

PRELIMINARY OFFICIAL STATEMENT DATED JUNE 26, 2026

NEW ISSUE – BOOK-ENTRY-ONLY

RATINGS: See “Ratings” herein.

In the opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the City of Goodyear, Arizona, as mentioned under “TAX EXEMPTION” herein, the interest income on the Bonds (as defined herein) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and is exempt from Arizona income taxes. Interest income on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. See “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT” and “BOND PREMIUM” herein.

\$82,520,000*

**CITY OF GOODYEAR, ARIZONA
GENERAL OBLIGATION BONDS,
SERIES 2026**

Dated: Date of Initial Delivery

Due: July 1, as shown on inside front cover page

The City of Goodyear, Arizona (the “City”) will issue its General Obligation Bonds, Series 2026 (the “Bonds”). The Bonds will provide funds to: (i) acquire and construct certain street and transportation improvement projects; bridges, storm sewer, and drainage projects; public safety improvement projects; and parks and recreation improvement projects; and (ii) pay the costs of issuance of the Bonds. The Bonds will mature on the dates and in the principal amounts, and will bear interest from their dated date at the rates, set forth on the inside front cover page hereof.

Interest on the Bonds will accrue from their date and be payable semiannually on January 1 and July 1 of each year, commencing on January 1, 2027*, until maturity or prior redemption. Principal of the Bonds will be payable in accordance with the maturity schedule set forth on the inside front cover page hereof. So long as the Bonds are in book-entry-only form, principal of and interest on the Bonds will be paid to The Depository Trust Company, a registered securities depository (“DTC”), for credit to the accounts of the DTC participants and, in turn, to the accounts of the owners of beneficial interests in the Bonds. See APPENDIX D – “Book-Entry-Only System.”

See Inside Front Cover Page for Maturity Schedule and Additional Information

Certain of the Bonds will be subject to redemption prior to maturity*. See “THE BONDS – Redemption Provisions” herein.

Principal of and interest on the Bonds will be payable from a continuing, direct, annual, *ad valorem* tax levied against all taxable property within the boundaries of the City, unlimited as to rate or amount. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS” herein.

The Bonds will be offered when, as and if issued by the City and received by the underwriter identified below (the “Underwriter”), subject to the approving opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel, as to validity and tax exemption. Certain legal matters will also be passed upon for the Underwriter by Greenberg Traurig, LLP, Phoenix, Arizona. It is expected that the Bonds will be delivered to DTC on or about July 30, 2026*.

This cover page contains certain information with respect to the Bonds for convenience of reference only. It is not a summary of the issue of which the Bonds are a part. Investors must read this entire Official Statement and all appendices to obtain information essential to the making of an informed investment decision with respect to the Bonds.

STIFEL

* Subject to change.

\$82,520,000*
CITY OF GOODYEAR, ARIZONA
GENERAL OBLIGATION BONDS, SERIES 2026

MATURITY SCHEDULE*

Maturity (July 1)	Principal Amount	Interest Rate	Yield	CUSIP® (a) (Base No. 382505)
2027	\$10,720,000	%	%	
2028	4,560,000			
2029	965,000			
2030	1,010,000			
2031	1,060,000			
2032	1,110,000			
2033	1,170,000			
2034	1,225,000			
2035	1,285,000			
2036	1,355,000			
2037	1,420,000			
2038	1,490,000			
2039	1,570,000			
2040	1,645,000			
2041	8,335,000			
2042	10,115,000			
2043	10,620,000			
2044	11,155,000			
2045	11,710,000			

\$ __,000 Term Bonds @ __% Due July 1, 20__ - Yield __% CUSIP® (a) No. 382505 __

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* Subject to change.

CITY OF GOODYEAR, ARIZONA

CITY COUNCIL

Joe Pizzillo, *Mayor*
Brannon Hampton, *Vice Mayor*
Wally Campbell, *Councilmember*
Laura Kaino, *Councilmember*
Vicki Gillis, *Councilmember*
Benita Beckles, *Councilmember*
Trey Terry, *Councilmember*

CITY ADMINISTRATIVE OFFICERS

Bryan Langley, *City Manager*
Rachel Garcia, *Deputy City Manager*
Kini Knudson, *Deputy City Manager*
Paul Luizzi, *Interim Finance Director*
Roric Massey, *City Attorney*
Jasmine Pernicano, *City Clerk*

BOND COUNSEL

Gust Rosenfeld P.L.C.
Phoenix, Arizona

MUNICIPAL ADVISOR

Hilltop Securities Inc.
Phoenix, Arizona

REGISTRAR, PAYING AGENT AND DEPOSITORY

U.S. Bank Trust Company, National Association
Tempe, Arizona

REGARDING THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page, inside front cover page hereof and appendices hereto, does not constitute an offering of any security other than of the City of Goodyear, Arizona (the “City”), General Obligation Bonds, Series 2026 (the “Bonds”). This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, and there shall be no sale of the Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale.

The information set forth herein has been provided by representatives of the City, the Maricopa County Assessor’s, Finance and Treasurer’s offices, the State of Arizona Department of Revenue, and other sources that are considered to be reliable and customarily relied upon in the preparation of similar official statements, but such information is not guaranteed as to accuracy or completeness and is not to be construed as the promise or guarantee of the City or Hilltop Securities Inc., serving as the municipal advisor to the City (the “Municipal Advisor”) or Stifel, Nicolaus & Company, Incorporated (the “Underwriter”). The presentation of information, including tables of receipts from taxes and other revenue sources, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No person, including any broker, dealer or salesman has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. All estimates and assumptions contained herein have been based on the latest information available and are believed to be reliable, but no representations are made that such estimates and assumptions are correct or will be realized. All beliefs, assumptions, estimates, projections, forecasts and matters of opinion contained herein are forward looking statements that must be read with an abundance of caution and which may not be realized or may not occur in the future. The information and any expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or any of the other parties or matters described herein since the date hereof.

The Bonds will not be registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon the exemptions provided thereunder pertaining to the issuance and sale of municipal securities, nor will the Bonds be qualified under the Securities Act of Arizona in reliance upon various exemptions contained in such act. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Bonds for sale.

The Underwriter has provided the following sentence for inclusion herein: The Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibilities with respect to this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The City, the Municipal Advisor, the Underwriter, counsel to the Underwriter, and Bond Counsel (as defined herein) are not actuaries, nor have any of them performed any actuarial or other analysis of the City’s unfunded liabilities under the Arizona State Retirement System or the Arizona Public Safety Personnel Retirement System.

The City will covenant to provide continuing disclosure as described in this Official Statement under the heading “CONTINUING SECONDARY MARKET DISCLOSURE” and in APPENDIX F – “Form of Continuing Disclosure Certificate,” pursuant to Rule 15c2-12 promulgated by the Securities and Exchange Commission.

A wide variety of information, including financial information, concerning the City is available from publications and websites of the City and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. No such information is a part of, or incorporated into, this Official Statement, except as expressly noted herein.

IN CONNECTION WITH THE OFFERING, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM THE INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS.

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OFFICIAL STATEMENT

\$82,520,000*
CITY OF GOODYEAR, ARIZONA
GENERAL OBLIGATION BONDS,
SERIES 2026

INTRODUCTORY STATEMENT

This Official Statement, which includes the cover page, inside front cover page hereof and appendices hereto, has been prepared by the City of Goodyear, Arizona (the “City”), in connection with the issuance of \$82,520,000* original principal amount of its General Obligation Bonds, Series 2026 (the “Bonds”). Certain information concerning the authorization, purpose, terms, conditions of sale, security for and sources of payment of the Bonds is set forth in this Official Statement. See APPENDICES A, B and C for certain information relative to the City.

All financial and other information presented in this Official Statement has been provided by, among others, representatives of the City from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historical information and is not intended to indicate future or continuing trends in the financial position, results of operations, or other affairs of the City. No representation is made that past experience, as shown by such financial or other information, will necessarily continue or be repeated in the future.

Reference to provisions of Arizona law, whether codified in the Arizona Revised Statutes (“A.R.S.”) or uncodified, or of the Arizona Constitution, are references to those provisions in their current form. Those provisions may be amended, repealed or supplemented.

As used in this Official Statement, “debt service” means principal of and interest on the bonds referred herein, “County” means Maricopa County, Arizona and “State” or “Arizona” means the State of Arizona.

THE BONDS

Authorization and Purpose

The Bonds will be issued pursuant to A.R.S. Title 35, Chapter 3, Article 3, approval given by the qualified electors of the City at elections held on September 12, 2000, September 7, 2004, and November 7, 2023 (collectively the “Elections”), and a resolution authorizing issuance of the Bonds adopted by the Mayor and Council of the City on June 22, 2026 (the “Bond Resolution”). The Bonds are being issued to provide funds to: (i) acquire and construct certain street and transportation improvement projects; storm sewer and drainage projects; public safety improvement projects; and parks and recreation improvement projects; and (ii) pay the costs of issuance of the Bonds.

Set forth below is a listing of the projects expected to be funded by the Bonds and an estimate of their respective costs.

Projects to be Funded	Estimated Cost*
Storm Sewers & Drainage	\$17,800,000
Streets & Transportation	55,315,000
Parks & Recreation Improvements	17,000,000
Public Safety	37,000
Total	<u>\$90,152,000</u>

General Provisions

The Bonds will be dated as of the date of initial delivery and will bear interest from such date payable on January 1, 2027*, and semiannually thereafter on July 1 and January 1 of each year (each an “Interest Payment Date”) until maturity or prior redemption. The City has chosen the 15th day of the calendar month (other than a Saturday, Sunday or a legal holiday or equivalent (other than a moratorium) for banking institutions generally) immediately preceding each such Interest Payment Date as the “Record Date” for the Bonds. The Bonds will mature on the dates and in the principal amounts, and will bear interest at the rates, set forth on the inside front cover page of this Official Statement.

Initially, the Bonds will be administered under a book-entry-only system (the “Book-Entry-Only System”) by The Depository Trust Company (“DTC”), a registered securities depository. Unless and until the Book-Entry-Only System is

* Subject to change.

discontinued, the Bonds will be registered in the name of Cede & Co., as nominee of DTC. Beneficial interests in the Bonds will be offered for sale in the amount of \$5,000 of principal due on a specific maturity date and integral multiples thereof, and payments of principal of and interest on the Bonds will be made to DTC and, in turn, through participants in the DTC system. See APPENDIX D – “Book-Entry-Only System.”

SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE OWNERS OR REGISTERED OWNERS OF THE BONDS (OTHER THAN UNDER THE HEADINGS “TAX EXEMPTION,” “BOND PREMIUM” AND “ORIGINAL ISSUE DISCOUNT”) WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

If the Book-Entry-Only System is discontinued, interest on the Bonds will be payable by check drawn on the Paying Agent (as defined herein), and mailed on or prior to each Interest Payment Date to the registered owners of the Bonds at the addresses shown on the books (the “Bond Register”) of the Registrar (as defined herein) on the Record Date. Principal of the Bonds will then be payable at maturity, or upon redemption prior to maturity, upon presentation and surrender of the Bonds to the designated corporate trust office of the Paying Agent. Additionally, if the Book-Entry-Only System is discontinued, payment of interest may also be made by wire transfer upon 20 days’ prior written request delivered to the Paying Agent specifying a wire transfer address in the continental United States by any owner of at least \$1,000,000 aggregate principal amount of the Bonds. Interest will be computed on the basis of a year comprised of 360 days consisting of 12 months of 30 days each.

Registrar, Paying Agent and Depository

U.S. Bank Trust Company, National Association will serve as bond registrar, paying agent and depository with respect to the Bonds (along with any successor thereto, the “Registrar,” the “Paying Agent” and the “Depository”). If the Book-Entry-Only System is discontinued, the Registrar will administer registration and transfer of the Bonds and the Bonds will be transferable only upon the Bond Register to be maintained by the Registrar upon surrender to the Registrar. The Registrar may be changed without notice to any owner or beneficial owner of the Bonds. The Depository will hold proceeds of the Bonds for the benefit of the City until expended for the projects described herein or payment of costs of issuance of the Bonds.

Redemption Provisions*

Optional Redemption

The Bonds maturing prior to or on July 1, 20__, are not subject to call for redemption prior to maturity. The Bonds maturing on or after July 1, 20__ are subject to call for redemption prior to maturity, at the option of the City, in whole or in part, on July 1, 20__, or on any date thereafter, by the payment of a redemption price equal to the principal amount of each Bond called for redemption plus accrued interest to the date fixed for redemption, but without premium.

Mandatory Redemption

The Bonds maturing on July 1, 20__ and on July 1, 20__ will be redeemed from funds of the City prior to maturity on July 1 of the following years and in the following amounts, upon payment of the redemption price, which consists of the principal amount of the Bonds so redeemed plus accrued interest, if any, on the Bonds so redeemed from the most recent Interest Payment Date to the redemption date, but without premium:

Redemption Date (July 1)	Principal Amount
Term Bonds Maturing in 20__	
20__	\$ __,000
20__	__,000
20__	__,000
20__ (maturity)	__,000

Notice of Redemption

So long as the Bonds are held under the Book-Entry-Only System, notices of redemption will be sent to DTC, in the manner required by DTC. If the Book-Entry-Only System is discontinued, notice of redemption of any Bond will be

* Subject to change.

mailed to the registered owner of the Bond or Bonds being redeemed at the address shown on the Bond Register maintained by the Registrar not more than 60 nor less than 30 days prior to the date set for redemption. Failure to properly give notice of redemption shall not affect the redemption of any Bond for which notice was properly given. Notice of redemption may be sent to any securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository. Notice of any redemption will also be sent to the Municipal Securities Rulemaking Board (the "MSRB"), currently through the MSRB's Electronic Municipal Market Access system ("EMMA"), in the manner required by the MSRB, but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

If moneys for the payment of the redemption price and accrued interest are not held in separate accounts by the City or by a paying agent prior to sending the notice of redemption, such redemption shall be conditional on such moneys being so held on or prior to the date set for redemption and if not so held by such date the redemption shall be cancelled and be of no force and effect. The notice of redemption shall describe the conditional nature of the redemption.

Effect of Call for Redemption

Notice of redemption having been given in the manner described above, the Bonds or portions thereof called for redemption will become due and payable on the redemption date and if an amount of money sufficient to redeem all the Bonds or portions thereof called for redemption is held in separate accounts by the City or by a paying agent, then the Bonds or portions thereof called for redemption will cease to bear interest from and after such redemption date.

Redemption of Less Than All of a Bond

The City may redeem an amount that is included in a Bond in the denomination in excess of, but divisible by, \$5,000. In that event, if the Book-Entry-Only System is discontinued, the registered owner shall submit the Bond for partial redemption, the Registrar shall make such partial redemption, and the Registrar shall cause a new Bond in a principal amount that reflects the redemption so made to be authenticated, issued and delivered to the registered owner thereof.

SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS

Security for the Bonds

The Bonds will be payable as to both principal and interest from a continuing, direct, annual *ad valorem* tax levied against all taxable property located within the boundaries of the City without limit as to rate or amount. See APPENDIX B – "City of Goodyear, Arizona – Financial Data – PROPERTY TAXES."

Following collection and deposit of moneys into the debt service fund for payment of the Bonds, the City may invest such moneys in investments comprised of, with certain restrictions: federally insured savings accounts or certificates of deposit from eligible depositories; collateralized repurchase agreements; obligations issued or guaranteed by the United States or any agency or instrumentality thereof; obligations of the State or any Arizona city (including the City), town or school district; bonds of any county, municipal or municipal utility improvement district payable from property assessments; the local government investment pool established by the State; commercial paper of prime quality that is rated "P1" by Moody's Ratings ("Moody's") or rated "A+" or better by S&P Global Ratings, a business unit of Standard & Poor's Financial Services, LLC ("S&P") or their successors (all commercial paper must be issued by corporations organized and doing business in the United States); and fixed income securities of corporations organized and doing business in the United States rated "A" or better by Moody's and S&P.

THE PROCEEDS OF THE BONDS ARE NOT PLEDGED TO, NOR DO THEY SECURE, PAYMENT OF THE BONDS.

A record of property taxes levied and collected by the City for the current and most recent five fiscal years beginning July 1 and ending June 30 ("Fiscal Year") is set forth in TABLE B-14 in APPENDIX B – "City of Goodyear, Arizona – Financial Data."

Currently and from time to time, there are legislative proposals (and interpretations of such proposals by courts of law and other entities and individuals) which, if enacted, could alter or amend the property tax system of the State and numerous matters, both financial and non-financial, impacting the operations of political subdivisions of the State that could have a material impact on the City and could adversely affect the secondary market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations (such as the Bonds) issued prior to enactment.

Defeasance

Pursuant to the Bond Resolution, payment of all or any part of the Bonds may be provided for by the irrevocable deposit, in trust, of moneys or obligations issued or guaranteed by the United States of America (“Defeasance Obligations”) or both, which, with the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant, to pay when due the principal or redemption price of and interest on such Bonds. If the maturing principal on the Defeasance Obligations or other moneys, or both, is sufficient to pay the principal of, premium, if any, and interest on such Bond or portion thereof as the same matures, comes due or becomes payable upon prior redemption, a certificate or report of an accountant shall not be required. Any Bonds so provided for will no longer be outstanding under the Bond Resolution or payable from *ad valorem* taxes on taxable property in the City, and the owners of such Bonds shall thereafter be entitled to payment only from the moneys and Defeasance Obligations deposited in trust.

ADDITIONAL GENERAL OBLIGATION BONDS

The City expects to issue additional general obligation bonds in the future pursuant to existing and future voted bond authorizations. Such bonds will be payable from the same levy of *ad valorem* taxes as the Bonds and all then-outstanding general obligation bonds. After issuance of the Bonds, the City will be authorized to issue \$186,294,616* of general obligation bonds, pursuant to remaining voter approval from the Elections. The purposes and amounts of such authorized but unissued bonds are set forth in the following table.

Purpose of General Obligation Bond Authorization	Total General Obligation Bonds Authorized but Unissued (a)
Storm Sewers, Bridges & Drainage	\$ -*
Sewer System	26,646,616* (b)
Streets & Transportation	79,685,000*
Public Safety	79,963,000*
Parks & Recreation Improvements	-*
Total	<u><u>\$186,294,616*</u></u>

(a) Table reflects reduction in authorization from the Elections in connection with the issuance of the Bonds.

(b) Such bonds may be issued as either general obligation or water and sewer revenue bonds.

SOURCES AND USES OF FUNDS

Sources of Funds

Principal Amounts of the Bonds	\$82,520,000.00 *
[Net] Original Issue Premium [(a)]	
Total Sources of Funds	<u>\$</u>

Uses of Funds

Deposit to Project Fund	\$
Costs of Issuance (b)	
Total Uses of Funds	<u>\$</u>

(a) [Net original issue premium consists of original issue premium on the Bonds, less original issue discount on the Bonds.]

(b) Will include compensation to the Underwriter (as defined herein) with respect to the Bonds.

* Subject to change.

ESTIMATED DEBT SERVICE REQUIREMENTS

The following schedule sets forth (i) the annual debt service requirements of the City's outstanding general obligation bonds, (ii) the estimated annual debt service requirements of the Bonds, and (iii) the estimated combined annual general obligation bond debt service requirements following issuance of the Bonds.

City of Goodyear, Arizona General Obligation Bonds Estimated Debt Service Requirements* (a)

Period Ending (July 1)	General Obligation Bonds Outstanding		The Bonds		Estimated Combined Annual Debt Service Requirements (c)
	Principal	Interest	Principal	Interest (b)	
2026	\$ 8,170,000	\$4,370,513			\$ 12,540,513
2027	8,755,000	4,036,613	\$10,720,000	\$3,873,856	27,385,469
2028	8,590,000	3,682,263	4,560,000	3,590,000	20,422,263
2029	8,950,000	3,324,913	965,000	3,362,000	16,601,913
2030	7,810,000	2,966,313	1,010,000	3,313,750	15,100,063
2031	6,945,000	2,667,513	1,060,000	3,263,250	13,935,763
2032	7,210,000	2,410,488	1,110,000	3,210,250	13,940,738
2033	7,480,000	2,152,888	1,170,000	3,154,750	13,957,638
2034	7,760,000	1,876,238	1,225,000	3,096,250	13,957,488
2035	8,060,000	1,588,838	1,285,000	3,035,000	13,968,838
2036	8,340,000	1,316,588	1,355,000	2,970,750	13,982,338
2037	8,645,000	1,034,838	1,420,000	2,903,000	14,002,838
2038	7,215,000	758,800	1,490,000	2,832,000	12,295,800
2039	7,440,000	530,650	1,570,000	2,757,500	12,298,150
2040	7,675,000	295,300	1,645,000	2,679,000	12,294,300
2041	1,310,000	52,400	8,335,000	2,596,750	12,294,150
2042			10,115,000	2,180,000	12,295,000
2043			10,620,000	1,674,250	12,294,250
2044			11,155,000	1,143,250	12,298,250
2045			11,710,000	585,500	12,295,500
Total (c)	<u>\$120,355,000</u>		<u>\$82,520,000</u>		<u>\$288,161,262</u>

- (a) Schedule prepared by Hilltop Securities Inc. (the "Municipal Advisor"). Includes the period ending July 1, 2026, payments.
- (b) The first interest payment on the Bonds is due on January 1, 2027*, representing interest from the date of the Bonds. Thereafter, interest payments will be made semiannually on each July 1 and January 1, until maturity or prior redemption. Interest is estimated at 5.00%.
- (c) Totals may not add due to rounding.

* Subject to change.

RATINGS

Moody's and S&P have assigned ratings of "Aa1" and "AA+", respectively, to the Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's at One Front Street, Suite 1900, San Francisco, California 94111 and S&P at One California Street, 31st Floor, San Francisco, California 94111. Such ratings may subsequently be revised downward or withdrawn entirely by Moody's or S&P, if, in their respective judgment, circumstances so warrant. Any subsequent downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds. The City will covenant in its continuing disclosure certificate with respect to the Bonds that it will file notice of any formal change in the ratings relating to the Bonds. See "CONTINUING SECONDARY MARKET DISCLOSURE" below.

LITIGATION

To the knowledge of appropriate representatives of the City, no litigation or administrative action or proceeding is pending or threatened restraining or enjoining, or seeking to restrain or enjoin, the execution, sale or delivery of the Bonds or contesting or questioning the proceedings and authority under which the Bonds have been authorized and are to be executed, sold or delivered, or the validity of the Bonds.

LEGAL MATTERS

The Bonds are sold with the understanding that the City will furnish the Underwriter with the approving opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona ("Bond Counsel") addressing legal matters relating to the validity of the Bonds under Arizona law, and with regard to the tax-exempt status of the interest income thereon (see "TAX EXEMPTION"). The signed legal opinion of Bond Counsel, dated and premised on the law in effect only as of the date of original delivery of the Bonds, will be delivered to the City at the time of original issuance of the Bonds. The fees of Bond Counsel and counsel to the Underwriter are expected to be paid from the proceeds of the sale of the Bonds and are contingent upon delivery of the Bonds.

The proposed form of the legal opinion is set forth as APPENDIX E. The legal opinion to be delivered may vary from the text of APPENDIX E if necessary to reflect the facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution, by recirculation of this Official Statement or otherwise, should not be construed as a representation that Bond Counsel has reviewed or expressed any opinion concerning any matters relating to the Bonds subsequent to the original delivery of the Bonds.

Such legal opinion expresses the professional judgment of Bond Counsel as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the performance of parties to the transaction. The rendering of an opinion also does not guarantee the outcome of any legal dispute that may arise out of the transaction.

Bond Counsel has reviewed the information in the tax caption on the cover page as well as the information under the headings "THE BONDS," "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS," "ADDITIONAL GENERAL OBLIGATION BONDS," "TAX EXEMPTION," "BOND PREMIUM," "ORIGINAL ISSUE DISCOUNT," "CONTINUING SECONDARY MARKET DISCLOSURE" (except as it relates to compliance with prior continuing disclosure certificates) and "RELATIONSHIP AMONG PARTIES" (but only as it applies to Bond Counsel) and in APPENDICES E and F, but otherwise has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has neither examined nor attempted to examine nor verify any of the financial or statistical statements or data contained in this Official Statement and will express no opinion with respect thereto.

Certain legal matters will be passed upon for the Underwriter by Greenberg Traurig, LLP, Phoenix, Arizona, counsel to the Underwriter.

TAX EXEMPTION

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the City, interest income on the Bonds is excludable from gross income for federal income tax purposes and is exempt from State income taxes.

Interest income on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the “Code”)) for the purpose of computing the alternative minimum tax imposed on corporations.

The Code includes requirements that the City must continue to meet after the issuance of the Bonds in order that the interest on the Bonds remains excludable from gross income for federal income tax purposes. The failure of the City to meet these requirements may cause the interest on the Bonds to be includable in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The City has covenanted to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of the interest on the Bonds. The opinion of Bond Counsel assumes continuing compliance with such covenants.

Although Bond Counsel will render an opinion that, as of the delivery date of the Bonds, interest income on the Bonds is excludable from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect a Beneficial Owner’s (as defined in APPENDIX D – “Book-Entry-Only System”) federal tax liability. Certain taxpayers may experience other tax consequences. Taxpayers who become Beneficial Owners of the Bonds, including without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain subchapter S corporations, individuals who receive Social Security or Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, should consult their tax advisors as to the applicability of such tax consequences to the respective Beneficial Owner. The nature and extent of these other tax consequences will depend upon the Beneficial Owner’s particular tax status and the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

From time to time, there are legislative proposals in Congress, which, if enacted or made effective, could alter or amend the federal tax matters referred to above or adversely affect the market value and marketability (liquidity) of the Bonds. Any such change that occurs before initial delivery of the Bonds could cause Bond Counsel to deliver an opinion substantially different from the opinion shown in APPENDIX E – “Form of Approving Legal Opinion.” The extent of change in Bond Counsel’s opinion cannot be determined at this time. It cannot be predicted whether, when or in what form any such proposal or proposals might be enacted or whether, if enacted, such proposal or proposals would apply to obligations (such as the Bonds) issued prior to the enactment or effective date. Prospective purchasers should consult with their own tax advisors regarding any other pending or proposed federal income tax legislation.

BOND PREMIUM

The initial public offering prices of the Bonds maturing on July 1, 20___, through and including July 1, 20___ (collectively, the “Premium Bonds”) are greater than the amount payable on such Premium Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial Beneficial Owner of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial Beneficial Owner must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium that is amortizable each year by an initial Beneficial Owner is determined by using such Beneficial Owner’s yield to maturity. Beneficial Owners of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning Premium Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering prices of the Bonds maturing on July 1, 20__ through and including July 1, 20__ (collectively, the “Discount Bonds”), are less than the respective amounts payable at maturity. As a result, the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price (assuming it is the first price at which a substantial amount of that maturity of Discount Bonds was sold, the “OID Issue Price”) of the Discount Bonds and the amount payable at maturity of the Discount Bonds will be treated as “original issue discount.” With respect to a Beneficial Owner who purchases a Discount Bond in the initial public offering at the OID Issue Price and who holds the Discount Bond to maturity, the full amount of original issue discount will constitute interest income that is not includable in the gross income of the Beneficial Owner of the Discount Bond for federal income tax purposes

and Arizona income tax purposes and that Beneficial Owner will not, under present federal income tax law and present Arizona income tax law, realize a taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated for federal income tax purposes and Arizona income tax purposes as accreting daily over the term of such Discount Bond on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on January 1 and July 1 (with straight-line interpolation between compounding dates).

The amount of original issue discount accreting each period will be added to the Beneficial Owner's tax basis for the Discount Bond. The adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bond. An initial Beneficial Owner of a Discount Bond who disposes of the Discount Bond prior to maturity should consult his or her tax advisor as to the amount of the original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or disposition of the Discount Bond prior to maturity.

The Code contains certain provisions relating to the accretion of original issue discount in the case of subsequent Beneficial Owners of the Discount Bonds. Beneficial Owners who do not purchase the Discount Bonds in the initial offering at the OID Issue Price should consult their own tax advisors with respect to the tax consequences of the ownership of Discount Bonds.

A portion of the original issue discount that accretes in each year to a Beneficial Owner of a Discount Bond may result in certain collateral federal income tax consequences as described in "TAX EXEMPTION" herein. Beneficial Owners of Discount Bonds in states other than Arizona should consult their own tax advisors with respect to the state and local tax consequences of owning Discount Bonds.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated (the "Underwriter") has agreed to purchase the Bonds at an aggregate purchase price of \$ _____, pursuant to a bond purchase agreement (the "Bond Purchase Agreement") entered into by and between the City and the Underwriter. If the Bonds are sold to produce the prices or yields shown on the inside front cover page hereof, the Underwriter's compensation will be \$ _____. The Bond Purchase Agreement provides that the Underwriter will purchase all of the Bonds so offered, if any, are purchased. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into unit investment trusts) and others at prices lower or yields higher than the public offering prices stated on the inside front cover page hereof. The initial offering prices or yields set forth on the inside front cover page may be changed from time to time by the Underwriter.

The Underwriter and its affiliates comprise a full service financial institution engaged in activities that may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the City and to persons and entities with relationships with the City, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the City (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the City.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the City.

RELATIONSHIP AMONG PARTIES

Bond Counsel has previously represented the Municipal Advisor and the Underwriter with respect to other financings and has acted or is acting as bond counsel in other transactions involving the Municipal Advisor and the Underwriter and will continue to do so in the future if requested. Bond Counsel also serves as bond counsel for political jurisdictions whose boundaries include all or part of the City. Additionally, Bond Counsel serves as special counsel to the City on various legal matters. Counsel to the Underwriter has represented, or is currently representing, the Municipal Advisor and the

Underwriter with respect to other financings and will continue to do so in the future if requested. Counsel to the Underwriter also acts as bond counsel for other financings underwritten by the Underwriter and the Municipal Advisor.

MUNICIPAL ADVISOR

The Municipal Advisor’s fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Municipal Advisor has not verified, and does not assume any responsibility for, the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

CONTINUING SECONDARY MARKET DISCLOSURE

The City will covenant for the benefit of the owners of the Bonds to provide certain financial information and operating data relating to the City by not later than February 1 in each year commencing February 1, 2027 (the “Annual Reports”), and to provide notices of the occurrence of certain listed events (the “Notices”). Such covenants will be made in order to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”). The Annual Reports, Notices and other information required to be filed by such covenants will be filed by the City with the MSRB, currently through EMMA as described in APPENDIX F – “Form of Continuing Disclosure Certificate.” The form of the undertaking that describes the content of the Annual Reports and the Notices and the method of their dissemination is included as APPENDIX F hereto. A failure by the City to comply with these covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Pursuant to Arizona law, the ability of the City to comply with such covenants is subject to annual appropriation of funds sufficient to provide for the costs of compliance with such covenants. Should the City not comply with such covenants due to a failure to appropriate for such purpose, the City has covenanted to provide notice of such fact. Absence of continuing disclosure, due to non-appropriation or otherwise, could adversely affect the Bonds and specifically their market price and transferability.

FINANCIAL STATEMENTS

The audited financial statements of the City for the Fiscal Year ended June 30, 2025, a copy of which is included in APPENDIX C of this Official Statement, have been audited by Heinfeld, Meech & Co., P.C., certified public accountants, to the extent and for the period indicated in their report thereon. The City is not aware of any facts that would make such audited financial statements misleading. The audited financial statements are for the Fiscal Year ending June 30, 2025, and are not current. The City neither requested nor obtained the consent of Heinfeld, Meech & Co., P.C. to include the report, and Heinfeld, Meech & Co., P.C., has performed no procedures subsequent to rendering its opinion on the financial statements.

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of these statements have been or will be realized. Information set forth in this Official Statement has been derived from the records of the City and from certain other sources, as referenced, and is believed by the City to be accurate and reliable. Information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

Neither this Official Statement nor any statements that may have been or that may be made orally or in writing are to be construed as a part of a contract with the original purchasers or subsequent owners of the Bonds.

This Official Statement has been prepared at the direction of the City and executed for and on behalf of the City by its Interim Finance Director.

CITY OF GOODYEAR, ARIZONA

By: _____
Interim Finance Director

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**CITY OF GOODYEAR, ARIZONA
GENERAL ECONOMIC AND DEMOGRAPHIC INFORMATION**

General

The City (also referred to herein as “Goodyear”), which incorporated in 1946, is a suburban community that lies approximately 17 miles west of downtown Phoenix. The City was founded in 1916 by the Goodyear Tire & Rubber Company for the farming of cotton. Later, a naval air station was established in Goodyear and a subsidiary, Goodyear Aircraft (now Lockheed Martin), began manufacturing flight decks for Navy sea planes. The City has grown from a one-industry, agricultural-based community into a diversified manufacturing and service center for the far west valley area.

The City annexed 67 square miles south of its former southern boundary, which annexation expanded the City to approximately 190 square miles. The annexed area is expected to be primarily utilized in future years for residential land uses.

TABLE A-1

Population Statistics

Year	City of Goodyear	Maricopa County	State of Arizona
2025 Estimate (a)	122,569	4,787,790	7,718,747
2020 Census	95,294	4,420,568	7,151,502
2010 Census	65,275	3,817,117	6,392,017
2000 Census	18,911	3,072,149	5,130,632
1990 Census	6,258	2,122,101	3,665,339

(a) Estimate as of July 1, 2025 (published December 2025).

Source: Arizona Office of Economic Opportunity and U.S. Census Bureau (2020, 2010, 2000 and 1990) – *Census of Population and Housing* and July 1, 2025, Population Estimates for Arizona’s Counties, Incorporated Places and Unincorporated Balance of Counties.

Municipal Government Organization and Services

The City’s charter government provides for six Council Members and a Mayor elected at large. A Vice Mayor is elected by the Mayor and Council Members. Council Members serve four-year staggered terms and the Mayor serves a four-year term. The Mayor is limited to two four-year terms and Council Members are limited to three four-year terms. The City Manager, who is appointed by the City Council, is responsible for the overall operation and supervision of all governmental functions. The operations of City government are provided by a staff of approximately 1,067 employees.

The City, along with other private utilities, provides refuse collection and public safety (police and fire) to its residents. The City and Liberty Water Company provide water and sewer service to a majority of the City’s residents. Electricity is provided by Arizona Public Service Company, and natural gas is supplied by Southwest Gas Corporation.

Economy

Historically agriculture was a major contributor to the City’s economic base. Agriculture still plays a role in the City’s economy; however, it no longer dominates the area’s economy. Today much of the City’s economy centers around the aerospace industry and retail services. Arizona’s Airline Training Center and Lockheed Martin are located on the Phoenix-Goodyear Airport Campus. Industrial, commercial and residential developments have also become a significant part of the economy.

Goodyear Ballpark is the spring training and player development home of both of Ohio’s Major League Baseball teams – the Cleveland Guardians and the Cincinnati Reds. The Cleveland Guardians started spring training in the City in 2009; the Cincinnati Reds started spring training in the City in 2010. Each team has a year-round presence in Arizona, through Spring Training, extended Spring Training, Rookie League, Fall Instructional League and rehabilitation of injured players at their training complexes. The teams’ development complexes each include a 42,000 square foot clubhouse, six full-size practice fields, two infields, batting cages, pitching mounds, hitting tunnels and observation towers. Both teams have

made Arizona their second home, and are actively engaged in the City and surrounding communities, participating in charity activities, youth sports programs and other events.

TABLE A-2 (a)

Unemployment Rate Averages

Year	United States	State of Arizona	Maricopa County	City of Goodyear
2026 (b)	4.4%	4.5%	4.1%	4.5%
2025	4.3	4.4	3.8	4.1
2024	4.0	3.8	3.2	3.4
2023	3.6	3.7	3.2	3.4
2022	3.7	3.7	3.3	3.5
2021	5.4	4.8	4.6	4.4

(a) This table includes restated data: Local Area Unemployment Statistics (“LAUS”) program data is intermittently revised to incorporate new population controls, updated inputs, re-estimation of models, and adjustment to new census division and national control totals.

(b) Data is not seasonally adjusted, is preliminary and is an average through April 2026 for the National Unemployment rate and through March 2026 for LAUS data.

Source: Local Area Unemployment Statistics and National Labor Force Statistics, U.S. Department of Labor, Bureau of Labor Statistics. Data accessed May 26, 2026.

A list of major employers located within the City is set forth in the following table.

TABLE A-3

**Major Employers
City of Goodyear, Arizona**

Employer	Product/Service	Approximate Employment
Amazon	Retail	6,099
UPS - Regional Ops Center	Couriers and Delivery Services	2,309
Factor (Hello Fresh)	Meal Kit	1,500
Chewy.com	Pet Products Fulfillment Center	1,200
Abrazo Healthcare (West Valley Hospital)	General Medical and Surgical Hospital	919
Subzero, Wolf and Cove	Consumer Goods Manufacturing	834
Macys & Bloomingdale’s Logistics	General Warehousing and Storage	650
Andersen Windows	Window Manufacturing	582
City of Hope (Cancer Treatment Centers of America)	Cancer Treatment Hospital	508
REI (Recreational Equipment Inc.)	Retail	371

Source: City of Goodyear, Arizona – Audited Financial Statements for the Fiscal Year Ended June 30, 2025.

Construction

The following tables illustrate a building permit summary for residential and non-residential construction and new housing starts for the City. Values shown in thousands.

TABLE A-4

**Value of Building Permits (a)
City of Goodyear, Arizona
(\$000s omitted)**

Fiscal Year	Residential	Commercial and Industrial	Total
2025/26 (b)	\$569,750	\$315,735	\$ 885,485
2024/25	788,586	630,843	1,419,429
2023/24	460,873	432,596	893,469
2022/23	258,443	563,500	821,943
2021/22	402,088	218,177	620,265
2020/21	655,377	295,009	950,386

(a) Construction is valued on the basis of estimated cost, not on market price or value of construction at the time the permit is issued. The date on which the permit is issued is not to be construed as the date of construction.

(b) Partial Fiscal Year data from July 1, 2025, through April 30, 2026.

Source: The City. Construction is valued on the basis of estimated cost, not on market price or value of construction at the time the permit is issued. The date on which the permit is issued is not to be construed as the date of construction.

TABLE A-5

**New Housing Starts (a)
City of Goodyear, Arizona**

Fiscal Year	Total New Housing Starts
2025/26 (b)	951
2024/25	1,556
2023/24	1,363
2022/23	687
2021/22	1,235
2020/21	2,062

(a) The date of new housing starts is the date on which the permit is issued and is not to be construed as the date of construction.

(b) Partial Fiscal Year data from July 1, 2025, through April 30, 2026.

Source: The City.

Transportation

The City is readily accessible via ground and air transportation. Highway access is provided by County Highway 85, State Route 303 and Interstate 10. Other freeways, including State Route 101, Interstate 17 and Interstate 8 are readily accessible to the City. The City is approximately 25 miles from Phoenix Sky Harbor International Airport, which offers service from major airlines, commuter airlines and charter companies. The Phoenix-Goodyear Airport, located within the City is classified as a reliever airport to Phoenix Sky Harbor International Airport. The airport has an 8,500-foot lighted and paved runway and offers various airport-related facilities. The City is also served by the major bus companies and rail service is provided by the Union Pacific Railroad.

Education

Elementary and secondary education is provided to residents of the City by Mobile Elementary School District, Avondale Elementary School District, Liberty Elementary School District, Litchfield Elementary School District, Littleton Elementary School District, Buckeye Union High School District, Tolleson Union High School District and Agua Fria Union High School District. Post-secondary education is provided by the Maricopa County Community College District, which provides two-year and professional degrees through a number of facilities located throughout the County and the greater Metropolitan Phoenix Area, including the campus of Estrella Mountain Community College located in the neighboring City of Avondale. Four-year degrees are attainable through Arizona State University located in Phoenix, Glendale, Mesa and Tempe, Grand Canyon University located in Phoenix and other universities located in the greater Metropolitan Phoenix Area that offer flexible class schedules to the working individuals of the County. Franklin Pierce University located in Goodyear offers doctorate programs through its College of Graduate and Professional Studies.

