	<u>3,296,703</u>	<u>1,268,930</u>	<u>2,027,773</u>
Changes in fund balances	<u>(782,107)</u>	<u>1,245,833</u>	<u>2,027,940</u>
Fund balances, beginning of year		2,763,594	2,763,594
Fund balances (deficits), end of year	<u>\$ (782,107)</u>	<u>\$ 4,009,427</u>	<u>\$ 4,791,534</u>

Road Maintenance

Local Transportation Assistance

Road Maintenance			Local Transportation Assistance		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
2,000	2,472	472	500	8,836	8,836
	13,326	13,326		30	(470)
<u>2,000</u>	<u>15,798</u>	<u>13,798</u>	<u>500</u>	<u>197</u>	<u>197</u>
				9,063	8,563
145,200	144,960	240	101,630	101,449	181
<u>145,200</u>	<u>144,960</u>	<u>240</u>	<u>101,630</u>	<u>101,449</u>	<u>181</u>
<u>(143,200)</u>	<u>(129,162)</u>	<u>14,038</u>	<u>(101,130)</u>	<u>(92,386)</u>	<u>8,744</u>
	2,323,877	2,323,877		92,386	92,386
<u>\$ (143,200)</u>	<u>\$ 2,194,715</u>	<u>\$ 2,337,915</u>	<u>\$ (101,130)</u>	<u>\$</u>	<u>\$ 101,130</u>

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CITY OF MARICOPA, ARIZONA
DETAILED COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2012

	Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Intergovernmental revenues	\$ 20,636,223	\$ 1,726,388	\$ (18,909,835)
Charges for services			
Investment income			
Miscellaneous			
Total revenues	20,636,223	1,726,388	(18,909,835)
Expenditures:			
Current -			
Community services	258,412	24,348	234,064
Development services	6,439,727	561,411	5,878,316
City Manager	4,188,300	1,715,500	2,472,800
Finance and administrative services	75,000		75,000
Economic Development	842,500	6,980	835,520
Police	1,865,734	186,859	1,678,875
Fire	6,591,550	107,763	6,483,787
Capital outlay			
Total expenditures	20,261,223	2,602,861	17,658,362
Changes in fund balances	375,000	(876,473)	(1,251,473)
Fund balances, beginning of year		1,636,885	1,636,885
Fund balances (deficits), end of year	\$ 375,000	\$ 760,412	\$ 385,412

County Road Tax			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 500,000	\$ 1,486,384	\$ 986,384	\$ 23,643,319	\$ 5,720,911	\$ (17,922,408)
5,000	4,222	(778)	15,000	8,836	8,836
	2,761	2,761		10,243	(4,757)
<u>505,000</u>	<u>1,493,367</u>	<u>988,367</u>	<u>23,658,319</u>	<u>5,759,379</u>	<u>(17,898,940)</u>
			258,412	24,348	234,064
1,411,200	700,657	710,543	11,394,460	2,531,561	8,862,899
			4,188,300	1,715,500	2,472,800
			75,000		75,000
			842,500	6,980	835,520
			1,865,734	186,859	1,678,875
			6,591,550	107,763	6,483,787
	457,813	(457,813)		703,659	(703,659)
<u>1,411,200</u>	<u>1,158,470</u>	<u>252,730</u>	<u>25,215,956</u>	<u>5,276,670</u>	<u>19,939,286</u>
<u>(906,200)</u>	<u>334,897</u>	<u>1,241,097</u>	<u>(1,557,637)</u>	<u>482,709</u>	<u>2,040,346</u>
	3,410,755	3,410,755		10,227,497	10,227,497
<u>\$ (906,200)</u>	<u>\$ 3,745,652</u>	<u>\$ 4,651,852</u>	<u>\$ (1,557,637)</u>	<u>\$ 10,710,206</u>	<u>\$ 12,267,843</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
 DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 DEBT SERVICE
 YEAR ENDED JUNE 30, 2012**

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	
Expenditures:			
Debt service -			
Principal retirement	\$ 750,000	\$ 750,000	\$
Interest and fiscal charges	1,342,402	1,042,508	299,894
Total expenditures	<u>2,092,402</u>	<u>1,792,508</u>	<u>299,894</u>
Excess (deficiency) of revenues over expenditures	<u>(2,092,402)</u>	<u>(1,792,508)</u>	<u>299,894</u>
Other financing sources (uses):			
Transfers in	1,757,846	2,092,402	334,556
Total other financing sources (uses):	<u>1,757,846</u>	<u>2,092,402</u>	<u>334,556</u>
Changes in fund balances	<u>(334,556)</u>	<u>299,894</u>	<u>634,450</u>
Fund balances (deficits), beginning of year		(334,556)	(334,556)
Fund balances (deficits), end of year	<u>\$ (334,556)</u>	<u>\$ (34,662)</u>	<u>\$ 299,894</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, 2012**

	<u>Parks Impact Fee</u>	<u>Library Impact Fee</u>	<u>Public Safety Impact Fee</u>
<u>ASSETS</u>			
Cash and investments	\$ 287,166	\$ 768,344	\$ 941,868
Total assets	<u>\$ 287,166</u>	<u>\$ 768,344</u>	<u>\$ 941,868</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Total liabilities	<u> </u>	<u> </u>	<u> </u>
Fund balances:			
Restricted	287,166	768,344	941,868
Total fund balances	<u>287,166</u>	<u>768,344</u>	<u>941,868</u>
Total liabilities and fund balances	<u>\$ 287,166</u>	<u>\$ 768,344</u>	<u>\$ 941,868</u>

