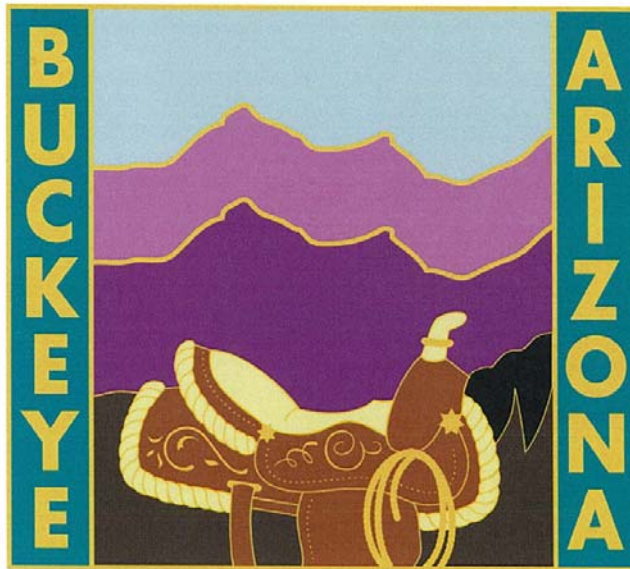


Comprehensive Annual Financial Report
June 30, 2011



TOWN OF BUCKEYE, ARIZONA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE
FISCAL YEAR ENDED June 30, 2011

Prepared by the
Finance Department

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Introductory Section



TOWN OF BUCKEYE

Finance Department

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Buckeye, Arizona 85326
Voice (623) 349-6000
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November 29, 2011

Honorable Mayor and Town Council
Town of Buckeye, AZ

The Finance Department respectfully submits the Comprehensive Annual Financial Report (CAFR) of the Town of Buckeye, Arizona (Town) for the fiscal year ended June 30, 2011. The State of Arizona requires in ARS Section 9-481 that each incorporated town be audited at least once for every two fiscal years; the Town elects to be audited annually. The State of Arizona also requires additional supplemental information in the form of a report entitled "Expenditure Limitation Report" to be completed annually. This report is under separate cover. Federal law requires that a single audit be performed for federal grant funds in conformance with the provisions of the Single Audit Act of 1984 and OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations". All information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the independent auditor's reports on the internal control structure and compliance with applicable laws and regulations are under separate cover.

This report was prepared by the Finance Department with the assistance of various other Town departments. Town management assumes full responsibility for the accuracy of the data presented and the completeness and fairness of presentation, including all disclosures, based on a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Eide Bailly, LLP, a firm of licensed certified public accountants, have issued an unqualified opinion on the Town's CAFR for the year ended June 30, 2011. As indicated by the opinion of our independent auditors, the report fairly presents the financial position and the results of operations of the Town as measured by the financial activity of its various funds. The report has been set forth in a manner that will give the reader a broad understanding of the Town's financial affairs. It includes disclosures necessary for the reader to gain an understanding of the Town's financial activities. The independent auditors' report is located at the front of the financial statements in the Financial Section of the report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

A CAFR consists of three main sections: the Introductory section, the Financial section, and the Statistical section.

The **Introductory Section** includes this transmittal letter and an organization chart that lists the major divisions, components, and mechanisms of the Town. This section is intended to familiarize the reader with the Town of Buckeye's organizational structure, nature and scope of provided services, and specifics of its operating environment. The information in this section is intended to provide adequate background and sufficient context to assist the reader with the Financial Section of this CAFR.

The **Financial Section** contains all financial statements and supplemental information required to be disclosed by Generally Accepted Accounting Principles (GAAP) used in the United States and Arizona State Law, as well as information on all individual funds. Also in this section is other useful supplementary information that is not required by GAAP or Arizona State Law to represent a financial overview of the Town of Buckeye. This section includes six parts:

- (1) Independent Auditor's Report,
- (2) Management's Discussion and Analysis (MD&A),
- (3) Basic Financial Statements (BFS),
- (4) Notes to the Basic Financial Statements,
- (5) Required Supplementary Information, and
- (6) Combining, Individual Fund Financial Statements and Schedules.

The **Statistical Section** is unaudited. It includes various tables and charts that reflect financial, economic, social, and demographic information about the Town of Buckeye that are interesting and relevant to assessing the Town's financial condition. This section is intended to assist the reader in understanding the environment in which the Town operates.

PROFILE OF THE TOWN OF BUCKEYE

The Town of Buckeye was founded in 1888 and is the western-most incorporated town in the Valley of the Sun, which is the economic, political and population center in Arizona and includes the City of Phoenix and surrounding communities. What was once solely an agricultural community has grown from a population of 4,436 in 1990 to slightly over 52,000 in 2011 based on interim census projections. Robust population growth in the greater Phoenix area during the last twenty years had the inevitable effect of focusing housing attention in the southwest valley as other areas approached build-out. Not only has the population of Buckeye grown, today the Town encompasses more than 470 square miles within a municipal planning area of almost 600 square miles. Town planners project total build-out could take at least 30 years for the nearly 600-mile planning area that stretches from almost Wickenburg on the north to Gila Bend on the south, and from the Hassayampa River on the west to Perryville Road on the east.

With a short drive of about 35 miles or less, Buckeye residents can take advantage of the cultural, economic and entertainment venues found in major urban areas, yet they can return to the ease and ambience of an essentially rural community where neighbors know each other.

The Town operates under a council-manager form of government. The seven-member Town Council consists of six members elected by district to serve staggered four-year terms. The Mayor is elected at-large for a four-year term and serves as a voting member of the Council. All Town elections are non-partisan. The Town Council is responsible for passing ordinances, adopting the budget, appointing members of commissions and hiring the Town Manager.

The Town Manager carries out the policies and ordinances of the Town Council, oversees the day-to-day operations of the Town and appoints the various department heads.

The Town provides traditional municipal services such as public safety (police, fire, and magistrate court), street construction and maintenance, parks, recreation and culture, planning and zoning, and general administrative and support services. Water and sewer utility services are provided to many of the residents through the Town's enterprise funds. Sanitation, refuse collection and recycling services are provided through a separate enterprise fund. The Town provides, or will provide, street lighting and maintenance for developing areas through legally formed street lighting and maintenance improvement districts. The Town provides and accounts for a legally separate volunteer firefighters' pension fund as mandated by Arizona Revised Statute, Title 9, as well as a number of community facilities districts and improvement districts designed to provide funding for the construction and acquisition of public infrastructure improvements; a discussion of these component units is available in the footnotes to the Financial Statements.

The CAFR of the Town includes all government activities, organizations and functions for which the Town is financially accountable. The criteria used to determine financial accountability are based on, and are consistent with, the pronouncements of the Governmental Accounting Standards Board which sets criteria for defining the financial reporting entity. The phrase "financially accountable" is defined to include, but is not limited to, selection of governing authority, designation of management, ability to significantly influence operations, financial interdependence, and accountability for fiscal matters.

All of the various school districts and certain special districts within the Town of Buckeye are governed independently. The financial statements of these districts are not included in this report except to reflect amounts held in an agency / trust capacity by the Town Treasurer.

FINANCIAL INFORMATION

It may perhaps be helpful if the reader of the financial statements has a slightly broader perspective of the environment within which the Town of Buckeye operates.

Local Economy The Town has an agricultural background and history, which it retains to this day. However, substantial efforts have been put into developing thoughtful and comprehensive master plans that include retail, commercial, entertainment, health care, education and employment centers. However, housing construction has been the primary source of the Town's revenues over the past several years. The slowdown in housing and the economy generally has been readily apparent in the revenue collections. The challenge faced by Buckeye is that the retail and office development desired by residents, and which would provide the Town with a reliable, long-term source of revenue, was only beginning to emerge at the same time the economy started its downward trends. For the most part, retail and office development continues to be stagnate during this fiscal year as well.

Buckeye is intersected by four major highways, including Interstate 10, a major east/ west trucking corridor. Buckeye also is home to a general aviation airport, and is served by the Union Pacific Railroad. Virtually every major mode of transportation makes Buckeye accessible from

multiple points. Large tracts of undeveloped land lie within Buckeye that are suitable for solar power generation facilities. In addition to this, the Town of Buckeye sits on the state's largest untapped groundwater aquifer, the Hassayampa River Basin, and the majestic view of the White Tank Mountains from every vantage point creates a unique and unparalleled landscape.

Long-Term Financial Planning Buckeye is excited to face the challenges of the coming years where we will be accommodating growth, while ensuring that the Town develops as a place where people can live, work and play. Increases in population and the property tax base, as well as commercial and retail activity and the Town's economic development efforts are all expected to provide additional revenue to offset the costs related to both modest continuing growth, in addition to expanding services and facilities.

Because of today's economic uncertainties, the Town established a contingency reserve in the general fund budget for the fiscal year, and carried that policy forward into the budget for the following fiscal year. Various other funds also have budgeted contingency amounts not specifically designated or allocated for a specific activity or use to provide some flexibility in the face of an economic slowdown that appears to be deeper and longer term than originally projected by economists.

The Town has devoted resources during FY2008/09 toward the development of a formalized capital improvements program. That effort was expected to be completed during FY2009/10, but discussions continued during FY2010/11. The ultimate goal is to present a capital improvements package and secondary property tax levy for voter consideration in the next few years. This effort is critical to assure the Town will be in a position to provide the basic infrastructure required to support and sustain future growth and development.

Relevant Financial Policies The Town of Buckeye maintains accounts in accordance with the principles of fund accounting to ensure that limitations and restrictions on the Town's available resources are observed and adhered to. Fund accounting classifies resources into funds with respect to the intended activities or objectives specified by those resources for accounting controls and financial reporting purposes. Each fund is an independent fiscal and accounting entity, and its operations are accounted for in a separate set of self-balancing accounts that are comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses.

The Town incorporates performance expectations and initiatives into their annual budgeting process, which are intended to move the Town toward achieving its goals. Department directors are held responsible for the fiscal performance of their units as well as the programmatic performance of their units. The Town has adopted the practice of not "cleaning-up" program over-expenditures, but rather reporting them in the CAFR as budget overspent. This practice provides necessary information for future budget cycles and brings attention to the reasons for the budget overage. The Town does "clean-up" funds in the event they are overspent. In most cases, there is sufficient fund balance to take that action.

Town management monitors the Town's budget at the fund level for Special Revenue, Debt Service, and Internal Service Funds. The General Fund and Capital Project Funds are monitored at the department and project level respectively. The budget is modified throughout the year as certain additional resources become available or anticipated resources dissipate, if permitted under Arizona statutes. This practice ensures all available resources are accounted for with appropriate budgetary controls, and only available resources are disbursed or encumbered.

Historically, the Town has been very conservative in its approach to financial matters, minimizing borrowing to control interest costs and controlling the use of both recurring and non-recurring operating revenues.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We wish to express our sincere appreciation to all members of every Town Department who contributed to its preparation and recognize the major effort of the Financial Services Division in administering the Town's accounting system and in preparing this report.

We also wish to thank each of you for your interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

Finance Department
/iw

Jackie Meck
Mayor

Brian McAchran
Vice Mayor

Elaine May
Councilmember

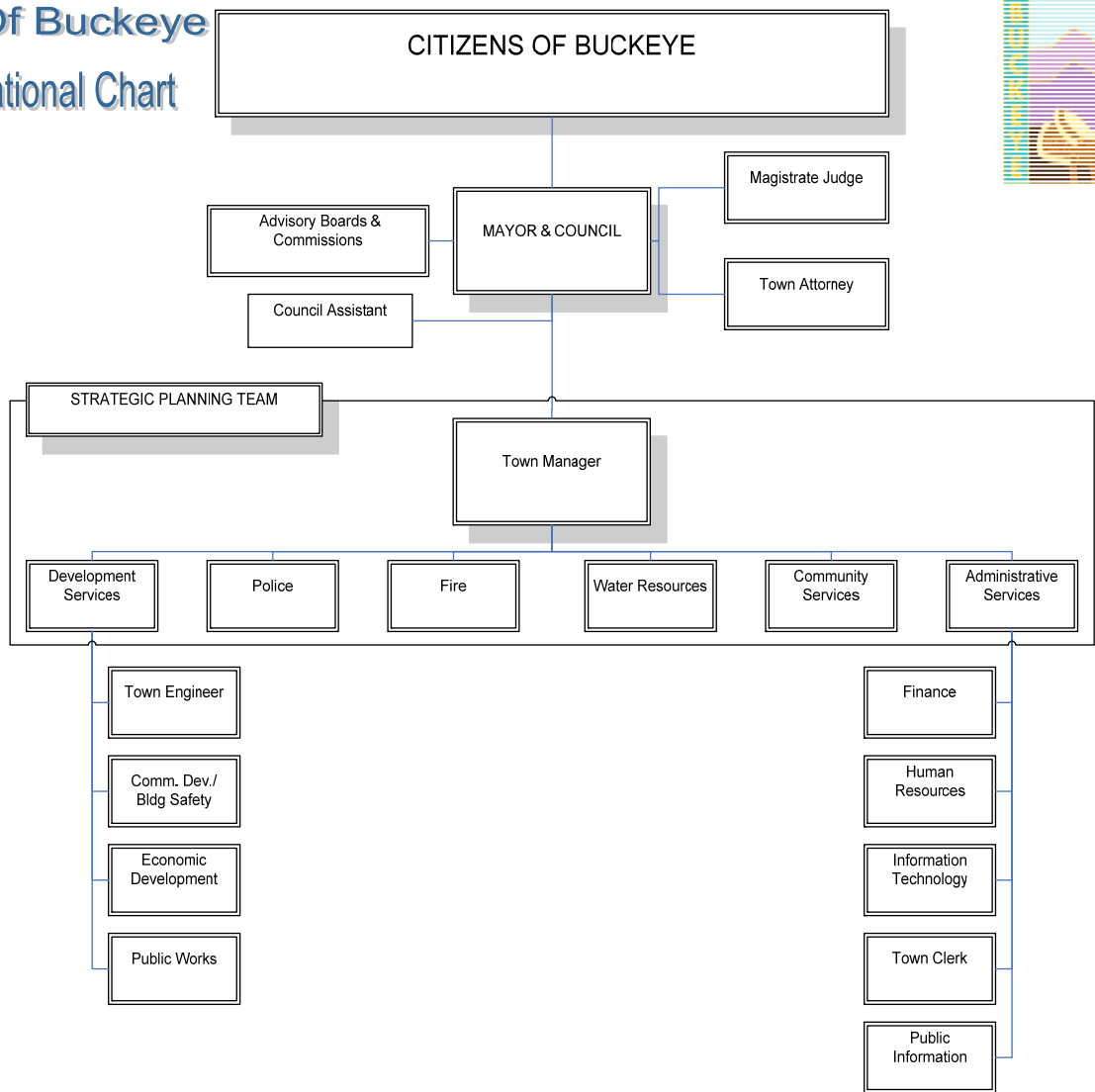
Ray Strauss
Councilmember

Craig Heustis
Councilmember

Eric Osborn
Councilmember

Robert Garza
Councilmember

Town Of Buckeye
 Organizational Chart



Financial Section

Independent Auditor's Report

The Honorable Mayor and the Town Council of the
Town of Buckeye, Arizona
Buckeye, Arizona

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate fund information, and the budgetary comparison of the general fund and major special revenue funds of the Town of Buckeye, Arizona (the Town) as of and for the year ended June 30, 2011, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Buckeye, Arizona management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information and the respective budgetary comparison for the general fund and the special revenues funds of the Town of Buckeye, Arizona, at June 30, 2011, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 13 to the financial statements, the Town applied an adjustment to beginning fund balances and net assets to correct improperly recorded capital assets and correct the misstatement of long term debt in the prior year.

