



CITY OF  
**MARICOPA**<sup>®</sup>  
PROUD HISTORY • PROSPEROUS FUTURE

*A Comprehensive Road Map  
to the Future*

**Comprehensive Annual Financial Report  
For the year ended June 30, 2013**

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, 2013**

**CITY OF MARICOPA, ARIZONA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Issued by:  
Financial Services Department

**CITY OF MARICOPA, ARIZONA**

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## **INTRODUCTORY SECTION**

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December 19, 2013

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, 2013.

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, 2013. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A 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 44,946. 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 – 89% of adults have some post-high school education and 48% of households report an income level above \$75,000 annually (according to a 2013 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 is also home to two leading agricultural research facilities in the University of Arizona's Maricopa Agricultural Center and the United States Department of Agriculture's Arid-Land Agricultural Research Center. 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, and Waste Management/Garrick's green waste to fuel project. A 300 megawatt Maricopa Solar Park project has also been proposed and would be located on 1,730 acres of federal land near the City.

Bashas', Fry's Marketplace, and Super Walmart anchor three significant existing retail centers located in Maricopa. Additional planned retail sites that were stagnated due to bankruptcy proceedings or lack of market demand have moved forward with new development – Edison Place and The Shops at The Wells – and have secured retail tenants with plans for development. Vacancy rates for all types of commercial space are very low at 9.0% for retail, 8.5% for office and 2.2% for industrial as of the end of fourth quarter FY 2012-2013.

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 were held in 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 opened 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. During the 2011-2012 fiscal year, Maricopa saw an approximate average of 19 new single family home permits per month. This average climbed to 35 new single family permits per month in 2012-2013, an increase of more than 86 percent. Still greater growth is projected for 2013-2014 and beyond. In addition, Maricopa's homes continue to sell at or faster than the average Valley rate with significant investment from Canadian visitors. The housing vacancy rate has continued to fall and was less than 5% by the end of the fiscal year.

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 June 2013 had fallen to 8.5% (with a Pinal County average of 8.6%).

### ***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 Center 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 includes a City Hall building of approximately 45,000 square feet as well as an adjacent Police Administration building, which opened soon after the fiscal year end in September 2013. 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 acreage on this City-owned property is 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 120-acre Copper Sky Recreation Complex is expected to open in spring 2014 and features a multigenerational and aquatics center, ball fields, and other park amenities. The complex will host special events and athletic tournaments, with an anticipated 500,000 visitors in its first year. To take advantage of this activity, 20 city-owned acres adjacent to the complex, fronting State Route 347, has been reserved for future commercial development.

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 opened in February 2013. The Maricopa Center for Entrepreneurship (MCE) provides 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 was approved by City Council in spring 2012. The City has since secured a preferred development partner for the master planning, lease/purchase and development of City-owned land commonly referred to as the Estrella Gin Business Park. A fire station has already been built on the site, a public works yard is planned, and the Amtrak station is proposed to relocate to the site. The remaining approximately 40 acres will be available for commercial development, anticipated to include a mix of flex, industrial and office space. 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 with the City Manager's approval. 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.

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

Unassigned fund balance of \$23.0 million in the General Fund represents 77 percent of total General Fund budgeted expenditures. This falls within the 30 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, 2013 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 (77 percent of General Fund budgeted expenditures) 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

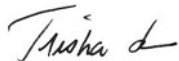
**Award.** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2012. In order to be awarded this certificate, the City published an easily 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 2012-13 certificate.

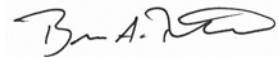
**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the Financial Services department. Each member of the department has our sincere appreciation for the contributions made in the preparation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



Patricia Sorensen  
Interim City Manager



Brian Ritschel  
Finance Director



Government Finance Officers Association

**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, 2012**

Executive Director/CEO





**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 | Peggy Chapados  |
| Council Member | Julia Gusse     |

**CITY STAFF**

|  |                   |
|--|-------------------|
| Interim City Manager                     | Patricia Sorensen |
| Assistant City Manager                   | Tom Duensing      |
| City Clerk                               | Vanessa Bueras    |
| Community Services Director              | Jennifer Campbell |
| Development Services Director            | Robert Goodhue    |
| Economic Development Director            | Micah Miranda     |
| Finance/Administrative Services Director | Brian Ritschel    |
| Fire Chief                               | Wade Brannon      |
| Human Resources Director                 | Karen Shaffer     |
| Police Chief                             | Steve Stahl       |



## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Maricopa, Arizona (City), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Maricopa, Arizona, as of June 30, 2013, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As described in Note 1, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, for the year ended June 30, 2013, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, 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 basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules information is fairly stated in all material respects in relation to the basic 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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2013, on our consideration of 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* in considering City of Maricopa, Arizona's internal control over financial reporting and compliance.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
CPAs and Business Consultants

December 19, 2013

**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, 2013**

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, 2013. 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 2012-13 as follows:

- The City's total net position of governmental activities increased \$5.4 million to \$256.7 million representing a 2 percent increase over the prior year.
- General revenues from governmental activities accounted for \$32.2 million in revenue, or 78 percent of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for \$8.9 million or 22 percent of total governmental activities revenues.
- The City had \$35.7 million in expenses related to governmental activities, a decrease of 7 percent from the prior fiscal year primarily due to a decrease in general government expenses related to impact fee projects.
- Among major funds, the General Fund had \$28.1 million in current fiscal year revenues, which primarily consisted of property, sales taxes, and intergovernmental revenues, and \$26.2 million in expenditures. The General Fund's fund balance increased \$1.7 million from \$21.3 million at the end of the prior fiscal year to \$23.1 million at the end of the current fiscal year primarily due to a decrease in capital outlay expenditures.
- The Debt Service Fund had \$1.7 million in revenues and \$825,551 in other financing sources. Expenditures totaled \$2.4 million, resulting in an increase in fund balance of \$112,005.
- The Transportation Impact Fee Fund, had \$2.2 million in revenues. Fund expenditures totaled \$360,378 resulting in an increase in fund balance of \$1.9 million to \$21.7 million.
- The Parks Bond Fund had \$31.6 million in bond proceeds and \$14,946 in interest revenues. Fund expenditures totaled \$22.3 million.
- The General Government CIP Fund had \$1.2 million in revenues and expenditures of \$9.7 million for the construction of the City Hall Complex, \$2.3 million for Fire Station 575 and other CIP Projects.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2013**

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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, 2013**

**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, 2013**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$256.7 million at the current fiscal year end.

The largest portion of the City's net position 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 position for the fiscal years ended June 30, 2013 and June 30, 2012.

|                                  | <u>Governmental Activities</u> |                       |
|----------------------------------|--------------------------------|-----------------------|
|                                  | <u>2013</u>                    | <u>2012</u>           |
| Current and other assets         | \$ 110,074,008                 | \$ 107,384,863        |
| Capital assets, net              | 206,627,138                    | 168,125,006           |
| <b>Total assets, net</b>         | <u>316,701,146</u>             | <u>275,509,869</u>    |
| <br>                             |                                |                       |
| Current liabilities              | 7,883,917                      | 3,821,045             |
| Long-term liabilities            | 52,133,813                     | 20,378,143            |
| <b>Total liabilities</b>         | <u>60,017,730</u>              | <u>24,199,188</u>     |
| <br>                             |                                |                       |
| Net investment in capital assets | 177,370,008                    | 160,277,610           |
| Restricted                       | 55,767,940                     | 69,233,094            |
| Unrestricted                     | 23,545,468                     | 21,799,977            |
| <b>Total net position</b>        | <u>\$ 256,683,416</u>          | <u>\$ 251,310,681</u> |

At the end of the current fiscal year the City reported positive balances in all three categories of net position. 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 position.

- The City acquired over \$44.7 million in capital asset additions with an increase in accumulated depreciation of \$6.0 million.
- Current liabilities increased primarily due to a \$4.7 million increase in accounts payable for the Multi-Gen Aquatic Center.
- Long-term liabilities increased due to the issuance of \$31.6 million of general obligation bonds.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2013**

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

**Changes in net position.** The City's total revenues for the current fiscal year were \$41.1 million. The total cost of all programs and services was \$35.7 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2013 and June 30, 2012.

|   | Governmental Activities |                       |
|---|-------------------------|-----------------------|
|   | 2013                    | 2012                  |
| <b>Revenues:</b>                                    |                         |                       |
| Program revenues:                                   |                         |                       |
| Charges for services                                | \$ 1,805,938            | \$ 1,928,688          |
| Operating grants and contributions                  | 926,682                 | 1,732,451             |
| Capital grants and contributions                    | 6,180,277               | 2,917,234             |
| General revenues:                                   |                         |                       |
| Property taxes, levied for general purposes         | 9,409,828               | 10,932,354            |
| Property taxes, levied for debt service             | 1,457,540               |                       |
| Sales taxes   | 7,942,569               | 7,601,624             |
| Franchise taxes                                     | 309,744                 | 285,739               |
| Unrestricted grants, aid, and state shared revenues | 12,912,995              | 11,397,446            |
| Investment income                                   | 171,708                 | 112,707               |
| <b>Total revenues</b>                               | <b>41,117,281</b>       | <b>36,908,243</b>     |
| <b>Expenses:</b>                                    |                         |                       |
| General government                                  | 6,656,984               | 8,832,289             |
| Public safety                                       | 17,447,674              | 16,103,119            |
| Community services                                  | 2,399,939               | 2,257,063             |
| Development services                                | 8,224,264               | 10,002,055            |
| Interest on long-term debt                          | 1,015,685               | 1,063,544             |
| <b>Total expenses</b>                               | <b>35,744,546</b>       | <b>38,258,070</b>     |
| <b>Change in net position</b>                       | <b>5,372,735</b>        | <b>(1,349,827)</b>    |
| <b>Net position, beginning</b>                      | <b>251,310,681</b>      | <b>252,660,508</b>    |
| <b>Net position, ending</b>                         | <b>\$ 256,683,416</b>   | <b>\$ 251,310,681</b> |

- Total revenues increased \$4.2 million, or 11 percent, primarily due to an increase in County road tax revenues and transportation impact fee revenues.
- Total expenses decreased \$2.5 million, or 7 percent, primarily due efforts by the City to decrease overall expenses.
- The decrease in operating grants and contributions of \$805,769 was due to a decrease in federal grant funding received for community development and transportation projects.
- The increase of \$1.5 million in unrestricted grants, aid, and state shared revenues was due to an increase in state shared revenues of taxes.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2013**

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

|                            | <u>Year Ended June 30, 2013</u> |                        | <u>Year Ended June 30, 2012</u> |                        |
|----------------------------|---------------------------------|------------------------|---------------------------------|------------------------|
|                            | <u>Total</u>                    | <u>Net (Expense)/</u>  | <u>Total</u>                    | <u>Net (Expense)/</u>  |
|                            | <u>Expenses</u>                 | <u>Revenue</u>         | <u>Expenses</u>                 | <u>Revenue</u>         |
| General government         | \$ 6,656,984                    | \$ (5,562,201)         | \$ 8,832,289                    | \$ (7,074,007)         |
| Public safety              | 17,447,674                      | (15,987,097)           | 16,103,119                      | (15,019,367)           |
| Community services         | 2,399,939                       | (2,008,411)            | 2,257,063                       | (1,743,822)            |
| Development services       | 8,224,264                       | (2,576,558)            | 10,002,055                      | (6,778,957)            |
| Interest on long-term debt | 1,015,685                       | (697,382)              | 1,063,544                       | (1,063,544)            |
| <b>Total</b>               | <u>35,744,546</u>               | <u>\$ (26,831,649)</u> | <u>\$ 38,258,070</u>            | <u>\$ (31,679,697)</u> |

- The cost of all governmental activities this year was \$35.7 million.
- Federal and State grants and contributions and charges for services subsidized certain programs with grants and contributions and other local revenues of \$8.9 million.
- Net cost of governmental activities of \$26.8 million was financed by general revenues, which are made up of primarily property taxes of \$10.9 million, sales taxes of \$7.9 million, and state shared revenues of \$12.9 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 \$99.9 million, a decrease of \$2.3 million due primarily to the utilization of fund balance for construction projects.

The General Fund is the principal operating fund of the City. The increase in fund balance of \$1.7 million for the fiscal year to \$23.1 million was due primarily due to an increase in state shared revenues.

The General Government CIP Fund balance decreased by \$13.4 million to an ending fund balance of \$19.7 million at year end due to the construction of the City Hall Complex and other CIP Projects.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2013**

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

The Transportation Impact Fee Fund showed an increase in fund balance of \$1.9 million due to increased impact fees received during the year.

The Parks Bond Fund reported an increase in fund balance of \$9.3 million due primarily to the issuance of \$31.6 million bonds.

**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.
- Non-Departmental expenditures were reduced by \$1.4 million due to use of contingency funds.
- 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, 2013**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the City had invested \$244.0 million in capital assets, including buildings, facilities, vehicles, computers, equipment, and infrastructure assets. This amount represents a net increase prior to depreciation of \$44.4 million from the prior fiscal year, primarily due to the continuation of several construction projects. Total depreciation expense for the current fiscal year was \$6.0 million.

The following schedule presents capital asset balances for the fiscal years ended June 30, 2013 and June 30, 2012.

| <b>Governmental Activities</b>    | As of<br>June 30, 2013 | As of<br>June 30, 2012 |
|-----------------------------------|------------------------|------------------------|
| Land and land improvements        | \$ 87,113,461          | \$ 88,910,185          |
| Infrastructure                    | 84,702,721             | 83,601,114             |
| Buildings and improvements        | 13,276,615             | 9,698,623              |
| Vehicles, machinery and equipment | 14,253,977             | 13,146,637             |
| Construction in progress          | 44,668,806             | 4,272,981              |
| Less: Accumulated depreciation    | <u>(37,388,442)</u>    | <u>(31,504,534)</u>    |
| <b>Total</b>                      | <u>\$ 206,627,138</u>  | <u>\$ 168,125,006</u>  |

Additional information on the City's capital assets can be found in Note 5.

**Debt Administration.** – At year end, the City had \$50.1 million in long-term debt outstanding, \$775,000 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 \$43.6 million, of which \$41.5 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 \$13.1 million, of which \$8.6 million is issued and outstanding.

Additional information on the City's long-term debt can be found in Note 6.

**CITY OF MARICOPA, ARIZONA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2013**

**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 2013-14. The most significant factors affecting the subsequent year's budget are:

- The property tax levy assumed growth in the primary levy.
- Sales tax, state shared and intergovernmental revenues only slightly increased due to the current economic uncertainty.
- Operating expenditures assumed 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 Financial Services Department, City of Maricopa, Arizona; City Hall; 39700 W. Civic Center Plaza; Maricopa, Arizona 85138.