**CITY OF GOODYEAR, ARIZONA
FINANCIAL DATA**

TABLE B-1

Current Year Statistics (For Fiscal Year 2025/26)**City of Goodyear, Arizona**

Total General Obligation Bonds Outstanding and to be Outstanding	\$ 202,875,000	*(a)(b)
Total Senior Lien Water and Sewer Revenue Bonds Outstanding	1,618,244	(a)(c)
Total Subordinate Lien Water and Sewer Revenue Obligations Outstanding	184,490,000	(a)(d)
Total Senior Lien Excise Tax Obligations Outstanding	51,960,000	(a)(e)
Total Subordinate Lien Excise Tax Obligations Outstanding	2,420,000	(a)(f)
Total Improvement District Bonds Outstanding	10,210,000	(g)
Net Assessed Limited Property Value	1,770,911,953	(h)
Net Full Cash Assessed Value	3,129,220,439	(g)
Estimated Net Full Cash Value	26,891,375,199	(i)
Estimated Net Assessed Limited Property Value (For Fiscal Year 2026/27)	1,972,863,325	(j)

(a) Includes the July 1, 2026, principal payment.

(b) See “Statements of Bonds Outstanding – General Obligation Bonds Outstanding and to be Outstanding” in this appendix.

(c) See “Statements of Bonds Outstanding – Senior Lien Water and Sewer Revenue Bonds Outstanding” in this appendix.

(d) See “Statements of Bonds Outstanding – Subordinate Lien Water and Sewer Revenue Obligations Outstanding” in this appendix.

(e) See “Statements of Bonds Outstanding – Senior Lien Excise Tax Obligations Outstanding” in this appendix.

(f) See “Statements of Bonds Outstanding – Subordinate Lien Excise Tax Obligations Outstanding” in this appendix.

(g) See “Statements of Bonds Outstanding – Improvement District Bonds Outstanding” in this appendix.

(h) See “PROPERTY TAXES” in this appendix for a description of this property value.

(i) Estimated net full cash value is the total market value of the property less estimated exempt property within the City, as projected by the Arizona Department of Revenue, Division of Property and Special Taxes (“Estimated Net Full Cash Value”).

(j) Estimated valuations for Fiscal Year 2026/27 provided by the Arizona Department of Revenue. Valuations for Fiscal Year 2026/27 are not official until approved by the Board of Supervisors of the County on the third Monday in August for the following Fiscal Year. Although the final official valuations are not expected to differ materially from the estimated valuations, they are subject to positive or negative adjustments until approved by the Board of Supervisors of the County.

Source: *State and County 2025 Abstract of the Assessment Roll*, Arizona Department of Revenue, *Maricopa County 2025 Tax Levy*, County Department of Finance and *2026 February State Abstract*, Maricopa County Assessor’s Office.

* Subject to change.

STATEMENTS OF BONDS OUTSTANDING

TABLE B-2

**General Obligation Bonds Outstanding and to be Outstanding
City of Goodyear, Arizona**

Issue Series	Description	Original Amount	Final Maturity	Principal Outstanding
2016	Refunding	\$54,975,000	07-01-2037	\$ 19,635,000
2017	Various Purpose	25,015,000	07-01-2037	19,275,000
2019	Refunding	4,225,000	07-01-2029	4,105,000
2019	Various Purpose	26,960,000	07-01-2038	20,055,000
2020	Refunding	9,250,000	07-01-2030	4,145,000
2021	Various Purpose	39,530,000	07-01-2040	30,010,000
2022	Various Purpose	23,475,000	07-01-2041	14,960,000
Subtotal General Obligation Bonds Outstanding				\$112,185,000
Plus: July 1, 2026, Principal Payments				8,170,000
Plus: the Bonds				82,520,000 *
Total General Obligation Bonds Outstanding and to be Outstanding				<u>\$202,875,000 *</u>

TABLE B-3

**Senior Lien Water and Sewer Revenue Bonds Outstanding
City of Goodyear, Arizona**

Issue Series	Description	Original Amount	Final Maturity	Principal Outstanding
2009	Refunding	\$ 325,000	07-01-2049	\$ 325,000
2009	WIFA Loan	5,716,315	07-01-2029	979,472 (a)
Subtotal Senior Lien Water and Sewer Revenue Bonds Outstanding				\$1,304,472
Plus: July 1, 2026, Principal Payments				313,772
Total Senior Lien Water and Sewer Revenue Bonds Outstanding				<u>\$1,618,244</u>

(a) Represents the City's 2009 financial obligations to Water Infrastructure Finance Authority of Arizona ("WIFA").

TABLE B-4

**Subordinate Lien Water and Sewer Revenue Obligations Outstanding
City of Goodyear, Arizona**

Issue Series	Description	Original Amount	Final Maturity	Principal Outstanding
2016	Subordinate Lien Obligations	\$11,540,000	07-01-2045	\$ 5,555,000
2020	Subordinate Lien Obligations	77,530,000	07-01-2049	71,910,000
2020	Subordinate Lien Obligations	30,950,000	07-01-2049	30,950,000
2020	Tax-Exempt Refunding	12,290,000	07-01-2039	9,995,000
2020	Taxable Refunding	13,540,000	07-01-2041	9,870,000
2025	Subordinate Lien Obligations	57,325,000	07-01-2044	51,820,000
Subtotal Subordinate Lien Water and Sewer Revenue Obligations Outstanding				\$180,100,000
Plus: July 1, 2026, Principal Payments				4,390,000
Total Subordinate Lien Water and Sewer Revenue Obligations Outstanding				<u>\$184,490,000</u>

* Subject to change.

TABLE B-5**Senior Lien Excise Tax Obligations Outstanding (a)
City of Goodyear, Arizona**

Issue Series	Description	Original Amount	Final Maturity	Principal Outstanding	
2016A	Refunding	\$40,530,000	07-01-2032	\$27,470,000	(b)(c)
2016B	Refunding	31,165,000	07-01-2031	12,880,000	(b)(c)
2021	Refunding	25,520,000	07-01-2027	4,865,000	
Subtotal Senior Lien Excise Tax Obligations Outstanding				\$45,215,000	
Plus: July 1, 2026, Principal Payments				6,745,000	
Total Senior Lien Excise Tax Obligations Outstanding				<u>\$51,960,000</u>	

- (a) Secured by a first lien pledge of certain City excise taxes, fines and fees, and certain State shared revenues (collectively, the “Excise Taxes”).
- (b) Issued by the City of Goodyear, Arizona Public Improvement Corporation (the “PIC”).
- (c) The City anticipates completing a cash defeasance of \$27,470,000* of PIC Municipal Facilities Revenue Refunding Bonds, Series 2016A and \$12,880,000* of PIC Municipal Facilities Revenue Refunding Bonds, Series 2016B in the second half of 2026.

TABLE B-6**Subordinate Lien Excise Tax Obligations Outstanding (a)
City of Goodyear, Arizona**

Issue Series	Description	Original Amount	Final Maturity	Principal Outstanding	
2017	Refunding	\$10,645,000	07-01-2027	\$1,230,000	(b)
Subtotal Subordinate Lien Excise Tax Obligations Outstanding				\$1,230,000	
Plus: July 1, 2026, Principal Payment				1,190,000	
Total Subordinate Lien Excise Tax Obligations Outstanding				<u>\$2,420,000</u>	

- (a) Secured by a second lien pledge of the Excise Taxes.
- (b) Issued by the PIC.

TABLE B-7**Improvement District Bonds Outstanding (a)
City of Goodyear, Arizona**

Issue Series	Description	Original Amount	Final Maturity	Principal Outstanding
2018	Refunding	\$34,870,000	01-01-2031	\$10,210,000
Total Improvement District Bonds Outstanding				<u>\$10,210,000</u>

- (a) Improvement District bonded debt is payable from special assessments levied on the property benefited by the financed improvements. Such bonds are a contingent liability of the City to the extent of any delinquent assessments.

* Subject to change.

PROPERTY TAXES

As described under the heading “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS,” the City will be required by law to levy or to cause to be levied on all the taxable property in the City a continuing, direct, annual, *ad valorem* property tax sufficient to pay all principal, interest, and costs of administration for the Bonds as the same become due. The State’s *ad valorem* property tax levy and collection procedures are summarized under this heading “PROPERTY TAXES.”

Taxable Property

Real property and improvements and personal property are either valued by the Assessor of the County or the Arizona Department of Revenue (the “Department of Revenue”). Property valued by the Assessor of the County is referred to as “locally assessed” property and generally encompasses residential, agricultural and traditional commercial and industrial property. Property valued by the Department of Revenue is referred to as “centrally valued” property and generally includes large mine and utility entities.

Locally assessed property is assigned two values: Full Cash Value and Limited Property Value (both as defined herein). Centrally valued property is assigned one value: Full Cash Value.

Full Cash Value

In the context of a specific property parcel, full cash value (“Full Cash Value”) is statutorily defined to mean “the value determined as prescribed by statute” or if no statutory method is prescribed it is “synonymous with market value which means that estimate of value that is derived annually by using standard appraisal methods and techniques,” which generally include the market approach, the cost approach and the income approach. In valuing locally assessed property, the Assessor of the County generally uses a cost approach to value commercial/industrial property and a market approach to value residential property. In valuing centrally valued property, the Department of Revenue begins generally with information provided by taxpayers and then applies procedures provided by State law. State law allows taxpayers to appeal such Full Cash Values by providing evidence of a lower value, which may be based upon another valuation approach. Full Cash Value is used as the ceiling for determining Limited Property Value. Unlike Limited Property Value, increases in Full Cash Value are not limited.

Limited Property Value

In the context of a specific property parcel, limited property value (“Limited Property Value”) is a property value determined pursuant to the Arizona Constitution and the A.R.S. Except as described in the next sentence, for locally assessed property in existence in the prior year, Limited Property Value is limited to the lesser of Full Cash Value or an amount 5% greater than Limited Property Value determined for the prior year for such specific property parcel. In the following circumstances, Limited Property Value is established at a level or percentage of Full Cash Value that is comparable to that of other properties of the same or similar use or classification: property that was erroneously totally or partially omitted from the property tax rolls in the preceding tax year, except as a result of the matters described in this sentence; property for which a change in use has occurred since the preceding tax year and property that has been modified by construction, destruction, or demolition since the preceding valuation year such that the total value of the modification is equal to or greater than fifteen percent of the Full Cash Value. (Limited Property Value of property that has been split, subdivided, or consolidated varies depending on when the change occurred.) A separate Limited Property Value is not provided for centrally valued property.

Full Cash Value and Limited Property Value for Taxing Jurisdictions

The Full Cash Value in the context of a taxing jurisdiction is the sum of the Full Cash Value associated with each parcel of property in the jurisdiction. Full Cash Value of the jurisdiction is the basis for determining constitutional and statutory debt limits for certain political subdivisions in Arizona, including the City.

The Limited Property Value in the context of a taxing jurisdiction is the sum of the Limited Property Value associated with each parcel of locally assessed property within the jurisdiction plus the sum of the Full Cash Value associated with each parcel of centrally valued property within the jurisdiction. Limited Property Value of the jurisdiction is used as the basis for levying both primary and secondary taxes. See “Primary Taxes” and “Secondary Taxes” below.

Property Classification and Assessment Ratios

All property, both real and personal, is assigned a classification (defined by property use) and related assessment ratio that is multiplied by the Limited Property Value or Full Cash Value of the property, as applicable, to obtain the “Limited Assessed Property Value” and the “Full Cash Assessed Value,” respectively.

The assessment ratios for each property classification are set forth by tax year in the following table.

TABLE B-8

Property Tax Assessment Ratios (Tax Year)

Property Classification (a)	2022	2023	2024	2025	2026
Mining, utilities, commercial and industrial (b)	17.5%	17.0%	16.5%	16.0%	15.5%
Agricultural and vacant land	15.0	15.0	15.0	15.0	15.0
Owner occupied residential	10.0	10.0	10.0	10.0	10.0
Leased or rented residential	10.0	10.0	10.0	10.0	10.0
Railroad, private car company and airline flight property (c)	15.0	14.0	14.0	13.0	13.0

- (a) Additional property classifications exist, but seldom amount to a significant portion of a municipal body’s total valuation.
- (b) The assessment ratio for this property classification will decrease to 15.0% for tax year 2027 and each tax year thereafter.
- (c) This percentage is determined annually pursuant to A.R.S. § 42-15005.

Source: *State and County Abstract of the Assessment Roll for Tax Years 2022 to 2026*, Arizona Department of Revenue.

Primary Taxes

Per State statute, taxes levied for the maintenance and operation of counties, cities, towns, school districts, community college districts and the State are “primary taxes.” Primary taxes are levied against Net Assessed Limited Property Value (as defined herein). “Net Assessed Limited Property Value” is determined by excluding the value of property exempt from taxation from Limited Assessed Property Value of locally assessed property and from Full Cash Assessed Value of centrally valued property and combining the resulting two amounts.

The primary taxes levied by each county, city, town and community college district are constitutionally limited to a maximum increase of 2% over the maximum allowable prior year’s levy limit plus any taxes on property not subject to taxation in the preceding year (e.g., new construction and property brought into the jurisdiction because of annexation). The 2% limitation does not apply to primary taxes levied on behalf of school districts.

The combined taxes on owner occupied residential property only, for purposes other than voter-approved bond indebtedness and overrides and certain special district assessments, are constitutionally limited to 1% of the Limited Property Value of such property.

Secondary Taxes

Per State statute, taxes levied for payment of bonds like the Bonds, voter-approved budget overrides, the maintenance and operation of special purpose districts such as sanitary, fire, road improvement and career technical education districts, and taxes levied by school districts for qualified desegregation expenditures are “secondary taxes.” Like primary taxes, secondary taxes are also levied against Net Assessed Limited Property Value. There is no constitutional or statutory limitation on annual levies for voter approved bond indebtedness and overrides and certain special district assessments.

“Net Full Cash Assessed Value” is determined by excluding the value of property exempt from taxation from Full Cash Assessed Value of both locally assessed and centrally valued property and combining the resulting two amounts. Net Full Cash Assessed Value is the basis for determining general obligation bonded debt limitations for certain political subdivisions in the State, including the City.

Tax Procedures

The State tax year has been defined as the calendar year, notwithstanding the fact that tax procedures begin prior to January 1 of the tax year and continue through May of the succeeding calendar year.

On or before the third Monday in August each year, the Board of Supervisors of the County prepares the tax roll setting forth certain valuations by taxing district of all property in the County subject to taxation. The tax roll is then forwarded to the Treasurer of the County (the "Treasurer"). (The Assessor of the County is required to have completed the assessment roll by December 20th of the year prior to the levy. This roll identifies the valuation and classification of each parcel located within the County for the tax year.)

With the various budgetary procedures having been completed by the governmental entities, the appropriate tax rate for each jurisdiction is then levied upon each non-exempt parcel of property in order to determine the total tax owed by each property owner. Any subsequent decrease in the value of the tax roll due to appeals or other reasons reduces the amount of taxes received by each jurisdiction.

The property tax lien on real property attaches on January 1 of the year the tax is levied. Such lien is prior and superior to all other liens and encumbrances on the property subject to such tax except liens or encumbrances held by the State or liens for taxes accruing in any other years.

The State Legislature, from time to time, may change the manner in which taxes are levied, including changing the assessment ratios and property classifications. The City cannot determine whether any such measures will become law or how they might affect property tax collections for the City. However, removing or amending limits on the growth rate of Limited Property Value for locally assessed property would require further amendment to the State Constitution.

On occasion, it may be determined that a taxpayer or class of taxpayers is due a property tax refund associated with a successful appeal. These refunds may be for a single year or several years and may range widely in amount. Generally, these refunds are paid by the treasurer of the appropriate county with amounts received by the underlying taxing jurisdictions which, in most cases, may levy an additional property tax in the following year to account for that underlying taxing jurisdiction's proportion of the taxpayer refund. Importantly, in most cases, taxpayer refunds of this type are not the ultimate burden of the underlying taxing jurisdiction, as the underlying taxing jurisdictions levied a tax in an amount which was based on the approved (i.e., pre-appeal) property tax levy. Refunds do not change the amount of revenue the underlying taxing jurisdictions are eligible to receive for the affected fiscal years, but such refunds do change the distribution of the burden of the property taxes among the taxpayers. This is reconciled by the underlying taxing jurisdictions levying for the refunded amounts in a subsequent year.

Delinquent Tax Procedures

The property taxes due the City are billed, along with State and other taxes, each September and are due and payable in two installments on October 1 and March 1 and become delinquent on November 1 and May 1, respectively. Delinquent taxes are subject to an interest penalty of 16% per annum prorated monthly as of the first day of the month. (Delinquent interest is waived if a taxpayer, delinquent as to the November 1 payment, pays the entire year's tax bill by December 31.) After the close of the tax collection period, the Treasurer prepares a delinquent property tax list and the property so listed is subject to a tax lien sale in February of the succeeding year. In the event that there is no purchaser for the tax lien at the sale, the tax lien is assigned to the State, and the property is reoffered for sale from time to time until such time as it is sold, subject to redemption, for an amount sufficient to cover all delinquent taxes.

After three years from the sale of the tax lien, the tax lien certificate holder may bring an action in a court of competent jurisdiction to foreclose the right of redemption and, if the delinquent taxes plus accrued interest are not paid by the owner of record or any entity having a right to redeem, a judgment is entered ordering the Treasurer to deliver a treasurer's deed to the certificate holder as prescribed by law.

Chapter 176, Laws of Arizona 2024 (commonly referred to by its original bill number as "SB 1431") revised the redemption and foreclosure process for tax lien certificate holders whereby a delinquent taxpayer may request an entry of judgment directing the sale of the property for excess proceeds. If a delinquent taxpayer requests an excess proceeds sale, and an entry of judgment is granted to direct such excess proceeds sale, a tax lien certificate holder's potential financial return on the subject tax lien eligible for foreclosure may decrease relative to the tax lien certificate holder's potential financial return on such tax lien prior to the enactment of SB 1431. Therefore, in connection with the new excess proceeds sale process instituted by SB 1431, it is reasonable to conclude that "tax sale investors" may be less willing to purchase tax liens. The effective date of SB 1431 was September 14, 2024. None of the City, the Municipal Advisor, the

Underwriter or the counsel or agents of either of them, including Bond Counsel, are able to determine or predict what impact, if any, SB 1431 will have on property tax collections in the City.

In the event of bankruptcy of a taxpayer pursuant to the United States Bankruptcy Code (the “Bankruptcy Code”), the law is currently unsettled as to whether a lien can attach against the taxpayer’s property for property taxes levied during the pendency of bankruptcy. Such taxes might constitute an unsecured and possibly non-interest bearing administrative expense payable only to the extent that the secured creditors of a taxpayer are oversecured, and then possibly only on the prorated basis with other allowed administrative claims. It cannot be determined, therefore, what adverse impact bankruptcy might have on the ability to collect *ad valorem* taxes on property of a taxpayer within the City. Proceeds to pay such taxes come only from the taxpayer or from a sale of the tax lien on delinquent property.

When a debtor files or is forced into bankruptcy, any act to obtain possession of the debtor’s estate, any act to create or perfect any lien against the property of the debtor or any act to collect, assess or recover a claim against the debtor that arose before the commencement of the bankruptcy is stayed pursuant to the Bankruptcy Code. While the automatic stay of a bankruptcy court may not prevent the sale of tax liens against the real property of a bankrupt taxpayer, the judicial or administrative foreclosure of a tax lien against the real property of a debtor would be subject to the stay of bankruptcy court. It is reasonable to conclude that “tax sale investors” may be reluctant to purchase tax liens under such circumstances, and, therefore, the timeliness of the payment of post-bankruptcy petition tax collections becomes uncertain.

It cannot be determined what impact any deterioration of the financial conditions of any taxpayer, whether or not protection under the Bankruptcy Code is sought, may have on payment of or the secondary market for the Bonds. None of the City, the Municipal Advisor, the Underwriter or their respective agents, consultants or legal counsel, including Bond Counsel, has undertaken any independent investigation of the operations and financial condition of any taxpayer, nor have they assumed responsibility for the same.

In the event the County is expressly enjoined or prohibited by law from collecting taxes due from any taxpayer, such as may result from the bankruptcy of a taxpayer, any resulting deficiency could be collected in subsequent tax years by adjusting the City’s tax rate charged to non-bankrupt taxpayers during such subsequent tax years.

DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED INDEBTEDNESS

The Arizona Constitution provides that the general obligation bonded indebtedness for a city for general municipal purposes may not exceed 6% of the Net Full Cash Assessed Value of the taxable property in that city. In addition, an incorporated city may become indebted in an amount not exceeding an additional 20% of the Net Full Cash Assessed Value of the city for supplying such city with water, light, or sewers, when the works for supplying such water, light, or sewers are or shall be owned and controlled by the municipality, and for the acquisition and development by the city of land or interests therein for open space preserves, parks, playgrounds and recreational facilities, public safety, law enforcement, fire and emergency services facilities and streets and transportation facilities.

TABLE B-9

**Direct General Obligation Bonded Debt, Legal Limitation and Unused General Obligation Bonding Capacity (a)
City of Goodyear, Arizona**

<u>General Municipal Purpose Bonds (b)</u>	
Total 6% General Obligation Bonding Capacity	\$187,753,226
Less 6% Original Issue Premium	(5,805,000) * (c)
Less 6% General Obligation Bonds to be Outstanding	<u>(46,305,000) *</u>
Net 6% General Obligation Bonding Capacity	<u>\$135,643,226 *</u>
<u>Water, Light, Sewer, Open Space, Streets, Parks, Transportation and Public Safety Bonds (b)</u>	
Total 20% General Obligation Bonding Capacity	\$625,844,087
Less 20% Original Issue Premium	(9,072,000) * (b)
Less 20% General Obligation Bonds to be Outstanding	<u>(148,400,000) *</u>
Net 20% General Obligation Bonding Capacity	<u>\$468,372,087 *</u>

* Subject to change.

- (a) General obligation bonding capacity is calculated using the City’s Fiscal Year 2025/2026 Net Full Cash Assessed Value of \$3,129,220,439. Capacity is reduced by applicable amount in connection with the issuance of the Bonds.
- (b) Bonding capacity net of July 1, 2026, principal payment and original issue premium.
- (c) \$13,587,000* total amount of premium on previous bonds and on the Bonds reduced or will reduce (i) the principal amount of general obligation bonds authorized at the Elections and (ii) the borrowing capacity of the City under the Arizona Constitution. \$1,290,000 total amount of premium on previous bonds reduced the borrowing capacity of the City under the Arizona Constitution (but not the authorization). The City’s borrowing capacity (but not authorization) will be recaptured as premium is amortized. The City plans to amortize such premium as shown in TABLE B-10.

TABLE B-10

**Original Issue Premium Amortization General Obligation Bonds
City of Goodyear, Arizona**

Period Ending (July 1)	General Obligation Refunding Bonds, Series 2019	General Obligation Refunding Bonds, Series 2020	General Obligation Bonds, Series 2021	General Obligation Bonds, Series 2022	The Bonds*	Combined*
2027	\$240,000	\$125,000	\$ 160,000	\$ 80,000	\$ 987,000	\$ 1,592,000
2028	250,000	130,000	170,000	80,000	420,000	1,050,000
2029	260,000	140,000	175,000	85,000	90,000	750,000
2030		145,000	185,000	90,000	95,000	515,000
2031			195,000	95,000	100,000	390,000
2032			205,000	100,000	105,000	410,000
2033			215,000	105,000	110,000	430,000
2034			220,000	110,000	115,000	445,000
2035			230,000	115,000	120,000	465,000
2036			240,000	120,000	125,000	485,000
2037			245,000	125,000	130,000	500,000
2038			250,000	130,000	140,000	520,000
2039			890,000	135,000	145,000	1,170,000
2040			920,000	140,000	150,000	1,210,000
2041				145,000	770,000	915,000
2042					935,000	935,000
2043					980,000	980,000
2044					1,030,000	1,030,000
2045					1,085,000	1,085,000
Total	\$750,000	\$540,000	\$4,300,000	\$1,655,000	\$7,632,000	\$14,877,000

* Subject to change.

TABLE B-11

**Direct and Overlapping General Obligation Bonds Outstanding and to be Outstanding
City of Goodyear, Arizona**

Overlapping Jurisdiction	General Obligation Bonded Debt (b)(c)	Proportion applicable to City of Goodyear (a)	
		Approximate Percent	Net Debt Amount
State of Arizona	None	1.917%	None
Maricopa County	None	2.916	None
Maricopa County Community College District	\$ 13,565,000	2.916	\$ 395,597
Maricopa County Special Health Care District	479,410,000	2.928	14,038,782
Western Maricopa Education Center District No. 402	212,235,000	7.467	15,847,476
Agua Fria Union High School District No. 216	399,515,000	55.962	223,574,634
Avondale Elementary School District No. 44	34,615,000	88.955	30,791,851
Litchfield Elementary School District No. 79	89,285,000	40.899	36,516,950
Buckeye Union High School District No. 201	39,965,000	22.225	8,882,251
Liberty Elementary School District No. 25	41,920,000	58.263	24,423,925
Tolleson Union High School District No. 214	324,390,000	0.003	9,676
Littleton Elementary School District No. 65	37,525,000	0.013	4,792
Mobile Elementary School District No. 86	None	48.825	None
Centerra Community Facilities District	1,337,000	100.000	1,337,000
Community Facilities General District No. 1	1,630,000	100.000	1,630,000
Community Facilities Utilities District No. 1	16,800,000	100.000	16,800,000
Cortina Community Facilities District	805,000	100.000	805,000
Cottonflower Community Facilities District	420,000	100.000	420,000
Estrella Mountain Ranch Community Facilities District	19,915,000	100.000	19,915,000
King Ranch Community Facilities District	None	100.000	None
Palm Valley Community Facilities District No. 3	2,570,000	100.000	2,570,000
Wildflower Ranch Community Facilities District No. 1	None	100.000	None
Wildflower Ranch Community Facilities District No. 2	None	100.000	None
City of Goodyear	194,705,000*	100.000	194,705,000 *(d)
Total Direct and Overlapping General Obligation Bonded Debt Outstanding and to be Outstanding			<u>\$592,667,934</u> *

(a) Proportion applicable to the City is computed on the ratio of Net Assessed Limited Property Value for Fiscal Year 2025/26 of the portion of the overlapping jurisdiction lying within the City divided by the total Net Assessed Limited Property Value of such jurisdiction. Total may not add due to rounding.

(b) Does not include presently authorized but unissued general obligation bonds of such jurisdictions that may be issued in the future nor amounts that may be authorized at future elections. Additional bonds may be authorized by voters within such jurisdictions pursuant to future elections.

Does not include outstanding principal amount of certificates of participation, revenue obligations or loan obligations outstanding for the jurisdictions listed above. Does not include outstanding principal amounts of bonded debt payable from special assessments, as such debt is presently being paid from such special assessments against affected property owners residing within the various improvement districts.

Also does not include the obligation of the Central Arizona Water Conservation District (“CAWCD”) to the United States Department of the Interior (the “Department of the Interior”), for repayment of certain capital costs for construction of the Central Arizona Project (“CAP”), a major reclamation project that has been substantially completed by the Department of the Interior. The obligation is evidenced by a master contract between CAWCD and the Department of the Interior. In April 2003, the United States and CAWCD agreed to settle litigation over the amount of the construction cost repayment obligation, the amount of the respective obligations for payment of the operation, maintenance and replacement costs and the application of certain revenues and credits against such obligations and costs. Under the agreement, CAWCD’s obligation for substantially all of the CAP features that

* Subject to change.

have been constructed so far will be set at \$1.646 billion, which amount assumes (but does not mandate) that the United States will acquire a total of 667,724 acre feet of CAP water for federal purposes. The United States will complete unfinished CAP construction work related to the water supply system and regulatory storage stages of CAP at no additional cost to CAWCD. Of the \$1.646 billion repayment obligation, 73% will be interest bearing and the remaining 27% will be non-interest bearing. These percentages have been fixed for the entire 50-year repayment period, which commenced October 1, 1993. CAWCD is a multi-county water conservation district having boundaries coterminous with the exterior boundaries of Arizona's Maricopa, Pima and Pinal Counties. It was formed for the express purpose of paying administrative costs and expenses of the CAP and to assist in the repayment to the United States of the CAP capital costs. Repayment will be made from a combination of power revenues, subcontract revenues (i.e., agreements with municipal, industrial and agricultural water users for delivery of CAP water) and a tax levy against all taxable property within CAWCD's boundaries. At the date of this Official Statement, the tax levy is limited to 14 cents per \$100 of Net Assessed Limited Property Value, of which 14 cents is currently being levied. (See A.R.S., Sections 48-3715 and 48-3715.02.) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the master contract. Does not include the obligation of the Maricopa County Flood Control District to contribute \$70 to \$80 million to the CAP. The Maricopa County Flood Control District's sole source of revenue to pay the contribution will be *ad valorem* taxes on real property and improvements.

- (c) General obligation debt net of July 1, 2026, and July 15, 2026 principal payments.
- (d) Includes the Bonds.

Source: The various entities.

TABLE B-12

**Direct and Overlapping General Obligation Bonds Authorized but Unissued
City of Goodyear, Arizona**

Overlapping Jurisdiction	General Obligation Bonds Authorized but Unissued
Maricopa County Community College District	None
Maricopa County Special Health Care District	\$898,000,000
Western Maricopa Education Center District No. 402	215,000,000
Avondale Elementary School District No. 44	65,000,000
Liberty Elementary School District No. 25	None
Litchfield Elementary School District No. 79	10,000,000
Littleton Elementary School District No. 65	None
Mobile Elementary School District No. 86	None
Agua Fria Union High School District No. 216	None
Buckeye Union High School District No. 201	None
Tolleson Union High School District No. 214	125,000,000
Centerra Community Facilities District	15,692,000
Cortina Community Facilities District	845,000
Cottonflower Community Facilities District	415,000
Estrella Mountain Ranch Community Facilities District	165,525,849
Goodyear Community Facilities General District No. 1	119,260,000
Goodyear Community Facilities Utilities District No. 1	111,760,000
King Ranch Community Facilities District	50,000,000
Palm Valley Community Facilities District No. 3	116,460,000
Wildflower Ranch Community Facilities District No. 1	600,000
Wildflower Ranch Community Facilities District No. 2	1,280,000
City of Goodyear	186,294,616* (a)

(a) Reflects reduction of authorization from issuance of the Bonds.

Source: The various entities.

TABLE B-13

**Direct and Overlapping General Obligation Bonded Debt Ratios
City of Goodyear, Arizona**

	Per Capita Bonded Debt Population at 122,569 (a)	As a Percentage of City's	
		2025/26 Net Assessed Limited Property Value	2025/26 Estimated Net Full Cash Value
Direct General Obligation Bonded Debt* (b)	\$1,589	10.99%	0.72%
Direct and Overlapping General Obligation Debt* (b)	4,835	33.47	2.20

(a) Estimate as of July 1, 2025 (published December 2025).

(b) Includes the Bonds.

Source: Arizona Department of Administration, Office of Employment and Population Statistics and *State and County 2025 Abstract of the Assessment Roll*, Arizona Department of Revenue.

* Subject to change.

Other Indebtedness
City of Goodyear, Arizona

The City currently has no other material indebtedness.

Source: The City.

TAX COLLECTIONS, TAX RATES AND VALUES

TABLE B-14

Property Taxes Levied and Collected (a)
City of Goodyear, Arizona

Fiscal Year	Tax Rate	City Tax Levy (c)	Collected to June 30 of Initial Fiscal Year (b)		Cumulative Collection to September 30, 2025	
			Amount	% of Levy (d)	Amount	% of Levy (d)
2025/26	\$1.7350	\$30,725,328	(e)		\$23,458,971 (f)	76.35% (f)
2024/25	1.7350	27,593,700	\$27,362,643	99.16%	27,320,052	99.01
2023/24	1.7350	25,151,508	24,793,758	98.58	24,696,523	98.19
2022/23	1.7350	22,821,653	22,501,541	98.60	22,306,469	97.74
2021/22	1.7335	20,150,452	19,740,256	97.96	19,570,851	97.12
2020/21	1.7332	17,871,100	17,528,715	98.08	17,452,256	97.66

- (a) Taxes are collected by the Treasurer. Taxes in support of debt service are levied by the Board of Supervisors of the County as required by A.R.S.
- (b) Reflects collections made through the end of the Fiscal Year, on such year's levy. Property taxes are payable in two installments. The first installment is due on October 1 and becomes delinquent on November 1; the second installment is due on March 1 and becomes delinquent on May 1. Delinquent taxes are subject to an interest and penalty change of 16% per annum, which is prorated at a monthly rate of 1.33%. Interest and penalty collections for delinquent taxes are not included in the collection figures but are deposited in the County's General Fund. Interest and penalties with respect to the first half tax collections (delinquent November 1) are waived if the full year's taxes are paid by December 31.
- (c) Tax levy amount shown is based on the original levy set by the County and does not reflect adjustments.
- (d) Percentage of levy collected is calculated using the adjusted levy as of June 30 of the initial Fiscal Year or as of the query date, respectively.
- (e) The 2025/26 taxes are in course of collection, subject to the following schedule: first installment due 10-01-25, delinquent 11-01-25; second installment due 03-01-26, delinquent 05-01-26.
- (f) Estimated collections through April 30, 2026, per the City's internal records.

Source: *Secured Levy Report* through September 30, 2025, Office of the Treasurer of the County, except as otherwise noted.

TABLE B-15

**Direct and Overlapping Assessed Valuations and Total Tax Rates
Per \$100 Assessed Valuation**

Overlapping Jurisdiction	2025/26 Net Assessed Limited Property Value (a)	2025/26 Total Tax Rate Per \$100 Net Assessed Limited Property Value (a)
State of Arizona	\$92,371,826,506	None
Maricopa County	60,724,517,168	\$ 1.1591
Maricopa County Community College District	60,724,517,168	1.0828
Maricopa County Fire District Assistance Tax	60,724,517,168	0.0076 (b)
Maricopa County Flood Control District	56,554,825,877	0.1428 (c)
Maricopa County Library District	60,724,517,168	0.0462
Maricopa County Special Health Care District	60,474,824,210	0.2914
Central Arizona Water Conservation District	60,474,824,210	0.1400 (d)
Western Maricopa Education Center District No. 402	23,716,678,874	0.1815
Adaman Irrigation District No. 36	2,389	24.0700 (e)
McMicken Irrigation District	18,083	2.0859 (e)
Roosevelt Irrigation District	35,149	37.3600 (e)
Agua Fria Union High School District No. 216	2,641,487,331	3.1740
Avondale Elementary School District No. 44	829,320,601	3.5672
Litchfield Elementary School District No. 79	1,812,166,729	2.9306
Buckeye Union High School District No. 201	1,312,367,605	2.8998
Liberty Elementary School District No. 25	501,070,687	3.7177
Tolleson Union High School District No. 214	2,060,374,378	5.7601
Littleton Elementary School District No. 65	485,455,772	4.1988
Mobile Elementary School District No. 86	7,604,958	8.5360
Centerra Community Facilities District	24,754,520	1.5176
Community Facilities General District No. 1	167,715,124	0.7255
Community Facilities Utilities District No. 1	620,164,835	0.7598
Cortina Community Facilities District	15,352,986	1.4418
Cottonflower Community Facilities District	13,511,630	1.9401
Estrella Mountain Ranch Community Facilities District	188,637,488	1.3000
King Ranch Community Facilities District	1,695,934	0.3000
Palm Valley Community Facilities District No. 3	239,280,691	0.3185
Wildflower Ranch Community Facilities District No. 1	7,254,451	0.3000
Wildflower Ranch Community Facilities District No. 2	7,390,167	0.8656
City of Goodyear	1,770,911,953	1.7350

- (a) Any decrease in an assessed valuation below the amount shown could result in an increase in the applicable tax rate.
- (b) The County is mandated to levy a tax annually in support of County fire districts.
- (c) The assessed valuation of the Maricopa County Flood Control District does not include the personal property assessed valuation within the County.
- (d) The Net Assessed Limited Property Value for CAWCD reflects the assessed valuation located within Maricopa County only.
- (e) Irrigation district levies are based on a per acre assessment upon the qualified land within the City.

Source: *State and County 2025 Abstract of the Assessment Roll*, Arizona Department of Revenue and *Maricopa County 2025 Tax Levy*, County Department of Finance.

Direct and Overlapping Total Tax Rates Per \$100 of Assessed Valuation

There are 30 taxing jurisdictions that overlap the City’s boundaries. The total overlapping property tax rate for property owners within the City, excluding irrigation districts, ranges from \$10.8910 to \$14.7453.

Source: *Maricopa County 2025 Tax Levy*, County Department of Finance.

TABLE B-16

**Assessed Value by Property Classification
City of Goodyear, Arizona**

Below are breakdowns of the City’s Net Assessed Limited Property Value by property classification.

Class	2021/22	2022/23	2023/24	2024/25	2025/26
Utilities, Commercial and Industrial	\$ 383,128,650	\$ 417,568,668	\$ 488,911,196	\$ 593,240,929	\$ 647,387,305
Agricultural and Vacant	58,983,264	61,365,014	73,504,432	73,511,435	69,250,403
Residential (owner occupied)	507,416,490	552,897,336	592,054,415	637,262,868	670,758,779
Residential (rental)	206,917,471	237,727,343	268,756,784	304,903,366	355,372,026
Railroads	1,264,869	1,415,907	1,011,317	869,917	717,777
Historic Property	12,874,047	22,874,548	23,600,985	25,822,366	27,421,684
Miscellaneous	35,937	-	1	3,788	3,978
Total (a)	<u>\$1,170,620,728</u>	<u>\$1,293,848,816</u>	<u>\$1,447,839,128</u>	<u>\$1,635,614,669</u>	<u>\$1,770,911,953</u>

(a) Totals may not add due to rounding.

Source: *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue.

TABLE B-17

**Assessed Valuation of Major Taxpayers (a)
City of Goodyear, Arizona**

The table below shows the major property taxpayers located within the City and their Net Assessed Limited Property Value for the Fiscal Year indicated.

Taxpayer (b)	2025/26 Net Assessed Limited Property Value	As % of City’s Total 2025/26 Net Assessed Limited Property Value
MICROSOFT CORPORATION	\$ 29,556,838	1.67%
VHS OF SOUTH PHOENIX INC	17,498,297	0.99
FR PV 303 PHASE 2 LLC	14,911,309	0.84
LIBERTY PROPERTY LIMITED PARTNERSHIP	12,155,446	0.69
PROLOGIS-EXCHANGE AZ 2003 LLC	11,401,320	0.64
SDC PHX I LLC	10,456,954	0.59
ELWOOD LOGISTICS CENTER QOZB LLC	10,176,400	0.57
MACYS LOGISTICS LLC	10,164,893	0.57
VANTAGE DATA CENTERS AZ11 LLC	10,093,005	0.57
ESTRELLA NORTH LLC	9,797,688	0.55
Total (c)	\$136,212,152	7.69%

- (a) Based upon data obtained from the Treasurer. None of the City, the Underwriter, counsel to the Underwriter, the Municipal Advisor, or Bond Counsel has made an independent determination of the financial condition of any of the major taxpayers or their ability to pay taxes.
- (b) Some of such taxpayers or their parent corporations are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file reports, proxy statements and other information with the Securities and Exchange Commission (the “Commission”). Such reports, proxy statements and other information (collectively, the “Filings”) may be inspected, copied and obtained at prescribed rates at the Commission’s public reference facilities at 100 F Street, N.E., Washington, D.C. 20549-2736. In addition, the Filings may also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. The Filings may also be obtained through the Internet on the Commission’s EDGAR data base at <http://www.sec.gov>. No representative of the City, the Municipal Advisor, the Underwriter, counsel to the Underwriter, or Bond Counsel has examined the information set forth in the Filings for accuracy or completeness, nor does any such representative assume responsibility for the same.
- (c) Totals may not add due to rounding.

Source: Assessor of the County.

TABLE B-18

**Estimated Net Full Cash Value (a)
City of Goodyear, Arizona**

Fiscal Year	Estimated Net Full Cash Value
2025/26	\$26,891,375,199
2024/25	26,359,535,282
2023/24	20,399,873,223
2022/23	15,253,820,336
2021/22	13,310,752,062

- (a) The City’s estimated Net Full Cash Value approximates the total market value of all taxable property located within the boundaries of the City, less the estimated exempt property within the boundaries of the City.