The Town implemented GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in 2011 as discussed in Note 1.K to the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2011, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress on pages 3 through 14 and 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Buckeye, Arizona's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The image shows a handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Phoenix, Arizona
November 29, 2011

As management of the Town of Buckeye, Arizona, we are pleased to provide an overview of our financial activities for the fiscal year ended June 30, 2011. The intended purpose of Management's Discussion and Analysis (MD&A) is to provide an introduction to the basic financial statements and notes that provides an objective and easy-to-read analysis of our financial activities based on currently known facts, decisions, and conditions. An easily readable summary of operating results and reasons for changes will help the reader to determine if our financial position improved or deteriorated over the past year. This report addresses current operational activities; the sources, uses and changes in resources; adherence to budget; service levels; limitations; significant economic factors; and the status of infrastructure and its impacts on our debt and operations. When referring to prior year data in this analysis, we will be drawing on information from last year's audited financial reports.

Financial Highlights

- The total assets of the Town of Buckeye, Arizona exceeded its total liabilities at the close of the fiscal year ended June 30, 2011 by \$615,207,475 (net assets). Of this amount, \$108,672,247 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the Town of Buckeye, Arizona's governmental funds reported combined ending fund balances of \$65,076,304, a decrease of \$2,619,735 in comparison to the prior fiscal year. This change was mainly due to:
 - The General Fund increased by \$4,418,509;
 - The governmental Impact Fee Funds decreased by \$1,502,731;
 - The various CFD Funds had a net decrease of \$3,048,523;
 - The various Debt Service Funds had a net decrease of \$1,464,489;
 - The Highway User Revenue Fund decreased by \$202,707; and
 - Nonmajor Governmental Funds had a net decrease of \$819,844.
- As of June 30, 2011, the total fund balance in General fund was \$10,735,304. Based on new guidelines, the General Fund balance is labeled as unassigned. The fund balance in the Impact Fees totaled \$18,862,025.
- For FY 2010-11, total General Fund revenues of \$31,833,716, Impact Fee collections of \$1,414,553, on a budgetary basis, were less than the originally budgeted revenues of \$33,204,607, inclusive of projected Impact Fee collections of \$1,534,000, a reduction of 4.3%. Total General Fund expenditures of \$27,833,878, and Impact Fee expenditures of \$2,943,814 on a budgetary basis, were less than the originally budgeted expenditures of \$46,509,019, inclusive of impact fee expenditures, a reduction of 67.1%.
- The Town includes Community Facility Districts (CFDs), which are separate legal entities, in this report because they are deemed to be "component units" of local government by reason of the commonality of management (the Town's elected officials serve as the Board of Directors for each CFD), making the Town financially accountable for their operations. The Town, however, has no financial liability for the debts of the CFDs. A description of these component units is available in Note 1 on page 31. Separate financial statements are not prepared for the CFDs.

Overview of the Financial Statements

The financial section of the Comprehensive Annual Financial Report (CAFR) for the Town of Buckeye, Arizona consists of this discussion and analysis, the basic financial statements and the required supplementary schedules presented after the basic financial statements. The basic financial statements include the government-wide financial statements, fund financial statements, including the budgetary statements for the General Fund, and notes to the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town of Buckeye, Arizona's finances, in a manner similar to private-sector businesses.

The statement of net assets presents information on all of the Town of Buckeye, Arizona's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as useful indicators of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned, but unused, vacation leave).

The government-wide financial statements distinguish functions of the Town of Buckeye, Arizona that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of Buckeye, Arizona include general government, public safety, highways and streets, culture and recreation, community development, economic development, and health and welfare. The business-type activities include the Town's water, sewer, and airport operations.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund Financial Statements. Also presented are the traditional fund financial statements for governmental funds. The fund financial statements focus on major funds of the Town. 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 Town of Buckeye, Arizona, like other state and local governments, used fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town of Buckeye, Arizona can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

in evaluating a government's near-term financing requirements. Since the governmental fund financial statements focus on near-term expendable resources, while the governmental activities on the government-wide financial statements have a longer term focus, a reconciliation of the differences between the two is provided with the fund financial statements.

The basic governmental fund financial statements can be found beginning on page 17 of this report.

Proprietary Funds. The Town of Buckeye, Arizona maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as "business-type activities" in the government-wide financial statements. The Town of Buckeye, Arizona uses enterprise funds to account for its water, sewer, solid waste, and airport operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water, Sewer, Solid Waste, and Airport funds of the Town.

Internal Service funds are used to account for activities that involve the governmental entity providing goods or services to other departments or agencies on a cost-reimbursement basis.

The Internal Service fund is used to charge cost of insurance to individual funds.

The basic proprietary fund financial statements can be found beginning on page 25 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Fiduciary fund held by the Town is for the Volunteer Fire Fighters Alternate Pension & Benefit Plan. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town of Buckeye, Arizona's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found beginning on page 29 of this report.

Notes to the Basic Financial Statements. The notes to the basic financial statements beginning on page 31 provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements and should be read with the financial statements.

Required Supplementary Information Other than this MD&A. Governments have an option of including the budgetary comparison statements for the general fund and major special revenue funds as either part of the fund financial statements within the basic financial statements, or as required supplementary information after the footnotes. The Town has chosen to represent these budgetary statements as part of the basic financial statements. Additionally, governments are required to disclose certain information about employee pension funds. The Town has disclosed this information in Note 11 to the basic financial statements and in required supplementary information on page 56.

Government-Wide Financial Statements Analysis

Net assets may serve over time as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Assets of the Town as of June 30, 2011 and 2010, showing that assets exceeded liabilities for both governmental and business-type activities by a total of \$615,207,475 for the fiscal year ended June 30, 2011.

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
ASSETS						
Current and other assets	\$ 177,695,025	\$ 158,834,193	\$ 30,266,323	\$ 27,403,358	\$ 207,961,348	\$ 186,237,551
Capital assets:						
Non-depreciable	172,191,853	177,741,469	6,263,100	11,621,789	178,454,953	189,363,258
Depreciable (net)	208,048,404	210,859,727	246,168,139	232,411,317	454,216,543	443,271,044
Total Assets	\$ 557,935,282	\$ 547,435,389	\$ 282,697,562	\$ 271,436,464	\$ 840,632,844	\$ 818,871,853
LIABILITIES						
Other liabilities	\$ 45,779,593	\$ 17,120,365	\$ 2,398,653	\$ 2,456,079	\$ 48,178,246	\$ 19,576,444
Non-current liabilities:						
Due within one year	6,810,410	2,104,792	585,230	234,599	7,395,640	2,339,391
Due in more than one year	161,264,216	175,766,442	9,628,951	3,061,478	170,893,167	178,827,920
Loss in refunding & defeasance	(1,041,684)				(1,041,684)	
Total Liabilities	\$ 212,812,535	\$ 194,991,599	\$ 12,612,834	\$ 5,752,156	\$ 225,425,369	\$ 200,743,755
NET ASSETS						
Invested in capital assets, net of related debt	\$ 212,165,631	\$ 210,729,962	\$ 242,885,105	\$ 231,881,025	\$ 455,050,736	\$ 442,610,987
Restricted for		59,445,688				59,445,688
Impact fees	18,862,025				18,862,025	
SLID operations	69,341				69,341	
Highway and streets	410,310				410,310	
Debt service	14,543,223				14,543,223	
Capital outlay	16,309,468				16,309,468	
Other	1,290,125				1,290,125	
Unrestricted	81,472,624	82,268,140	27,199,623	33,803,283	108,672,247	116,071,423
TOTAL NET ASSETS	\$ 345,122,747	\$ 352,443,790	\$ 270,084,728	\$ 265,684,308	\$ 615,207,475	\$ 618,128,098

Net assets consist of three components. One portion of the Town's net assets (74%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Buckeye, Arizona's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town of Buckeye, Arizona's net assets (8.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$108,672,247 (17.6%), may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Buckeye, Arizona is able to report positive balances in all three categories of net assets for the government as a whole.

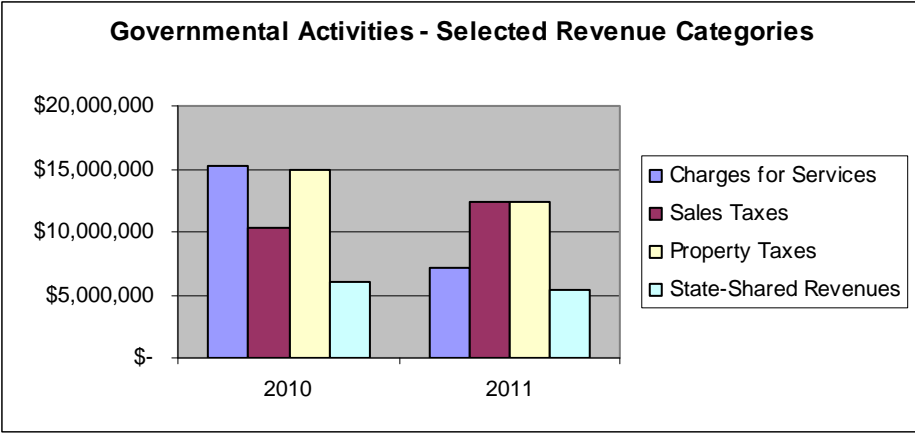
The following table reflects the condensed Statement of Changes in Net Assets for the fiscal years ended June 30, 2011 and 2010. This information is helpful in understanding the sources and uses of funds during the fiscal year.

Town of Buckeye, Arizona
Changes in Net Assets
For the Fiscal Years Ended June 30, 2011 and 2010