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## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CITY OF MARICOPA, ARIZONA  
STATEMENT OF NET POSITION  
JUNE 30, 2013**

|  | Governmental<br>Activities |
|--|----------------------------|
| <b><u>ASSETS</u></b>   |                            |
| Current assets:  |                            |
| Cash and investments   | \$ 106,674,491             |
| Taxes receivable   | 780,052                    |
| Accounts receivable  | 47,060                     |
| Intergovernmental receivables  | 1,661,227                  |
| Prepaid items  | 16,733                     |
| Total current assets   | 109,179,563                |
| Noncurrent assets:   |                            |
| Deferred bond charges  | 894,445                    |
| Land and other non-depreciable assets                                | 131,782,267                |
| Infrastructure, buildings, equipment<br>and other depreciable assets | 112,233,313                |
| Accumulated depreciation   | (37,388,442)               |
| Total noncurrent assets  | 207,521,583                |
| <b>Total assets</b>  | <b>316,701,146</b>         |
| <b><u>LIABILITIES</u></b>  |                            |
| Current liabilities:   |                            |
| Accounts payable   | 6,959,832                  |
| Accrued interest payable   | 499,023                    |
| Accrued wages and benefits   | 387,379                    |
| Unearned revenue   | 37,483                     |
| Customer deposits  | 200                        |
| Compensated absences payable   | 776,329                    |
| Capital leases payable   | 75,581                     |
| Bonds payable  | 775,000                    |
| Total current liabilities  | 9,510,827                  |
| Noncurrent liabilities:  |                            |
| Compensated absences   | 245,911                    |
| Bonds payable  | 50,260,992                 |
| Total noncurrent liabilities   | 50,506,903                 |
| <b>Total liabilities</b>   | <b>60,017,730</b>          |
| <b><u>NET POSITION</u></b>   |                            |
| Net investment in capital assets                                     | 177,370,008                |
| Restricted for:  |                            |
| Highways and streets   | 11,105,577                 |
| Capital outlay   | 43,875,898                 |
| Grants   | 786,465                    |
| Unrestricted   | 23,545,468                 |
| <b>Total net position</b>  | <b>\$ 256,683,416</b>      |

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

**CITY OF MARICOPA, ARIZONA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013**

| <b>Functions/Programs</b>            | Program Revenues     |                         |  |  | Net (Expense)<br>Revenue and<br>Changes in Net<br>Position |
|--------------------------------------|----------------------|-------------------------|--|--|--|
|                                      | Expenses             | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital Grants<br>and<br>Contributions | Governmental<br>Activities                                 |
| <b>Governmental activities:</b>      |                      |                         |  |  |  |
| General government                   | \$ 6,656,984         | \$ 468,718              | \$ 164,923                               | \$ 461,142                             | \$ (5,562,201)   |
| Public safety                        | 17,447,674           | 892,908                 | 190,008                                  | 377,661                                | (15,987,097)   |
| Community services                   | 2,399,939            | 282,565                 | 11,077                                   | 97,886                                 | (2,008,411)  |
| Development services                 | 8,224,264            | 161,747                 | 242,371                                  | 5,243,588                              | (2,576,558)  |
| Interest on long-term debt           | 1,015,685            |                         | 318,303                                  |  | (697,382)  |
| <b>Total governmental activities</b> | <b>\$ 35,744,546</b> | <b>\$ 1,805,938</b>     | <b>\$ 926,682</b>                        | <b>\$ 6,180,277</b>                    | <b>(26,831,649)</b>  |

**General revenues:**

Taxes:

|   |            |
|---|------------|
| Property taxes, levied for general purposes         | 9,409,828  |
| Property taxes, levied for debt service             | 1,457,540  |
| Sales taxes   | 7,942,569  |
| Franchise taxes                                     | 309,744    |
| Unrestricted grants, aid, and state shared revenues | 12,912,995 |
| Investment income                                   | 171,708    |

**Total general revenues** 32,204,384

**Changes in net position** 5,372,735

**Net position, beginning of year** 251,310,681

**Net position, end of year** \$ 256,683,416

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, 2013**

|  | <u>General Fund</u>  | <u>Debt Service</u> | <u>Transportation<br/>Impact Fee</u> |
|--|----------------------|---------------------|--------------------------------------|
| <b>ASSETS</b>                              |                      |                     |                                      |
| Cash and investments                       | \$ 23,419,021        | \$ 1,371,858        | \$ 22,014,115                        |
| Taxes receivable                           | 680,184              | 99,868              |                                      |
| Accounts receivable                        | 47,060               |                     |                                      |
| Intergovernmental receivables              | 1,031,169            | 151,914             |                                      |
| Prepaid items                              | 16,733               |                     |                                      |
| <b>Total assets</b>                        | <u>\$ 25,194,167</u> | <u>\$ 1,623,640</u> | <u>\$ 22,014,115</u>                 |
| <b>LIABILITIES AND FUND BALANCES</b>       |                      |                     |                                      |
| Liabilities:                               |                      |                     |                                      |
| Accounts payable                           | \$ 1,145,128         | \$ 187,049          | \$ 295,441                           |
| Accrued wages and benefits                 | 364,669              |                     |                                      |
| Bond interest payable                      |                      | 499,023             |                                      |
| Customer deposits                          | 200                  |                     |                                      |
| Deferred revenue                           | 620,288              | 85,225              |                                      |
| Bonds payable                              |                      | 775,000             |                                      |
| <b>Total liabilities</b>                   | <u>2,130,285</u>     | <u>1,546,297</u>    | <u>295,441</u>                       |
| Fund balances:                             |                      |                     |                                      |
| Nonspendable                               | 16,733               |                     |                                      |
| Restricted                                 |                      | 77,343              | 21,718,674                           |
| Unassigned                                 | 23,047,149           |                     |                                      |
| <b>Total fund balances</b>                 | <u>23,063,882</u>    | <u>77,343</u>       | <u>21,718,674</u>                    |
| <b>Total liabilities and fund balances</b> | <u>\$ 25,194,167</u> | <u>\$ 1,623,640</u> | <u>\$ 22,014,115</u>                 |

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



| <u>Parks Bond</u>    | <u>General<br/>Government CIP</u> | <u>Non-Major<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|----------------------|-----------------------------------|---|---|
| \$ 24,153,898        | \$ 21,391,768                     | \$ 14,323,831                               | \$ 106,674,491                          |
|                      |                                   |   | 780,052                                 |
|                      |                                   |   | 47,060                                  |
|                      |                                   | 478,144                                     | 1,661,227                               |
|                      |                                   |   | 16,733                                  |
| <u>\$ 24,153,898</u> | <u>\$ 21,391,768</u>              | <u>\$ 14,801,975</u>                        | <u>\$ 109,179,563</u>                   |
| <br>                 |                                   |   |   |
| \$ 3,210,447         | \$ 1,576,920                      | \$ 544,847                                  | \$ 6,959,832                            |
|                      |                                   | 22,710                                      | 387,379                                 |
|                      |                                   |   | 499,023                                 |
|                      |                                   |   | 200                                     |
|                      |                                   |   | 705,513                                 |
|                      |                                   |   | 775,000                                 |
| <u>3,210,447</u>     | <u>1,576,920</u>                  | <u>567,557</u>                              | <u>9,326,947</u>                        |
| <br>                 |                                   |   |   |
| 20,943,451           | 19,814,848                        | 14,234,418                                  | 16,733                                  |
|                      |                                   |   | 76,788,734                              |
|                      |                                   |   | 23,047,149                              |
| <u>20,943,451</u>    | <u>19,814,848</u>                 | <u>14,234,418</u>                           | <u>99,852,616</u>                       |
| <br>                 |                                   |   |   |
| <u>\$ 24,153,898</u> | <u>\$ 21,391,768</u>              | <u>\$ 14,801,975</u>                        | <u>\$ 109,179,563</u>                   |

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**CITY OF MARICOPA, ARIZONA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2013**

|   |                     |                                  |
|---|---------------------|----------------------------------|
| <b>Total governmental fund balances</b>   |                     | <b>\$ 99,852,616</b>             |
| <br>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:   |                     |                                  |
| <br>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.   |                     |                                  |
| Governmental capital assets   | \$ 244,015,580      |                                  |
| Less accumulated depreciation   | <u>(37,388,442)</u> | 206,627,138                      |
| <br>Property tax revenues that will not be available to pay for current expenditures and, therefore, are deferred in the funds.   |                     |                                  |
|   |                     | 668,030                          |
| <br>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. |                     |                                  |
|   |                     | (16,547)                         |
| <br>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.  |                     |                                  |
| Compensated absences payable  | (1,022,240)         |                                  |
| Obligations under capital leases  | (75,581)            |                                  |
| Bonds payable   | <u>(49,350,000)</u> | <u>(50,447,821)</u>              |
| <br><b>Net position of governmental activities</b>  |                     | <br><b><u>\$ 256,683,416</u></b> |

**CITY OF MARICOPA, ARIZONA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2013**

|  | General Fund  | Debt Service | Transportation<br>Impact Fee |
|--|---------------|--------------|------------------------------|
| <b>Revenues:</b>   |               |              |                              |
| Impact fees  | \$            | \$           | \$ 954,797                   |
| Property taxes   | 9,165,010     | 1,374,537    |                              |
| Sales taxes  | 6,792,246     |              |                              |
| Franchise taxes  | 309,744       |              |                              |
| Licenses, fees & permits                                 | 771,911       |              |                              |
| Intergovernmental revenues                               | 9,926,348     | 318,303      |                              |
| Charges for services                                     | 580,461       |              |                              |
| Fines, forfeitures & penalties                           | 271,537       |              |                              |
| Investment income  | 93,673        |              | 38,079                       |
| Miscellaneous  | 180,158       |              | 1,238,957                    |
| <b>Total revenues</b>                                    | 28,091,088    | 1,692,840    | 2,231,833                    |
| <b>Expenditures:</b>                                     |               |              |                              |
| Current -  |               |              |                              |
| General government                                       | 5,935,760     |              |                              |
| Public safety  | 15,533,038    |              |                              |
| Community services                                       | 1,939,505     |              |                              |
| Development services                                     | 2,291,710     |              |                              |
| Capital outlay   | 402,935       |              | 360,378                      |
| Debt service -   |               |              |                              |
| Bond issuance costs                                      |               | 633,340      |                              |
| Principal retirement                                     | 72,017        | 775,000      |                              |
| Interest and fiscal charges                              | 7,306         | 998,046      |                              |
| <b>Total expenditures</b>                                | 26,182,271    | 2,406,386    | 360,378                      |
| <b>Excess (deficiency) of revenues over expenditures</b> | 1,908,817     | (713,546)    | 1,871,455                    |
| <b>Other financing sources (uses):</b>                   |               |              |                              |
| Bond proceeds  |               |              |                              |
| Premium on bonds issued                                  |               | 825,551      |                              |
| Transfers in   |               |              |                              |
| Transfers out  | (175,000)     |              |                              |
| <b>Total other financing sources (uses):</b>             | (175,000)     | 825,551      |                              |
| <b>Changes in fund balances</b>                          | 1,733,817     | 112,005      | 1,871,455                    |
| <b>Fund balances (deficits), beginning of year</b>       | 21,330,065    | (34,662)     | 19,847,219                   |
| <b>Fund balances (deficits), end of year</b>             | \$ 23,063,882 | \$ 77,343    | \$ 21,718,674                |

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

| <u>Parks Bond</u>    | <u>General<br/>Government CIP</u> | <u>Non-Major<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|----------------------|-----------------------------------|---|---|
| \$                   | \$                                | \$ 830,973                                  | \$ 1,785,770                            |
|                      | 1,150,323                         |   | 10,539,547                              |
|                      |                                   |   | 7,942,569                               |
|                      |                                   |   | 309,744                                 |
|                      |                                   | 5,117,647                                   | 771,911                                 |
|                      |                                   |   | 15,362,298                              |
|                      |                                   |   | 580,461                                 |
|                      |                                   |   | 271,537                                 |
| 14,946               |                                   | 25,010                                      | 171,708                                 |
|                      | 97,886                            | 16,933                                      | 1,533,934                               |
| <u>14,946</u>        | <u>1,248,209</u>                  | <u>5,990,563</u>                            | <u>39,269,479</u>                       |
|                      |                                   | 54,750                                      | 5,990,510                               |
|                      |                                   | 239,904                                     | 15,772,942                              |
|                      |                                   | 11,077                                      | 1,950,582                               |
|                      | 10,000                            | 1,437,561                                   | 3,739,271                               |
| 22,345,143           | 14,831,438                        | 6,165,651                                   | 44,105,545                              |
|                      |                                   |   | 633,340                                 |
|                      |                                   |   | 847,017                                 |
|                      |                                   |   | 1,005,352                               |
| <u>22,345,143</u>    | <u>14,841,438</u>                 | <u>7,908,943</u>                            | <u>74,044,559</u>                       |
| <u>(22,330,197)</u>  | <u>(13,593,229)</u>               | <u>(1,918,380)</u>                          | <u>(34,775,080)</u>                     |
| 31,605,000           |                                   |   | 31,605,000                              |
|                      | 175,000                           |   | 825,551                                 |
|                      |                                   |   | 175,000                                 |
|                      |                                   |   | (175,000)                               |
| <u>31,605,000</u>    | <u>175,000</u>                    |   | <u>32,430,551</u>                       |
| <u>9,274,803</u>     | <u>(13,418,229)</u>               | <u>(1,918,380)</u>                          | <u>(2,344,529)</u>                      |
| 11,668,648           | 33,233,077                        | 16,152,798                                  | 102,197,145                             |
| <u>\$ 20,943,451</u> | <u>\$ 19,814,848</u>              | <u>\$ 14,234,418</u>                        | <u>\$ 99,852,616</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, 2013**

**Net changes in fund balances - total governmental funds** **\$ (2,344,529)**

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               | \$ 1,519,981       |            |
| Expenditures for capitalized assets | 43,020,602         |            |
| Less current year depreciation      | <u>(6,037,951)</u> | 38,502,632 |

Issuance of general obligation bonds provide current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position. (31,605,000)

Property tax revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 327,821

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 Position.

|                                    |                |         |
|------------------------------------|----------------|---------|
| Capital lease principal retirement | 72,017         |         |
| Bond principal retirement          | <u>775,000</u> | 847,017 |

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.

|                                     |                  |                  |
|-------------------------------------|------------------|------------------|
| Premium on issuance of debt         | (825,551)        |                  |
| Bond issuance costs                 | 633,340          |                  |
| Loss on disposal of capital assets  | (500)            |                  |
| Amortization of deferred bond items | (10,333)         |                  |
| Compensated absences                | <u>(152,162)</u> | <u>(355,206)</u> |

**Change in net position in governmental activities** **\$ 5,372,735**

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**CITY OF MARICOPA, ARIZONA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

During the year ended June 30, 2013, the City implemented the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 establishes reporting guidance for certain elements of the financial statements which are distinct from assets and liabilities.

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, 2013 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 position 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, 2013, the City had no business-type activities.

**CITY OF MARICOPA, ARIZONA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**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, 2013**

**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, 2013**

**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, 2013**

**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 position. 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, 2013**

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

**J. Net Position Flow Assumption**

In the government-wide fund financial statements the City applies restricted resources first when outlays are incurred for purposes for which either restricted or unrestricted amounts are available.

**K. Estimates**

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

**L. 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. Prepaid items are recorded as expenses when consumed in the government-wide financial statements and as expenditures when purchased in the 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.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

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

The City applies restricted resources first when outlays 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<br>Fund      | Debt<br>Service<br>Fund | Transportation<br>Impact Fee<br>Fund | Parks Bond<br>Fund   | General<br>Government<br>CIP Fund | Non-Major<br>Governmental<br>Funds |
|-------------------------------|----------------------|-------------------------|--------------------------------------|----------------------|-----------------------------------|------------------------------------|
| Fund Balances:                |                      |                         |                                      |                      |                                   |                                    |
| Nonspendable:                 |                      |                         |                                      |                      |                                   |                                    |
| Prepaid items                 | \$ 16,733            |                         |                                      |                      |                                   |                                    |
| Restricted:                   |                      |                         |                                      |                      |                                   |                                    |
| Debt Service                  |                      | 77,343                  |                                      |                      |                                   |                                    |
| Transportation projects       |                      |                         | 21,718,674                           |                      |                                   | 11,105,577                         |
| Parks and recreation projects |                      |                         |                                      | 20,943,451           |                                   | 1,516,286                          |
| Capital projects              |                      |                         |                                      |                      | 19,814,848                        |                                    |
| Community service projects    |                      |                         |                                      |                      |                                   | 576,758                            |
| Federal and State projects    |                      |                         |                                      |                      |                                   | 1,035,797                          |
| Unassigned:                   | 23,047,149           |                         |                                      |                      |                                   |                                    |
| Total fund balances           | <u>\$ 23,063,882</u> | <u>\$ 77,343</u>        | <u>\$ 21,718,674</u>                 | <u>\$ 20,943,451</u> | <u>\$ 19,814,848</u>              | <u>\$ 14,234,418</u>               |

**CITY OF MARICOPA, ARIZONA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 3 – 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 \$4,968,964 and the bank balance was \$10,428,355. In addition, at year end, the City had \$1,274,023 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.

| Investment Type                        | Fair Value           | Investment Maturities<br>(in Years) |                     | Concentration of<br>Credit Risk |
|--|----------------------|-------------------------------------|---------------------|---------------------------------|
|  |                      | Less than 1                         | 1-5                 |                                 |
| U.S. Treasuries                        | \$ 61,555,060        | \$37,670,133                        | \$23,884,927        | 61%                             |
| U.S. Agencies:                         |                      |                                     |                     |                                 |
| Federal Home Loan Mortgage Corporation | 1,572,283            |                                     | 1,572,283           | 2%                              |
| Federal National Mortgage Association  | 1,499,325            |                                     | 1,499,325           | 1%                              |
| State of Arizona Bonds:                |                      |                                     |                     |                                 |
| Arizona School Facilities Board        | 1,295,320            |                                     | 1,295,320           | 1%                              |
| Corporate Securities:                  |                      |                                     |                     |                                 |
| General Electric Co.                   | 1,748,345            |                                     | 1,748,345           | 2%                              |
| JPMorgan Chase & Co.                   | 1,739,321            |                                     | 1,739,321           | 2%                              |
|  |                      | <u>\$37,670,133</u>                 | <u>\$31,739,521</u> |                                 |
| State Treasurer's investment pool 5    | 27,638,372           | 25 days average maturities          |                     | 28%                             |
| State Treasurer's investment pool 7    | <u>3,383,478</u>     | 15 days average maturities          |                     | 3%                              |
| Total                                  | <u>\$100,431,504</u> |                                     |                     |                                 |



**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 3 – CASH AND INVESTMENTS (Concl'd)**

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

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

*Custodial Credit Risk – Investments.* The City's investment in the State Treasurer's investment pool represents a proportionate interest in the pool's portfolio; however, the City's portion is not identified with specific investments and is not subject to custodial credit risk.