Source: The Municipal Advisor. Total market value and exempt property information for tax years 2021 through 2025, *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue.

CITY EMPLOYEE RETIREMENT SYSTEM

All benefitted employees of the City are covered by one of three pension systems. The Arizona State Retirement System (“ASRS”) is for the benefit of the employees of the state and certain other governmental jurisdictions. All benefitted City employees, except sworn fire and police personnel and the City Council, are included in the plan that is a multiple-employer cost-sharing defined benefit pension plan. All sworn fire and police personnel participate in the Public Safety Personnel Retirement System (“PSPRS”) that is an agent multiple-employer defined benefit pension plan.

In addition, eligible employees are covered by other post-employment benefit plans (“OPEB”). All sworn fire and police personnel participate in the PSPRS that is an agent multiple-employer defined benefit health insurance premium benefit OPEB plan. Eligible City employees also participate in the City’s defined benefit medical OPEB plan. Eligible City employees covered by Arizona State Retirement System also participate in the ASRS OPEB plan.

At June 30, 2025, the City reported the following unfunded liabilities related to pensions and OPEB for all plans to which it contributes (in thousands):

TABLE B-19

**Net Pension and OPEB Liabilities
City of Goodyear, Arizona**

Plan	Governmental Activities	Business-Type Activities
ASRS	\$47,805,546	\$ 8,340,534
OPEB	23,746,147	4,142,941
PSPRS-Fire	7,016,422	-
PSPRS-Police	13,263,042	-
Total (a)	\$91,831,158	\$12,483,475

For a more detailed description of these plans and the City contributions to the various plans, please refer to Note 15 of the City’s Audited General Purpose Financial Statements for the Year Ended June 30, 2025, contained in APPENDIX C of this Official Statement.

(a) Totals may not add due to rounding.

CITY OF GOODYEAR, ARIZONA

**AUDITED FINANCIAL STATEMENTS FOR
THE YEAR ENDED JUNE 30, 2025**

The following audited financial statements are for the Fiscal Year ended June 30, 2025, have been audited by Heinfeld, Meech & Co., P.C., certified public accountants, to the extent and for the period indicated thereon. The City has neither requested nor obtained the consent of Heinfeld, Meech & Co., P.C., to include its report and Heinfeld, Meech & Co., P.C., has performed no procedures subsequent to sending its report on the audited financial statements.

These are the most recent audited financial statements available to the City. THESE AUDITED FINANCIAL STATEMENTS ARE NOT CURRENT AND MAY NOT REPRESENT THE CURRENT FINANCIAL CONDITIONS OF THE CITY.

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Annual Comprehensive Financial Report



FOR THE FISCAL YEAR ENDED JUNE 30, 2025

City of Goodyear, Arizona
Finance Department



City of Goodyear, Arizona
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025

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INTRODUCTORY SECTION

The Introductory Section includes the City's Transmittal Letter, the Certificate of Achievement for Excellence in Financial Reporting, List of Principal Officials, and the City's Organizational Chart.





November 25, 2025

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

State law requires that a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants be published annually by cities after the close of each fiscal year. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) to the City of Goodyear, Arizona (City) for the fiscal year (FY) ended June 30, 2025.

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

This document represents management's report to its governing body, constituents, legislative and oversight bodies, investors, and creditors. Copies of this report will be made available to elected officials, management personnel, bond rating agencies, Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (EMMA), and other agencies which have expressed interest in the City's financial matters. Copies of this financial report will be placed on the City's website for use by the general public.

The accounting firm of Heinfeld, Meech & Co., P.C. an independent public accounting firm, performed the City's annual financial statement audit. The auditors have issued an unmodified ("clean") opinion of the City of Goodyear's financial statements for the fiscal year ended June 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report on pages 17-34 and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

CITY OF GOODYEAR PROFILE

The City of Goodyear, incorporated in 1946 and chartered in 1988, started as a small-town cultivating cotton to produce rubber tires during World War I. Located approximately 17 miles west of the downtown Phoenix business district, Goodyear has sustained continued growth and currently encompasses approximately 191 square miles in the western portion of Maricopa County. The City's growth is attributable to excellent transportation corridors, convenient access to the central valley, a variety of housing options, a sense of community and outstanding school districts.

Goodyear has a Council/Manager form of government consisting of the Mayor and six council members. The Mayor and council members are elected at-large to staggered four-year terms. The City Council is vested with policy and legislative authority and is responsible for passing ordinances, adopting the budget, appointing committee, commission, and board members, and appointing the positions of City Manager, City Attorney, and City Judge. The City Manager is responsible for carrying out the policies and ordinances of the City Council, as well as overseeing the day-to-day operations of the City.

In fiscal year 2025 a staff of 996 full-time equivalent authorized employees working within 16 different departments performed the various functions of Goodyear's city government. The City provides a full range of municipal services, including police, fire, ambulance, residential sanitation, water, wastewater, streets, recreational programs, parks, cultural events, public transportation, planning and zoning, and general administrative services. Goodyear offers a wide range of community facilities including the Goodyear Ballpark, library, recreation center, 2 swimming pools, and 20 parks encompassing 252 acres. In addition, Goodyear continues to attract major employers with its location along Interstate 10 and State Route 303, availability of land, access to the entire region, and available commercial space.

FINANCIAL CONTROLS

Internal Controls

The management of the City of Goodyear is responsible for establishing and maintaining a system of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: 1) the safeguarding of assets against loss from unauthorized use or disposition, and 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the valuation of costs and benefits requires estimates and judgments by management.

The system of internal controls is subject to periodic evaluation by management and is also considered by the independent auditors in connection with the annual audit of the City's financial statements. All internal control evaluations occur within the above framework. The City's internal accounting controls are considered to adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Controls

The City of Goodyear, like all cities in the State of Arizona, is subject to numerous budget and related legal requirements. Article IX, Section 20 (1) of the Arizona Constitution sets limits on the City's legal budget capacity. At a general election held on March 11, 2003, citizens of Goodyear approved a permanent adjustment of the 1979 expenditure base for population and inflation growth. The City may utilize the additional expenditure authority for any local budgetary purposes. The permanent adjustment eliminated the need for voter approval of Home Rule every four years.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Mayor and Council. Activities of the general fund, special revenue funds, debt service funds, capital projects funds, enterprise funds, and internal service funds are included in the annual appropriated budget. The legal level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is the total budget, as adopted by the City Council. All funds of the City have legally adopted budgets. The initial budget for the fiscal year may be amended during the year in a legally permissible manner. The

City adopts the budget by major program area for the General Fund and by fund for all others. The City Council has adopted a specific budget transfer policy which delegates the authority to perform many transfers to the City Manager or appropriate designee. The City Manager is generally authorized to transfer budgeted amounts within any specific department's expenditure appropriation as well as transfers which are considered administrative in nature. Generally, budget revisions requiring a transfer between major program areas in the General Fund, from city reserves/contingencies or a transfer between funds must be approved by the City Council. In addition to maintaining budgetary control via formal appropriation, the City maintains an encumbrance accounting system. Encumbrances are made against appropriations upon the issuance of a purchase order. Encumbered appropriations lapse at fiscal year-end and are re-encumbered as needed in the next fiscal year.

LOCAL ECONOMIC CONDITION AND OUTLOOK

Major industries located within city boundaries or in close proximity include medical and healthcare, data centers, retail stores, advanced manufacturing and logistics, aviation and aerospace, and higher education.

Goodyear's population has surged in recent years due to Goodyear's job opportunities and quality of life, with a population of 121,116 in 2025.¹

The unemployment rate² of 4.4% is slightly higher than Phoenix's 4.1% rate and the State's 4.1% rate. Major employers like Amazon, UPS, and Abrazo Healthcare maintain significant operations in Goodyear, helping sustain Goodyear's economic development.

Housing and commercial projects were strong; Goodyear issued 4,022 building permits (residential, commercial, industrial, and multi-family housing), a reflection of increased demand, with a more than 20% increase over fiscal year 2024. Property values also rose, with median home prices exceeding \$500,000 by the end of 2025, reflecting both local demand and the broader Phoenix metro area trend. The City has dedicated resources to expanding commercial and industrial developments, including areas like West Goodyear, which aimed to offer mixed-use spaces for both business and residential needs.

In the past year, the City of Goodyear has made significant strides in infrastructure development, particularly with its new downtown district project known as Goodyear Civic Square (GSQ). This major initiative, which broke ground in recent years, is transforming the City's downtown into a walkable, mixed-use area. Other investment infrastructure includes new roads, and developing utilities and public spaces to accommodate restaurants, retail, and Class A office spaces, elevating urban infrastructure to meet community needs, which has stimulated the City's economic and social vitality.

Sales Tax

The City of Goodyear has a significant reliance on city sales tax revenues. Fueled by local growth, sales tax revenues for fiscal year 2025 increased by 15% over fiscal year 2024, with all major sales tax categories showing increases.

¹ World Population Review www.worldpopulationreview.com/us-cities/arizona/goodyear

² Y Charts https://ycharts.com/indicators/arizona_unemployment_rate

State Shared Revenues

The City receives revenue allocations from the State of Arizona. These state shared revenues include allocations of the state income tax, sales tax, fuel tax, and motor vehicle license tax. A significant portion of this revenue is placed in the City's general fund where it is used to support day-to-day activities. The City's state shared revenues represented 20% of total taxes, fines, and forfeitures collections for fiscal year 2025. In total, state shared revenues trended approximately 11.5% higher than the prior year.

Property Tax

For fiscal year 2025, the City's combined (primary and secondary) property tax rate remained consistent with the prior year at \$1.7350 per \$100 of assessed valuation. Property tax collections, however, increased by more than \$3.2 million due to an increase in the overall valuation fueled by construction throughout the city. For FY2025, newly constructed properties added \$101 million of assessed value to the city. Assessed valuation growth of existing properties grew by 7.0% which is in line with state law limiting assessed valuation growth. These property values serve as the base for both Primary and Secondary property taxes and assist in ensuring the city's ability to service outstanding debt and maintain basic infrastructure.

For the fiscal year 2026 budget, the Mayor and Council have adopted a total combined property tax rate of \$1.735 per \$100 of assessed valuation, which represents no change from fiscal year 2025. In accordance with its budget policies, the City is below the targeted combined property tax rate of \$1.74 per \$100 of assessed valuation or less.

LONG-TERM FINANCIAL PLANNING

City of Goodyear Strategic Plan (FY25–28)

The City of Goodyear's FY25-28 Strategic Plan, adopted by City Council, outlines five key focus areas that guide citywide priorities, budgeting, and performance. Each focus area is supported by Guiding Principles and action items that shape how city business is conducted across all departments.

Focus Areas

- 1. Fiscal & Resource Management**

The city of Goodyear will maintain a transparent, adaptable, and forward-looking fiscal position that aligns with community priorities to provide an outstanding quality of life for our residents. The city will implement innovative, efficient and responsible policies and financially sustainable business practices to effectively manage its fiscal and human resources.

- 2. Economic Vitality**

The city of Goodyear will maintain its unique character while seeking diverse and high-quality development that supports the community's economic sustainability. The city will foster economic development strategies that invest in public amenities and infrastructure to enhance our community.

- 3. Safe and Vibrant Community**

The city of Goodyear will provide programs, gathering places and events where the community can come together to participate in opportunities for an engaged, healthy, safe and active lifestyle.

4. **Innovative and High-Performing Organization**

The city of Goodyear strives to be a preferred employer by fostering an inclusive culture and a safe working environment that attracts and retains a highly performing and engaged workforce. The city is committed to providing outstanding service to the community at an exceptional value.

5. **Infrastructure**

The city of Goodyear will strategically plan, implement and maintain current and future infrastructure and facilities to support the community's quality of life, economic viability and protection of the environment.

Strategic Plan in Action

1. **Annual Review & Priority Setting:**

Each year, the City Council reviews progress and sets priorities for the Strategic Plan.

2. **Budget Alignment:**

New funding requests are evaluated based on how well they support the strategic focus areas.

3. **Departmental Integration:**

Long-term goals are assigned to departments and integrated into departmental plans, including strategic, master, and operational plans.

4. **Performance & Accountability:**

These goals also inform employee performance evaluations to ensure alignment at every level of the organization.

City's Mission

The City of Goodyear will provide the finest municipal services and promote a quality environment to enhance our community's prosperity through citizen and employee participation. We are committed to the stewardship of resources and fulfillment of the public trust.

MAJOR INITIATIVES

Goodyear is an award-winning community that provides a high quality of life with its master-planned communities, excellent schools, health care, trail systems and entertainment options, including major league sports venues. Goodyear is an outstanding community for families to grow, businesses to thrive and dreams to turn to reality. The City was recently ranked by the U.S. Census Bureau as being among the fastest growing cities in the country. We enjoy more than 300 days of sunshine a year, affordable housing, a low cost of doing business, and excellent access to transportation.

In the past year, the City of Goodyear has made notable strides across several major initiatives, many of which are designed to promote economic growth, infrastructure development, and community engagement.

1. **Economic Development:** The City received multiple awards for excellence in economic development, recognizing its effective projects, events, and marketing initiatives. Additionally, several high-profile businesses, including Buc-ee's, Mission BBQ, Fogo de Chao, First Watch, AC Hotel by Marriott Hotel, and Avila University Arizona, have committed to opening locations in the City's developing downtown area. This focus on bringing well-known brands to Goodyear aims to create a vibrant commercial and social hub for residents and visitors alike.

2. Industrial Expansion: The launch of Cotton Lane Commerce Park, Goodyear Airpark, and the expansion of the 303 Corridor underscore Goodyear's investment in industrial infrastructure. These projects are bringing significant new industrial facilities to the city, supporting both local employment and economic diversification.
3. Community Planning: To serve as a roadmap for development over the next decade, the Goodyear General Plan 2035 was approved by voters on May 21, 2024. The plan, which includes input from residents, addresses priorities such as transportation, parks, housing, and economic development to ensure Goodyear continues to meet the needs of its growing population.
4. Sustainable Growth and Environmental Stewardship: Goodyear is actively engaging in sustainable planning, such as water conservation initiatives and innovative infrastructure projects, to manage resources responsibly as the city expands.
5. Infrastructure Development: The City of Goodyear held a Special Bond Election in November 2023 to seek public support and bond funding for major projects related to traffic improvement, public safety, and park projects, which resulted in a General Obligation (GO) Bond program of \$232 million for the projects.

These initiatives are part of Goodyear's larger strategy to accommodate growth while enhancing the quality of life for its residents and promoting long-term economic resilience.

AWARDS AND ACKNOWLEDGEMENTS

Certificates of Achievement

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Goodyear, Arizona, for its annual comprehensive financial report for the fiscal year ended June 30, 2024.

The City has achieved this prestigious award every year since 2007. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award, the highest form of recognition in governmental budgeting, for its annual budget document for the fiscal year beginning July 1, 2024. The City has received this award every year since 1994.

Acknowledgement

The preparation of this Annual Comprehensive Financial Report could not have been accomplished without the dedicated commitment of every member of the Finance Department. We also wish to thank the Mayor, City Councilmembers, the City's Audit Committee, the City Manager's Office, and all city staff for their continued support in planning and conducting the financial affairs of the City in a responsible and progressive manner.

Sincerely,



Michael Shoemaker, Interim Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Goodyear
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Fiscal Year 2025 Annual Budget
City of Goodyear, Arizona

GOODYEAR CITY COUNCIL

Goodyear has a Council-Manager form of government. Our charter provides for six councilmembers and a mayor – all elected at large on a non-partisan ballot. The Mayor and Council serve four-year terms. The Mayor has a two-term limit and Council a three-term limit. Councilmembers serve staggered terms to ensure continuity.



Joe Pizzillo, Mayor
Term 2023 - 2026

Wally Campbell,
Vice Mayor
Term 2023 - 2026



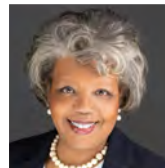
Brannon Hampton,
Councilmember
Term 2023 - 2026

Laura Kaino,
Councilmember
Term 2025 - 2028



Vicki Gillis,
Councilwoman
Term 2023 - 2026

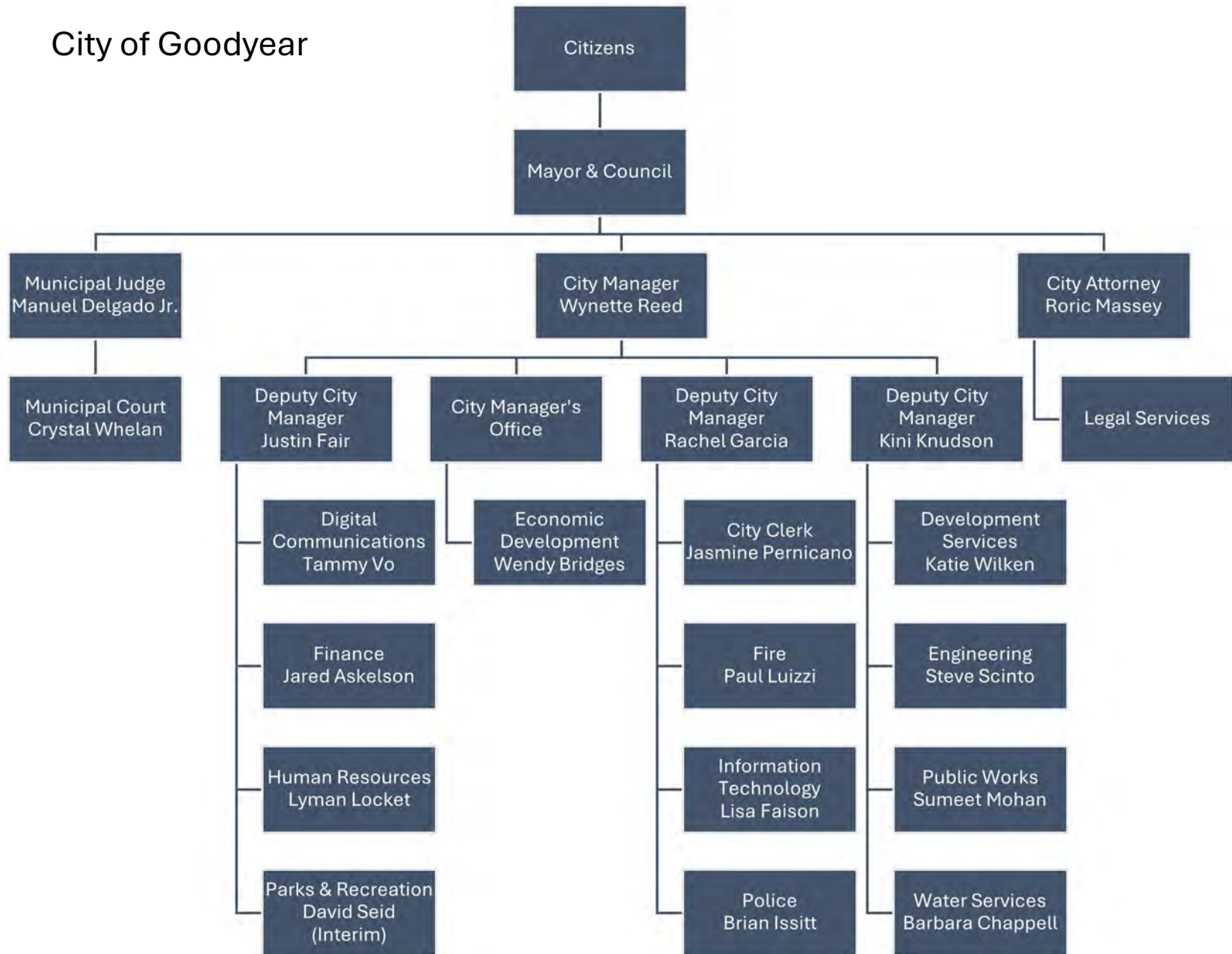
Benita Beckles,
Councilmember
Term 2025 - 2028



Trey Terry,
Councilmember
Term 2025 - 2028

We represent and serve our community as responsible stewards of the public trust. We envision and shape our future by engaging citizen involvement and fostering city staff innovation.

City of Goodyear



FINANCIAL SECTION

The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis, the Audited Financial Statements, Notes to the Audited Financial Statements, Required Supplementary Information, and Other Supplementary Information.



Independent Auditor's Report

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

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Goodyear, Arizona (City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Goodyear, Arizona, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of City of Goodyear, Arizona, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1 to the financial statements, the City implemented the provisions of GASB Statement No. 101, *Compensated Absences*, for the year ended June 30, 2025. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2025, on our consideration of City of Goodyear, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Goodyear, Arizona's 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 Goodyear, Arizona's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
November 25, 2025



Management's Discussion and Analysis (MD&A)
(Required Supplementary Information)



City of Goodyear, Arizona
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Management is pleased to provide readers of the City of Goodyear, Arizona (City) financial statements this overview and analysis for the fiscal year ended June 30, 2025. This narrative is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position, (4) identify any material deviations from the financial plan (the approved annual budget), and (5) identify individual fund issues or concerns.

The management's discussion and analysis (MD&A) provides a unique focus and serves a different purpose than the letter of transmittal. However, the MD&A is designed to be read in conjunction with the letter of transmittal, the financial statements and the accompanying notes to the financial statements.

Financial Highlights

- Government-wide assets and deferred outflows exceeded liabilities and deferred inflows by \$1.558 billion (*net position*) at the close of fiscal year 2025. The unrestricted net position of \$298.7 million represents the amount available to meet the City's ongoing obligations to citizens and creditors.
- Net position increased by \$181.2 million. This was primarily driven by a \$99.1 million net increase in capital assets. The remaining increase is attributable to an increase in capital projects, other purposes and unrestricted net position.
- As of the close of fiscal year 2025, the City's governmental funds reported combined fund balances of \$470.6 million, an increase of \$66.5 million in comparison with the prior year fund balance of \$404.2 million. Of this amount, \$36.2 million, or eight percent, is available for spending at the government's discretion (unassigned fund balance).
- As of June 30, 2025, unrestricted fund balance (the total of committed, assigned, and unassigned components of fund balance) for the general fund was \$296.7 million, an increase of \$49.0 million from the prior fiscal year.

Overview of Financial Statements

This overview introduces the City's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

City of Goodyear, Arizona
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Overview of Financial Statements

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business. All of the activities of the City, except those of a fiduciary nature, are included in these statements. The activities of the City are shown in two columns on these statements – governmental activities and business-type activities. A total column, combining the two activities is also provided.

The ***Statement of Net Position*** presents information on all of the City's assets, liabilities, deferred inflows/outflow of resources, with the difference 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 demonstrating how the City's net position changed during the most recent fiscal year as compared with the previous fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences). The net revenue (expenses) show the financial burden that was placed on the City's taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits that are provided by that function.

Governmental activities – Most of the City's basic services are included here, such as general government (administration), public safety (police, fire and court), highways and streets, public works, culture and recreation, and development services. These activities are generally supported by taxes and general revenues.

Business-type activities – The services provided by the City included here are water, wastewater, and sanitation services. These activities are primarily supported through user charges or fees intended to recover all or a significant portion of their costs.

The government-wide financial statements include not only the City itself (known as the primary government), but also the operations of 10 Community Facilities Districts. Although legally separate from the City, these component units are blended with the primary government because of their governance and financial relationship to the City. Separate financial statements may be obtained from the City of Goodyear's website www.goodyearaz.gov/cfd.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

City of Goodyear, Arizona
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Overview of Financial Statements

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

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

The City maintains thirteen (12) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Non-Utility Development Impact Fees – Capital Projects, GO Bond – Capital Projects, McDowell Road Commercial Corridor Improvement District – Debt Service, and Community Facilities Districts – Debt Service, all of which are considered to be major funds. Data from the other seven (7) governmental funds are combined into a single, aggregated Non-major Funds column for presentation. Individual fund data for each of these non-major governmental funds is provided as Supplementary Information, in the form of combining statements and schedules.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. The City maintains two (2) different types of proprietary funds (enterprise and internal service), which utilize full accrual accounting, the same method used by private sector business. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses separate enterprise funds to account for its Water, Wastewater and Sanitation operations. The proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The City has one internal service fund, the Self-Insurance Trust. The Self-Insurance Trust Fund reports activities related to self-insurance for employee health benefits. The internal service fund activities are reported as governmental activities on the government-wide statements.

City of Goodyear, Arizona
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Overview of Financial Statements

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting method used for fiduciary funds is similar to the accounting method used for proprietary funds.

The *Other Post Employment Benefit Trust Fund* is used to report the resources held in trust for the OPEB plan. The *Volunteer Firefighter Fund*, is used to report resources held in trust for the alternate pension and benefit plan under Arizona Revised Statutes 9-981 for volunteer reserve firefighters. The Custodial Fund is used to report activities of the Gain, Fill-a-Need, Shop with a Cop, and Arizona in Action activities. This Custodial Fund accounts for resources, not in a trust, that are held by the City for other parties outside of the City's reporting entity.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's Budgetary Comparison Schedule for the General Fund and progress in funding its obligations to provide pension and OPEB benefits to its employees.

Supplementary Information - Budgetary Comparison Schedules – for Major Governmental Funds other than the General Fund are presented immediately following the Required Supplementary Information.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the Supplementary Information – Budgetary Comparison Schedules – Major Governmental Funds.

Budget to actual comparison schedules for the other funds, including the enterprise funds, are presented in the Budgetary Comparison Schedules – Other Funds section.

Government-Wide Financial Analysis

The following tables, graphs and analysis discuss the financial position and changes to the financial position of the City, as a whole, for the year ended June 30, 2025 with comparative information for the previous year.

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. As of June 30, 2025, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1.558 billion. This represents positive growth in the City's net position of \$181.2 million over the previous fiscal year.

City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025

Government-Wide Financial Analysis

Total assets for the primary government grew by \$245.4 million, offset by an increase in total liabilities of \$69.1 million. The drivers behind these changes are discussed in more detail within the following sections.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 594,115,660	\$ 530,925,299	\$ 235,887,706	\$ 147,008,175	\$ 830,003,366	\$ 677,933,474
Capital assets, net	900,563,588	837,090,009	510,626,668	480,757,629	1,411,190,256	1,317,847,638
Total assets	1,494,679,248	1,368,015,308	746,514,374	627,765,804	2,241,193,622	1,995,781,112
Deferred outflows	45,217,769	34,784,220	4,310,141	3,828,249	49,527,910	38,612,469
Current and other liabilities	106,394,644	106,038,099	61,374,588	58,416,472	167,769,232	164,454,571
Long-term liabilities	315,229,239	300,244,338	232,336,925	181,496,589	547,566,164	481,740,927
Total liabilities	421,623,883	406,282,437	293,711,513	239,913,061	715,335,396	646,195,498
Deferred inflows	17,048,004	11,298,146	667,688	397,005	17,715,692	11,695,151
Net position:						
Net investment in capital assets	666,075,896	592,847,643	329,392,740	303,472,138	995,468,636	896,319,781
Restricted for:						
Capital projects			62,209,988	37,786,190	62,209,988	37,786,190
Community facilities	8,786,139	7,414,865			8,786,139	7,414,865
Debt service	37,022,955	39,477,367	1,278,219	447,236	38,301,174	39,924,603
Other purposes	153,911,289	124,471,376	321,120	254,713	154,232,409	124,726,089
Unrestricted	235,428,851	221,007,694	63,243,247	49,323,710	298,672,098	270,331,404
Total net position	\$ 1,101,225,130	\$ 985,218,945	\$ 456,445,314	\$ 391,283,987	\$ 1,557,670,444	\$ 1,376,502,932

As shown in the table above, current and other assets for the total primary government increased \$152.1 million to \$677.9 million as of June 30, 2025. Governmental activities accounted for \$63.2 million of the increase, primarily due to City sales tax, franchise tax, and property tax which increased by \$23.6 million, \$1.6 million, and \$3.2 million, respectively and investment earnings which increased by \$3.7 million. Business-type activities accounted for \$88.8 million of the increase, driven by the receipt and recording of \$53.9 million in revenue bond proceeds for a water/wastewater infrastructure development agreement, and an increase of \$1.2 million in investment earnings, \$8.6 million in capital grants and contributions and user service charge revenues that exceeded budgeted amounts by \$12.9 million.

Capital assets, net of depreciation, for the total primary government increased by \$93.3 million. The increase driven by construction in progress of over \$41.6 million for projects such as the Goodyear Water Reclamation Facility Expansion projects and Brine Disposal Improvements; \$38.9 million dollar in infrastructure such as the Estrella Parkway/Pebblecreek I-10 and Yuma Road/Canyon Trails Improvement and land acquisition for the final plat of the Goodyear Civic Square (GSQ).

Deferred outflows increased by \$10.9 million, related to the City’s net pension/other post employment benefits (OPEB) liability and amortization of deferred charges related to bonded debt.

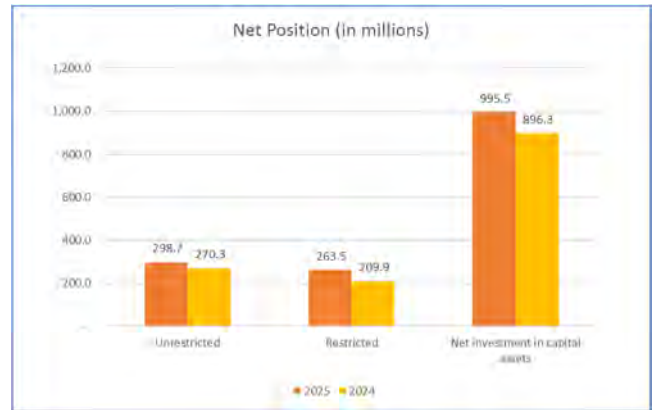
**City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025**

Government-Wide Financial Analysis

Current and other liabilities increased by \$3.3 million. Governmental activities accounted for \$357,545 of the increase. Business-type activities increased \$3.0 million.

Long-term liabilities increased by \$65.8 million. Governmental activities accounted for \$15.0 million of the increase due to the recognition of \$27.9 million in liabilities related to the City’s new other post employment benefit plan. Business-type activities increased \$50.8 million, attributable to the issuance of \$57.3 million in water and wastewater revenue bonds.

As of June 30, 2025, the largest component of the City’s net position was the net investment in capital assets of \$995.5 million (64 percent of total net position). This includes the City’s investment in land and improvements, artwork, construction in progress, right of way, water rights, streetscape, infrastructure, buildings and improvements, vehicles, furniture, and equipment, less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City’s investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



An additional portion of the City’s net position, \$263.5 million represents resources that are subject to restrictions on how they may be used. The remaining \$298.7 million is unrestricted and may be used to meet the City’s ongoing obligations to citizens and creditors.

The City’s overall net position increased \$181.2 million from the prior fiscal year, as discussed in the following sections for governmental and business-type activities.

City of Goodyear, Arizona
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Government-Wide Financial Analysis

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 35,129,821	\$ 31,896,162	\$ 86,442,097	\$ 82,175,314	\$ 121,571,918	\$ 114,071,476
Operating grants and contributions	20,696,781	16,594,202			20,696,781	16,594,202
Capital grants and contributions	45,905,637	35,040,767	50,676,017	42,036,919	96,581,654	77,077,686
General revenues:						
City sales taxes	175,744,005	152,130,402			175,744,005	152,130,402
Franchise taxes	7,129,148	5,530,796			7,129,148	5,530,796
Property taxes	37,290,069	34,083,996			37,290,069	34,083,996
State shared revenue	46,213,343	48,928,158			46,213,343	48,928,158
Unrestricted Investment earnings	24,256,883	20,582,710	6,867,119	5,638,519	31,124,002	26,221,229
Miscellaneous	1,042,510	1,408,476	140,949	185,659	1,183,459	1,594,135
Total revenues	393,408,197	346,195,669	144,126,182	130,036,411	537,534,379	476,232,080
Expenses:						
General government	55,137,718	48,366,196			55,137,718	48,366,196
Public safety	114,708,308	97,127,666			114,708,308	97,127,666
Highways and streets	30,827,106	25,502,886			30,827,106	25,502,886
Public works	12,252,643	11,305,561			12,252,643	11,305,561
Culture and recreation	43,400,773	38,719,469			43,400,773	38,719,469
Development services	20,800,855	18,929,987			20,800,855	18,929,987
Interest on long-term debt	8,246,126	9,099,562			8,246,126	9,099,562
Water and wastewater			62,358,242	58,180,836	62,358,242	58,180,836
Sanitation			8,635,096	7,545,696	8,635,096	7,545,696
Total expenses	285,373,529	249,051,327	70,993,338	65,726,532	356,366,867	314,777,859
Net Surplus (Deficit) before Transfers	108,034,668	97,144,342	73,132,844	64,309,879	181,167,512	161,454,221
Net Transfers	7,971,517	8,246,500	(7,971,517)	(8,246,500)	-	-
Net Surplus (Deficit)	116,006,185	105,390,842	65,161,327	56,063,379	181,167,512	161,454,221
Net position, beginning of the year	985,218,945	879,828,103	391,283,987	335,220,608	1,376,502,932	1,215,048,711
Changes in net position	116,006,185	105,390,842	65,161,327	56,063,379	181,167,512	161,454,221
Net position, ending of the year	\$ 1,101,225,130	\$ 985,218,945	\$ 456,445,314	\$ 391,283,987	\$ 1,557,670,444	\$ 1,376,502,932

Governmental Activities

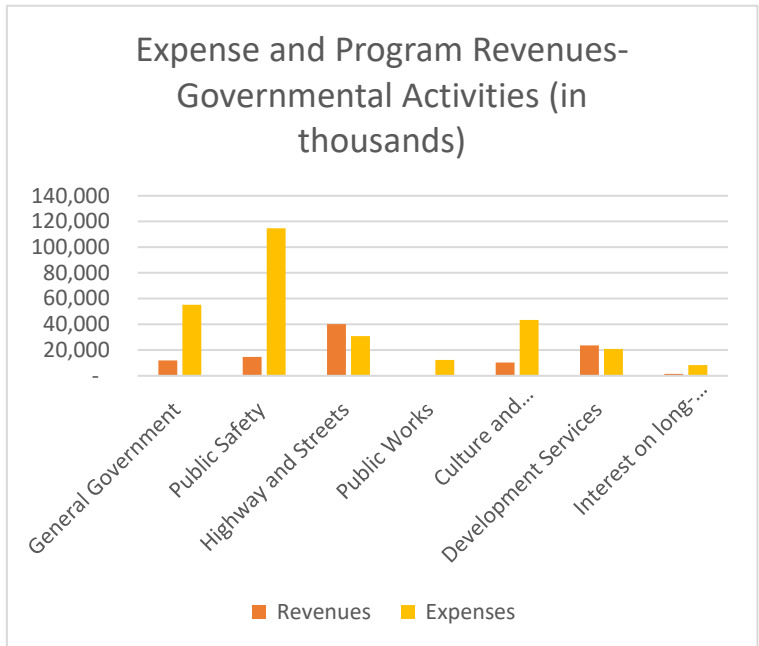
The City's net position, for governmental activities, totaled \$1,101.2 billion at June 30, 2025, which represents an increase of \$116.0 million over the prior fiscal year. The population in the Phoenix metropolitan area continues to grow and have placed Goodyear in a favorable position as people migrated to the West Valley for more affordable cost of living. Economic activity in Goodyear continues to be an upward, positive trend and have made significant strides in infrastructure development, resulting in a \$73.2 million increase in investment in capital assets and over \$28.4 million restricted assets for residential and commercial development impact fees and other purposes.

Total revenues of \$393.4 million from governmental activities were \$47.2 million more than the prior year, the City continued to experience month over month increases in general and construction sales taxes throughout fiscal year 2025. Tax collections trended higher than the prior year, actual revenues received remained above fiscal year 2025 budgeted revenue. State Shared Income Tax, State Sales Tax, and Franchise Fees of 9.0 percent, 16.0 percent and 29.0 percent, respectively. Additionally, investment earnings for fiscal year 2025 totaled \$3.7 million, an increase of 18.0 percent over the prior fiscal year.

**City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025**

Government-Wide Financial Analysis

Fiscal year 2025 expenses, for governmental activities, totaled \$285.4 million, an increase of \$36.3 million over the prior fiscal year. Expenses increased across all governmental activities, driven primarily by a 4.5 percent merit increase and 3.0 percent market pay for all eligible, non-represented employees. Goodyear is in year two of approved agreements with our represented police and fire employee groups, which include 3.0% market adjustments, and 5.0% step increases for both police and fire. The Public Safety and General Government activities experienced the largest expenses, totaling 38.8 percent and 17.8 percent of total governmental expenses. The increase in costs were largely driven by the City adding 35 full-time equivalent positions in various departments; the biggest labor increase is associated with the addition of 16 fire department staff, focused on the City’s efforts to provide in-house ambulance services. These positions are based out of Fire Station 184 at Yuma and Sarival, Fire Station 183 at Litchfield Road and Fire Station 182 in Estrella Mountain Ranch. General Government expenses are attributable to ongoing administrative support services for most departments and ongoing maintenance and operations to support Special Revenue Funds like the Goodyear Ballpark, Highway User Revenue Fund (HURF), and Ambulance, prefunding of the Retiree Healthcare and Asset Management Funds, paying debt service obligations, and one-time capital improvements expenses, such as the widening of the Yuma Road/Canyon Trails Blvd. to Sarival and Estrella Parkway/Pebblecreek and I-10 Interchange.



As shown in the chart, revenues generated by the City programs are not sufficient to cover the costs. The City relies on property tax, sales taxes, investment income and other general revenues to cover the costs associated with the various programs.

Business-type Activities

The City’s net position, for business-type activities, totaled \$456.4 million, an increase of \$65.2 million over the prior fiscal year. Fiscal year 2025 user rates increased slightly by 4.0 percent compared to last year. Revenues from developer contributions, user fees and investment income represent the biggest increases, totaling over \$144.1 million \$2.3 million increase was attributable to the Sanitation Fund. Fiscal year 2025 revenues were 9.6 percent higher compared to last year, due to additional revenue from solid waste containers to support the growth from new residential customers, investment income and sales of assets. Business-type expenses including transfers were \$78.9 million a slight increased by \$5.2 million compared to prior fiscal year due to higher personnel-related costs, increased operating supplies and water costs, however, revenue exceeded expenses resulting in a positive change to the net position.

**City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025**

Financial Analysis of Governmental Funds

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

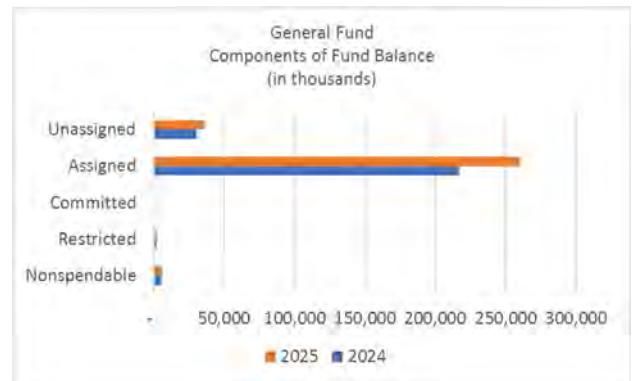
Governmental Funds

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 a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

At June 30, 2025, the City’s governmental funds reported combined fund balances of \$470.6 million, an increase of \$66.5 million of over the prior fiscal year. Of this amount, \$36.2 million, or 8 percent, constitutes unassigned fund balance, which is available for use at the City’s discretion. The remainder of the fund balance is Nonspendable, Restricted, Committed, and Assigned, in the amount of \$7.6 million, \$163.0 million, \$3.3 million and \$260.5 million, respectively.

Analysis of Individual Funds

The general fund is the chief operating fund of the City. As of June 30, 2025, total fund balance increased \$49.5 million to \$304.7 million. Of this amount, \$36.2 million is unassigned. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the City’s total general fund expenditures of \$218.8 million. Unassigned fund balance represents 17 percent of total general fund expenditures, while total fund balance represents 139 percent of that same amount.



