

**Civic Improvement Corporation**  
An Arizona Nonprofit Corporation  
(A Component Unit of the City of Phoenix, Arizona)

**Annual**  
**Financial Report**  
For fiscal year ended June 30,  
**2023**





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# CITY OF PHOENIX CIVIC IMPROVEMENT CORPORATION

(A Component Unit of the City of Phoenix, Arizona)

## ADMINISTRATIVE ORGANIZATION

### Board Members

*Michael R. Davis*  
*President*

*Bruce Covill*  
*Vice President*

*James H. Lundy*  
*Secretary/Treasurer*

*Barbara Barone*  
*Director*

*Marian Yim*  
*Director*

*Rosellen C. Papp*  
*Director*

### City of Phoenix Administrative Staff

*Jeffrey J. Barton*  
*City Manager*

*Kathleen Gitkin*  
*Chief Financial Officer*



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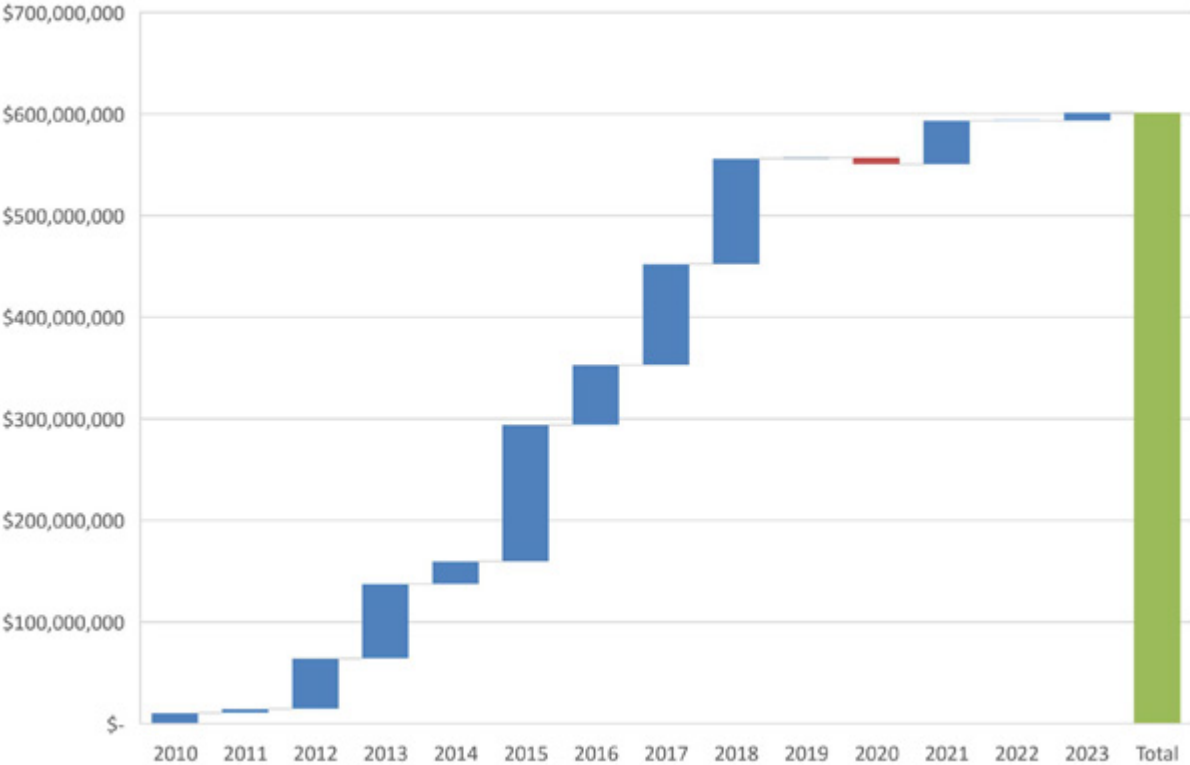
**CITY OF PHOENIX CIVIC IMPROVEMENT CORPORATION**  
(A Component Unit of the City of Phoenix, Arizona)

**SAVINGS FROM BOND REFUNDINGS**

Bonds are refunded to retire all or a portion of an outstanding bond issue. Most typically, refundings are done to refinance at a lower interest rate to reduce overall debt service. Since fiscal year 2010, bond refundings have saved:

**\$601.4 million**

Savings from Bond Refundings by Fiscal Year



Note - Fiscal year 2020 refunding bond issuances resulted in an increase in debt service.

See Notes to Financial Statements, Note 5 (page 29) for additional information on bond refundings.



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**Financial**  
section



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**City of Phoenix**  
Finance Department  
Financial Accounting and Reporting Division

March 20, 2024

To the Board of Directors of the City of Phoenix Civic Improvement Corporation:

I am pleased to submit the City of Phoenix Civic Improvement Corporation (the “Corporation”) Annual Financial Report for the fiscal year ended June 30, 2023. These financial statements are prepared and presented in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as prescribed in pronouncements of the Governmental Accounting Standards Board (“GASB”). To the best of our knowledge and belief, this report is accurate in all material respects and is reported in a manner designed to fairly present the financial position of the Corporation. All disclosures necessary to enable the reader to gain an understanding of the Corporation’s net position and changes in net position have been included. Management assumes full responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures.

Management’s Discussion and Analysis (MD&A) beginning on page 10 provides a narrative introduction, overview, and analysis of the basic financial statements. This letter complements the MD&A and should be read in conjunction with it. Although the financial statements for the fiscal year ended June 30, 2023, were not audited by an independent auditor, the Corporation is a component unit of the City of Phoenix (the “City”), and the Corporation’s financial statements are included as a blended component unit of the City’s reporting entity. The City’s independent auditors performed an audit of the City’s Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023, and issued an unmodified (“clean”) opinion.

**PROFILE OF THE CORPORATION**

The Corporation, a component unit of the City, was organized under the laws of the State of Arizona as a nonprofit corporation for the purpose of acquiring real estate and constructing or otherwise acquiring or equipping buildings, structures, or improvements to be utilized by the City for the benefit, common good, and general welfare of the City and its inhabitants. Upon dissolution, any remaining assets are to be distributed to the City. The City performs and absorbs significantly all administrative functions and costs on behalf of the Corporation, including construction commitments.

During the fiscal year ended June 30, 2023, projects that received proceeds from the Corporation’s bond issuances included the completion of Phase 2 of the PHX Sky Train® in December 2022, improvements to terminals 3 and 4 at Phoenix Sky Harbor International Airport, and various improvements to the City’s water system such as watermain replacements.

The Corporation issued two new bonds series in the fiscal year ended June 30, 2023:

- Subordinated Excise Tax Revenue Bonds, Series 2022 – issued \$131,650,000 on 8/3/2022 to fund a portion of the cost of acquiring, constructing, and improving real and personal property for the City's police headquarters and call center. The City purchased property at 100 West Washington Street with the intent of renovating an existing building to be used as the City's new police headquarters and 911 call center.



- Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT) – issued \$96,540,000 on 6/7/2023 to refund the Senior Lien Airport Revenue Refunding Bonds, Series 2013 (AMT). The Corporation decreased debt service by \$24.0 million resulting in an economic gain of \$8.0 million, savings that the City can now use for other priorities.

I want to thank all the members of the Corporation's Board, the City Manager, the Chief Financial Officer, the staff of the Finance Department for their efforts in preparing this report, and all City departments for their cooperation and assistance throughout the past year.

Respectfully submitted,

*Cynthia Bisdorf*

Cynthia Bisdorf  
Deputy Finance Director

## Management's Discussion and Analysis (Unaudited)

As management of the City of Phoenix Civic Improvement Corporation (the "Corporation"), a component unit of the City of Phoenix, Arizona (the "City") we offer the readers of the Corporation's basic financial statements this narrative overview and analysis of financial activities of the Corporation for the fiscal year ended June 30, 2023.

### Overview of the Basic Financial Statements

The Corporation is a blended component unit of the City of Phoenix. This discussion and analysis is intended to serve as an introduction to the Corporation's separate basic financial statements.

The Corporation's basic financial statements are comprised of the following three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the Corporation's finances, in a manner similar to a private-sector business. These statements are presented on pages 13-14 of this report. Summarized versions of these statements are included in this MD&A.

The Statement of Net Position presents information on all of the Corporation's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in the Corporation's financial position.

The Statement of Activities presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods e.g., accounts payable. This is the full accrual method of accounting.

**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 Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal activities. All of the funds of the Corporation are categorized as governmental funds. The fund financial statements are presented on pages 15-18 of this report.

*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 and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year, which is the modified accrual basis of accounting.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 19-49 of this report.

### Condensed Financial Information and Analysis of Overall Financial Position

The following tables and analysis discuss the financial position and changes to the financial position for the Corporation as a whole as of and for the year ended June 30, 2023. The prior year's financial position and results are presented for comparative purposes.

Summary of net position (in thousands):

	2023	2022
Current assets	\$ 1,152,931	\$ 1,129,423
Noncurrent assets	5,039,113	5,217,382
Total assets	<u>6,192,044</u>	<u>6,346,805</u>
Deferred outflows of resources	-	-
Current liabilities	674,754	672,326
Noncurrent liabilities	5,631,424	5,824,167
Total liabilities	<u>6,306,178</u>	<u>6,496,493</u>
Deferred inflows of resources	-	-
Net position		
Restricted for debt service	235,744	231,323
Unrestricted (deficit)	<u>(349,878)</u>	<u>(381,011)</u>
Total net position (deficit)	<u>\$ (114,134)</u>	<u>\$ (149,688)</u>

Summary of changes in net position (in thousands):

	2023	2022
Program revenues	\$ 617,206	\$ 416,214
Investment income	15,818	3,253
Payments from the City of Phoenix	91	66
Total revenues	<u>633,115</u>	<u>419,533</u>
Cost of sales	397,994	137,991
Interest on long-term debt, net	197,235	197,934
Other expenses	2,332	70
Total expenses	<u>597,561</u>	<u>335,995</u>
Change in net position	<u>\$ 35,554</u>	<u>\$ 83,538</u>

Total assets decreased by \$154.8 million in the current fiscal year to \$6.2 billion. Total liabilities decreased by \$190.3 million in the current fiscal year to \$6.3 billion. The decreases in both assets and liabilities are due to the payment of principal and amortization of premium. New bond issuances in fiscal year 2023 include the Subordinated Excise Tax Revenue Bonds, Series 2022 and the Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT).

Program revenues increased by \$201 million, or 48.3% in fiscal year 2023 due to the completion of two projects related to issuances in 2017 and 2019 that were recognized as revenue. By comparison, the completion of one project related to an issuance in 2020 comprises the fiscal year 2022 amounts. No program revenue is recognized by the Corporation until the projects are complete. Investment income increased due to higher yields on investments for most of fiscal year 2023. The increase in payments from the City of Phoenix relates to professional fees that were paid to consultants for refundings and new issuances during fiscal year 2023 while there were no new bond issuances in fiscal year 2022. Total expenses increased in fiscal year 2023 by \$261.6 million, or 77.8%, due to the cost of sales for two projects that were completed during fiscal year 2023 compared to one project completed in fiscal year 2022. When the projects are completed the Corporation will recognize both the program revenue and cost of sales at that time. The net position of the Corporation increased by \$35.6 million for fiscal year 2023 as a result of the above activity.

As noted earlier, the Corporation uses fund accounting to maintain control over resources that have been segregated for specific activities or objectives. The following table and analysis summarizes changes in fund balances (deficit) by major fund (in thousands):

	Fund Balances July 1, 2022	Net Change in Fund Balances	Fund Balances June 30, 2023
General	\$ 16	\$ 3	\$ 19
Debt Service	231,323	4,421	235,744
Capital Projects	490,448	(45,253)	445,195
Total	<u>\$ 721,787</u>	<u>\$ (40,829)</u>	<u>\$ 680,958</u>

The General Fund accounts for trustee fees and other miscellaneous expenditures. Fund balance for the general fund increased slightly as the City provided financial resources were slightly more than the expenditures of the fund.

The Debt Service Fund accounts primarily for current year principal and interest debt service payments, as well as the related payments from the City during fiscal year 2023. Fund balance increased during fiscal year 2023 primarily due to receiving proceeds from the issuance of the Subordinated Excise Tax Revenue Bonds, Series 2022 and an increase in investment income.