**NOTE 4 – 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<br>Fund | Debt Service<br>Fund | Non-Major<br>Governmental<br>Funds |
|---------------------------------------|-----------------|----------------------|------------------------------------|
| Due from other governmental entities: |                 |                      |                                    |
| Due from Federal government           | \$              | \$ 151,914           | \$ 69,689                          |
| Due from State government             | 1,030,866       |                      | 276,031                            |
| Due from County government            | 680,487         | 99,868               | 132,424                            |
| Net due from governmental entities    | \$1,711,353     | \$ 251,782           | \$ 478,144                         |

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 \$668,030 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, 2013**

**NOTE 5 – CAPITAL ASSETS**

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

| <u>Governmental Activities</u>               | Beginning<br>Balance  | Increase            | Decrease          | Ending<br>Balance     |
|--|-----------------------|---------------------|-------------------|-----------------------|
| Capital assets, not being depreciated:       |                       |                     |                   |                       |
| Land   | \$ 86,470,145         | \$ 643,316          | \$                | \$ 87,113,461         |
| Construction in progress                     | 4,272,981             | 40,597,651          | 201,826           | 44,668,806            |
| Total capital assets, not being depreciated  | <u>90,743,126</u>     | <u>41,240,967</u>   | <u>201,826</u>    | <u>131,782,267</u>    |
| Capital assets, being depreciated:           |                       |                     |                   |                       |
| Buildings                                    | 9,379,946             | 1,066,021           |                   | 10,445,967            |
| Improvements other than buildings            | 2,758,717             | 71,931              |                   | 2,830,648             |
| Infrastructure                               | 83,601,114            | 1,101,607           |                   | 84,702,721            |
| Vehicles                                     | 6,297,357             | 674,975             | 49,481            | 6,922,851             |
| Machinery and equipment                      | 4,783,314             | 575,686             | 105,062           | 5,253,938             |
| Computers/Software                           | 2,065,966             | 11,222              |                   | 2,077,188             |
| Total capital, assets being depreciated      | <u>108,886,414</u>    | <u>3,501,442</u>    | <u>154,543</u>    | <u>112,233,313</u>    |
| Less accumulated depreciation for:           |                       |                     |                   |                       |
| Buildings                                    | (2,153,676)           | (508,595)           |                   | (2,662,271)           |
| Improvements other than buildings            | (706,606)             | (148,775)           |                   | (855,381)             |
| Infrastructure                               | (21,492,229)          | (4,189,475)         |                   | (25,681,704)          |
| Vehicles                                     | (3,772,631)           | (579,977)           | (49,481)          | (4,303,127)           |
| Machinery and equipment                      | (1,632,643)           | (463,418)           | (104,562)         | (1,991,499)           |
| Computes/Software                            | (1,746,749)           | (147,711)           |                   | (1,894,460)           |
| Total accumulated depreciation               | <u>(31,504,534)</u>   | <u>(6,037,951)</u>  | <u>(154,043)</u>  | <u>(37,388,442)</u>   |
| Total capital assets, being depreciated, net | <u>77,381,880</u>     | <u>(2,536,509)</u>  | <u>500</u>        | <u>74,844,871</u>     |
| Governmental activities capital assets, net  | <u>\$ 168,125,006</u> | <u>\$38,704,458</u> | <u>\$ 202,326</u> | <u>\$ 206,627,138</u> |

Depreciation expense was charged to functions/programs as follows:

|  |                     |
|--|---------------------|
| Governmental activities:                             |                     |
| General government                                   | \$ 304,881          |
| Public safety  | 925,586             |
| Community service                                    | 328,676             |
| Development services                                 | 4,478,808           |
| Total depreciation expense – governmental activities | <u>\$ 6,037,951</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 \$44.7 million on the projects and had estimated remaining contractual commitments of \$24.4 million.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 6 – LONG-TERM LIABILITIES**

**A. CAPITAL LEASES PAYABLE**

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. As of fiscal year end, the assets acquired through capital leases were fully depreciated, and only one lease remained.

As of June 30, 2013, the future minimum lease obligation was \$79,323 less the amount representing interest of \$3,742, resulting in a net present value of \$75,581 to be paid during the fiscal year ended June 30, 2014.

**B. GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$13.9 million remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

| Purpose                         | Original<br>Amount Issued | Interest<br>Rates | Remaining<br>Maturities | Outstanding<br>Principal<br>June 30, 2013 | Due Within<br>One Year |
|---------------------------------|---------------------------|-------------------|-------------------------|---|------------------------|
| <b>Governmental activities:</b> |                           |                   |                         |   |                        |
| GADA Bond, Series 2010 A        | \$ 20,000,000             | 2.0 – 6.3%        | 7/1/13-31               | \$ 18,520,000                             | \$ 775,000             |
| GO Bonds Series B, 2013         | 31,605,000                | 3.0 - 4.4 %       | 7/1/14-35               | 31,605,000                                |                        |
| Total                           |                           |                   |                         | <u>\$ 50,125,000</u>                      | <u>\$ 775,000</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             |
| 2014                 | \$ 775,000              | \$ 1,009,296         |
| 2015                 | 3,000,000               | 1,628,466            |
| 2016                 | 1,610,000               | 2,185,971            |
| 2017                 | 1,645,000               | 2,114,374            |
| 2018                 | 1,685,000               | 1,758,418            |
| 2019-23              | 9,290,000               | 8,762,042            |
| 2024-28              | 11,175,000              | 6,272,037            |
| 2029-33              | 13,670,000              | 2,281,893            |
| 2034-36              | 7,275,000               |                      |
| Total                | <u>\$ 50,125,000</u>    | <u>\$ 26,012,497</u> |

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

|   | <u>Beginning<br/>Balance</u> | <u>Additions</u>     | <u>Reductions</u>   | <u>Ending<br/>Balance</u> | <u>Due Within<br/>One Year</u> |
|---|------------------------------|----------------------|---------------------|---------------------------|--------------------------------|
| <b>Governmental activities:</b>             |                              |                      |                     |                           |                                |
| Bonds payable                               | \$19,270,000                 | \$ 31,605,000        | \$ 750,000          | \$ 50,125,000             | \$ 775,000                     |
| Unamortized bond premium                    | 90,467                       | 825,551              | 5,026               | 910,992                   |                                |
| Obligations under leases                    | 147,598                      |                      | 72,017              | 75,581                    | 75,581                         |
| Compensated absences payable                | 870,078                      | 1,546,188            | 1,394,026           | 1,022,240                 | 776,329                        |
| Governmental activity long-term liabilities | <u>\$20,378,143</u>          | <u>\$ 33,976,739</u> | <u>\$ 2,221,069</u> | <u>\$ 52,133,813</u>      | <u>\$ 1,626,910</u>            |

**NOTE 7 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Transfers of \$175,000 between funds were used to supplement the General Government CIP Fund.

**NOTE 8 – CONTINGENT LIABILITIES**

**Lawsuits** – The City is a party to a number of various types of lawsuits, many of which normally occur in governmental operations. The ultimate outcome of the actions is not determinable, however, City management believes that the outcome of these proceedings, either individually or in the aggregate, will not have a materially adverse effect on the accompanying financial statements.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

**NOTE 9 – RISK MANAGEMENT**

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

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

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

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

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

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

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

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

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

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

**Funding policy** – *Cost-sharing plan* – The Arizona State Legislature establishes and may amend active plan members' and the City's contribution rates. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.14 percent (10.90 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 11.14 percent (10.25 percent for retirement, 0.65 percent for health insurance premium, and 0.24 percent for long-term disability) of the members' annual covered payroll.

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

|                      | Retirement<br>Fund | Health<br>Benefit<br>Supplement<br>Fund | Long-<br>Term<br>Disability<br>Fund |
|----------------------|--------------------|---|-------------------------------------|
| Year ending June 30: |                    |   |                                     |
| 2013                 | \$ 428,184         | \$ 27,153                               | \$ 10,026                           |
| 2012                 | 355,528            | 22,693                                  | 8,645                               |
| 2011                 | 375,577            | 24,594                                  | 10,421                              |

*Agent plan* - For the current fiscal year, active PSPRS members were required by statute to contribute 9.55 percent of the members' annual covered payroll, and the City was required to contribute at the actuarially determined rate of 13.93 percent for police and 12.92 percent of the members' annual covered payroll for fire fighters.

**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

**Annual Pension Cost** – The City's pension cost for the agent plan for the year ended June 30, 2013 and related information follows.

|                            | <u>PSPRS</u>  |
|----------------------------|---|
| Contribution rates:        |   |
| Police:                    |   |
| City                       | 12.56%  |
| Plan members               | 7.65%   |
| Fire:                      |   |
| City                       | 11.47%  |
| Plan members               | 7.65%   |
| Annual pension cost        | 1,252,176   |
| Contributions made         | 1,252,176   |
| Actuarial valuation date   | June 30, 2011   |
| Actuarial cost method      | Projected unit credit                                     |
| Actuarial assumptions:     |   |
| Investment rate of return  | 8.25%   |
| Projected salary increases | 5.0%-8.0%   |
| Inflation rate             | 5.0%  |
| Healthcare cost trend rate | N/A - flat rate subsidy                                   |
| Amortization method        | Level percent-of-pay closed                               |
| Remaining amortization     | 25 years for underfunded and 20<br>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, 2013**

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

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

**Maricopa Police Plan:**

| Year Ended<br><u>June 30,</u>  | Annual Pension<br><u>Cost (APC)</u> | Percentage of APC<br><u>Contributed</u> | Net Pension<br><u>Obligation</u> |
|--------------------------------|-------------------------------------|---|----------------------------------|
| <b><i>Pension</i></b>          |                                     |   |                                  |
| 2013                           | \$460,766                           | 100%                                    | -0-                              |
| 2012                           | 421,611                             | 100%                                    | -0-                              |
| 2011                           | 419,634                             | 100%                                    | -0-                              |
| <b><i>Health Insurance</i></b> |                                     |   |                                  |
| 2013                           | \$27,702                            | 100%                                    | -0-                              |
| 2012                           | 29,168                              | 100%                                    | -0-                              |
| 2011                           | 27,160                              | 100%                                    | -0-                              |

**Maricopa Fire Plan:**

| Year Ended<br><u>June 30,</u>  | Annual Pension<br><u>Cost (APC)</u> | Percentage of APC<br><u>Contributed</u> | Net Pension<br><u>Obligation</u> |
|--------------------------------|-------------------------------------|---|----------------------------------|
| <b><i>Pension</i></b>          |                                     |   |                                  |
| 2013                           | \$612,461                           | 100%                                    | -0-                              |
| 2012                           | 459,528                             | 100%                                    | -0-                              |
| 2011                           | 443,025                             | 100%                                    | -0-                              |
| <b><i>Health Insurance</i></b> |                                     |   |                                  |
| 2013                           | \$28,267                            | 100%                                    | -0-                              |
| 2012                           | 26,056                              | 100%                                    | -0-                              |
| 2011                           | 22,517                              | 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<br>Date<br><u>June 30,</u> | Actuarial<br>Value of<br>Plan Assets<br><u>(a)</u> | Actuarial<br>Accrued<br>Liability<br><u>(b)</u> | Funding<br>Excess<br>(Liability)<br><u>(a-b)</u> | Funded<br>Ratio<br><u>(a/b)</u> | Annual<br>Covered<br>Payroll<br><u>(c)</u> | Unfunded<br>Liability as<br>Percentage<br>of Covered<br>Payroll<br><u>([a-b]/c)</u> |
|--------------------------------------|--|---|--|---------------------------------|--|---|
| 2013                                 | \$6,509,050  | \$5,956,497                                     | \$552,553  | 109.3%                          | \$3,497,406                                | (15.8)%   |
| 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%   |



**CITY OF MARICOPA, ARIZONA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2013**

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

***Health Insurance***

| Valuation Date<br><u>June 30,</u> | Actuarial Value of Plan Assets<br><u>(a)</u> | Actuarial Accrued Liability<br><u>(b)</u> | Funding Excess (Liability)<br><u>(a-b)</u> | Funded Ratio<br><u>(a/b)</u> | Annual Covered Payroll<br><u>(c)</u> | Unfunded Liability as Percentage of Covered Payroll<br><u>([a-b]/c)</u> |
|-----------------------------------|--|---|--|------------------------------|--------------------------------------|---|
| 2013                              | -0-  | \$171,938                                 | \$(171,938)                                | 0.0%                         | \$3,497,406                          | 4.9%  |
| 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%  |

**Maricopa Fire Plan:  
*Pension***

| Valuation Date<br><u>June 30,</u> | Actuarial Value of Plan Assets<br><u>(a)</u> | Actuarial Accrued Liability<br><u>(b)</u> | Funding Excess (Liability)<br><u>(a-b)</u> | Funded Ratio<br><u>(a/b)</u> | Annual Covered Payroll<br><u>(c)</u> | Unfunded Liability as Percentage of Covered Payroll<br><u>([a-b]/c)</u> |
|-----------------------------------|--|---|--|------------------------------|--------------------------------------|---|
| 2013                              | \$9,223,905                                  | \$8,856,489                               | \$367,416                                  | 104.1%                       | \$4,511,565                          | 8.1%  |
| 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)%   |

***Health Insurance***

| Valuation Date<br><u>June 30,</u> | Actuarial Value of Plan Assets<br><u>(a)</u> | Actuarial Accrued Liability<br><u>(b)</u> | Funding Excess (Liability)<br><u>(a-b)</u> | Funded Ratio<br><u>(a/b)</u> | Annual Covered Payroll<br><u>(c)</u> | Unfunded Liability as Percentage of Covered Payroll<br><u>([a-b]/c)</u> |
|-----------------------------------|--|---|--|------------------------------|--------------------------------------|---|
| 2013                              | -0-  | \$288,164                                 | \$(288,164)                                | 0.0%                         | \$4,511,565                          | (6.4)%  |
| 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)%  |

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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, 2013**

|  | Budgeted Amounts      |                       | Actual               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-----------------------|-----------------------|----------------------|---|
|  | Original              | Final                 |                      |   |
| <b>Revenues:</b>   |                       |                       |                      |   |
| Property taxes   | \$ 10,307,647         | \$ 10,307,647         | \$ 9,165,010         | \$ (1,142,637)  |
| Sales taxes  | 6,120,000             | 6,120,000             | 6,792,246            | 672,246   |
| Franchise taxes  | 272,000               | 272,000               | 309,744              | 37,744  |
| Licenses and permits                                     | 347,550               | 347,550               | 771,911              | 424,361   |
| Intergovernmental revenues                               | 9,841,190             | 9,841,190             | 9,926,348            | 85,158  |
| Charges for services                                     | 372,170               | 372,170               | 580,461              | 208,291   |
| Fines and forfeitures                                    | 470,000               | 470,000               | 271,537              | (198,463)   |
| Investment income  | 110,000               | 110,000               | 93,673               | (16,327)  |
| Miscellaneous  | 66,360                | 66,360                | 180,158              | 113,798   |
| <b>Total revenues</b>                                    | <u>27,906,917</u>     | <u>27,906,917</u>     | <u>28,091,088</u>    | <u>184,171</u>  |
| <b>Expenditures:</b>                                     |                       |                       |                      |   |
| Current -  |                       |                       |                      |   |
| City Magistrate  | 283,745               | 283,745               | 274,948              | 8,797   |
| Community services                                       | 2,388,830             | 2,415,312             | 1,939,505            | 475,807   |
| Development services                                     | 2,385,994             | 2,605,182             | 2,291,710            | 313,472   |
| Mayor and Council  | 402,527               | 402,527               | 383,400              | 19,127  |
| City Manager   | 622,660               | 680,471               | 674,136              | 6,335   |
| City Clerk   | 356,916               | 360,217               | 357,774              | 2,443   |
| Finance and Administrative services                      | 1,615,552             | 1,846,612             | 1,644,659            | 201,953   |
| City Attorney  | 600,000               | 653,000               | 625,457              | 27,543  |
| Human Resources  | 299,147               | 310,715               | 306,046              | 4,669   |
| Economic Development                                     | 780,199               | 780,199               | 706,679              | 73,520  |
| Police   | 7,765,845             | 8,023,793             | 7,782,008            | 241,785   |
| Non-Departmental   | 3,626,808             | 2,086,508             | 962,661              | 1,123,847   |
| Fire   | 7,592,867             | 7,834,409             | 7,751,030            | 83,379  |
| Capital outlay   | 88,418                | 488,018               | 402,935              | 85,083  |
| Debt service -   |                       |                       |                      |   |
| Principal retirement                                     | 450,000               | 450,000               | 72,017               | 377,983   |
| Interest and fiscal charges                              | 536,000               | 536,000               | 7,306                | 528,694   |
| <b>Total expenditures</b>                                | <u>29,795,508</u>     | <u>29,756,708</u>     | <u>26,182,271</u>    | <u>3,574,437</u>  |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(1,888,591)</u>    | <u>(1,849,791)</u>    | <u>1,908,817</u>     | <u>3,758,608</u>  |
| <b>Other financing sources (uses):</b>                   |                       |                       |                      |   |
| Transfers out  |                       |                       | (175,000)            | (175,000)   |
| <b>Total other financing sources (uses):</b>             |                       |                       | <u>(175,000)</u>     | <u>(175,000)</u>  |
| <b>Changes in fund balances</b>                          | <u>(1,888,591)</u>    | <u>(1,849,791)</u>    | <u>1,733,817</u>     | <u>3,583,608</u>  |
| <b>Fund balances, beginning of year</b>                  |                       |                       | 21,330,065           | 21,330,065  |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (1,888,591)</u> | <u>\$ (1,849,791)</u> | <u>\$ 23,063,882</u> | <u>\$ 24,913,673</u>                                    |

See accompanying notes to this schedule.