The fund balance of the City’s general fund increased \$49.5 million during fiscal year 2025. The surplus was the result of an increase in tax collections, primarily due to property tax, city sales tax, and state sales tax revenue bringing in \$27.5 million in additional revenue. Grants and investment income also contributed to the increase in fund balance by \$4.6 million. The increase in assets was offset by a 6.5 million increase in accounts payable and development-related deposits made by developers. The remaining change was attributable to the amortization of deferred inflows related to leases.

City of Goodyear, Arizona
Management's Discussion and Analysis
For the Year Ended June 30, 2025

Financial Analysis of Governmental Funds

The Non-Utility Development Impact Fee - Capital Projects Fund, a major fund, had a \$29.4 million increase in fund balance from the prior year, with a total fund balance of \$145.6 million as of June 30, 2025. The increase was the result of \$36.9 million of revenue primarily from construction sales tax, development impact fees and investment interest income. Development-related revenues of \$11.9 million decreased by 42.8 percent compared to the prior year. However, capital outlays were less than planned with \$7.49 million in expenses related to over a dozen projects. There were four projects that accounted for 86.3 percent of the costs: the Fire Station 188 West Goodyear, Police Building Phase II, the Sarival Ave- Jefferson Street to Yuma projects and Estrella Parkway/Pebblecreek Parkway and I-10 interchange.

The General Obligation – Capital Projects Fund, a major fund, had a total fund balance of \$553,302, a decrease of \$15.0 million from the prior fiscal year. The decrease in fund balance was caused by 14 capital improvement projects related to infrastructure, streets, interconnects and traffic signal. This included two public safety projects, the Fire Station 183 Renovation & Ambulance facility, and the Police Operations Facility Phase II.

The McDowell Road Commercial Corridor ID – Debt Service Fund, a major fund, had a total fund balance of \$164,474, a decrease of \$22,555 from the prior fiscal year. Special assessment revenue, received for the payment of principal and interest, totaled \$3.3 million in fiscal year 2025. Payments of principal and interest totaled \$3.3 million. In general, current year receipts are adequate to pay principal and interest.

The Community Facilities District – Debt Service fund, a major fund, had a \$346,924 increase in fund balance from the prior year, with a total fund balance of \$3.1 million as of June 30, 2025. The surplus is the net result of the following transactions. Revenues related to property tax and special assessments totaled \$9.8 million. Principal and interest payments were \$9.7 million. Additionally, the fund received \$120,016 in investment income.

The Non-Major Governmental Funds, increased by \$2.3 million from the prior year, with a total fund balance of \$16.6 million, as of June 30, 2025. The following funds ended the fiscal year with a surplus of revenues versus expenditures: Secondary Property Tax \$1.5 million, CFD \$1.4 million, and Tourism \$4,936. Their surplus was offset by deficit of revenues versus expenditures in the Ball Park Fund \$648,690.

**City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025**

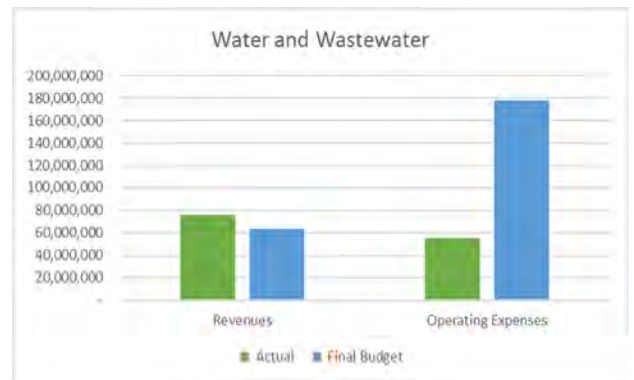
Financial Analysis of Governmental Funds

Proprietary Funds

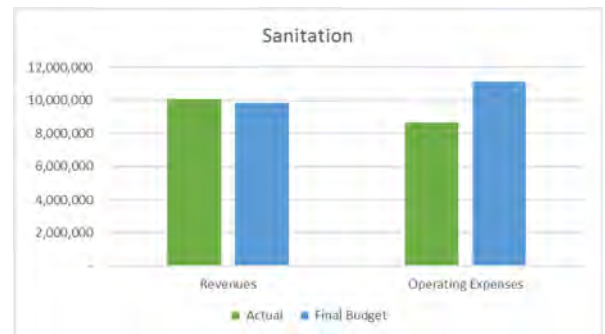
The proprietary fund financial statements are prepared on the same accounting basis and measurement focus as the government-wide financial statements, but provide additional detail since each major enterprise fund is shown discretely.

The proprietary funds net position totals \$456.4 million, an increase of \$65.2 million from the previous fiscal year.

The net position for Water and Wastewater totaled \$450.0 million, an increase of \$64.1 million when compared to the prior year. Unrestricted net position for the Water and Wastewater Fund totaled \$58.0 million, or 13 percent, at the end of the fiscal year. Revenues for fiscal year 2025 exceeded the anticipated budget. As noted earlier in the discussion of business-type activities, revenues from charges for services increased by \$1.8 million in fiscal year 2025 due to rate changes and volume growth. Development related capital contributions and deposits brought in \$50.7 million. Budgeted capital improvement projects of over \$57.9 million were deferred which postponed the use of available fund balance to subsequent years and resulted in the increase in net position in fiscal year 2025.



The net position for Sanitation totaled \$6.4 million, an increase of \$1.1 million when compared to last year. Unrestricted net position for the Sanitation Fund totaled \$5.2 million, or 81 percent, at the end of the fiscal year. As noted earlier in the discussion of business-type activities, there were no major changes to operations, compared to last year. Revenues for fiscal year 2025 exceed anticipated budget due to increases in sanitation services revenues and expenses were below anticipated budget due to reduced personnel costs, operating supplies and maintenance costs thereby resulting in the increase in net position in fiscal year 2025.



General Fund Budgetary Highlights

The City’s annual budget is the legally adopted expenditure control document of the City. The General Fund budgetary comparison schedule can be found in the Required Supplementary Information section. The other budgetary comparison schedules can be found in the Other Supplementary Information section.

**City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025**

General Fund Budgetary Highlights

Original budget compared to final budget. During the fiscal year, there were budget amendments that transferred a net \$2.7 million of budget authority from general fund contingency. The most significant transfers are discussed below.

There were \$0.57 million of budget amendments that transferred budget authority into general fund contingency. Asset and equipment replacements were either deferred to future years, canceled or completed in a prior fiscal year, accounted for \$0.45 million of the amendments, or 78 percent of the total amendments into contingency.

There were \$3.3 million of budget amendments to transfer budget authority out of general fund contingency. A budget amendment in the amount of \$3.0 million was approved due to cost escalation and utility relocation related to the Yuma Road Improvements.

Final budget compared to actual results. The following table shows the differences between budgeted and actual revenues.

Revenue Source	Final Budget	Actuals	Difference
Taxes	\$ 133,446,100	\$ 179,414,092	\$ 45,967,992
Licenses and permits	10,836,600	23,533,900	12,697,300
Intergovernmental revenues	46,396,700	52,204,254	5,807,554
Charges for services	2,480,200	3,584,694	1,104,494
Fines and forfeitures	923,100	1,125,757	202,657
Investment income	3,752,000	15,143,740	11,391,740
Contributions	451,700	1,647,850	1,196,150
Other revenues	1,803,600	1,787,429	(16,171)
Total Revenues	\$ 200,090,000	\$ 278,441,716	\$ 78,351,716

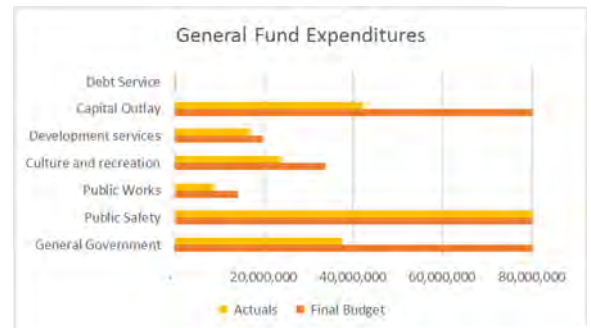
**City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025**

General Fund Budgetary Highlights

Tax revenues exceeded budget by \$46.0 million, with retail and construction sales tax accounting for \$117.9 million. Licenses, permits and fees were \$12.7 million more than budget due to Engineering Permits, Plan Review and Inspection fees. Intergovernmental revenues exceeded budget by \$5.8 million. As previously mentioned, Intergovernmental Revenues trended approximately 0.12 percent higher than the prior year, with increases in vehicle license tax and Arizona Sports Tourism Authority. State Shared Income Tax and State Sales Tax increased by \$4,5 million, an increase of 16.4 percent and 7.5 percent, respectively. Charges for services of \$3.6 million exceeded budget by \$1.1 million, with \$0.23 million of the variance related to Fire Service fees received from the City of Litchfield Park. The remainder of the variance was attributable to higher-than-expected collections from special interest classes and recreation center passes. Investment income was \$11.4 million more than budget with the fiscal year performance of the City’s managed investment portfolio outperforming the benchmark.

Permits for single-family housing are still being issued at high levels, an additional 1,206 permits were issued. Compared to prior year activity our city continues to benefit from growth and is currently estimated at over 121,000 residents. In addition to our residential growth, new businesses continue to locate in Goodyear expanding our one-time revenues through permit fees, construction sales taxes, and use tax on equipment. Once completed these new and expanding businesses begin to generate ongoing sales and property taxes for the city, as well as local jobs for our residents, which in turn increases our state shared revenues.

As shown in the following chart, significant variances between budget versus actual results exist in the Capital Outlay and General Government activities. Actuals expenditures of \$42.3 million were \$87.1 million less than a budgeted outlay of \$129.4 million for capital improvement projects. The two largest variances were \$29.3 million for the Camelback Rd-SR303 to 152nd Ave project, and \$11.3 million for road improvements at the McDowell Road- Litchfield to Dysart. Budget authority for these and multiple other projects were predominately carried forward to subsequent years.



For General Government, actual expenditures of \$37.7 million were \$81.1 million less than a budget of \$118.7 million. Approximately \$76.9 million, or 95 percent, of the variance is attributable to the budget authority reserved for contingency. After accounting for the reserve, general government expenditures of \$37.7 million can be compared to a budget of \$41.9 million, resulting in a \$4.2 million variance. The City Manager’s Office accounts for \$1.6 million of the variance, related to community relations and funding expenditures of \$0.60 million, \$0.90 million in professional services and \$0.23 million in equipment that are less than budgeted.

City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025

Capital Assets and Debt Administration

Capital Assets

The City’s investment in capital assets (net of accumulated depreciation/amortization) for its governmental and business-type activities as of June 30, 2025 totaled \$900.1 million and \$510.6 million, respectively. The investment in capital assets include land, land improvements, artwork, construction in progress, right of way, water rights, streetscape, infrastructure, buildings and improvements, vehicles, furniture and equipment, and the rights to use assets (SBITA and leased assets). In total, there was an increase of \$93.3 million from the prior fiscal year.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land and improvements	\$ 80,724,691	\$ 71,353,593	\$ 8,477,793	\$ 8,485,127	\$ 89,202,484	\$ 79,838,720
Artwork	1,391,335	1,186,846	146,978	146,978	1,538,313	1,333,824
Construction in progress	44,072,779	18,809,477	25,363,889	9,026,182	69,436,668	27,835,659
Right of way	90,875,981	90,875,981			90,875,981	90,875,981
Water rights			17,736,038	17,926,510	17,736,038	17,926,510
Streetscape	9,061,008	9,061,008			9,061,008	9,061,008
Infrastructure	308,899,562	285,637,266	326,188,091	310,554,172	635,087,653	596,191,438
Building and improvements	311,874,537	319,366,183	118,840,197	123,727,364	430,714,734	443,093,547
Vehicles, furniture and equipment	52,238,205	40,766,367	13,873,682	10,891,296	66,111,887	51,657,663
Rights to use assets (SBITA assets)	1,413,263				1,413,263	-
Rights to use assets (leased assets)	12,227	33,288			12,227	33,288
Total	\$ 900,563,588	\$ 837,090,009	\$ 510,626,668	\$ 480,757,629	\$ 1,411,190,256	\$ 1,317,847,638

Major capital events during fiscal year 2025 included the following:

- GSQ Land Acquisition Lot 8A
- Historic Goodyear Pavement Replacement
- Goodyear Municipal Complex Building Improvements
- Intelligent Transportation System (ITS) Upgrades

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

Debt Administration

At the end of the fiscal year, the City had total long-term debt outstanding of \$437.4 million. Of this amount, \$120.4 million is in general obligation bonds backed by the full faith and credit of the City, \$62.5 million is in Community Facilities Districts bonds which are paid by the property owners within those districts, \$251.8 million is in revenue bonds which are payable from user fees, assessments, and general fund revenues and \$1.3 million in loans payable to Water Infrastructure Finance Authority of Arizona (WIFA) which is payable from user fees.

City of Goodyear, Arizona
Management’s Discussion and Analysis
For the Year Ended June 30, 2025

Capital Assets and Debt Administration

The following schedule shows the outstanding debt obligation as of June 30, 2025 and 2024:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 92,774,335	\$ 100,531,663	\$ 27,580,595	\$ 30,993,340	\$ 120,354,930	\$ 131,525,003
Community facilities districts bonds	62,529,000	69,315,000			62,529,000	69,315,000
SBITA payable	1,385,161				1,385,161	-
Lease payable	13,459	38,668			13,459	38,668
Loan payable			1,293,244	1,600,863	1,293,244	1,600,863
Revenue bonds	66,995,000	77,580,000	184,815,000	133,030,000	251,810,000	210,610,000
Totals	\$ 223,696,955	\$ 247,465,331	\$ 213,688,839	\$ 165,624,203	\$ 437,385,794	\$ 413,089,534

The State constitution limits the amount of general obligation debt a city may issue to six percent (6 percent) of its total net full cash assessed property valuation. The current six percent debt limitation for the City is \$182.9 million. The City has \$36.7 million of outstanding revenue obligation bonds subject to the six percent limit. In addition, the State constitution limit allows a city to issue an additional twenty percent (20 percent) of its total net full cash assessed property valuation for water, wastewater, lights, transportation, public safety, open space preserves, parks, playgrounds and recreational facilities. The current 20 percent debt limitation for the City is \$609.7 million. The City has \$103.1 million of outstanding general obligation debt of which all is subject to the 20 percent limit.

During the year, the City maintained the following bond ratings, as of June 30, 2025:

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

Additional information on the City’s long-term debt can be found in Notes 5 through 11.

Economic Factors and Next Year’s Budget

Despite experiencing extreme inflationary pressures culminating in aggressive interest rate hikes by the Federal Reserve, the United States economy and more specifically the Phoenix metro area economy continues to show its strength and resilience. As the economy continues marching further into uncharted waters, the best indicators of future economic performance are current development activity and recent history. In reviewing development currently in progress, with the exception of multi-family units, we project permit activity to be flat or slightly decrease by 5.5 percent in fiscal year 2026 resulting in slower growth in ongoing revenues and a reduction in one-time sources.

**City of Goodyear, Arizona
Management's Discussion and Analysis
For the Year Ended June 30, 2025**

Economic Factors and Next Year's Budget

General Fund revenues remain ahead of our adopted budget and are currently projected to grow at a year over year pace of just over 6.0 percent. Continued growth within our city means our workforce needs to grow in tandem to maintain and expand current levels of service. To address these service level needs, our budget adds 69.52 fulltime equivalent (FTE) positions. Accordingly, our fiscal year 2026 budget includes additional enhancements designed to keep us competitive while ensuring internal equity between all our employee groups. Our budget includes a 5.0 percent market adjustment for all eligible, non-represented employees as well as adjustments for Public Safety staff as outlined in the recently adopted two-year MOU agreements.

At the same time new developments in our city are expanding, mature developments in our city are starting to age. This requires continued investment blending the old with the new to maintain assets and infrastructure ensuring a seamless look and feel throughout our community. The budget fully funded and fully deliverable five-year Capital Improvement Plan (CIP), which represents \$998.1 million of spending over five-years. Due to the efforts of the citizen bond exploratory committee and the approval of our citizens last fall, \$232 million of general obligation bond authorization has been incorporated into the City's long-term financing strategy.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives. A copy of the City's Annual Comprehensive Financial Report is available on-line at www.goodyearaz.gov. If you have questions about this report or need additional information, contact the City of Goodyear, 1900 N. Civic Square, Goodyear, Arizona 85395 or by email at gyfinance@goodyearaz.gov.

Basic Financial Statements



Government-Wide Financial Statements



City of Goodyear, Arizona
Statement of Net Position
June 30, 2025

	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Cash and investments	\$ 506,950,290	\$ 122,604,775	\$ 629,555,065
Receivables (net of allowance)	58,741,783	10,617,755	69,359,538
Leases receivable	5,218,753		5,218,753
Inventories	1,613,097	2,730,088	4,343,185
Prepaid items	6,523,511	15,606	6,539,117
Notes receivable	1,645,291		1,645,291
Net pension/OPEB asset	2,446,819	321,120	2,767,939
Temporarily restricted assets:			
Cash and investments	10,976,116	99,598,362	110,574,478
Capital assets (net of accumulated depreciation/amortization):			
Land	50,623,066	8,359,054	58,982,120
Artwork	1,391,335	146,978	1,538,313
Construction in progress	44,072,779	25,363,889	69,436,668
Right of way	90,875,981		90,875,981
Streetscape	9,061,008		9,061,008
Land improvements	30,101,625	118,739	30,220,364
Infrastructure	308,899,562	326,188,091	635,087,653
Buildings	311,874,537	118,840,197	430,714,734
Vehicles, furniture, and equipment	52,238,205	13,873,682	66,111,887
Water rights		17,736,038	17,736,038
Right-to-use SBITA asset	1,413,263		1,413,263
Right-to-use leased equipment	12,227		12,227
Total assets	<u>1,494,679,248</u>	<u>746,514,374</u>	<u>2,241,193,622</u>
Deferred outflows of resources			
Deferred outflows related to pensions/OPEB	41,586,374	2,089,119	43,675,493
Deferred charge on refunding	3,631,395	2,221,022	5,852,417
Total deferred outflows of resources	<u>45,217,769</u>	<u>4,310,141</u>	<u>49,527,910</u>
Liabilities			
Accounts payable and other current liabilities	30,336,870	8,156,172	38,493,042
Interest payable	884,719		884,719
Deposits held	42,041,537	44,041,098	86,082,635
Unearned revenues	78,067		78,067
Noncurrent liabilities:			
Due within one year	33,053,451	9,177,318	42,230,769
Due in more than one year	219,747,271	223,995,018	443,742,289
Net pension and OPEB liability - due in more than one year	95,481,968	8,341,907	103,823,875
Total liabilities	<u>421,623,883</u>	<u>293,711,513</u>	<u>715,335,396</u>
Deferred inflows of resources			
Deferred inflows related to pensions/OPEB	12,259,451	667,688	12,927,139
Leases related	4,788,553		4,788,553
Total deferred inflows of resources	<u>17,048,004</u>	<u>667,688</u>	<u>17,715,692</u>
Net position			
Net investment in capital assets	666,075,896	329,392,740	995,468,636
Restricted for:			
Capital projects		62,209,988	62,209,988
Community facilities	8,786,139		8,786,139
Debt service	37,022,955	1,278,219	38,301,174
Development impact fees	145,557,873		145,557,873
Pensions/OPEB	2,446,819	321,120	2,767,939
Law enforcement	3,333,019		3,333,019
Other purposes	2,573,578		2,573,578
Unrestricted	235,428,851	63,243,247	298,672,098
Total net position	<u>\$ 1,101,225,130</u>	<u>\$ 456,445,314</u>	<u>\$ 1,557,670,444</u>

City of Goodyear, Arizona
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 55,137,718	\$ 2,197,763	\$ 8,297,427	\$ 1,382,047
Public safety	114,708,308	3,740,564	1,868,073	8,962,818
Highways and streets	30,827,106	118,585	8,752,554	31,211,629
Public works	12,252,643	69,507	3,105	
Culture and recreation	43,400,773	5,497,986	399,346	4,349,143
Development services	20,800,855	23,505,416		
Interest on long-term debt	8,246,126		1,376,276	
Total governmental activities	<u>285,373,529</u>	<u>35,129,821</u>	<u>20,696,781</u>	<u>45,905,637</u>
Business-type activities				
Water and wastewater	62,358,242	76,343,053		50,676,017
Sanitation	8,635,096	10,099,044		
Total business-type activities	<u>70,993,338</u>	<u>86,442,097</u>		<u>50,676,017</u>
Total primary government	<u>356,366,867</u>	<u>121,571,918</u>	<u>20,696,781</u>	<u>96,581,654</u>

General revenues:

- Taxes:
 - City sales tax
 - Franchise tax
 - Property tax
 - Auto lieu tax (unrestricted)
 - State sales tax (unrestricted)
 - Urban revenue sharing (unrestricted)
 - Unrestricted investment earnings
 - Other
- Transfers
- Total general revenues and transfers**

Change in net position

- Net position, beginning of year**
- Net position, end of year**

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (43,260,481)	\$	\$ (43,260,481)
(100,136,853)		(100,136,853)
9,255,662		9,255,662
(12,180,031)		(12,180,031)
(33,154,298)		(33,154,298)
2,704,561		2,704,561
(6,869,850)		(6,869,850)
<u>(183,641,290)</u>		<u>(183,641,290)</u>
	64,660,828	64,660,828
	1,463,948	1,463,948
	<u>66,124,776</u>	<u>66,124,776</u>
<u>(183,641,290)</u>	<u>66,124,776</u>	<u>(117,516,514)</u>
175,744,005		175,744,005
7,129,148		7,129,148
37,290,069		37,290,069
5,199,170		5,199,170
17,230,126		17,230,126
23,784,047		23,784,047
24,256,883	6,867,119	31,124,002
1,042,510	140,949	1,183,459
7,971,517	(7,971,517)	
<u>299,647,475</u>	<u>(963,449)</u>	<u>298,684,026</u>
116,006,185	65,161,327	181,167,512
985,218,945	391,283,987	1,376,502,932
<u>\$ 1,101,225,130</u>	<u>\$ 456,445,314</u>	<u>\$ 1,557,670,444</u>



Fund Financial Statements

City of Goodyear, Arizona
Balance Sheet
Governmental Funds
June 30, 2025

	General	Non-Utility Development Impact Fees Capital Projects	GO Bonds Capital Projects	McDowell Road Commercial Corridor ID Debt Service
Assets				
Cash and investments	\$ 329,597,087	\$ 147,051,860	\$ 985,358	\$ 163,573
Receivables:				
Taxes	19,361,978	1,591,301		
Interest	25,040			
Accounts	3,885,618			
Assessments				12,726,495
Intergovernmental	34,253			
Leases	5,218,753			
Due from other funds	549,853			
Inventories	130,169			
Prepaid items	6,015,275			
Notes receivable	1,645,291			
Restricted cash and investments	8,367,522			
Total assets	<u>\$ 374,830,839</u>	<u>\$ 148,643,161</u>	<u>\$ 985,358</u>	<u>\$ 12,890,068</u>
Liabilities				
Accounts payable	\$ 16,524,650	\$ 3,085,288	\$ 432,056	\$
Accrued wages and benefits	3,565,787			
Accrued interest payable				
Deposits held	41,851,329			
Due to other funds				
Bonds payable				
Unearned revenue	11,599			4,375
Total liabilities	<u>61,953,365</u>	<u>3,085,288</u>	<u>432,056</u>	<u>4,375</u>
Deferred inflows of resources				
Unavailable revenues - property taxes	73,275			
Unavailable revenues - special assessments				12,721,219
Unavailable revenues - intergovernmental				
Unavailable revenues - other	3,316,207			
Leases related	4,788,553			
Total deferred inflows of resources	<u>8,178,035</u>			<u>12,721,219</u>
Fund balances				
Nonspendable	6,145,444			
Restricted	1,812,876	145,557,873	553,302	164,474
Committed				
Assigned	260,491,822			
Unassigned	36,249,297			
Total fund balances	<u>304,699,439</u>	<u>145,557,873</u>	<u>553,302</u>	<u>164,474</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 374,830,839</u>	<u>\$ 148,643,161</u>	<u>\$ 985,358</u>	<u>\$ 12,890,068</u>

Community Facilities Districts Debt Service	Non-Major Governmental Funds	Total Governmental Funds
\$ 5,528,565	\$ 15,345,417	\$ 498,671,860
91,356	155,662	21,200,297
1,013	1,172,185	25,040
18,516,852		5,058,816
	904,970	31,243,347
		939,223
		5,218,753
		549,853
	1,482,928	1,613,097
		6,015,275
		1,645,291
<u>2,608,220</u>	<u>374</u>	<u>10,976,116</u>
<u>\$ 26,746,006</u>	<u>\$ 19,061,536</u>	<u>\$ 583,156,968</u>
\$	\$ 1,015,590	\$ 21,057,584
	220,768	3,786,555
884,719		884,719
	190,208	42,041,537
	549,853	549,853
4,276,000		4,276,000
	62,093	78,067
<u>5,160,719</u>	<u>2,038,512</u>	<u>72,674,315</u>
	62,925	136,200
18,502,385		31,223,604
	11,705	11,705
	360,669	3,676,876
		4,788,553
<u>18,502,385</u>	<u>435,299</u>	<u>39,836,938</u>
	1,482,928	7,628,372
3,082,902	11,842,692	163,014,119
	3,336,299	3,336,299
		260,491,822
	(74,194)	36,175,103
<u>3,082,902</u>	<u>16,587,725</u>	<u>470,645,715</u>
<u>\$ 26,746,006</u>	<u>\$ 19,061,536</u>	<u>\$ 583,156,968</u>



City of Goodyear, Arizona
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds **\$ 470,645,715**

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

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

Governmental capital assets	1,306,821,933	
Less accumulated depreciation/amortization	<u>(406,258,345)</u>	900,563,588

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

2,446,819

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds payable	(237,273,769)	
Deferred charged on refunding	3,631,395	
Leases payable	(13,459)	
SBITA payable	(1,385,161)	
Net pension/OPEB liability	(95,981,968)	
Compensated absences	<u>(13,628,333)</u>	(344,651,295)

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

Property taxes	136,200	
Special assessments	31,223,604	
Intergovernmental	11,705	
Other	<u>3,676,876</u>	35,048,385

Internal Service Funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the Internal Service Funds are included in the Statement of Net Position.

7,844,995

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

Deferred outflows of resources related to pensions/OPEB	41,586,374	
Deferred inflows of resources related to pensions/OPEB	<u>(12,259,451)</u>	<u>29,326,923</u>

Net position of governmental activities **\$ 1,101,225,130**

City of Goodyear, Arizona
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General	Non-Utility Development Impact Fees Capital Projects	GO Bonds Capital Projects	McDowell Road Commercial Corridor ID Debt Service
Revenues				
Taxes	\$ 179,707,818	\$ 17,792,964	\$	\$
Licenses, permits and fees	23,533,900			
Intergovernmental revenue	53,075,809			
Charges for services	3,806,179	11,878,160		
Fines and forfeitures	1,272,407			
Investment income	15,310,863	7,208,769	725,289	4,881
Special assessments				3,279,149
Contributions	1,647,850			
Other revenues	<u>1,787,429</u>			
Total revenues	<u>280,142,255</u>	<u>36,879,893</u>	<u>725,289</u>	<u>3,284,030</u>
Expenditures				
Current:				
General government	43,025,861	2,792		
Public safety	82,530,236		6,699	
Highways and streets	1,003,436	21		
Public works	8,731,822			
Culture and recreation	23,789,158			
Development services	16,999,078			
Capital outlay	42,301,964	7,486,722	15,755,722	
Debt service:				
Principal retirement	406,627			2,830,000
Interest and fiscal charges	<u>271</u>			<u>476,585</u>
Total expenditures	<u>218,788,453</u>	<u>7,489,535</u>	<u>15,762,421</u>	<u>3,306,585</u>
Excess (deficiency) of revenues over expenditures	<u>61,353,802</u>	<u>29,390,358</u>	<u>(15,037,132)</u>	<u>(22,555)</u>
Other financing sources (uses)				
Transfers in	7,971,517			
Transfers out	(22,083,229)			
SBITA agreements	1,766,579			
Sale of capital assets	<u>506,292</u>			
Total other financing sources (uses)	<u>(11,838,841)</u>			
Changes in fund balances	<u>49,514,961</u>	<u>29,390,358</u>	<u>(15,037,132)</u>	<u>(22,555)</u>
Fund balances, beginning of year	<u>255,184,478</u>	<u>116,167,515</u>	<u>15,590,434</u>	<u>187,029</u>
Fund balances, end of year	<u>\$ 304,699,439</u>	<u>\$ 145,557,873</u>	<u>\$ 553,302</u>	<u>\$ 164,474</u>

Community Facilities Districts Debt Service	Non-Major Governmental Funds	Total Governmental Funds
\$ 7,310,384	\$ 15,331,718	\$ 220,142,884
		23,533,900
	12,410,997	65,486,806
	4,546,529	20,230,868
		1,272,407
120,016	753,504	24,123,322
2,507,552		5,786,701
	1,440,211	3,088,061
	<u>42,217</u>	<u>1,829,646</u>
<u>9,937,952</u>	<u>34,525,176</u>	<u>365,494,595</u>
	3,299,803	46,328,456
	3,708,444	86,245,379
	12,313,272	13,316,729
	3,105	8,734,927
	8,191,112	31,980,270
		16,999,078
	5,326,424	70,870,832
6,786,000	15,512,328	25,534,955
<u>2,865,078</u>	<u>5,927,622</u>	<u>9,269,556</u>
<u>9,651,078</u>	<u>54,282,110</u>	<u>309,280,182</u>
<u>286,874</u>	<u>(19,756,934)</u>	<u>56,214,413</u>
60,050	22,083,229	30,114,796
	(60,050)	(22,143,279)
		1,766,579
		<u>506,292</u>
<u>60,050</u>	<u>22,023,179</u>	<u>10,244,388</u>
<u>346,924</u>	<u>2,266,245</u>	<u>66,458,801</u>
<u>2,735,978</u>	<u>14,321,480</u>	<u>404,186,914</u>
<u>\$ 3,082,902</u>	<u>\$ 16,587,725</u>	<u>\$ 470,645,715</u>

City of Goodyear, Arizona
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Changes in fund balances - total governmental funds **\$ 66,458,801**

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/amortization expense.

Capital contributions	\$ 31,211,654	
Capital outlay	67,731,286	
Less current year depreciation/amortization	<u>(35,402,400)</u>	63,540,540

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

Property taxes	5,349	
Special assessments	(4,321,006)	
Intergovernmental	5,021	
Other	<u>372,731</u>	(3,937,905)

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position. (1,766,579)

Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

SBITA principal retirement	381,418	
Lease principal retirement	25,209	
Bond principal retirement	<u>25,128,328</u>	25,534,955

Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.

Current year pension/OPEB contributions	12,287,061	
Pension/OPEB expense	<u>(45,655,397)</u>	(33,368,336)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Amortization of deferred charges	(647,131)	
Loss on disposal of assets	(66,961)	
Amortization of premiums and discounts	1,670,561	
Compensated absences	<u>(1,005,394)</u>	(48,925)

The Internal Service Funds are used by management to charge the cost of certain activities to the individual funds. The changes in net position of the Internal Service Funds are reported with governmental activities in the Statement of Activities. (406,366)

Changes in net position in governmental activities **\$ 116,006,185**

City of Goodyear, Arizona
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-type Activities			Governmental
				Activities
	Water & Wastewater	Sanitation	Total Enterprise Funds	Self-Insurance Trust Internal Service Fund
Assets				
Current assets:				
Cash and investments	\$ 116,325,224	\$ 6,279,551	\$ 122,604,775	\$ 8,278,430
Receivables (net of allowance)	10,019,239	598,516	10,617,755	275,060
Inventories	2,610,937	119,151	2,730,088	
Prepaid items	15,606		15,606	508,236
Total current assets	<u>128,971,006</u>	<u>6,997,218</u>	<u>135,968,224</u>	<u>9,061,726</u>
Noncurrent assets:				
Restricted cash and investments	99,598,362		99,598,362	
Net pension/OPEB asset	281,873	39,247	321,120	
Land	8,359,054		8,359,054	
Artwork	146,978		146,978	
Construction in progress	25,363,889		25,363,889	
Land improvements	127,636		127,636	
Infrastructure	416,162,935		416,162,935	
Buildings	172,722,894	150,522	172,873,416	
Vehicles, furniture, and equipment	27,589,276	2,599,918	30,189,194	
Water rights	21,088,078		21,088,078	
Accumulated depreciation	<u>(162,116,901)</u>	<u>(1,567,611)</u>	<u>(163,684,512)</u>	
Total noncurrent assets	<u>609,324,074</u>	<u>1,222,076</u>	<u>610,546,150</u>	
Total assets	<u>738,295,080</u>	<u>8,219,294</u>	<u>746,514,374</u>	<u>9,061,726</u>
Deferred outflows of resources				
Deferred outflows related to pensions/OPEB	1,833,789	255,330	2,089,119	
Deferred charge on refunding	2,221,022		2,221,022	
Total deferred outflows of resources	<u>4,054,811</u>	<u>255,330</u>	<u>4,310,141</u>	
Current liabilities:				
Accounts payable	7,142,761	700,817	7,843,578	281,863
Accrued wages and benefits	274,595	37,999	312,594	103,575
Claims payable				831,293
Customer deposits	43,990,757	50,341	44,041,098	
Compensated absences - current portion	808,099	114,708	922,807	
Loans payable - current portion	313,772		313,772	
Bonds payable - current portion	<u>7,940,739</u>		<u>7,940,739</u>	
Total current liabilities	<u>60,470,723</u>	<u>903,865</u>	<u>61,374,588</u>	<u>1,216,731</u>
Noncurrent liabilities:				
Compensated absences	224,831	44,509	269,340	
Net pension/OPEB liability	7,322,368	1,019,539	8,341,907	
Loans payable - net of current portion	979,472		979,472	
Bonds payable - net of current portion	<u>222,746,206</u>		<u>222,746,206</u>	
Total noncurrent liabilities	<u>231,272,877</u>	<u>1,064,048</u>	<u>232,336,925</u>	
Total liabilities	<u>291,743,600</u>	<u>1,967,913</u>	<u>293,711,513</u>	<u>1,216,731</u>
Deferred inflows of resources				
Deferred inflows related to pensions/OPEB	586,084	81,604	667,688	
Total deferred inflows of resources	<u>586,084</u>	<u>81,604</u>	<u>667,688</u>	
Net position				
Net investment in capital assets	328,209,911	1,182,829	329,392,740	
Restricted for:				
Capital projects	62,209,988		62,209,988	
Debt service	1,278,219		1,278,219	
Pensions/OPEB	281,873	39,247	321,120	
Unrestricted	<u>58,040,216</u>	<u>5,203,031</u>	<u>63,243,247</u>	<u>7,844,995</u>
Total net position	<u>\$ 450,020,207</u>	<u>\$ 6,425,107</u>	<u>\$ 456,445,314</u>	<u>\$ 7,844,995</u>

City of Goodyear, Arizona
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	<u>Business-type Activities</u>			<u>Governmental</u>
	<u>Water & Wastewater</u>	<u>Sanitation</u>	<u>Total Enterprise Funds</u>	<u>Activities Self-Insurance Trust Internal Service Fund</u>
Operating revenues				
Charges for services	\$ 74,536,859	\$ 10,014,056	\$ 84,550,915	\$
Self insurance premiums				17,476,323
Other revenues	<u>1,806,194</u>	<u>84,988</u>	<u>1,891,182</u>	<u>1,139,989</u>
Total operating revenues	<u>76,343,053</u>	<u>10,099,044</u>	<u>86,442,097</u>	<u>18,616,312</u>
Operating expenses				
Salaries, wages and benefits	10,883,049	1,483,596	12,366,645	
Cost of sales and services	29,628,819	6,938,454	36,567,273	3,018,829
Claims expense				16,137,410
Depreciation	<u>14,679,198</u>	<u>213,046</u>	<u>14,892,244</u>	
Total operating expenses	<u>55,191,066</u>	<u>8,635,096</u>	<u>63,826,162</u>	<u>19,156,239</u>
Operating income (loss)	<u>21,151,987</u>	<u>1,463,948</u>	<u>22,615,935</u>	<u>(539,927)</u>
Nonoperating revenues (expenses)				
Investment income	6,565,782	301,337	6,867,119	133,561
Interest expense and fiscal charges	(6,635,505)		(6,635,505)	
Bond issuance cost	(531,671)		(531,671)	
Gain (loss) on sale of assets	<u>120,326</u>	<u>20,623</u>	<u>140,949</u>	
Total nonoperating revenue (expenses)	<u>(481,068)</u>	<u>321,960</u>	<u>(159,108)</u>	<u>133,561</u>
Income (loss) before contributions and transfers	20,670,919	1,785,908	22,456,827	(406,366)
Capital contributions	50,676,017		50,676,017	
Transfers out	<u>(7,254,409)</u>	<u>(717,108)</u>	<u>(7,971,517)</u>	
Changes in net position	64,092,527	1,068,800	65,161,327	(406,366)
Total net position, beginning of year	<u>385,927,680</u>	<u>5,356,307</u>	<u>391,283,987</u>	<u>8,251,361</u>
Total net position, end of year	<u>\$ 450,020,207</u>	<u>\$ 6,425,107</u>	<u>\$ 456,445,314</u>	<u>\$ 7,844,995</u>

City of Goodyear, Arizona
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities			Governmental Activities
	Water & Wastewater	Sanitation	Total Enterprise Funds	Self-Insurance
				Trust Internal Service Fund
<u>Increase/Decrease in Cash and Cash Equivalents</u>				
Cash flows from operating activities:				
Cash received from customers	\$ 70,652,666	\$ 10,032,318	\$ 80,684,984	\$
Cash received from contributions				18,502,406
Cash payments to suppliers for goods and services	(30,032,976)	(6,760,465)	(36,793,441)	(3,836,946)
Cash payments to employees	(10,364,396)	(1,442,721)	(11,807,117)	
Cash payments for claims				(15,878,111)
Net cash provided by/used for operating activities	<u>30,255,294</u>	<u>1,829,132</u>	<u>32,084,426</u>	<u>(1,212,651)</u>
Cash flows from investing activities:				
Sale (purchase) of investments	(13,901,103)	(782,938)	(14,684,041)	(40,607)
Investment income	6,565,782	301,337	6,867,119	133,561
Net cash provided by/used for investing activities	<u>(7,335,321)</u>	<u>(481,601)</u>	<u>(7,816,922)</u>	<u>92,954</u>
Cash flows from noncapital financing activities:				
Transfers	(7,254,409)	(717,108)	(7,971,517)	
Net cash provided by/used for noncapital financing activities	<u>(7,254,409)</u>	<u>(717,108)</u>	<u>(7,971,517)</u>	
Cash flows from capital and related financing activities:				
Proceeds from long-term debt	56,793,329		56,793,329	
Principal paid on long-term debt	(9,260,364)		(9,260,364)	
Interest paid	(2,226,465)		(2,226,465)	
Changes in capital assets	(22,971,812)	(582,778)	(23,554,590)	
Development fees	29,860,888		29,860,888	
Net cash provided by/used for capital and related financing activities	<u>52,195,576</u>	<u>(582,778)</u>	<u>51,612,798</u>	
Net increase/decrease in cash and cash equivalents	67,861,140	47,645	67,908,785	(1,119,697)
Cash and cash equivalents, beginning of year	<u>96,159,447</u>	<u>3,552,487</u>	<u>99,711,934</u>	<u>3,350,277</u>
Cash and cash equivalents, end of year	<u>\$ 164,020,587</u>	<u>\$ 3,600,132</u>	<u>\$ 167,620,719</u>	<u>\$ 2,230,580</u>
<u>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</u>				
Cash and investments	\$ 215,923,586	\$ 6,279,551	\$ 222,203,137	\$ 8,278,430
Less investments not maturing in less than three months	(51,902,999)	(2,679,419)	(54,582,418)	(6,047,850)
Total cash and cash equivalents	<u>\$ 164,020,587</u>	<u>\$ 3,600,132</u>	<u>\$ 167,620,719</u>	<u>\$ 2,230,580</u>
<u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u>				
Operating income/loss	\$ 21,151,987	\$ 1,463,948	\$ 22,615,935	\$ (539,927)
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:				
Depreciation/amortization	14,679,198	213,046	14,892,244	
Pension/OPEB expense	1,210,485	172,297	1,382,782	
Employer pension/OPEB Contributions	(892,404)	(124,255)	(1,016,659)	
Changes in assets and liabilities:				
Increase/decrease in receivables	(5,690,387)	(66,726)	(5,757,113)	(113,906)
Increase/decrease in prepaid items and deposits	(15,606)		(15,606)	(508,236)
Increase/decrease in inventory	(416,635)	(30,944)	(447,579)	
Increase/decrease in payables	(130,936)	197,912	66,976	104,318
Increase/decrease in accrued liabilities and deposits	359,592	3,854	363,446	(154,900)
Total adjustments	<u>9,103,307</u>	<u>365,184</u>	<u>9,468,491</u>	<u>(672,724)</u>
Net cash provided by/used for operating activities	<u>\$ 30,255,294</u>	<u>\$ 1,829,132</u>	<u>\$ 32,084,426</u>	<u>\$ (1,212,651)</u>
<u>Supplemental Disclosure of Non-Cash Investing, Capital, and Financing Activities</u>				
Contributions of Capital Assets from Developers	\$ 21,065,744			

City of Goodyear, Arizona
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Other Post Employment Benefit Trust Fund	Pension Trust Fund	Custodial Fund
Assets			
Cash and cash equivalents	\$ 3,483,887	\$ 13,331	\$ 64,473
Mutual funds		242,396	
Exchange traded funds		422,255	
Total assets	<u>3,483,887</u>	<u>677,982</u>	<u>64,473</u>
Net Position			
Restricted for:			
Pensions		677,982	
Postemployment benefits other than pensions	3,483,887		
Individuals and organizations			64,473
Total net position	<u>\$ 3,483,887</u>	<u>\$ 677,982</u>	<u>\$ 64,473</u>

City of Goodyear, Arizona
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Other Post Employment Benefit Trust Fund	Pension Trust Fund	Custodial Fund
Additions			
Contributions			
Employer contributions	\$ 3,582,000	\$	\$
Employee contributions	83,995		
Investment income	492	74,046	
Other income			25,936
Total additions	<u>3,666,487</u>	<u>74,046</u>	<u>25,936</u>
Deductions			
Benefits	182,600		
Recipient payments			16,779
Total deductions	<u>182,600</u>		<u>16,779</u>
Change in net position	3,483,887	74,046	9,157
Net position, beginning of year		<u>603,936</u>	<u>55,316</u>
Net position, end of year	<u>\$ 3,483,887</u>	<u>\$ 677,982</u>	<u>\$ 64,473</u>



Notes to the Financial Statements

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

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Note 1 – Summary of Significant Accounting Policies

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

During the year ended June 30, 2025, the City implemented the provisions of GASB Statement No. 101, *Compensated Absences*. This Statement updates the recognition and measurement guidance for compensated absences. Liabilities are recognized for leave that has not been used, as well as leave that has been used but not yet paid in cash or settled through noncash means. The City's analysis of compensated absences in effect at the beginning of the year resulted in no changes to beginning balances reported in the financial statements due to the implementation of this standard.