General Government Impact Fee	Totals
\$ 3,488,928	\$ 5,486,306
<u>\$ 3,488,928</u>	<u>\$ 5,486,306</u>

<u>\$ 43,714</u>	<u>\$ 43,714</u>
43,714	43,714

<u>3,445,214</u>	<u>5,442,592</u>
3,445,214	5,442,592
<u>\$ 3,488,928</u>	<u>\$ 5,486,306</u>

CITY OF MARICOPA, ARIZONA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	<u>Parks Impact Fee</u>	<u>Library Impact Fee</u>	<u>Public Safety Impact Fee</u>
Revenues:			
Investment income	\$ 177	\$ 828	\$ 1,007
Miscellaneous	178,531	8,222	126,255
Total revenues	<u>178,708</u>	<u>9,050</u>	<u>127,262</u>
Expenditures:			
Current -			
General government			
Capital outlay			126,109
Total expenditures			<u>126,109</u>
Changes in fund balances	<u>178,708</u>	<u>9,050</u>	<u>1,153</u>
Fund balances, beginning of year	108,458	759,294	940,715
Fund balances, end of year	<u>\$ 287,166</u>	<u>\$ 768,344</u>	<u>\$ 941,868</u>

General Government Impact Fee	Totals
\$ 4,888	\$ 6,900
16,509	329,517
<u>21,397</u>	<u>336,417</u>
1,264,879	1,264,879
517,878	643,987
<u>1,782,757</u>	<u>1,908,866</u>
(1,761,360)	(1,572,449)
5,206,574	7,015,041
<u>\$ 3,445,214</u>	<u>\$ 5,442,592</u>

CITY OF MARICOPA, ARIZONA
DETAILED COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	Parks Impact Fee		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Investment income	\$ 325	\$ 177	\$ (148)
Miscellaneous	57,690	178,531	120,841
Total revenues	58,015	178,708	120,693
Expenditures:			
Current -			
Development services			
City Manager			
Finance and administrative services			
Economic Development			
Police			
Fire			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures	58,015	178,708	120,693
Other financing sources (uses):			
Transfers in			
Total other financing sources (uses):			
Changes in fund balances	58,015	178,708	120,693
Fund balances, beginning of year		108,458	108,458
Fund balances (deficits), end of year	\$ 58,015	\$ 287,166	\$ 229,151

Library Impact Fee

Public Safety Impact Fee

Budget	Actual	Variance - Positive (Negative)
\$ 1,600	\$ 828	\$ (772)
5,160	8,222	3,062
<u>6,760</u>	<u>9,050</u>	<u>2,290</u>

Budget	Actual	Variance - Positive (Negative)
\$ 2,300	\$ 1,007	\$ (1,293)
35,460	126,255	90,795
<u>37,760</u>	<u>127,262</u>	<u>89,502</u>

<u>6,760</u>	<u>9,050</u>	<u>2,290</u>

1,082,787		1,082,787
	126,109	(126,109)
<u>1,082,787</u>	<u>126,109</u>	<u>956,678</u>
<u>(1,045,027)</u>	<u>1,153</u>	<u>1,046,180</u>

<u>6,760</u>	<u>9,050</u>	<u>2,290</u>
	759,294	759,294
<u>\$ 6,760</u>	<u>\$ 768,344</u>	<u>\$ 761,584</u>

<u>(1,045,027)</u>	<u>1,153</u>	<u>1,046,180</u>
	940,715	940,715
<u>\$ (1,045,027)</u>	<u>\$ 941,868</u>	<u>\$ 1,986,895</u>

CITY OF MARICOPA, ARIZONA
DETAILED COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	<u>General Government Impact Fee</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
Revenues:			
Investment income	\$ 1,100	\$ 4,888	\$ 3,788
Miscellaneous	10,800	16,509	5,709
Total revenues	<u>11,900</u>	<u>21,397</u>	<u>9,497</u>
Expenditures:			
Current -			
Development services			
City Manager	6,953,413	1,264,879	5,688,534
Finance and administrative services			
Economic Development			
Police			
Fire			
Capital outlay		517,878	(517,878)
Total expenditures	<u>6,953,413</u>	<u>1,782,757</u>	<u>5,170,656</u>
Excess (deficiency) of revenues over expenditures	<u>(6,941,513)</u>	<u>(1,761,360)</u>	<u>5,180,153</u>
Other financing sources (uses):			
Transfers in			
Total other financing sources (uses):			
Changes in fund balances	<u>(6,941,513)</u>	<u>(1,761,360)</u>	<u>5,180,153</u>
Fund balances, beginning of year		5,206,574	5,206,574
Fund balances (deficits), end of year	<u>\$ (6,941,513)</u>	<u>\$ 3,445,214</u>	<u>\$ 10,386,727</u>