**CITY OF MARICOPA, ARIZONA  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2013**

**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, 2013**

|   | <u>Special Revenue</u>   | <u>Capital Projects</u> | <u>Total Non-Major<br/>Governmental<br/>Fund</u> |
|---|--------------------------|-------------------------|--|
| <b><u>ASSETS</u></b>                            |                          |                         |  |
| Cash and investments                            | \$ 11,855,523            | \$ 2,468,308            | \$ 14,323,831                                    |
| Intergovernmental receivables                   | 478,144                  |                         | 478,144  |
| <b>Total assets</b>                             | <b>\$ 12,333,667</b>     | <b>\$ 2,468,308</b>     | <b>\$ 14,801,975</b>                             |
| <br><b><u>LIABILITIES AND FUND BALANCES</u></b> |                          |                         |  |
| Liabilities:                                    |                          |                         |  |
| Accounts payable                                | \$ 418,915               | \$ 125,932              | \$ 544,847                                       |
| Accrued wages and benefits                      | 22,710                   |                         | 22,710   |
| <b>Total liabilities</b>                        | <b>441,625</b>           | <b>125,932</b>          | <b>567,557</b>                                   |
| Fund balances:                                  |                          |                         |  |
| Restricted                                      | 11,892,042               | 2,342,376               | 14,234,418                                       |
| <b>Total fund balances</b>                      | <b>11,892,042</b>        | <b>2,342,376</b>        | <b>14,234,418</b>                                |
| <br><b>Total liabilities and fund balances</b>  | <br><b>\$ 12,333,667</b> | <br><b>\$ 2,468,308</b> | <br><b>\$ 14,801,975</b>                         |

**CITY OF MARICOPA, ARIZONA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2013**

|   | <u>Special Revenue</u> | <u>Capital Projects</u> | <u>Total Non-Major<br/>Governmental<br/>Funds</u> |
|---|------------------------|-------------------------|---|
| <b>Revenues:</b>                        |                        |                         |   |
| Impact fees                             | \$                     | \$ 830,973              | \$ 830,973  |
| Intergovernmental revenues              | 4,867,647              | 250,000                 | 5,117,647   |
| Investment income                       | 19,508                 | 5,502                   | 25,010  |
| Miscellaneous                           | 9,103                  | 7,830                   | 16,933  |
| <b>Total revenues</b>                   | <u>4,896,258</u>       | <u>1,094,305</u>        | <u>5,990,563</u>                                  |
| <b>Expenditures:</b>                    |                        |                         |   |
| Current -                               |                        |                         |   |
| General government                      | 54,277                 | 473                     | 54,750  |
| Public safety                           | 190,008                | 49,896                  | 239,904   |
| Community services                      | 11,077                 |                         | 11,077  |
| Development services                    | 1,437,366              | 195                     | 1,437,561   |
| Capital outlay                          | 2,021,694              | 4,143,957               | 6,165,651   |
| <b>Total expenditures</b>               | <u>3,714,422</u>       | <u>4,194,521</u>        | <u>7,908,943</u>                                  |
| <b>Changes in fund balances</b>         | <u>1,181,836</u>       | <u>(3,100,216)</u>      | <u>(1,918,380)</u>                                |
| <b>Fund balances, beginning of year</b> | 10,710,206             | 5,442,592               | 16,152,798  |
| <b>Fund balances, end of year</b>       | <u>\$ 11,892,042</u>   | <u>\$ 2,342,376</u>     | <u>\$ 14,234,418</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.

**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, 2013**

|   | HURF                    | Road<br>Maintenance     | Grants                |
|---|-------------------------|-------------------------|-----------------------|
| <b><u>ASSETS</u></b>                            |                         |                         |                       |
| Cash and investments                            | \$ 5,342,093            | \$ 2,063,435            | \$ 740,546            |
| Intergovernmental receivables                   | 251,736                 |                         | 93,984                |
| <b>Total assets</b>                             | <b>\$ 5,593,829</b>     | <b>\$ 2,063,435</b>     | <b>\$ 834,530</b>     |
| <br><b><u>LIABILITIES AND FUND BALANCES</u></b> |                         |                         |                       |
| Liabilities:                                    |                         |                         |                       |
| Accounts payable                                | \$ 297,376              | \$ 83,448               | \$ 38,091             |
| Accrued wages and benefits                      | 12,736                  |                         | 9,974                 |
| <b>Total liabilities</b>                        | <b>310,112</b>          | <b>83,448</b>           | <b>48,065</b>         |
| Fund balances:                                  |                         |                         |                       |
| Restricted                                      | 5,283,717               | 1,979,987               | 786,465               |
| <b>Total fund balances</b>                      | <b>5,283,717</b>        | <b>1,979,987</b>        | <b>786,465</b>        |
| <br><b>Total liabilities and fund balances</b>  | <br><b>\$ 5,593,829</b> | <br><b>\$ 2,063,435</b> | <br><b>\$ 834,530</b> |

| <u>County Road<br/>Tax</u> | <u>Totals</u>        |
|----------------------------|----------------------|
| \$ 3,709,449               | \$ 11,855,523        |
| 132,424                    | 478,144              |
| <u>\$ 3,841,873</u>        | <u>\$ 12,333,667</u> |
| <br>                       | <br>                 |
| <u>\$</u>                  | \$ 418,915           |
| <br>                       | 22,710               |
| <br>                       | <u>441,625</u>       |
| <br>                       | <br>                 |
| 3,841,873                  | 11,892,042           |
| <u>3,841,873</u>           | <u>11,892,042</u>    |
| <br>                       | <br>                 |
| <u>\$ 3,841,873</u>        | <u>\$ 12,333,667</u> |

**CITY OF MARICOPA, ARIZONA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2013**

|   | HURF         | Road<br>Maintenance | Grants     |
|---|--------------|---------------------|------------|
| <b>Revenues:</b>                        |              |                     |            |
| Intergovernmental revenues              | \$ 2,736,647 | \$                  | \$ 604,332 |
| Investment income                       | 8,305        | 3,922               |            |
| Miscellaneous                           | 1,871        | 3,185               |            |
| <b>Total revenues</b>                   | 2,746,823    | 7,107               | 604,332    |
| <b>Expenditures:</b>                    |              |                     |            |
| Current -                               |              |                     |            |
| General government                      |              |                     | 54,277     |
| Public safety                           |              |                     | 190,008    |
| Community services                      |              |                     | 11,077     |
| Development services                    | 1,199,042    |                     | 238,324    |
| Capital outlay                          | 273,491      | 221,835             | 84,593     |
| <b>Total expenditures</b>               | 1,472,533    | 221,835             | 578,279    |
| <b>Changes in fund balances</b>         | 1,274,290    | (214,728)           | 26,053     |
| <b>Fund balances, beginning of year</b> | 4,009,427    | 2,194,715           | 760,412    |
| <b>Fund balances, end of year</b>       | \$ 5,283,717 | \$ 1,979,987        | \$ 786,465 |



| County Road<br>Tax  | Totals               |
|---------------------|----------------------|
| \$ 1,526,668        | \$ 4,867,647         |
| 7,281               | 19,508               |
| 4,047               | 9,103                |
| <u>1,537,996</u>    | <u>4,896,258</u>     |
|                     | 54,277               |
|                     | 190,008              |
|                     | 11,077               |
|                     | 1,437,366            |
| 1,441,775           | 2,021,694            |
| <u>1,441,775</u>    | <u>3,714,422</u>     |
| <u>96,221</u>       | <u>1,181,836</u>     |
| 3,745,652           | 10,710,206           |
| <u>\$ 3,841,873</u> | <u>\$ 11,892,042</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, 2013**

|  | HURF                |                     | Variance -<br>Positive<br>(Negative) |
|--|---------------------|---------------------|--------------------------------------|
|  | Budget              | Actual              |                                      |
| <b>Revenues:</b>                             |                     |                     |                                      |
| Intergovernmental revenues                   | \$ 2,715,915        | \$ 2,736,647        | \$ 20,732                            |
| Investment income                            | 7,500               | 8,305               | 805                                  |
| Miscellaneous                                |                     | 1,871               | 1,871                                |
| <b>Total revenues</b>                        | <u>2,723,415</u>    | <u>2,746,823</u>    | <u>23,408</u>                        |
| <b>Expenditures:</b>                         |                     |                     |                                      |
| Current -                                    |                     |                     |                                      |
| Community services                           |                     |                     |                                      |
| Development services                         | 1,524,198           | 1,199,042           | 325,156                              |
| City Manager                                 |                     |                     |                                      |
| Finance and administrative services          |                     |                     |                                      |
| Economic Development                         |                     |                     |                                      |
| Police                                       |                     |                     |                                      |
| Non-Departmental                             |                     |                     |                                      |
| Fire   |                     |                     |                                      |
| Capital outlay                               | 1,605,971           | 273,491             | 1,332,480                            |
| <b>Total expenditures</b>                    | <u>3,130,169</u>    | <u>1,472,533</u>    | <u>1,657,636</u>                     |
| <b>Changes in fund balances</b>              | <u>(406,754)</u>    | <u>1,274,290</u>    | <u>1,681,044</u>                     |
| <b>Fund balances, beginning of year</b>      |                     | 4,009,427           | 4,009,427                            |
| <b>Fund balances (deficits), end of year</b> | <u>\$ (406,754)</u> | <u>\$ 5,283,717</u> | <u>\$ 5,690,471</u>                  |

| Road Maintenance    |                     |                                | Grants            |                   |                                |
|---------------------|---------------------|--------------------------------|-------------------|-------------------|--------------------------------|
| Budget              | Actual              | Variance - Positive (Negative) | Budget            | Actual            | Variance - Positive (Negative) |
| \$ 2,000            | \$ 3,922            | \$ 1,922                       | \$ 12,704,750     | \$ 604,332        | \$ (12,100,418)                |
|                     | 3,185               | 3,185                          |                   |                   |                                |
| <u>2,000</u>        | <u>7,107</u>        | <u>5,107</u>                   | <u>12,704,750</u> | <u>604,332</u>    | <u>(12,100,418)</u>            |
|                     |                     |                                | 209,268           | 11,077            | 198,191                        |
|                     |                     |                                | 1,451,890         | 238,324           | 1,213,566                      |
|                     |                     |                                | 2,400,000         |                   | 2,400,000                      |
|                     |                     |                                | 15,084            | 4,278             | 10,806                         |
|                     |                     |                                | 1,000,000         |                   | 1,000,000                      |
|                     |                     |                                | 1,484,772         | 132,444           | 1,352,328                      |
|                     |                     |                                |                   | 49,999            | (49,999)                       |
|                     |                     |                                | 484,190           | 57,564            | 426,626                        |
| <u>1,000,000</u>    | <u>221,835</u>      | <u>778,165</u>                 | <u>5,659,039</u>  | <u>84,593</u>     | <u>5,574,446</u>               |
| <u>1,000,000</u>    | <u>221,835</u>      | <u>778,165</u>                 | <u>12,704,243</u> | <u>578,279</u>    | <u>12,125,964</u>              |
| <u>(998,000)</u>    | <u>(214,728)</u>    | <u>783,272</u>                 | <u>507</u>        | <u>26,053</u>     | <u>25,546</u>                  |
|                     | 2,194,715           | 2,194,715                      |                   | 760,412           | 760,412                        |
| <u>\$ (998,000)</u> | <u>\$ 1,979,987</u> | <u>\$ 2,977,987</u>            | <u>\$ 507</u>     | <u>\$ 786,465</u> | <u>\$ 785,958</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, 2013**

|  | County Road Tax |              | Variance -<br>Positive<br>(Negative) |
|--|-----------------|--------------|--------------------------------------|
|  | Budget          | Actual       |                                      |
| <b>Revenues:</b>                             |                 |              |                                      |
| Intergovernmental revenues                   | \$ 995,000      | \$ 1,526,668 | \$ 531,668                           |
| Investment income                            | 5,000           | 7,281        | 2,281                                |
| Miscellaneous                                |                 | 4,047        | 4,047                                |
| <b>Total revenues</b>                        | 1,000,000       | 1,537,996    | 537,996                              |
| <b>Expenditures:</b>                         |                 |              |                                      |
| Current -                                    |                 |              |                                      |
| Community services                           |                 |              |                                      |
| Development services                         |                 |              |                                      |
| City Manager                                 |                 |              |                                      |
| Finance and administrative services          |                 |              |                                      |
| Economic Development                         |                 |              |                                      |
| Police                                       |                 |              |                                      |
| Non-Departmental                             |                 |              |                                      |
| Fire   |                 |              |                                      |
| Capital outlay                               | 2,225,000       | 1,441,775    | 783,225                              |
| <b>Total expenditures</b>                    | 2,225,000       | 1,441,775    | 783,225                              |
| <b>Changes in fund balances</b>              | (1,225,000)     | 96,221       | 1,321,221                            |
| <b>Fund balances, beginning of year</b>      |                 | 3,745,652    | 3,745,652                            |
| <b>Fund balances (deficits), end of year</b> | \$ (1,225,000)  | \$ 3,841,873 | \$ 5,066,873                         |

Totals

| Budget                | Actual               | Variance -<br>Positive<br>(Negative) |
|-----------------------|----------------------|--------------------------------------|
| \$ 16,415,665         | \$ 4,867,647         | \$ (11,548,018)                      |
| 14,500                | 19,508               | 5,008                                |
|                       | 9,103                | 9,103                                |
| <u>16,430,165</u>     | <u>4,896,258</u>     | <u>(11,533,907)</u>                  |
| 209,268               | 11,077               | 198,191                              |
| 2,976,088             | 1,437,366            | 1,538,722                            |
| 2,400,000             |                      | 2,400,000                            |
| 15,084                | 4,278                | 10,806                               |
| 1,000,000             |                      | 1,000,000                            |
| 1,484,772             | 132,444              | 1,352,328                            |
|                       | 49,999               | (49,999)                             |
| 484,190               | 57,564               | 426,626                              |
| <u>10,490,010</u>     | <u>2,021,694</u>     | <u>8,468,316</u>                     |
| <u>19,059,412</u>     | <u>3,714,422</u>     | <u>15,344,990</u>                    |
| <u>(2,629,247)</u>    | <u>1,181,836</u>     | <u>3,811,083</u>                     |
|                       | 10,710,206           | 10,710,206                           |
| <u>\$ (2,629,247)</u> | <u>\$ 11,892,042</u> | <u>\$ 14,521,289</u>                 |

## DEBT SERVICE FUND

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

**CITY OF MARICOPA, ARIZONA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DEBT SERVICE  
YEAR ENDED JUNE 30, 2013**

|  | Budgeted<br>Amounts | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|---------------------|------------------|---|
|  | Original & Final    |                  |   |
| <b>Revenues:</b>   |                     |                  |   |
| Property taxes   | \$ 1,437,724        | \$ 1,374,537     | \$ (63,187)   |
| Intergovernmental revenues                               |                     | 318,303          | 318,303   |
| Miscellaneous  | 332,778             |                  | (332,778)   |
| <b>Total revenues</b>                                    | <u>1,770,502</u>    | <u>1,692,840</u> | <u>(77,662)</u>   |
| <b>Expenditures:</b>                                     |                     |                  |   |
| Debt service -   |                     |                  |   |
| Bond issuance costs                                      |                     | 633,340          | (633,340)   |
| Principal retirement                                     | 775,000             | 775,000          |   |
| Interest and fiscal charges                              | 1,346,048           | 998,046          | 348,002   |
| <b>Total expenditures</b>                                | <u>2,121,048</u>    | <u>2,406,386</u> | <u>(285,338)</u>  |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(350,546)</u>    | <u>(713,546)</u> | <u>(363,000)</u>  |
| <b>Other financing sources (uses):</b>                   |                     |                  |   |
| Premium on bonds issued                                  |                     | 825,551          | 825,551   |
| <b>Total other financing sources (uses):</b>             |                     | <u>825,551</u>   | <u>825,551</u>  |
| <b>Changes in fund balances</b>                          | <u>(350,546)</u>    | <u>112,005</u>   | <u>462,551</u>  |
| <b>Fund balances (deficits), beginning of year</b>       |                     | (34,662)         | (34,662)  |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (350,546)</u> | <u>\$ 77,343</u> | <u>\$ 427,889</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.

**Transportation Impact Fee** – 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** – 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** – This fund is used to account for construction in progress for general government projects.