A. Reporting Entity

The City is a municipal corporation governed by an elected mayor and six-member governing council (Council). As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the government is considered to be financially accountable. In accordance with GASB Statement No. 14, and as amended by GASB Statement No. 61, the component units discussed below have been included in the City's reporting entity because of the significance of their operational or financial relationship with the city.

The financial reporting entity consists of a primary government, and its component units. The City is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, component units are combined with the City for financial statement presentation purposes and are not included in any other governmental reporting entity. Consequently, the City's financial statements include the funds of those organizational entities for which its elected governing body is financially accountable.

Blended Component Units - Community Facilities Districts were formed for the purpose of acquiring and improving public infrastructure in specified land areas. As special purpose districts and separate political subdivisions under the Arizona Constitution, the Districts can levy taxes and issue bonds independently of the City. Property owners in the designated areas are assessed for District taxes and thus for the cost of operating the Districts. The City Council serves as the Board of Directors; however, the City has no liability for the Districts' debt. Although it is legally separate from the City, the Districts are reported as if it is part of the primary government because the District's governing body is substantively the same as the governing body of the City and management of the City has operational responsibility for the Districts.

Note 1 – Summary of Significant Accounting Policies

The following are the community facilities districts currently operating in the City of Goodyear.

- Goodyear Community Facilities General District No. 1
- Goodyear Community Facilities Utilities District No. 1
- Wildflower Ranch Community Facilities District No. 1
- Wildflower Ranch Community Facilities District No. 2
- Estrella Mountain Ranch Community Facilities District
- Cottonflower Community Facilities District
- Centerra Community Facilities District
- Cortina Community Facilities District
- Palm Valley Community Facilities District No. 3
- King Ranch Community Facilities District

Complete financial statements of the individual component units may be obtained at the entities' administrative offices or online at www.goodyearaz.gov/cfd.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the City as a whole. Generally, the effect of interfund activity has been removed from the government-wide financial statements. Net interfund activity and balances between the governmental activities and the business-type activities are shown in the government-wide financial statements. The “doubling up” effect of internal service fund activity has been removed from the government-wide statements with the expenses shown in the various functions on the Statement of Activities. These statements are to distinguish between the governmental and business-type activities of the City. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes, state-shared revenues, investment income and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Note 1 – Summary of Significant Accounting Policies

C. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Fiduciary funds are aggregated and reported by fund type.

The City reports the following major governmental funds:

General Fund – This fund is the general operating fund of the City. It accounts for all financial resources of the City, except those either required to be accounted for in other funds or when the city determines there is an operational advantage to do so.

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

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

McDowell Road Commercial Corridor Improvement District Debt Service Fund – This fund accounts for the debt portion of the McDowell Road Improvement District.

Community Facilities Districts - Debt Service Fund – This fund accounts for the debt portion of the City's Community Facilities Districts, which are component units that provide general infrastructure and capital assets for the property within each District's boundaries.

The City reports the following major proprietary fund:

Water and Wastewater Fund - This fund accounts for the City's water and wastewater utility operations, including the utility development impact fees.

The City reports the following non-major proprietary funds:

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for water, wastewater, and sanitation services. Operating expenses for these funds include the administrative expenses, cost of sales and services, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Note 1 – Summary of Significant Accounting Policies

The City reports the following fiduciary funds:

Other Post Employment Benefit Trust Fund – This fund is used to account for the City of Goodyear Other Post Employment Benefit Trust Fund, a single-employer defined benefit plan administered by the City.

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

Custodial Fund – The Custodial Fund is used to report activities of the Gain, Fill-a-Need, Shop with a Cop, and Arizona in Action activities. This Custodial Fund accounts for resources, not in a trust, that are held by the City for other parties outside of the City's reporting entity.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide, proprietary and fiduciary fund 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the grantor or provider have been met.

The 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.

Note 1 – Summary of Significant Accounting Policies

Expenditures are generally recognized when a liability is incurred, as under accrual accounting. However, debt services principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets and SBITAs, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases and SBITAs are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

E. Budgetary Information

According to the laws of the State of Arizona, all operating budgets must be approved by their governing board on or before the second Monday in August to allow sufficient time for legal announcements and hearings required for the adoption of the property tax levy on the third Monday in August.

In April, the proposed budget for the following fiscal year is presented by the City Manager to the City Council. The budget includes proposed expenditures and the means of financing them. A public meeting is held to obtain citizen comment.

Prior to June 30, the City Council legally enacts the budget, through the passage of an ordinance. The ordinance sets the limit for expenditures for the year, within the voter mandated state expenditure limitation. Additional expenditures may be authorized if directly necessitated by a natural or man-made disaster as prescribed in the state constitution. There were no supplemental appropriations made during fiscal year 2025.

The maximum legal expenditure permitted for the year is the total budget as adopted. All funds of the City have legally adopted budgets. The initial budget for the fiscal year may be amended during the year in a legally permissible manner. The City adopts the budget by major program area for the General Fund and by fund for all others.

Note 1 – Summary of Significant Accounting Policies

In practice, the City Council approves all budget transfers that cross appropriation lines on a monthly basis. All unencumbered expenditure appropriations expire at the end of the fiscal year. Encumbered amounts are re-budgeted in the following year as deemed appropriate and necessary after review by the Budget Office. Budgetary carry forwards are approved by the City Council through the budgetary process.

The budgets are adopted on a basis differing from GAAP in that for budgetary purposes: (1) bond proceeds for enterprise funds are considered revenue; (2) capital outlays for enterprise funds are treated as expenses; (3) debt service principal payments are treated as expenses for enterprise funds; (4) accrued compensated absences are not recognized as expenses; (5) depreciation and amortization are not recognized as expenses; (6) contributions to pension plans are recognized as an expense for enterprise funds.

F. Assets, Liabilities, Deferred Outflows / Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The City's cash and cash equivalents include cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and amounts held in trust. The funds held in trust are available to the City up on demand. The City considers short-term investments (including restricted assets) in the State of Arizona investment pool, mutual fund-money market, U.S. Treasury bills and notes with maturities of three months or less at acquisition date to be cash equivalents.

2. Restricted Assets

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted cash and investments on the government-wide Statement of Net Position, the Balance Sheet and Proprietary Statement of Net Position because their use is limited by applicable bond covenants. Additionally, certain resources appropriated to the City for specific projects, are classified as restricted cash and investments on the government-wide Statement of Net Position because their use is limited by an agreement.

3. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

Note 1 – Summary of Significant Accounting Policies

Each fund's equity in investments represents that fund's position in the consolidated accounts and determines that fund's allocation of interest earned. Arizona Revised Statutes regulate the investment of surplus cash. The City limits its investments to U.S. government securities, certificates of deposit, bonds, repurchase agreements, corporate notes, commercial paper, and money market accounts.

4. Inventory and Prepaid Items

Inventories are valued at average cost using the first-in, first-out (FIFO) flow method. Inventory, which consists of expendable supplies and vehicle repair parts, is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

5. Capital Assets

Capital assets are tangible and intangible assets, which include land, land improvements, artwork, right of way, streetscape, buildings and improvements, vehicles, machinery, equipment, construction in progress, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year.

Capital assets are recorded at historical cost if purchased or constructed, except for intangible right-to-use lease assets and SBITAs, the measurement of which is discussed in notes 5 and 6. Donated capital assets are recorded at estimated acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Major outlays for capital assets and improvements are accounted for as construction work in progress until completed. Once completed and put into service, projects are capitalized and reported at historical cost (except for intangible right-to-use lease assets and SBITAs, the measurement of which is discussed in notes 9 and 10 below).

Note 1 – Summary of Significant Accounting Policies

Land and construction in progress are not depreciated. Artwork or collections presented in buildings and public outdoor spaces are expected to either be maintained at cost or appreciate over time. Thus, artwork is not depreciated. If individual pieces are lost or destroyed, the loss is recorded. The other tangible and intangible property, plant, equipment, the right to use leased equipment or SBITAs, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives. Amortization of right-to-use assets is included with depreciation expense.

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

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position, and deferred amounts related to pensions and OPEB. The deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred amounts related to pension and OPEB related differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related charges.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: property taxes, special assessments, other and intergovernmental. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements the City reports deferred amounts related to leases and deferred amounts related to pension and OPEB.

Note 1 – Summary of Significant Accounting Policies

7. Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflow of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted and unrestricted.

- Net investment in capital assets consists of capital assets, net of accumulated depreciation / amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on assets use either by external parties or by law through constitutional provision or enabling legislation.
- Unrestricted net position is the net amount of the assets, deferred outflow of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

8. Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The City's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

- Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be remain intact.
- Restricted - amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors, or by constitutional provisions, or enabling federal, state, or local legislation. Restriction may be changed or lifted only with the consent of the resource provider.

Note 1 – Summary of Significant Accounting Policies

- Committed - amounts that can be used only for specific purposes determined by the adoption of an ordinance committing fund balance for a specified purpose by the City Council prior to the end of the fiscal year. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the Council adopts another ordinance to remove or revise the limitation.
- Assigned - amounts that are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Only the City Council or the City's Finance Director may assign amounts for specific purposes. Under the City's adopted policy, the City appropriates funding for information technology (IT) replacement, fleet replacement, risk management, police and fire equipment, parks and traffic signal asset management reserves. In addition, amounts encumbered related to projects that carry over into the next fiscal year are reported as assigned. The accumulated appropriations for these purposes which have not been spent are reflected as assigned fund balances.
- Unassigned - residual amounts for the general fund that is not contained in other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

The City's general fund has unassigned funds consisting of a contingency reserve. The contingency reserve is used to set aside resources to cover unanticipated deficits or revenue reductions that may be caused by adverse economic conditions or public emergency. The amount of the contingency reserve is equal to or greater than 15 percent of fiscal year 2025 on-going revenues.

As previously mentioned, sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted funds to have been depleted before using any of the components of unrestricted fund balance. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council or the City's Finance Director has provided otherwise in its commitment or assignment actions.

9. Leases

Lessee: The City is a lessee for a noncancellable lease for the use of parking and storage areas. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$100,000 or more.

Note 1 – Summary of Significant Accounting Policies

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

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

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

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

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

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

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

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

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

Note 1 – Summary of Significant Accounting Policies

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

10. Subscription Based Information Technology Agreement

As the user of subscription based technology, the City recognizes those agreements that are calculated to have initial estimated total current value of \$100,000 or more for the life of the contract. If there is no stated rate in the subscription contract (or if the stated rate is not the rate the city charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure SBITA liabilities.

11. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of inter-fund loans) or “advances to/from other funds” (i.e., the non-current portion of the inter-fund loans).

All trade and property tax receivables are shown net of allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivables allowance for uncollectibles.

Property taxes are levied by the City and collected by the Maricopa County Treasurer. Property taxes are levied no later than the third Monday of August and are payable in two installments due October 1 of the current year and March 1 of the subsequent year. Taxes become delinquent after the first business day of November and May, respectively. Interest attaches on installments after the delinquent date. A lien attaches to the property on the first day of January preceding the assessment and levy of taxes. Delinquent amounts bear interest at the rate of 16 percent. Maricopa County, at no charge to the taxing entities, bills and collects all property taxes. Public auctions of properties which have delinquent real estate taxes are held in February.

12. Compensated Absences

The City’s employee vacation and sick leave policies provide for granting vacation and sick leave with pay. Sick leave and vacation benefits vest at the employee’s current rate of pay. The current and long-term liabilities for accumulated vacation and sick leave are reported on the government-wide financial statements and in the proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignation and retirements.

Note 1 – Summary of Significant Accounting Policies

13. Inter-fund Activity

Flows of cash from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers between governmental funds are eliminated in the Statement of Activities. Inter-fund services provided and used are not eliminated in the process of consolidation. Inter-fund transfers in the fund statements are reported as other financing sources/uses in governmental funds and fall below the non-operating revenues/expenses in the proprietary funds.

14. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension liability and other postemployment benefit (OPEB) assets and liabilities, related deferred outflows of resources and deferred inflows of resources, and related expenses, information about the pension and OPEB plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

15. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Deferred amounts on refunding result from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

16. 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.

17. Miscellaneous Disclosures

Pursuant to A.R.S. 35-391(B) the City shall disclose in its annual financial report the amount of any reward, discount, incentive, or other financial consideration received by the government entity resulting from credit card payments. The City received \$42,631 in card rebates during the year.

Note 2 – Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the government-wide Statement of Net Position, and on the fund financial statements, as "Cash and Investments".

It is the policy of the City to maintain the maximum safety of principal, maintain liquidity to meet cash flow needs, and provide the highest investment returns.

Cash Equivalents

The restricted cash and cash equivalents are proceeds from debt issuances that are held in trustee accounts for the purpose of major capital improvements, funds held in trustee accounts for the purpose of debt service payments, and amounts received from various other entities for specific projects.

At June 30, 2025, the City had \$13,100 of cash on hand. The carrying amount of the City's cash in bank totaled \$33,621,768, and the bank balance was \$36,434,235. Of the bank balance, \$3,899,892 was covered by federal depository insurance, and \$32,534,343 was covered by the Statewide Pooled Collateral Program. The City also has \$54,358,820 of cash held by the pledging financial institution's trust department in the City's name.

The City invests in the Local Government Investment Pool 5 and Pool 7 (LGIP) investment pools managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. The LGIP is not registered with the Securities Exchange Commission under the 1940 Investment Advisors Act. The State Board of Investment has oversight responsibilities of the investment pool in accordance with ARS 35-311. The pool's policy is to invest in fixed-rate securities with a final maturity less than 18 months from the settlement date of the purchase and variable-rate securities with final maturity less than two years. The weighted average to maturity shall not exceed 90 days. The net asset value per share of the pool at June 30, 2025 was \$1.00. The Arizona State Treasurer issues a publicly available financial report that includes financial statements and required supplementary information. Copies may be obtained by contacting the Arizona State Treasurer, 1700 West Washington, Phoenix, Arizona 85007 or www.aztreasury.gov.

Funds held in the State Treasurer's Local Government Investment Pool represent a proportionate interest in the pool's portfolio; however, the City's portion is not identified with specific investments and is not subject to custodial credit risk. At June 30, 2025, the City's funds invested with the State Treasurer totaled \$351,116,723.

Note 2 – Cash and Investments

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

Investment Type	Total	Remaining Maturity (in Years)
		Less than 1
LGIP 5	\$ 3,244,570	\$ 3,244,570
LGIP 7	347,872,153	347,872,153
Total	<u>\$ 351,116,723</u>	<u>\$ 351,116,723</u>

Investment Type	Total	Rating as of Year End
		Less than 1
LGIP 5	\$ 3,244,570	AAAf/S1+
LGIP 7	347,872,153	AA-1
Total	<u>\$ 351,116,723</u>	

Investments

The City's portfolio complies with Arizona Revised Statutes (ARS) and the City's investment policy. The Arizona Revised Statutes regulate the investment of surplus cash. Goodyear limits its investments to U.S. government securities, certificates of deposit, bonds, repurchase agreements, corporate notes, commercial paper, and money market accounts. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. U.S. Treasury securities and Money Market Accounts are valued using quoted market prices (Level 1 inputs); while Federal Agency Securities, Corporate Notes, Mutual Funds and Negotiable Certificates of Deposit are valued using a matrix pricing model (Level 2 inputs).

On June 30, 2025, the City's investments included the following:

Investment Type	Total	Remaining Maturity (in Years)			Concentration of Credit Risk
		Less than 1	1 to 2	More than 2	
U.S. Treasuries	\$ 170,527,394	\$ 8,482,144	\$ 47,760,461	\$ 114,284,789	56%
Corporate Notes	83,641,607	2,304,915	26,168,048	55,168,644	27%
Negotiable Certificates of Deposit	4,990,122		4,990,122		2%
Money Market Fund	45,408,369	45,408,369			15%
Mutual Funds	677,982	677,982			0%
Total	<u>\$ 305,245,474</u>	<u>\$ 56,873,410</u>	<u>\$ 78,918,631</u>	<u>\$ 169,453,433</u>	100%

Note 2 – Cash and Investments

On June 30, 2025, the City’s investment ratings were as follows:

Investment Rating	U.S. Treasuries	Corporate Notes	Negotiable	Money Market	Mutual Funds	Total
			Certificates of Deposit	Fund		
A	\$	\$ 19,565,295	\$	\$	\$	\$ 19,565,295
A-		15,233,786				15,233,786
A+		19,003,388	3,149,380			22,152,768
A-1			1,840,742			1,840,742
AA		1,525,141				1,525,141
AA-		19,568,373		45,359,043		64,927,416
AA+	170,527,394	4,570,008				175,097,402
AAA		1,858,690				1,858,690
BBB+		1,691,405				1,691,405
Not Rated		625,521		49,326	677,982	1,352,829
	<u>\$ 170,527,394</u>	<u>\$ 83,641,607</u>	<u>\$ 4,990,122</u>	<u>\$ 45,408,369</u>	<u>\$ 677,982</u>	<u>\$ 305,245,474</u>

Custodial Credit Risk

To control custodial credit risk, State law and the City’s investment policy requires all securities and collateral to be held by an independent third-party custodian in the City’s name. The custodian provides the City with monthly market values.

Interest Rate Risk

Interest rate risk is the risk of changes in market interest rates that will adversely affect the fair value of an investment. In order to limit interest rate and market risk, State law and the City’s investment policy sets a maximum maturity on any investment to five years. In addition, the City has adopted an average portfolio duration limitation (ranging from 90 days to three years) consistent with the primary investment objective of safety, liquidity and yield. As of June 30, 2025, the average duration to maturity is 2.74 years.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Although the City’s investment policy states that it will mitigate credit risk it does not impose any specific limitations.

Concentration of Credit Risk

The City’s investment policy limits the diversification on both security types and length of maturity. At the time of purchase a maximum of five percent of the market value of the portfolio may be invested in debt issues by any single entity. Debt backed by the U.S. Treasury or Government Sponsored Enterprises (GSEs) are exempt from this concentration criterion.

Note 3 – Receivables

Amounts, other than leases receivable, net of allowance for uncollectibles, as of year-end for the City's individual major governmental funds and non-major governmental funds in the aggregate are as follows:

	General Fund	Non Utility Development Impact Fees Capital Projects	McDowell Road Commercial Corridor ID Debt Service	Community Facilities Districts Debt Service	Non-Major Governmental Funds	Self Insurance Fund	Total
Tax Receivable	\$ 19,361,978	\$ 1,591,301	\$	\$ 91,356	\$ 155,662	\$	\$ 21,200,297
Interest Receivable	25,040						25,040
Accounts Receivable	3,885,618			1,013	1,172,185	275,060	5,333,876
Special Assessments Receivable			12,726,495	18,516,852			31,243,347
Intergovernmental Receivable	34,253				904,970		939,223
Notes Receivable	1,645,291						1,645,291
Total Receivables	<u>\$ 24,952,180</u>	<u>\$ 1,591,301</u>	<u>\$ 12,726,495</u>	<u>\$18,609,221</u>	<u>\$ 2,232,817</u>	<u>\$ 275,060</u>	<u>\$ 60,387,074</u>

As of June 30, 2025, the special assessment and notes receivable balances are not expected to be collected within the next year. Special assessment receivables will be collected in conjunction with the debt retirement schedule for the related bonds outstanding. The notes receivable mature in 2044 and accrue interest at 3.26 percent annum.

The following table summarizes the City's receivables for the proprietary funds as of June 30, 2025.

	Water and Wastewater Fund	Sanitation Fund	Total
Accounts Receivable	\$ 10,962,567	\$ 733,694	\$ 11,696,261
Less: Allowance	943,328	135,178	1,078,506
Total Receivables	<u>\$ 10,019,239</u>	<u>\$ 598,516</u>	<u>\$ 10,617,755</u>

Receivables of the Water & Wastewater Fund, Sanitation and Ambulance Fund are reported net of uncollectible amounts. Total bad debt expense related to the Water & Wastewater Fund revenues, Sanitation Fund revenues, and Ambulance Fund revenues for the current year are \$250,749, \$8,563, and \$152,599 respectively.

Note 4 – Capital Assets

A summary of capital assets activity for the fiscal year ended June 30, 2025 follows:

Governmental activities:	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 41,741,124	\$ 8,881,942	\$	\$ 50,623,066
Artwork	1,186,846	204,489		1,391,335
Construction in progress	18,809,477	34,893,292	9,629,990	44,072,779
Right of way	90,875,981			90,875,981
Streetscape	9,061,008			9,061,008
Total capital assets, not being depreciated	161,674,436	43,979,723	9,629,990	196,024,169
Capital assets, being depreciated:				
Land improvements	37,839,308	3,116,971		40,956,279
Infrastructure	468,407,303	34,516,950		502,924,253
Buildings and improvements	451,111,707	5,534,111	233,025	456,412,793
Vehicles, furniture and equipment	92,738,056	19,658,596	3,753,567	108,643,085
Right-to-use SBITA asset		1,766,579		1,766,579
Right-to-use leased equipment	94,775			94,775
Total capital assets, being depreciated	1,050,191,149	64,593,207	3,986,592	1,110,797,764
Less accumulated depreciation for:				
Land improvements	(8,226,839)	(2,627,815)		(10,854,654)
Infrastructure	(182,770,037)	(11,254,654)		(194,024,691)
Buildings and improvements	(131,745,524)	(13,025,299)	(232,567)	(144,538,256)
Vehicles, furniture and equipment	(51,971,689)	(8,120,255)	(3,687,064)	(56,404,880)
Right-to-use SBITA asset		(353,316)		(353,316)
Right-to-use leased equipment	(61,487)	(21,061)		(82,548)
Total accumulated depreciation	(374,775,576)	(35,402,400)	(3,919,631)	(406,258,345)
Total capital assets, being depreciated, net	675,415,573	29,190,807	66,961	704,539,419
Governmental activities capital assets, net	\$ 837,090,009	\$ 73,170,530	\$ 9,696,951	\$ 900,563,588
Business-type activities:	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 8,359,054	\$	\$	\$ 8,359,054
Artwork	146,978			146,978
Construction in progress	9,026,182	19,043,209	2,705,503	25,363,888
Total capital assets, not being depreciated	17,532,214	19,043,209	2,705,503	33,869,920
Capital assets, being depreciated:				
Land improvements	127,636			127,636
Infrastructure	392,725,707	23,611,028	173,800	416,162,935
Buildings and improvements	172,765,822	107,594		172,873,416
Vehicles, furniture and equipment	26,035,346	4,756,633	602,785	30,189,194
Water rights	21,088,078			21,088,078
Total capital assets, being depreciated	612,742,589	28,475,255	776,585	640,441,259
Less accumulated depreciation for:				
Land improvements	(1,563)	(7,334)		(8,897)
Infrastructure	(82,171,535)	(7,977,109)	(173,800)	(89,974,844)
Buildings and improvements	(49,038,458)	(4,994,761)		(54,033,219)
Vehicles, furniture and equipment	(15,144,050)	(1,722,568)	(551,107)	(16,315,511)
Water rights	(3,161,568)	(190,472)		(3,352,040)
Total accumulated depreciation	(149,517,174)	(14,892,244)	(724,907)	(163,684,511)
Total capital assets, being depreciated, net	463,225,415	13,583,011	51,678	476,756,748
Business-type activities capital assets, net	\$ 480,757,629	\$ 32,626,220	\$ 2,757,181	\$ 510,626,668

Note 4 – Capital Assets

Depreciation expense was charged to functions/programs as follows:

Governmental activities:		Business-type activities:	
General government	\$ 3,220,153	Water and wastewater	\$ 14,679,198
Public safety	6,406,775	Sanitation	213,046
Highway and streets	16,828,150	Total depreciation expense	<u>\$ 14,892,244</u>
Public works	1,938,059		
Culture and recreation	7,009,263		
Total depreciation expense	<u>\$ 35,402,400</u>		

Note 5 – Leases

Lease receivable

On July 2, 2021, the City entered into a 192-month lease as lessor for the use of the Park, Ride, & Bullard Wash Sites. An initial lease receivable was recorded in the amount of \$3,668,998. As of June 30, 2025, the value of the lease receivable is \$3,039,020. The value of the deferred inflow of resources as of June 30, 2025 was \$2,768,923. The lessee is required to make monthly fixed payments of \$18,227. The lease has an interest rate of 2.0680 percent. The City recognized lease revenue of \$228,995 and \$64,777 in interest revenue during the current fiscal year related to this lease.

On November 1, 2021, the City entered into a 120-month lease as lessor for the use of the Franklin Pierce University Lease. An initial lease receivable was recorded in the amount of \$3,335,215. As of June 30, 2025, the value of the lease receivable is \$2,179,733. The value of the deferred inflow of resources as of June 30, 2025 was \$2,019,630. City will receive monthly payments ranging between \$23,563 to of \$33,632 over the life of the lease. The lease has an interest rate of 1.6040 percent. The lessee has a termination period of 60 months as of the lease commencement date. The City recognized lease revenue of \$318,889 and \$37,283 in interest revenue during the current fiscal year.

The future principal and interest lease receivables as of June 30, 2025, were as follows:

Principal and Interest Expected to Maturity			
Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2026	\$ 465,319	\$ 94,065	\$ 559,384
2027	498,433	85,497	583,930
2028	532,331	76,339	608,670
2029	567,035	66,577	633,612
2030	602,565	56,195	658,760
2031 - 2035	1,879,827	149,617	2,029,444
2036 - 2038	673,243	15,355	688,598

Note 5 – Leases

Lease payable

On July 1, 2021, the City entered into a 54-month lease for the use of Calle Del Pueblo Parking and Storage Facility. An initial lease liability was recorded in the amount of \$94,775. As of June 30, 2025, the value of the lease liability was \$13,459. The City is required to make monthly payments ranging from \$1,250 to \$2,250 over the life of the lease. The lease has an interest rate of 1.0590 percent. The value of the right to use asset as of June 30, 2025 was \$94,775 with accumulated amortization of \$82,548.

The future principal and lease payments as of June 30, 2025, were as follows:

Amount of Lease Assets by Major Classes of Underlying Asset		
As of Fiscal Year-end		
Asset Class	Lease Asset Value	Accumulated Amortization
Infrastructure	\$ 94,775	\$ 82,548
Total Leases	94,775	82,548

Principal and Interest Requirements to Maturity			
Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	\$ 13,459	\$ 42	\$ 13,501

Note 6 – Subscription-Based Information Technology Arrangements (SBITAs)

The City has entered into subscription-based information technology arrangements (SBITAs) for a cloud-based productivity platform. The related obligation under the SBITAs has been recorded at the present value of its future minimum lease payments as of the inception date. Amortization of right-to-use assets recorded under SBITAs is included with depreciation expense.

The net present value and future minimum SBITA payments at year end were as follows:

Year ending June 30:	Governmental Activities	
	Principal	Interest
2026	\$ 326,289	\$ 55,129
2027	339,275	42,143
2028	352,778	28,640
2029	366,819	14,599
Total	\$ 1,385,161	\$ 140,511

The total value of assets recorded under SBITAs that meet the City's capitalization threshold is \$1,766,579, less accumulated amortization of \$353,316.

Note 7 – Loan Payable

The City received a loan from the Water Infrastructure Finance Authority. The loan was used for expansion of an effluent wastewater facility and to rehabilitate an existing effluent lift station. The loan payable on June 30, 2025, is as follows:

Description	Interest Rate (Including Fees)	Maturity	Outstanding Principal June 30, 2025	Due Within One Year
Business-type activities				
Water Infrastructure Finance Authority Loan	2.00%	7/1/25-29	\$ 1,293,244	\$ 313,772
Total business-type activities			\$ 1,293,244	\$ 313,772

Annual debt service requirements to maturity on the loan payable on June 30, 2025 is summarized as follows:

Fiscal Year Ending June 30	Principal	Interest
2026	\$ 313,772	\$ 25,864
2027	320,047	19,590
2028	326,448	13,188
2029	332,977	6,660
	\$ 1,293,244	\$ 65,302

Note 8 – General Obligation Bonds Payable

Bonds payable on June 30, 2025, consisted of the outstanding general obligation and refunding bonds presented below. The bonds are generally callable with interest payable semi-annually. Of the total amounts originally authorized, \$276,446,616 remains unissued. The bonds payable on June 30, 2025, are presented below.

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2025	Due Within One Year
Governmental activities:				
General Obligation Bonds Refunding Series 2016	2.00-4.00%	7/1/25-37	\$ 5,704,335	\$ 1,849,261
General Obligation Bonds Series 2017	3.00-5.00%	7/1/27-37	19,275,000	
General Obligation Bonds Series 2019	2.00-3.00%	7/1/25-38	21,085,000	1,030,000
General Obligation Bonds Series 2021	3.00-5.00%	7/1/25-40	31,075,000	1,065,000
General Obligation Bonds Series 2022	4.00-5.00%	7/1/25-41	15,635,000	675,000
Total governmental activities			\$ 92,774,335	\$ 4,619,261
Business-type activities:				
General Obligation Bonds Refunding Series 2016	2.00-4.00%	7/1/25-37	\$ 18,430,595	\$ 2,650,739
General Obligation Bonds Refunding Series 2019	3.00-5.00%	7/1/27-29	4,105,000	
General Obligation Bonds Refunding Series 2020	3.00-5.00%	7/1/25-30	5,045,000	900,000
Total business-type activities			27,580,595	3,550,739
Total			\$ 120,354,930	\$ 8,170,000

Note 8 – General Obligation Bonds Payable

Annual debt service requirements to maturity on general obligation bonds payable on June 30, 2025, are summarized as follows:

Fiscal Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 4,619,262	\$ 3,342,586	\$ 3,550,739	\$ 1,027,926
2027	4,822,406	3,150,716	3,932,594	885,896
2028	5,012,547	2,959,644	3,577,453	722,618
2029	5,213,346	2,757,218	3,736,654	567,694
2030	5,414,145	2,560,618	2,395,856	405,694
2031-35	30,314,484	9,551,230	7,140,516	1,144,734
2036-40	36,068,145	3,788,986	3,246,783	147,190
2041-42	1,310,000	52,400		
	<u>\$ 92,774,335</u>	<u>\$ 28,163,398</u>	<u>\$ 27,580,595</u>	<u>\$ 4,901,752</u>

Note 9 – Revenue Bonds Payable

Revenue bonds payable on June 30, 2025, consisted of the outstanding revenue bonds and refunding bonds presented on the following table. The bonds are generally callable after 10 years with interest payable semi-annually.

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2025	Due Within One Year
Governmental activities:				
Excise Tax Revenue Bond				
Taxable Excise Tax Revenue Refunding, Series 2021	.210-1.736%	7/1/25-27	\$ 9,665,000	\$ 4,800,000
Total			<u>9,665,000</u>	<u>4,800,000</u>
Special Assessment Revenue Bond				
McDowell Road Commercial Improvement District Refunding Bonds, Series 2018	1.95-3.60%	1/1/25-31	12,615,000	2,405,000
Total			<u>12,615,000</u>	<u>2,405,000</u>
Public Improvement Corporation Municipal Facilities				
PIC Revenue Refunding Bonds, Series 2016A	3.00-5.00%	7/1/28-32	27,470,000	
PIC Revenue Refunding Bonds, Series 2016B	4.00-5.00%	7/1/25-31	14,825,000	1,945,000
Total			<u>42,295,000</u>	<u>1,945,000</u>
Direct borrowings or direct placements:				
Facilities Revenue Bonds, Series 2017	3.31%	7/1/25-27	2,420,000	1,190,000
Total			<u>2,420,000</u>	<u>1,190,000</u>
Total governmental activities			<u>\$ 66,995,000</u>	<u>\$ 10,340,000</u>
Business-type activities:				
Revenue Bonds, Series 2009	6.75%	7/1/49	\$ 325,000	\$
Revenue Bonds, Series 2016	2.00-5.00%	7/1/25-45	5,740,000	185,000
Revenue Bonds, Series 2020	2.00-5.00%	7/1/25-49	73,045,000	1,135,000
Revenue Bonds, Second Series 2020	3.00-4.00%	7/1/30-49	30,950,000	
Revenue Refunding Bonds, Series 2020	2.00-5.00%	7/1/25-39	10,390,000	395,000
Revenue Refunding Taxable Bonds, Series 2020	1.428-3.506%	7/1/25-41	10,400,000	530,000
Revenue Bonds, Series 2025	5.00%	7/1/25-44	53,965,000	2,145,000
Total business-type activities			<u>184,815,000</u>	<u>4,390,000</u>
Total			<u>\$ 251,810,000</u>	<u>\$ 14,730,000</u>

Note 9 – Revenue Bonds Payable

Revenue bond debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Governmental Activities				Business-Type Activities	
			Direct Borrowings or Direct Placements			
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 9,150,000	\$ 2,380,961	\$ 1,190,000	\$ 80,102	\$ 4,390,000	\$ 5,022,782
2027	9,400,000	2,138,746	1,230,000	40,714	4,690,000	4,926,268
2028	10,025,000	1,869,703			2,970,000	4,811,616
2029	10,460,000	1,407,418			3,095,000	4,678,470
2030	10,355,000	922,729			3,410,000	4,539,538
2031-35	15,185,000	713,400			31,905,000	20,272,738
2036-40					46,505,000	15,738,510
2041-45					55,505,000	9,359,064
2046-49					32,345,000	2,649,752
	<u>\$ 64,575,000</u>	<u>\$ 9,432,957</u>	<u>\$ 2,420,000</u>	<u>\$ 120,816</u>	<u>\$ 184,815,000</u>	<u>\$ 71,998,738</u>

Note 9 – Revenue Bonds Payable

Pledged Revenue

A. Revenue Bonds

Governmental Activities – The obligations are special revenue obligations of the City. The payments are payable from and secured by a first lien on the excise taxes received by the City. Excise Taxes includes amounts received from the imposition of unrestricted fines and forfeitures, license and permit fees, transaction privilege (sales) taxes, other transaction privilege, excise and business taxes, franchise fees and taxes, bed and rental taxes which the City now or in the future imposes and collects, and all state shared sales and income taxes and state revenue-sharing collected and allocated or apportioned, now or thereafter. Excise tax does not include revenue from development fees or building permit fees. The last scheduled debt service payment occurring on 7/1/2027. Proceeds of the bonds were used to refund in advance of maturity the Municipal Facilities Revenue Refunding Bonds, Series 2011A. Principal and interest paid for the current year and total pledged revenues were \$4,957,814 and \$226,838,169, respectively.

Business-Type Activities

Revenue bonds are collateralized by a pledge of the gross revenues of the utility systems, as defined in the bond indentures. The bonds are payable solely from water and wastewater customer net revenues with the last scheduled debt service payment occurring on July 1, 2049. Proceeds of the bonds were used for improvements to the City's water and wastewater system. Principal and interest paid for the current year and total water and wastewater customer net revenues were \$12,116,033 and \$42,454,344, respectively.

Note 9 – Revenue Bonds Payable

B. Public Improvement Corporation Municipal Facilities Revenue Bonds

The public improvement corporation municipal facilities revenue bonds are secured by excise taxes or other undesignated general fund revenues and the property referred to as Goodyear Municipal Complex. Proceeds from the bonds were used to construct a major league baseball training facility as well as other municipal facilities. The last scheduled debt service payment on the bonds is July 1, 2032. Principal and interest paid, including the refunded bonds, for the current year and total pledged revenues were \$5,036,932 and \$226,838,169, respectively.

C. McDowell Road Corridor Improvement District Bonds

The City acts as an administrator for the McDowell Road Corridor Improvement District whereby it collects the assessments levied against owners of property within the established district and disburses the amounts collected to retire the bonds issued to finance infrastructure improvements. The last scheduled debt service payment on the bond is January 1, 2031. On June 30, 2025, the special assessments receivable, together with amounts paid in advance and interest to be received over the life of the assessment period, is adequate for the scheduled maturities of the bonds payable and the related interest. Principal and interest paid for the current year and total revenues available to service the debt were \$3,306,285 and \$3,284,030, respectively.

The McDowell Road Corridor Improvement District bonds are collateralized by properties within the district. In the event of default by the property owner(s), the City may enforce an auction sale to satisfy the debt service requirements of the improvement bonds. The City is contingently liable on the bonds to the extent that proceeds from auction sales are insufficient to retire outstanding bonds.

Note 10 – Community Facilities Districts Bonds Payable

Community Facilities District General Obligation Bonds are issued by Community Facilities Districts (CFDs), which are special purpose districts created specifically to acquire and improve public infrastructure in specified land areas. CFD bonds are repaid by ad valorem taxes levied directly by the districts and collected by the county. Property owners in the districts are assessed for district taxes and thus for all costs associated with the districts. The City has no liability for CFD bonds.

Community facilities district bonds payable on June 30, 2025, consisted of outstanding general obligation and special assessment bonds. The bonds are generally callable with interest payable semiannually.

Defeased Debt - In prior years, the CFDs defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At year end, \$2,985,000 of defeased bonds are still outstanding.

Note 10 – Community Facilities Districts Bonds Payable

Community facilities district bonds payable on June 30, 2025, are presented as follows.