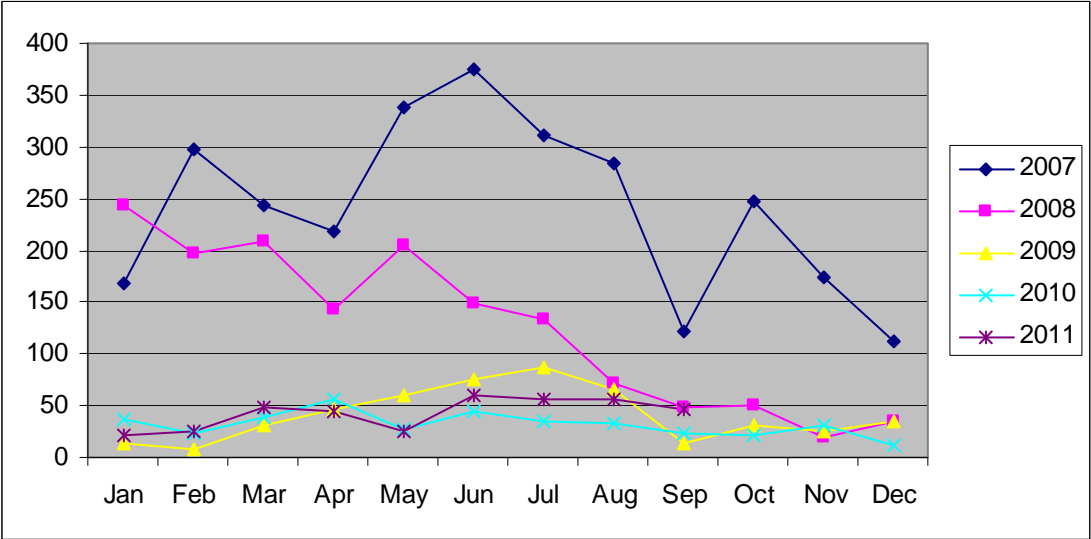
	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
REVENUES						
Program revenues						
Fees, fines and charges for services	\$ 7,087,351	\$ 15,313,608	\$ 15,327,448	\$ 14,126,222	\$ 22,414,799	\$ 29,439,830
Operating grants and contributions	2,206,753	1,790,232			2,206,753	1,790,232
Capital grants and contributions	8,200,563	2,540,004	3,399,344	7,025,448	11,599,907	9,565,452
General revenues						
Sales taxes	12,354,727	10,291,111			12,354,727	10,291,111
Property taxes	12,457,984	14,903,192			12,457,984	14,903,192
Franchise taxes	2,412,675	2,262,187			2,412,675	2,262,187
State-shared revenues	5,451,122	5,996,622			5,451,122	5,996,622
Grants and contributions-unrestricted	0	0	0	0	0	0
Investment earnings	65,563	107,982	34,861	57,156	100,424	165,138
Other	4,677,100	3,976,479	508,381	(224,449)	5,185,481	3,752,030
Total Revenues	\$ 54,913,838	\$ 57,181,417	\$ 19,270,034	\$ 20,984,377	\$ 74,183,872	\$ 78,165,794
EXPENSES						
General government	\$ 12,115,703	\$ 15,835,582			\$ 12,115,703	\$ 15,835,582
Public safety	18,340,230	20,050,347			18,340,230	20,050,347
Highways and streets	12,956,864	12,415,841			12,956,864	12,415,841
Culture and recreation	2,330,762	2,818,178			2,330,762	2,818,178
Community development	550,909	933,736			550,909	933,736
Economic development	102,221	0			102,221	0
Health and welfare	582,396	555,237			582,396	555,237
Interest on long-term debt	8,816,233	9,059,251			8,816,233	9,059,251
Airport			1,175,306	816,930	1,175,306	816,930
Sewer			11,241,013	10,987,578	11,241,013	10,987,578
Water			8,096,366	7,459,698	8,096,366	7,459,698
Total Expenses	\$ 55,795,318	\$ 61,668,172	\$ 20,512,685	\$ 19,264,206	\$ 76,308,003	\$ 80,932,378
Changes in net assets before transfers	(881,480)	(4,486,755)	(1,242,651)	1,720,171	(2,124,131)	(2,766,584)
Transfers	881,195	525,931	(881,195)	(525,931)	0	0
Change in net assets	(285)	(3,960,824)	(2,123,846)	1,194,240	(2,124,131)	(2,766,584)
Net assets at beginning of year	352,443,790	333,931,399	265,684,308	262,291,955	618,128,098	596,223,354
Prior Period Adjustment	(7,320,758)	22,473,215	6,524,263	2,198,113	(796,495)	24,671,328
Net Assets - beginning of year (as restated)	345,123,032	356,404,614	272,208,571	264,490,068	617,331,603	620,894,682
Total net assets	\$ 345,122,747	\$ 352,443,790	\$ 270,084,725	\$ 265,684,308	\$ 615,207,472	\$ 618,128,098

Governmental Activities. Governmental activities decreased the Town's net assets by \$285 from the prior fiscal year. This net increase is attributable to both increases and decreases in several revenue and expense categories as discussed further below.

The chart below graphically reflects certain of the information above relative to the Town's revenues.



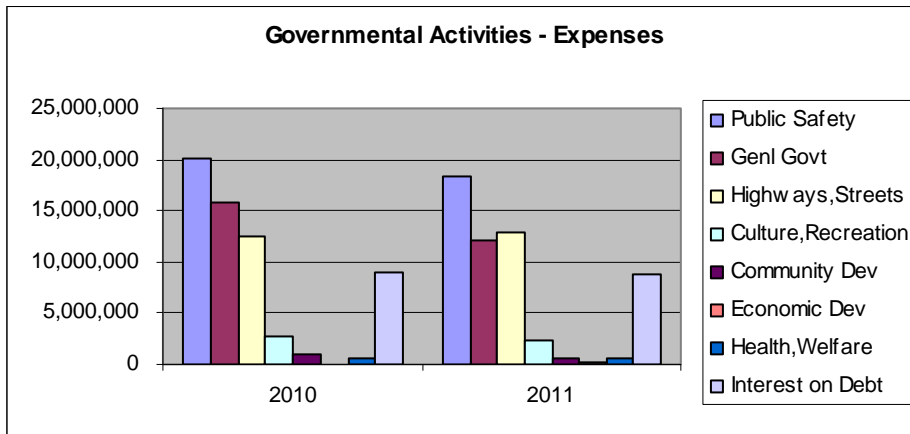
The Town of Buckeye saw a greater increase in the Building Permits from 2010 to 2011 than the previous year. The sales tax collections increased thru June 30, 2011. The local sales tax for 2011 was \$12,354,727 in comparison to 2010 in the amount of \$10,291,111. The Town of Buckeye decided to increase the local Sales Tax from 2% to 3% effective October 1, 2010. The planned increase allowed Public Safety personnel to remain constant during fiscal year 2011.



This same data can help the reader understand the increase in property tax revenues. As residential construction in prior years has been added to the property tax rolls, the property tax base for the Town of Buckeye has increased. With the decline in the property value, the total property tax collection decreased from \$14,903,192 in FY 2010 to \$12,457,984 in FY2011. The Town is expecting to see another reduction in the coming year.

During the last quarter of FY 2009-10 the Town received a loan from the Water Infrastructure Finance Authority of Arizona (WIFA) based on the American Recovery and Reinvestment Act (ARRA) of 2009. This loan allowed the Town to increase the waste water capacity on the Beloat Treatment Plant. Most of the construction was completed during FY 2010-11. In addition to the loan, the Town also received an ARRA grant for the construction of a new fire station located in the Verrado community.

Information relative to the Town’s expense categories from the table is reflected graphically below.



Total expenses were reduced a total of \$5,872,854 from FY 2009-10 to FY 2010-11. Spending in all categories continued to be reduced and closely monitored.

Business-Type Activities. Business-type activities decreased the Town’s net assets by \$2,123,846 (pg 16) during the fiscal year ended June 30, 2011. Capital grants and contributions showed a reduction of \$3,626,104 during the fiscal year. During FY 2010 total grants and contribution received were \$7,025,448 while in FY 2011 only \$3,399,344 was received.

Fund Financial Statements Analysis

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available for spending. Such information is useful in assessing the Town’s financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government’s net resources available for spending at the end of a fiscal year. Types of governmental funds reported by the Town include the General Funds, Impact Fee Funds, CFD (Community Facility Districts) Funds for both capital improvements and CFD debt service, Debt Service Funds for both capital improvements and related debt service, and Non-Major Governmental Funds, which includes Special Revenue Funds and Capital Project Funds among others.

As of June 30, 2011, the Town’s governmental funds reported combined ending fund balances of \$65,076,304 (pg 17), a decrease of \$2,619,735 from June 30, 2010. Approximately 16.5% of this total, as reflected in the table below, is the General Fund balance which is available for contribution to the designated, undesignated and reserved fund balances.

Town of Buckeye, Arizona
Fund Balances - Governmental Funds
For the Fiscal Years Ended June 30, 2011 and 2010

	Governmental Activities		Increase <Decrease> from 2009/10
	2011	2010	
General Funds	\$ 10,735,304	\$ 6,316,795	\$ 4,418,509
Impact Fee Funds	18,862,025	20,364,756	(1,502,731)
CFD Funds	13,769,501	16,818,024	(3,048,523)
Debt Service Funds	882,057	2,346,546	(1,464,489)
HURF Fund	410,310	613,017	(202,707)
Nonmajor Governmental Funds	20,417,107	21,236,951	(819,844)

General Funds. The General Fund is the chief operating fund of the Town of Buckeye, Arizona. This fund increased by \$4,418,509. Key factors in this change were:

- The positive change in the General fund relates directly to the increase in capital grants and contributions for FY 2010-11.
- General fund collections of local transaction privilege tax and building-related fees and charges were still below adopted budget levels yet showed an improvement to the prior year. The residential constructions leveled out during FY 2010-11.
- Operating expenditures remained below budget over the fiscal year.

Impact Fee Fund. Balances decreased during the fiscal year by \$1,502,731, due primarily to the expansion of the regional wireless radio system for the police department and the continuous development of the prototype fire station plans. Total impact fees collected were \$1,414,553 (pg 23), a reduction of \$118,426 from the amount originally budgeted for FY 2010-11.

Community Facility District (CFD) Funds. During the fiscal year, the various CFD Funds balances decreased by \$3,048,523, primarily due to a decrease in property tax revenues assessed for the payment of principal and interest on the debt of the CFDs. Although the ad valorem tax rate remained unchanged from prior years at \$3.30 per \$100 of assessed valuation, there was a substantial decrease in value at some of the communities, yet an increase in value at others. The net effect, however, is a decrease in revenues received.

Debt Service Fund. The balance in the debt service fund decreased during this fiscal year by \$1,464,489. The decrease is due to receiving the Jackrabbit Trail Improvement District bond proceeds during FY 2010.

HURF (Highway User Revenues Fund). The HURF Fund, which is required by Arizona law to be accounted for separately from all other funds, decreased by \$202,707 during the fiscal year. The Town receives distributions of state HURF monies which must be used solely for allowable costs related to streets and street lighting. Current fiscal year collections of \$1,856,646 were greater than budgeted revenues of \$1,672,990 (pg 24). Expenditures exceeded revenues by \$177,707.

Nonmajor Governmental Funds. Nonmajor governmental fund balances decreased by \$819,844 during the fiscal year. All nonmajor governmental funds of the Town are combined into one column on the governmental fund financial statements.

Proprietary Funds. The Town of Buckeye, Arizona’s proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets at the end of the year are as follows for the indicated funds:

Town of Buckeye, Arizona			
Unrestricted Net Assets - Proprietary Funds			
For the Fiscal Years Ended June 30, 2011 and 2010			
	Business-Type Activities		Increase
	2011	2010	<Decrease> from 2009/10
Sewer Fund	\$ 13,645,779	\$ 11,983,663	\$ 1,662,116
Water Fund	13,447,465	11,488,319	1,959,146
Airport Fund	106,379	10,331,301	(10,224,922)
Internal Service Fund	746,533	454,580	291,953

Developers transferred and the Town accepted infrastructure totaling \$3,313,683 during the fiscal year that will be used in sewer and water operations.

Budgetary Highlights

The Town’s annual budget is the legally adopted expenditure control document of the Town. Budgetary comparison statements are required for the General Fund and all major special revenue funds and may be found beginning on page 21. These statements compare the original adopted budget, and the actual expenditures prepared on a budgetary basis. Differences between actual and budget amounts relates to less sales taxes collected during the year, as well as a reduction in contributions and donations. Expenses were continually monitored due to less revenues and the slow recovering economy.

Capital Asset and Debt Administration

The Town of Buckeye, Arizona’s capital assets for its governmental and business-type activities as of June 30, 2011 amount to \$632,671,496 (net of accumulated depreciation). For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the fiscal year. Fund financial statements record capital asset acquisitions as expenditures. See Note 5 for further information regarding capital assets.

Capital assets include land and improvements; buildings and improvements; infrastructure; furniture, machinery, equipment and vehicles; the airport campus; the water system; and the waste water system. The Town contracts for solid waste services.

The major capital asset events during the fiscal year were:

- Restoration of the A-Wing building;
- Conveyance of completed infrastructure to the Town from various Community Facilities Districts;
- The expansion of the waste water treatment facility; and
- The Farallon Well upgrade.

The following table provides details of the Town's capital assets as of June 30, 2011 and 2010:

Town of Buckeye, Arizona
Capital Assets at June 30, 2011 and 2010
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 163,185,587	\$ 162,975,159	\$ 5,303,958	\$ 5,303,958	\$ 168,489,545	\$ 168,279,117
Construction in progress	9,006,266	14,766,310	959,142	6,317,831	9,965,408	21,084,141
Land improvements	6,168,160	6,388,108	3,958,498	3,862,393	10,126,658	10,250,501
Buildings and improvements	20,163,290	20,795,028	75,009,971	77,247,226	95,173,261	98,042,254
Infrastructure	174,148,214	175,278,605			174,148,214	175,278,605
Furniture, machinery and equipment	7,568,740	8,397,986			7,568,740	8,397,986
Wastewater system			102,787,527	90,628,008	102,787,527	90,628,008
Water system			63,740,407	59,873,369	63,740,407	59,873,369
Machinery, equipment and vehicles			671,736	800,321	671,736	800,321
	<u>\$ 380,240,257</u>	<u>\$ 388,601,196</u>	<u>\$ 252,431,239</u>	<u>\$ 244,033,106</u>	<u>\$ 632,671,496</u>	<u>\$ 632,634,302</u>

Long-Term Debt

At the end of the fiscal year, the Town of Buckeye, Arizona had total long-term obligations outstanding of \$178,288,807. Of this amount, \$134,623,000 (75.5%) is Community Facilities District bonds backed solely by the property owners within the various CFDs. Improvement district bonds of \$3,508,000 (2.0%) are backed principally by the property owners within the improvement district. An additional \$27,565,000 (15.5%) (governmental activities) and \$10,027,644 (5.6%) (business-type activities) of outstanding debt is secured by pledges of specific revenue sources of the Town. The remaining \$2,565,163 (1.4%) is for capital leases, compensated absences and deferred amounts on bond premiums and discounts.

The Town has no secondary property tax authority and no outstanding general obligation debt outstanding as of June 30, 2011.

The following table shows the long-term obligations of the Town (including both the current and long-term portions of those obligations) as of June 30, 2011 and 2010. Further details on the Town's outstanding debt may be found in Note 8 beginning on page 43.