The Capital Projects Fund accounts for the investment and expenditure of monies used for capital acquisitions and construction. The decrease in fund balance was due to capital outlay costs during the fiscal year exceeding the proceeds received from the issuance of the Subordinated Excise Tax Revenue Bonds, Series 2022.

### Capital Asset and Debt Administration

The Corporation records assets under construction or purchased with bond proceeds as assets held for sale to the City of Phoenix. Such assets are not recorded on the governmental funds financial statements because they are deemed to be construction-in-progress held on behalf of the City. Upon completion of the purchase and construction of the assets they are sold to the City. The Corporation does not record the completed assets on its financial statements, as the Corporation does not own any capital assets.

During the fiscal year ended June 30, 2023, the Corporation's bonds payable, excluding premiums, decreased by \$141.9 million. This decrease was due to a refunding and the annual debt service payments. During fiscal year 2023, the Corporation issued the Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT) that were used to refund a 2013 issuance and issued the Subordinated Excise Tax Revenue Bonds, Series 2022.

Further detail pertaining to the Corporation's outstanding long-term debt is available in Note 6 on pages 30-48.

### Economic Factors

There have been no changes in the Corporation's agreement with the City to receive payments for debt service requirements on outstanding debt. There have been no adverse changes in the City's financial position that would affect their ability to continue to make payments to the Corporation to fund payments on debt service.

### Requests for Financial Information

This financial report is designed to provide a general overview of the City of Phoenix Civic Improvement Corporation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Phoenix, Finance Department, Calvin C. Goode Municipal Building, 251 West Washington Street, Ninth Floor, Phoenix, Arizona, 85003.

**STATEMENT OF NET POSITION**

**(Unaudited)**

June 30, 2023

(in thousands)

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets	
Restricted Cash with Fiscal Agents	\$ 424,088
Investments	478,919
Prepaid Items	19
Current Portion of Sales Contracts Receivable	249,905
Total Current Assets	<u>1,152,931</u>
Noncurrent Assets	
Restricted Cash with Fiscal Agents	171,196
Sales Contracts Receivable, Less Current Portion	3,589,255
Assets Held for Sale to the City of Phoenix	1,278,662
Total Noncurrent Assets	<u>5,039,113</u>
Total Assets	<u>6,192,044</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Total Deferred Outflows of Resources	<u>-</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	22,686
Advances from the City of Phoenix	18,315
Matured Bonds Payable	244,605
Interest Payable	125,973
Current Portion of Bonds Payable	263,175
Total Current Liabilities	<u>674,754</u>
Noncurrent Liabilities	
Bonds Payable, Less Current Portion	5,032,030
Unamortized Premium	599,394
Total Noncurrent Liabilities	<u>5,631,424</u>
Total Liabilities	<u>6,306,178</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Total Deferred Inflows of Resources	<u>-</u>
<b>NET POSITION (DEFICIT)</b>	
Restricted for Debt Service	235,744
Unrestricted (Deficit)	<u>(349,878)</u>
Total Net Position (Deficit)	<u>\$ (114,134)</u>

The accompanying notes are an integral part of these financial statements



**STATEMENT OF ACTIVITIES**  
**(Unaudited)**  
For the Fiscal Year Ended June 30, 2023  
(in thousands)

	<u>Governmental Activities</u>
<b>PROGRAM REVENUES</b>	
Sales Contracts Income	\$ 351,525
Sales Contracts Interest Income	265,083
Other Income	598
Total Program Revenues	<u>617,206</u>
<b>EXPENSES</b>	
Cost of Sales	397,994
Interest on Long-Term Debt, net	197,235
Issuance Costs	2,244
Trustee Fees	49
Other	39
Total Expenses	<u>597,561</u>
Net Program Revenues (Expenses)	19,645
<b>GENERAL REVENUES</b>	
Investment Income	15,818
Payments from the City of Phoenix	91
Total General Revenues	<u>15,909</u>
Change in Net Position	35,554
<b>NET DEFICIT, JULY 1, 2022</b>	<u>(149,688)</u>
<b>NET DEFICIT, JUNE 30, 2023</b>	<u>\$ (114,134)</u>

The accompanying notes are an integral part of these financial statements

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**(Unaudited)**

June 30, 2023

(in thousands)

	General	Debt Service	Capital Projects	Totals
<b>ASSETS</b>				
Cash with Fiscal Agents	\$ -	\$ 595,284	\$ -	\$ 595,284
Investments	-	11,038	467,881	478,919
Prepaid Items	19	-	-	19
Total Assets	<u>19</u>	<u>606,322</u>	<u>467,881</u>	<u>1,074,222</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts Payable	-	-	22,686	22,686
Matured Bonds Payable	-	244,605	-	244,605
Interest Payable	-	125,973	-	125,973
Total Liabilities	<u>-</u>	<u>370,578</u>	<u>22,686</u>	<u>393,264</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Fund Balances				
Nonspendable - Prepaid Items	19	-	-	19
Restricted	-	235,744	445,195	680,939
Total Fund Balances	<u>\$ 19</u>	<u>\$ 235,744</u>	<u>\$ 445,195</u>	<u>\$ 680,958</u>

The accompanying notes are an integral part of these financial statements

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION**

June 30, 2023  
(in thousands)

Fund balances - total governmental funds balance sheet	\$ 680,958
Amounts reported for governmental activities in the statement of net position are different because:	
Assets held for sale to the City of Phoenix are not financial resources and, therefore, are not reported in the governmental funds.	1,278,662
Sales contracts receivable relate to capital assets and are not available to pay for current period expenditures and, therefore, are not reported in the governmental funds.	3,839,160
Advances from the City of Phoenix that are payments for long-term liabilities are not reported in the governmental funds.	(18,315)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>(5,894,599)</u>
Net position (deficit) of governmental activities - statement of net position	<u>\$ (114,134)</u>

The accompanying notes are an integral part of these financial statements

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS**

**(Unaudited)**

For the Fiscal Year Ended June 30, 2023

(in thousands)

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Totals</u>
<b>REVENUES</b>				
Investment Income	\$ -	\$ 8,397	\$ 7,421	\$ 15,818
Payments from the City of Phoenix	91	519,658	-	519,749
Other	-	598	-	598
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	91	528,653	7,421	536,165
<b>EXPENDITURES</b>				
Debt Service				
Principal	-	254,575	-	254,575
Interest	-	257,216	-	257,216
Capital Outlay	-	-	202,674	202,674
Trustee Fees	49	-	-	49
Professional and Other Miscellaneous Fees	39	998	1,246	2,283
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	88	512,789	203,920	716,797
	<hr/>	<hr/>	<hr/>	<hr/>
Revenues Over (Under) Expenditures	3	15,864	(196,499)	(180,632)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bond Proceeds	-	-	131,650	131,650
Proceeds from Refunding Bonds	-	96,540	-	96,540
Premium on Bonds	-	7,920	19,596	27,516
Deposit to Refunding Escrow	-	(115,903)	-	(115,903)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	-	(11,443)	151,246	139,803
	<hr/>	<hr/>	<hr/>	<hr/>
Net Increase (Decrease) in Fund Balances	3	4,421	(45,253)	(40,829)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES, JULY 1, 2022</b>	16	231,323	490,448	721,787
	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES, JUNE 30, 2023</b>	<u>\$ 19</u>	<u>\$ 235,744</u>	<u>\$ 445,195</u>	<u>\$ 680,958</u>

The accompanying notes are an integral part of these financial statements

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

**TO THE STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended June 30, 2023

(in thousands)

Net change in fund balances - total governmental funds	\$	(40,829)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, those costs are reported as assets held for sale to the City of Phoenix.		202,674
Payments from the City of Phoenix for principal debt service payments provide current financial resources to the governmental funds but reduce long-term receivables in the statement of net position.		(254,575)
Sales contracts income provides program revenue and cost of sales are an expense in the statement of activities. This amount includes the cost of sales in excess of the sales contract income and the adjustment to sales contract income resulting from refundings. Cost of sales and sales contracts income are not reported in the governmental funds.		(46,469)
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which the effects of refundings and repayments (\$370,478) exceed additions (\$228,190).		142,288
Bond premiums provide current financial resources to governmental funds but increase long-term liabilities in the Statement of Net Position.		
This is the difference between new issuance premiums (\$27,516) and the amortization of premiums (\$59,981) in the current year.		32,465
		<hr/>
Change in net position of governmental activities - statement of activities	\$	<u>35,554</u>

The City of Phoenix Civic Improvement Corporation (the "Corporation"), a component unit of the City of Phoenix, Arizona (the "City"), was organized under the laws of the State of Arizona as a nonprofit corporation for the purpose of acquiring real estate and constructing or otherwise acquiring or equipping buildings, structures or improvements to be utilized by the City for the benefit, common good, and general welfare of the City and its inhabitants. Upon dissolution, any remaining assets are to be distributed to the City. As a political subdivision, the Corporation is exempt from federal income taxes and, accordingly, it has obtained an exemption from Arizona income taxes. The City performs and absorbs significantly all administrative functions and costs on behalf of the Corporation, including construction commitments.

## 1. **Summary of Significant Accounting Policies**

The accompanying financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The following is a summary of the significant policies:

### a) **Reporting Entity**

The Corporation is legally separate from the City, however, because its sole purpose is to finance and construct public facilities for the City, the Corporation's financial statements are included as a blended component unit of the City's reporting entity.

### b) **Basic Financial Statements**

The basic financial statements constitute the core of the financial section of the Corporation's Annual Financial Report. The basic financial statements include the government-wide financial statements, governmental fund financial statements, and the accompanying notes to these financial statements.

The government-wide financial statements (Statement of Net Position and Statement of Activities) report on the Corporation as a whole. All activities are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the Corporation as an entity and the change in aggregate financial position resulting from the activities of the fiscal year.

The government-wide statement of net position reports all financial and capital resources of the government. It is displayed in a format of assets plus deferred outflows of resources less liabilities plus deferred inflows of resources equals net position, with the assets and liabilities shown in order of their relative liquidity. Net position is required to be displayed in three components: 1) net investment in capital assets, 2) restricted and 3) unrestricted. Net investment in capital assets, are capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Corporation has no capital assets, thus has no net investment in capital assets. Restricted net position is subject to constraints that are: 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or law or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation. All net position not otherwise classified as restricted, are shown as unrestricted. Generally, the Corporation would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Commitments or assignments of net position imposed by the reporting government, whether by administrative policy or legislative actions of the reporting government, are not shown on the government-wide financial statements. Governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. Since the governmental fund financial statements are presented on a different basis than the government-wide financial statements, reconciliation is provided immediately following each fund statement. These reconciliations explain the adjustments necessary to transform the financial statements into the government-wide financial statements.

### c) **Fund Accounting**

The Corporation uses governmental funds to report on its financial position and the results of its operations. The Corporation's fund financial statements are prepared using fund accounting to aid management by segregating transactions related to certain activities.

A fund is a separate accounting entity with a self-balancing set of accounts, which includes assets, liabilities, fund balance, revenues and expenditures.

The Corporation considers the following funds to be major funds:

**General Fund**

The general fund is used to account for all financial resources except those required to be accounted for in other funds. This fund receives various financial resources that are used to pay trustee fees and other miscellaneous expenses. Financial resources may be transferred to other funds as needed.

**Debt Service Fund**

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds are used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also are reported in debt service funds.

**Capital Projects Fund**

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

d) **Fund Balances**

Fund balances are classified as Nonspendable, Restricted, Committed, Assigned and Unassigned based on the extent to which the Corporation is bound to observe constraints imposed on the use of resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

Restricted - The fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors through debt covenants, grantors, contributors, or laws or regulation of other governments or imposed by law through enabling legislation.

Committed - The Corporation has no authority to formally commit funds separate from the authorization to raise the underlying revenue. Therefore, committed fund balance does not apply to the Corporation.

Assigned - Amounts in the assigned fund balance are intended to be used by the Corporation for specific purposes but do not meet the criteria to be classified as restricted or committed. The Corporation has no assigned fund balance.

Unassigned - Unassigned fund balance is the residual classification for the General Fund, if applicable. This classification represents fund balance that has not been assigned to other funds and does not have a specific purpose. In the governmental funds, other than the general fund, if expenditures incurred exceeded the amounts restricted, committed or assigned, the fund may report a negative fund balance.