Purpose	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2025	Due Within One Year
General District No. 1:				
General Obligation Refunding Bonds, Series 2013	2.00-5.00%	7/15/25-7/15/28	\$ 2,575,000	\$ 945,000
Palm Valley:				
General Obligation Refunding Bonds, Series 2016	2.00-4.00%	7/15/25-7/15/32	2,970,000	400,000
Utilities District No. 1:				
General Obligation Refunding Bonds, Series 2014	4.00%	7/15/25-7/15/28	3,885,000	1,245,000
General Obligation Refunding Bonds, Series 2015	3.00-4.125%	7/15/25-7/15/29	3,265,000	360,000
General Obligation Refunding Bonds, Series 2016	2.00-4.00%	7/15/25-7/15/32	12,040,000	785,000
Wildflower Ranch District 2:				
General Obligation Bonds, Series 2001	5.875-5.90%	7/15/25-7/15/26	45,000	45,000
Estrella Mountain Ranch:				
Special Assessment Revenue Bonds, Series 2015M2	2.50-5.00%	7/1/25-7/1/39	3,383,000	178,000
Special Assessment Revenue Bonds, Series 2015M3	1.90-3.75%	7/1/25-7/1/46	528,000	20,000
General Obligation Refunding Bonds, Series 2017	3.00-5.00%	7/1/25-7/1/32	5,270,000	920,000
Series 2019 Lucero	2.60-4.75%	7/1/25-7/1/43	5,700,000	227,000
Series 2023 Lucero2	4.00-5.75%	7/1/25-7/1/46	4,205,000	115,000
General Obligation Bonds, Series 2023	4.25-5.00%	7/15/31-7/15/43	10,895,000	
Total			54,761,000	5,240,000
Direct placements:				
Centerra:				
General Obligation Refunding Bonds, Series 2016	2.70%	7/15/25-7/15/31	1,323,000	216,000
General Obligation Bonds, Series 2016	2.70%	7/15/25-7/15/31	262,000	32,000
Cortina:				
General Obligation Refunding Bonds, Series 2017	3.18%	7/15/25-7/15/31	950,000	145,000
Cottonflower:				
General Obligation Refunding Bonds, Series 2017	2.92%	7/15/25-7/15/28	620,000	200,000
Estrella Mountain Ranch:				
Special Assessment Revenue Refunding Bonds				
Series 2018 Desert Village	3.15%	7/1/25-7/1/26	191,000	191,000
Series 2018 Golf Village 2	3.67%	7/1/25-7/1/30	1,928,000	458,000
Series 2018 Montecito 2	3.75%	7/1/25-7/1/31	2,494,000	443,000
Total direct placements			7,768,000	1,685,000
Total			\$ 62,529,000	\$ 6,925,000

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

Fiscal Year Ending June 30	Governmental Activities			
			Direct Borrowings / Placements	
	Principal	Interest	Principal	Interest
2026	\$ 5,240,000	\$ 2,352,102	\$ 1,685,000	\$ 264,290
2027	5,395,000	2,146,132	1,555,000	207,674
2028	5,240,000	1,939,486	1,597,000	155,106
2029	4,840,000	1,736,320	1,049,000	101,114
2030	5,015,000	1,546,612	1,030,000	65,800
2031-35	14,026,000	5,127,844	852,000	29,806
2036-40	8,646,000	2,792,126		
2041-45	6,006,000	781,132		
2046-48	353,000	20,000		
	\$ 54,761,000	\$ 18,441,754	\$ 7,768,000	\$ 823,790

Note 11 – Changes in Long-Term Liabilities

Long-term liabilities activity for the year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences payable	\$ 12,622,939	\$ 1,005,394		\$ 13,628,333	\$ 10,329,442
Lease liability	38,668		25,209	13,459	13,459
SBITAs payable		1,766,579	381,418	1,385,161	326,289
General obligation bonds payable	100,531,663		7,757,328	92,774,335	4,619,261
Community Facilities District bonds payable	59,876,000		5,115,000	54,761,000	5,240,000
Direct borrowings or direct placements-CFD	9,439,000		1,671,000	7,768,000	1,685,000
Public improvement bonds payable	44,140,000		1,845,000	42,295,000	1,945,000
Direct borrowings or direct placements-PIC	3,575,000		1,155,000	2,420,000	1,190,000
Revenue bonds payable	29,865,000		7,585,000	22,280,000	7,205,000
Premiums	16,670,660		1,672,205	14,998,455	
Discounts	(24,665)		(1,644)	(23,021)	
Net OPEB liability	35,932	27,861,024		27,896,956	500,000
Net pension liability	57,328,431	10,756,581		68,085,012	
Governmental activities long-term liabilities	<u>\$ 334,098,628</u>	<u>\$ 41,389,578</u>	<u>\$ 27,205,516</u>	<u>\$ 348,282,690</u>	<u>\$ 33,053,451</u>
Business-type activities:					
Compensated absences payable	\$ 1,055,517	\$ 2,368,298	\$ 2,231,668	\$ 1,192,147	\$ 922,807
General obligation bonds payable	30,993,340		3,412,745	27,580,595	3,550,739
Revenue bonds payable	133,030,000	57,325,000	5,540,000	184,815,000	4,390,000
Loans payable - Direct borrowing	1,600,863		307,619	1,293,244	313,772
Premiums	14,069,981	5,212,436	991,067	18,291,350	
Net OPEB liability	6,120		4,747	1,373	
Net pension liability	7,504,377	836,157		8,340,534	
Business-type activities long-term liabilities	<u>\$ 188,260,198</u>	<u>\$ 65,741,891</u>	<u>\$ 12,487,846</u>	<u>\$ 241,514,243</u>	<u>\$ 9,177,318</u>

The City's outstanding notes from direct borrowings and direct placements related to community facilities districts' debt of \$7,768,000 are secured by either (1) an ad valorem tax on all taxable property; (2) an assessment levied on each lot in the assessment district; or (3) a debt reserve fund. These notes contain a provision that in the event of default the interest rate will increase, and the legal rights of the creditor will be enforced.

The City's outstanding notes from direct borrowings and direct placements related to the Public Improvement Corporation's debt of \$2,420,000 are secured by the lease rental payments received pursuant to a Taxable and a Tax-Exempt Lease Agreement. These outstanding notes contain a provision that in an event of default the interest rate will increase, and the legal rights of the creditor will be enforced.

The City's outstanding note from direct borrowings and direct placements related to the business-type activities of \$1,293,244 is secured by pledged water and wastewater revenues. This outstanding note contains a provision that in an event of default a late charge of six percent per annum will be charged and the legal rights of the creditor will be enforced.

Note 12 – Interfund Receivables, Payables, and Transfers

Transfers during the fiscal year were as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 7,971,517	\$ (22,083,229)
Community Facilities Districts	60,050	
Non-Major Governmental Funds	22,083,229	(60,050)
Sanitation		(717,108)
Water and Wastewater Fund		(7,254,409)
Total	<u>\$ 30,114,796</u>	<u>\$ (30,114,796)</u>

In fiscal year 2025, the General Fund subsidized the Highway User Revenue, Ballpark, and Ambulance Funds in the amount of \$3.7 million, \$14.9 million and \$3.5 million. The transfers were used to cover operations, debt service and capital outlays. The Enterprise Funds transferred \$8.0 million to the General Fund for interfund goods and services provided. The transfers between the Community Facilities District Funds of \$60,050 were used to move proceeds from the prior year debt issuance to pay expenditures.

Interfund balances as of June 30, 2025, is as follows:

	<u>Due to</u>	<u>Due From</u>
General Fund	\$	\$ 549,853
Non-Major Governmental Funds	549,853	
	<u>\$ 549,853</u>	<u>\$ 549,853</u>

In fiscal year 2025, the General Fund advanced \$263,454 to the Grant Funds to cover expenditures awaiting reimbursement from the granting agencies. The \$286,399 owed to the General Fund by the Ambulance Fund was to borrow for negative cash at year-end. These amounts are expected to be collected in the subsequent year.

Note 13 – Contingent Liabilities

Federal and State grants and loans – The City has received a number of grants and loans from both the Federal and State governments. Although the programs have been audited, not all audits have been approved as of June 30, 2025; however, the City expects no material disallowances of expenditures.

Lawsuits – The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City’s legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

Commitments – The City is contingently liable for payments from the general fund to entities that the City has entered into job credit agreements for establishing businesses within the City. These credits will be paid out when the established criteria are met for job creation and other economic growth factors as specified by the development agreements. Each year the City appropriates for these obligations through the budget process.

Note 14 – 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’s property and liability and workers' compensation insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the City is a participating member. The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has authority to assess its members additional premiums should reserve and annual premiums be insufficient to meet the pool’s obligations.

The City established a Self-Insurance Trust (an Internal Service Fund) to account for and finance its uninsured risk loss related to healthcare claims. Under this program, the Fund provides coverage for up to a maximum of \$250,000 for each claim, not to exceed an annual aggregate of \$17,078,198. The Fund purchases commercial insurance for claims in excess of this coverage. Settled claims have not exceeded the annual aggregate in any of the past five fiscal years.

Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of allocations to specific claims. Estimated recoveries, for example from subrogation, are another component of the claims liability estimate. Changes in the balances of claims liabilities during the past two years are as follows:

Healthcare Benefits	Claims payable Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Claims Payable at End of Year
2024-25	\$ 571,994	\$ 16,286,709	\$ 16,027,410	\$ 831,293
2023-24	802,655	12,875,685	13,106,346	571,994

Note 15 – Pensions and Other Postemployment Benefits

The City contributes to the plans described below. The plans are component units of the State of Arizona.

Aggregate Amounts. At June 30, 2025, the City reported the following aggregate amounts related to pensions and other postemployment benefits (OPEB) for all plans to which it contributes.

	Governmental Activities	Business-type Activities	Total
Net pension and OPEB assets	\$ (2,446,819)	\$ (321,120)	\$ (2,767,939)
Net pension and OPEB liability	95,981,968	8,341,907	104,323,875
Deferred outflows of resources	41,586,374	2,089,119	43,675,493
Deferred inflows of resources	12,259,451	667,688	12,927,139
Pension and OPEB expense	45,655,397	1,382,782	47,038,179

The City reported \$12,287,061 of pension and OPEB contributions as expenditures in the governmental funds related to all plans to which it contributes.

A. Arizona State Retirement System

Plan Description. City employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

Benefits Provided. The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 months of last 120 months	Highest 60 months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits

Note 15 – Pensions and Other Postemployment Benefits

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the survivor benefit is determined by the retirement benefit option chosen. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a long-term disability benefit in the event they become unable to perform their work. The monthly benefit is equal to two-thirds of their monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999 are limited to 30 years of service or the service on record as of the effective disability date, if their service is greater than 30 years.

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.27 percent (12.12 percent for retirement and 0.15 percent for long-term disability) of the members' annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 12.27 percent (12.05 percent for retirement, 0.07 percent for health insurance premium benefit, and 0.15 percent for long-term disability) of the active members' annual covered payroll.

	<u>Contributions</u>
Pension	\$ 6,721,147
Health Insurance Premium	39,043
Long-Term Disability	83,666

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The City was required by statute to contribute at the actuarially determined rate of 10.19 percent (10.14 for retirement and 0.05 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

Note 15 – Pensions and Other Postemployment Benefits

Pension and OPEB Assets/Liability. The net pension and OPEB assets/liability were measured as of June 30, 2024. The total liability used to calculate the net asset or net liability was determined using updated procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024. The City's proportion of the net asset or net liability was based on the City's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2024.

The City's proportions measured as of June 30, 2024 and the change from its proportions measured as of June 30, 2023 were:

	Net (Asset) Liability	City % Proportion	Increase (Decrease)
Pension	\$ 56,146,082	0.351	0.032
Health Insurance Premium	(2,161,687)	0.358	0.034
Long-Term Disability	9,241	0.355	0.034

Pension/OPEB Expense and Deferred Outflows/Inflows of Resources. The City has deferred outflows and inflows of resources related to the net pension and OPEB assets/liability. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2025, the City recognized pension and OPEB expense as follows:

	Expense
Pension	\$ 8,725,481
Health Insurance Premium	(341,331)
Long-Term Disability	48,406

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 3,134,022	\$ 62,556	\$ 33,979
Changes of assumptions or other inputs			6,687
Changes in proportion and differences between contributions and proportionate share of contributions	3,955,815		26,426
Contributions subsequent to the measurement date	6,721,147	39,043	83,666
Total	<u>\$ 13,810,984</u>	<u>\$ 101,599</u>	<u>\$ 150,758</u>

Note 15 – Pensions and Other Postemployment Benefits

	Deferred Inflows of Resources		
	Pension	Health Insurance	Long-Term
		Premium	Disability
Differences between expected and actual experience	\$	\$ 521,963	\$ 24,610
Changes of assumptions or other inputs		22,423	55,323
Net difference between projected and actual earnings	3,585,542	148,595	10,094
Changes in proportion and differences between contributions and proportionate share of contributions		125,019	1,116
Total	<u>\$ 3,585,542</u>	<u>\$ 818,000</u>	<u>\$ 91,143</u>

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	Pension	Health Insurance	Long-Term
		Premium	Disability
2026	\$ 689,865	\$ (434,595)	\$ (10,316)
2027	4,380,038	(124,361)	2,752
2028	(907,619)	(118,813)	(10,708)
2029	(657,989)	(62,100)	(10,234)
2030		(15,575)	(2,511)
Thereafter			6,966

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

Actuarial valuation date	June 30, 2023
Actuarial roll forward date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9-8.4% for pensions/not applicable for OPEB
Inflation	2.3%
Permanent base increases	Included for pensions/not applicable for OPEB
Mortality rates	2017 SRA Scale U-MP for pensions and health insurance premium benefit
Recovery rates	2012 GLDT for long-term disability
Healthcare cost trend rate	Not applicable

Note 15 – Pensions and Other Postemployment Benefits

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for all ASRS plans are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	4.48%
Credit	23%	4.40
Interest rate sensitive	6%	(0.45)
Private equity	10%	6.11
Real estate	17%	6.05
Total	100%	

Discount Rate. The discount rate used to measure the ASRS Total pension/OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

Sensitivity of the Proportionate Share of the Net Pension and OPEB Assets/Liability to Changes in the Discount Rate. The following presents the City’s proportionate share of the net pension and OPEB assets/liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension and OPEB assets/liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	<u>Proportionate share of the net (assets) liability</u>		
	1% Decrease	Current Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Pension	\$ 85,971,132	\$ 56,146,082	\$ 31,289,506
Health Insurance Premium	(1,571,531)	(2,161,687)	(2,663,436)
Long-Term Disability	31,796	9,241	(12,946)

Note 15 – Pensions and Other Postemployment Benefits

Pension and OPEB Plan Fiduciary Net Position. Detailed information about the pension and OPEB plan’s fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

B. Public Safety Personnel Retirement System

Plan Descriptions. City public safety employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan. A nine-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4. Employees who were PSPRS members before July 1, 2017, participate in the agent plans, and those who became PSPRS members on or after July 1, 2017, participate in the cost-sharing plans (PSPRS Tier 3 Risk Pool).

The PSPRS issues a publicly available financial report that includes their financial statements and required supplementary information. The report is available on the PSPRS website at www.psprs.com.

The PSPRS Tier 3 Risk Pool plan is not further disclosed because of its relative insignificance to the City's financial statements.

Benefits Provided. The PSPRS provides retirement, health insurance premium supplement, disability, and survivor benefits. State statute establishes benefits terms. Certain retirement, disability, and survivor benefits are calculated on the basis of age, average monthly compensation, and service credit as follows. See the publicly available PSPRS financial report for additional benefits information.

	Retirement Initial Membership Date:	
	Tier 1	Tier 2
Years of service and age required to receive benefit	20 years of service, any age or 15 years of service, age 62	25 years or 15 years of credited service, age 52.5
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years
Normal retirement	50% less 2.0% for each year of credited service less than 20 years or plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	1.5 % to 2.5% per year of credited service, not to exceed 80%

Note 15 – Pensions and Other Postemployment Benefits

Accidental disability retirement	50% or normal retirement, whichever is greater
Catastrophic disability retirement	90% of the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20
Survivor benefit:	
Retired members	80% to 100% of retired member's pension benefit
Active members	80% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries received on the job

Retirement and survivor benefits are subject to automatic cost-of-living adjustments based on inflation. PSPRS also provides temporary disability benefits of 50 percent of the member's compensation for up to 12 months.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. Benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents.

Employees Covered by Benefit Terms. At June 30, 2025 the following employees were covered by the agent plan's benefit terms:

	PSPRS - Police		PSPRS - Fire	
	Pension	Health Insurance	Pension	Health Insurance
Retirees and beneficiaries	39	39	20	20
Inactive, non-retired members	29	15	13	11
Active members	72	72	67	67
Total	140	126	100	98

Contributions. State statutes establish the pension contribution requirements for active PSPRS employees. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2025 are indicated below. Rates are a percentage of active members' annual covered payroll.

Note 15 – Pensions and Other Postemployment Benefits

	Tier 1 & 2	
	PSPRS - Police	PSPRS - Fire
Active members - pension	7.65% to 11.65%	
City of Goodyear:		
Pension	24.10%	18.26%
Health insurance	0.22%	0.34%

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to PSPRS. The City was required by statute to contribute at the actuarially determined rate of 8 percent for both police and fire PSPRS. ACR contributions are included in employer contributions presented above.

The contributions to the pension and OPEB plans for the year ended were:

	Contributions	
	PSPRS - Police	PSPRS - Fire
Pension	\$ 3,590,314	\$ 2,784,920
Health insurance	32,775	51,855

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

Pension and OPEB Assets/Liability. At June 30, 2025, the City reported the following assets and liabilities.

	Net (Asset) Liability	
	PSPRS - Police	PSPRS - Fire
Pension	\$ 13,263,042	\$ 7,016,422
Health insurance	(376,884)	(229,368)

The net pension and OPEB assets/liability were measured as of June 30, 2024. The total liability used to calculate the net asset or liability was determined by an actuarial valuation as of that date.

Note 15 – Pensions and Other Postemployment Benefits

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

Actuarial valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return Tier 1 & 2	7.2%
Wage inflation	2.75-15.0%
Price inflation	2.5%
Cost-of-living adjustment	1.85%
Mortality rates	PubS-2010 tables
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2021. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The PSPRS Board adopted the experience study recommended changes which were applied to the June 30, 2022 actuarial valuation.

The long-term expected rate of return on PSPRS plan investments was determined to be 7.20 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
U.S. public equity	24%	3.62%
International public equity	16%	4.47%
Global private equity	27%	7.05%
Core bonds	6%	2.44%
Private credit	20%	6.24%
Diversifying strategies	5%	3.15%
Cash – Mellon	2%	0.89%
Total	100%	

Discount Rate. At June 30, 2024, the discount rate used to measure the total pension and OPEB assets/liability was 7.2 percent.

Note 15 – Pensions and Other Postemployment Benefits

The projection of cash flows used to determine the PSPRS discount rates assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the actuarially determined contribution rate and the member rate. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments for these plans to determine the total pension and OPEB assets/liability.

Changes in Net (Assets)/Liability

	Pension			Health Insurance		
	Increase (Decrease)			Increase (Decrease)		
	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability
PSPRS - Police						
Balances at June 30, 2024	\$ 80,609,894	\$ 69,995,592	\$ 10,614,302	\$ 969,274	\$ 1,303,058	\$ (333,784)
Change for the year:						
Service cost	2,159,013		2,159,013	30,446		30,446
Interest on the total liability	5,839,163		5,839,163	70,899		70,899
Differences between expected and actual experience in the measurement of the liability	7,176,622		7,176,622	(1,047)		(1,047)
Contributions - employer		4,276,825	(4,276,825)		14,773	(14,773)
Contributions - employee		778,090	(778,090)			
Net investment income		7,510,622	(7,510,622)		129,232	(129,232)
Benefit payments, including refunds of employee contributions	(3,338,846)	(3,338,846)		(30,023)	(30,023)	
Administrative expense		(39,479)	39,479		(607)	607
Net changes	<u>11,835,952</u>	<u>9,187,212</u>	<u>2,648,740</u>	<u>70,275</u>	<u>113,375</u>	<u>(43,100)</u>
Balances at June 30, 2025	<u>\$ 92,445,846</u>	<u>\$ 79,182,804</u>	<u>\$ 13,263,042</u>	<u>\$ 1,039,549</u>	<u>\$ 1,416,433</u>	<u>\$ (376,884)</u>

	Pension			Health Insurance		
	Increase (Decrease)			Increase (Decrease)		
	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability
PSPRS - Fire						
Balances at June 30, 2024	\$ 79,750,651	\$ 77,104,028	\$ 2,646,623	\$ 932,279	\$ 1,083,252	\$ (150,973)
Change for the year:						
Service cost	2,313,474		2,313,474	31,858		31,858
Interest on the total liability	5,830,904		5,830,904	68,984		68,984
Differences between expected and actual experience in the measurement of the liability	8,829,814		8,829,814	(36,721)		(36,721)
Contributions - employer		3,685,949	(3,685,949)		35,502	(35,502)
Contributions - employee		785,405	(785,405)			
Net investment income		8,167,920	(8,167,920)		107,420	(107,420)
Benefit payments, including refunds of employee contributions	(2,158,695)	(2,158,695)		(12,057)	(12,057)	
Administrative expense		(34,881)	34,881		(406)	406
Net changes	<u>14,815,497</u>	<u>10,445,698</u>	<u>4,369,799</u>	<u>52,064</u>	<u>130,459</u>	<u>(78,395)</u>
Balances at June 30, 2025	<u>\$ 94,566,148</u>	<u>\$ 87,549,726</u>	<u>\$ 7,016,422</u>	<u>\$ 984,343</u>	<u>\$ 1,213,711</u>	<u>\$ (229,368)</u>

Note 15 – Pensions and Other Postemployment Benefits

Sensitivity of the Net Pension and OPEB Assets (Liability) to Changes in the Discount Rate.

The following presents the City’s net pension and OPEB assets (liability) calculated using the discount rate of 7.2 percent, as well as what the net assets (liability) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
PSPRS - Police			
Rate	6.20%	7.20%	8.20%
Net pension (assets) liability	\$ 27,567,701	\$ 13,263,042	\$ 1,764,903
Net OPEB (assets) liability	(244,098)	(376,884)	(487,580)
PSPRS - Fire			
Rate	6.20%	7.20%	8.20%
Net pension (assets) liability	\$ 21,495,009	\$ 7,016,422	\$ (4,747,552)
Net OPEB (assets) liability	(112,320)	(229,368)	(328,160)

Plan Fiduciary Net Position. Detailed information about the plans’ fiduciary net position is available in the separately issued PSPRS financial report. The report is available on the PSPRS website at www.psprs.com.

Expense. For the year ended June 30, 2025, the City recognized the following as pension and OPEB expense:

	<u>Expense</u>	
	<u>PSPRS - Police</u>	<u>PSPRS - Fire</u>
Pension	\$ 3,864,408	\$ 3,231,508
Health insurance	(21,256)	(17,976)

Note 15 – Pensions and Other Postemployment Benefits

Deferred Outflows/Inflows of Resources. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension		Health Insurance	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Police				
Differences between expected and actual experience	\$ 9,449,972	\$ 253,332	\$ 72,950	\$ 192,455
Changes of assumptions or other inputs	707,749		17,747	
Net difference between projected and actual earnings on plan investments		939,290		14,691
Contributions subsequent to the measurement date	3,590,314		32,775	
Total	\$ 13,748,035	\$ 1,192,622	\$ 123,472	\$ 207,146

	Pension		Health Insurance	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
PSPRS - Fire				
Differences between expected and actual experience	\$ 11,977,372	\$ 2,194,104	\$ 4,884	\$ 181,469
Changes of assumptions or other inputs	913,986		7,628	18,940
Net difference between projected and actual earnings on plan investments		968,467		9,855
Contributions subsequent to the measurement date	2,784,920		51,855	
Total	\$ 15,676,278	\$ 3,162,571	\$ 64,367	\$ 210,264

Note 15 – Pensions and Other Postemployment Benefits

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	PSPRS - Police		PSPRS - Fire	
	Pension	Health	Pension	Health
		Insurance		Insurance
2026	\$ 1,591,569	\$ (45,882)	\$ 1,902,834	\$ (64,085)
2027	3,171,896	(5,189)	3,521,218	(32,880)
2028	1,576,947	(34,822)	1,720,107	(48,650)
2029	1,428,583	(34,340)	1,112,992	(40,498)
2030	1,196,104	3,934	1,471,636	(11,639)
Thereafter		(150)		

C. OPEB Plan

Plan Description. On June 18, 2025, under authority of the City Council, the City established an OPEB Trust to provide postretirement insurance benefits, for certain retirees and their dependents. The plan is a single-employer defined benefit OPEB plan administered by the City. Generally, resources from the General Fund are used to pay for postemployment benefits.

Benefits Provided. The plan provides postretirement health insurance benefits for eligible retirees up to age 65. To be eligible for City-paid benefits, a retiree must have attained eligibility for normal retirement under ASRS or PSPRS, completed at least 10 years of full-time, continuous service with the City and be enrolled in one of the City’s medical insurance plans at the time of retirement. At the time of retirement, a spouse and/or dependent who is activity enrolled in the City’s medical insurance plan are also eligible to transition to the retiree healthcare plan if the retiree elects coverage. In addition, eligible employees who can no longer fulfill the requirements of their job because of an injury or illness are eligible for retiree healthcare coverage if they meet specific criteria. Eligible retirees receive a City contribution of 50 percent towards coverage under one of the City’s medical plans. Premiums are based on the full premium rate established each year for active employees. The retiree must designate the City as the recipient of the ASRS or PSPRS Retiree Premium Benefit (also called the “subsidy”).

Contributions. Contributions for benefits due are based on actual benefit payments during the fiscal year and are not based on a measure of pay. For the current fiscal year, the City contributed \$3.6 million for these benefits, and retirees contributed \$83,995. The City’s regular insurance providers underwrite the retiree policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans.

Note 15 – Pensions and Other Postemployment Benefits

Employees covered by benefit terms. As of the effective date ,751 active employees were recognized by the OPEB valuation.

Basis of Accounting and Valuation of Investments

An irrevocable trust fund (Other Post Employment Benefit Trust) has been established for the purpose of advance funding the OPEB liability; the trust has a \$3.4 million balance as of June 30, 2025. The investments of the trust are overseen by the OPEB Trust City Administrator. Separate financial statements are not available for the Trust.

The Other Post Employment Benefit Trust financial statements are prepared on the accrual basis of accounting. The City's contributions are recognized when due and a formal commitment to provide the contribution has been made. Benefits are recognized when due and payable in accordance with the terms of the plan. All trust investments are reported at fair value. Fair value is determined based on quoted market prices.

Net OPEB Liability. The City's net OPEB liability was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2024. The components of the net OPEB liability at June 30, 2025 were as follows:

Total OPEB Liability	\$ 31,372,975
Plan fiduciary net position	<u>(3,483,887)</u>
Net OPEB Liability	<u>\$ 27,889,088</u>
Plan fiduciary net position as a percentage of total OPEB liability	11%

Note 15 – Pensions and Other Postemployment Benefits

Actuarial Assumptions and Other Inputs. The total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The plan has not had a formal experience study performed.

Measurement date	June 30, 2025
Actuarial valuation date	July 1, 2024
Inflation rate	2.30%
Projected salary increases	5 years of service – 5.65% increase 10 years of service – 4.40% increase 15 years of service – 3.60% increase 20 years of service – 3.10% increase 22+ years of service – 2.9% increase
Health care cost trend rate	6.0% graded down to an ultimate rate of 4.2% over 9 years
Discount rate	3.96%
Mortality assumptions	2010 Public General Healthy Retiree with 100% of MP Ultimate scale

The total OPEB liability was updated from the actuarial valuation date to the measurement date using standard actuarial roll-forward techniques.

Investment policy. The City’s policy in regard to the allocation of invested assets is established in the OPEB Trust Investment Policy and may be amended by approval of the City Council. The policy pursues an investment strategy that reduces risk through the prudent diversification of the portfolio.

Rate of Return. The long-term rate of return on OPEB plan investments was determined using long-term averages and expected future growth in which best-estimate ranges of expected future rates of return (expected returns net of OPEB plan investment expenses) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adding expected inflation.

Note 15 – Pensions and Other Postemployment Benefits

The target allocation and best estimates of the geometric rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Total Return Bond	26%	3.80%
High Yield Bond	7	5.40
Global Bond	7	3.50
US Large Cap Stock	21	8.20
US Small/Mid Cap Stock	13	8.20
International Stock	19	7.20
Real Estate	5	6.40
Commodity	2	4.20
Total	100%	

Discount Rate. The discount rate used to measure the total OPEB liability was 3.96 percent, and was based on the bond buyer general obligation 20-Bond Municipal Index.

Changes in the Total OPEB Liability

	Changes in Net OPEB Liability		
	Total (Assets) Liability	Plan Fiduciary Net Position	Net (Assets) Liability
Balances at July 1, 2024	\$ 32,665,984		\$ 32,665,984
Change for the year:			
Service cost	2,110,033		2,110,033
Interest on the total liability	1,367,315		1,367,315
Changes of assumptions or other inputs	(4,269,826)		(4,269,826)
Contributions - employer		3,582,000	(3,582,000)
Contributions - employee		83,995	(83,995)
Net investment income		492	(492)
Benefit payments, including refunds of employee contributions	(500,531)	(182,600)	(317,931)
Net changes	(1,293,009)	3,483,887	(4,776,896)
Balances at June 30, 2025	\$ 31,372,975	\$ 3,483,887	\$ 27,889,088

Note 15 – Pensions and Other Postemployment Benefits

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Rate	2.96%	3.96%	4.96%
Net OPEB (assets) liability	\$ 31,283,945	\$ 27,889,088	\$ 24,822,570

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Rate	5.0% downgraded to 3.2%	6.0% downgraded to 4.2%	7.0% downgraded to 5.2%
Net OPEB (assets) liability	\$ 23,662,740	\$ 27,889,088	\$ 32,908,728

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2025, the City recognized OPEB expense of \$31,548,939. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>
Changes of assumptions or other inputs	\$ 3,659,851

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2026	(609,975)
2027	(609,975)
2028	(609,975)
2029	(609,975)
2030	(609,975)
Thereafter	(609,975)

Note 15 – Pensions and Other Postemployment Benefits

D. Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan

The Goodyear Volunteer and Reserve Firefighter Retirement Trust Plan is a single-employer defined contribution plan, which was approved by the City Council on February 27, 1990, under Arizona Revised Statutes Section 9-981. The authority to establish and amend benefit provisions rests with the City Council. In December 1999, the council revised the pension and benefit program for the part-time firefighters. The City discontinued using part-time firefighters as of December 1, 2005.

The assets of the plan are valued annually and the earnings or loss is distributed among the participant's accounts in the plan. The only expenditures being made from this fund are administration fees, benefit payments, and refunds to those firefighters who leave the service of the Fire Department before becoming eligible for pension benefits. The cost of administering the plan is financed from investment earnings. Retirement with full benefits can be at age fifty (50) or 15 years of credited service. This plan was fully vested as of June 30, 2023. As of June 30, 2025, there were four eligible employees participating in the plan. The plan was administered by Cetera Advisor Networks LLC.

As of June 30, 2025, the plan's assets consisted of investments in the amount of \$677,982.

The plan has never had an actuarial valuation; however, benefits cannot exceed plan assets. The market values of mutual funds are determined from readily available market quotations. The fund uses the accrual basis of accounting. Contributions are recognized when earned; benefits and refunds are expensed when incurred. Separate audited financial statements of this employee benefit plan are not available.

Note 16 – Fund Balance Classifications

	General	Non Utility Development Impact Fees Capital Projects	GO Bonds Capital Projects	McDowell Road Commerical Corridor ID Debt Service Fund	Community Facilities Districts Debt Service Fund	Non-Major Funds	Total Governmental Funds
Fund Balances (deficits):							
Nonspendable							
Inventories	\$ 130,169	\$	\$	\$	\$	\$ 1,482,928	\$ 1,613,097
Prepaid items	6,015,275						6,015,275
Restricted							
Ambulance						406,739	406,739
Capital projects			553,302				553,302
Community facilities districts operations						8,786,139	8,786,139
Court	776,616						776,616
Debt service				164,474	3,082,902	2,489,050	5,736,426
Development impact fees		145,557,873					145,557,873
Grants						48,049	48,049
Law enforcement	885,487						885,487
Streets						112,715	112,715
Transit	150,773						150,773
Committed							
Ball park						3,336,299	3,336,299
Assigned							
Facilities Asset Mgmt Plan	4,836,990						4,836,990
Fire asset reserve	1,944,168						1,944,168
Fleet replacement	14,733,768						14,733,768
IT replacement	2,291,197						2,291,197
Risk management	1,973,365						1,973,365
Parks management	6,637,429						6,637,429
Traffic signal reserve	2,950,005						2,950,005
General Fund FY2025 Budget	225,124,900						225,124,900
Unassigned	36,249,297					(74,194)	36,175,103
Total fund balances	\$ 304,699,439	\$ 145,557,873	\$ 553,302	\$ 164,474	\$ 3,082,902	\$ 16,587,725	\$ 470,645,715

Note 17 – Deficit Fund Balances

As of June 30, 2025, the Tourism Fund had a deficit of \$74,194, revenues in the next fiscal year are expected to eliminate the deficit.

Note 18 – Commitments

Capital Improvement Program (CIP) Commitments

The City has active capital improvement projects that are financed from existing fund balances. As of June 30, 2025, the following balances are for work not yet complete:

Capital Improvement Program (CIP) Commitments

Project	Amount
30010 - Fire Station 182 Renovation & Battalion Chief Quarters	\$ 5,020,940
30014 - Fire Station 187 Remodel	349,250
30015 - Fire Resource Management Facility	973,317
30016 - Fire Station 184 Remodel	302,635
35011 - GMC-Telecommunications Center Remodel	59,287
40007 - Development Services Permitting System	84,298
42026 - Estrella Parkway: Vineyard Avenue to MC85 Roadway Improvements	2,157,664
42027 - Estrella Parkway: PebbleCreek Parkway & I-10 Interchange	4,837,520
42037 - Yuma Road: Canyon Trails to Sarival Avenue	4,634,663
42038 - Camelback Road: SR 303 to 152nd Avenue	382,458
42046 - Cotton Lane: Estrella Parkway to Cotton Lane Bridge	282,619
42047 - Lower Buckeye Road & Sarival Avenue	230,220
42048 - Sarival Avenue (West Half): Yuma Road to Elwood Street	816,552
42052 - Bullard Ave. Celebrate Life Way to Roosevelt Street	121,888
42058 - McDowell Road: Litchfield Road to Dysart Road	270,046
42061 - Traffic Signal: 152nd Drive & Van Buren Street	25,616
42063 - Traffic Signal: Cotton Lane & Elwood Street/El Cidro Drive	35,156
42069 - Estrella Parkway: Hadley Street to Goodyear Boulevard North	278,998
42077 - Traffic Signal: Estrella Parkway & Lower Buckeye Road	427,298
42078 - Traffic Signal: Bullard Avenue & Yuma Road	855,796
42079 - Traffic Signal: Estrella Parkway & Calistoga Drive	159,197
42080 - Intersection Improvement: Cotton Lane & Camelback Road	43,626
42082 - Traffic Signal: San Gabriel Drive & Elliot Road	418,853
42084 - Cotton Lane: Union Pacific Railroad to Elwood Street	349,883
42087 - Traffic Management Center: Remodel	26,046
42089 - Indian School Road: Perryville Road to Citrus Road	1,788,044
42090 - Intersection Improvement: Litchfield Road & MC85	224,017
42091 - Sidewalk Improvement: McDowell Road - Bullard Wash to 146th Avenue	38,779
50050 - Loma Linda Site Improvements	810
50059 - Bullard Wash Extension to Ballpark	1,830,286
60034 - Brine Disposal	470,472
60047 - Booster 11 Generator	221,063
60075 - Bullard Water Campus Amiad Pre-Filters Replacement	254,564
60077 - Rainbow Valley WRF Plant Design & Expansion	18,714,094
60091 - Booster 13 Generator Replacement	238,000
60093 - Goodyear WRF Blower Replacement	589,382
60103 - Corgett WRF Clarifier Rehabilitation & New Clarifier	3,017,855
60109 - Goodyear WRF Expansion	718,379
60110 - Rainbow Valley WRF Expansion	1,502,800
60119 - Municipal Operations Complex Additional Facilities	61,079
60122 - GMC Tenant Improvements Building B	75,415
61004 - Site 13 Motor Control Center Replacement	43,990
61005 - Corgett WRF Blower Replacement	50,987
61008 - Palm Valley Lift Station Generator Replacement	20,000
61010 - Rainbow Valley WRF Blower Replacement	35,595
61014 - Goodyear WRF Expansion & Improvement	4,110,721
61015 - Improvements to Palo Verde Generating Station (PVNGS)	458,446
	<u>\$ 57,608,607</u>

Note 18 – Commitments

Encumbrances

Encumbrances are employed to effectively plan and control funds for specific items. As of June 30, 2025, the encumbrances to be honored in the next fiscal year have been classified as assigned, unless specified as restricted or committed based on fund nature.

Encumbrances

Fund	Amount
General Fund	\$ 10,174,153
Non-Utility Development Impact Fees	23,412,499
GO Bonds Capital Projects	4,736,668
Total Governmental Funds	<u><u>\$ 38,323,320</u></u>
Water & Wastewater Fund	\$ 19,285,287
Total Proprietary Funds	<u><u>\$ 19,285,287</u></u>

Note 19 – Tax Abatement Agreements

Foreign Trade Zone

The City has a foreign trade zone within its limits. Arizona state law allows for any property within a foreign trade zone to be subject to a reduced property valuation rate of 5% down from 18%. Under the City's foreign trade zones, business can qualify one of four ways:

1. Developers can construct a zone I-1 site of at least 200,000 square feet in a foreign trade zone.
2. Qualifying manufacturing companies can invest at least \$25 million in capital equipment and real property, construct 75,000 square feet building, employ a minimum of 75 full-time employees with 51 percent paid 125 percent of the state median annual wage and paid 75 percent of employees' health insurance premiums.
3. Internet fulfillment companies can locate within a designated foreign trade zone building, generate a minimum of \$25.0 million of Arizona end-user sales and invest at least \$25.0 million in capital equipment and real property.
4. Businesses can locate within one of the federally approved Magnet foreign trade zones and comply with the City's Foreign Trade Zone policy and federal requirements.

For the year ended June 30, 2025, properties within the foreign trade zones reduced the City tax revenues by \$598,757.

Note 19 – Tax Abatement Agreements

Sales Tax Abatements

The City has entered into agreements with developers to reimburse for the construction of public infrastructure that will benefit the community. These reimbursements are paid to developers over time from the collection of sales taxes. Payments to developers are considered during the City's budget process. For the year ended June 30, 2025, the one developer agreement reduced City sales tax revenues by \$3,415,113.