Town of Buckeye, Arizona
Long-term Obligations at June 30, 2011 and 2010

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
Improvement district bonds	\$ 3,508,000	\$ 4,130,000	\$ -	\$ -	\$ 3,508,000	\$ 4,130,000
Revenue bonds	27,565,000	25,770,000	10,027,644	3,115,916	37,592,644	28,885,916
Community facility district bonds	134,623,000	151,931,000			134,623,000	151,931,000
Deferred amount on premium	981,784	970,211			981,784	970,211
Deferred amount on discount	(694,247)	(742,979)			(694,247)	(742,979)
Capital leases	1,109,388	1,447,052	0	0	1,109,388	1,447,052
Compensated absences	981,701	1,143,950	186,537	180,161	1,168,238	1,324,111
	<u>\$ 168,074,626</u>	<u>\$ 184,649,234</u>	<u>\$ 10,214,181</u>	<u>\$ 3,296,077</u>	<u>\$ 178,288,807</u>	<u>\$ 187,945,311</u>

Economic Factors and Next Year's Budgets and Rates

The Town's management and elected officials considered a variety of factors and options when setting the operating budgets for FY 2010-11. The construction transaction privilege tax and construction-related permits and fees have historically represented a major portion of the Town's operating revenues for the General Fund, but are particularly sensitive to economic conditions. The Town increased its transaction privilege tax to 3% effective October 2010 until June 30, 2014. The transfer to the Roadway Construction Fund per Ordinance 41-06 continues to be suspended until transaction privilege tax shows a more steady increase.

Property tax revenues were projected to decrease as the value of, primarily, residential construction decreased due to the economic downturn. The Town's primary property tax rate for FY 2010-11 was increased from \$0.8851 per \$100 of assessed value to \$1.1883 per \$100 of assessed valuation. Because the Town completed paying all outstanding general obligation debt in FY 2007-08, there is no secondary property tax rate.

The Town closely monitors Arizona state legislative action throughout the year. Significant and continuing projected state deficits may impact state-shared revenues. FY 2010-11 state-shared revenue projections provided by the League of Arizona Cities and Towns, based on the best information available to them, were incorporated into the budget adopted by the Town for FY 2010-11. The state-shared sales tax distribution was higher than expected since the state increased its transaction privilege tax rate, urban revenue sharing and in-lieu auto tax distributions are in line with budgeted amounts for FY2010-11.

The Town engages in continuous monitoring of all categories of revenues and expenses, particularly with respect to general fund operations. Due to close monitoring the general fund showed a positive balance at the end of the fiscal year, keeping spending aligned with revenues.

The Town's adopted FY2011-12 budget, along with other financial documents and reports, are available for review on the Town's website.

Financial Contact Information

This report is designed to provide a general overview of the Town's finances for those with interest in the topic and to demonstrate accountability in the use of public funds. Questions about any of the information provided in this report, or requests for additional financial information should be addressed to:

Town of Buckeye
Finance Department
530 East Monroe Avenue
Buckeye, AZ 85326
623-349-6000 (main telephone number)

or visit the Town's website at www.buckeyeaz.gov. Financial documents and reports are available on the website (select Departments, select Administrative Services, select Finance, select Reports), along with many other Town government documents, reports and information.

Basic Financial Statements

Town of Buckeye, Arizona
Statement of Net Assets
June 30, 2011

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 39,183,551	\$ 28,326,207	\$ 67,509,758
Cash with paying agent	1,647,406	-	1,647,406
Investments	39,920,985	-	39,920,985
Receivables, net			
Accounts receivable	4,040,651	1,939,238	5,979,889
Taxes receivable	147,362	-	147,362
Intergovernmental receivable	30,255	-	30,255
Special assessments receivable	59,986,000	-	59,986,000
Accrued interest	52,182	-	52,182
Deferred charges	6,106,595	878	6,107,473
Prepaid items	2,959	-	2,959
Restricted assets	26,577,079	-	26,577,079
Capital assets			
Non-depreciable	172,191,853	6,263,100	178,454,953
Depreciable, net	208,048,404	246,168,139	454,216,543
Total assets	557,935,282	282,697,562	840,632,844
Liabilities			
Accounts payable and other current liabilities	33,154,178	1,410,900	34,565,078
Accrued wages and benefits	1,166,818	121,131	1,287,949
Interest payable	3,918,657	-	3,918,657
Intergovernmental payable	-	247,152	247,152
Unearned revenue	1,881,019	-	1,881,019
Customer deposits payable	71,510	619,470	690,980
Performance bonds payable	331,411	-	331,411
Matured debt principal payable	5,256,000	-	5,256,000
Noncurrent liabilities			
Due within one year	6,908,580	585,230	7,493,810
Due in more than one year	161,166,046	9,628,951	170,794,997
Loss on refunding and defeasance	(1,041,684)	-	(1,041,684)
Total liabilities	212,812,535	12,612,834	225,425,369
Net Assets			
Invested in capital assets, net of related debt	212,165,631	242,885,105	455,050,736
Restricted for			
Impact fees	18,862,025	-	18,862,025
SLID operations	69,341	-	69,341
Highways and streets	410,310	-	410,310
Debt service	14,543,223	-	14,543,223
Capital outlay	16,309,468	-	16,309,468
Other	1,290,125	-	1,290,125
Unrestricted	81,472,624	27,199,623	108,672,247
Total net assets	\$ 345,122,747	\$ 270,084,728	\$ 615,207,475

Town of Buckeye, Arizona
Statement of Activities
Year Ended June 30, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities							
General government	\$ 12,115,703	\$ 5,841,235	\$ 350,107	\$ -	\$ (5,924,361)	\$ -	\$ (5,924,361)
Public safety	18,340,230	571,863	-	-	(17,768,367)	-	(17,768,367)
Highways and streets	12,956,864	156,916	1,856,646	8,200,563	(2,742,739)	-	(2,742,739)
Culture and recreation	2,330,762	517,337	-	-	(1,813,425)	-	(1,813,425)
Community development	550,909	-	-	-	(550,909)	-	(550,909)
Economic development	102,221	-	-	-	(102,221)	-	(102,221)
Health and welfare	582,396	-	-	-	(582,396)	-	(582,396)
Interest on long-term debt	8,816,233	-	-	-	(8,816,233)	-	(8,816,233)
Total governmental activities	<u>55,795,318</u>	<u>7,087,351</u>	<u>2,206,753</u>	<u>8,200,563</u>	<u>(38,300,651)</u>	<u>-</u>	<u>(38,300,651)</u>
Business-type activities							
Airport	1,175,306	274,946	-	85,661	-	(814,699)	(814,699)
Sewer	11,241,013	7,839,878	-	1,999,931	-	(1,401,204)	(1,401,204)
Water	8,096,366	7,212,624	-	1,313,752	-	430,010	430,010
Total business-type activities	<u>20,512,685</u>	<u>15,327,448</u>	<u>-</u>	<u>3,399,344</u>	<u>-</u>	<u>(1,785,893)</u>	<u>(1,785,893)</u>
Total Primary Government	<u>\$ 76,308,003</u>	<u>\$ 22,414,799</u>	<u>\$ 2,206,753</u>	<u>\$ 11,599,907</u>	<u>(38,300,651)</u>	<u>(1,785,893)</u>	<u>(40,086,544)</u>
General revenues							
Taxes							
Sales taxes					12,354,727	-	12,354,727
Property taxes					11,687,424	-	11,687,424
Franchise taxes					2,412,675	-	2,412,675
Unrestricted State revenue sharing					2,472,836	-	2,472,836
Unrestricted State sales tax revenue sharing					2,112,351	-	2,112,351
Unrestricted auto lieu tax revenue sharing					865,935	-	865,935
Investment earnings					65,563	34,861	100,424
Other					5,447,660	508,381	5,956,041
Transfers					881,195	(881,195)	-
Total general revenues and transfers					<u>38,300,366</u>	<u>(337,953)</u>	<u>37,962,413</u>
Change in net assets					(285)	(2,123,846)	(2,124,131)
Net Assets - beginning of year (as previously stated)					352,443,790	265,684,311	618,128,101
Prior Period Adjustment					(7,320,758)	6,524,263	(796,495)
Net Assets - beginning of year (as restated)					<u>345,123,032</u>	<u>272,208,574</u>	<u>617,331,606</u>
Net Assets - end of year					<u>\$ 345,122,747</u>	<u>\$ 270,084,728</u>	<u>\$ 615,207,475</u>

Town of Buckeye, Arizona
Governmental Funds – Balance Sheet
June 30, 2011

	General	Impact Fees	CFD	Debt Service	HURF	Nonmajor Governmental Funds	Totals
Assets							
Cash and cash equivalents	\$ 667,739	\$ 19,008,132	\$ -	\$ 887,359	\$ 291,486	\$ 17,636,249	\$ 38,490,965
Cash with paying agent	1,440,406	-	-	207,000	-	-	1,647,406
Investments	39,920,985	-	-	-	-	-	39,920,985
Receivables, net							
Accounts	1,917,870	-	-	-	264,826	1,792,848	3,975,544
Taxes	75,472	-	62,453	-	-	9,437	147,362
Intergovernmental	30,255	-	-	-	-	-	30,255
Special assessments	-	-	56,478,000	3,508,000	-	-	59,986,000
Accrued interest	52,182	-	-	-	-	-	52,182
Prepaid items	2,959	-	-	-	-	-	2,959
Restricted assets	-	-	23,498,123	-	-	3,078,956	26,577,079
Total assets	\$ 44,107,868	\$ 19,008,132	\$ 80,038,576	\$ 4,602,359	\$ 556,312	\$ 22,517,490	\$ 170,830,737
Liabilities and Fund Balance							
Liabilities							
Accounts payable	30,827,242	128,931	-	5,302	81,160	2,100,383	33,143,018
Accrued wages and benefits	1,101,976	-	-	-	64,842	-	1,166,818
Interest payable	-	17,176	3,901,481	-	-	-	3,918,657
Deferred revenue	-	-	56,478,000	3,508,000	-	-	59,986,000
Unearned revenue	1,040,425	-	840,594	-	-	-	1,881,019
Customer deposits payable	71,510	-	-	-	-	-	71,510
Performance bonds payable	331,411	-	-	-	-	-	331,411
Matured debt principal payable	-	-	5,049,000	207,000	-	-	5,256,000
Total liabilities	33,372,564	146,107	66,269,075	3,720,302	146,002	2,100,383	105,754,433
Fund Balance							
Non-spendable	2,959	-	-	-	-	-	2,959
Restricted							
Impact Fees	-	18,862,025	-	-	-	-	18,862,025
SLID Operations	69,341	-	-	-	-	-	69,341
Highways and streets	-	-	-	-	410,310	-	410,310
Debt Service	-	-	13,769,501	773,722	-	-	14,543,223
Capital projects	-	-	-	-	-	16,309,468	16,309,468
Other special revenue	-	-	-	-	-	1,290,125	1,290,125
Assigned							
Operations and maintenance	-	-	-	108,335	-	2,869,216	2,977,551
Unassigned	10,663,004	-	-	-	-	(51,702)	10,611,302
Total fund balances	10,735,304	18,862,025	13,769,501	882,057	410,310	20,417,107	65,076,304
Total liabilities and fund balances	\$ 44,107,868	\$ 19,008,132	\$ 80,038,576	\$ 4,602,359	\$ 556,312	\$ 22,517,490	\$ 170,830,737

Town of Buckeye, Arizona
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
June 30, 2011

Fund balances - total governmental funds	<u>\$ 65,076,304</u>
Amounts reported for governmental activities in the statement of net assets are different because:	
Special assessment revenue not available for current financial resources	<u>59,986,000</u>
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.	
Governmental capital assets	468,799,014
Less accumulated depreciation	(88,558,757)
Capital assets used in governmental activities	<u>380,240,257</u>
Other long-term assets are not available to pay for current-period expenditures:	
Net deferred charges	<u>6,106,595</u>
Internal service funds used by the management to charge cost of insurance to individual funds	
	<u>746,533</u>
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.	
Improvement bonds	(3,508,000)
Revenue bonds	(27,565,000)
Community facilities district bonds	(134,623,000)
Loss on refunding and defeasance of bonds amortized over the life of the debt	1,041,684
Deferred amount on premium	(981,784)
Deferred amount on discount	694,247
Capital leases	(1,109,388)
Compensated absences	(981,701)
	<u>(167,032,942)</u>
Net assets of governmental activities	<u><u>\$ 345,122,747</u></u>

Town of Buckeye, Arizona
 Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended June 30, 2011

	General	Impact Fees	CFD	Debt Service	HURF	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Taxes							
Sales taxes	\$ 12,354,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,354,727
Property taxes	4,575,500	-	7,111,924	-	-	-	11,687,424
Franchise taxes	2,412,675	-	-	-	-	-	2,412,675
Improvement proceeds	-	-	-	-	-	366,560	366,560
Intergovernmental	5,642,930	-	-	-	1,856,646	158,299	7,657,875
Fines and forfeitures	611,956	-	-	-	-	-	611,956
License and permits	2,627,044	-	-	-	-	-	2,627,044
Charges for services	970,565	-	-	-	-	520,578	1,491,143
Developer agreements	-	-	-	-	-	1,091,542	1,091,542
Contributions and donations	86,501	-	2,936,595	-	-	2,185,332	5,208,428
Impact fees	-	1,414,553	-	-	-	-	1,414,553
Special assessments	-	-	7,338,949	690,068	-	-	8,029,017
Investment earnings	30,088	26,530	2,283	95	-	6,567	65,563
Other	2,521,730	-	111,287	49,507	-	2,398,576	5,081,100
Total revenues	31,833,716	1,441,083	17,501,038	739,670	1,856,646	6,727,454	60,099,607
Expenditures							
Current							
General government	8,799,409	12,433	-	490,740	-	1,581,468	10,884,050
Public safety	15,495,058	571,165	-	-	-	1,182,150	17,248,373
Highway and streets	-	-	-	-	2,034,353	-	2,034,353
Culture and recreation	1,784,833	-	-	-	-	-	1,784,833
Community development	413,114	-	-	-	-	-	413,114
Economic development	102,221	-	-	-	-	-	102,221
Health and welfare	-	-	-	-	-	582,396	582,396
Debt service							
Principal retirement	467,664	-	5,749,000	622,000	-	-	6,838,664
Interest on long-term debt	673,408	-	7,908,988	233,837	-	-	8,816,233
Issuance costs	69,000	-	-	-	-	42,000	111,000
Capital outlay	29,171	2,360,216	-	545,747	-	5,484,476	8,419,610
Total expenditures	27,833,878	2,943,814	13,657,988	1,892,324	2,034,353	8,872,490	57,234,847
Revenues over (Under)							
Expenditures	3,999,838	(1,502,731)	3,843,050	(1,152,654)	(177,707)	(2,145,036)	2,864,760
Other Financing Sources (Uses)							
Bonds issued	1,865,145	-	-	-	-	404,000	2,269,145
Early extinguishment of debt	(1,865,145)	-	(5,999,736)	-	-	-	(7,864,881)
Transfers in	1,463,949	-	7,516,256	154,031	-	1,516,931	10,651,167
Transfers out	(1,045,278)	-	(8,408,093)	(465,866)	(25,000)	(595,739)	(10,539,976)
Total other financing sources (uses)	418,671	-	(6,891,573)	(311,835)	(25,000)	1,325,192	(5,484,545)
Net Change in Fund Balances	4,418,509	(1,502,731)	(3,048,523)	(1,464,489)	(202,707)	(819,844)	(2,619,785)
Fund Balances, Beginning of Year	6,316,795	20,364,756	16,818,024	2,346,546	613,017	21,236,951	67,696,089
Fund Balances, End of Year	\$ 10,735,304	\$ 18,862,025	\$ 13,769,501	\$ 882,057	\$ 410,310	\$ 20,417,107	\$ 65,076,304

Town of Buckeye, Arizona

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities
Year Ended June 30, 2011

Net change in fund balances - total governmental funds \$ (2,619,785)

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 the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	8,419,610
Capital contributions	1,900,593
Gain(loss) on sale of capital assets	(40,940)
Less current year depreciation	<u>(13,123,286)</u>
Excess depreciation over capital expenditures	<u>(2,844,023)</u>

Some revenues reported in the governmental funds that did not provide current financial resources in prior years have been recognized previously in the statement of activities and therefore are not reported as revenues in the statement of activities.