Generally, the Corporation would first apply restricted resources and then committed, assigned and unassigned resources when an expenditure is incurred for purposes for which more than one classification of fund balance is available.

e) **Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds are accounted for using a current financial resources measurement focus whereby only current assets and current liabilities are generally included on the balance sheet. Operating statements present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net fund balance.

The fund financial statements of the Corporation have been prepared using the modified accrual basis of accounting. Fund balances are restricted for use in debt retirement or payment of related expenditures, as provided for in the bond documents.

f) **Budget and Budgetary Accounting**

Budgeting for the financial activities of the Corporation is performed at the City level, not at the component unit level. As such, no budgetary disclosures are presented.

g) **Assets Held for Sale to the City of Phoenix**

The Corporation's assets held for sale is comprised solely of construction-in-progress. Upon completion of the purchase and construction, the assets are sold to the City, and the Corporation records a sales contract receivable and program revenue from the City of Phoenix. Assets sold to the City are either capital assets of the City or used as contributions for City joint ventures.

Additionally, assets held for sale are reduced by the cost of the asset sold and charged to cost of sales.

h) **Advances from the City of Phoenix**

Any principal debt service payments received from the City prior to the recording of the sales contract receivable are classified as advances from the City of Phoenix.

i) **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the period in which the bonds are issued. 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 expenditures of the period.

j) **Deferred Inflows and Outflows**

From time to time, the Corporation issues refunding bonds, wherein the proceeds and additional resources are used to purchase securities guaranteed by the United States government which are deposited in an irrevocable trust under an escrow agreement that states that all proceeds from the trust are to be used to fund principal and interest payments of the refunded debt. In accordance with the Corporation's stated purpose to promote the common good and general welfare of the City, any gains and/or losses realized as a result of a refunding issuance are not considered gains and/or losses of the Corporation, rather the gains and/or losses are realized by the City. All gains and/or losses from refundings are recognized by the Corporation as a component of Sales Contract Income in the Statement of Activities. The Corporation has chosen not to adhere to GASB Statement No. 65, **Items Previously Reported as Assets and Liabilities**, which would present gains and losses from refunding issuances as deferred inflows and outflows. As of June 30, 2022, the City has recorded \$69.0 million of net deferred outflows from refundings.

k) **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

l) **New Accounting Pronouncements**

New Accounting Pronouncements Adopted in 2023:

GASB Statement No. 91, **Conduit Debt Obligations**, clarifies the definition of conduit debt and provides a single method of reporting these obligations (disclosure only). This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. The Corporation has determined there is no impact to the financial statements as a result of this Statement.

GASB Statement No. 94, **Public-Private and Public-Public Partnerships and Availability Payment Arrangements**, addresses the gap in current accounting guidance related to public-private and public-public partnerships (both referred to as PPPs) that do not meet the definition of a service concession arrangement. The Corporation has determined there is no impact to the financial statements as a result of this Statement.



GASB Statement No. 96, **Subscription Based Information Technology Arrangements (SBITA)**, addresses accounting and financial reporting for subscription-based information technology arrangements (SBITAs), a type of information technology (IT) arrangement (i.e. software licensing). This statement defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding subscription liability, provides capitalization criteria, and requires footnote disclosure. The standards for SBITAs are based on the standards established in Statement No. 87, **Leases**, as amended. The Corporation has determined there is no impact to the financial statements as a result of this Statement.

GASB Statement No. 99, **Omnibus 2022**, addresses various technical corrections, as follows: the remeasurement of certain assets and liabilities solely for a change in an index or rate used to determine variable payments, including those related to payment arrangements for public-private and public-public partnerships and subscription-based IT arrangements; the effect of a purchase option on contract terms and the measurement of the liability; the classification of derivative instruments that are neither hedges nor investments; the recognition of exchange and exchange-like financial guarantees; and technical corrections to terminology in the Codification. The Corporation has determined there is no impact to the financial statements as a result of this Statement.

**Pronouncements Issued But Not Yet Effective:**

GASB has issued the following pronouncements that may affect future financial position, results of operations, cash flows, or financial presentation of the Corporation upon implementation. The Corporation has not fully determined the effect these pronouncements will have on the Corporation's financial statements:

GASB Statement No.	GASB Accounting Standard	Effective Fiscal Year
100	<i>Accounting Changes and Error Corrections</i>	2024
101	<i>Compensated Absences</i>	2025

**2. Cash with Fiscal Agents**

Cash held with fiscal agents is subject to custodial risk. The Corporation's contracts with the fiscal agents call for these deposits to be fully covered by collateral held in the fiscal agents' trust departments but not in the Corporation's name. Each trust department pledges a pool of collateral against all trust deposits it holds.

The carrying amount of the Corporation's cash with fiscal agents and the bank ledger balance at June 30, 2023 was \$595.3 million. Included in this amount are the below amounts, which are held for July 1, 2023 maturities (in thousands):

	Principal	Interest	Total
Municipal Corporation Obligations	\$244,605	\$125,973	\$370,578

The amount held for the principal payment will agree with the matured bonds payable reflected on the Statement of Net Position. Also, the amount held for the interest payment will agree with the interest payable reflected on the Statement of Net Position.

### 3. Investments

Investments are held in the City's name. The City Charter and ordinances authorize the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, repurchase agreements, money market accounts, commercial paper, certificates of deposit, highly rated obligations issued or guaranteed by any state or political subdivision thereof rated in the highest short-term or second highest long-term category and investment grade corporate bonds, debentures, notes and other evidence of indebtedness issued or guaranteed by a solvent U.S. corporation which are not in default as to principal or interest.

Investments are stated at fair value. Management intends to hold these investments until maturity. The fair value of these securities at June 30, 2023, is as follows (in thousands):

	Fair Value	Weighted Average Maturity (years)
U.S. Treasury Securities	\$ 415,346	0.227
U.S. Government Agency Securities FHLB Notes	63,573	0.216
Total Investments by fair value level	\$ 478,919	0.225

The distribution of the investments by bond issuance is as follows (in thousands):

State of Arizona Distribution Revenue Bonds (Civic Plaza Expansion Project), Series 2005B	\$	10,394
Subordinated Excise Tax Revenue Bonds, Series 2017A		3,278
Rental Car Facility Charge Revenue Bonds, Series 2019A		10,738
Junior Lien Airport Revenue Bonds, Series 2019A		35,398
Junior Lien Airport Revenue Bonds, Series 2019B		58,574
Junior Lien Water System Revenue Bonds, Series 2020B		65,431
Subordinated Excise Tax Revenue Bonds, Series 2020A		89,717
Junior Lien Water System Revenue Bonds, Series 2021A		52,300
Subordinated Excise Tax Revenue Bonds, Series 2022		152,445
Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT)		644
Total	\$	478,919

#### Fair Value Hierarchy

The Corporation 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 fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the Corporation as of June 30, 2023 (in thousands):

Investments by Fair Value Level	6/30/23	Fair Value Measurement Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Treasury securities	\$ 415,346	\$ -	\$ 415,346	\$ -
U.S. Government agency obligations	63,573	-	63,573	-
Total investments by fair value level	\$ 478,919	\$ -	\$ 478,919	\$ -

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. As of June 30, 2023, no investments were classified within Level 1 or Level 3 of the fair value hierarchy.

**Interest Rate Risk**

Exposure to interest rate risk is managed by matching investment maturities with anticipated expenses, and by limiting maturities as follows:

U.S. Treasury Securities	5 year final maturity
Securities guaranteed, insured, or backed by the full faith and credit of the U.S. Government	5 year final maturity
U.S. Government Agency Securities	5 year final maturity
Repurchase Agreements	60 days
Municipal Obligations	5 years for long-term issuances
Money Market Mutual Funds	90 days
Commercial Paper	270 days

**Credit Risk**

Investments are limited to those with the top ratings issued by nationally recognized statistical rating organizations such as Standard & Poor’s (S&P) and Moody’s Investors Service (Moody’s). The portfolio is primarily invested in securities issued by the U.S. Treasury or by U.S. Government Agency Securities which are rated Aaa by Moody’s and AA+ by S&P.

**Concentration of Credit Risk**

Investments in any one issuer that represent 5% or more of the total Corporation investments are as follows (in thousands):

Issuer	Fair Value
FHLB	\$63,573

**4. Sales Contracts Receivable**

Under the terms of the sales contract agreements, the City agrees to pay a purchase price equal to the debt service requirements of the bonds and certificates issued by the Corporation to finance or refinance the purchases or construction of the property and equipment, plus expenses incurred by the Corporation for purposes approved by the City, less interest income earned on the Corporation’s investments. Asset acquisition and construction costs are recorded as assets held for sale to the City. When construction is completed the asset is sold to the City. The accompanying statement of net position reflects the amounts due for completed assets as a receivable from the City. Principal and interest payments due from the City at June 30, 2023 are as follows (in thousands):

Total receivable from the City of Phoenix	\$ 5,693,332
Less: Interest Portion	(1,854,172)
Sales Contracts Receivable	3,839,160
Less: Current Portion	(249,905)
Sales Contracts Receivable - long-term	\$ 3,589,255

Note: Because these receivables relate to capital assets, they are not included in the governmental funds financial statements.

### ***Default Provisions***

All agreements are subject to the following provisions: In the event of non-payment of CIC bond principal and interest, the remedy is specific performance. Specific performance is when a bondholder has the right to ask a judge to order the City to raise applicable revenue sources for the defaulted bond in an amount needed to pay any past or current amounts due. CIC bonds are not subject to acceleration. No default occurred in fiscal year 2023.

The descriptions of the sales contracts that are accounted for at the entity-wide level of the Corporation follow:

#### **Subordinated Excise Tax Revenue Refunding Bonds, Series 2012A**

The issuance of \$17.5 million of Subordinated Excise Tax Revenue Refunding Bonds, Series 2012A, dated June 21, 2012, refunded \$13.5 million in Municipal Facilities Subordinated Excise Tax Revenue Bonds, Series 2003B and \$5.4 million in Subordinated Excise Tax Revenue Bonds, Series 2004. The proceeds from the issuance of \$17.5 million of Subordinated Excise Tax Revenue Refunding Bonds, Series 2012A were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

#### **Subordinated Excise Tax Revenue Refunding Bonds, Series 2015A**

The issuance of \$319.3 million of Subordinated Excise Tax Revenue Refunding Bonds, Series 2015A, dated May 12, 2015, refunded \$300.0 million in Subordinated Excise Tax Revenue Bonds (Civic Plaza Expansion Project), Series 2005A, \$53.4 million in Subordinated Excise Tax Revenue Bonds, Series 2006A, and \$12.9 million in Subordinated Excise Tax Revenue Bonds, Series 2007A. The proceeds from the issuance of \$319.3 million of Subordinated Excise Tax Revenue Refunding Bonds, Series 2015A were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

#### **Subordinated Excise Tax Revenue Refunding Bonds, Taxable Series 2015B**

The issuance of \$60.9 million of Subordinated Excise Tax Revenue Refunding Bonds, Taxable Series 2015B, dated May 12, 2015, refunded \$34.2 million in Subordinated Excise Tax Revenue Bonds, Series 2006C and \$24.0 million of non-Civic Improvement Corporation debt. The proceeds from the issuance of \$60.9 million of Subordinated Excise Tax Revenue Refunding Bonds, Taxable Series 2015B were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

#### **Subordinated Excise Tax Revenue Bonds, Series 2017A**

On June 1, 2017, the Corporation entered into an agreement with the City whereby the Corporation agreed to fund or reimburse the City for the costs of certain projects, property and equipment and for acquiring, constructing, equipping and improving real and personal property for the City through the issuance of \$116.8 million of Subordinated Excise Tax Revenue Bonds, Series 2017A.

#### **Subordinated Excise Tax Revenue Refunding Bonds, Series 2017B**

The issuance of \$101.9 million of Subordinated Excise Tax Revenue Refunding Bonds, Series 2017B, dated June 1, 2017, refunded \$80.7 million of Senior Lien Excise Tax Revenue Refunding Bonds, Series 2007, and \$36.4 million of Subordinated Excise Tax Revenue Refunding Bonds, Series 2007B. The proceeds from the issuance of \$101.9 million of Subordinated Excise Tax Revenue Refunding Bonds, Series 2017B were transferred to the respective paying agents for the bonds and interest refunded.