Required Supplementary Information

City of Goodyear, Arizona
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Non-GAAP Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 133,446,100	\$ 133,446,100	\$ 179,414,092	\$ 45,967,992
Licenses, permits and fees	10,836,600	10,836,600	23,533,900	12,697,300
Intergovernmental revenue	46,396,700	46,396,700	52,204,254	5,807,554
Charges for services	2,480,200	2,480,200	3,584,694	1,104,494
Fines and forfeitures	923,100	923,100	1,125,757	202,657
Investment income	3,752,000	3,752,000	15,143,740	11,391,740
Contributions	506,300	451,700	1,647,850	1,196,150
Other revenues	1,803,600	1,803,600	1,787,429	(16,171)
Total revenues	<u>200,144,600</u>	<u>200,090,000</u>	<u>278,441,716</u>	<u>78,351,716</u>
Expenditures				
Current:				
General government:				
City attorney	3,217,600	3,017,800	2,848,917	168,883
City clerk	1,292,700	1,292,700	1,107,413	185,287
City manager	5,992,500	6,029,000	4,474,425	1,554,575
Communications	1,879,100	1,974,800	1,944,807	29,993
Finance	6,096,800	6,080,300	5,628,743	451,557
Human resources	7,189,600	7,331,100	6,132,014	1,199,086
ITS	12,395,482	12,133,382	11,770,878	362,504
Mayor and council	495,400	519,900	354,972	164,928
Non-departmental	3,500,000	3,500,000	3,415,113	84,887
Reserved for contingency	80,096,700	76,859,400		76,859,400
Total general government	<u>122,155,882</u>	<u>118,738,382</u>	<u>37,677,282</u>	<u>81,061,100</u>
Public safety:				
Fire	31,593,400	33,331,500	32,507,498	824,002
Municipal court	2,977,500	3,045,300	2,465,669	579,631
Police	46,574,500	49,121,100	47,372,421	1,748,679
Reserved for contingency	1,886,800	1,902,600		1,902,600
Total public safety	<u>83,032,200</u>	<u>87,400,500</u>	<u>82,345,588</u>	<u>5,054,912</u>
Public works:				
Administration	800,400	800,400	766,072	34,328
Building services	5,501,700	5,351,700	5,387,905	(36,205)
Fleet services	139,000	727,600	333,308	394,292
Program management		340,000	10,070	329,930
Stormwater	2,486,100	2,486,100	2,234,467	251,633
Reserved for contingency	4,502,900	4,502,900		4,502,900
Total public works	<u>13,430,100</u>	<u>14,208,700</u>	<u>8,731,822</u>	<u>5,476,878</u>

City of Goodyear, Arizona
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		Non-GAAP Actual	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Culture and recreation:				
Administration	266,200	266,200	154,445	111,755
Arts and culture	2,313,600	2,180,300	2,250,366	(70,066)
Neighborhood services			5,588	(5,588)
Parks	20,106,700	17,178,100	12,138,061	5,040,039
Recreation	9,066,400	9,052,200	9,240,698	(188,498)
Reserved for contingency	4,721,100	5,195,200		5,195,200
Total culture and recreation	<u>36,474,000</u>	<u>33,872,000</u>	<u>23,789,158</u>	<u>10,082,842</u>
Development services:				
Development services	12,446,600	12,591,500	11,946,671	644,829
Economic development	4,034,500	4,080,900	2,229,134	1,851,766
Engineering	3,040,800	3,184,300	2,823,273	361,027
Total development services	<u>19,521,900</u>	<u>19,856,700</u>	<u>16,999,078</u>	<u>2,857,622</u>
Capital outlay	126,951,400	129,446,700	42,301,964	87,144,736
Debt service:				
Principal retirement	381,418	381,418	406,627	(25,209)
Interest and fiscal charges			271	(271)
Total debt service	<u>381,418</u>	<u>381,418</u>	<u>406,898</u>	<u>(25,480)</u>
Total expenditures	<u>401,946,900</u>	<u>403,904,400</u>	<u>212,251,790</u>	<u>191,652,610</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(201,802,300)</u>	<u>(203,814,400)</u>	<u>66,189,926</u>	<u>270,004,326</u>
Other financing sources (uses)				
Transfers in	24,781,300	24,918,200	7,908,817	(17,009,383)
Transfers out	(47,353,900)	(47,365,400)	(24,862,875)	22,502,525
Sale of capital assets			506,292	506,292
Total other financing sources (uses)	<u>(22,572,600)</u>	<u>(22,447,200)</u>	<u>(16,447,766)</u>	<u>5,999,434</u>
Changes in fund balances	<u>(224,374,900)</u>	<u>(226,261,600)</u>	<u>49,742,160</u>	<u>276,003,760</u>
Fund balances, beginning of year	<u>225,124,900</u>	<u>225,124,900</u>	<u>253,144,403</u>	<u>28,019,503</u>
Fund balances, end of year	<u>\$ 750,000</u>	<u>\$ (1,136,700)</u>	<u>\$ 302,886,563</u>	<u>\$ 304,023,263</u>

City of Goodyear, Arizona
Notes to Required Supplementary Information
June 30, 2025

Note 1 – Budgetary Basis of Accounting

The City’s budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the following items:

- Present value of SBITAs payable payments is not budgeted at the inception of the agreement
- Certain activities reported in the General Fund are budgeted in separate funds.

The following schedule reconciles expenditures and fund balances at the end of year.

	<u>Beginning Fund Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Ending Fund Balance</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$255,184,478	\$280,142,255	\$218,788,453	\$304,699,439
SBITAs payable payments			(1,766,579)	
Activity budgeted as special revenue funds	<u>(2,040,075)</u>	<u>(1,700,539)</u>	<u>(4,770,084)</u>	<u>(1,812,876)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$253,144,403</u>	<u>\$278,441,716</u>	<u>\$212,251,790</u>	<u>\$302,886,563</u>

City of Goodyear, Arizona
Schedule of the Proportionate Share of the Net Pension Liability
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Proportion of the net pension (assets) liability	0.35%	0.32%	0.31%	0.28%	0.26%
Proportionate share of the net pension (assets) liability	\$ 56,146,082	\$ 51,571,883	\$ 50,184,300	\$ 37,024,641	\$ 45,605,133
Covered payroll	\$ 49,448,263	\$ 41,946,720	\$ 38,450,304	\$ 32,091,131	\$ 28,572,110
Proportionate share of the net pension (assets) liability as a percentage of its covered payroll	113.55%	122.95%	130.52%	115.37%	159.61%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	75.47%	74.26%	78.58%	69.33%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Proportion of the net pension (assets) liability	0.25%	0.27%	0.24%	0.24%	0.24%
Proportionate share of the net pension (assets) liability	\$ 37,050,173	\$ 37,221,762	\$ 37,471,443	\$ 39,085,443	\$ 36,986,742
Covered payroll	\$ 26,747,686	\$ 25,325,110	\$ 23,806,419	\$ 22,599,315	\$ 21,761,494
Proportionate share of the net pension (assets) liability as a percentage of its covered payroll	138.52%	146.98%	157.40%	172.95%	169.96%
Plan fiduciary net position as a percentage of the total pension liability	73.24%	73.40%	69.92%	67.06%	68.35%

City of Goodyear, Arizona
Schedule of the Proportionate Share of the Net OPEB Liability
Health Insurance Premium Benefit
Arizona State Retirement System
Last Eight Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Proportion of the net OPEB (asset)	0.36%	0.32%	0.31%	0.28%	0.26%
Proportionate share of the net OPEB (asset)	\$ (2,161,687)	\$ (1,750,444)	\$ (1,747,907)	\$ (1,400,236)	\$ (190,345)
Covered payroll	\$ 49,448,263	\$ 41,946,720	\$ 38,450,304	\$ 32,091,131	\$ 28,572,110
Proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-4.37%	-4.17%	-4.55%	-4.36%	-0.67%
Plan fiduciary net position as a percentage of the total OPEB liability	137.51%	134.37%	137.79%	130.24%	104.33%
	<u>2020</u>	<u>2019</u>	<u>2018</u>		
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017		
Proportion of the net OPEB (asset)	0.26%	0.27%	0.24%		
Proportionate share of the net OPEB (asset)	\$ (71,968)	\$ (97,837)	\$ (132,414)		
Covered payroll	\$ 26,747,686	\$ 25,325,110	\$ 23,806,419		
Proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.27%	-0.39%	-0.56%		
Plan fiduciary net position as a percentage of the total OPEB liability	101.62%	102.20%	103.57%		

NOTE: The OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

City of Goodyear, Arizona
Schedule of the Proportionate Share of the Net OPEB Liability
Long-Term Disability
Arizona State Retirement System
Last Eight Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Proportion of the net OPEB (asset)	0.36%	0.32%	0.31%	0.28%	0.26%
Proportionate share of the net OPEB (asset)	\$ 9,241	\$ 42,052	\$ 28,587	\$ 58,752	\$ 202,049
Covered payroll	\$ 49,448,263	\$ 41,946,720	\$ 38,450,304	\$ 32,091,131	\$ 28,572,110
Proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.02%	0.10%	0.07%	0.18%	0.71%
Plan fiduciary net position as a percentage of the total OPEB liability	98.77%	93.70%	95.40%	90.38%	68.01%

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017
Proportion of the net OPEB (asset)	0.26%	0.27%	0.24%
Proportionate share of the net OPEB (asset)	\$ 168,210	\$ 139,754	\$ 87,433
Covered payroll	\$ 26,747,686	\$ 25,325,110	\$ 23,806,419
Proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.63%	0.55%	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	72.85%	77.83%	84.44%

NOTE: The OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

City of Goodyear, Arizona
Schedule of Changes in the Net Pension Liability and Related Ratios
Public Safety Personnel Retirement System - Police
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total pension liability				
Service cost	\$ 2,159,013	\$ 2,156,220	\$ 2,160,730	\$ 2,208,847
Interest	5,839,163	5,369,439	4,963,351	4,586,569
Changes of benefit terms				
Differences between expected and actual experience	7,176,622	1,978,874	1,666,085	641,214
Changes of assumptions or other inputs			466,330	
Benefit payments, including refunds of employee contributions	<u>(3,338,846)</u>	<u>(2,627,911)</u>	<u>(2,707,211)</u>	<u>(1,747,026)</u>
Net change in total pension liability	11,835,952	6,876,622	6,549,285	5,689,604
Total pension liability—beginning	<u>80,609,894</u>	<u>73,733,272</u>	<u>67,183,987</u>	<u>61,494,383</u>
Total pension liability—ending	<u><u>\$ 92,445,846</u></u>	<u><u>\$ 80,609,894</u></u>	<u><u>\$ 73,733,272</u></u>	<u><u>\$ 67,183,987</u></u>
Plan fiduciary net position				
Contributions—employer	\$ 4,276,825	\$ 3,547,221	\$ 4,835,709	\$ 14,918,307
Contributions—employee	778,090	814,839	802,568	819,075
Net investment income	7,510,622	5,078,423	(2,603,517)	11,521,830
Benefit payments, including refunds of employee contributions	(3,338,846)	(2,627,911)	(2,707,211)	(1,747,026)
Hall/Parker settlement				
Administrative expense	(39,479)	(30,556)	(46,953)	(53,304)
Other changes		(33,892)		
Net change in plan fiduciary net position	9,187,212	6,748,124	280,596	25,458,882
Plan fiduciary net position—beginning	69,995,592	63,247,468	62,966,872	37,507,990
Adjustment to beginning of year				
Plan fiduciary net position—ending	<u><u>\$ 79,182,804</u></u>	<u><u>\$ 69,995,592</u></u>	<u><u>\$ 63,247,468</u></u>	<u><u>\$ 62,966,872</u></u>
Net pension (assets) liability—ending	<u><u>\$ 13,263,042</u></u>	<u><u>\$ 10,614,302</u></u>	<u><u>\$ 10,485,804</u></u>	<u><u>\$ 4,217,115</u></u>
Plan fiduciary net position as a percentage of the total pension liability	85.65%	86.83%	85.78%	93.72%
Covered payroll	\$ 10,391,708	\$ 12,433,902	\$ 13,130,356	\$ 8,656,917
Net pension (assets) liability as a percentage of covered payroll	127.63%	85.37%	79.86%	48.71%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
\$ 2,269,992	\$ 2,184,422	\$ 2,123,570	\$ 1,914,605	\$ 1,437,416	\$ 1,278,133
4,141,357	3,834,071	3,331,300	2,971,515	2,477,882	2,301,498
			456,529	3,357,342	
1,426,978	(759,999)	1,802,331	494,534	389,465	(159,382)
	1,323,823		824,808	1,580,891	
<u>(1,609,732)</u>	<u>(1,887,751)</u>	<u>(1,283,523)</u>	<u>(1,454,686)</u>	<u>(1,398,856)</u>	<u>(1,107,068)</u>
6,228,595	4,694,566	5,973,678	5,207,305	7,844,140	2,313,181
55,265,788	50,571,222	44,597,544	39,390,239	31,546,099	29,232,918
<u>\$ 61,494,383</u>	<u>\$ 55,265,788</u>	<u>\$ 50,571,222</u>	<u>\$ 44,597,544</u>	<u>\$ 39,390,239</u>	<u>\$ 31,546,099</u>
\$ 2,900,958	\$ 3,042,548	\$ 3,953,950	\$ 1,633,633	\$ 1,597,875	\$ 1,173,950
870,194	785,605	947,565	930,370	885,129	768,858
479,482	1,784,598	1,918,567	2,810,340	130,212	739,152
(1,609,732)	(1,887,751)	(1,283,523)	(1,454,686)	(1,398,856)	(1,107,068)
(39,094)	(32,005)	(29,900)	(25,267)	(19,137)	(18,421)
17,383		66,475	333,337	167,861	(57,781)
<u>2,619,191</u>	<u>3,692,995</u>	<u>4,437,153</u>	<u>4,227,727</u>	<u>1,363,084</u>	<u>1,498,690</u>
34,888,797	31,210,198	26,773,045	22,545,318	21,182,234	19,683,544
2	(14,396)				
<u>\$ 37,507,990</u>	<u>\$ 34,888,797</u>	<u>\$ 31,210,198</u>	<u>\$ 26,773,045</u>	<u>\$ 22,545,318</u>	<u>\$ 21,182,234</u>
<u>\$ 23,986,393</u>	<u>\$ 20,376,991</u>	<u>\$ 19,361,024</u>	<u>\$ 17,824,499</u>	<u>\$ 16,844,921</u>	<u>\$ 10,363,865</u>
60.99%	63.13%	61.72%	60.03%	57.24%	67.15%
\$ 9,220,411	\$ 9,600,397	\$ 9,388,019	\$ 8,331,614	\$ 7,375,148	\$ 7,012,489
260.14%	212.25%	206.23%	213.94%	228.40%	147.79%

City of Goodyear, Arizona
Schedule of Changes in the Net Pension Liability and Related Ratios
Public Safety Personnel Retirement System - Fire
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total pension liability				
Service cost	\$ 2,313,474	\$ 2,272,405	\$ 2,111,855	\$ 1,944,759
Interest	5,830,904	5,357,563	5,179,449	4,652,630
Changes of benefit terms				
Differences between expected and actual experience	8,829,814	1,168,120	(2,181,718)	1,925,481
Changes of assumptions or other inputs			230,953	
Benefit payments, including refunds of employee contributions	(2,158,695)	(2,371,246)	(1,712,464)	(1,234,072)
Net change in total pension liability	<u>14,815,497</u>	<u>6,426,842</u>	<u>3,628,075</u>	<u>7,288,798</u>
Total pension liability—beginning	<u>79,750,651</u>	<u>73,323,809</u>	<u>69,695,734</u>	<u>62,406,936</u>
Total pension liability—ending	<u>\$ 94,566,148</u>	<u>\$ 79,750,651</u>	<u>\$ 73,323,809</u>	<u>\$ 69,695,734</u>
Plan fiduciary net position				
Contributions—employer	\$ 3,685,949	\$ 3,918,794	\$ 5,297,887	\$ 14,569,689
Contributions—employee	785,405	949,254	737,175	693,071
Net investment income	8,167,920	5,584,240	(2,804,823)	12,513,461
Benefit payments, including refunds of employee contributions	(2,158,695)	(2,371,246)	(1,712,464)	(1,234,072)
Hall/Parker settlement				
Administrative expense	(34,881)	(23,501)	(50,581)	(58,006)
Other changes		(191,822)		
Net change in plan fiduciary net position	<u>10,445,698</u>	<u>7,865,719</u>	<u>1,467,194</u>	<u>26,484,143</u>
Plan fiduciary net position—beginning	<u>77,104,028</u>	<u>69,238,309</u>	<u>67,766,592</u>	<u>41,282,449</u>
Adjustment to beginning of year			4,523	
Plan fiduciary net position—ending	<u>\$ 87,549,726</u>	<u>\$ 77,104,028</u>	<u>\$ 69,238,309</u>	<u>\$ 67,766,592</u>
Net pension (assets) liability—ending	<u>\$ 7,016,422</u>	<u>\$ 2,646,623</u>	<u>\$ 4,085,500</u>	<u>\$ 1,929,142</u>
Plan fiduciary net position as a percentage of the total pension liability	92.58%	96.68%	94.43%	97.23%
Covered payroll	\$ 10,611,621	\$ 11,934,516	\$ 12,175,244	\$ 8,629,914
Net pension (assets) liability as a percentage of covered payroll	66.12%	22.18%	33.56%	22.35%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
\$ 1,996,708	\$ 1,979,628	\$ 2,044,963	\$ 1,819,328	\$ 1,558,056	\$ 1,409,380
4,060,626	3,813,916	3,111,423	2,846,014	2,121,084	1,822,450
			208,024	4,046,976	
3,164,096	(2,153,410)	4,118,805	(389,024)	1,915,498	1,030,908
	1,175,572		222,373	1,632,401	
(885,597)	(608,760)	(869,611)	(570,665)	(385,270)	(680,367)
8,335,833	4,206,946	8,405,580	4,136,050	10,888,745	3,582,371
54,071,103	49,864,157	41,458,577	37,322,527	26,433,782	22,851,411
<u>\$ 62,406,936</u>	<u>\$ 54,071,103</u>	<u>\$ 49,864,157</u>	<u>\$ 41,458,577</u>	<u>\$ 37,322,527</u>	<u>\$ 26,433,782</u>
\$ 2,448,698	\$ 2,107,184	\$ 3,893,514	\$ 1,153,600	\$ 1,173,975	\$ 968,726
668,206	598,158	905,341	1,109,821	992,221	848,048
531,059	1,962,666	2,135,563	3,112,669	141,788	791,715
(885,597)	(608,760)	(869,611)	(570,665)	(385,270)	(680,367)
(43,297)	(35,097)	(1,424,092)	(27,942)	(20,803)	(19,707)
		(33,203)	(27,942)	(20,803)	(19,707)
		53,121	301	278,213	304,136
2,719,069	4,024,151	4,660,633	4,777,784	2,180,124	2,212,551
38,563,377	34,551,812	29,891,179	25,113,395	22,933,271	20,720,720
3	(12,586)				
<u>\$ 41,282,449</u>	<u>\$ 38,563,377</u>	<u>\$ 34,551,812</u>	<u>\$ 29,891,179</u>	<u>\$ 25,113,395</u>	<u>\$ 22,933,271</u>
<u>\$ 21,124,487</u>	<u>\$ 15,507,726</u>	<u>\$ 15,312,345</u>	<u>\$ 11,567,398</u>	<u>\$ 12,209,132</u>	<u>\$ 3,500,511</u>
66.15%	71.32%	69.29%	72.10%	67.29%	86.76%
\$ 8,191,627	\$ 8,445,713	\$ 8,787,982	\$ 8,028,810	\$ 8,217,597	\$ 7,822,842
257.88%	183.62%	174.24%	144.07%	148.57%	44.75%

City of Goodyear, Arizona
Schedule of Changes in the Net OPEB Liability and Related Ratios
Public Safety Personnel Retirement System - Police
Last Eight Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total OPEB liability				
Service cost	\$ 30,446	\$ 31,883	\$ 34,460	\$ 37,876
Interest	70,899	59,219	59,020	55,315
Changes of benefit terms				
Differences between expected and actual experience	(1,047)	97,886	(77,491)	(23,230)
Changes of assumptions or other inputs			18,933	
Benefit payments	(30,023)	(20,622)	(16,101)	(15,483)
Net change in total pension liability	70,275	168,366	18,821	54,478
Total OPEB liability—beginning	969,274	800,908	782,087	727,609
Total OPEB liability—ending	<u>\$ 1,039,549</u>	<u>\$ 969,274</u>	<u>\$ 800,908</u>	<u>\$ 782,087</u>
Plan fiduciary net position				
Contributions—employer	\$ 14,773	\$ 3,656	\$ 5,364	\$ 21,141
Contributions—employee				
Net investment income	129,232	92,679	(50,570)	277,240
Benefit payments	(30,023)	(20,622)	(16,101)	(15,483)
Administrative expense	(607)	(590)	(900)	(1,140)
Other changes				
Net change in plan fiduciary net position	113,375	75,123	(62,207)	281,758
Plan fiduciary net position—beginning	1,303,058	1,227,935	1,290,142	1,008,384
Adjustment to beginning of year				
Plan fiduciary net position—ending	<u>\$ 1,416,433</u>	<u>\$ 1,303,058</u>	<u>\$ 1,227,935</u>	<u>\$ 1,290,142</u>
Net OPEB (assets) liability—ending	<u>\$ (376,884)</u>	<u>\$ (333,784)</u>	<u>\$ (427,027)</u>	<u>\$ (508,055)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	136.25%	134.44%	153.32%	164.96%
Covered payroll	\$ 10,391,708	\$ 12,433,902	\$ 13,130,356	\$ 8,656,917
Net OPEB (assets) liability as a percentage of covered payroll	(3.63)%	(2.68)%	(3.25)%	(5.87)%

NOTE: The OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
\$ 40,698	\$ 27,225	\$ 30,980	\$ 27,494
57,502	64,999	57,711	57,481
			3,790
(103,246)	(210,833)	11,892	4,452
	14,776		(66,210)
(7,405)	(14,484)	(13,196)	(17,372)
(12,451)	(118,317)	87,387	9,635
740,060	858,377	770,990	761,355
<u>\$ 727,609</u>	<u>\$ 740,060</u>	<u>\$ 858,377</u>	<u>\$ 770,990</u>
\$ 28,426	\$ 30,174	\$ 17,033	\$ 30,113
12,337	48,982	58,322	87,559
(7,405)	(14,484)	(13,196)	(17,372)
(1,003)	(846)	(888)	(774)
		1	
32,355	63,826	61,272	99,526
976,029	897,807	836,535	737,009
	14,396		
<u>\$ 1,008,384</u>	<u>\$ 976,029</u>	<u>\$ 897,807</u>	<u>\$ 836,535</u>
<u>\$ (280,775)</u>	<u>\$ (235,969)</u>	<u>\$ (39,430)</u>	<u>\$ (65,545)</u>
138.59%	131.89%	104.59%	108.50%
\$ 9,220,411	\$ 9,600,397	\$ 9,388,019	\$ 8,331,614
(3.05)%	(2.46)%	(0.42)%	(0.79)%

City of Goodyear, Arizona
Schedule of Changes in the Net OPEB Liability and Related Ratios
Public Safety Personnel Retirement System - Fire
Last Eight Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total OPEB liability				
Service cost	\$ 31,858	\$ 31,665	\$ 29,653	\$ 30,073
Interest	68,984	65,442	63,946	61,078
Changes of benefit terms				
Differences between expected and actual experience	(36,721)	(38,631)	(54,317)	(38,999)
Changes of assumptions or other inputs			2,462	
Benefit payments	(12,057)	(6,911)	(14,694)	(10,196)
Net change in total pension liability	52,064	51,565	27,050	41,956
Total OPEB liability—beginning	932,279	880,714	853,664	811,708
Total OPEB liability—ending	<u>\$ 984,343</u>	<u>\$ 932,279</u>	<u>\$ 880,714</u>	<u>\$ 853,664</u>
Plan fiduciary net position				
Contributions—employer	\$ 35,502	\$ 22,844	\$ 29,367	\$ 33,001
Contributions—employee				
Net investment income	107,420	74,817	(39,843)	213,971
Benefit payments	(12,057)	(6,911)	(14,694)	(10,196)
Administrative expense	(406)	(326)	(709)	(880)
Other changes				
Net change in plan fiduciary net position	130,459	90,424	(25,879)	235,896
Plan fiduciary net position—beginning	1,083,252	992,828	1,018,707	782,811
Adjustment to beginning of year				
Plan fiduciary net position—ending	<u>\$ 1,213,711</u>	<u>\$ 1,083,252</u>	<u>\$ 992,828</u>	<u>\$ 1,018,707</u>
Net OPEB (assets) liability—ending	<u>\$ (229,368)</u>	<u>\$ (150,973)</u>	<u>\$ (112,114)</u>	<u>\$ (165,043)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	123.30%	116.19%	112.73%	119.33%
Covered payroll	\$ 10,611,621	\$ 11,934,516	\$ 12,175,244	\$ 8,629,914
Net OPEB (assets) liability as a percentage of covered payroll	(2.16)%	(1.27)%	(0.92)%	(1.91)%

NOTE: The OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
\$ 31,919	\$ 19,334	\$ 22,849	\$ 20,875
60,500	62,411	57,087	58,459
			375
(61,104)	(124,547)	2,063	21,035
	15,548		(94,084)
(10,499)	(11,820)	(24,100)	(7,230)
20,816	(39,074)	57,899	(570)
790,892	829,966	772,067	772,637
<u>\$ 811,708</u>	<u>\$ 790,892</u>	<u>\$ 829,966</u>	<u>\$ 772,067</u>
\$ 26,821	\$ 28,091	\$ 22,840	\$ 31,049
9,500	37,808	44,799	66,973
(10,499)	(11,820)	(24,100)	(7,230)
(773)	(653)	(682)	(593)
		1	
25,049	53,426	42,858	90,199
757,762	691,751	648,893	558,694
	12,585		
<u>\$ 782,811</u>	<u>\$ 757,762</u>	<u>\$ 691,751</u>	<u>\$ 648,893</u>
<u>\$ 28,897</u>	<u>\$ 33,130</u>	<u>\$ 138,215</u>	<u>\$ 123,174</u>
96.44%	95.81%	83.35%	84.05%
\$ 8,191,627	\$ 8,445,713	\$ 8,787,982	\$ 8,028,810
0.35%	0.39%	1.57%	1.53%

City of Goodyear, Arizona
Schedule of Pension Contributions
All Pension Plans
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Arizona State Retirement System:				
Actuarially determined contribution	\$ 6,721,147	\$ 5,948,626	\$ 5,000,049	\$ 4,413,873
Contributions in relation to the actuarially determined contribution	6,721,147	5,948,626	5,000,049	4,413,873
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered payroll	\$ 55,777,154	\$ 49,448,263	\$ 41,946,720	\$ 38,450,304
Contributions as a percentage of covered payroll	12.05%	12.03%	11.92%	11.48%
Public Safety Personnel Retirement System - Police:				
Actuarially determined contribution	\$ 2,570,881	\$ 2,415,033	\$ 2,928,518	\$ 3,492,704
Contributions in relation to the actuarially determined contribution	3,590,314	3,961,170	3,918,241	5,061,277
Contribution deficiency (excess)	<u>\$ (1,019,433)</u>	<u>\$ (1,546,137)</u>	<u>\$ (989,723)</u>	<u>\$ (1,568,573)</u>
Covered payroll	\$ 10,667,556	\$ 10,391,708	\$ 12,433,902	\$ 13,130,356
Contributions as a percentage of covered payroll	24.10%	23.24%	23.55%	26.60%
Public Safety Personnel Retirement System - Fire:				
Actuarially determined contribution	\$ 1,922,618	\$ 2,016,208	\$ 2,308,570	\$ 2,941,811
Contributions in relation to the actuarially determined contribution	2,784,920	2,789,185	3,880,738	5,101,975
Contribution deficiency (excess)	<u>\$ (862,302)</u>	<u>\$ (772,977)</u>	<u>\$ (1,572,168)</u>	<u>\$ (2,160,164)</u>
Covered payroll	\$ 10,529,124	\$ 10,611,621	\$ 11,934,516	\$ 12,175,244
Contributions as a percentage of covered payroll	18.26%	19.00%	19.34%	24.16%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 3,690,370	\$ 3,294,032	\$ 3,002,190	\$ 2,760,437	\$ 2,566,332	\$ 2,452,025
<u>3,690,370</u>	<u>3,294,032</u>	<u>3,002,190</u>	<u>2,760,437</u>	<u>2,566,332</u>	<u>2,452,025</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 32,091,131	\$ 28,572,110	\$ 26,747,686	\$ 25,325,110	\$ 23,806,419	\$ 22,599,315
11.50%	11.53%	11.22%	10.90%	10.78%	10.85%
\$ 2,918,307	\$ 2,900,958	\$ 3,042,548	\$ 3,953,950	\$ 1,633,633	\$ 1,597,875
<u>14,918,307</u>	<u>2,900,958</u>	<u>3,042,548</u>	<u>3,953,950</u>	<u>1,633,633</u>	<u>1,597,875</u>
<u>\$ (12,000,000)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 8,656,917	\$ 9,220,411	\$ 9,600,397	\$ 9,388,019	\$ 8,331,614	\$ 7,375,148
33.71%	31.46%	31.69%	42.12%	19.61%	21.67%
\$ 2,569,689	\$ 2,448,698	\$ 2,107,184	\$ 3,893,514	\$ 1,153,600	\$ 1,173,975
<u>14,569,689</u>	<u>2,448,698</u>	<u>2,107,184</u>	<u>3,893,514</u>	<u>1,153,600</u>	<u>1,173,975</u>
<u>\$ (12,000,000)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 8,629,914	\$ 8,191,627	\$ 8,445,713	\$ 8,787,982	\$ 8,028,810	\$ 8,217,597
29.78%	29.89%	24.95%	44.30%	14.37%	14.29%

City of Goodyear, Arizona
Schedule of OPEB Contributions
All OPEB Plans
Last Eight Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
ASRS - Health Insurance Premium Benefit				
Actuarially determined contribution	\$ 39,043	\$ 54,393	\$ 39,214	\$ 77,178
Contributions in relation to the actuarially determined contribution	39,043	54,393	39,214	77,178
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered payroll	\$ 55,777,154	\$ 49,448,263	\$ 41,946,720	\$ 38,450,304
Contributions as a percentage of covered payroll	0.07%	0.11%	0.09%	0.20%
ASRS - Long-term Disability				
Actuarially determined contribution	\$ 83,666	\$ 74,172	\$ 49,908	\$ 69,828
Contributions in relation to the actuarially determined contribution	83,666	74,172	49,908	69,828
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered payroll	\$ 55,777,154	\$ 49,448,263	\$ 41,946,720	\$ 38,450,304
Contributions as a percentage of covered payroll	0.15%	0.15%	0.12%	0.18%
PSPRS Police - Health Insurance Premium Benefit				
Actuarially determined contribution	\$ 32,775	\$ 23,862	\$ 31,906	\$ 37,876
Contributions in relation to the actuarially determined contribution	32,775	23,862	31,906	37,876
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered payroll	\$ 10,667,556	\$ 10,391,708	\$ 12,433,902	\$ 13,130,356
Contributions as a percentage of covered payroll	0.31%	0.23%	0.26%	0.29%
PSPRS Fire - Health Insurance Premium Benefit				
Actuarially determined contribution	\$ 51,855	\$ 49,912	\$ 64,469	\$ 30,073
Contributions in relation to the actuarially determined contribution	51,855	49,912	64,469	30,073
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered payroll	\$ 10,529,124	\$ 10,611,621	\$ 11,934,516	\$ 12,175,244
Contributions as a percentage of covered payroll	0.49%	0.47%	0.54%	0.25%

NOTE: The OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 122,906	\$ 140,567	\$ 123,288	\$ 143,399
<u>122,906</u>	<u>140,567</u>	<u>123,288</u>	<u>143,399</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 32,091,131	\$ 28,572,110	\$ 26,747,686	\$ 25,325,110
0.38%	0.49%	0.46%	0.57%
\$ 56,856	\$ 48,822	\$ 42,908	\$ 40,972
<u>56,856</u>	<u>48,822</u>	<u>42,908</u>	<u>40,972</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 32,091,131	\$ 28,572,110	\$ 26,747,686	\$ 25,325,110
0.18%	0.17%	0.16%	0.16%
\$ 21,141	\$ 28,426	\$ 30,174	\$ 17,033
<u>21,141</u>	<u>28,426</u>	<u>30,174</u>	<u>17,033</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 8,656,917	\$ 9,220,411	\$ 9,600,397	\$ 9,388,019
0.24%	0.31%	0.31%	0.18%
\$ 33,001	\$ 26,821	\$ 28,091	\$ 22,840
<u>33,001</u>	<u>26,821</u>	<u>28,091</u>	<u>22,840</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 8,629,914	\$ 8,191,627	\$ 8,445,713	\$ 8,787,982
0.38%	0.33%	0.33%	0.26%

City of Goodyear, Arizona
Schedule of Changes in the Net OPEB Liability and Related Ratios
Other Postemployment Benefits Plan
Fiscal Year June 30, 2025

2025

Measurement date	June 30, 2025
Total OPEB liability	
Service cost	\$ 2,110,033
Interest	1,367,315
Changes of benefit terms	
Differences between expected and actual experience	
Changes of assumptions or other inputs	(4,269,826)
Benefit payments, including refunds of employee contributions	<u>(500,531)</u>
Net change in total OPEB liability	<u>(1,293,009)</u>
Total OPEB liability—beginning	<u>32,665,984</u>
Total OPEB liability—ending	<u><u>\$ 31,372,975</u></u>
Plan fiduciary net position	
Contributions—employer	\$ 3,582,000
Contributions—employee	83,995
Net investment income	492
Benefit payments, including refunds of employee contributions	(182,600)
Administrative expense	
Other	
Net change in plan fiduciary net position	<u>3,483,887</u>
Plan fiduciary net position—beginning	<u> </u>
Plan fiduciary net position—ending	<u><u>\$ 3,483,887</u></u>
Net OPEB (assets) liability—ending	<u><u>\$ 27,889,088</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	11.10%
Covered payroll	\$ 71,962,400
Net OPEB (assets) liability as a percentage of covered payroll	38.76%

Schedule of OPEB Contributions
Other Postemployment Benefits Plan
Fiscal Year June 30, 2025

2025

Actuarially determined contribution	\$ 3,582,000
Contributions in relation to the actuarially determined contribution	<u>3,582,000</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
City's covered payroll	\$ 71,962,400
Contributions as a percentage of covered payroll	4.98%

NOTE: The OPEB schedules in the required supplementary information are intended to show information for ten years, and additional information will be displayed as it becomes available.

City of Goodyear, Arizona
Required Supplementary Information
Notes to Pension/OPEB Plan Schedules
June 30, 2025

Note 1 – Pension Plan Schedules

Actuarial Assumptions for Valuations Performed. The actuarial assumptions used in the June 30, 2023 valuation for ASRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

The actuarial assumptions used in the June 30, 2024 valuation for PSPRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2021. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The PSPRS Board adopted the experience study recommended changes which were applied to the June 30, 2022 actuarial valuation.

For the stand alone OPEB plan, actuarial assumptions used were disclosed in the notes to the financial statements.

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

**Supplementary Information
Budgetary Comparison Schedules
Major Governmental Funds**

Capital Projects Funds

- **Non-Utility Development Impact Fees Fund** – This fund accounts for the receipt and expenditure of development impact or expansion fees for all governmental activities.
- **GO Bonds Fund** – This fund accounts for the proceeds and interest of the sale of voter-approved general obligation bonds that are used for authorized improvements.

Debt Service Funds

- **McDowell Road Commercial Corridor ID Fund** – This fund accounts for the debt portion of the McDowell Road Improvement District.
- **Community Facilities Districts Fund** – This fund accounts for the debt portion of the City's Community Facilities Districts, which are component units that provide general infrastructure and capital assets for property within each District's boundaries.

City of Goodyear, Arizona
Non-Utility Development Impact Fees
Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$ 8,154,900	\$ 8,154,900	\$ 17,792,964	\$ 9,638,064
Charges for services	10,260,400	10,260,400	11,878,160	1,617,760
Investment income			7,208,769	7,208,769
Total revenues	<u>18,415,300</u>	<u>18,415,300</u>	<u>36,879,893</u>	<u>18,464,593</u>
Expenditures				
Current:				
General government	55,100	70,000	2,792	67,208
Public safety	19,400	19,400	21	19,379
Culture and recreation	25,400	25,400		25,400
Capital outlay	<u>44,985,400</u>	<u>38,788,400</u>	<u>7,486,722</u>	<u>31,301,678</u>
Total expenditures	<u>45,085,300</u>	<u>38,903,200</u>	<u>7,489,535</u>	<u>31,413,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(26,670,000)</u>	<u>(20,487,900)</u>	<u>29,390,358</u>	<u>49,878,258</u>
Other financing sources (uses)				
Transfers in	3,731,500	3,731,500		(3,731,500)
Transfers out	<u>(3,731,500)</u>	<u>(3,731,500)</u>		<u>3,731,500</u>
Total other financing sources (uses)				
Changes in fund balances	<u>(26,670,000)</u>	<u>(20,487,900)</u>	<u>29,390,358</u>	<u>49,878,258</u>
Fund balances, beginning of year	<u>103,665,500</u>	<u>103,665,500</u>	<u>116,167,515</u>	<u>12,502,015</u>
Fund balances, end of year	<u>\$ 76,995,500</u>	<u>\$ 83,177,600</u>	<u>\$ 145,557,873</u>	<u>\$ 62,380,273</u>

City of Goodyear, Arizona
GO Bonds
Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$	\$	\$ 725,289	\$ 725,289
Contributions				
Other revenues	<u>15,000,000</u>	<u>7,993,200</u>	<u></u>	<u>(7,993,200)</u>
Total revenues	<u>15,000,000</u>	<u>7,993,200</u>	<u>725,289</u>	<u>(7,267,911)</u>
Expenditures				
Current:				
Public safety		6,700	6,699	1
Capital outlay	<u>50,911,100</u>	<u>48,423,800</u>	<u>15,755,722</u>	<u>32,668,078</u>
Total expenditures	<u>50,911,100</u>	<u>48,430,500</u>	<u>15,762,421</u>	<u>32,668,079</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,911,100)</u>	<u>(40,437,300)</u>	<u>(15,037,132)</u>	<u>25,400,168</u>
Other financing sources (uses)				
Debt issuance	<u>104,716,500</u>	<u>104,716,500</u>	<u></u>	<u>(104,716,500)</u>
Total other financing sources (uses)	<u>104,716,500</u>	<u>104,716,500</u>	<u></u>	<u>(104,716,500)</u>
Changes in fund balances	<u>68,805,400</u>	<u>64,279,200</u>	<u>(15,037,132)</u>	<u>(79,316,332)</u>
Fund balances, beginning of year	<u>15,442,000</u>	<u>15,442,000</u>	<u>15,590,434</u>	<u>148,434</u>
Fund balances, end of year	<u>\$ 84,247,400</u>	<u>\$ 79,721,200</u>	<u>\$ 553,302</u>	<u>\$ (79,167,898)</u>

City of Goodyear, Arizona
McDowell Road Commercial Corridor ID
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$	\$	4,881	4,881
Special assessments	3,804,900	3,804,900	3,279,149	(525,751)
Total revenues	<u>3,804,900</u>	<u>3,804,900</u>	<u>3,284,030</u>	<u>(520,870)</u>
Expenditures				
Debt service:				
Principal retirement	3,325,000	3,325,000	2,830,000	495,000
Interest and fiscal charges	480,900	480,900	476,585	4,315
Total expenditures	<u>3,805,900</u>	<u>3,805,900</u>	<u>3,306,585</u>	<u>499,315</u>
Changes in fund balances	<u>(1,000)</u>	<u>(1,000)</u>	<u>(22,555)</u>	<u>(21,555)</u>
Fund balances, beginning of year	<u>168,700</u>	<u>168,700</u>	<u>187,029</u>	<u>18,329</u>
Fund balances, end of year	<u>\$ 167,700</u>	<u>\$ 167,700</u>	<u>\$ 164,474</u>	<u>\$ (3,226)</u>

City of Goodyear, Arizona
Community Facilities Districts
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 7,325,700	\$ 7,325,700	\$ 7,310,384	\$ (15,316)
Investment income	700	700	120,016	119,316
Special assessments	2,509,400	2,509,400	2,507,552	(1,848)
Total revenues	<u>9,835,800</u>	<u>9,835,800</u>	<u>9,937,952</u>	<u>102,152</u>
Expenditures				
Debt service:				
Principal retirement	6,757,000	6,757,000	6,786,000	(29,000)
Interest and fiscal charges	5,524,700	5,524,700	2,865,078	2,659,622
Total expenditures	<u>12,281,700</u>	<u>12,281,700</u>	<u>9,651,078</u>	<u>2,630,622</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,445,900)</u>	<u>(2,445,900)</u>	<u>286,874</u>	<u>2,732,774</u>
Other financing sources (uses)				
Transfers in			60,050	60,050
Total other financing sources (uses)			<u>60,050</u>	<u>60,050</u>
Changes in fund balances	<u>(2,445,900)</u>	<u>(2,445,900)</u>	<u>346,924</u>	<u>2,792,824</u>
Fund balances, beginning of year	<u>2,445,900</u>	<u>2,445,900</u>	<u>2,735,978</u>	<u>290,078</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 3,082,902</u>	<u>\$ 3,082,902</u>

**Supplementary Information
Combining Statements
And Budgetary Comparison Schedules
Non-Major Governmental Funds**

Special Revenue Funds

- **Highway User Revenue Fund (HURF)** – Funded through fuel taxes distributed from the State of Arizona
- **Community Facilities Districts** – CFDs represent special districts formed for the purpose of financing the acquisition, construction, operation, and maintenance of the public infrastructure benefiting the community.
- **Office of Tourism Prop 302** – Used to account for restricted funds to support Maricopa County tourism, marketing, and promotion.
- **Grants Fund** – Based on applications to granting agencies by the City and availability of funding by grantors.
- **Ball Park Fund** – Used to account for the activities of the City’s ball park operations.
- **Ambulance** – This fund accounts for the charges and operations of ambulance services within the City.