Special assessments	<u>(7,240,000)</u>
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Internal service funds used by the management to charge cost of insurance to individual funds	<u>291,953</u>
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. The issuance of long-term debt increases long-term liabilities on the statement of net assets and the repayment of principal on long-term debt reduces long-term debt on the statement of net assets. Likewise, refunding and defeasance of existing debt reduces the balance of long-term debt without adding additional debt. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when the debt is first issued, whereas these items are deferred and amortized over the term of the long-term debt in the statement of activities.

Issuance of long-term debt	(2,199,000)
Premium on debt issued	(70,145)
Principal payments on long-term debt	6,501,000
Principal payments on capital leases	337,664
Bond issuance costs	111,000
Amortization of discount	(48,732)
Amortization of issuance costs	(293,102)
Amortization of premium	58,572
Amortization of economic loss on refunding and defeasance	(12,817)
Early extinguishment of debt	7,864,881

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

Net decrease in compensated absences	<u>162,249</u>
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Change in net assets of governmental activities	<u><u>\$ (285)</u></u>
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Town of Buckeye, Arizona

General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Sales taxes	\$ 12,798,798	\$ 12,798,798	\$ 12,354,727	\$ (444,071)
Property taxes	4,888,832	4,888,832	4,575,500	(313,332)
Franchise taxes	2,051,000	2,051,000	2,412,675	361,675
Intergovernmental	5,443,314	5,443,314	5,642,930	199,616
Fines and forfeitures	626,000	626,000	611,956	(14,044)
Licenses and permits	2,513,000	2,513,000	2,627,044	114,044
Charges for services	844,083	844,083	970,565	126,482
Contributions and donations	124,580	124,580	86,501	(38,079)
Investment earnings	25,000	25,000	30,088	5,088
Other	2,356,000	2,356,000	2,521,730	165,730
Total revenues	<u>31,670,607</u>	<u>31,670,607</u>	<u>31,833,716</u>	<u>163,109</u>
Expenditures				
Current				
General government				
Mayor and council	298,182	300,182	273,388	(26,794)
Town Clerk	-	214,933	207,173	(7,760)
Town Manager	814,715	288,619	240,608	(48,011)
Human resources	594,657	594,657	440,521	(154,136)
Finance department	960,930	960,930	753,246	(207,684)
Magistrate	498,809	498,809	507,826	9,017
Vehicle maintenance	-	626,231	535,431	(90,800)
Non-departmental	4,045,940	4,043,940	4,032,796	(11,144)
Public works - administration	1,085,189	458,958	432,718	(26,240)
Legislative affairs	-	206,364	149,625	(56,739)
Information technology	1,220,005	1,220,005	1,191,868	(28,137)
Debt Service	-	-	743,776	743,776
Other	203,272	203,272	162,841	(40,431)
Total general government	<u>9,721,699</u>	<u>9,616,900</u>	<u>9,671,817</u>	<u>54,917</u>
Public safety				
Police	8,228,937	8,228,937	8,036,441	(192,496)
Fire	7,580,425	6,943,350	7,267,063	323,713
Fire and building safety	-	637,075	529,218	(107,857)
Total public safety	<u>15,809,362</u>	<u>15,809,362</u>	<u>15,832,722</u>	<u>23,360</u>
Culture and recreation				
Community services	2,156,923	2,156,923	1,784,833	(372,090)
Total culture and recreation	<u>2,156,923</u>	<u>2,156,923</u>	<u>1,784,833</u>	<u>(372,090)</u>

Town of Buckeye, Arizona

General Fund – Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual
Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Community development				
Community development	557,017	515,524	413,114	(102,410)
Total community development	<u>557,017</u>	<u>515,524</u>	<u>413,114</u>	<u>(102,410)</u>
Economic development				
Economic development	-	146,292	102,221	(44,071)
Total economic development	<u>-</u>	<u>146,292</u>	<u>102,221</u>	<u>44,071</u>
Contingencies	4,853,882	4,853,882	-	(4,853,882)
Capital outlay	-	-	29,171	29,171
Total expenditures	<u>33,098,883</u>	<u>33,098,883</u>	<u>27,833,878</u>	<u>(322,981)</u>
Revenues over (Under)				
Expenditures	<u>(1,428,276)</u>	<u>(1,428,276)</u>	3,999,838	5,428,114
Other Financing Sources (Uses)				
Bonds issued	-	-	1,865,145	1,865,145
Early extinguishment of debt	-	-	(1,865,145)	(1,865,145)
Transfers in			1,463,949	1,463,949
Transfers (out)	<u>(2,627,956)</u>	<u>(2,627,956)</u>	<u>(1,045,278)</u>	<u>1,582,678</u>
Net Change in Fund Balance	<u>(4,056,232)</u>	<u>(4,056,232)</u>	<u>4,418,509</u>	<u>8,474,741</u>
Fund Balance, Beginning of the Year	<u>4,056,232</u>	<u>4,056,232</u>	<u>6,316,795</u>	<u>2,260,563</u>
Fund Balance, End of the Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,735,304</u>	<u>\$ 10,735,304</u>

Town of Buckeye, Arizona
Impact Fees Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
Year Ended June 30, 2011

	Impact Fees			Variance with Final Budget Positive (Negative)
	Budgeted Amounts Original	Final	Total Impact Fees Fund	
Revenues				
Impact fees	\$ 1,534,000	\$ 1,534,000	\$ 1,414,553	\$ (119,447)
Investment earnings	72,700	72,700	26,530	(46,170)
Total revenues	<u>1,606,700</u>	<u>1,606,700</u>	<u>1,441,083</u>	<u>(165,617)</u>
Expenditures				
Current				
General government	-	20,000	12,433	(7,567)
Public safety	2,923,322	2,923,322	571,165	(2,352,157)
Capital outlay	<u>10,466,814</u>	<u>10,466,814</u>	<u>2,360,216</u>	<u>(8,106,598)</u>
Total expenditures	<u>13,390,136</u>	<u>13,410,136</u>	<u>2,943,814</u>	<u>(10,466,322)</u>
Revenues over (Under)				
Expenditures	<u>(11,783,436)</u>	<u>(11,803,436)</u>	<u>(1,502,731)</u>	<u>10,300,705</u>
Net Change in Fund Balances	(11,783,436)	(11,803,436)	(1,502,731)	10,300,705
Fund Balances, Beginning of Year	<u>20,364,756</u>	<u>20,364,756</u>	<u>20,364,756</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 8,581,320</u>	<u>\$ 8,561,320</u>	<u>\$ 18,862,025</u>	<u>\$ 10,300,705</u>

Town of Buckeye, Arizona

HURF Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
Year Ended June 30, 2011

	HURF			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Intergovernmental	\$ 1,672,990	\$ 1,672,990	1,856,646	\$ (183,656)
Total revenues	<u>1,672,990</u>	<u>1,672,990</u>	<u>1,856,646</u>	<u>(183,656)</u>
Expenditures				
Current				
Highways and streets	2,008,545	2,008,545	2,034,353	(25,808)
Total expenditures	<u>2,008,545</u>	<u>2,008,545</u>	<u>2,034,353</u>	<u>(25,808)</u>
Excess (Deficiency) of Revenues over Expenditures	(335,555)	(335,555)	(177,707)	(157,848)
Fund Balances, Beginning of Year	<u>613,017</u>	<u>613,017</u>	<u>613,017</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 277,462</u>	<u>\$ 277,462</u>	<u>\$ 435,310</u>	<u>\$ (157,848)</u>

Town of Buckeye, Arizona
Proprietary Funds – Statement of Net Assets
June 30, 2011

	Business-type Activities				Governmental
	Airport	Sewer	Water	Totals	Internal
Assets					
Current assets:					
Cash and cash equivalents	\$ 194,491	\$ 14,413,330	\$ 13,718,386	\$ 28,326,207	\$ 692,586
Accounts receivable, net	13,237	944,922	981,079	1,939,238	65,107
Deferred charges	-	-	878	878	-
Total current assets	<u>207,728</u>	<u>15,358,252</u>	<u>14,700,343</u>	<u>30,266,323</u>	<u>757,693</u>
Noncurrent assets:					
Capital assets:					
Non-depreciable	4,722,003	1,529,278	11,819	6,263,100	-
Depreciable, net	5,193,455	165,095,322	75,879,362	246,168,139	-
Total noncurrent assets	<u>9,915,458</u>	<u>166,624,600</u>	<u>75,891,181</u>	<u>252,431,239</u>	<u>-</u>
Total assets	<u>10,123,186</u>	<u>181,982,852</u>	<u>90,591,524</u>	<u>282,697,562</u>	<u>757,693</u>
Liabilities					
Current liabilities:					
Accounts payable	98,087	1,170,373	142,440	1,410,900	11,160
Accrued wages and benefits	3,262	38,542	79,327	121,131	-
Intergovernmental payable	-	-	247,152	247,152	-
Customer deposits payable	-	-	619,470	619,470	-
Compensated absences	-	22,048	81,672	103,720	-
Bonds, notes and loans payable	-	481,510	-	481,510	-
Total current liabilities	<u>101,349</u>	<u>1,712,473</u>	<u>1,170,061</u>	<u>2,983,883</u>	<u>11,160</u>
Noncurrent liabilities:					
Compensated absences	-	-	82,817	82,817	-
Bonds, notes and loans payable	-	9,546,134	-	9,546,134	-
Total noncurrent liabilities	<u>-</u>	<u>9,546,134</u>	<u>82,817</u>	<u>9,628,951</u>	<u>-</u>
Total liabilities	<u>101,349</u>	<u>11,258,607</u>	<u>1,252,878</u>	<u>12,612,834</u>	<u>11,160</u>
Net Assets					
Invested in capital assets, net of related debt	9,915,458	157,078,466	75,891,181	242,885,105	-
Unrestricted	106,379	13,645,779	13,447,465	27,199,623	746,533
Total net assets	<u>\$ 10,021,837</u>	<u>\$ 170,724,245</u>	<u>\$ 89,338,646</u>	<u>\$ 270,084,728</u>	<u>\$ 746,533</u>

Town of Buckeye, Arizona
Proprietary Funds – Statement of Revenues, Expenses, and Changes in Fund Net Assets
Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds				Governmental
	Airport	Sewer	Water	Total	Internal
Operating Revenues					
Charges for services	\$ 274,946	\$ 7,640,045	\$ 7,079,624	\$ 14,994,615	\$ 153,638
Operating Expenses					
Cost of sales and services	811,470	6,935,891	3,752,046	11,499,407	631,689
Depreciation	363,836	4,305,122	4,344,320	9,013,278	-
Total operating expenses	1,175,306	11,241,013	8,096,366	20,512,685	631,689
Operating Loss	(900,360)	(3,600,968)	(1,016,742)	(5,518,070)	(478,051)
Nonoperating Revenues (Expenses)					
Impact fees	-	199,833	92,214	292,047	-
Investment earnings	-	16,421	18,440	34,861	-
Intergovernmental	505,234	(21,853)	25,000	508,381	-
Developer reimbursements	-	-	40,786	40,786	-
Total nonoperating revenues (expense)	505,234	194,401	176,440	876,075	-
Income (Loss) before contributions and transfers	(395,126)	(3,406,567)	(840,302)	(4,641,995)	(478,051)
Capital Contributions	85,661	1,999,931	1,313,752	3,399,344	-
Transfers In	30,760	708,428	-	739,188	770,004
Transfers Out	(30,760)	(140,907)	(1,448,716)	(1,620,383)	-
Change in Net Assets	(309,465)	(839,115)	(975,266)	(2,123,846)	291,953
Net Assets, Beginning of Year (as previously stated)	10,331,302	171,304,365	84,048,644	265,684,311	454,580
Prior Period Adjustment	-	258,995	6,265,268	6,524,263	-
Net Assets, Beginning of Year (as restated)	10,331,302	171,563,360	90,313,912	272,208,574	454,580
Net Assets, End of Year	\$ 10,021,837	\$ 170,724,245	\$ 89,338,646	\$ 270,084,728	\$ 746,533