#### **Subordinated Excise Tax Revenue Bonds, Series 2020A**

On August 25, 2020, the Corporation entered into an agreement with the City whereby the Corporation agreed to fund or reimburse the City for the costs of repairing, renovating, replacing and improving the Convention Center and various other City facilities or equipment through the issuance of \$131.6 million of Subordinated Excise Tax Revenue Bonds, Series 2020A.

#### **Subordinated Excise Tax Revenue Bonds, Taxable Series 2020B**

On August 25, 2020, the Corporation entered into an agreement with the City whereby the Corporation agreed to fund the City for the costs of repairing, renovating and improving a City-owned multipurpose arena through the issuance of \$150.0 million of Subordinated Excise Tax Revenue Bonds, Taxable Series 2020B.

#### **Subordinated Excise Tax Revenue Refunding Bonds, Taxable Series 2020C**

The issuance of \$116.7 million of Subordinated Excise Tax Revenue Refunding Bonds, Taxable Series 2020C, dated August 25, 2020, refunded \$3.8 million of Senior Lien Excise Tax Revenue Bonds, Series 2011A, \$34.6 million of Senior Lien Excise Tax Revenue Bonds, Series 2011B (Taxable), \$24.3 million of Senior Lien Excise Tax Revenue Refunding Bonds, Series 2011C, \$8.5 million of Senior Lien Excise Tax Revenue Refunding Bonds, Series 2012, \$2.8 million of Subordinated Excise Tax Revenue Refunding Bonds, Series

2012A, \$23.1 million of Subordinated Excise Tax Revenue Refunding, Series 2012B (Taxable), and \$12.1 million Subordinated Excise Tax Revenue Bonds, Series 2017A. The proceeds from the issuance of \$116.7 million of Subordinated Excise Tax Revenue Refunding Bonds, Taxable Series 2020C were transferred to the respective paying agents for the bonds and interest refunded.

**Subordinated Excise Tax Revenue Bonds, Series 2022**

On August 3, 2022, the Corporation entered into an agreement with the City whereby the Corporation agreed to fund or reimburse the City for the costs of acquiring, constructing, and improving real and personal property for the police headquarters and call center through the issuance of \$131.7 million of Subordinated Excise Tax Revenue Bonds, Series 2022.

**State of Arizona Distribution Revenue Bonds (Civic Plaza Expansion Project), Series 2005B**

In October 2005, the Corporation entered into an agreement with the City for the purpose of paying a portion of the costs of constructing, expanding, modifying and improving the Phoenix Civic Plaza Convention Center through the issuance of \$275.4 million of State of Arizona Distribution Revenue Bonds (Civic Plaza Expansion Project), Series 2005B.

**Senior Lien Airport Revenue Bonds, Series 2017A (AMT)**

On November 21, 2017, the Corporation entered into an agreement with the City whereby the Corporation refunded \$180.0 million outstanding under a Revolving Credit Agreement and agreed to fund or reimburse the City for costs of the Terminal 3 Modernization Project with the remaining proceeds through the issuance of \$190.9 million of Senior Lien Airport Revenue Bonds, Series 2017A (AMT).

**Senior Lien Airport Revenue Refunding Bonds, Series 2017B (Non-AMT)**

The issuance of \$173.4 million of Senior Lien Airport Revenue Refunding Bonds, Series 2017B (Non-AMT), dated November 21, 2017, refunded \$206.8 million of Senior Lien Airport Revenue Bonds, Series 2008A (Non-AMT). The proceeds from the issuance of \$173.4 million of Senior Lien Airport Revenue Refunding Bonds, Series 2017B (Non-AMT) were transferred to the respective paying agents for the bonds and interest refunded.

**Senior Lien Airport Revenue Bonds, Series 2018 (AMT)**

On November 28, 2018, the Corporation entered into an agreement with the City whereby the Corporation refunded \$100.0 million outstanding under a Revolving Credit Agreement and agreed to fund or reimburse the City for costs of the Terminal 3 Modernization Project with the remaining proceeds through the issuance of \$226.2 million of Senior Lien Airport Revenue Bonds, Series 2018 (AMT).

**Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT)**

The issuance of \$96.5 million of Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT), dated June 7, 2023, refunded \$115.5 million of Senior Lien Airport Revenue Refunding Bonds, Series 2013 (AMT). The proceeds from the issuance of \$96.5 million of Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT) were transferred to the respective paying agents for the bonds and interest refunded.

**Junior Lien Airport Revenue Bonds, Taxable Series 2010B (Recovery Zone Economic Development Bonds - Direct Payment)**

In September 2010, the Corporation issued \$21.3 million of Junior Lien Airport Revenue Bonds, Taxable Series 2010B (Recovery Zone Economic Development Bonds-Direct Payment). The Corporation elected to receive subsidy payments in the amount of 45% of each interest payment on the Recovery Zone Economic Development Bonds, paid directly to US Bank, National Association, as trustee, from the United States Treasury. On March 1, 2013, the federal government announced the implementation of certain automatic budget cuts known as the sequester, which has resulted in a reduction of the federal subsidy payments by 5.9% for the federal government's fiscal year ending September 30, 2021. Proceeds from the bonds will fund land acquisition for noise mitigation and related capital costs for the Phoenix Sky Train.

**Junior Lien Airport Revenue Bonds, Series 2015A (Non-AMT)**

On December 15, 2015, the Corporation entered into a purchase agreement with the City under which the Corporation refunded its outstanding Airport Commercial Paper Program Notes, Series 2014A-1 and Series 2014A-2 totaling \$100.0 million. This agreement was financed through the issuance of \$95.8 million of Junior Lien Airport Revenue Bonds, Series 2015A (Non-AMT).

**Junior Lien Airport Revenue Refunding Bonds, Series 2015B (Non-AMT)**

The issuance of \$18.7 million of Junior Lien Airport Revenue Refunding Bonds, Series 2015B (Non-AMT), dated December 15, 2015, refunded \$20.0 million of Junior Lien Airport Revenue Bonds, Series 2010A (Non-

AMT). The proceeds from the issuance of the Junior Lien Airport Revenue Refunding Bonds, Series 2015B (Non-AMT) were transferred to the paying agent for the bonds and interest being refunded.

**Junior Lien Airport Revenue Refunding Bonds, Series 2017D (Non-AMT)**

The issuance of \$474.7 million of Junior Lien Airport Revenue Refunding Bonds, Series 2017D (Non-AMT), dated December 21, 2017, refunded \$512.9 million of Junior Lien Airport Revenue Bonds, Series 2010A (Non-AMT). The proceeds from the issuance of \$474.7 million of Junior Lien Airport Revenue Refunding Bonds, Series 2017D (Non-AMT) were transferred to the respective paying agents for the bonds and interest refunded.

**Junior Lien Airport Revenue Bonds, Series 2019A (Non-AMT)**

On December 11, 2019, the Corporation entered into a purchase agreement with the City whereby the Corporation refunded \$100.0 million outstanding under a Revolving Credit Agreement. Additionally, the Corporation agreed to fund or reimburse the City for costs of the PHX Sky Train automated transportation system at Sky Harbor and a police hangar at Phoenix Deer Valley Airport with the remaining proceeds through the issuance of \$341.1 million Junior Lien Airport Revenue Bonds, Series 2019A (Non-AMT).

**Junior Lien Airport Revenue Bonds, Series 2019B (AMT)**

On December 11, 2019, the Corporation entered into an agreement with the city whereby the Corporation agreed to fund or reimburse the City for the costs of the Terminal 3 and Terminal 4 Modernization Project at Sky Harbor. This agreement was financed through the issuance of \$392.0 million of Junior Lien Airport Revenue Bonds, Series 2019B (AMT).

**Junior Lien Airport Revenue Refunding Bonds, Taxable Series 2019C**

On December 11, 2019, the issuance of \$29.4 million of Junior Lien Airport Revenue Refunding Bonds, Series 2019C refunded \$32.1 million of Junior Lien Airport Revenue Refunding Bonds, Series 2010C. The proceeds from the issuance of \$29.4 million of Junior Lien Airport Revenue Refunding Bonds, Series 2019C were transferred to the respective paying agents for the bonds and interest refunded.

**Rental Car Facility Charge Revenue Bonds, Series 2019A (Non-AMT)**

On December 5, 2019, the Corporation entered into a purchase agreement with the City to finance the cost of improvements at the PHX Sky Train which will extend services from Terminal 3 to a future West Ground Transportation Center. The purchase was financed through the issuance of \$244.2 million of Rental Car Facility Charge Revenue Bonds, Series 2019A (Non-AMT).

**Rental Car Facility Charge Revenue Refunding Bonds, Taxable Series 2019B**

On December 5, 2019, the issuance of \$60.5 million of Rental Car Facility Charge Revenue Refunding Bonds, Taxable Series 2019B and cash on hand refunded \$154.9 million of Rental Car Facility Charge Revenue Bonds, Series 2004. Cash on hand and proceeds from the issuance of \$60.5 million of Rental Car Facility Revenue Refunding Bonds, Taxable Series 2019B were transferred to the respective paying agents for the bonds and interest refunded and make-whole call premium.

**Junior Lien Water System Revenue Refunding Bonds, Series 2001**

The issuance of \$99.9 million of Junior Lien Water System Revenue Refunding Bonds, Series 2001, dated August 1, 2001 refunded \$87.1 million of Junior Lien Water System Revenue Bonds, Series 1994 and \$12.8 million of Junior Lien Water System Revenue Bonds, Series 1996. The proceeds from the issuance of \$99.9 million of Junior Lien Water System Revenue Refunding Bonds, Series 2001 were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

**Junior Lien Water System Revenue Bonds, Series 2014A**

On December 17, 2014, the Corporation and the City entered into an agreement under which the Corporation funded improvements of the City's water system and for the purpose of refunding the Corporation's outstanding Water System Revenue Commercial Paper Program Notes, Series 2012A and Series 2012B. This agreement was financed through the issuance of \$152.8 million of Junior Lien Water System Revenue Bonds, Series 2014A.

**Junior Lien Water System Revenue Refunding Bonds, Series 2014B**

The issuance of \$445.1 million of Junior Lien Water System Revenue Refunding Bonds, Series 2014B, dated December 17, 2014, fully refunded \$486.4 million of the City's Junior Lien Water System Revenue Refunding Bonds, Series 2005 and \$10.5 million of the City's Junior Lien Water System Revenue Refunding Bonds, Series 2003. The proceeds from the issuance of \$445.1 million of Junior Lien Water System Revenue

Refunding Bonds, Series 2014B were transferred to the respective paying agents for the bonds and interest being refunded.

**Junior Lien Water System Revenue Refunding Bonds, Series 2016**

The issuance of \$375.8 million of Junior Lien Water System Revenue Refunding Bonds, Series 2016, dated January 10, 2017, refunded \$397.8 million of Junior Lien Water System Revenue Bonds, Series 2009A. The proceeds from the issuance of \$375.8 million of Junior Lien Water System Revenue Refunding Bonds, Series 2016 were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

**Junior Lien Water System Revenue Bonds, Series 2020A**

On April 9, 2020, the Corporation entered into a purchase agreement with the City whereby the Corporation refunded \$200.0 million outstanding under a Revolving Credit Agreement. Additionally, the Corporation agreed to fund or reimburse the City for costs of certain improvements of the City's water system with the remaining proceeds, including premium, through the issuance of \$165.1 million of Junior Lien Water System Revenue Bonds, Series 2020A.

**Junior Lien Water System Revenue Bonds, Series 2020B (Sustainability Bonds)**

On April 9, 2020, the Corporation entered into a purchase agreement with the City whereby the Corporation agreed to fund the costs of the Sustainability Project, which is based upon the social impacts of sustainable, clean water management as well as the climate adaptation and/or mitigation benefits of the Colorado River Resiliency Project. The agreement was financed through the issuance of \$228.0 million of Junior Lien Water System Revenue Bonds, Series 2020B (Sustainability Bonds).

**Junior Lien Water System Revenue Bonds, Series 2021A**

On June 9, 2021, the Corporation entered into a purchase agreement with the City whereby the Corporation agreed to fund or reimburse the City for costs of certain improvements of the City's water system with the proceeds, including premium, through the issuance of \$250.0 million of Junior Lien Water System Revenue Bonds, Series 2021A.