Transportation Impact Fee

Parks Bond

Transportation Impact Fee			Parks Bond		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 41,000	\$ 21,926	\$ (19,074)	\$ 20,000	\$ 13,800	\$ (6,200)
271,860	597,861	326,001			
<u>312,860</u>	<u>619,787</u>	<u>306,927</u>	<u>20,000</u>	<u>13,800</u>	<u>(6,200)</u>
13,990,664	15,591	13,975,073	3,880,000	1,337,726	2,542,274
	492,335	(492,335)			
<u>13,990,664</u>	<u>507,926</u>	<u>13,482,738</u>	<u>3,880,000</u>	<u>1,337,726</u>	<u>2,542,274</u>
<u>(13,677,804)</u>	<u>111,861</u>	<u>13,789,665</u>	<u>(3,860,000)</u>	<u>(1,323,926)</u>	<u>2,536,074</u>
<u>(13,677,804)</u>	<u>111,861</u>	<u>13,789,665</u>	<u>(3,860,000)</u>	<u>(1,323,926)</u>	<u>2,536,074</u>
	19,735,358	19,735,358		12,992,574	12,992,574
<u>\$ (13,677,804)</u>	<u>\$ 19,847,219</u>	<u>\$ 33,525,023</u>	<u>\$ (3,860,000)</u>	<u>\$ 11,668,648</u>	<u>\$ 15,528,648</u>

(Continued)

CITY OF MARICOPA, ARIZONA
DETAILED COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET
AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2012

	General Government CIP		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Sales taxes	\$	\$ 767,995	\$ 767,995
Investment income			
Miscellaneous		244,045	244,045
Total revenues		1,012,040	1,012,040
Expenditures:			
Current -			
Development services	4,787,449	180,500	4,606,949
City Manager			
Finance and administrative services	52,740		52,740
Economic Development	400,000		400,000
Police	1,201,645	62,693	1,138,952
Fire	3,325,718	34,269	3,291,449
Capital outlay		2,544,369	(2,544,369)
Total expenditures	9,767,552	2,821,831	6,945,721
Excess (deficiency) of revenues over expenditures	(9,767,552)	(1,809,791)	7,957,761
Other financing sources (uses):			
Transfers in		35,042,868	35,042,868
Total other financing sources (uses):		35,042,868	35,042,868
Changes in fund balances	(9,767,552)	33,233,077	43,000,629
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (9,767,552)	\$ 33,233,077	\$ 43,000,629

Totals

Budget	Actual	Variance - Positive (Negative)
\$	\$	\$
66,325	767,995	767,995
380,970	42,626	(23,699)
447,295	1,171,423	790,453
	1,982,044	1,534,749
22,658,113	1,533,817	21,124,296
6,953,413	1,264,879	5,688,534
52,740		52,740
400,000		400,000
2,284,432	62,693	2,221,739
3,325,718	34,269	3,291,449
	3,680,691	(3,680,691)
35,674,416	6,576,349	29,098,067
(35,227,121)	(4,594,305)	30,632,816
	35,042,868	35,042,868
	35,042,868	35,042,868
(35,227,121)	30,448,563	65,675,684
	39,742,973	39,742,973
\$ (35,227,121)	\$ 70,191,536	\$ 105,418,657

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STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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 NINE FISCAL YEARS
(Accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Assets:					
Invested in capital assets, net of related debt	\$ 160,277,610	\$ 159,446,413	\$ 152,574,381	\$ 133,067,896	\$ 124,909,707
Restricted	69,233,094	44,235,838	48,605,910	34,740,312	35,329,613
Unrestricted	21,799,977	48,978,257	53,602,407	70,331,229	75,491,411
Total net assets	\$ 251,310,681	\$ 252,660,508	\$ 254,782,698	\$ 238,139,437	\$ 235,730,731
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	
Net Assets:					
Invested in capital assets, net of related debt	\$ 87,820,431	\$ 62,802,743	\$ 14,309,850	\$ 14,000	
Restricted	28,090,363	12,328,627	2,749,549		
Unrestricted	67,926,655	45,835,279	14,134,563	781,631	
Total net assets	\$ 183,837,449	\$ 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, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST NINE FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Expenses					
Governmental activities					
General government	\$ 8,832,289	\$ 8,747,059	\$ 9,303,721	\$ 9,502,082	\$ 8,361,595
Public safety	16,103,119	16,001,267	14,898,669	15,608,622	15,675,619
Community services	2,257,063	2,986,635	1,531,241	2,506,551	2,027,478
Development services	10,002,055	10,673,852	7,761,376	7,610,979	7,360,789
Interest on long-term debt	1,063,544	1,542,441	57,445	64,346	64,397
Total governmental activities expenses	<u>38,258,070</u>	<u>39,951,254</u>	<u>33,552,452</u>	<u>35,292,580</u>	<u>33,489,878</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 956,062	\$ 1,056,489	\$ 534,071	\$ 1,632,470	\$ 3,550,264
Public safety	590,689	211,428	922,084	426,086	53,814
Culture and recreation	285,986	258,028	289,004	277,060	232,334
Development services	95,951	122,451	244,107	77,547	
Operating grants and contributions	1,732,451	3,436,610	866,471	3,967,175	2,978,293
Capital grants and contributions	2,917,234	6,815,917	7,558,625	8,238,154	38,175,235
Total program revenues	<u>6,578,373</u>	<u>11,900,923</u>	<u>10,414,362</u>	<u>14,618,492</u>	<u>44,989,940</u>
Net (Expense)/Revenue	<u>\$ (31,679,697)</u>	<u>\$ (28,050,331)</u>	<u>\$ (23,138,090)</u>	<u>\$ (20,674,088)</u>	<u>\$ 11,500,062</u>