Town of Buckeye, Arizona
Proprietary Funds – Statement of Cash Flows
Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds				Governmental
	Airport	Sewer	Water	Totals	Internal Service Fund
Cash Flows from Operating Activities					
Receipts from customers	\$ 334,436	\$ 7,471,611	\$ 6,625,394	\$ 14,431,441	\$ 148,534
Payments to suppliers	(656,125)	(6,227,267)	(2,392,036)	(9,275,428)	(621,306)
Payments to employees	(64,325)	(829,234)	(1,407,209)	(2,300,768)	-
Customer deposits received	-	-	24,863	24,863	-
Net cash provided by (used in) operating activities	<u>(386,014)</u>	<u>415,110</u>	<u>2,851,012</u>	<u>2,880,108</u>	<u>(472,772)</u>
Cash Flows from Capital and Related Financing Activities					
Impact fees	-	199,833	92,214	292,047	-
Developer reimbursements	-	-	40,786	40,786	-
Intergovernmental	505,234	(21,853)	25,000	508,381	-
Purchases of capital assets	(27,212)	(9,350,094)	-	(9,377,306)	-
Capital contributions	85,661	-	-	85,661	-
Proceeds on capital debt	-	10,784,084	-	10,784,084	-
Principal paid on capital debt	-	(1,972,356)	-	(1,972,356)	-
Net cash provided by (used in) capital and related financing activities	<u>563,683</u>	<u>(360,386)</u>	<u>158,000</u>	<u>361,297</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities					
Transfers from (to) other funds	-	567,521	(1,448,716)	(881,195)	770,004
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>567,521</u>	<u>(1,448,716)</u>	<u>(881,195)</u>	<u>770,004</u>
Cash Flows from Investing Activities					
Investment earnings	-	16,421	18,440	34,861	-
Net cash provided by investing activities	<u>-</u>	<u>16,421</u>	<u>18,440</u>	<u>34,861</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	177,669	638,666	1,578,736	2,395,071	297,232
Cash and Cash Equivalents, Beginning of year	<u>16,822</u>	<u>13,774,664</u>	<u>12,139,650</u>	<u>25,931,136</u>	<u>395,354</u>
Cash and Cash Equivalents, End of year	<u>\$ 194,491</u>	<u>\$ 14,413,330</u>	<u>\$ 13,718,386</u>	<u>\$ 28,326,207</u>	<u>\$ 692,586</u>

Town of Buckeye, Arizona
Proprietary Funds – Statement of Cash Flows
Year Ended June 30, 2011

	Business-type Activities - Enterprise Funds				Governmental
	Airport	Sewer	Water	Totals	Internal Service Fund
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ (900,360)	\$ (3,600,968)	\$ (1,016,742)	\$ (5,518,070)	\$ (478,051)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:					
Depreciation expense	363,836	4,305,122	4,344,320	9,013,278	-
(Increase) decrease in					
Accounts receivable	59,490	(168,434)	(454,230)	(563,174)	(5,104)
Deferred charges	-	-	(876)	(876)	-
Increase (decrease) in					
Accounts payable	87,758	(125,331)	(81,444)	(119,017)	10,383
Accrued wages and benefits	3,262	5,600	25,971	34,833	-
Intergovernmental payable	-	-	1,895	1,895	-
Compensated absences payable	-	(879)	7,255	6,376	-
Customer deposits	-	-	24,863	24,863	-
Total adjustments	514,346	4,016,078	3,867,754	8,398,178	5,279
Net cash used in operating activities	<u>\$ (386,014)</u>	<u>\$ 415,110</u>	<u>\$ 2,851,012</u>	<u>\$ 2,880,108</u>	<u>\$ (472,772)</u>
Noncash Investing, Capital, and Financing Activities					
Contributions of capital assets	<u>\$ -</u>	<u>\$ 1,999,931</u>	<u>\$ 1,313,752</u>	<u>\$ 3,313,683</u>	<u>\$ -</u>

Sewer Fund:

Capital assets of \$1,144,609 were received from developers during the year.

Water Fund:

Capital assets of \$1,231,507 were received from developers during the year.

Town of Buckeye, Arizona
Fiduciary Funds – Statement of Fiduciary Net Assets
June 30, 2011

	<u>Pension Trust</u>
Assets	
Cash and cash equivalents	<u>\$ 279,868</u>
Total assets	<u><u>\$ 279,868</u></u>
Net Assets	
Held in trust for pension benefits	<u>\$ 279,868</u>
Total net assets	<u><u>\$ 279,868</u></u>

Town of Buckeye, Arizona
 Fiduciary Funds – Statement of Changes in Fiduciary Net Assets
 Year Ended June 30, 2011

	Pension Trust
Additions	
State fire insurance premium	\$ 7
Investment earnings	
Net increase in fair value of investments	56,519
Total additions	56,526
Deductions	
Benefits	2,000
Administration	1,590
Total deductions	3,590
Changes in Net Assets	52,936
Net Assets, Beginning of Year	226,932
Net Assets, End of Year	\$ 279,868

Note 1 - Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Buckeye, Arizona (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the Town's more significant accounting policies follows.

A. Reporting Entity

The Town is a municipal government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations.

Included within the reporting entity:

The Verrado Community Facilities District No. 1 (formerly Whitestone District No. 1), Sundance Community Facilities District No. 1, Sundance Community Facilities District No. 2, Sundance Community Facilities District No. 3, Verrado Western Overlay Community Facilities District, West Park Community Facilities District, Elianto Community Facilities District, Trillium West Community Facilities District, Festival Ranch Community Facilities District, Tartesso West Community Facilities District, Watson Road Community Facilities District, Anthem Sun Valley Communities Facilities District and Mirielle Community Facilities District were formed for the purpose of acquiring and improving public infrastructure in specified land areas. As special purpose districts and separate political subdivisions under the Arizona Constitution, the Districts can levy taxes and issue bonds independently of the Town and are considered component units. Property owners in the designated areas are assessed for District taxes and thus for the costs of operating the Districts. The Town Council serves as the Board of Directors; however, the Town has no liability for the Districts' debt. For financial reporting purposes, transactions of the Districts are combined together and blended as if they were part of the Town's operations.

Separate financial statements of the Districts are not prepared.

The Impact fees fund has been separated from the General Fund and is presented as a major fund.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. However, since debt service resources are provided during the current year for payment of long-term principal and interest due early in the following year, the expenditures and related liabilities have been recognized in the Debt Service Fund.

Property taxes, intergovernmental grants and aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund. The Payroll Fund, Court Enhancement Fund and SLID Operations Fund are reported as part of the General Fund.

The Impact Fees Fund accounts for resources accumulated and payments made for new developments within the town.

The CFD Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of community facilities districts.

The Debt Service Fund accounts for resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

The Highway User Fund accounts for revenue and expenditures that are legally restricted to expenditures for transportation, the construction, repairs and maintenance of public works and streets.

The Town reports the following major proprietary funds:

The Airport Fund accounts for the activities of the Town's airport operations.

The Sewer Fund accounts for the activities of the Town's sewer operations.

The Water Fund accounts for the activities of the Town's water operations.

Additionally, the government reports the following fund types:

Internal Service Fund is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The fund accounts for financial activity of the Town's workers compensation claims and other risk issues.

The Pension Trust Fund accounts for the activities of the Volunteer Firefighters' Relief and Pension Fund, which accumulates resources for pension benefit payments to qualified firemen.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for the business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Amounts reported as program revenues include 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sewer and water funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use for governmental activities it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town Council has provided otherwise in its commitment or assignment actions. For business-type activities, the use of restricted resources is governed by the applicable bond covenants.

D. Cash and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, cash and investments held by the State Treasurer, and highly liquid investments with maturities of three months or less from the date of acquisition.

Cash and investments are pooled except for funds required to be held by fiscal agents or restricted under provisions of bond indentures. Interest earned from investments purchased with such pooled monies is allocated to each of the funds based on the average daily cash balances. State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, certificates of deposit in eligible depositories, repurchase agreements, obligations of the State of Arizona or any of its counties or incorporated cities, towns or duly organized school districts, improvement districts in this state and the State Treasurer's Local Government Investment Pool. Investments are stated at fair value.

E. Receivables and Payables

All trade receivables are shown net of a \$469,626 allowance for un-collectibles.

Maricopa County levies real property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. However, a lien against real and personal property assessed attaches on the first day of January preceding assessment and levy thereof.

During the course of operations, individual funds within the Town's pooled cash accounts may borrow money from the other funds within the pool on a short-term basis. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements. The Town did not have any interfund receivable/payables at year-end.

F. Restricted Assets

Certain proceeds of the Town's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets because their use is limited by applicable bond covenants.

Customer deposits are also classified as restricted assets because their use is limited.

G. Capital Assets

Capital assets, which include property, plant, infrastructure, furniture, equipment and vehicles are reported in the governmental and business-type activities column in the government-wide financial statements as applicable and in the proprietary fund statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Property, plant, furniture, equipment and vehicles purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Land improvements	10-20 years
Buildings and improvements	50 years
Wastewater system	50 years
Water system	50 years
Improvements other than buildings	40 years
Infrastructure	20-50 years
Furniture, machinery and equipment	3-10 years
Vehicles	5-10 years

H. Compensated Absences

The liability for compensated absences reported in the fund financial statements and the government-wide statements consists of unpaid, accumulated leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. For governmental activities, compensated absences are liquidated by the general fund.

I. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

J. Net Assets

In the government-wide financial statements, net assets are reported in three categories: net assets invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Net assets invested in capital assets, net of related debt is separately reported because capital assets make up a significant portion of total net assets. Restricted net assets account for the portion of net assets restricted by parties outside the Town. Unrestricted net assets are the remaining net assets not included in the previous two categories.

K. Fund Balance

Beginning with fiscal year 2011, the Town implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance—amounts that are not in nonspendable form (such as inventory) or are required to be maintained intact.

Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority (i.e., Town Council). To be reported as committed, amounts cannot be used for any other purpose unless the Town takes the same highest level action to remove or change the constraint.

Assigned fund balance—amounts the Town intends to use for a specific purpose. Intent can be expressed by the Town Council or by an official or body to which the Town Council delegates the authority. In fiscal year 2011, the Town Council had authority to assign fund balances intended to be used for specific purposes.

Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

Note 2 - Compliance and Accountability

Budgetary Information

The Town Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Arizona Revised Statutes, the Town Manager submits a proposed budget for the fiscal year commencing the following July 1 to the Town Council. The operating budget includes proposed expenditures and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comment.
3. Prior to the third Monday in July, the expenditure limitation for the Town is legally enacted through passage of a resolution. To ensure compliance with the expenditure limitation, a uniform expenditure report must be filed with the State each year. This report, issued under a separate cover, reconciles total Town expenditures from the audited financial statements to total expenditures for reporting in accordance with the State's uniform expenditure reporting system (A.R.S. §41-1279.07).
4. By Arizona Constitution, expenditures may not legally exceed the expenditure limitation described below of all fund types as a whole. For management purposes, the Town adopts a budget by department for the General Fund and in total by fund for other funds. The Town Manager, subject to Town Council approval, may at any time transfer any unencumbered appropriation balance or portion thereof between a department or activity. The adopted budget cannot be amended in any way without Town Council approval.
5. Formal budgetary integration is employed as a management control device during the year for the General, HURF, Special Revenue, Debt Service and Capital Projects Funds on essentially the same modified accrual basis of accounting used to record actual revenues and expenditures.

The Town is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the Town to spend more than budgeted revenues plus the carryover unrestricted cash balance from the prior fiscal year. The limitation is applied to the total of the combined funds. The Town complied with this law during the year.

No supplementary budgetary appropriations were necessary during the year.

Excess of Expenditures over Appropriations

	<u>Amount of Overexpenditure</u>
Other funds:	
Social Services/Area Agency on Aging Fund	\$ 1,988
Downtown Revitalization Fund	\$ 3,631

Cash was available to meet all of the excess expenditures above.

Note 3 - Deposits and Investments

Cash and investments at June 30, 2011 consisted of the following:

Deposits	
Cash on hand	\$ 2,250
Cash in bank	44,677,484
Cash on deposit with paying agent	1,647,406
Investments	
Cash on deposit with trustee	23,079,052
Pension Trust Money Market	279,868
State Treasurer's Investment Pool	26,328,051
U.S. agency securities	39,920,985
Total deposits and investments	135,935,096
Restricted Assets	(26,577,079)
Fiduciary Funds	(279,868)
Cash with Paying Agent	(1,647,406)
Investments	(39,920,985)
Total cash and cash equivalent	\$ 67,509,758

Cash on Hand – This includes a petty cash fund and beginning cash for the registers at Town Hall. Cash on hand at June 30, 2011 was \$2,250.

Deposits – At June 30, 2011, the carrying amount of the Town's deposits was \$14,802,295 and the bank balance was \$15,655,963. The difference represents outstanding checks and other reconciling items.

Negative Cash Balances – At June 30, 2011, the general fund had a net negative cash balance of \$29,875,189 as a result of year-end cash allocations. The Town reclassified this negative balance to accounts payable for financial statement presentation.

Investments – The State Board of Deposit provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. The shares are not identified with specific investments and are not subject to custodial credit risk. In addition, the pension trust mutual fund is not subject to custodial credit risk. Cash on deposit with trustee is held in trust for the Town under a Trust Agreement with Wells Fargo Bank. The funds held in trust are invested in money market funds, are valued at cost, and are invested in cash and cash equivalents and U.S. Treasury Bills. The funds are not subject to credit risk or interest rate risk. The Town's investment in the State Treasurer's investment pool did not receive a credit quality rating from a national agency.