**Junior Lien Water System Revenue Refunding Bonds, Series 2021B**

The issuance of \$67.3 million of Junior Lien Water System Revenue Refunding Bonds, Series 2021B, dated June 9, 2021, refunded \$77.5 million of Junior Lien Water System Revenue Refunding Bonds, Series 2011. The proceeds from the issuance of \$67.3 million of Junior Lien Water System Revenue Refunding Bonds, Series 2021B were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

**Junior Lien Water System Revenue Refunding Bonds, Taxable Series 2021C**

The issuance of \$151.3 million of Junior Lien Water System Revenue Refunding Bonds, Taxable Series 2021C, dated June 9, 2021, refunded \$132.2 million of Junior Lien Water System Revenue Bonds, Series 2014A. The proceeds from the issuance of \$151.3 million of Junior Lien Water System Revenue Refunding Bonds, Taxable Series 2021C were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

**Senior Lien Wastewater Revenue Refunding Bonds, Series 2018B**

The issuance of \$84.3 million of Senior Lien Wastewater Revenue Refunding Bonds, Series 2018B, dated June 19, 2018, refunded \$92.7 million of Senior Lien Wastewater Revenue Refunding Bonds, Series 2008. The proceeds from the issuance of \$84.3 million of Senior Lien Wastewater Revenue Refunding Bonds, Series 2018 were transferred to the respective paying agents for the bonds and interest refunded.

**Junior Lien Wastewater System Revenue Refunding Bonds, Series 2011**

On December 22, 2011, the Corporation entered into a purchase agreement with the City under which the Corporation refunded the total outstanding \$137.1 million of Junior Lien Wastewater System Revenue Bonds, Series 2001. The bonds were refunded through the issuance of \$118.3 million in Junior Lien Wastewater System Revenue Refunding Bonds, Series 2011.

**Junior Lien Wastewater System Revenue Refunding Bonds, Series 2014**

On April 15, 2014, the Corporation entered into a purchase agreement with the City under which the Corporation refunded the total outstanding \$144.8 million of Junior Lien Wastewater System Revenue Bonds, Series 2004. The bonds were refunded through the issuance of \$127.8 million in Junior Lien Wastewater System Revenue Refunding Bonds, Series 2014.

**Junior Lien Wastewater System Revenue Refunding Bonds, Series 2016**

The issuance of \$225.3 million of Junior Lien Wastewater System Revenue Refunding Bonds, Series 2016, dated November 16, 2016, refunded \$262.4 million of Junior Lien Wastewater System Revenue Bonds, Series 2007. The proceeds from the issuance of \$225.3 million of Junior Lien Wastewater System Revenue Refunding Bonds, Series 2016 were placed in an irrevocable trust to provide for future debt service payments on the refunded bonds.

**Junior Lien Wastewater System Revenue Bonds, Series 2018A**

On June 19, 2018, the Corporation entered into an agreement with the City whereby the Corporation agreed to fund or reimburse the City for the costs of certain improvements of the City's wastewater system. This agreement was financed through the issuance of \$133.3 million of Junior Lien Wastewater System Revenue Bonds, Series 2018A.

**5. Refunded Obligations**

Bonds are refunded to retire all or a portion of an outstanding bond issue. Most typically, refundings are done to refinance at a lower interest rate to reduce overall debt service. Prior to January 2018, certain issues of bonds could have been refunded prior to the call date, known as an advanced refunding. The Tax Cuts and Jobs Act of 2017 prohibits refunding tax-exempt bonds before their call date, unless the bonds are refunded with taxable bonds. In most cases an advanced refunding of tax-exempt bonds with taxable bonds would not be financially beneficial. However, there may be circumstances when the benefits of the advanced refunding outweigh the disadvantages of issuing taxable bonds.

Future principal and interest payments on refunded bonds have been provided through advanced refunding bond issues whereby refunding bonds are issued and the net proceeds, plus any additional resources that may be required, are used to purchase securities issued and guaranteed by the United States government, when available. When U.S. government securities are not available, conventional treasury securities will be purchased. These securities are then deposited in an irrevocable trust under an escrow agreement which states that all proceeds from the trust will be used to fund the principal and interest payments of the previously issued debt being refunded. The trust deposits have been computed so that the securities in the trust, along with future cash flows generated by the securities, will be sufficient to service the previously issued bonds.

**Defeasances**

During fiscal year 2022-23, the Corporation had no defeasances.

**Refundings**

During fiscal year 2022-23, the Corporation issued Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT). The refunding bonds reduced the present value of future debt service payments. These savings were available due to improved municipal bond market conditions (i.e., lower interest rates) during the year. The effects of the new money and refunding is summarized as follows (in thousands):

		Senior Lien Airport Revenue
Series		2023
Closing Date		06/07/23
Net Interest Rate		3.55%
Refunding Bonds Issued	\$	96,540
Premium (Discount)		7,920
Underwriter's Discount		(356)
Issuance Costs and Insurance		(642)
Net Proceeds	\$	103,462
Refunded Amount	\$	115,485
Decrease in Debt Service	\$	24,019
Economic Gain (Loss)	\$	8,049
Number of Years Affected		10



Advanced refunding and defeasance arrangements at June 30, 2023 were as follows (in thousands):

Refunded and Defeased Bonds					
Date Refunded/ Defeased	Call Date	Issue Dates	Type	Balance Outstanding	Assets Held in Trust <sup>(1)</sup>
06/09/21	07/01/24	12/17/14	Civic Improvement Corporation Junior Lien Water System Revenue Bonds	\$ 132,175	\$ 141,442

(1) Assets held in trust for advanced refunded bonds reflect the market value of those assets.

## 6. Bonds Payable

The bonds are issued by the Corporation for City approved projects. The City makes annual payments to the Corporation under a purchase agreement equal to the annual debt service requirements of the bonds. The City's payments to the Corporation are guaranteed by either a pledge of excise taxes, enterprise fund revenues or project revenues. Pledged excise taxes include City sales, use, utility and franchise taxes, license and permit fees and state shared sales and income taxes. The payments for all outstanding Corporation bonds issued for general government purposes have been anticipated and provided for in the City's annual operating budget.

The debt service reserve balances were as follows as of June 30, 2023 (in thousands), which are held as restricted cash with fiscal agents - noncurrent assets:

Issuance	Reserve Amount
Airport Rental Car Parity Reserve for Series 2019A, 2019B	\$ 20,545
Junior Lien Airport Debt Service Reserve for Series 2010B	2,134
Junior Lien Airport Parity Reserve for Series 2015A, 2017D, 2019A, 2019B, 2019C	95,602
Airport Revenue Refunding Bonds, Series 2015B (Non-AMT) Reserve	1,866
Senior Lien Airport Parity Reserve for Series 2017A, 2017B, 2018, 2023	51,049
	\$ 171,196

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Issue	Issue Date	Original Issuance
Subordinated Excise Tax Revenue Refunding Bonds, Series 2012A	06/21/12	\$ 17,510,000
Subordinated Excise Tax Revenue Refunding Bonds, Series 2015A	05/12/15	\$ 319,305,000
Subordinated Excise Tax Revenue Refunding Bonds, Series 2015B (Taxable)	05/12/15	\$ 60,895,000
Subordinated Excise Tax Revenue Bonds, Series 2017A	06/01/17	\$ 116,835,000
Subordinated Excise Tax Revenue Refunding Bonds, Series 2017B	06/01/17	\$ 101,895,000
Subordinated Excise Tax Revenue Bonds, Series 2020A	08/25/20	\$ 131,595,000
Subordinated Excise Tax Revenue Bonds, Series 2020B (Taxable)	08/25/20	\$ 150,000,000
Subordinated Excise Tax Revenue Refunding Bonds, Series 2020C (Taxable)	08/25/20	\$ 116,685,000
Subordinated Excise Tax Revenue Bonds, Series 2022	8/3/2022	\$ 131,650,000
State of Arizona Distribution Revenue Bonds (Civic Plaza Expansion Project), Series 2005B	10/6/2005	\$ 275,362,352
Senior Lien Airport Revenue Bonds, Series 2017A (AMT)	11/21/2017	\$ 190,930,000

Purpose	Call and Redemption Terms
To refund a portion of the Corporation's Municipal Facilities Excise Tax Revenue Bonds, Series 2003B and Subordinated Excise Tax Revenue Bonds, Series 2004.	Bonds maturing on or after July 1, 2023 are callable on 7/1/2022 and thereafter, in whole or in part at any time, at 100% of par.
To refund the Subordinated Excise Tax Revenue Bonds, Series 2005A (Civic Plaza Expansion Project); to partially refund the Subordinated Excise Tax Revenue Bonds, Series 2006A (Solid Waste Improvements) and Subordinated Excise Tax Revenue Bonds, Series 2007A.	Bonds maturing on or after July 1, 2026 are callable on 7/1/2025 and thereafter, in whole or in part at any time, at 100% of par.
To partially refund the Subordinated Excise Tax Revenue Bonds, Taxable Series 2006C and refund the Certificates of Participation issued through the Arizona Municipal Financing Program, Series 18.	Bonds maturing on or after July 1, 2026 are callable on 7/1/2025 and thereafter, in whole or in part at any time, at 100% of par.
To fund certain projects, property and equipment and for acquiring, constructing, equipping and improving real and personal property for the City.	Bonds maturing on or after July 1, 2028 are callable on 7/1/2027 and thereafter, in whole or in part at any time, at 100% of par.
To refund the Senior Lien Excise Tax Revenue Refunding Bonds, Series 2007 and refund the Subordinated Excise Tax Revenue Refunding Bonds, Series 2007B.	Bonds maturing on or after July 1, 2028 are callable on 7/1/2027 and thereafter, in whole or in part at any time, at 100% of par.
To fund costs of repairing, renovating, replacing and improving the Convention Center and various other City facilities or equipment.	Bonds maturing on or after July 1, 2031 are callable on 7/1/2030 and thereafter, in whole or in part at any time, at 100% of par.
To fund costs of repairing, renovating and improving a City-owned multipurpose arena.	Bonds maturing on or after July 1, 2031 are callable on 7/1/2030 and thereafter, in whole or in part at any time, at 100% of par. From the date of issuance, the bonds are subject to a Make-Whole Redemption prior to the call date plus accrued interest.
To partially refund the Senior Lien Excise Tax Revenue Bonds, Series 2011A, Subordinated Excise Tax Revenue Refunding Bonds, Series 2012A, Subordinated Excise Tax Revenue Refunding Bonds, Series 2012B (Taxable) and Subordinated Excise Tax Revenue Bonds, Series 2017A. To refund the Senior Lien Excise Tax Revenue Bonds, Series 2011B (Taxable), Senior Lien Excise Tax Revenue Refunding Bonds, Series 2011C and Senior Lien Excise Tax Revenue Refunding Bonds, Series 2012.	Bonds maturing on or after July 1, 2031 are callable on 7/1/2030 and thereafter, in whole or in part at any time, at 100% of par. From the date of issuance, the bonds are subject to a Make-Whole Redemption prior to the call date plus accrued interest.
To fund a portion of the cost of acquiring, constructing, and improving real and personal property for the City's police headquarters and call center.	Bonds maturing on or after July 1, 2033 are callable on 7/1/2032 and thereafter, in whole or in part at any time, at 100% of par.
To fund a portion of the cost of constructing, expanding, modifying and improving the Phoenix Civic Plaza (Convention Center).	Bonds are not subject to redemption prior to maturity.
To fund a portion of the costs related to the Terminal 3 Modernization Project with the majority of the proceeds refunding the outstanding balance under a Revolving Credit Agreement.	Bonds maturing on or after July 1, 2028 are callable on 7/1/2027 and thereafter, in whole or in part at any time, at 100% par.