(Continued)

CITY OF MARICOPA, ARIZONA
GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES EXPENSE, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST NINE FISCAL YEARS
(Accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Expenses				
Governmental activities				
General government	\$ 5,645,737	\$ 5,022,348	\$ 2,808,741	\$ 432,863
Public safety	2,583,068	1,624,485	810,924	
Community services	1,082,524	368,726	129,531	4,785
Development services	4,112,488	2,118,096	844,630	11,507
Interest on long-term debt				2,055
Total governmental activities expenses	<u>13,423,817</u>	<u>9,133,655</u>	<u>4,593,826</u>	<u>451,210</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 5,809,118	\$ 10,916,030	\$ 7,476,840	\$ 83,670
Public safety				
Culture and recreation	130,990	77,517	14,931	
Development services			1,030,436	4,753
Operating grants and contributions	2,313,870	1,873,086	1,030,950	
Capital grants and contributions	<u>35,344,625</u>	<u>57,471,658</u>	<u>15,827,680</u>	
Total program revenues	<u>43,598,603</u>	<u>70,338,291</u>	<u>25,380,837</u>	<u>88,423</u>
Net (Expense)/Revenue	<u>\$ 30,174,786</u>	<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 in fiscal year 2011. As a result of that implementation, functional categories for expenses were modified to more closely match actual operational functions.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net (Expense)/Revenue	\$ (31,679,697)	\$ (28,050,331)	\$ (23,138,090)	\$ (20,674,088)	\$ 11,500,062
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	10,932,354	\$ 9,797,104	\$ 9,191,887	\$ 8,073,578	\$ 5,504,915
Property taxes, levied for debt service		1,415,568			
Sales taxes	7,601,624	7,454,918	6,649,744	10,230,103	18,141,568
Franchise taxes	285,739	315,240	494,091	536,966	758,442
Investment income	112,707	667,555	265,485	(378,160)	4,378,266
Unrestricted state aid	11,397,446	6,277,756	7,110,730	4,583,320	5,392,623
Unrestricted federal aid					
Miscellaneous				37,503	30,441
Total general revenues	<u>30,329,870</u>	<u>25,928,141</u>	<u>23,711,937</u>	<u>23,083,310</u>	<u>34,206,255</u>
Extraordinary Item					6,186,965
Changes in Net Assets	<u>\$ (1,349,827)</u>	<u>\$ (2,122,190)</u>	<u>\$ 573,847</u>	<u>\$ 2,409,222</u>	<u>\$ 51,893,282</u>

(Continued)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Net (Expense)/Revenue	\$ 30,174,786	\$ 61,204,636	\$ 20,787,011	\$ (362,787)
General Revenues:				
Taxes:				
Property taxes, levied for general purposes	\$ 2,431,339	\$	\$	\$
Property taxes, levied for debt service				
Sales taxes	22,032,882	25,432,643	7,439,799	859,799
Franchise taxes	660,317	303,480	97,362	
Investment income	3,853,077	1,315,924	127,403	
Unrestricted state aid	3,718,174	1,515,829	1,912,697	298,355
Unrestricted federal aid				
Miscellaneous	225	175	34,059	264
Total general revenues	<u>32,696,014</u>	<u>28,568,051</u>	<u>9,611,320</u>	<u>1,158,418</u>
Extraordinary Item				
Changes in Net Assets	<u>\$ 62,870,800</u>	<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 NINE FISCAL YEARS
(Modified accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund:					
Nonspendable	\$ 5,084	\$ 2,550			
Restricted					
Committed					
Assigned					
Unassigned	21,324,981	55,361,631			
Reserved			\$	\$	\$
Unreserved			64,206,671	68,275,877	72,950,101
Total General Fund	<u>\$ 21,330,065</u>	<u>\$ 55,364,181</u>	<u>\$ 64,206,671</u>	<u>\$ 68,275,877</u>	<u>\$ 72,950,101</u>
All Other Governmental Funds:					
Nonspendable					
Restricted	80,901,742	49,970,470			
Committed					
Assigned					
Unassigned	(34,662)	(334,556)			
Reserved			35,547,328	34,740,312	35,329,613
Unreserved, reported in:					
Special revenue funds			2,320,530	2,419,821	2,900,630
Capital projects funds			13,058,582		
Debt service fund					
Total all other governmental funds	<u>\$ 80,867,080</u>	<u>\$ 49,635,914</u>	<u>\$ 50,926,440</u>	<u>\$ 37,160,133</u>	<u>\$ 38,230,243</u>