In May 2011, the Town transferred \$40,000,000 from its investments in the Local Government Investment Pool for the purchase of U.S. agency security investments. The Town records its investment securities at their fair market values based on quoted market prices. The unrealized gains and losses on these investments are included in net increase (decrease) in fair value of investments in the fund statements and statement of activities.

As of June 30, 2011, the Town had the following investments and related maturities:

<u>Investment Type</u>	<u>Investment Maturities</u>		
	<u>Total</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>
US Agency Securities	<u>\$ 39,920,985</u>	<u>\$ -</u>	<u>\$ 39,920,985</u>

Interest Rate Risk – The Town's investments are invested in U.S. agency step-up securities which are considered to be highly sensitive to interest rate changes. These securities can be called by the issuer on certain specified dates. If the security is not called, the interest rate is increased by a specified amount. Prevailing interest rates may go up faster than the increase in the coupon interest rate.

As of June 30, 2011, the Town's investments were rated in the following manner:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>Amount</u>
US Agency Securities	AAA	Moody's	\$ 29,497,452
US Agency Securities	Not Rated	N/A	<u>10,423,533</u>
			<u>\$ 39,920,985</u>

Credit Risk – is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a formal investment policy in regards to custodial credit risk. However, the Town's investments are not subject to custodial credit risk.

Custodial Credit Risk – Deposits. This is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town’s deposits and bank balances are normally covered by federal depository insurance (FDIC) for the first \$250,000 in each account and by collateral held in the pledging financial institution’s trust department in the Town’s name for the remainder of the deposits. The Town’s deposits at June 30, 2011, were entirely covered by federal depository insurance or by collateral held by the Town’s custodial bank in the Town’s name.

As of June 30, 2011, the Town’s investments were concentrated in the following manner:

FHLB	\$ 19,765,460	49.5%
FHLMC	20,155,525	50.5%
	\$ 39,920,985	

Concentration of Credit Risk – The Town’s policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity. Concentration of credit risk is the risk of a loss attributed to the magnitude of a government’s investment in a single issuer. As of June 30, the Town did not have a formal investment policy; however, subsequent to year end, the Town has adopted a formal investment policy.

Note 4 - Receivables

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Special assessments not yet due - CFD Debt Service Fund	\$ 59,986,000	\$ -
Special assessments not yet due - Nonmajor Governmental Funds	-	-
Prepaid building permits - General Fund	-	1,881,019
	\$ 59,986,000	\$ 1,881,019

Intergovernmental receivables were due from the following:

	Receivable
City of Phoenix	\$ 30,255

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Prior Period Adjustment	Increases	Decreases	Transfers	Ending Balance
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$ 162,975,159	\$ -	\$ 210,428	\$ -	\$ -	\$ 163,185,587
Construction in progress	14,766,310	(6,448,548)	5,637,093	(40,940)	(4,907,649)	9,006,266
Total capital assets, not being depreciated	<u>177,741,469</u>	<u>(6,448,548)</u>	<u>5,847,521</u>	<u>(40,940)</u>	<u>(4,907,649)</u>	<u>172,191,853</u>
Capital assets, being depreciated:						
Land improvements	8,117,107	-	192,386	-	-	8,309,493
Building and improvements	23,861,349	-	-	-	-	23,861,349
Infrastructure	238,988,321	1,029,886	3,559,435	-	4,907,649	248,485,291
Furniture, machinery and equipment	16,110,874	-	720,861	(880,707)	-	15,951,028
Total capital assets being depreciated	<u>287,077,651</u>	<u>1,029,886</u>	<u>4,472,682</u>	<u>(880,707)</u>	<u>4,907,649</u>	<u>296,607,161</u>
Less accumulated depreciation for:						
Land improvements	(1,728,999)	-	(412,334)	-	-	(2,141,333)
Building and improvements	(3,066,321)	-	(631,738)	-	-	(3,698,059)
Infrastructure	(63,709,716)	(98,254)	(10,529,107)	-	-	(74,337,077)
Furniture, machinery and equipment	(7,712,888)	-	(1,550,107)	880,707	-	(8,382,288)
Total accumulated depreciation	<u>(76,217,924)</u>	<u>(98,254)</u>	<u>(13,123,286)</u>	<u>880,707</u>	<u>-</u>	<u>(88,558,757)</u>
Total capital assets, being depreciated, net	<u>210,859,727</u>	<u>931,632</u>	<u>(8,650,604)</u>	<u>-</u>	<u>4,907,649</u>	<u>208,048,404</u>
Governmental activities capital assets, net	<u>\$ 388,601,196</u>	<u>\$ (5,516,916)</u>	<u>\$ (2,803,083)</u>	<u>\$ (40,940)</u>	<u>\$ -</u>	<u>\$ 380,240,257</u>
Depreciation was charged by function as follows:						
General government						\$ 425,194
Public safety						1,091,857
Highways and streets						10,922,511
Culture and recreation						545,929
Community development						<u>137,795</u>
Total depreciation expense - governmental activities						<u>\$ 13,123,286</u>

Town of Buckeye, Arizona
Notes to Financial Statements
June 30, 2011

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Prior Period Adjustment	Increases	Decreases	Transfers	Ending Balance
Business-type activities:						
Capital assets, not being depreciated:						
Land	\$ 5,303,958	\$ -	\$ -	\$ -	\$ -	\$ 5,303,958
Construction in progress	6,317,831	-	10,653,505	-	(16,012,194)	959,142
Total capital assets, not being depreciated	<u>11,621,789</u>	<u>-</u>	<u>10,653,505</u>	<u>-</u>	<u>(16,012,194)</u>	<u>6,263,100</u>
Capital assets, being depreciated:						
Wastewater system	107,747,627	272,470	753,815	-	13,875,914	122,649,826
Water system	85,765,462	4,619,337	1,283,670	-	1,736,890	93,405,359
Land improvements	11,284,608	-	-	-	399,390	11,683,998
Building and improvements	86,729,216	-	-	-	-	86,729,216
Machinery, equipment and vehicles	1,359,210	-	-	(53,499)	-	1,305,711
Total capital assets being depreciated	<u>292,886,123</u>	<u>4,891,807</u>	<u>2,037,485</u>	<u>(53,499)</u>	<u>16,012,194</u>	<u>315,774,110</u>
Less accumulated depreciation for:						
Wastewater system	(17,119,619)	(13,474)	(2,729,206)	-	-	(19,862,299)
Water system	(25,892,093)	(157,912)	(3,614,947)	-	-	(29,664,952)
Land improvements	(7,422,215)	-	(303,285)	-	-	(7,725,500)
Building and improvements	(9,481,990)	-	(2,237,255)	-	-	(11,719,245)
Machinery, equipment and vehicles	(558,889)	-	(128,585)	53,499	-	(633,975)
Total accumulated depreciation	<u>(60,474,806)</u>	<u>(171,386)</u>	<u>(9,013,278)</u>	<u>53,499</u>	<u>-</u>	<u>(69,605,971)</u>
Total capital assets, being depreciated, net	<u>232,411,317</u>	<u>4,720,421</u>	<u>(6,975,793)</u>	<u>-</u>	<u>16,012,194</u>	<u>246,168,139</u>
Business-type activities capital assets, net	<u>\$ 244,033,106</u>	<u>\$ 4,720,421</u>	<u>\$ 3,677,712</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252,431,239</u>
Depreciation was charged by function as follows:						
Airport						\$ 363,836
Sewer						4,305,122
Water						<u>4,344,320</u>
Total depreciation expense - business-type activities						<u>\$ 9,013,278</u>

Note 6 - Construction Commitments

The Town has various active construction projects at June 30, 2011. At fiscal year end, the Town's commitments with contractors were as follows:

Project	Governmental Activities	
	Spent-to-date	Remaining Commitment
A Wing Project Phase #1	\$ 1,758,767	\$ 271,813
Design Fire Stations - Prototype	422,576	540,917
Verrado Fire Station	558,726	4,184,010
Park and Ride (RPTA)	<u>906,068</u>	<u>2,898,201</u>
	<u>\$ 3,646,137</u>	<u>\$ 7,894,941</u>

Business-type Activities		
Project	Spent-to-date	Remaining Commitment
Waste Water Treatment Plant Expansion of 1.5 MGD 6th Street Storm Drain	\$ 11,415,311 909,629	\$ 584,689 1,033,362
	\$ 12,324,940	\$ 1,618,051

Note 7 - Obligations Under Lease

Capital Leases

The Town has entered into lease agreements as a lessee for financing the acquisition of various furniture, machinery and equipment items for its governmental activities. The Town has also entered into lease agreements as a lessee for financing the acquisition of trucks and a sewer rotator jet for its business-type activities. These lease agreements qualify as capital leases for accounting purposes and; therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Activities
Assets:	
Furniture, equipment and vehicles	\$ 3,098,838
Less: accumulated depreciation	(1,136,984)
	\$ 1,961,854

Amortization expense has been included in depreciation expense.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011, were as follows:

Year ending June 30:	Governmental Activities
2012	\$ 401,773
2013	215,109
2014	215,109
2015	215,113
2016	79,933
2017-2018	159,867
Total minimum lease payments	1,286,904
Less: amount representing interest	(177,516)
Present value of minimum lease payments	\$ 1,109,388

Note 8 - Long Term Debt

The Town has long-term bonds issued to provide funds for the acquisition and construction of major capital facilities. The Town has also issued debt to refund earlier obligations with higher interest rates. The debt is being repaid by various debt service funds. Compensated absences are paid by the applicable fund where each employee is regularly paid, primarily the General Fund.

Special Assessment districts are created only by petition of the Town Council by property owners within the district areas. The Miller Road Improvement District was created so the Town could fund improvements. Each of the 24 property owners within the District has been assessed taxes by the Town for repayment of the improvement bond. In case of default, the Town has the responsibility to cover delinquencies of special assessment bonds with other sources until foreclosure proceeds are received.

Community facilities districts (CFDs) are created only by petition to the Town Council by property owners within the District areas. As the board of directors for the District, the Town Council has adopted a formal policy that CFD debt will be permitted only when the ratio of full cash value of the District property (prior to improvements being installed), when compared to proposed District debt, is a minimum of 3 to 1 prior to issuance of debt and 5 to 1 or higher after construction of improvements. These ratios are verified by an appraisal paid for by the District and administered by the Town. In addition, cumulative debt of all CFDs cannot exceed five percent of the Town's net secondary assessed valuation.

Improvement Bonds

The Town has pledged revenue derived from an annual assessment on the real property of the Miller Road Improvement District to repay \$4,435,000 in improvement bonds issued August, 2001. Special assessment districts are created only by petition of the Town Council by property owners within the District area. Proceeds from these bonds were used to install and construct water and sewer lines within the District. The bonds are payable solely from assessments on the property owners and are payable through 2017. The total principal and interest remaining to be paid on the bonds is \$1,443,326. Principal and interest paid for the current year was \$433,540 and total assessments billed were \$293,493.

The Town has pledged revenue derived from an annual assessment on the real property of the Jackrabbit Trail Improvement District to repay \$2,545,000 in improvement bonds issued December 2009. Special assessment districts are created only by petition of the Town Council by property owners within the District area.

Proceeds from these bonds were used to install and construct water and sewer lines within the District. The bonds are payable solely from assessments on the property owners and are payable through 2029. The total principal and interest remaining to be paid on the bonds is \$3,699,188. Principal and interest paid for the current year was \$407,031 and total assessments billed were \$225,868.

Revenue Bonds

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, to repay \$9,400,000 in Greater Arizona Development Authority Excise Tax Revenue Bonds issued February, 2005. Proceeds from these bonds were used to reconstruct streets, and to construct water wells and the related distribution system, flood control structures and a wastewater treatment facility expansion. Annual principal and interest payments on the bonds are expected to require 5 percent of net revenues. The total principal and interest to be paid on the bonds is \$12,279,856. Interest paid for the current year was \$217,119.

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, to repay \$14,730,000 in Greater Arizona Development Authority Excise Tax Revenue Bonds issued March, 2006. Proceeds from these bonds were used to construct a municipal complex. Annual principal and interest payments on the bonds are expected to require 5 percent of net revenues. The total principal and interest to be paid on the bonds is \$25,755,285. Interest paid for the current year was \$350,366.

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, to repay \$2,200,000 in Greater Arizona Development Authority Excise Tax Revenue Bonds issued May, 2007. Proceeds from these bonds were used for the acquisition and improvement of a facility for administrative purposes. Annual principal and interest payments on the bonds are expected to require 1 percent of net revenues. The total principal and interest to be paid on the bonds is \$3,262,422. Interest paid for the current year was \$47,922.

In fiscal year 2011, the Town closed the debt service funds that were previously dedicated to paying debt service related to the Greater Arizona Development Authority Excise Tax Revenue Bonds. Therefore, debt service payments due on July 1, 2011 were not recognized by the Town during the fiscal year. As a result, due to the July 1, 2010 debt service payments having been recognized by the Town in fiscal year 2010, no debt service related to these bonds was reflected during the year.

The Town has pledged future excise tax revenues, which include the Town's sales and transaction privilege tax, franchise fees, licenses and permit fees and fines and forfeitures, as well as Water Utility Revenues to repay \$2,815,000 in Series 2000 Excise Tax Revenue Bonds issued February, 2000. Proceeds from these bonds were used to connect an unused water well to the existing water system of the Town. On November 30, 2010, the Town issued \$1,795,000 in Series 2010 Excise Tax Revenue Refunding Obligation Bonds to refund \$1,770,000 in outstanding Series 2000 Excise Tax Revenue Bonds. The refunding resulted in cash flow savings of \$168,201 and an economic gain (net present value of savings) of \$100,592.