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Issue	Issue Date	Original Issuance
Senior Lien Airport Revenue Refunding Bonds, Series 2017B (Non-AMT)	11/21/2017	\$ 173,440,000
Senior Lien Airport Revenue Bonds, Series 2018 (AMT)	11/28/2018	\$ 226,180,000
Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT)	6/7/2023	\$ 96,540,000
Junior Lien Airport Revenue Bonds, Taxable Series 2010B (Recovery Zone Economic Development Bonds-Direct Payment)	9/1/2010	\$ 21,345,000
Junior Lien Airport Revenue Bonds, Series 2015A (Non-AMT)	12/15/15	\$ 95,785,000
Junior Lien Airport Revenue Refunding Bonds, Series 2015B (Non-AMT)	12/15/15	\$ 18,655,000
Junior Lien Airport Revenue Refunding Bonds, Series 2017D (Non-AMT)	12/21/17	\$ 474,725,000
Junior Lien Airport Revenue Bonds, Series 2019A (Non-AMT)	12/11/2019	\$ 341,095,000
Junior Lien Airport Revenue Bonds, Series 2019B (AMT)	12/11/2019	\$ 392,005,000
Junior Lien Airport Revenue Refunding Bonds, Taxable Series 2019C	12/11/2019	\$ 29,435,000
Rental Car Facility Charge Revenue Bonds, Series 2019A (Non-AMT)	12/5/2019	\$ 244,245,000
Rental Car Facility Charge Revenue Refunding Bonds, Taxable Series 2019B	12/5/2019	\$ 60,485,000
Junior Lien Water System Revenue Refunding Bonds, Series 2001	08/01/01	\$ 99,980,000
Junior Lien Water System Revenue Bonds, Series 2014A	12/17/14	\$ 152,830,000

Purpose	Call and Redemption Terms
To refund the Senior Lien Airport Revenue Bonds, Series 2008A (Non-AMT).	Bonds maturing on or after July 1, 2028 are callable on 7/1/2027 and thereafter, in whole or in part at any time, at 100% par.
To fund a portion of the costs related to the Terminal 3 Modernization Project with a portion of the proceeds refunding the outstanding balance under a Revolving Credit Agreement.	Bonds maturing on or after July 1, 2029 are callable on 7/1/2028 and thereafter, in whole or in part at any time, at 100% par.
To refund the Senior Lien Airport Revenue Refunding Bonds, Series 2013 (AMT).	Bonds are not subject to redemption prior to maturity.
To fund land acquisition for noise mitigation and related capital costs for the Phoenix Sky Train.	The bonds are subject to redemption prior to their maturity date of July 1, 2040 in whole or in part at the make-whole premium.
To refund the outstanding Airport Commercial Paper Program Notes, Series 2014A-1 and 2014A-2.	Bonds maturing on and after July 1, 2026 are callable on 7/1/2025 and thereafter, in whole or in part at any time, at 100% of par.
To refund a portion of the outstanding Junior Lien Airport Revenue Bonds, Series 2010A (Non-AMT).	Bonds are callable on 7/1/2025 and thereafter, in whole or in part at any time, at 100% if par.
To refund the Junior Lien Airport Revenue Bonds, Series 2010A (Non-AMT).	Bonds maturing on or after July 1, 2028 are callable on 7/1/2027 and thereafter, in whole or in part at any time, at 100% par.
To fund the PHX Sky Train automated transportation system at Sky Harbor and a police hangar at Phoenix Deer Valley Airport with a portion of the proceeds refunding the outstanding balance under a Revolving Credit Agreement.	Bonds maturing on or after July 1, 2030 are callable on 7/1/2029 and thereafter, in whole or in part at any time at 100% of par.
To fund costs of the Terminal 3 and Terminal 4 Modernization Project at Sky Harbor.	Bonds maturing on or after July 1, 2030 are callable on 7/1/2029 and thereafter, in whole or in part at any time at 100% of par.
To refund the Junior Lien Airport Revenue Refunding Bonds, Series 2010C.	Bonds are callable in whole or in part at any time prior to maturity at 100% of par plus the make-whole premium, if any.
To fund the costs of improvements to the PHX Sky Train which will extend services from Terminal 3 to a future West Ground Transportation Center.	Bonds maturing on or after July 1, 2030 are callable on 7/1/2029 and thereafter, in whole or in part at any time at 100% of par.
To refund the Rental Car Facility Charge Revenue Bonds, Series 2004.	Bonds are callable in whole or in part at any time prior to maturity at 100% of par plus the make-whole premium, if any.
To refund a portion of the outstanding Junior Lien Water System Revenue Bonds, Series 1994 and a portion of the outstanding Junior Lien Water System Revenue Bonds, Series 1996.	Bonds are not subject to redemption prior to stated maturity.
To refund the outstanding Water System Commercial Paper Program Notes, Series 2012A and 2012B.	Bonds maturing on and after July 1, 2025 are callable on 7/1/2024 and thereafter, in whole or in part at any time, at 100% of par.

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Issue	Issue Date	Original Issuance
Junior Lien Water System Revenue Refunding Bonds, Series 2014B	12/17/14	\$ 445,085,000
Junior Lien Water System Revenue Refunding Bonds, Series 2016	01/10/17	\$ 375,780,000
Junior Lien Water System Revenue Bonds, Series 2020A	04/09/20	\$ 165,115,000
Junior Lien Water System Revenue Bonds, Series 2020B (Sustainability Bonds)	04/09/20	\$ 228,015,000
Junior Lien Water System Revenue Bonds, Series 2021A	06/09/21	\$ 250,000,000
Junior Lien Water System Revenue Refunding Bonds, Series 2021B	06/09/21	\$ 67,345,000
Junior Lien Water System Revenue Refunding Bonds, Taxable Series 2021C	06/09/21	\$ 151,280,000
Senior Lien Wastewater System Revenue Refunding Bonds, Series 2018B	06/19/18	\$ 84,295,000
Junior Lien Wastewater System Revenue Refunding Bonds, Series 2011	12/22/11	\$ 118,290,000
Junior Lien Wastewater System Revenue Refunding Bonds, Series 2014	04/15/14	\$ 127,810,000
Junior Lien Wastewater System Revenue Refunding Bonds, Series 2016	11/16/16	\$ 225,325,000
Junior Lien Wastewater System Revenue Bonds, Series 2018A	06/19/18	\$ 133,270,000

Purpose	Call and Redemption Terms
To refund the Junior Lien Water System Revenue Refunding Bonds, Series 2003 and refund the Junior Lien Water System Revenue Bonds, Series 2005.	Bonds maturing on and after July 1, 2025 are callable on 7/1/2024 and thereafter, in whole or in part at any time, at 100% of par.
To refund the Junior Lien Water System Revenue Bonds, Series 2009A.	Bonds maturing on or after July 1, 2027 are callable on 7/1/2026 and thereafter, in whole or in part at any time, at 100% of par.
To fund improvements of the City's water system with a majority portion of the proceeds refunding the outstanding balance under a Revolving Credit Agreement.	Bonds maturing on or after July 1, 2031 are callable on 7/1/2030 and thereafter, in whole or in part at any time at 100% of par.
Proceeds are designated to fund the Sustainability Project, which is based upon the social impacts of sustainable, clean water management as well as the climate adaptation and/or mitigation benefits of the Colorado River Resiliency project.	Bonds maturing on or after July 1, 2031 are callable on 7/1/2030 and thereafter, in whole or in part at any time at 100% of par.
To fund improvements of the City's water system.	Bonds maturing on or after July 1, 2032 are callable on 7/1/2031 and thereafter, in whole or in part at any time at 100% of par.
To refund the Junior Lien Water System Revenue Refunding Bonds, Series 2011.	Bonds are not subject to redemption prior to maturity.
To partially refund the Junior Lien Water System Revenue Refunding Bonds, Series 2014A.	Bonds maturing on or after July 1, 2032 are callable on 7/1/2031 and thereafter, in whole or in part at any time, at 100% of par. From the date of issuance, the bonds are subject to a Make-Whole Premium prior to the call date plus accrued interest.
To refund the Senior Lien Wastewater System Revenue Refunding Bonds, Series 2008.	Bonds are not subject to redemption prior to maturity.
To refund the outstanding Junior Lien Wastewater System Revenue Refunding Bonds, Series 2001.	Bonds maturing on and after July 1, 2023 are callable on 7/1/2022 and thereafter, in whole or in part at any time, at 100% of par.
To refund the outstanding Junior Lien Wastewater System Revenue Refunding Bonds, Series 2004.	Bonds maturing on and after July 1, 2025 are callable on July 1, 2024 and thereafter, in whole or in part at any time, at 100% of par.
To refund the Junior Lien Wastewater System Revenue Bonds, Series 2007.	Bonds maturing on or after July 1, 2027 are callable on 7/1/2026 and thereafter, in whole or in part at any time, at 100% of par.
To fund the cost of certain improvements of the City's wastewater system.	Bonds maturing on or after July 1, 2029 are callable on 7/1/2028 and thereafter, in whole or in part at any time, at 100% par.

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Fiscal Year Ending June 30	Principal	Interest	Total
<b>Subordinated Excise Tax Revenue Refunding Bonds, Series 2012A</b>			
2024	\$ -	\$ 6,600	\$ 6,600
2025	220,000	6,600	226,600
Total	<u>\$ 220,000</u>	<u>\$ 13,200</u>	<u>\$ 233,200</u>

Coupon rates 3.00 - 5.00%

Effective interest rate 2.30%

**Subordinated Excise Tax Revenue Refunding Bonds, Series 2015A**

2024	\$ 9,360,000	\$ 13,273,100	\$ 22,633,100
2025	17,050,000	12,805,100	29,855,100
2026	17,930,000	11,952,600	29,882,600
2027	11,830,000	11,056,100	22,886,100
2028	10,770,000	10,464,600	21,234,600
2029 - 2033	62,275,000	43,905,850	106,180,850
2034 - 2038	79,430,000	26,760,000	106,190,000
2039 - 2041	57,835,000	5,877,500	63,712,500
Total	<u>\$ 266,480,000</u>	<u>\$ 136,094,850</u>	<u>\$ 402,574,850</u>

Coupon rates 3.00 - 5.00%

Effective interest rate 3.56%

**Subordinated Excise Tax Revenue Refunding Bonds, Series 2015B (Taxable)**

2024	\$ 5,005,000	\$ 1,148,231	\$ 6,153,231
2025	2,070,000	1,002,986	3,072,986
2026	2,125,000	939,809	3,064,809
2027	2,190,000	870,704	3,060,704
2028	2,260,000	797,296	3,057,296
2029 - 2033	12,620,000	2,678,376	15,298,376
2034 - 2035	5,775,000	348,102	6,123,102
Total	<u>\$ 32,045,000</u>	<u>\$ 7,785,504</u>	<u>\$ 39,830,504</u>

Coupon rates 0.41 - 3.992%

Effective interest rate 3.35%



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Fiscal Year Ending June 30	Principal	Interest	Total
<b>Subordinated Excise Tax Revenue Bonds, Series 2017A</b>			
2024	\$ 13,390,000	\$ 2,343,600	\$ 15,733,600
2025	6,585,000	1,674,100	8,259,100
2026	6,915,000	1,344,850	8,259,850
2027	7,260,000	999,100	8,259,100
2028	3,730,000	636,100	4,366,100
2029 - 2032	16,230,000	1,235,250	17,465,250
Total	<u>\$ 54,110,000</u>	<u>\$ 8,233,000</u>	<u>\$ 62,343,000</u>
Coupon rates		<u>3.00 - 5.00%</u>	
Effective interest rate		<u>2.16%</u>	
<b>Subordinated Excise Tax Revenue Refunding Bonds, Series 2017B</b>			
2024	\$ 7,075,000	\$ 1,964,950	\$ 9,039,950
2025	8,255,000	1,611,200	9,866,200
2026	8,660,000	1,198,450	9,858,450
2027	6,140,000	765,450	6,905,450
2028	6,440,000	458,450	6,898,450
2029	6,695,000	200,850	6,895,850
Total	<u>\$ 43,265,000</u>	<u>\$ 6,199,350</u>	<u>\$ 49,464,350</u>
Coupon rates		<u>3.00 - 5.00%</u>	
Effective interest rate		<u>2.02%</u>	
<b>Subordinated Excise Tax Revenue Bonds, Series 2020A</b>			
2024	\$ 5,625,000	\$ 5,943,500	\$ 11,568,500
2025	5,915,000	5,662,250	11,577,250
2026	6,200,000	5,366,500	11,566,500
2027	6,510,000	5,056,500	11,566,500
2028	6,845,000	4,731,000	11,576,000
2029 - 2033	39,685,000	18,168,000	57,853,000
2034 - 2038	33,520,000	7,644,700	41,164,700
2039 - 2043	13,280,000	2,853,600	16,133,600
2044 - 2045	6,090,000	367,800	6,457,800
Total	<u>\$ 123,670,000</u>	<u>\$ 55,793,850</u>	<u>\$ 179,463,850</u>
Coupon rates		<u>4.00 - 5.00%</u>	
Effective interest rate		<u>1.90%</u>	