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

**CITY OF MARICOPA, ARIZONA  
 COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2013**

|   | <u>Parks Impact<br/>Fee</u> | <u>Library Impact<br/>Fee</u> | <u>Public Safety<br/>Impact Fee</u> |
|---|-----------------------------|-------------------------------|-------------------------------------|
| <b><u>ASSETS</u></b>                        |                             |                               |                                     |
| Cash and investments                        | \$ 736,999                  | \$ 779,287                    | \$ 702,690                          |
| <b>Total assets</b>                         | <u>\$ 736,999</u>           | <u>\$ 779,287</u>             | <u>\$ 702,690</u>                   |
| <br>  |                             |                               |                                     |
| <b><u>LIABILITIES AND FUND BALANCES</u></b> |                             |                               |                                     |
| Liabilities:                                |                             |                               |                                     |
| Accounts payable                            | \$                          | \$                            | \$ 125,932                          |
| <b>Total liabilities</b>                    | <u>\$</u>                   | <u>\$</u>                     | <u>125,932</u>                      |
| <br>  |                             |                               |                                     |
| Fund balances:                              |                             |                               |                                     |
| Restricted                                  | 736,999                     | 779,287                       | 576,758                             |
| <b>Total fund balances</b>                  | <u>736,999</u>              | <u>779,287</u>                | <u>576,758</u>                      |
| <br>  |                             |                               |                                     |
| <b>Total liabilities and fund balances</b>  | <u>\$ 736,999</u>           | <u>\$ 779,287</u>             | <u>\$ 702,690</u>                   |

| <u>Grants</u>     | <u>Totals</u>       |
|-------------------|---------------------|
| \$ 249,332        | \$ 2,468,308        |
| <u>\$ 249,332</u> | <u>\$ 2,468,308</u> |

|           |                   |
|-----------|-------------------|
| <u>\$</u> | <u>\$ 125,932</u> |
|           | 125,932           |

|                |                  |
|----------------|------------------|
| <u>249,332</u> | <u>2,342,376</u> |
| 249,332        | 2,342,376        |

|                   |                     |
|-------------------|---------------------|
| <u>\$ 249,332</u> | <u>\$ 2,468,308</u> |
|-------------------|---------------------|

**CITY OF MARICOPA, ARIZONA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NON-MAJOR CAPITAL PROJECTS FUNDS  
 YEAR ENDED JUNE 30, 2013**

|   | Parks Impact<br>Fee | Library Impact<br>Fee | Public Safety<br>Impact Fee |
|---|---------------------|-----------------------|-----------------------------|
| <b>Revenues:</b>                        |                     |                       |                             |
| Impact fees                             | \$ 448,497          | \$ 5,763              | \$ 376,713                  |
| Intergovernmental revenues              |                     |                       |                             |
| Investment income                       | 862                 | 1,412                 | 1,331                       |
| Miscellaneous                           | 474                 | 3,768                 | 948                         |
| <b>Total revenues</b>                   | 449,833             | 10,943                | 378,992                     |
| <b>Expenditures:</b>                    |                     |                       |                             |
| Current -                               |                     |                       |                             |
| General government                      |                     |                       |                             |
| Public safety                           |                     |                       | 49,896                      |
| Development services                    |                     |                       |                             |
| Capital outlay                          |                     |                       | 694,206                     |
| <b>Total expenditures</b>               |                     |                       | 744,102                     |
| <b>Changes in fund balances</b>         | 449,833             | 10,943                | (365,110)                   |
| <b>Fund balances, beginning of year</b> | 287,166             | 768,344               | 941,868                     |
| <b>Fund balances, end of year</b>       | \$ 736,999          | \$ 779,287            | \$ 576,758                  |

| General<br>Government<br>Impact Fee | Grants            | Totals              |
|-------------------------------------|-------------------|---------------------|
| \$                                  | \$                | \$                  |
|                                     | 250,000           | 830,973<br>250,000  |
| 1,897                               |                   | 5,502               |
| 2,640                               |                   | 7,830               |
| <u>4,537</u>                        | <u>250,000</u>    | <u>1,094,305</u>    |
|                                     |                   |                     |
|                                     | 473               | 473                 |
|                                     |                   | 49,896              |
|                                     | 195               | 195                 |
| 3,449,751                           |                   | 4,143,957           |
| <u>3,449,751</u>                    | <u>668</u>        | <u>4,194,521</u>    |
|                                     |                   |                     |
| (3,445,214)                         | 249,332           | (3,100,216)         |
|                                     |                   |                     |
| 3,445,214                           |                   | 5,442,592           |
|                                     |                   |                     |
| <u>\$</u>                           | <u>\$ 249,332</u> | <u>\$ 2,342,376</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, 2013**

|  | Parks Impact Fee |            |                                      |
|--|------------------|------------|--------------------------------------|
|  | Budget           | Actual     | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                  |            |                                      |
| Impact fees  | \$ 105,715       | \$ 448,497 | \$ 342,782                           |
| Sales taxes  |                  |            |                                      |
| Intergovernmental revenues                               |                  |            |                                      |
| Investment income  | 125              | 862        | 737                                  |
| Miscellaneous  |                  | 474        | 474                                  |
| <b>Total revenues</b>                                    | 105,840          | 449,833    | 343,993                              |
| <b>Expenditures:</b>                                     |                  |            |                                      |
| Current -  |                  |            |                                      |
| Development services                                     |                  |            |                                      |
| Finance and administrative services                      |                  |            |                                      |
| Fire   |                  |            |                                      |
| Capital outlay   |                  |            |                                      |
| <b>Total expenditures</b>                                |                  |            |                                      |
| <b>Excess (deficiency) of revenues over expenditures</b> | 105,840          | 449,833    | 343,993                              |
| <b>Other financing sources (uses):</b>                   |                  |            |                                      |
| Proceeds from sale of bonds                              |                  |            |                                      |
| Transfers in   |                  |            |                                      |
| <b>Total other financing sources (uses):</b>             |                  |            |                                      |
| <b>Changes in fund balances</b>                          | 105,840          | 449,833    | 343,993                              |
| <b>Fund balances, beginning of year</b>                  |                  | 287,166    | 287,166                              |
| <b>Fund balances (deficits), end of year</b>             | \$ 105,840       | \$ 736,999 | \$ 631,159                           |

| Library Impact Fee |                   |                                | Public Safety Impact Fee |                   |                                |
|--------------------|-------------------|--------------------------------|--------------------------|-------------------|--------------------------------|
| Budget             | Actual            | Variance - Positive (Negative) | Budget                   | Actual            | Variance - Positive (Negative) |
| \$ 860             | \$ 5,763          | \$ 4,903                       | \$ 71,555                | \$ 376,713        | \$ 305,158                     |
| 500                | 1,412             | 912                            | 765                      | 1,331             | 566                            |
|                    | 3,768             | 3,768                          |                          | 948               | 948                            |
| <u>1,360</u>       | <u>10,943</u>     | <u>9,583</u>                   | <u>72,320</u>            | <u>378,992</u>    | <u>306,672</u>                 |
|                    |                   |                                |                          | 49,896            | (49,896)                       |
|                    |                   |                                | 764,875                  | 694,206           | 70,669                         |
|                    |                   |                                | <u>764,875</u>           | <u>744,102</u>    | <u>20,773</u>                  |
| <u>1,360</u>       | <u>10,943</u>     | <u>9,583</u>                   | <u>(692,555)</u>         | <u>(365,110)</u>  | <u>327,445</u>                 |
|                    |                   |                                |                          |                   |                                |
| <u>1,360</u>       | <u>10,943</u>     | <u>9,583</u>                   | <u>(692,555)</u>         | <u>(365,110)</u>  | <u>327,445</u>                 |
|                    | 768,344           | 768,344                        |                          | 941,868           | 941,868                        |
| <u>\$ 1,360</u>    | <u>\$ 779,287</u> | <u>\$ 777,927</u>              | <u>\$ (692,555)</u>      | <u>\$ 576,758</u> | <u>\$ 1,269,313</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, 2013**

|  | <u>General Government Impact Fee</u> |                    |   |
|--|--------------------------------------|--------------------|---|
|  | <u>Budget</u>                        | <u>Actual</u>      | <u>Variance -<br/>Positive<br/>(Negative)</u> |
| <b>Revenues:</b>   |                                      |                    |   |
| Impact fees  | \$                                   | \$                 | \$  |
| Sales taxes  |                                      |                    |   |
| Intergovernmental revenues                               |                                      |                    |   |
| Investment income  |                                      | 1,897              | 1,897   |
| Miscellaneous  |                                      | 2,640              | 2,640   |
| <b>Total revenues</b>                                    |                                      | <u>4,537</u>       | <u>4,537</u>                                  |
| <b>Expenditures:</b>                                     |                                      |                    |   |
| Current -  |                                      |                    |   |
| Development services                                     |                                      |                    |   |
| Finance and administrative services                      |                                      |                    |   |
| Fire   |                                      |                    |   |
| Capital outlay   | 3,606,436                            | 3,449,751          | 156,685                                       |
| <b>Total expenditures</b>                                | <u>3,606,436</u>                     | <u>3,449,751</u>   | <u>156,685</u>                                |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>(3,606,436)</u>                   | <u>(3,445,214)</u> | <u>161,222</u>                                |
| <b>Other financing sources (uses):</b>                   |                                      |                    |   |
| Proceeds from sale of bonds                              |                                      |                    |   |
| Transfers in   |                                      |                    |   |
| <b>Total other financing sources (uses):</b>             |                                      |                    |   |
| <b>Changes in fund balances</b>                          | <u>(3,606,436)</u>                   | <u>(3,445,214)</u> | <u>161,222</u>                                |
| <b>Fund balances, beginning of year</b>                  |                                      | 3,445,214          | 3,445,214                                     |
| <b>Fund balances (deficits), end of year</b>             | <u>\$ (3,606,436)</u>                | <u>\$</u>          | <u>\$ 3,606,436</u>                           |



Transportation Impact Fee

| Budget                 | Actual               | Variance - Positive (Negative) |
|------------------------|----------------------|--------------------------------|
| \$ 191,970             | \$ 954,797           | \$ 762,827                     |
| 15,150                 | 38,079               | 22,929                         |
|                        | 1,238,957            | 1,238,957                      |
| <u>207,120</u>         | <u>2,231,833</u>     | <u>2,024,713</u>               |
| 10,842,064             | 360,378              | 10,481,686                     |
| <u>10,842,064</u>      | <u>360,378</u>       | <u>10,481,686</u>              |
| (10,634,944)           | 1,871,455            | 12,506,399                     |
|                        |                      |                                |
|                        |                      |                                |
|                        |                      |                                |
| (10,634,944)           | 1,871,455            | 12,506,399                     |
|                        | 19,847,219           | 19,847,219                     |
| <u>\$ (10,634,944)</u> | <u>\$ 21,718,674</u> | <u>\$ 32,353,618</u>           |

Parks Bond

| Budget                | Actual               | Variance - Positive (Negative) |
|-----------------------|----------------------|--------------------------------|
| \$                    | \$                   | \$                             |
|                       | 14,946               | 14,946                         |
|                       | <u>14,946</u>        | <u>14,946</u>                  |
| 24,832,104            | 22,345,143           | 2,486,961                      |
| <u>24,832,104</u>     | <u>22,345,143</u>    | <u>2,486,961</u>               |
| (24,832,104)          | (22,330,197)         | 2,501,907                      |
|                       |                      |                                |
|                       |                      |                                |
|                       |                      |                                |
| 17,167,525            | 31,605,000           | 14,437,475                     |
| <u>17,167,525</u>     | <u>31,605,000</u>    | <u>14,437,475</u>              |
| (7,664,579)           | 9,274,803            | 16,939,382                     |
|                       | 11,668,648           | 11,668,648                     |
| <u>\$ (7,664,579)</u> | <u>\$ 20,943,451</u> | <u>\$ 28,608,030</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, 2013**

|  | General Government CIP |               |                                      |
|--|------------------------|---------------|--------------------------------------|
|  | Budget                 | Actual        | Variance -<br>Positive<br>(Negative) |
| <b>Revenues:</b>   |                        |               |                                      |
| Impact fees  | \$                     | \$            | \$                                   |
| Sales taxes  | 719,000                | 1,150,323     | 431,323                              |
| Intergovernmental revenues                               |                        |               |                                      |
| Investment income  |                        |               |                                      |
| Miscellaneous  | 350,000                | 97,886        | (252,114)                            |
| <b>Total revenues</b>                                    | 1,069,000              | 1,248,209     | 179,209                              |
| <b>Expenditures:</b>                                     |                        |               |                                      |
| Current -  |                        |               |                                      |
| Development services                                     |                        | 10,000        | (10,000)                             |
| Finance and administrative services                      |                        |               |                                      |
| Fire   |                        |               |                                      |
| Capital outlay   | 22,715,607             | 14,831,438    | 7,884,169                            |
| <b>Total expenditures</b>                                | 22,715,607             | 14,841,438    | 7,874,169                            |
| <b>Excess (deficiency) of revenues over expenditures</b> | (21,646,607)           | (13,593,229)  | 8,053,378                            |
| <b>Other financing sources (uses):</b>                   |                        |               |                                      |
| Proceeds from sale of bonds                              |                        |               |                                      |
| Transfers in   |                        | 175,000       | 175,000                              |
| <b>Total other financing sources (uses):</b>             |                        | 175,000       | 175,000                              |
| <b>Changes in fund balances</b>                          | (21,646,607)           | (13,418,229)  | 8,228,378                            |
| <b>Fund balances, beginning of year</b>                  |                        | 33,233,077    | 33,233,077                           |
| <b>Fund balances (deficits), end of year</b>             | \$ (21,646,607)        | \$ 19,814,848 | \$ 41,461,455                        |

| Grants            |                   |                                | Totals  |   |   |
|-------------------|-------------------|--------------------------------|---|---|---|
| Budget            | Actual            | Variance - Positive (Negative) | Budget  | Actual  | Variance - Positive (Negative)  |
| \$                | \$                | \$                             | \$  | \$  | \$  |
| 61,477,187        | 250,000           | (61,227,187)                   | 370,100<br>719,000<br>61,477,187<br>16,540<br>350,000<br>62,932,827 | 1,785,770<br>1,150,323<br>250,000<br>58,527<br>1,344,673<br>4,589,293 | 1,415,670<br>431,323<br>(61,227,187)<br>41,987<br>994,673<br>(58,343,534) |
| <u>61,477,187</u> | <u>250,000</u>    | <u>(61,227,187)</u>            |   |   |   |
|                   | 195               | (195)                          |   | 10,195  | (10,195)  |
|                   | 473               | (473)                          |   | 473   | (473)   |
| 61,477,187        |                   | 61,477,187                     | 124,238,273   | 41,680,916  | 82,557,357  |
| <u>61,477,187</u> | <u>668</u>        | <u>61,476,519</u>              | <u>124,238,273</u>  | <u>41,741,480</u>   | <u>82,496,793</u>   |
|                   | 249,332           | 249,332                        | (61,305,446)  | (37,152,187)  | 24,153,259  |
|                   |                   |                                | 17,167,525  | 31,605,000  | 14,437,475  |
|                   |                   |                                |   | 175,000   | 175,000   |
|                   |                   |                                | <u>17,167,525</u>   | <u>31,780,000</u>   | <u>14,612,475</u>   |
|                   | 249,332           | 249,332                        | (44,137,921)  | (5,372,187)   | 38,765,734  |
|                   |                   |                                |   | 70,191,536  | 70,191,536  |
| <u>\$</u>         | <u>\$ 249,332</u> | <u>\$ 249,332</u>              | <u>\$ (44,137,921)</u>  | <u>\$ 64,819,349</u>  | <u>\$ 108,957,270</u>   |

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

|                                  | <b>Fiscal Year Ended June 30</b> |                       |                       |                       |                       |
|----------------------------------|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                  | <b><u>2013</u></b>               | <b><u>2012</u></b>    | <b><u>2011</u></b>    | <b><u>2010</u></b>    | <b><u>2009</u></b>    |
| <b>Net Position:</b>             |                                  |                       |                       |                       |                       |
| Net investment in capital assets | \$ 177,370,008                   | \$ 160,277,610        | \$ 159,446,413        | \$ 152,574,381        | \$ 133,067,896        |
| Restricted                       | 55,767,940                       | 69,233,094            | 44,235,838            | 48,605,910            | 34,740,312            |
| Unrestricted                     | 23,545,468                       | 21,799,977            | 48,978,257            | 53,602,407            | 70,331,229            |
| Total net assets                 | <u>\$ 256,683,416</u>            | <u>\$ 251,310,681</u> | <u>\$ 252,660,508</u> | <u>\$ 254,782,698</u> | <u>\$ 238,139,437</u> |
|                                  | <b><u>2008</u></b>               | <b><u>2007</u></b>    | <b><u>2006</u></b>    | <b><u>2005</u></b>    | <b><u>2004</u></b>    |
| <b>Net Position:</b>             |                                  |                       |                       |                       |                       |
| Net investment in capital assets | \$ 124,909,707                   | \$ 87,820,431         | \$ 62,802,743         | \$ 14,309,850         | \$ 14,000             |
| Restricted                       | 35,329,613                       | 28,090,363            | 12,328,627            | 2,749,549             |                       |
| Unrestricted                     | 75,491,411                       | 67,926,655            | 45,835,279            | 14,134,563            | 781,631               |
| Total net assets                 | <u>\$ 235,730,731</u>            | <u>\$ 183,837,449</u> | <u>\$ 120,966,649</u> | <u>\$ 31,193,962</u>  | <u>\$ 795,631</u>     |