(Continued)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Fund:				
Reserved	\$ 412,091	\$ 246,296		
Unreserved	65,105,942	43,914,118	14,148,712	655,065
Total General Fund	<u>\$ 65,518,033</u>	<u>\$ 44,160,414</u>	<u>\$ 14,148,712</u>	<u>\$ 655,065</u>
All Other Governmental Funds:				
Reserved	28,105,124	\$ 12,328,627		
Unreserved, reported in:				
Special revenue funds	2,301,282	1,724,152	1,461,310	129,641
Capital projects funds			1,288,239	
Debt service fund				
Total all other governmental funds	<u>\$ 30,406,406</u>	<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.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Revenues:					
Property taxes	\$ 10,826,301	\$ 11,299,263	\$ 9,201,246	\$ 7,936,092	\$ 5,547,387
Sales taxes	7,601,624	7,454,918	6,649,744	10,230,103	18,141,568
Franchise taxes	285,739	315,240	494,091	536,966	758,442
Licenses, fees & permits	480,342	320,909	748,539	866,940	2,494,759
Intergovernmental revenues	14,610,218	10,403,335	8,619,173	10,991,426	9,114,700
Charges for services	521,229	544,625	675,406	1,023,168	905,055
Fines, forfeitures, & penalties	431,180	470,509	506,664	518,712	436,598
Investment income (loss)	112,707	667,555	265,485	(378,160)	4,378,266
Miscellaneous	1,686,749	312,853	1,664,621	4,410,405	8,605,812
Total revenues	<u>\$ 36,556,089</u>	<u>\$ 31,789,207</u>	<u>\$ 28,824,969</u>	<u>\$ 36,135,652</u>	<u>\$ 50,382,587</u>
Expenditures:					
Current -					
General government	\$ 8,502,107	\$ 8,031,875	7,595,728	8,589,886	7,726,546
Public safety	14,832,455	13,999,701	13,588,093	14,008,800	13,114,436
Community services	1,929,898	2,509,541	1,081,819	1,360,816	1,586,766
Development services	6,098,044	6,049,216	3,517,309	2,970,533	2,673,029
Capital outlay	6,138,326	8,966,722	11,168,632	14,752,588	11,145,898
Debt service -					
Principal retirement	1,016,198	1,271,520	139,918	133,017	132,966
Interest and fiscal charges	1,053,211	1,532,108	57,445	64,346	64,397
Bond issuance costs			307,182		
Total expenditures	<u>\$ 39,570,239</u>	<u>\$ 42,360,683</u>	<u>\$ 37,456,126</u>	<u>\$ 41,879,986</u>	<u>\$ 36,444,038</u>
Extraordinary Item					1,317,356
Excess (deficiency) of revenues over expenditures	<u>\$ (3,014,150)</u>	<u>\$ (10,571,476)</u>	<u>\$ (8,631,157)</u>	<u>\$ (5,744,334)</u>	<u>\$ 15,255,905</u>
Expenditures for capitalized assets	\$ 7,031,001	\$ 7,209,712	\$ 9,375,099	\$ 12,177,408	\$ 7,678,877
Debt service as a percentage of noncapital expenditures	6%	8%	2%	1%	1%

(Continued)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Revenues:				
Property taxes	\$ 2,196,247	\$	\$	\$
Sales taxes	22,032,882	25,432,643	7,537,161	859,799
Franchise taxes	660,317	303,480		
Licenses, fees & permits	4,578,929	8,916,082	6,580,727	18,239
Intergovernmental revenues	8,329,956	2,744,065	2,033,941	298,355
Charges for services	1,162,087	1,968,618	4,048,832	70,184
Fines, forfeitures, & penalties	199,036	95,795	44,749	
Investment income (loss)	3,853,077	1,315,924	173,247	
Miscellaneous	11,890,546	10,680,272	34,059	264
Total revenues	<u>\$ 54,903,077</u>	<u>\$ 51,456,879</u>	<u>\$ 20,452,716</u>	<u>\$ 1,246,841</u>
Expenditures:				
Current -				
General government	5,278,035	4,809,752	2,766,528	424,283
Public safety	2,372,859	1,624,485	810,924	
Culture and recreation	733,355	254,544	126,349	4,785
Development services	2,055,791	935,435	524,271	11,507
Capital outlay	6,751,791	2,517,741	111,089	19,505
Debt service -				
Principal retirement				
Interest and fiscal charges				2,055
Bond issuance costs				
Total expenditures	<u>\$ 17,191,831</u>	<u>\$ 10,141,957</u>	<u>\$ 4,339,161</u>	<u>\$ 462,135</u>
Extraordinary Item				
Excess (deficiency) of revenues over expenditures	<u>\$ 37,711,246</u>	<u>\$ 41,314,922</u>	<u>\$ 16,113,555</u>	<u>\$ 784,706</u>
Expenditures for capitalized assets	\$ 5,984,896			
Debt service as a percentage of noncapital expenditures	0%	0%	0%	0%

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

Note: The City implemented a new ERP financial system in fiscal year 2011. As a result of that implementation, functional categories for expenses were modified to more closely match actual operational functions.