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Fiscal Year Ending June 30	Principal	Interest	Total
<b>Subordinated Excise Tax Revenue Bonds, Series 2020B (Taxable)</b>			
2024	\$ 5,110,000	\$ 2,906,371	\$ 8,016,371
2025	5,155,000	2,861,454	8,016,454
2026	5,205,000	2,812,018	8,017,018
2027	5,265,000	2,751,796	8,016,796
2028	5,335,000	2,685,615	8,020,615
2029 - 2033	27,985,000	12,105,522	40,090,522
2034 - 2038	31,000,000	9,092,741	40,092,741
2039 - 2043	35,130,000	4,954,036	40,084,036
2044 - 2045	15,410,000	627,868	16,037,868
Total	<u>\$ 135,595,000</u>	<u>\$ 40,797,421</u>	<u>\$ 176,392,421</u>
Coupon rates		<u>0.457 - 2.704%</u>	
Effective interest rate		<u>2.39%</u>	
<b>Subordinated Excise Tax Revenue Refunding Bonds, Series 2020C (Taxable)</b>			
2024	\$ 16,260,000	\$ 1,420,567	\$ 17,680,567
2025	12,375,000	1,277,642	13,652,642
2026	12,460,000	1,158,965	13,618,965
2027	13,490,000	1,014,803	14,504,803
2028	14,075,000	845,234	14,920,234
2029 - 2033	28,015,000	2,116,392	30,131,392
2034 - 2036	6,375,000	285,336	6,660,336
Total	<u>\$ 103,050,000</u>	<u>\$ 8,118,939</u>	<u>\$ 111,168,939</u>
Coupon rates		<u>0.679 - 2.255%</u>	
Effective interest rate		<u>1.58%</u>	
<b>Subordinated Excise Tax Revenue Bonds, Series 2022</b>			
2024	\$ -	\$ 6,582,500	\$ 6,582,500
2025	3,180,000	6,582,500	9,762,500
2026	3,335,000	6,423,500	9,758,500
2027	3,505,000	6,256,750	9,761,750
2028	3,680,000	6,081,500	9,761,500
2029 - 2033	21,345,000	27,456,750	48,801,750
2034 - 2038	27,235,000	21,560,250	48,795,250
2039 - 2043	34,760,000	14,036,000	48,796,000
2044 - 2047	34,610,000	4,431,750	39,041,750
Total	<u>\$ 131,650,000</u>	<u>\$ 99,411,500</u>	<u>\$ 231,061,500</u>
Coupon rates		<u>5.00%</u>	
Effective interest rate		<u>3.79%</u>	

Fiscal Year Ending June 30	Principal	Interest	Total
<b>State of Arizona Distribution Revenue Bonds (Civic Plaza Expansion Project), Series 2005B</b>			
2024	\$ 6,270,000	\$ 19,228,550	\$ 25,498,550
2025	7,115,000	18,883,700	25,998,700
2026	8,005,000	18,492,375	26,497,375
2027	8,945,000	18,052,100	26,997,100
2028	9,935,000	17,560,125	27,495,125
2029 - 2033	66,590,000	78,402,500	144,992,500
2034 - 2038	92,900,000	57,083,675	149,983,675
2039 - 2043	121,415,000	28,567,275	149,982,275
2044	28,435,000	1,563,925	29,998,925
Total	<u>\$ 349,610,000</u>	<u>\$ 257,834,225</u>	<u>\$ 607,444,225</u>

Coupon rates 3.85 - 5.50%

Effective interest rate 4.72%

**Senior Lien Airport Revenue Bonds, Series 2017A (AMT)**

2024	\$ 3,870,000	\$ 8,617,750	\$ 12,487,750
2025	4,065,000	8,424,250	12,489,250
2026	4,270,000	8,221,000	12,491,000
2027	4,480,000	8,007,500	12,487,500
2028	4,710,000	7,783,500	12,493,500
2029 - 2033	27,315,000	35,141,250	62,456,250
2034 - 2038	34,860,000	27,595,000	62,455,000
2039 - 2043	44,490,000	17,964,500	62,454,500
2044 - 2047	44,295,000	5,671,500	49,966,500
Total	<u>\$ 172,355,000</u>	<u>\$ 127,426,250</u>	<u>\$ 299,781,250</u>

Coupon rates 5.00%

Effective interest rate 3.84%

**Senior Lien Airport Revenue Refunding Bonds, Series 2017B (Non-AMT)**

2024	\$ 7,205,000	\$ 7,774,000	\$ 14,979,000
2025	7,565,000	7,413,750	14,978,750
2026	7,945,000	7,035,500	14,980,500
2027	8,340,000	6,638,250	14,978,250
2028	8,760,000	6,221,250	14,981,250
2029 - 2033	50,810,000	24,082,750	74,892,750
2034 - 2038	64,855,000	10,043,750	74,898,750
Total	<u>\$ 155,480,000</u>	<u>\$ 69,209,250</u>	<u>\$ 224,689,250</u>

Coupon rates 5.00%

Effective interest rate 3.23%

CIVIC IMPROVEMENT CORPORATION  
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NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ending June 30	Principal	Interest	Total
<b>Senior Lien Airport Revenue Bonds, Series 2018 (AMT)</b>			
2024	\$ 4,140,000	\$ 10,278,500	\$ 14,418,500
2025	4,345,000	10,071,500	14,416,500
2026	4,560,000	9,854,250	14,414,250
2027	4,790,000	9,626,250	14,416,250
2028	5,025,000	9,386,750	14,411,750
2029 - 2033	29,170,000	42,903,250	72,073,250
2034 - 2038	37,225,000	34,843,750	72,068,750
2039 - 2043	47,510,000	24,559,250	72,069,250
2044 - 2048	72,805,000	11,749,750	84,554,750
Total	<u>\$ 209,570,000</u>	<u>\$ 163,273,250</u>	<u>\$ 372,843,250</u>

Coupon rates	<u>4.00 - 5.00%</u>
Effective interest rate	<u>4.22%</u>

**Senior Lien Airport Revenue Refunding Bonds, Series 2023 (AMT)**

2024	\$ 8,480,000	\$ 5,148,800	\$ 13,628,800
2025	9,220,000	4,403,000	13,623,000
2026	9,685,000	3,942,000	13,627,000
2027	10,170,000	3,457,750	13,627,750
2028	10,675,000	2,949,250	13,624,250
2029 - 2033	48,310,000	6,185,750	54,495,750
Total	<u>\$ 96,540,000</u>	<u>\$ 26,086,550</u>	<u>\$ 122,626,550</u>

Coupon rates	<u>5.00%</u>
Effective interest rate	<u>3.50%</u>

**Junior Lien Airport Revenue Bonds, Taxable Series 2010B  
(Recovery Zone Economic Development Bonds - Direct Payment)**

2024	\$ -	\$ 1,408,770	\$ 1,408,770
2025	-	1,408,770	1,408,770
2026	-	1,408,770	1,408,770
2027	-	1,408,770	1,408,770
2028	-	1,408,770	1,408,770
2029 - 2033	-	7,043,850	7,043,850
2034 - 2038	-	7,043,850	7,043,850
2039 - 2040	21,345,000	2,817,540	24,162,540
Total	<u>\$ 21,345,000</u>	<u>\$ 23,949,090</u>	<u>\$ 45,294,090</u>

Coupon rates	<u>6.60%</u>
Effective interest rate	<u>3.67%</u>

CIVIC IMPROVEMENT CORPORATION  
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Fiscal Year Ending June 30	Principal	Interest	Total
<b>Junior Lien Airport Revenue Bonds, Series 2015A (Non-AMT)</b>			
2024	\$ 2,160,000	\$ 4,022,750	\$ 6,182,750
2025	2,270,000	3,914,750	6,184,750
2026	2,385,000	3,801,250	6,186,250
2027	2,505,000	3,682,000	6,187,000
2028	2,630,000	3,556,750	6,186,750
2029 - 2033	15,250,000	15,675,500	30,925,500
2034 - 2038	19,405,000	11,519,350	30,924,350
2039 - 2043	24,350,000	6,577,300	30,927,300
2044 - 2045	11,500,000	869,500	12,369,500
Total	<u>\$ 82,455,000</u>	<u>\$ 53,619,150</u>	<u>\$ 136,074,150</u>

Coupon rates 4.00 - 5.00%

Effective interest rate 3.99%

**Junior Lien Airport Revenue Refunding Bonds, Series 2015B (Non-AMT)**

2024	\$ -	\$ 932,750	\$ 932,750
2025	-	932,750	932,750
2026	-	932,750	932,750
2027	-	932,750	932,750
2028	-	932,750	932,750
2029 - 2033	-	4,663,750	4,663,750
2034	18,655,000	932,750	19,587,750
Total	<u>\$ 18,655,000</u>	<u>\$ 10,260,250</u>	<u>\$ 28,915,250</u>

Coupon rates 5.00%

Effective interest rate 4.08%

**Junior Lien Airport Revenue Refunding Bonds, Series 2017D (Non-AMT)**

2024	\$ 18,145,000	\$ 20,184,256	\$ 38,329,256
2025	19,055,000	19,277,006	38,332,006
2026	20,010,000	18,324,256	38,334,256
2027	21,005,000	17,323,757	38,328,757
2028	22,060,000	16,273,506	38,333,506
2029 - 2033	127,980,000	63,679,281	191,659,281
2034 - 2038	142,595,000	33,090,157	175,685,157
2039 - 2040	54,460,000	2,870,400	57,330,400
Total	<u>\$ 425,310,000</u>	<u>\$ 191,022,619</u>	<u>\$ 616,332,619</u>

Coupon rates 3.13 - 5.00%

Effective interest rate 3.36%

CIVIC IMPROVEMENT CORPORATION  
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NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ending June 30	Principal	Interest	Total
<b>Junior Lien Airport Revenue Bonds, Series 2019A (Non-AMT)</b>			
2024	\$ -	\$ 15,269,000	\$ 15,269,000
2025	-	15,269,000	15,269,000
2026	-	15,269,000	15,269,000
2027	-	15,269,000	15,269,000
2028	-	15,269,000	15,269,000
2029 - 2033	-	76,345,000	76,345,000
2034 - 2038	-	76,345,000	76,345,000
2039 - 2043	96,670,000	72,147,550	168,817,550
2044 - 2048	198,405,000	38,028,300	236,433,300
2049	46,020,000	2,064,300	48,084,300
Total	<u>\$ 341,095,000</u>	<u>\$ 341,275,150</u>	<u>\$ 682,370,150</u>

Coupon rates 3.00 - 5.00%

Effective interest rate 3.61%

<b>Junior Lien Airport Revenue Bonds, Series 2019B (AMT)</b>			
2024	\$ 7,645,000	\$ 17,905,850	\$ 25,550,850
2025	8,025,000	17,523,600	25,548,600
2026	8,425,000	17,122,350	25,547,350
2027	8,845,000	16,701,100	25,546,100
2028	9,290,000	16,258,850	25,548,850
2029 - 2033	53,900,000	73,844,000	127,744,000
2034 - 2038	68,650,000	59,096,600	127,746,600
2039 - 2043	85,230,000	42,514,350	127,744,350
2044 - 2048	107,160,000	20,585,650	127,745,650
2049	24,445,000	1,106,838	25,551,838
Total	<u>\$ 381,615,000</u>	<u>\$ 282,659,188</u>	<u>\$ 664,274,188</u>

Coupon rates 3.25 - 5.00%

Effective interest rate 3.44%

<b>Junior Lien Airport Revenue Refunding Bonds, Taxable Series 2019C</b>			
2024	\$ 9,810,000	\$ 458,436	\$ 10,268,436
2025	10,030,000	237,711	10,267,711
Total	<u>\$ 19,840,000</u>	<u>\$ 696,147</u>	<u>\$ 20,536,147</u>