**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 TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

|  | <b>Fiscal Year Ended June 30</b> |                               |                               |                               |                               |
|--|----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|  | <u><b>2013</b></u>               | <u><b>2012</b></u>            | <u><b>2011</b></u>            | <u><b>2010</b></u>            | <u><b>2009</b></u>            |
| <b>Expenses</b>                        |                                  |                               |                               |                               |                               |
| Governmental activities                |                                  |                               |                               |                               |                               |
| General government                     | \$ 6,656,984                     | \$ 8,832,289                  | \$ 8,747,059                  | \$ 9,303,721                  | \$ 9,502,082                  |
| Public safety                          | 17,447,674                       | 16,103,119                    | 16,001,267                    | 14,898,669                    | 15,608,622                    |
| Community services                     | 2,399,939                        | 2,257,063                     | 2,986,635                     | 1,531,241                     | 2,506,551                     |
| Development services                   | 8,224,264                        | 10,002,055                    | 10,673,852                    | 7,761,376                     | 7,610,979                     |
| Interest on long-term debt             | 1,015,685                        | 1,063,544                     | 1,542,441                     | 57,445                        | 64,346                        |
| Total governmental activities expenses | <u>35,744,546</u>                | <u>38,258,070</u>             | <u>39,951,254</u>             | <u>33,552,452</u>             | <u>35,292,580</u>             |
| <b>Program Revenues</b>                |                                  |                               |                               |                               |                               |
| Governmental activities:               |                                  |                               |                               |                               |                               |
| Charges for services:                  |                                  |                               |                               |                               |                               |
| General government                     | \$ 468,718                       | \$ 956,062                    | \$ 1,056,489                  | \$ 534,071                    | \$ 1,632,470                  |
| Public safety                          | 892,908                          | 590,689                       | 211,428                       | 922,084                       | 426,086                       |
| Culture and recreation                 | 282,565                          | 285,986                       | 258,028                       | 289,004                       | 277,060                       |
| Development services                   | 161,747                          | 95,951                        | 122,451                       | 244,107                       | 77,547                        |
| Operating grants and contributions     | 926,682                          | 1,732,451                     | 3,436,610                     | 866,471                       | 3,967,175                     |
| Capital grants and contributions       | 6,180,277                        | 2,917,234                     | 6,815,917                     | 7,558,625                     | 8,238,154                     |
| Total program revenues                 | <u>8,912,897</u>                 | <u>6,578,373</u>              | <u>11,900,923</u>             | <u>10,414,362</u>             | <u>14,618,492</u>             |
| <b>Net (Expense)/Revenue</b>           | <u><b>\$ (26,831,649)</b></u>    | <u><b>\$ (31,679,697)</b></u> | <u><b>\$ (28,050,331)</b></u> | <u><b>\$ (23,138,090)</b></u> | <u><b>\$ (20,674,088)</b></u> |



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

|  | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          | <u>2005</u>          | <u>2004</u>         |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|
| <b>Expenses</b>                        |                      |                      |                      |                      |                     |
| Governmental activities                |                      |                      |                      |                      |                     |
| General government                     | \$ 8,361,595         | \$ 5,645,737         | \$ 5,022,348         | \$ 2,808,741         | \$ 432,863          |
| Public safety                          | 15,675,619           | 2,583,068            | 1,624,485            | 810,924              |                     |
| Community services                     | 2,027,478            | 1,082,524            | 368,726              | 129,531              | 4,785               |
| Development services                   | 7,360,789            | 4,112,488            | 2,118,096            | 844,630              | 11,507              |
| Interest on long-term debt             | 64,397               |                      |                      |                      | 2,055               |
| Total governmental activities expenses | <u>33,489,878</u>    | <u>13,423,817</u>    | <u>9,133,655</u>     | <u>4,593,826</u>     | <u>451,210</u>      |
| <b>Program Revenues</b>                |                      |                      |                      |                      |                     |
| Governmental activities:               |                      |                      |                      |                      |                     |
| Charges for services:                  |                      |                      |                      |                      |                     |
| General government                     | \$ 3,550,264         | \$ 5,809,118         | \$ 10,916,030        | \$ 7,476,840         | \$ 83,670           |
| Public safety                          | 53,814               |                      |                      |                      |                     |
| Culture and recreation                 | 232,334              | 130,990              | 77,517               | 14,931               |                     |
| Development services                   |                      |                      |                      | 1,030,436            | 4,753               |
| Operating grants and contributions     | 2,978,293            | 2,313,870            | 1,873,086            | 1,030,950            |                     |
| Capital grants and contributions       | <u>38,175,235</u>    | <u>35,344,625</u>    | <u>57,471,658</u>    | <u>15,827,680</u>    |                     |
| Total program revenues                 | <u>44,989,940</u>    | <u>43,598,603</u>    | <u>70,338,291</u>    | <u>25,380,837</u>    | <u>88,423</u>       |
| <b>Net (Expense)/Revenue</b>           | <u>\$ 11,500,062</u> | <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.

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

|   | <b>Fiscal Year Ended June 30</b> |                       |                       |                    |                     |
|---|----------------------------------|-----------------------|-----------------------|--------------------|---------------------|
|   | <u><b>2013</b></u>               | <u><b>2012</b></u>    | <u><b>2011</b></u>    | <u><b>2010</b></u> | <u><b>2009</b></u>  |
| <b>Net (Expense)/Revenue</b>                | \$ (26,831,649)                  | \$ (31,679,697)       | \$ (28,050,331)       | \$ (23,138,090)    | \$ (20,674,088)     |
| <b>General Revenues:</b>                    |                                  |                       |                       |                    |                     |
| Taxes:                                      |                                  |                       |                       |                    |                     |
| Property taxes, levied for general purposes | 9,409,828                        | 10,932,354            | \$ 9,797,104          | \$ 9,191,887       | \$ 8,073,578        |
| Property taxes, levied for debt service     | 1,457,540                        |                       | 1,415,568             |                    |                     |
| Sales taxes                                 | 7,942,569                        | 7,601,624             | 7,454,918             | 6,649,744          | 10,230,103          |
| Franchise taxes                             | 309,744                          | 285,739               | 315,240               | 494,091            | 536,966             |
| Investment income                           | 171,708                          | 112,707               | 667,555               | 265,485            | (378,160)           |
| Unrestricted state aid                      | 12,912,995                       | 11,397,446            | 6,277,756             | 7,110,730          | 4,583,320           |
| Miscellaneous                               |                                  |                       |                       |                    | 37,503              |
| <b>Total general revenues</b>               | <u>32,204,384</u>                | <u>30,329,870</u>     | <u>25,928,141</u>     | <u>23,711,937</u>  | <u>23,083,310</u>   |
| <b>Changes in Net Position</b>              | <u>\$ 5,372,735</u>              | <u>\$ (1,349,827)</u> | <u>\$ (2,122,190)</u> | <u>\$ 573,847</u>  | <u>\$ 2,409,222</u> |

(Continued)

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

|   | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          | <u>2005</u>          | <u>2004</u>       |
|---|----------------------|----------------------|----------------------|----------------------|-------------------|
| <b>Net (Expense)/Revenue</b>                | \$ 11,500,062        | \$ 30,174,786        | \$ 61,204,636        | \$ 20,787,011        | \$ (362,787)      |
| <b>General Revenues:</b>                    |                      |                      |                      |                      |                   |
| Taxes:                                      |                      |                      |                      |                      |                   |
| Property taxes, levied for general purposes | \$ 5,504,915         | \$ 2,431,339         | \$                   | \$                   | \$                |
| Property taxes, levied for debt service     |                      |                      |                      |                      |                   |
| Sales taxes                                 | 18,141,568           | 22,032,882           | 25,432,643           | 7,439,799            | 859,799           |
| Franchise taxes                             | 758,442              | 660,317              | 303,480              | 97,362               |                   |
| Investment income                           | 4,378,266            | 3,853,077            | 1,315,924            | 127,403              |                   |
| Unrestricted state aid                      | 5,392,623            | 3,718,174            | 1,515,829            | 1,912,697            | 298,355           |
| Miscellaneous                               | 30,441               | 225                  | 175                  | 34,059               | 264               |
| <b>Total general revenues</b>               | <u>34,206,255</u>    | <u>32,696,014</u>    | <u>28,568,051</u>    | <u>9,611,320</u>     | <u>1,158,418</u>  |
| Extraordinary Item                          | 6,186,965            |                      |                      |                      |                   |
| <b>Changes in Net Position</b>              | <u>\$ 51,893,282</u> | <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 TEN FISCAL YEARS  
(Modified accrual basis of accounting)**

|                                    | <b>Fiscal Year Ended June 30</b> |                      |                      |                      |                      |
|------------------------------------|----------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                    | <u><b>2013</b></u>               | <u><b>2012</b></u>   | <u><b>2011</b></u>   | <u><b>2010</b></u>   | <u><b>2009</b></u>   |
| General Fund:                      |                                  |                      |                      |                      |                      |
| Nonspendable                       | \$ 16,733                        | \$ 5,084             | \$ 2,550             | \$                   | \$                   |
| Unassigned                         | 23,047,149                       | 21,324,981           | 55,361,631           |                      |                      |
| Unreserved                         |                                  |                      |                      | 64,206,671           | 68,275,877           |
| Total General Fund                 | <u>\$ 23,063,882</u>             | <u>\$ 21,330,065</u> | <u>\$ 55,364,181</u> | <u>\$ 64,206,671</u> | <u>\$ 68,275,877</u> |
| All Other Governmental Funds:      |                                  |                      |                      |                      |                      |
| Nonspendable                       |                                  |                      |                      |                      |                      |
| Restricted                         | 76,788,734                       | 80,901,742           | 49,970,470           |                      |                      |
| Unassigned                         |                                  | (34,662)             | (334,556)            |                      |                      |
| Reserved                           |                                  |                      |                      | 35,547,328           | 34,740,312           |
| Unreserved, reported in:           |                                  |                      |                      |                      |                      |
| Special revenue funds              |                                  |                      |                      | 2,320,530            | 2,419,821            |
| Capital projects funds             |                                  |                      |                      | 13,058,582           |                      |
| Debt service fund                  |                                  |                      |                      |                      |                      |
| Total all other governmental funds | <u>\$ 76,788,734</u>             | <u>\$ 80,867,080</u> | <u>\$ 49,635,914</u> | <u>\$ 50,926,440</u> | <u>\$ 37,160,133</u> |

**(Continued)**

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

|                                    | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          | <u>2005</u>          | <u>2004</u>       |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------|
| General Fund:                      |                      |                      |                      |                      |                   |
| Reserved                           | \$                   | \$ 412,091           | \$ 246,296           | \$                   | \$                |
| Unreserved                         | 72,950,101           | 65,105,942           | 43,914,118           | 14,148,712           | 655,065           |
| Total General Fund                 | <u>\$ 72,950,101</u> | <u>\$ 65,518,033</u> | <u>\$ 44,160,414</u> | <u>\$ 14,148,712</u> | <u>\$ 655,065</u> |
| All Other Governmental Funds:      |                      |                      |                      |                      |                   |
| Reserved                           | 35,329,613           | 28,105,124           | \$ 12,328,627        |                      |                   |
| Unreserved, reported in:           |                      |                      |                      |                      |                   |
| Special revenue funds              | 2,900,630            | 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>\$ 38,230,243</u> | <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 TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|  | <b>Fiscal Year Ended June 30</b> |                       |                        |                       |                       |
|--|----------------------------------|-----------------------|------------------------|-----------------------|-----------------------|
|  | <b>2013</b>                      | <b>2012</b>           | <b>2011</b>            | <b>2010</b>           | <b>2009</b>           |
| <b>Revenues:</b>   |                                  |                       |                        |                       |                       |
| Impact fees  | \$ 1,785,770                     | \$                    | \$                     | \$                    | \$                    |
| Property taxes   | 10,539,547                       | 10,826,301            | 11,299,263             | 9,201,246             | 7,936,092             |
| Sales taxes  | 7,942,569                        | 7,601,624             | 7,454,918              | 6,649,744             | 10,230,103            |
| Franchise taxes  | 309,744                          | 285,739               | 315,240                | 494,091               | 536,966               |
| Licenses, fees & permits                                 | 771,911                          | 480,342               | 320,909                | 748,539               | 866,940               |
| Intergovernmental revenues                               | 15,362,298                       | 14,610,218            | 10,403,335             | 8,619,173             | 10,991,426            |
| Charges for services                                     | 580,461                          | 521,229               | 544,625                | 675,406               | 1,023,168             |
| Fines, forfeitures, & penalties                          | 271,537                          | 431,180               | 470,509                | 506,664               | 518,712               |
| Investment income (loss)                                 | 171,708                          | 112,707               | 667,555                | 265,485               | (378,160)             |
| Miscellaneous  | 1,533,934                        | 1,686,749             | 312,853                | 1,664,621             | 4,410,405             |
| <b>Total revenues</b>                                    | <b>\$ 39,269,479</b>             | <b>\$ 36,556,089</b>  | <b>\$ 31,789,207</b>   | <b>\$ 28,824,969</b>  | <b>\$ 36,135,652</b>  |
| <b>Expenditures:</b>                                     |                                  |                       |                        |                       |                       |
| Current -  |                                  |                       |                        |                       |                       |
| General government                                       | \$ 5,990,510                     | \$ 8,502,107          | \$ 8,031,875           | \$ 7,595,728          | \$ 8,589,886          |
| Public safety  | 15,772,942                       | 14,832,455            | 13,999,701             | 13,588,093            | 14,008,800            |
| Community services                                       | 1,950,582                        | 1,929,898             | 2,509,541              | 1,081,819             | 1,360,816             |
| Development services                                     | 3,739,271                        | 6,098,044             | 6,049,216              | 3,517,309             | 2,970,533             |
| Capital outlay   | 44,105,545                       | 6,138,326             | 8,966,722              | 11,168,632            | 14,752,588            |
| Debt service -   |                                  |                       |                        |                       |                       |
| Principal retirement                                     | 847,017                          | 1,016,198             | 1,271,520              | 139,918               | 133,017               |
| Interest and fiscal charges                              | 1,005,352                        | 1,053,211             | 1,532,108              | 57,445                | 64,346                |
| Bond issuance costs                                      | 633,340                          |                       |                        | 307,182               |                       |
| <b>Total expenditures</b>                                | <b>\$ 74,044,559</b>             | <b>\$ 39,570,239</b>  | <b>\$ 42,360,683</b>   | <b>\$ 37,456,126</b>  | <b>\$ 41,879,986</b>  |
| <b>Extraordinary Item</b>                                |                                  |                       |                        |                       |                       |
| <b>Excess (deficiency) of revenues over expenditures</b> | <b>\$ (34,775,080)</b>           | <b>\$ (3,014,150)</b> | <b>\$ (10,571,476)</b> | <b>\$ (8,631,157)</b> | <b>\$ (5,744,334)</b> |
| Expenditures for capitalized assets                      | \$ 43,020,602                    | \$ 7,031,001          | \$ 7,209,712           | \$ 9,375,099          | \$ 12,177,408         |
| Debt service as a percentage of noncapital expenditures  | 8%                               | 6%                    | 8%                     | 2%                    | 1%                    |

(Continued)