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Excess (deficiency) of revenues over expenditures	\$ (3,014,150)	\$ (10,571,476)	\$ (8,631,157)	\$ (5,744,334)	\$ 15,255,905
Other financing sources (uses):					
Refunding bonds issued			20,000,000		
Premium on sale of bonds			100,519		
Proceeds from sale of assets	211,200	438,460			
Transfers in	37,135,270				
Transfers out	(37,135,270)				
Total other financing sources (uses)	211,200	438,460	20,100,519	-	-
Changes in fund balances	\$ (2,802,950)	\$ (10,133,016)	\$ 11,469,362	\$ (5,744,334)	\$ 15,255,905
	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	
Excess (deficiency) of revenues over expenditures	\$ 37,711,246	\$ 41,314,922	\$ 16,113,555	\$ 784,706	
Other financing sources (uses):					
Refunding bonds issued					
Premium on sale of bonds					
Proceeds from sale of assets					
Total other financing sources (uses)	-	-	-	-	
Changes in fund balances	\$ 37,711,246	\$ 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 NINE FISCAL YEARS**

	Fiscal Year Ended June 30								
	<u>2012</u>	<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	\$ 1,619	\$ 1,947	\$ 3,893	\$ 3,070	\$ (844)	\$ 85	\$ 5,150	\$	\$
Communication & Utilities	575,882	575,198	540,097	414,839	457,988	492,936	344,710	126,893	10,861
Transportation	6,326	5,925	9,395	5,272	2,762	3,700	2,493	32,254	13
Construction	1,535,980	1,802,458	1,357,920	5,492,829	13,622,584	18,096,007	19,476,707	4,728,883	302,012
Manufacturing	274,016	257,176	234,542	308,076	107,944	61,759	56,553	105,747	1,404
Wholesale	93,496	189,691	326,914	108,875	75,310	95,063	51,008	17,242	4,462
Retail	3,774,442	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	28,471	32,286	30,353	18,001	14,281	18,601	4,901	2,050	628
Real Estate Rental	538,287	496,443	470,484	524,427	969,820	1,371,736	371,742	214,252	3,594
Restaurant & Bar	380,961	357,595	381,273	369,659	395,455	360,007	161,712	21,071	2,014
Accommodation	6	806	8,423	14,008	10,973	19	175	94	12
Public Administration	1,165	(2,813)	3,240	266	39	1,188	2,652	1,068	
Services	177,935	150,913	95,398	108,262	122,634	149,934	89,186	36,098	2,494
Arts & Entertainment	47,440	22,341	510	40,640	50,210	53,190	55,552	42,402	22,319
Other	57,419	151,517	225,795	319,141	373,526	836,182	716,390	318,423	158,903
Total	<u><u>\$ 7,493,445</u></u>	<u><u>\$ 7,487,527</u></u>	<u><u>\$ 6,834,148</u></u>	<u><u>\$ 10,534,347</u></u>	<u><u>\$ 18,683,988</u></u>	<u><u>\$ 23,942,279</u></u>	<u><u>\$ 23,112,080</u></u>	<u><u>\$ 6,540,423</u></u>	<u><u>\$ 643,486</u></u>
City's direct sales tax rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
City's construction sales tax rate	3.5%	3.5%	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**

Fiscal Year	City's Direct Rate	City's Construction Sales Tax Rate	Arizona Rate	County Rate
2012	2.00%	3.50%	6.60%	1.10%
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 NINE 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>
2012	\$7,601,624	1.97 %	\$10,804,339	(4.38) %	\$285,739	(9.41) %	\$ 18,691,702	(1.98) %
2011	7,454,918	12.11	11,299,263	22.80	315,420	(36.16)	19,069,601	16.67
2010	6,649,744	(35.00)	9,201,246	15.94	494,091	(7.98)	16,345,081	(12.61)
2009	10,230,103	(43.61)	7,936,092	43.06	536,966	(29.20)	18,703,161	(23.50)
2008	18,141,568	(17.66)	5,547,387	152.58	758,442	14.86	24,447,397	(1.78)
2007	22,032,881	(13.37)	2,196,247	N/A	660,317	117.58	24,889,445	(3.29)
2006	25,432,643	241.85		N/A	303,480	211.70	25,736,123	241.46
2005	7,439,799	765.30		N/A	97,362	N/A	7,537,161	776.62
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 SIX YEARS PRIOR**

Taxpayer	2012		2006	
	Primary Assessed Valuation	Percentage of City's Net Assessed Valuation	Primary Assessed Valuation	Percentage of City's Net Assessed Valuation
Pinal Energy LLC	7,345,446	0.40		- %
Global Water: Santa Cruz Water Co.	\$ 4,022,396	0.22 %		-
Global Water: Palo Verde Utilities	2,906,599	0.16		-
Wal-Mart Stores Inc #2778	2,546,233	0.14		-
Volkswagen of America dba Vorelco Inc.	2,536,399	0.14	1,603,214	0.24
Meritage Homes of Arizona Inc.	2,138,886	0.12		-
Maricopa Fiesta Investors L L C etal	1,738,000	0.09		-
Smith's Food & Drug Centers Inc	1,303,800	0.07		-
Smith's Food & Drug Center Inc	1,303,800	0.07	1,630,606	0.24
Barclay Holding XIX LLC	996,911	0.05	726,796	0.11
Hiro Investment LLC etal		0.00	426,854	0.06
Maricopa Groves Self Storage LLC		0.00	417,092	0.06
El Paso Natural Gas Co.		0.00	352,141	0.05
Murphy Land Investors LLC		0.00	351,061	0.05
CMG 900 LLC		0.00	303,674	0.05
Sunset Tartesso LLC		0.00	303,196	0.05
Wells Fargo Bank NA TR		0.00	303,408	0.05
Total	<u>\$ 26,838,470</u>	<u>1.45 %</u>	<u>\$ 6,418,042</u>	<u>0.95 %</u>
City's Total Assessed Valuation	<u>\$ 1,847,657,905</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
PROPERTY TAX LEVIES AND COLLECTIONS
LAST SIX FISCAL YEARS**