Coupon rates 2.20 - 2.37%

Effective interest rate 2.38%

Fiscal Year Ending June 30	Principal	Interest	Total
<b>Rental Car Facility Charge Revenue Bonds, Series 2019A (Non-AMT)</b>			
2024	\$ -	\$ 11,651,200	\$ 11,651,200
2025	-	11,651,200	11,651,200
2026	-	11,651,200	11,651,200
2027	-	11,651,200	11,651,200
2028	6,910,000	11,651,200	18,561,200
2029 - 2033	51,045,000	51,673,250	102,718,250
2034 - 2038	65,140,000	37,570,500	102,710,500
2039 - 2043	82,645,000	20,066,050	102,711,050
2044 - 2045	38,505,000	2,577,050	41,082,050
Total	<u>\$ 244,245,000</u>	<u>\$ 170,142,850</u>	<u>\$ 414,387,850</u>
Coupon rates		<u>4.00 - 5.00%</u>	
Effective interest rate		<u>3.33%</u>	
<b>Rental Car Facility Charge Revenue Refunding Bonds, Taxable Series 2019B</b>			
2024	\$ 7,995,000	\$ 894,165	\$ 8,889,165
2025	8,185,000	708,201	8,893,201
2026	8,385,000	505,377	8,890,377
2027	8,605,000	287,535	8,892,535
2028	1,925,000	53,823	1,978,823
Total	<u>\$ 35,095,000</u>	<u>\$ 2,449,101</u>	<u>\$ 37,544,101</u>
Coupon rates		<u>2.007 - 2.796%</u>	
Effective interest rate		<u>2.60%</u>	
<b>Junior Lien Water System Revenue Refunding Bonds, Series 2001</b>			
2024	\$ 7,090,000	\$ 389,950	\$ 7,479,950
Total	<u>\$ 7,090,000</u>	<u>\$ 389,950</u>	<u>\$ 7,479,950</u>
Coupon rates		<u>4.00 - 5.50%</u>	
Effective interest rate		<u>4.68%</u>	
<b>Junior Lien Water System Revenue Bonds, Series 2014A</b>			
2024	\$ 3,820,000	\$ 191,000	\$ 4,011,000
Total	<u>\$ 3,820,000</u>	<u>\$ 191,000</u>	<u>\$ 4,011,000</u>
Coupon rates		<u>2.00 - 5.00%</u>	
Effective interest rate		<u>3.76%</u>	

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Fiscal Year Ending June 30	Principal	Interest	Total
<b>Junior Lien Water System Revenue Refunding Bonds, Series 2014B</b>			
2024	\$ 38,270,000	\$ 11,939,050	\$ 50,209,050
2025	40,175,000	10,025,550	50,200,550
2026	42,185,000	8,016,800	50,201,800
2027	44,215,000	5,987,550	50,202,550
2028	46,425,000	3,776,800	50,201,800
2029	48,205,000	1,919,800	50,124,800
Total	<u>\$ 259,475,000</u>	<u>\$ 41,665,550</u>	<u>\$ 301,140,550</u>

Coupon rates 3.00 - 5.00%

Effective interest rate 2.64%

<b>Junior Lien Water System Revenue Refunding Bonds, Series 2016</b>			
2024	\$ 10,210,000	\$ 17,058,500	\$ 27,268,500
2025	15,335,000	16,548,000	31,883,000
2026	16,105,000	15,781,250	31,886,250
2027	16,910,000	14,976,000	31,886,000
2028	17,760,000	14,130,500	31,890,500
2029 - 2033	103,005,000	56,414,250	159,419,250
2034 - 2038	131,475,000	27,954,250	159,429,250
2039	30,370,000	1,518,500	31,888,500
Total	<u>\$ 341,170,000</u>	<u>\$ 164,381,250</u>	<u>\$ 505,551,250</u>

Coupon rates 1.00 - 5.00%

Effective interest rate 3.59%

<b>Junior Lien Water System Revenue Bonds, Series 2020A</b>			
2024	\$ -	\$ 8,255,750	\$ 8,255,750
2025	-	8,255,750	8,255,750
2026	-	8,255,750	8,255,750
2027	-	8,255,750	8,255,750
2028	-	8,255,750	8,255,750
2029 - 2033	18,205,000	39,968,750	58,173,750
2034 - 2038	28,355,000	34,030,750	62,385,750
2039 - 2043	93,915,000	22,042,500	115,957,500
2044	24,640,000	1,232,000	25,872,000
Total	<u>\$ 165,115,000</u>	<u>\$ 138,552,750</u>	<u>\$ 303,667,750</u>

Coupon rates 5.00%

Effective interest rate 3.14%



CIVIC IMPROVEMENT CORPORATION  
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NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ending June 30	Principal	Interest	Total
<b>Junior Lien Water System Revenue Bonds, Series 2020B (Sustainability Bonds)</b>			
2024	\$ -	\$ 11,400,750	\$ 11,400,750
2025	-	11,400,750	11,400,750
2026	-	11,400,750	11,400,750
2027	-	11,400,750	11,400,750
2028	-	11,400,750	11,400,750
2029 - 2033	25,130,000	55,196,000	80,326,000
2034 - 2038	39,175,000	46,994,500	86,169,500
2039 - 2043	129,685,000	30,438,750	160,123,750
2044	34,025,000	1,701,250	35,726,250
Total	<u>\$ 228,015,000</u>	<u>\$ 191,334,250</u>	<u>\$ 419,349,250</u>

Coupon rates 5.00%

Effective interest rate 3.14%

**Junior Lien Water System Revenue Bonds, Series 2021A**

2024	\$ -	\$ 12,028,950	\$ 12,028,950
2025	-	12,028,950	12,028,950
2026	7,620,000	12,028,950	19,648,950
2027	8,005,000	11,647,950	19,652,950
2028	8,405,000	11,247,700	19,652,700
2029 - 2033	48,760,000	49,498,750	98,258,750
2034 - 2038	62,220,000	36,028,250	98,248,250
2039 - 2043	78,450,000	19,799,050	98,249,050
2044 - 2045	36,540,000	2,762,750	39,302,750
Total	<u>\$ 250,000,000</u>	<u>\$ 167,071,300</u>	<u>\$ 417,071,300</u>

Coupon rates 4.00 - 5.00%

Effective interest rate 2.45%

**Junior Lien Water System Revenue Refunding Bonds, Series 2021B**

2024	\$ 15,440,000	\$ 2,434,000	\$ 17,874,000
2025	16,215,000	1,662,000	17,877,000
2026	17,025,000	851,250	17,876,250
Total	<u>\$ 48,680,000</u>	<u>\$ 4,947,250</u>	<u>\$ 53,627,250</u>

Coupon rates 5.00%

Effective interest rate 0.52%

CIVIC IMPROVEMENT CORPORATION  
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Fiscal Year Ending June 30	Principal	Interest	Total
<b>Junior Lien Water System Revenue Refunding Bonds, Taxable Series 2021C</b>			
2024	\$ -	\$ 3,666,074	\$ 3,666,074
2025	-	3,666,074	3,666,074
2026	2,905,000	3,666,074	6,571,074
2027	6,850,000	3,636,559	10,486,559
2028	6,940,000	3,541,892	10,481,892
2029 - 2033	36,670,000	15,764,348	52,434,348
2034 - 2038	40,975,000	11,448,833	52,423,833
2039 - 2043	46,760,000	5,668,357	52,428,357
2044	10,180,000	302,753	10,482,753
Total	<u>\$ 151,280,000</u>	<u>\$ 51,360,964</u>	<u>\$ 202,640,964</u>
Coupon rates		<u>1.016 - 2.974%</u>	
Effective interest rate		<u>2.61%</u>	
<b>Senior Lien Wastewater System Revenue Refunding Bonds, Series 2018B</b>			
2024	\$ 19,845,000	\$ 992,250	\$ 20,837,250
Total	<u>\$ 19,845,000</u>	<u>\$ 992,250</u>	<u>\$ 20,837,250</u>
Coupon rates		<u>5.00%</u>	
Effective interest rate		<u>2.26%</u>	
<b>Junior Lien Wastewater System Revenue Refunding Bonds, Series 2011</b>			
2024	\$ 11,230,000	\$ 549,000	\$ 11,779,000
Total	<u>\$ 11,230,000</u>	<u>\$ 549,000</u>	<u>\$ 11,779,000</u>
Coupon rates		<u>2.00 - 5.00%</u>	
Effective interest rate		<u>2.58%</u>	
<b>Junior Lien Wastewater System Revenue Refunding Bonds, Series 2014</b>			
2024	\$ 9,435,000	\$ 3,208,500	\$ 12,643,500
2025	9,905,000	2,736,750	12,641,750
2026	10,400,000	2,241,500	12,641,500
2027	10,920,000	1,721,500	12,641,500
2028	11,470,000	1,175,500	12,645,500
2029	12,040,000	602,000	12,642,000
Total	<u>\$ 64,170,000</u>	<u>\$ 11,685,750</u>	<u>\$ 75,855,750</u>
Coupon rates		<u>1.75 - 5.00%</u>	
Effective interest rate		<u>3.00%</u>	

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Fiscal Year Ending June 30	Principal	Interest	Total
<b>Junior Lien Wastewater System Revenue Refunding Bonds, Series 2016</b>			
2024	\$ 10,290,000	\$ 8,437,500	\$ 18,727,500
2025	10,860,000	7,923,000	18,783,000
2026	11,460,000	7,380,000	18,840,000
2027	12,090,000	6,807,000	18,897,000
2028	12,760,000	6,202,500	18,962,500
2029 - 2033	75,130,000	20,711,000	95,841,000
2034 - 2035	36,160,000	2,736,250	38,896,250
Total	<u>\$ 168,750,000</u>	<u>\$ 60,197,250</u>	<u>\$ 228,947,250</u>

Coupon rates 5.00%

Effective interest rate 2.89%

<b>Junior Lien Wastewater System Revenue Refunding Bonds, Series 2018A</b>			
2024	\$ -	\$ 6,296,200	\$ 6,296,200
2025	4,390,000	6,296,200	10,686,200
2026	4,610,000	6,076,700	10,686,700
2027	4,840,000	5,846,200	10,686,200
2028	5,080,000	5,604,200	10,684,200
2029 - 2033	29,475,000	23,947,250	53,422,250
2034 - 2038	37,625,000	15,803,000	53,428,000
2039 - 2043	47,250,000	6,178,150	53,428,150
Total	<u>\$ 133,270,000</u>	<u>\$ 76,047,900</u>	<u>\$ 209,317,900</u>

Coupon rates 3.50 - 5.00%

Effective interest rate 3.66%

<b>Total Bonds Payable</b>			
2024	\$ 263,175,000	\$ 246,211,670	\$ 509,386,670
2025	237,560,000	234,146,044	471,706,044
2026	248,810,000	223,455,794	472,265,794
2027	237,705,000	212,088,424	449,793,424
2028	243,895,000	201,340,911	445,235,911
2029 - 2033	1,081,840,000	851,529,269	1,933,369,269
2034 - 2038	1,103,605,000	595,851,344	1,699,456,344
2039 - 2043	1,145,550,000	331,450,658	1,477,000,658
2044 - 2048	662,600,000	92,471,846	755,071,846
2049	70,465,000	3,171,138	73,636,138
Total	<u>\$ 5,295,205,000</u>	<u>\$ 2,991,717,098</u>	<u>\$ 8,286,922,098</u>

Changes in long-term debt during fiscal year 2022-23 are summarized as follows (in thousands):

Bonds Payable, July 1	\$ 5,437,075
Additions	228,190
Reductions	(370,060)
Bonds Payable, June 30	<u>\$ 5,295,205</u>

Amounts Due Within One Year \$ 263,175

**7. Construction Commitments**

As of June 30, 2023, the Corporation has outstanding construction commitments of \$111.9 million related to the various bond issues. The commitments have not been recorded in the accompanying financial statements. Only the currently payable portion of the contracts have been included in accounts payable in the accompanying financial statements.

**8. Subsequent Events**

**Debt Issuance**

On October 24, 2023, the City of Phoenix Civic Improvement Corporation issued \$381.6 million of Junior Lien Wastewater System Revenue Bonds, Series 2023. A portion of the bond proceeds paid the balance outstanding on the Wastewater Revolving Credit Facility in the amount of \$200.0 million. The bonds were issued at an all-in true interest cost of 4.64% and were dated and delivered November 15, 2023.



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# Civic Improvement Corporation

## An Arizona Nonprofit Corporation

(A Component Unit of the City of Phoenix, Arizona)