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

|  | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          | <u>2005</u>          | <u>2004</u>         |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|
| <b>Revenues:</b>   |                      |                      |                      |                      |                     |
| Impact fees  | \$                   | \$                   | \$                   | \$                   | \$                  |
| Property taxes   | 5,547,387            | 2,196,247            |                      |                      |                     |
| Sales taxes  | 18,141,568           | 22,032,882           | 25,432,643           | 7,537,161            | 859,799             |
| Franchise taxes  | 758,442              | 660,317              | 303,480              |                      |                     |
| Licenses, fees & permits                                 | 2,494,759            | 4,578,929            | 8,916,082            | 6,580,727            | 18,239              |
| Intergovernmental revenues                               | 9,114,700            | 8,329,956            | 2,744,065            | 2,033,941            | 298,355             |
| Charges for services                                     | 905,055              | 1,162,087            | 1,968,618            | 4,048,832            | 70,184              |
| Fines, forfeitures, & penalties                          | 436,598              | 199,036              | 95,795               | 44,749               |                     |
| Investment income (loss)                                 | 4,378,266            | 3,853,077            | 1,315,924            | 173,247              |                     |
| Miscellaneous  | 8,605,812            | 11,890,546           | 10,680,272           | 34,059               | 264                 |
| <b>Total revenues</b>                                    | <u>\$ 50,382,587</u> | <u>\$ 54,903,077</u> | <u>\$ 51,456,879</u> | <u>\$ 20,452,716</u> | <u>\$ 1,246,841</u> |
| <b>Expenditures:</b>                                     |                      |                      |                      |                      |                     |
| Current -  |                      |                      |                      |                      |                     |
| General government                                       | \$ 7,726,546         | \$ 5,278,035         | \$ 4,809,752         | \$ 2,766,528         | \$ 424,283          |
| Public safety  | 13,114,436           | 2,372,859            | 1,624,485            | 810,924              |                     |
| Culture and recreation                                   | 1,586,766            | 733,355              | 254,544              | 126,349              | 4,785               |
| Development services                                     | 2,673,029            | 2,055,791            | 935,435              | 524,271              | 11,507              |
| Capital outlay   | 11,145,898           | 6,751,791            | 2,517,741            | 111,089              | 19,505              |
| Debt service -   |                      |                      |                      |                      |                     |
| Principal retirement                                     | 132,966              |                      |                      |                      |                     |
| Interest and fiscal charges                              | 64,397               |                      |                      |                      | 2,055               |
| Bond issuance costs                                      |                      |                      |                      |                      |                     |
| <b>Total expenditures</b>                                | <u>\$ 36,444,038</u> | <u>\$ 17,191,831</u> | <u>\$ 10,141,957</u> | <u>\$ 4,339,161</u>  | <u>\$ 462,135</u>   |
| <b>Extraordinary Item</b>                                | 1,317,356            |                      |                      |                      |                     |
| <b>Excess (deficiency) of revenues over expenditures</b> | <u>\$ 15,255,905</u> | <u>\$ 37,711,246</u> | <u>\$ 41,314,922</u> | <u>\$ 16,113,555</u> | <u>\$ 784,706</u>   |
| Expenditures for capitalized assets                      | \$ 7,678,877         | \$ 5,984,896         |                      |                      |                     |
| Debt service as a percentage of noncapital expenditures  | 1%                   | 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 TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

|  | <b>Fiscal Year Ended June 30</b> |                       |                        |                      |                       |
|--|----------------------------------|-----------------------|------------------------|----------------------|-----------------------|
|  | <u><b>2013</b></u>               | <u><b>2012</b></u>    | <u><b>2011</b></u>     | <u><b>2010</b></u>   | <u><b>2009</b></u>    |
| <b>Excess (deficiency) of revenues over expenditures</b> | \$ (34,775,080)                  | \$ (3,014,150)        | \$ (10,571,476)        | \$ (8,631,157)       | \$ (5,744,334)        |
| <b>Other financing sources (uses):</b>                   |                                  |                       |                        |                      |                       |
| General obligation bonds issued                          | 31,605,000                       |                       |                        | 20,000,000           |                       |
| Premium on sale of bonds                                 | 825,551                          |                       |                        | 100,519              |                       |
| Proceeds from sale of assets                             |                                  | 211,200               | 438,460                |                      |                       |
| Transfers in   | 175,000                          | 37,135,270            |                        |                      |                       |
| Transfers out  | (175,000)                        | (37,135,270)          |                        |                      |                       |
| <b>Total other financing sources (uses)</b>              | <u>32,430,551</u>                | <u>211,200</u>        | <u>438,460</u>         | <u>20,100,519</u>    |                       |
| <b>Changes in fund balances</b>                          | <u>\$ (2,344,529)</u>            | <u>\$ (2,802,950)</u> | <u>\$ (10,133,016)</u> | <u>\$ 11,469,362</u> | <u>\$ (5,744,334)</u> |
|  | <u><b>2008</b></u>               | <u><b>2007</b></u>    | <u><b>2006</b></u>     | <u><b>2005</b></u>   | <u><b>2004</b></u>    |
| <b>Excess (deficiency) of revenues over expenditures</b> | \$ 15,255,905                    | \$ 37,711,246         | \$ 41,314,922          | \$ 16,113,555        | \$ 784,706            |
| <b>Other financing sources (uses):</b>                   |                                  |                       |                        |                      |                       |
| Total other financing sources (uses)                     |                                  |                       |                        |                      |                       |
| <b>Changes in fund balances</b>                          | <u>\$ 15,255,905</u>             | <u>\$ 37,711,246</u>  | <u>\$ 41,314,922</u>   | <u>\$ 16,113,555</u> | <u>\$ 784,706</u>     |

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



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

|                                    | Fiscal Year Ended June 30  |                            |                            |                            |                             |                             |                             |                             |                           |                          |
|------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|--------------------------|
|                                    | <u>2013</u>                | <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                             | \$ 4,252                   | \$ 1,619                   | \$ 1,947                   | \$ 3,893                   | \$ 3,070                    | \$ (844)                    | \$ 85                       | \$ 5,150                    | \$                        | \$                       |
| Communication & Utilities          | 636,967                    | 575,882                    | 575,198                    | 540,097                    | 414,839                     | 457,988                     | 492,936                     | 344,710                     | 126,893                   | 10,861                   |
| Transportation                     | 8,462                      | 6,326                      | 5,925                      | 9,395                      | 5,272                       | 2,762                       | 3,700                       | 2,493                       | 32,254                    | 13                       |
| Construction                       | 2,325,823                  | 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                      | 289,320                    | 274,016                    | 257,176                    | 234,542                    | 308,076                     | 107,944                     | 61,759                      | 56,553                      | 105,747                   | 1,404                    |
| Wholesale                          | 114,764                    | 93,496                     | 189,691                    | 326,914                    | 108,875                     | 75,310                      | 95,063                      | 51,008                      | 17,242                    | 4,462                    |
| Retail                             | 3,834,681                  | 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            | 30,233                     | 28,471                     | 32,286                     | 30,353                     | 18,001                      | 14,281                      | 18,601                      | 4,901                       | 2,050                     | 628                      |
| Real Estate Rental                 | 502,888                    | 538,287                    | 496,443                    | 470,484                    | 524,427                     | 969,820                     | 1,371,736                   | 371,742                     | 214,252                   | 3,594                    |
| Restaurant & Bar                   | 429,359                    | 380,961                    | 357,595                    | 381,273                    | 369,659                     | 395,455                     | 360,007                     | 161,712                     | 21,071                    | 2,014                    |
| Accommodation                      | 9                          | 6                          | 806                        | 8,423                      | 14,008                      | 10,973                      | 19                          | 175                         | 94                        | 12                       |
| Public Administration              | 845                        | 1,165                      | (2,813)                    | 3,240                      | 266                         | 39                          | 1,188                       | 2,652                       | 1,068                     |                          |
| Services                           | 272,749                    | 177,935                    | 150,913                    | 95,398                     | 108,262                     | 122,634                     | 149,934                     | 89,186                      | 36,098                    | 2,494                    |
| Arts & Entertainment               | 21,019                     | 47,440                     | 22,341                     | 510                        | 40,640                      | 50,210                      | 53,190                      | 55,552                      | 42,402                    | 22,319                   |
| Other                              | 50,400                     | 57,419                     | 151,517                    | 225,795                    | 319,141                     | 373,526                     | 836,182                     | 716,390                     | 318,423                   | 158,903                  |
| <b>Total</b>                       | <b><u>\$ 8,521,771</u></b> | <b><u>\$ 7,493,445</u></b> | <b><u>\$ 7,487,527</u></b> | <b><u>\$ 6,834,148</u></b> | <b><u>\$ 10,534,347</u></b> | <b><u>\$ 18,683,988</u></b> | <b><u>\$ 23,942,279</u></b> | <b><u>\$ 23,112,080</u></b> | <b><u>\$6,540,423</u></b> | <b><u>\$ 643,486</u></b> |
| City's direct sales tax rate       | 2.0%                       | 2.0%                       | 2.0%                       | 2.0%                       | 2.0%                        | 2.0%                        | 2.0%                        | 2.0%                        | 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**

| <b>Fiscal<br/>Year</b> | <b>City's<br/>Direct<br/>Rate</b> | <b>City's<br/>Construction<br/>Sales Tax<br/>Rate</b> | <b>Arizona<br/>Rate</b> | <b>County<br/>Rate</b> |
|------------------------|-----------------------------------|---|-------------------------|------------------------|
| 2013                   | 2.00%                             | 3.50%   | 5.60%                   | 1.10%                  |
| 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%                  |

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

**CITY OF MARICOPA, ARIZONA  
GENERAL GOVERNMENT TAX REVENUES BY SOURCE  
LAST TEN 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> |
|--------------------|--------------------|--------------------------|-----------------------|--------------------------|------------------------|--------------------------|---------------|--------------------------|
| 2013               | \$7,942,569        | 4.49 %                   | \$10,539,547          | (2.45) %                 | \$309,744              | 8.40 %                   | \$ 18,791,860 | 0.54 %                   |
| 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 SEVEN YEARS PRIOR**

| Taxpayer                               | 2013                       |   | 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               | 3.37 %                                      |                            | %   |
| Global Water: Santa Cruz Water Co.     | 3,961,000                  | 1.82  |                            |   |
| Global Water: Palo Verde Utilities     | 2,868,199                  | 1.32  |                            |   |
| Wal-Mart Stores Inc #2778              | 2,546,233                  | 1.17  |                            |   |
| Volkswagen of America dba Vorelco Inc. | 2,545,984                  | 1.17  | 1,603,214                  | 1.91  |
| Meritage Homes of Arizona Inc.         | 1,938,043                  | 0.89  |                            |   |
| Maricopa Fiesta Investors L L C etal   | 1,738,000                  | 0.80  |                            |   |
| Smith's Food & Drug Center Inc         | 1,303,800                  | 0.60  | 1,630,606                  | 1.95  |
| Metro Red-1 LLC                        | 982,899                    | 0.45  |                            |   |
| Maricopa Groves Self Storage LLC       | 919,680                    | 0.42  | 417,092                    | 0.50  |
| Barclay Holding XIX LLC                | 837,230                    | 0.38  | 726,796                    | 0.87  |
| Shea Maricopa LLC                      | 825,670                    | 0.38  |                            |   |
| Hiro Investment LLC etal               |                            |   | 426,854                    | 0.51  |
| El Paso Natural Gas Co.                |                            |   | 352,141                    | 0.42  |
| Murphy Land Investors LLC              |                            |   | 351,061                    | 0.42  |
| CMG 900 LLC                            |                            |   | 303,674                    | 0.36  |
| Sunset Tartesso LLC                    |                            |   | 303,196                    | 0.36  |
| Wells Fargo Bank NA TR                 |                            |   | 303,408                    | 0.36  |
| Total                                  | <u>\$ 27,812,184</u>       | <u>12.76 %</u>                              | <u>\$ 6,418,042</u>        | <u>7.66 %</u>                               |
| City's Total Assessed Valuation        | <u>\$ 217,906,897</u>      |   | <u>\$ 83,802,311</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 SEVEN FISCAL YEARS**

| Fiscal<br>Year<br>Ended<br>June 30 | Taxes Levied<br>for the<br>Fiscal Year | Collected within the<br>Fiscal Year of the Levy |                       | Collections in<br>Subsequent<br>Fiscal Years | Collected to the End<br>of the Current Fiscal Year |                       |
|------------------------------------|--|---|-----------------------|--|--|-----------------------|
|                                    |  | Amount  | Percentage<br>of Levy |  | Amount   | Percentage<br>of Levy |
| 2013                               | \$ 11,470,371                          | \$ 10,255,746                                   | 89.41 %               | N/A  | \$ 10,255,746                                      | 89.41 %               |
| 2012                               | 11,475,826                             | 10,390,225                                      | 90.54                 | 384,519                                      | 10,774,744   | 93.89                 |
| 2011                               | 11,250,307                             | 10,933,142                                      | 97.18                 | 265,048                                      | 11,198,190   | 99.54                 |
| 2010                               | 9,242,329                              | 8,868,977                                       | 95.96                 | 329,572                                      | 9,198,549  | 99.53                 |
| 2009                               | 8,044,384                              | 7,636,762                                       | 94.93                 | 356,907                                      | 7,993,669  | 99.37                 |
| 2008                               | 5,740,847                              | 5,435,154                                       | 94.68                 | 250,431                                      | 5,685,585  | 99.04                 |
| 2007                               | 2,260,942                              | 2,176,589                                       | 96.27                 | 80,094                                       | 2,256,683  | 99.81                 |

**Source:** The source of this information is the Pinal County Treasurer Monthly Statements and the City's 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 seven years are presented.

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

| Fiscal Year |   | Real Property      |                        | Personal Property  |                        | Total              |                        |                 | Ratio of Total Assessed Value to Estimated Actual Value |
|-------------|---|--------------------|------------------------|--------------------|------------------------|--------------------|------------------------|-----------------|---|
|             |   | Net Assessed Value | Estimated Actual Value | Net Assessed Value | Estimated Actual Value | Net Assessed Value | Estimated Actual Value | Direct Tax Rate |   |
| 2013        | P | \$181,595,557      | \$1,706,748,961        | \$16,880,341       | \$91,357,273           | \$198,475,898      | \$1,798,106,234        | 4.8753          | 11.04%  |
|             | S | \$182,752,598      | \$1,720,554,146        | \$16,880,341       | \$91,357,273           | \$199,632,939      | \$1,811,911,419        | 0.6917          | 11.02%  |
| 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**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

| <u>Class</u>                                 | <u>Fiscal Year</u>           |                              |                              |                              |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|  | <u>2013</u>                  | <u>2012</u>                  | <u>2011</u>                  | <u>2010</u>                  | <u>2009</u>                  |
| Commerical, Industrial, Utilities and Mining | \$ 36,327,177                | \$ 38,276,239                | \$ 33,707,267                | \$ 30,561,149                | \$ 27,564,929                |
| Agricultural and Vacant                      | 20,869,614                   | 21,101,890                   | 22,678,364                   | 26,257,892                   | 53,766,153                   |
| Residential (Owner Occupied)                 | 106,613,297                  | 126,378,346                  | 140,018,199                  | 174,466,540                  | 254,280,286                  |
| Residential (Rental)                         | 35,465,042                   | 21,909,363                   | 13,401,078                   | 16,078,841                   | 19,764,574                   |
| Railroad, Private Cars and Airlines          | 357,809                      | 187,724                      | 159,615                      |                              |                              |
| Historical Property                          |                              |                              | 10,275,135                   | 12,422,213                   | 717,465                      |
| Certain Government Property Improvements     |                              |                              |                              |                              |                              |
| <b>Total</b>                                 | <b>\$ <u>199,632,939</u></b> | <b>\$ <u>207,853,562</u></b> | <b>\$ <u>220,239,658</u></b> | <b>\$ <u>259,786,635</u></b> | <b>\$ <u>356,093,407</u></b> |

| <u>Class</u>                                 | <u>Fiscal Year</u>           |                              |                             |                             |                          |
|--|------------------------------|------------------------------|-----------------------------|-----------------------------|--------------------------|
|  | <u>2008</u>                  | <u>2007</u>                  | <u>2006</u>                 | <u>2005</u>                 | <u>2004</u>              |
| Commerical, Industrial, Utilities and Mining | \$ 19,096,632                | \$ 10,698,427                | \$ 7,591,708                | \$ 3,850,186                | 3,850,186                |
| Agricultural and Vacant                      | 51,996,895                   | 34,292,752                   | 19,978,140                  | 15,657,501                  | 16,870,906               |
| Residential (Owner Occupied)                 | 239,519,743                  | 165,604,204                  | 51,814,541                  | 25,769,370                  | 25,787,912               |
| Residential (Rental)                         | 16,647,581                   | 9,628,359                    | 4,417,922                   | 1,033,634                   | 1,033,634                |
| Railroad, Private Cars and Airlines          | 252,481                      |                              |                             |                             |                          |
| Historical Property                          | 195,661                      |                              |                             |                             |                          |
| Certain Government Property Improvements     |                              |                              |                             |                             |                          |
| <b>Total</b>                                 | <b>\$ <u>327,708,993</u></b> | <b>\$ <u>220,223,742</u></b> | <b>\$ <u>83,802,311</u></b> | <b>\$ <u>46,310,691</u></b> | <b><u>47,542,638</u></b> |

**Source:** The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

**CITY OF MARICOPA, ARIZONA  
PROPERTY TAX ASSESSMENT RATIOS  
LAST TEN FISCAL YAERS**

| <u>Class</u>                                 | <u>Fiscal Year</u> |              |              |              |              |
|--|--------------------|--------------|--------------|--------------|--------------|
|  | <u>2013</u>        | <u>2012</u>  | <u>2011</u>  | <u>2010</u>  | <u>2009</u>  |
| Commerical, Industrial, Utilities and Mining | 18 %               | 18 %         | 15 %         | 12 %         | 8 %          |
| Agricultural and Vacant                      | 14                 | 10           | 10           | 10           | 15           |
| Residential (Owner Occupied)                 | 58                 | 61           | 64           | 67           | 71           |
| Residential (Rental)                         | 10                 | 11           | 6            | 6            | 6            |
| Railroad, Private Cars and Airlines          |                    |              |              |              |              |
| Historical Property                          |                    |              | 5            | 5            |              |
| Certain Government Property Improvements     |                    |              |              |              |              |
| <b>Total</b>                                 | <b>100 %</b>       | <b>100 %</b> | <b>100 %</b> | <b>100 %</b> | <b>100 %</b> |

| <u>Class</u>                                 | <u>Fiscal Year</u> |              |              |              |              |
|--|--------------------|--------------|--------------|--------------|--------------|
|  | <u>2008</u>        | <u>2007</u>  | <u>2006</u>  | <u>2005</u>  | <u>2004</u>  |
| Commerical, Industrial, Utilities and Mining | 6 %                | 5 %          | 9 %          | 8 %          | 8 %          |
| Agricultural and Vacant                      | 16                 | 16           | 24           | 34           | 35           |
| Residential (Owner Occupied)                 | 73                 | 75           | 62           | 56           | 54           |
| Residential (Rental)                         | 5                  | 4            | 5            | 2            | 2            |
| Railroad, Private Cars and Airlines          |                    |              |              |              |              |
| Historical Property                          |                    |              |              |              |              |
| Certain Government Property Improvements     |                    |              |              |              |              |
| <b>Total</b>                                 | <b>100 %</b>       | <b>100 %</b> | <b>100 %</b> | <b>100 %</b> | <b>100 %</b> |

**Source:** The source of this information is the State and County Abstract of the Assessment Roll, Arizona Department of Revenue.