Debt Service Funds

- **Debt Service Fund** – This fund was established for the accumulation of resources and the servicing of long-term debt not being financed by the proprietary funds. Revenues are generated from the property tax levy sufficient to meet the debt service requirements.

City of Goodyear, Arizona
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			
	Highway User	Community	Office of Tourism	Grants
	Revenue	Facilities Districts	Prop 302	
Assets				
Cash and investments	\$ 117,407	\$ 8,772,567	\$ 94,105	\$ 179,711
Receivables:				
Taxes		25,294		
Accounts		495		
Intergovernmental	741,366			163,604
Inventories	1,482,928			
Restricted cash and investments				
Total assets	\$ 2,341,701	\$ 8,798,356	\$ 94,105	\$ 343,315
Liabilities				
Accounts payable	\$ 433,040	\$ 12,217	\$ 168,299	\$ 20,107
Accrued wages and benefits	60,717			
Deposits held	190,208			
Due to other funds				263,454
Unearned revenue	62,093			
Total liabilities	746,058	12,217	168,299	283,561
Deferred inflows of resources				
Unavailable revenues - property taxes				
Unavailable revenues - intergovernmental				11,705
Unavailable revenues - other				
Total deferred inflows of resources				11,705
Fund balances (deficits)				
Nonspendable	1,482,928			
Restricted	112,715	8,786,139		48,049
Committed				
Unassigned			(74,194)	
Total fund balances (deficits)	1,595,643	8,786,139	(74,194)	48,049
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 2,341,701	\$ 8,798,356	\$ 94,105	\$ 343,315

<u>Special Revenue</u>			Total Non-Major
Ball Park Special			Governmental
<u>Revenue</u>	<u>Ambulance</u>	<u>Debt Service</u>	<u>Funds</u>
\$ 3,760,020	\$	\$ 2,421,607	\$ 15,345,417
		130,368	155,662
17,300	1,154,390		1,172,185
			904,970
			1,482,928
374			374
<u>\$ 3,777,694</u>	<u>\$ 1,154,390</u>	<u>\$ 2,551,975</u>	<u>\$ 19,061,536</u>
\$ 357,456	\$ 24,471	\$	\$ 1,015,590
83,939	76,112		220,768
	286,399		190,208
			549,853
			62,093
<u>441,395</u>	<u>386,982</u>		<u>2,038,512</u>
		62,925	62,925
			11,705
	<u>360,669</u>		<u>360,669</u>
	<u>360,669</u>	<u>62,925</u>	<u>435,299</u>
			1,482,928
	406,739	2,489,050	11,842,692
3,336,299			3,336,299
			(74,194)
<u>3,336,299</u>	<u>406,739</u>	<u>2,489,050</u>	<u>16,587,725</u>
<u>\$ 3,777,694</u>	<u>\$ 1,154,390</u>	<u>\$ 2,551,975</u>	<u>\$ 19,061,536</u>

City of Goodyear, Arizona
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			
	Highway User Revenue	Community Facilities Districts	Office of Tourism Prop 302	Grants
Revenues				
Taxes	\$	\$ 2,530,578	\$	\$
Intergovernmental revenue	8,239,681		215,968	3,955,348
Charges for services				
Investment income	446,974			
Contributions				
Other revenues		23,532		
Total revenues	<u>8,686,655</u>	<u>2,554,110</u>	<u>215,968</u>	<u>3,955,348</u>
Expenditures				
Current:				
General government		1,122,786		2,177,017
Public safety				941,047
Highways and streets	11,813,272			500,000
Public works				3,105
Culture and recreation			211,032	31,638
Capital outlay	531,746			302,540
Debt service:				
Principal retirement				
Interest and fiscal charges				
Total expenditures	<u>12,345,018</u>	<u>1,122,786</u>	<u>211,032</u>	<u>3,955,347</u>
Excess (deficiency) of revenues over expenditures	<u>(3,658,363)</u>	<u>1,431,324</u>	<u>4,936</u>	<u>1</u>
Other financing sources (uses)				
Transfers in	3,658,363			
Transfers out		(60,050)		
Total other financing sources (uses)	<u>3,658,363</u>	<u>(60,050)</u>		
Changes in fund balances		<u>1,371,274</u>	<u>4,936</u>	<u>1</u>
Fund balances, beginning of year	<u>1,595,643</u>	<u>7,414,865</u>	<u>(79,130)</u>	<u>48,048</u>
Fund balances, end of year	<u>\$ 1,595,643</u>	<u>\$ 8,786,139</u>	<u>\$ (74,194)</u>	<u>\$ 48,049</u>

<u>Special Revenue</u>			Total Non-Major
Ball Park Special			Governmental
<u>Revenue</u>	<u>Ambulance</u>	<u>Debt Service</u>	<u>Funds</u>
\$	\$	\$ 12,801,140	\$ 15,331,718
			12,410,997
3,248,375	1,298,154		4,546,529
127,843		178,687	753,504
1,440,211			1,440,211
	18,685		42,217
<u>4,816,429</u>	<u>1,316,839</u>	<u>12,979,827</u>	<u>34,525,176</u>
			3,299,803
	2,767,397		3,708,444
			12,313,272
			3,105
7,948,442			8,191,112
2,404,035	2,088,103		5,326,424
7,755,000		7,757,328	15,512,328
2,243,847		3,683,775	5,927,622
<u>20,351,324</u>	<u>4,855,500</u>	<u>11,441,103</u>	<u>54,282,110</u>
<u>(15,534,895)</u>	<u>(3,538,661)</u>	<u>1,538,724</u>	<u>(19,756,934)</u>
14,886,205	3,538,661		22,083,229
			(60,050)
<u>14,886,205</u>	<u>3,538,661</u>		<u>22,023,179</u>
<u>(648,690)</u>		<u>1,538,724</u>	<u>2,266,245</u>
<u>3,984,989</u>	<u>406,739</u>	<u>950,326</u>	<u>14,321,480</u>
<u>\$ 3,336,299</u>	<u>\$ 406,739</u>	<u>\$ 2,489,050</u>	<u>\$ 16,587,725</u>

City of Goodyear, Arizona
Highway User Revenue
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenue	\$ 7,657,400	\$ 7,657,400	\$ 8,239,681	\$ 582,281
Investment income			446,974	446,974
Total revenues	<u>7,657,400</u>	<u>7,657,400</u>	<u>8,686,655</u>	<u>1,029,255</u>
Expenditures				
Current:				
Highways and streets	13,033,200	13,469,800	11,813,272	1,656,528
Capital outlay	<u>1,099,800</u>	<u>955,800</u>	<u>531,746</u>	<u>424,054</u>
Total expenditures	<u>14,133,000</u>	<u>14,425,600</u>	<u>12,345,018</u>	<u>2,080,582</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,475,600)</u>	<u>(6,768,200)</u>	<u>(3,658,363)</u>	<u>3,109,837</u>
Other financing sources (uses)				
Transfers in	<u>5,894,700</u>	<u>5,894,700</u>	<u>3,658,363</u>	<u>(2,236,337)</u>
Total other financing sources (uses)	<u>5,894,700</u>	<u>5,894,700</u>	<u>3,658,363</u>	<u>(2,236,337)</u>
Changes in fund balances	<u>(580,900)</u>	<u>(873,500)</u>		<u>873,500</u>
Fund balances, beginning of year	<u>580,900</u>	<u>580,900</u>	<u>1,595,643</u>	<u>1,014,743</u>
Fund balances, end of year	<u>\$</u>	<u>\$ (292,600)</u>	<u>\$ 1,595,643</u>	<u>\$ 1,888,243</u>

City of Goodyear, Arizona
Community Facilities District
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,570,300	\$ 2,570,300	\$ 2,530,578	\$ (39,722)
Investment income	7,900	7,900		(7,900)
Other revenues	110,600	110,600	23,532	(87,068)
Total revenues	<u>2,688,800</u>	<u>2,688,800</u>	<u>2,554,110</u>	<u>(134,690)</u>
Expenditures				
Current:				
General government	<u>10,784,900</u>	<u>10,784,900</u>	<u>1,122,786</u>	<u>9,662,114</u>
Total expenditures	<u>10,784,900</u>	<u>10,784,900</u>	<u>1,122,786</u>	<u>9,662,114</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,096,100)</u>	<u>(8,096,100)</u>	<u>1,431,324</u>	<u>9,527,424</u>
Other financing sources (uses)				
Transfers out	<u> </u>	<u> </u>	<u>(60,050)</u>	<u>(60,050)</u>
Total other financing sources (uses)	<u> </u>	<u> </u>	<u>(60,050)</u>	<u>(60,050)</u>
Changes in fund balances	<u>(8,096,100)</u>	<u>(8,096,100)</u>	<u>1,371,274</u>	<u>9,467,374</u>
Fund balances, beginning of year	<u>8,096,100</u>	<u>8,096,100</u>	<u>7,414,865</u>	<u>(681,235)</u>
Fund balances, end of year	<u>\$ </u>	<u>\$ </u>	<u>\$ 8,786,139</u>	<u>\$ 8,786,139</u>

City of Goodyear, Arizona
Office of Tourism Prop 302
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenue	\$ 300,000	\$ 300,000	\$ 215,968	\$ (84,032)
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>215,968</u>	<u>(84,032)</u>
Expenditures				
Current:				
Culture and recreation	300,000	300,000	211,032	88,968
Total expenditures	<u>300,000</u>	<u>300,000</u>	<u>211,032</u>	<u>88,968</u>
Changes in fund balances			4,936	4,936
Fund balances, beginning of year			(79,130)	(79,130)
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ (74,194)</u>	<u>\$ (74,194)</u>

City of Goodyear, Arizona
Grants
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenue	\$ 2,384,300	\$ 9,225,900	\$ 3,955,348	\$ (5,270,552)
Total revenues	<u>2,384,300</u>	<u>9,225,900</u>	<u>3,955,348</u>	<u>(5,270,552)</u>
Expenditures				
Current:				
General government	860,500	2,702,600	2,177,017	525,583
Public safety	850,900	1,710,300	941,047	769,253
Highways and streets	150,000	540,300	500,000	40,300
Public works		3,073,800	3,105	3,070,695
Culture and recreation		31,900	31,638	262
Capital outlay	<u>1,316,400</u>	<u>2,182,900</u>	<u>302,540</u>	<u>1,880,360</u>
Total expenditures	<u>3,177,800</u>	<u>10,241,800</u>	<u>3,955,347</u>	<u>6,286,453</u>
Changes in fund balances	<u>(793,500)</u>	<u>(1,015,900)</u>	<u>1</u>	<u>1,015,901</u>
Fund balances, beginning of year	<u>793,500</u>	<u>793,500</u>	<u>48,048</u>	<u>(745,452)</u>
Fund balances, end of year	<u>\$ _____</u>	<u>\$ (222,400)</u>	<u>\$ 48,049</u>	<u>\$ 270,449</u>

City of Goodyear, Arizona
Ball Park
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for services	\$ 2,267,500	\$ 2,267,500	\$ 3,248,375	\$ 980,875
Investment income			127,843	127,843
Contributions	1,550,000	1,550,000	1,440,211	(109,789)
Other revenues	<u>10,000</u>	<u>10,000</u>	<u> </u>	<u>(10,000)</u>
Total revenues	<u>3,827,500</u>	<u>3,827,500</u>	<u>4,816,429</u>	<u>988,929</u>
Expenditures				
Current:				
Culture and recreation	9,982,200	9,247,400	7,948,442	1,298,958
Capital outlay	5,173,300	5,049,200	2,404,035	2,645,165
Debt service:				
Principal retirement	7,755,000	7,755,000	7,755,000	
Interest and fiscal charges	<u>2,246,800</u>	<u>2,246,800</u>	<u>2,243,847</u>	<u>2,953</u>
Total expenditures	<u>25,157,300</u>	<u>24,298,400</u>	<u>20,351,324</u>	<u>3,947,076</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,329,800)</u>	<u>(20,470,900)</u>	<u>(15,534,895)</u>	<u>4,936,005</u>
Other financing sources (uses)				
Transfers in	<u>16,812,000</u>	<u>16,812,000</u>	<u>14,886,205</u>	<u>(1,925,795)</u>
Total other financing sources (uses)	<u>16,812,000</u>	<u>16,812,000</u>	<u>14,886,205</u>	<u>(1,925,795)</u>
Changes in fund balances	<u>(4,517,800)</u>	<u>(3,658,900)</u>	<u>(648,690)</u>	<u>3,010,210</u>
Fund balances, beginning of year	<u>4,517,800</u>	<u>4,517,800</u>	<u>3,984,989</u>	<u>(532,811)</u>
Fund balances, end of year	<u>\$ </u>	<u>\$ 858,900</u>	<u>\$ 3,336,299</u>	<u>\$ 2,477,399</u>

City of Goodyear, Arizona
Ambulance
Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 721,000	\$ 721,000	\$ 1,298,154	\$ 577,154
Other revenues			18,685	18,685
Total revenues	<u>721,000</u>	<u>721,000</u>	<u>1,316,839</u>	<u>595,839</u>
Expenditures				
Current:				
Public safety	4,080,500	4,080,500	2,767,397	1,313,103
Capital outlay	<u>2,117,900</u>	<u>2,117,900</u>	<u>2,088,103</u>	<u>29,797</u>
Total expenditures	<u>6,198,400</u>	<u>6,198,400</u>	<u>4,855,500</u>	<u>1,342,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,477,400)</u>	<u>(5,477,400)</u>	<u>(3,538,661)</u>	<u>1,938,739</u>
Other financing sources (uses)				
Transfers in	<u>5,477,400</u>	<u>5,477,400</u>	<u>3,538,661</u>	<u>(1,938,739)</u>
Total other financing sources (uses)	<u>5,477,400</u>	<u>5,477,400</u>	<u>3,538,661</u>	<u>(1,938,739)</u>
Changes in fund balances				
Fund balances, beginning of year			<u>406,739</u>	<u>406,739</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 406,739</u>	<u>\$ 406,739</u>

City of Goodyear, Arizona
Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 13,237,000	\$ 13,237,000	\$ 12,801,140	\$ (435,860)
Investment income			178,687	178,687
Total revenues	<u>13,237,000</u>	<u>13,237,000</u>	<u>12,979,827</u>	<u>(257,173)</u>
Expenditures				
Debt service:				
Principal retirement	7,757,400	7,757,400	7,757,328	72
Interest and fiscal charges	<u>5,468,500</u>	<u>5,468,500</u>	<u>3,683,775</u>	<u>1,784,725</u>
Total expenditures	<u>13,225,900</u>	<u>13,225,900</u>	<u>11,441,103</u>	<u>1,784,797</u>
Changes in fund balances	<u>11,100</u>	<u>11,100</u>	<u>1,538,724</u>	<u>1,527,624</u>
Fund balances, beginning of year	<u>576,800</u>	<u>576,800</u>	<u>950,326</u>	<u>373,526</u>
Fund balances, end of year	<u>\$ 587,900</u>	<u>\$ 587,900</u>	<u>\$ 2,489,050</u>	<u>\$ 1,901,150</u>

Budgetary Comparison Schedules – Other Funds

City of Goodyear, Arizona
Park and Ride Marquee
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 114,800	\$ 114,800	\$ 118,585	\$ 3,785
Investment income			85,055	85,055
Contributions		208,300		(208,300)
Total revenues	<u>114,800</u>	<u>323,100</u>	<u>203,640</u>	<u>(119,460)</u>
Expenditures				
Current:				
Highways and streets	<u>979,800</u>	<u>1,016,400</u>	<u>1,003,436</u>	<u>12,964</u>
Total expenditures	<u>979,800</u>	<u>1,016,400</u>	<u>1,003,436</u>	<u>12,964</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(865,000)</u>	<u>(693,300)</u>	<u>(799,796)</u>	<u>(106,496)</u>
Other financing sources (uses)				
Transfers in	<u>62,700</u>	<u>74,200</u>	<u>62,700</u>	<u>(11,500)</u>
Total other financing sources (uses)	<u>62,700</u>	<u>74,200</u>	<u>62,700</u>	<u>(11,500)</u>
Changes in fund balances	<u>(802,300)</u>	<u>(619,100)</u>	<u>(737,096)</u>	<u>(117,996)</u>
Fund balances, beginning of year	<u>802,300</u>	<u>802,300</u>	<u>594,143</u>	<u>(208,157)</u>
Fund balances, end of year	<u>\$</u>	<u>\$ 183,200</u>	<u>\$ (142,953)</u>	<u>\$ (326,153)</u>

City of Goodyear, Arizona
Court Enhancement
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeits	\$ 80,000	\$ 80,000	\$ 100,357	\$ 20,357
Investment income			33,114	33,114
Total revenues	<u>80,000</u>	<u>80,000</u>	<u>133,471</u>	<u>53,471</u>
Expenditures				
Current:				
Public safety	<u>447,500</u>	<u>447,500</u>	<u>49,705</u>	<u>397,795</u>
Total expenditures	<u>447,500</u>	<u>447,500</u>	<u>49,705</u>	<u>397,795</u>
Changes in fund balances	<u>(367,500)</u>	<u>(367,500)</u>	<u>83,766</u>	<u>451,266</u>
Fund balances, beginning of year	<u>367,500</u>	<u>367,500</u>	<u>396,120</u>	<u>28,620</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 479,886</u>	<u>\$ 479,886</u>

City of Goodyear, Arizona
Fill-the-Gap
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeits	\$ 6,000	\$ 6,000	\$ 9,219	\$ 3,219
Investment income			6,529	6,529
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>15,748</u>	<u>9,748</u>
Expenditures				
Current:				
Public safety	<u>91,100</u>	<u>91,100</u>		<u>91,100</u>
Total expenditures	<u>91,100</u>	<u>91,100</u>		<u>91,100</u>
Changes in fund balances	<u>(85,100)</u>	<u>(85,100)</u>	<u>15,748</u>	<u>100,848</u>
Fund balances, beginning of year	<u>85,100</u>	<u>85,100</u>	<u>91,660</u>	<u>6,560</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 107,408</u>	<u>\$ 107,408</u>

City of Goodyear, Arizona
JCEF
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeits	\$ 13,500	\$ 13,500	\$ 18,162	\$ 4,662
Investment income			1,871	1,871
Total revenues	<u>13,500</u>	<u>13,500</u>	<u>20,033</u>	<u>6,533</u>
Expenditures				
Current:				
Public safety	<u>176,600</u>	<u>176,600</u>		<u>176,600</u>
Total expenditures	<u>176,600</u>	<u>176,600</u>		<u>176,600</u>
Changes in fund balances	<u>(163,100)</u>	<u>(163,100)</u>	<u>20,033</u>	<u>183,133</u>
Fund balances, beginning of year	<u>163,100</u>	<u>163,100</u>	<u>169,289</u>	<u>6,189</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 189,322</u>	<u>\$ 189,322</u>

City of Goodyear, Arizona
Impound
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 100,000	\$ 100,000	\$ 102,900	\$ 2,900
Investment income			30,018	30,018
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>132,918</u>	<u>32,918</u>
Expenditures				
Current:				
Public safety	<u>392,400</u>	<u>392,400</u>	<u>9,860</u>	<u>382,540</u>
Total expenditures	<u>392,400</u>	<u>392,400</u>	<u>9,860</u>	<u>382,540</u>
Changes in fund balances	<u>(292,400)</u>	<u>(292,400)</u>	<u>123,058</u>	<u>415,458</u>
Fund balances, beginning of year	<u>292,400</u>	<u>292,400</u>	<u>318,962</u>	<u>26,562</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 442,020</u>	<u>\$ 442,020</u>

City of Goodyear, Arizona
AZ Smart and Safe
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenue	\$ 560,000	\$ 560,000	\$ 802,354	\$ 242,354
Total revenues	<u>560,000</u>	<u>560,000</u>	<u>802,354</u>	<u>242,354</u>
Expenditures				
Current:				
Public safety	<u>200</u>	<u>200</u>		<u>200</u>
Total expenditures	<u>200</u>	<u>200</u>		<u>200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>559,800</u>	<u>559,800</u>	<u>802,354</u>	<u>242,554</u>
Other financing sources (uses)				
Transfers out	<u>(560,000)</u>	<u>(560,000)</u>	<u>(802,354)</u>	<u>(242,354)</u>
Total other financing sources (uses)	<u>(560,000)</u>	<u>(560,000)</u>	<u>(802,354)</u>	<u>(242,354)</u>
Changes in fund balances	<u>(200)</u>	<u>(200)</u>		<u>200</u>
Fund balances, beginning of year	<u>200</u>	<u>200</u>	<u>163</u>	<u>(37)</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 163</u>	<u>\$ 163</u>

City of Goodyear, Arizona
Officer Safety and Equipment
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeits	\$ 20,000	\$ 20,000	\$ 18,912	\$ (1,088)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>18,912</u>	<u>(1,088)</u>
Expenditures				
Current:				
Public safety	<u>46,300</u>	<u>46,300</u>	<u>39,722</u>	<u>6,578</u>
Total expenditures	<u>46,300</u>	<u>46,300</u>	<u>39,722</u>	<u>6,578</u>
Changes in fund balances	<u>(26,300)</u>	<u>(26,300)</u>	<u>(20,810)</u>	<u>5,490</u>
Fund balances, beginning of year	<u>26,300</u>	<u>26,300</u>	<u>32,142</u>	<u>5,842</u>
Fund balances, end of year	<u>\$</u>	<u>\$</u>	<u>\$ 11,332</u>	<u>\$ 11,332</u>

City of Goodyear, Arizona
One Arizona Opioid
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental revenue	\$ 76,900	\$ 76,900	\$ 69,201	\$ (7,699)
Investment income			10,536	10,536
Total revenues	<u>76,900</u>	<u>76,900</u>	<u>79,737</u>	<u>2,837</u>
Expenditures				
Current:				
Public safety	246,200	302,600	85,361	217,239
Total expenditures	<u>246,200</u>	<u>302,600</u>	<u>85,361</u>	<u>217,239</u>
Changes in fund balances	<u>(169,300)</u>	<u>(225,700)</u>	<u>(5,624)</u>	<u>220,076</u>
Fund balances, beginning of year	<u>169,300</u>	<u>169,300</u>	<u>437,596</u>	<u>268,296</u>
Fund balances, end of year	<u>\$</u>	<u>\$ (56,400)</u>	<u>\$ 431,972</u>	<u>\$ 488,372</u>

City of Goodyear, Arizona
Airport
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$	\$	293,726	\$ 293,726
Total revenues			<u>293,726</u>	<u>293,726</u>
Expenditures				
Current:				
General government		350,000		350,000
Total expenditures		<u>350,000</u>		<u>350,000</u>
Changes in fund balances		<u>(350,000)</u>	<u>293,726</u>	<u>643,726</u>
Fund balances, beginning of year				
Fund balances, end of year	<u>\$</u>	<u>\$ (350,000)</u>	<u>\$ 293,726</u>	<u>\$ 643,726</u>

City of Goodyear, Arizona
Water and Wastewater
Enterprise Fund
Schedule of Operations - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues				
Charges for services	\$ 63,704,100	\$ 63,704,100	\$ 74,536,859	\$ 10,832,759
Other revenues			1,806,194	1,806,194
Total operating revenues	<u>63,704,100</u>	<u>63,704,100</u>	<u>76,343,053</u>	<u>12,638,953</u>
Operating expenses				
Salaries, wages and benefits	11,179,600	11,179,600	10,883,049	296,551
Cost of sales and services	169,765,800	166,797,900	29,628,819	137,169,081
Depreciation			14,679,198	(14,679,198)
Total operating expenses	<u>180,945,400</u>	<u>177,977,500</u>	<u>55,191,066</u>	<u>122,786,434</u>
Operating income (loss)	<u>(117,241,300)</u>	<u>(114,273,400)</u>	<u>21,151,987</u>	<u>(135,425,387)</u>
Nonoperating revenues (expenses)				
Investment income			6,565,782	6,565,782
Interest expense and fiscal charges	(9,088,800)	(8,950,700)	(6,635,505)	2,315,195
Bond issuance costs		(614,000)	(531,671)	82,329
Gain (loss) on sale of assets			120,326	120,326
Total nonoperating revenue (expenses)	<u>(9,088,800)</u>	<u>(9,564,700)</u>	<u>(481,068)</u>	<u>9,083,632</u>
Income (loss) before contributions and transfers	<u>(126,330,100)</u>	<u>(123,838,100)</u>	<u>20,670,919</u>	<u>144,509,019</u>
Capital contributions	42,660,000	42,660,000	50,676,017	8,016,017
Transfers in	59,844,400	125,052,000		(125,052,000)
Transfers out	<u>(12,792,000)</u>	<u>(77,999,600)</u>	<u>(7,254,409)</u>	<u>70,745,191</u>
Changes in net position	<u>(36,617,700)</u>	<u>(34,125,700)</u>	<u>64,092,527</u>	<u>98,218,227</u>
Total net position, beginning of year	<u>74,875,200</u>	<u>74,875,200</u>	<u>385,927,680</u>	<u>311,052,480</u>
Total net position, end of year	<u>\$ 38,257,500</u>	<u>\$ 40,749,500</u>	<u>\$ 450,020,207</u>	<u>\$ 409,270,707</u>

City of Goodyear, Arizona
Sanitation
Enterprise Fund
Schedule of Operations - Budget and Actual
For the Year Ended June 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues				
Charges for services	\$ 9,867,200	\$ 9,867,200	\$ 10,014,056	\$ 146,856
Other revenues			84,988	84,988
Total operating revenues	<u>9,867,200</u>	<u>9,867,200</u>	<u>10,099,044</u>	<u>231,844</u>
Operating expenses				
Salaries, wages and benefits	1,629,700	1,629,700	1,483,596	146,104
Cost of sales and services	9,245,000	9,501,500	6,938,454	2,563,046
Depreciation			213,046	(213,046)
Total operating expenses	<u>10,874,700</u>	<u>11,131,200</u>	<u>8,635,096</u>	<u>2,496,104</u>
Operating income (loss)	<u>(1,007,500)</u>	<u>(1,264,000)</u>	<u>1,463,948</u>	<u>(2,727,948)</u>
Nonoperating revenues (expenses)				
Investment income			301,337	301,337
Gain (loss) on sale of assets			20,623	20,623
Total nonoperating revenue (expenses)			<u>321,960</u>	<u>321,960</u>
Income (loss) before contributions and transfers	(1,007,500)	(1,264,000)	1,785,908	3,049,908
Transfers in		378,900		(378,900)
Transfers out	(782,300)	(1,161,200)	(717,108)	444,092
Changes in net position	(1,789,800)	(2,046,300)	1,068,800	3,115,100
Total net position, beginning of year	<u>4,229,400</u>	<u>4,229,400</u>	<u>5,356,307</u>	<u>1,126,907</u>
Total net position, end of year	<u>\$ 2,439,600</u>	<u>\$ 2,183,100</u>	<u>\$ 6,425,107</u>	<u>\$ 4,242,007</u>



ANNUAL COMPREHENSIVE FINANCIAL REPORT

City of Goodyear, Arizona
Finance Department
1900 North Civic Square
Goodyear, Arizona 85395
623-932-3015



BOOK-ENTRY-ONLY SYSTEM

THE INFORMATION PROVIDED IN THIS APPENDIX D HAS BEEN PROVIDED BY DTC. NO REPRESENTATION IS MADE BY THE CITY, BOND COUNSEL, THE MUNICIPAL ADVISOR, COUNSEL TO THE UNDERWRITER OR THE UNDERWRITER AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION PROVIDED BY DTC OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating of "AA+" from Standard & Poor's. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names

and addresses to the Registrar (initially U.S. Bank Trust Company, National Association) and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and redemption payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

THE CITY WILL HAVE NO RESPONSIBILITY OR OBLIGATION TO DTC, DIRECT PARTICIPANTS, INDIRECT PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (2) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE BONDS UNDER THE BOND RESOLUTION; (3) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; (4) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR REDEMPTION PREMIUM, IF ANY, OR INTEREST DUE WITH RESPECT TO THE BONDS; (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNER OF THE BONDS; OR (6) ANY OTHER MATTERS.

So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, references herein to "Owner" or registered owners of the Bonds (other than under the caption "TAX EXEMPTION") shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of such Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, they shall be sent by the City or the Registrar to DTC only.

FORM OF APPROVING LEGAL OPINION

[Closing Date]

MAYOR AND COUNCIL
CITY OF GOODYEAR, ARIZONA

We have acted as bond counsel to the City of Goodyear, Arizona (the “City”) in connection with the issuance of its \$82,520,000* aggregate principal amount of General Obligation Bonds, Series 2026 (the “Bonds”). In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to give the opinions below.

As to questions of fact material to the opinions below, we have relied upon, and assumed due and continuing compliance with the provisions of, the certified proceedings and other certifications, covenants and representations furnished to us without undertaking to verify them by independent investigation, including, without limitation, those with respect to causing interest on the Bonds to be and remain excluded from gross income for federal income tax purposes.

Based upon the foregoing, we are of the opinion, as of this date, which is the date of initial delivery of the Bonds against payment therefor, that:

1. The Bonds have been duly authorized and executed by the City and are valid and binding general obligations of the City.

2. All taxable property within the City is subject to the levy of a direct, annual, *ad valorem* tax to pay the principal of and interest on the Bonds without limit as to rate or amount. It is required by law that there be levied, assessed and collected, in the same manner as other taxes of the City, an annual tax upon the taxable property in the City sufficient to pay the principal of and interest on the Bonds when due.

3. Under existing laws, regulations, rulings and judicial decisions, the interest income on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”) and is exempt from Arizona income taxes. Interest income on the Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. For purposes of this opinion, we have assumed continuing compliance by the City with such restrictions, conditions, and requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement dated as of _____, 2026, relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Respectfully submitted,

* Subject to change.

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FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$82,520,000*
CITY OF GOODYEAR, ARIZONA
GENERAL OBLIGATION BONDS,
SERIES 2026

CONTINUING DISCLOSURE CERTIFICATE
(CUSIP BASE NUMBER 382505)

This Continuing Disclosure Certificate (this “*Disclosure Certificate*”) is undertaken by the City of Goodyear, Arizona (the “*City*”), in connection with the issuance of its General Obligation Bonds, Series 2026 (the “*Bonds*”). In consideration of the initial sale and delivery of the Bonds, the City covenants as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is for the benefit of the Bondholders and in order to assist the Participating Underwriter in complying with the Rule (each as defined herein).

Section 2. Definitions. Any capitalized term used herein shall have the following meanings, unless otherwise defined herein:

“*Annual Report*” shall mean the annual report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Audited Financial Statements*” shall mean the City’s annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the City intends to continue to prepare in substantially the same form.

“*Bondholder*” shall mean any registered owner or beneficial owner of the Bonds.

“*Bond Counsel*” shall mean Gust Rosenfeld P.L.C. or such other nationally recognized bond counsel as may be selected by the City.

“*Dissemination Agent*” shall mean the City or any person designated in writing by the City as the Dissemination Agent.

“*EMMA*” shall mean the Electronic Municipal Market Access system of MSRB, or any successor thereto approved by the United States Securities and Exchange Commission, as a repository for municipal continuing disclosure information pursuant to the Rule.

“*Financial Obligation*” shall mean:

- (i) a debt obligation;
- (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or
- (iii) a guarantee of (i) or (ii).

Provided, that “*Financial Obligation*” does not include municipal securities as to which a final official statement has been provided to the MSRB.

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“*MSRB*” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“*Official Statement*” shall mean the final official statement dated _____, 2026, relating to the Bonds.

* Subject to change.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) Commencing February 1, 2027, and by no later than February 1 of each year thereafter (the “Filing Date”), the City shall, either directly or by directing the Dissemination Agent to do so, provide an Annual Report to MSRB. The Annual Report shall be provided electronically and in a format prescribed by MSRB. The Annual Report shall be consistent with the requirements of Section 4 of this Disclosure Certificate and shall include information from the fiscal year ending on the preceding June 30. All documents provided to MSRB shall be accompanied by identifying information prescribed by MSRB. Currently, filings are required to be made with EMMA. Not later than 15 business days prior to such Filing Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City).

(b) If the City is unable or for any reason fails to provide electronically to EMMA an Annual Report or any part thereof by the Filing Date required in subsection (a) above, the City shall, in a timely manner, send a notice to EMMA in substantially the form attached as Exhibit A not later than the Filing Date.

(c) If the City’s Audited Financial Statements are not submitted with the Annual Report and the City fails to provide to EMMA a copy of its Audited Financial Statements within 30 days of receipt thereof by the City, then the City shall, in a timely manner, send a notice to EMMA in substantially the form attached as Exhibit B.

(d) The Dissemination Agent shall:

(i) determine the proper electronic filing address of EMMA each year prior to the date(s) for providing the Annual Report and Audited Financial Statements; and

(ii) if the Dissemination Agent is other than the City, file a report or reports with the City certifying that the Annual Report and Audited Financial Statements, if applicable, have been provided pursuant to this Disclosure Certificate, stating the date such information was provided and listing where it was provided.

Section 4. Content of Annual Reports.

(a) The Annual Report may be submitted as a single document or as separate documents comprising an electronic package, and may incorporate by reference other information as provided in this Section, including the Audited Financial Statements of the City; provided, however, that if the Audited Financial Statements of the City are not available at the time of the filing of the Annual Report, the City shall file unaudited financial statements of the City with the Annual Report and, when the Audited Financial Statements of the City are available, the same shall be submitted to EMMA within 30 days of receipt by the City.

(b) The City’s Annual Report shall contain or incorporate by reference the following:

(i) Type of Financial and Operating Data to be Provided:

(A) Subject to the provisions of Sections 3 and 4(a) hereof, Audited Financial Statements for the City.

(B) Annually updated financial information and operating data of the type contained in the following tables of the Official Statement:

- (i) TABLE B-11: Direct and Overlapping General Obligation Bonds Outstanding and to be Outstanding;
- (ii) TABLE B-14: Property Taxes Levied and Collected;
- (iii) TABLE B-15: Direct and Overlapping Assessed Valuations and Total Tax Rates;
- (iv) TABLE B-16: Assessed Value by Property Classification; and
- (v) TABLE B-17: Assessed Valuation of Major Taxpayers.

(C) In the event of an amendment pursuant to Section 8 of this Disclosure Certificate not previously described in an Annual Report, an explanation, in narrative form, of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided and, if the amendment

is made to the accounting principles to be followed, a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles, including a qualitative discussion of the differences, and the impact on the presentation and, to the extent feasible, a quantitative comparison.

(ii) Accounting Principles Pursuant to Which Audited Financial Statements Shall Be Prepared: The Audited Financial Statements shall be prepared in accordance with generally accepted accounting principles and state law requirements as are in effect from time to time. Notice of amendment to the accounting principles shall be sent within 30 days to EMMA.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from EMMA. The City shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section shall govern the giving of notices by the City, either directly or by directing the Dissemination Agent to do so, of the occurrence of any of the following events with respect to the Bonds. The City shall, in a timely manner, not in excess of 10 business days after the occurrence of the event, provide notice of the following events with EMMA:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service (the "IRS") of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the City;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) The incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect Bondholders, if material; and
- (xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) "*Materiality*" will be determined in accordance with applicable federal securities laws.

Note to Section 5(a)(xii) above: For the purposes of the event identified in section 5(a)(xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Such termination shall not terminate the obligation of the City to give notice of such defeasance or prior redemption in the same manner as for a Listed Event under Section 5(a).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate if:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature or status of the City, or the type of business conducted;

(b) This Disclosure Certificate, as amended, would, in the opinion of Bond Counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Bondholders, as determined by Bond Counsel.

Section 9. Filing with EMMA. The City shall, or shall cause the Dissemination Agent to, electronically file all items required to be filed with EMMA.

Section 10. Additional Information. The City may, at the City's election, include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate. If the City chooses to include such information, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate any Bondholder may seek specific performance by court order to cause the City to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance and such failure shall not constitute a default under the Bonds or the resolution authorizing the Bonds.

Section 12. Compliance by the City. The City hereby covenants to comply with the terms of this Disclosure Certificate. The City expressly acknowledges and agrees that compliance with the undertaking contained in this Disclosure Certificate is its sole responsibility and the responsibility of the Dissemination Agent, if any, and that such compliance, or monitoring thereof, is not the responsibility of, and no duty is present with respect thereto for, the Participating Underwriter, Bond Counsel or the City's financial advisor.

Section 13. Subject to Appropriation. Pursuant to Arizona law, the City's undertaking to provide information under this Disclosure Certificate is subject to appropriation to cover the costs of preparing and sending the Annual Report and notices of Listed Events to EMMA. Should funds that would enable the City to provide the information required to be disclosed hereunder not be appropriated, then notice of such fact shall, in a timely manner, be sent to EMMA in substantially the form attached as *Exhibit C*.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

Section 15. Governing Law and Interpretation of Terms. This Disclosure Certificate shall be governed by the law of the State of Arizona and any action to enforce this Disclosure Certificate must be brought in an Arizona state court. The terms and provisions of this Disclosure Certificate shall be interpreted in a manner consistent with the interpretation of such terms and provisions under the Rule and the federal securities law.

[Signature on following page]

Dated: [Closing Date]

CITY OF GOODYEAR, ARIZONA

By _____
Interim Finance Director

[Signature Page to Continuing Disclosure Certificate]

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Goodyear, Arizona
Name of Bond Issue: \$82,520,000 General Obligation Bonds, Series 2026
Dated Date of Bonds: [Closing Date] Base CUSIP: 382505

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Certificate dated [Closing Date]. The City anticipates that the Annual Report for fiscal year ended June 30, _____, will be filed by _____.

Dated: _____

CITY OF GOODYEAR, ARIZONA

By _____
Its _____

EXHIBIT B

NOTICE OF FAILURE TO FILE AUDITED FINANCIAL STATEMENTS

Name of Issuer: City of Goodyear, Arizona
Name of Bond Issue: \$82,520,000 General Obligation Bonds, Series 2026
Dated Date of Bonds: [Closing Date] Base CUSIP: 382505

NOTICE IS HEREBY GIVEN that the City failed to provide its Audited Financial Statements with its Annual Report or, if not then available, within 30 days of receipt as required by Section 4(a) of the Continuing Disclosure Certificate dated [Closing Date], with respect to the above-named Bonds. The City anticipates that the Audited Financial Statements for the fiscal year ended June 30, _____ will be filed by _____.

Dated: _____

CITY OF GOODYEAR, ARIZONA

By _____
Its _____

EXHIBIT C

NOTICE OF FAILURE TO APPROPRIATE FUNDS

Name of Issuer: City of Goodyear, Arizona
Name of Bond Issue: \$82,520,000 General Obligation Bonds, Series 2026
Dated Date of Bonds: [Closing Date] Base CUSIP: 382505

NOTICE IS HEREBY GIVEN that the City failed to appropriate funds necessary to perform the undertaking required by the Continuing Disclosure Certificate dated [Closing Date].

Dated: _____

CITY OF GOODYEAR, ARIZONA

By _____
Its _____

[Exhibits to Continuing Disclosure Certificate]

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Municipal Advisory Services
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