<u>Fiscal Year Ended June 30</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Fiscal Years</u>	<u>Collected to the End of the Current Fiscal Year</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2012	\$ 11,475,826	\$ 10,390,225	90.54 %	N/A	\$ 10,390,225	90.54 %
2011	11,250,307	10,933,142	97.18	262,855	11,195,997	99.52
2010	9,242,329	8,868,977	95.96	328,954	9,197,931	99.52
2009	8,044,384	7,636,762	94.93	356,858	7,993,620	99.37
2008	5,740,847	5,435,154	94.68	250,383	5,685,537	99.04
2007	2,260,942	2,176,589	96.27	80,076	2,256,665	99.81

Source: records.

Notes: 1) Amounts collected are on a cash basis.

2) Unsecured personal property taxes are not included in this schedule because the dates of the monthly rolls vary each year. On the average, 90% of unsecured property taxes are collected within 90 days after the due date.

3) Fiscal year ended June 30, 2007 was the first year of collections, therefore only six years are presented.

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

Fiscal Year		Real Property		Personal Property		Total			Ratio of Total Assessed Value to Estimated Actual Value
		Net Assesed Value	Estimated Actual Value	Net Assesed Value	Estimated Actual Value	Net Assesed Value	Estimated Actual Value	Direct Tax Rate	
2012	P	\$188,261,169	\$1,756,968,685	\$17,526,048	\$90,689,220	\$205,787,217	\$1,847,657,905	4.8105	11.14%
	S	\$190,327,514	\$1,779,275,350	\$17,526,048	\$90,689,220	\$207,853,562	\$1,869,964,570	0.6528	11.12%
2011	P	\$195,083,227	\$1,851,949,877	\$13,587,423	\$69,823,606	\$208,670,650	\$1,921,773,483	4.8105	10.86%
	S	\$206,652,235	\$1,888,879,939	\$13,587,423	\$69,823,606	\$220,239,658	\$1,958,703,545	0.6528	11.08%
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	11.24%
2009	P	\$307,662,417	\$2,902,754,652	\$8,583,362	\$40,203,060	\$316,245,779	\$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%
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%
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%
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%
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%

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 NINE 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	
2012	\$ 19,270,000		\$ 19,270,000	1.03 %	\$ 434	\$ 147,598	\$ 19,417,598	1.04 %	\$ 437	N/A %	
2011	20,000,000		20,000,000	1.02	460	413,796	20,413,796	1.04	469	2.30	
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.

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

**CITY OF MARICOPA, ARIZONA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2012**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to City</u>	<u>Estimated Amount Applicable to City</u>
Pinal County	\$ 147,581,425	9.62 %	\$ 14,200,545
Community College District	43,800,000	9.37	4,103,405
Maricopa Unified School District	44,780,000	100.00	44,780,000
Subtotal, Overlapping Debt			<u>63,083,950</u>
Direct:			
The City of Maricopa	19,417,598	100.00	<u>19,417,598</u>
Total Direct and Overlapping Debt			<u><u>\$ 82,501,548</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, 2011 is presented for the overlapping governments as this is the most recent available information.

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

Legal Debt Margin Calculations for Fiscal Year 2012:

20% Limitation		6% Limitation	
Secondary assessed valuation	\$ 207,853,562	Secondary assessed valuation	\$ 207,853,562
Debt limit	41,570,712	Debt limit	12,471,214
Debt applicable to limit	19,270,000	Debt applicable to limit	-
Legal 20% debt margin	\$ 22,300,712	Legal 6% debt margin	\$ 12,471,214

	Fiscal Year Ended June 30				
	2012	2011	2010	2009	2008
20% Limitation:					
Debt limit	\$ 41,570,712	\$ 51,957,327	\$ 71,218,681	\$	\$
Total net debt applicable to limit	19,270,000	20,000,000	20,000,000		
Legal 20% debt margin	\$ 22,300,712	\$ 31,957,327	\$ 51,218,681	\$	\$
Total net debt applicable to the 20% limit as a percentage of 20% debt limit	46%	38%	28%	N/A	N/A
6% Limitation:					
Total Debt limit	\$ 12,471,214	\$ 15,587,198	\$ 21,365,604		
Total net debt applicable to limit					
Legal 6% debt margin	\$ 12,471,214	\$ 15,587,198	\$ 21,365,604	\$	\$
Total net debt applicable to the 6% limit as a percentage of 6% debt limit	0%	0%	0%	N/A	N/A

(Continued)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
20% Limitation:				
Debt limit				
Total net debt applicable to limit	_____	_____	_____	_____
Legal 20% debt margin	<u>\$ _____</u>	<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	N/A
 6% Limitation:				
Debt limit				
Total net debt applicable to limit	_____	_____	_____	_____
Legal 6% debt margin	<u>\$ _____</u>	<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	N/A

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

Notes: 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>
2011	384,231	\$ N/A	\$ N/A	10.3 %	44,450
2010	375,770	8,860,496	23,060	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

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 from 2002 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For the year 2011 the source of the information is the Arizona Office of Employment and Population Statistics.