**CITY OF MARICOPA, ARIZONA  
OUTSTANDING DEBT BY TYPE  
LAST TEN 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 |
| 2013                      | \$ 50,125,000            |  | \$ 50,125,000 | 2.71 %                               | 1,115      | \$ 75,581      | 50,200,581             | 2.72 %                               | 1,117      | N/A %                         |
| 2012                      | 19,270,000               |  | 19,270,000    | 1.03                                 | 434        | 147,598        | 19,417,598             | 1.04                                 | 437        | 2.09                          |
| 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, 2013**

| <u>Governmental Unit</u>          | <u>Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable to<br/>City</u> | <u>Estimated<br/>Amount<br/>Applicable to<br/>City</u> |
|-----------------------------------|-----------------------------|--|--|
| Pinal County                      | \$ 150,985,000              | 9.62 %   | \$ 14,524,757  |
| Community College District        | 98,850,000                  | 9.37   | 9,262,245  |
| Maricopa Unified School District  | 43,245,000                  | 100.00   | 43,245,000   |
| Subtotal, Overlapping Debt        |                             |  | <u>67,032,002</u>                                      |
| Direct:                           |                             |  |  |
| The City of Maricopa              | 50,200,581                  | 100.00   | 50,200,581   |
| Total Direct and Overlapping Debt |                             |  | <u><u>\$ 117,232,583</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, 2012 is presented for the overlapping governments as this is the most recent available information.

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

**Legal Debt Margin Calculations for Fiscal Year 2013:**

| <b>20% Limitation</b>        |                | <b>6% Limitation</b>         |                |
|------------------------------|----------------|------------------------------|----------------|
| Secondary assessed valuation | \$ 199,632,939 | Secondary assessed valuation | \$ 199,632,939 |
| Debt limit                   | 39,926,588     | Debt limit                   | 11,977,976     |
| Debt applicable to limit     | 41,520,000     | Debt applicable to limit     | 8,605,000      |
| Legal 20% debt margin        | \$ (1,593,412) | Legal 6% debt margin         | \$ 3,372,976   |

|   | <b>Fiscal Year Ended June 30</b> |               |               |               |
|---|----------------------------------|---------------|---------------|---------------|
|   | <b>2013</b>                      | <b>2012</b>   | <b>2011</b>   | <b>2010</b>   |
| <b>20% Limitation:</b>  |                                  |               |               |               |
| Debt limit  | \$ 39,926,588                    | \$ 41,570,712 | \$ 51,957,327 | \$ 71,218,681 |
| Total net debt applicable to limit  | 41,520,000                       | 19,270,000    | 20,000,000    | 20,000,000    |
| Legal 20% debt margin   | \$ (1,593,412)                   | \$ 22,300,712 | \$ 31,957,327 | \$ 51,218,681 |
| Total net debt applicable to the 20% limit<br>as a percentage of 20% debt limit | 104%                             | 46%           | 38%           | 28%           |
| <b>6% Limitation:</b>   |                                  |               |               |               |
| Total Debt limit  | \$ 11,977,976                    | \$ 12,471,214 | \$ 15,587,198 | \$ 21,365,604 |
| Total net debt applicable to limit  | 8,605,000                        |               |               |               |
| Legal 6% debt margin  | \$ 3,372,976                     | \$ 12,471,214 | \$ 15,587,198 | \$ 21,365,604 |
| Total net debt applicable to the 6% limit<br>as a percentage of 6% debt limit   | 72%                              | 0%            | 0%            | 0%            |

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

**Note 1:** Prior to fiscal year ended June 30, 2010, the City had no debt; therefore, information is not displayed for those years.

**Note 2:** A decrease in the 2013 assessed valuation resulted in the debt margin exceeding the restricted debt limit. The City is prohibited from issuing new debt until there is a positive debt margin.

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

| <u>Year</u> | <u>Population</u> | <u>Personal<br/>Income<br/>(thousands)</u> | <u>Per Capita<br/>Income</u> | <u>Unemployment<br/>Rate</u> | <u>Estimated<br/>City<br/>Population</u> |
|-------------|-------------------|--|------------------------------|------------------------------|--|
| 2012        | 389,192           | \$ N/A                                     | \$ N/A                       | 8.9 %                        | 44,946                                   |
| 2011        | 384,231           | 9,301,723                                  | 24,287                       | 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                                    |

**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             | 2013         |      |                                | 2004       |      |                                |
|----------------------------------|----------------------|--------------|------|--------------------------------|------------|------|--------------------------------|
|                                  |                      | Employees    | Rank | Percentage of Total Employment | Employees  | Rank | Percentage of Total Employment |
| Maricopa Unified School District | Schools              | 649          | 1    | 11.80 %                        | 100        | 3    | 20.00 %                        |
| Walmart                          | Department Stores    | 215          | 2    | 3.91                           |            |      | -                              |
| City of Maricopa                 | Municipal Government | 200          | 3    | 3.64                           |            |      | -                              |
| Fry's Food Store                 | Grocers-Retail       | 194          | 4    | 3.53                           |            |      | -                              |
| Volkswagen Proving Grounds       | Automotive Testing   | 150          | 5    | 2.73                           | 150        | 2    | 30.00                          |
| Pinal Feeding Co Inc             | Livestock Feeding    | 95           | 6    | 1.73                           |            |      | -                              |
| McDonald's (2 store total)       | Fast Food            | 89           | 7    | 1.62                           |            |      | -                              |
| Bashas'                          | Grocers-Retail       | 78           | 8    | 1.42                           |            |      | -                              |
| Legacy Traditional School        | Schools              | 75           | 9    | 1.36                           | 200        | 1    | 40.00                          |
| Southern Dunes Golf Club         | Golf Courses         | 62           | 10   | 1.13                           |            |      | -                              |
| Duke At Rancho El Dorado         | Golf Courses         | 47           | 11   | 0.85                           | 20         | 4    | 4.00                           |
| Hogenes Dairy                    | Farming              | 10           | 12   | 0.18                           | 10         | 5    | 2.00                           |
| Total                            |                      | <u>1,864</u> |      | <u>33.90 %</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 2004 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 TEN FISCAL YEARS**

|                                   | <b>Full-time Equivalent Employees as of June 30</b> |                     |                     |                     |                     |
|-----------------------------------|---|---------------------|---------------------|---------------------|---------------------|
|                                   | <u>2013</u>   | <u>2012</u>         | <u>2011</u>         | <u>2010</u>         | <u>2009</u>         |
| <b>General Government</b>         |   |                     |                     |                     |                     |
| Court                             | 3.0   | 5.0                 | 4.5                 | 4.5                 | 4.5                 |
| Mayor and Council                 | 8.0   | 8.0                 | 7.0                 | 7.0                 | 7.0                 |
| City Manager                      | 4.0   | 4.0                 | 5.5                 | 7.5                 | 5.5                 |
| Information Technology            | 4.0   | 4.0                 | 4.0                 | 4.0                 | 6.0                 |
| Marketing & Communication         | 0.0   | 0.0                 | 0.0                 | 0.0                 | 1.0                 |
| City Clerk                        | 5.0   | 5.0                 | 5.0                 | 5.0                 | 6.0                 |
| Finance                           | 10.0  | 10.0                | 10.5                | 10.5                | 9.5                 |
| Support Services Administration   | 0.0   | 0.0                 | 0.0                 | 2.0                 | 0.0                 |
| Human Resources                   | 3.0   | 3.0                 | 3.0                 | 1.0                 | 3.0                 |
| Planning                          | 2.0   | 2.0                 | 3.0                 | 3.0                 | 5.0                 |
| Development Services              | 3.8   | 2.8                 | 3.0                 | 4.0                 | 0.0                 |
| Building Safety                   | 6.0   | 7.0                 | 7.0                 | 7.0                 | 14.0                |
| Code Enforcement                  | 2.0   | 0.0                 | 1.0                 | 1.0                 | 1.0                 |
| Facilities Management             | 2.0   | 2.0                 | 2.5                 | 2.0                 | 2.0                 |
| Fleet Management                  | 1.0   | 1.0                 | 1.0                 | 1.0                 | 0.0                 |
| Public Safety Administration      | 0.0   | 0.0                 | 0.0                 | 2.0                 | 0.0                 |
| Police                            | 66.0  | 68.0                | 62.0                | 63.0                | 67.5                |
| Fire                              | 63.0  | 63.0                | 63.0                | 66.0                | 66.5                |
| Engineering                       | 1.5   | 1.5                 | 3.0                 | 3.0                 | 4.0                 |
| Transportation                    | 1.5   | 1.5                 | 4.0                 | 2.0                 | 2.0                 |
| Community Services Administration | 2.0   | 2.0                 | 2.0                 | 2.0                 | 0.0                 |
| Recreation                        | 3.0   | 3.0                 | 3.0                 | 4.0                 | 7.0                 |
| Park Maintenance                  | 1.0   | 2.0                 | 3.0                 | 2.0                 | 0.0                 |
| Libraries                         | 8.0   | 7.0                 | 7.0                 | 7.0                 | 4.0                 |
| Economic Development              | 5.0   | 5.0                 | 3.0                 | 1.0                 | 1.0                 |
| HURF/Public Works                 | 9.3   | 9.2                 | 8.0                 | 8.0                 | 8.0                 |
| <b>Total</b>                      | <b><u>214.0</u></b>                                 | <b><u>216.0</u></b> | <b><u>215.0</u></b> | <b><u>219.5</u></b> | <b><u>224.5</u></b> |

(Continued)

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

|                                   | <u>2008</u>  | <u>2007</u> | <u>2006</u> | <u>2005</u> | <u>2004</u> |
|-----------------------------------|--------------|-------------|-------------|-------------|-------------|
| <b>General Government</b>         |              |             |             |             |             |
| Court                             | 2.5          | 2.5         | 1.5         | 0.0         | 0.0         |
| Mayor and Council                 | 7.0          | 7.0         | 7.0         | 7.0         | 7.0         |
| City Manager                      | 3.5          | 6.0         | 4.0         | 1.0         | 1.0         |
| Information Technology            | 6.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Marketing & Communication         | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| City Clerk                        | 6.0          | 2.0         | 1.0         | 1.0         | 0.0         |
| Finance                           | 10.0         | 9.0         | 3.0         | 1.0         | 1.0         |
| Support Services Administration   | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Human Resources                   | 3.0          | 2.0         | 0.0         | 0.0         | 0.0         |
| Planning                          | 5.0          | 7.0         | 5.0         | 0.0         | 0.0         |
| Development Services              | 0.0          | 13.0        | 4.0         | 1.0         | 0.0         |
| Building Safety                   | 14.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Code Enforcement                  | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Facilities Management             | 1.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Fleet Management                  | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Public Safety Administration      | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Police                            | 62.5         | 9.0         | 0.0         | 0.0         | 0.0         |
| Fire                              | 64.5         | 0.0         | 0.0         | 10.0        | 2.0         |
| Engineering                       | 4.0          | 3.0         | 2.0         | 0.0         | 0.0         |
| Transportation                    | 3.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Community Services Administration | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Recreation                        | 7.0          | 5.0         | 4.0         | 0.0         | 0.0         |
| Park Maintenance                  | 0.0          | 0.0         | 0.0         | 0.0         | 0.0         |
| Libraries                         | 4.0          | 2.5         | 2.5         | 0.0         | 0.0         |
| Economic Development              | 0.0          | 0.0         | 0.0         | 1.0         | 0.0         |
| HURF/Public Works                 | 11.0         | 4.0         | 3.0         | 1.0         | 0.0         |
| <b>Total</b>                      | <u>214.0</u> | <u>72.0</u> | <u>37.0</u> | <u>23.0</u> | <u>11.0</u> |

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

**(Concluded)**

**CITY OF MARICOPA, ARIZONA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

|   | Fiscal Year Ended June 30 |             |             |             |             |             |             |             |             |             |
|---|---------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|   | <u>2013</u>               | <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> |
| <b>Function/Program</b>                   |                           |             |             |             |             |             |             |             |             |             |
| <b>General Government</b>                 |                           |             |             |             |             |             |             |             |             |             |
| Number of general government buildings    | 1                         | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| <b>Public Safety</b>                      |                           |             |             |             |             |             |             |             |             |             |
| <b>Police</b>                             |                           |             |             |             |             |             |             |             |             |             |
| Number of police stations                 | 1                         | 1           | 1           | 1           | 1           | 1           | *           | *           | *           | *           |
| <b>Fire</b>                               |                           |             |             |             |             |             |             |             |             |             |
| Number of fire stations                   | 4                         | 4           | 4           | 4           | 4           | 4           | *           | *           | *           | *           |
| <b>Community Services</b>                 |                           |             |             |             |             |             |             |             |             |             |
| Number of parks and recreation facilities | 3                         | 2           | 2           | 1           | 1           | 1           | 1           | -           | -           | -           |
| Number of acres of parks                  | 29                        | 28          | 28          | 28          | 18          | 18          | 18          | -           | -           | -           |
| <b>Public Works</b>                       |                           |             |             |             |             |             |             |             |             |             |
| Number of public works buildings          | 1                         | 1           | 1           | 1           | 1           | 1           | 1           | -           | -           | -           |
| Miles of streets                          | 532                       | **          | **          | **          | **          | **          | **          | **          | **          | **          |
| Number of street lights                   | 12                        | 10          | 8           | 4           | 3           | -           | -           | -           | -           | -           |

**Source:** Various city departments

\*The Fire and Police Departments were established in fiscal year 2008.

\*\*Information is unavailable



**CITY OF MARICOPA, ARIZONA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

| <u>Function/Program</u>                                     | <u>Fiscal Year</u> |             |             |             |             |             |             |             |             |             |
|---|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|   | <u>2013</u>        | <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> |
| <b>Public Safety</b>  |                    |             |             |             |             |             |             |             |             |             |
| <b>Police</b>   |                    |             |             |             |             |             |             |             |             |             |
| Number of police personnel and officers:                    | 66                 | 66          | 63          | 66          | 69          | 63          | *           | *           | *           | *           |
| Number of arrests   | 2,235              | 1,650       | 1,408       | 1,594       | 1,778       | 1,045       | *           | *           | *           | *           |
| Number of traffic violations                                | 4,234              | 3,525       | 5,014       | 4,777       | 6,139       | 5,750       | *           | *           | *           | *           |
| Number of parking violations                                | 27                 | 23          | 20          | 15          | 9           | 1           | *           | *           | *           | *           |
| <b>Fire</b>   |                    |             |             |             |             |             |             |             |             |             |
| Number of fire personnel and firefighters                   | 63                 | 63          | 63          | 66          | 67          | 65          | *           | *           | *           | *           |
| Number of emergency calls                                   | 3,302              | 3,074       | 3,056       | 3,034       | 2,900       | 1,999       | *           | *           | *           | *           |
| Number of fire calls  | 435                | 375         | 438         | 378         | 389         | 284         | *           | *           | *           | *           |
| Number of inspections                                       | 279                | 570         | 666         | 595         | 628         | **          | *           | *           | *           | *           |
| <b>Development Services</b>                                 |                    |             |             |             |             |             |             |             |             |             |
| Number of building-single family residential permits issued | 419                | 225         | 111         | 382         | 402         | 1,596       | 2,675       | 5,051       | 4,774       | **          |
| Number of building-non-residential permits issued           | 44                 | 35          | 72          | 44          | 92          | 146         | 267         | 67          | -           | **          |
| Number of demolition permits issued                         | 3                  | 9           | 13          | 4           | 5           | 4           | 4           | 4           | 10          | **          |
| Number of pool permits issued                               | 148                | 164         | 128         | 139         | 120         | 365         | 662         | 991         | 649         | **          |
| Number of solar permits issued                              | 44                 | 24          | 15          | 33          | -           | -           | -           | -           | -           | **          |
| Number of sign permits issued                               | 71                 | 46          | 33          | 21          | 40          | 67          | 85          | 45          | 58          | **          |
| <b>Community Services</b>                                   |                    |             |             |             |             |             |             |             |             |             |
| <b>Recreation</b>   |                    |             |             |             |             |             |             |             |             |             |
| Number of facility and park reservations processed          | 600                | 634         | 395         | -           | -           | -           | -           | -           | -           | -           |
| Number of programs  | 357                | 357         | 330         | 335         | 335         | **          | **          | **          | **          | **          |
| <b>Library</b>  |                    |             |             |             |             |             |             |             |             |             |
| Number of materials in inventory                            | 32,060             | 27,515      | 23,071      | 20,062      | 18,239      | **          | **          | **          | **          | **          |

**Source:** Various city departments.

\*The Fire and Police Departments were established in fiscal year 2008.

\*\*Information is unavailable

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