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	2012			2003		
		Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Maricopa Unified School District	Schools	598	1	10.87 %	100	3	20.00 %
Walmart	Department Stores	235	2	4.27			-
City of Maricopa	Municipal Government	212	3	3.85			-
Fry's Food Store	Grocers-Retail	200	4	3.64			-
Volkswagen Proving Grounds	Automotive Testing	150	5	2.73	150	2	30.00
Pinal Feeding Co Inc	Livestock Feeding	120	6	2.18	200	1	40.00
McDonald's (2 store total)	Fast Food	87	7	1.58			-
Bashas'	Grocers-Retail	79	8	1.44			-
Legacy Traditional School	Schools	78	9	1.42			-
Southern Dunes Golf Club	Golf Courses	60	10	1.09			-
Duke At Rancho El Dorado	Golf Courses			-	20	4	4.00
Hogenes Dairy	Farming			-	10	5	2.00
Total		<u>1,819</u>		<u>33.07 %</u>	<u>480</u>		<u>96.00 %</u>
Total employment		<u>5,500</u>			<u>500</u>		

Source: The source of the 2012 information is the City of Maricopa's Economic Development Department. The source of the 2003 information is based on staff estimates with regards to 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 NINE FISCAL YEARS**

	Full-time Equivalent Employees as of June 30				
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Government					
Court	5.0	4.5	4.5	4.5	2.5
Mayor and Council	8.0	7.0	7.0	7.0	7.0
City Manager	4.0	5.5	7.5	5.5	3.5
Information Technology	4.0	4.0	4.0	6.0	6.0
Marketing & Communication	0.0	0.0	0.0	1.0	0.0
City Clerk	5.0	5.0	5.0	6.0	6.0
Finance	10.0	10.5	10.5	9.5	10.0
Support Services Administration	0.0	0.0	2.0	0.0	0.0
Human Resources	3.0	3.0	1.0	3.0	3.0
Planning	2.0	3.0	3.0	5.0	5.0
Development Services	2.8	3.0	4.0	0.0	0.0
Building Safety	7.0	7.0	7.0	14.0	14.0
Code Enforcement	0.0	1.0	1.0	1.0	0.0
Facilities Management	2.0	2.5	2.0	2.0	1.0
Fleet Management	1.0	1.0	1.0	0.0	0.0
Public Safety Administration	0.0	0.0	2.0	0.0	0.0
Police	68.0	62.0	63.0	67.5	62.5
Fire	63.0	63.0	66.0	66.5	64.5
Engineering	1.5	3.0	3.0	4.0	4.0
Transportation	1.5	4.0	2.0	2.0	3.0
Community Services Administration	2.0	2.0	2.0	0.0	0.0
Recreation	3.0	3.0	4.0	7.0	7.0
Park Maintenance	2.0	3.0	2.0	0.0	0.0
Libraries	7.0	7.0	7.0	4.0	4.0
Economic Development	5.0	3.0	1.0	1.0	0.0
HURF/Public Works	9.2	8.0	8.0	8.0	11.0
Total	<u>216.0</u>	<u>215.0</u>	<u>219.5</u>	<u>224.5</u>	<u>214.0</u>

(Continued)

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

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
General Government				
Court	2.5	1.5	0.0	0.0
Mayor and Council	7.0	7.0	7.0	7.0
City Manager	6.0	4.0	1.0	1.0
Information Technology	0.0	0.0	0.0	0.0
Marketing & Communication	0.0	0.0	0.0	0.0
City Clerk	2.0	1.0	1.0	0.0
Finance	9.0	3.0	1.0	1.0
Support Services Administration	0.0	0.0	0.0	0.0
Human Resources	2.0	0.0	0.0	0.0
Planning	7.0	5.0	0.0	0.0
Development Services	13.0	4.0	1.0	0.0
Building Safety	0.0	0.0	0.0	0.0
Code Enforcement	0.0	0.0	0.0	0.0
Facilities Management	0.0	0.0	0.0	0.0
Fleet Management	0.0	0.0	0.0	0.0
Public Safety Administration	0.0	0.0	0.0	0.0
Police	9.0	0.0	0.0	0.0
Fire	0.0	0.0	10.0	2.0
Engineering	3.0	2.0	0.0	0.0
Transportation	0.0	0.0	0.0	0.0
Community Services Administration	0.0	0.0	0.0	0.0
Recreation	5.0	4.0	0.0	0.0
Park Maintenance	0.0	0.0	0.0	0.0
Libraries	2.5	2.5	0.0	0.0
Economic Development	0.0	0.0	1.0	0.0
HURF/Public Works	4.0	3.0	1.0	0.0
Total	<u><u>72.0</u></u>	<u><u>37.0</u></u>	<u><u>23.0</u></u>	<u><u>11.0</u></u>

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

(Concluded)



CITY OF
MARICOPA
PROUD HISTORY • PROSPEROUS FUTURE

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