Community Facilities District Bonds

The Town has pledged revenue derived from an annual assessment on the real property of the Sundance Community, Facilities District No. 1 to repay \$11,300,000 in special assessment revenue bonds issued September, 2002. Special assessment districts are created only by petition to the Town Council by property owners within the Districts area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$5,232,561. Principal and interest paid for the current year was \$601,964 and total assessments billed were \$601,868.

The Town has pledged revenue derived from an annual assessment on the real property of the Sundance Community Facilities District No. 2 to repay \$7,175,000 in special assessment revenue bonds issued April, 2003. Special assessment districts are created only by petition to the Town Council by property owners within the Districts area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$6,655,279. Principal and interest paid for the current year was \$484,743 and total assessments billed were \$431,503.

The Town has pledged revenue derived from an annual assessment and levy of taxes on the real property of the Sundance Community Facilities District No. 3 to repay \$2,050,000 in special assessment bonds issued June, 2004. Special assessment districts are created only by petition to the Town Council by property owners within the Districts area. Proceeds were used for infrastructure improvements within the special assessment district.

The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$1,681,073. Principal and interest paid for the current year was \$107,780 and total assessments billed were \$98,699.

The Town has pledged revenue derived from an annual assessment on the real property of the West Park Community Facilities District (Assessment District 1) to repay \$3,800,000 in special assessment revenue bonds issued May, 2005. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$4,166,408. Principal and interest paid for the current year was \$302,937 and total assessments billed were \$237,158.

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 1) to repay \$1,448,000 in special assessment revenue bonds issued November, 2005. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$832,476. Principal and interest paid for the current year was \$21,965 and total assessments billed were \$49,726.

The Town has pledged revenue derived from an annual assessment and levy of taxes on the real property of the Watson Road Community Facilities District to repay \$49,000,000 in special assessment revenue bonds issued December, 2005. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$73,112,797. Principal and interest paid for the current year was \$3,886,061 and total assessments billed were \$3,799,714.

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 2 and 3) to repay \$1,868,000 in special assessment lien bonds issued April, 2007. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$2,400,991. Principal and interest paid for the current year was \$144,653 and total assessments billed were \$120,042.

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 4 and 5) to repay \$1,784,000 in special assessment lien bonds issued October, 2007. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$2,560,471. Principal and interest paid for the current year was \$144,306 and total assessments billed were \$126,550.

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 6) to repay \$356,000 in special assessment lien bonds issued November 2009. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$760,343. Principal and interest paid for the current year was \$48,776 and total assessments billed were \$35,978.

The Town has pledged revenue derived from an annual assessment on the real property of the Festival Ranch Community Facilities District (Assessment District 7) to repay \$404,000 in special assessment lien bonds issued April 2011. Special assessment districts are created only by petition to the Town Council by property owners within the District area. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The total principal and interest remaining to be paid on the bonds is \$402,000. Principal and interest paid for the current year was \$27,098 and total assessments billed were \$8,775.

The Town has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch Community Facilities District to repay \$1,535,000 in general obligation bonds issued October 2007. Proceeds were used for the acquisition and construction of wastewater infrastructure sewer lines. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$2,415,821. Principal and interest paid for the current year was \$114,451.

The Town has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch Community Facilities District to repay \$7,600,000 in general obligation bonds issued December 2009. Proceeds were used for the acquisition and construction of community district facilities. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$13,885,094. Principal and interest paid for the current year was \$647,288.

The Town has pledged revenue derived from the property taxes levied on the real property of the Tartesso West Community Facilities District to repay \$110,000 in general obligation bonds issued September 2005. Proceeds were used for the acquisition and construction of infrastructure improvements. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$158,990. Principal and interest paid for the current year was \$8,790.

The Town has pledged revenue derived from the property taxes levied on the real property of the Tartesso West Community Facilities District to repay \$8,750,000 in general obligation bonds issued October 2007. Proceeds were used for the acquisition of public infrastructure. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$13,574,835. Principal and interest paid for the current year was \$650,722.

The Town has pledged revenue derived from the property taxes levied on the real property of the Verrado Community Facilities District No. 1 to repay \$24,000,000 in general obligation bonds issued April 2003. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$33,666,975. Principal and interest paid for the current year was \$2,178,250.

The Town has pledged revenue derived from the property taxes levied on the real property of the Verrado Community Facilities District No. 1 to repay \$18,600,000 in general obligation bonds issued October 2006. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$27,274,551. Principal and interest paid for the current year was \$1,376,393.

The Town has pledged revenue derived from the property taxes levied on the real property of the Verrado Western Overlay Community Facilities District to repay \$13,000,000 in general obligation bonds issued November 2004. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$15,700,776. Principal and interest paid for the current year was \$874,334.

The Town has pledged revenue derived from the property taxes levied on the real property of the West Park Community Facilities District to repay \$690,000 in general obligation bonds issued December 2005. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$958,798. Principal and interest paid for the current year was \$52,890.

The Town has pledged revenue derived from the property taxes levied on the real property of the West Park Community Facilities District to repay \$4,420,000 in general obligation bonds issued October 2006. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$6,375,262. Principal and interest paid for the current year was \$317,363.

The Town has pledged revenue derived from the property taxes levied on the real property of the West Park Community Facilities District to repay \$2,480,000 in general obligation bonds issued July 2007. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on property owners within the District. The total principal and interest remaining to be paid on the bonds is \$3,988,438. Principal and interest paid for the current year was \$173,778.

The Town has pledged revenue derived from the property taxes levied on the real property of the Sundance Community Facilities District to repay \$5,000,000 in general obligation bonds issued September 2004. Proceeds were used for the construction and acquisition of public infrastructure. Principal and interest paid for the current year was \$138,308. On February 24, 2011, the Town extinguished the remaining outstanding debt on the Sundance Series 2004 General Obligation Bonds in the amount of \$4,265,000. A cash amount of \$4,953,864 was paid to a trust agent for the purpose of holding amounts in escrow for future debt service payments on the defeased bonds outstanding. As of June 30, 2011, the defeased amount outstanding on the bonds was \$4,953,864. The in-substance defeasance resulted in cash flow savings of \$2,290,745 and an economic gain (net present value of savings) of \$1,983,674.

The Town has pledged revenue derived from the property taxes levied on the real property of the Sundance Community Facilities District to repay \$6,000,000 in general obligation bonds issued October 2005. Proceeds were used for the construction and acquisition of public infrastructure. Principal and interest paid for the current year was \$375,096. The total principal and interest remaining to be paid on the bonds is \$6,546,047. On February 24, 2011, the Town extinguished a portion of the remaining outstanding debt on the Sundance Series 2005 General Obligation Bonds in the amount of \$910,000. A cash amount of \$1,045,871 was paid to a trust agent for the purpose of holding amounts in escrow for future debt service payments on the defeased bonds outstanding. As of June 30, 2011, the defeased amount outstanding on the bonds was \$1,045,871. The in-substance defeasance resulted in cash flow savings of \$692,900 and an economic loss (net present value of savings) of \$174,425.

Town of Buckeye, Arizona
Notes to Financial Statements
June 30, 2011

Purpose	Interest Rates (%)	Matures	Original Issue Amount	Amount Outstanding
Governmental activities:				
<i>Improvement District Bonds:</i>				
Miller Road Improvement Bonds	5.45%	July 2017	\$ 4,435,000	\$ 1,225,000
Jackrabbit Trail Sewer Improvements Bonds	6.25%	January 2029	2,545,000	2,283,000
Total Improvement District Bonds			<u>\$ 6,980,000</u>	<u>\$ 3,508,000</u>
<i>Revenue Bonds:</i>				
Greater Arizona Development Authority Excise Tax Revenue Bonds -				
Series 2005A	3.0 - 5.0%	July 2030	\$ 9,400,000	\$ 8,955,000
Series 2006A	4.0 - 5.0%	August 2036	14,730,000	14,730,000
Series 2007A	4.0 - 5.0%	August 2031	2,200,000	2,085,000
Excise Tax Revenue Bonds, Series 2000	4.4 - 5.9%	August 2020	\$ 2,815,000	\$ -
Excise Tax Revenue Refunding Bonds, Series 2010	2.5% - 4%	July 2020	1,795,000	1,795,000
Total Revenue Bonds			<u>\$ 30,940,000</u>	<u>\$ 27,565,000</u>
<i>Community Facilities District Bonds:</i>				
Sundance Special Assessment Revenue Bonds				
Series 2002	2.25 - 7.75%	July 2022	\$ 11,300,000	\$ 3,544,000
Series 2003	5.0 - 7.125%	July 2027	7,175,000	3,982,000
Series 2004	6.50%	July 2029	2,050,000	991,000
West Park Special Assessment Revenue Bonds,				
Series 2005	4.55 - 5.9%	July 2029	3,800,000	2,588,000
Festival Ranch Special Assessment Revenue Bonds,				
Series 2005	4.0 - 5.55%	July 2030	1,448,000	521,000
Series 2009	8.88%	July 2034	356,000	326,000
Series 2011	8.50%	July 2035	404,000	402,000
Watson Road Special Assessment Revenue Bonds, Series 2005				
	4.5 - 6.0%	July 2030	49,000,000	41,126,000
Festival Ranch Special Assessment Lien Bonds,				
Series 2007	4.2 - 5.0%	July 2032	1,868,000	1,494,000
Series 2007	4.3 - 5.75%	July 2032	1,784,000	1,504,000
Verrado District No. 1, General Obligation Bonds				
Series 2003	6.0 - 6.5%	July 2027	24,000,000	21,200,000
Series 2006	4.85 - 5.35%	July 2031	18,600,000	16,815,000
Sundance General Obligation Bonds,				
Series 2004	3.0 - 6.25%	July 2029	5,000,000	-
Series 2005	4.0 - 5.125%	July 2030	6,000,000	4,360,000
Verrado Western Overlay General Obligation Bonds, Series 2004				
	Variable	July 2029	13,000,000	12,000,000
Tartesso West General Obligation Bonds,				
Series 2005	6.00%	July 2030	110,000	95,000
Series 2007	4.35 - 5.90%	July 2032	8,750,000	7,825,000
West Park General Obligation Bonds,				
Series 2005	5.15 - 5.60%	July 2030	690,000	595,000
Series 2006	4.20 - 5.25%	July 2031	4,420,000	3,945,000
Series 2007	4.7 - 5.45%	July 2032	2,480,000	2,290,000
Festival Ranch General Obligation Bonds,				
Series 2006	4.9 - 5.3%	July 2031	800,000	695,000
Series 2007	4.65 - 5.8%	July 2032	1,535,000	1,390,000
Series 2009A	5% - 6.5%	July 2031	5,435,000	4,770,000
Series 2009B	8% - 8.625%	July 2034	2,165,000	2,165,000
Total Community Facilities Districts Bonds			<u>\$ 172,170,000</u>	<u>\$ 134,623,000</u>

Town of Buckeye, Arizona
Notes to Financial Statements
June 30, 2011

Purpose	Interest Rates (%)	Matures	Original Issue Amount	Amount Outstanding
Business-type Activities:				
WIFA Bond	2.85%	July 2029	12,000,000	10,027,644
Total Business-type Bonds			<u>\$ 12,000,000</u>	<u>\$ 10,027,644</u>

Changes in long-term obligations for the year ended June 30, 2011 are as follows:

	July 1, 2010	Adjustments	Increases	Decreases	June 30, 2011	Due Within One Year
Governmental Activities:						
Bonds payable:						
Improvement	\$ 4,130,000	\$ -	\$ -	\$ (622,000)	\$ 3,508,000	\$ 260,000
Revenue	25,770,000	1,900,000	1,795,000	(1,900,000)	27,565,000	1,005,000
Community facilities district	151,931,000	(6,788,000)	404,000	(10,924,000)	134,623,000	4,444,000
Deferred amount on premium	970,211	-	70,145	(58,572)	981,784	61,178
Deferred amount on discount	(742,979)	-	-	48,732	(694,247)	(48,732)
Total bonds payable	<u>182,058,232</u>	<u>(4,888,000)</u>	<u>2,269,145</u>	<u>(13,455,840)</u>	<u>165,983,537</u>	<u>5,721,446</u>
Other liabilities:						
Capital leases	1,447,052	-	-	(337,664)	1,109,388	401,773
Compensated absences	1,143,950	-	765,178	(927,427)	981,701	785,361
Total other liabilities	<u>2,591,002</u>	<u>-</u>	<u>765,178</u>	<u>(1,265,091)</u>	<u>2,091,089</u>	<u>1,187,134</u>
Total long-term liabilities	<u>\$ 184,649,234</u>	<u>\$ (4,888,000)</u>	<u>\$ 3,034,323</u>	<u>\$(14,720,931)</u>	<u>\$ 168,074,626</u>	<u>\$ 6,908,580</u>
Business-type Activities:						
Bonds payable:						
Revenue	\$ 3,115,916	\$ (1,900,000)	\$ 10,784,084	\$ (1,972,356)	\$ 10,027,644	\$ 481,510
Total bonds payable	<u>3,115,916</u>	<u>(1,900,000)</u>	<u>10,784,084</u>	<u>(1,972,356)</u>	<u>10,027,644</u>	<u>481,510</u>
Other liabilities:						
Capital leases	-	-	-	-	-	-
Compensated absences	180,161	-	92,964	(86,588)	186,537	103,720
Total other liabilities	<u>180,161</u>	<u>-</u>	<u>92,964</u>	<u>(86,588)</u>	<u>186,537</u>	<u>103,720</u>
Total long-term liabilities	<u>\$ 3,296,077</u>	<u>\$ (1,900,000)</u>	<u>\$ 10,877,048</u>	<u>\$ (2,058,944)</u>	<u>\$ 10,214,181</u>	<u>\$ 585,230</u>

Debt service requirements on long-term debt at June 30, 2011 are as follows:

Year ending June 30:	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 5,529,000	\$ 8,451,373	\$ 481,510	\$ 222,667
2013	5,899,000	8,907,646	493,547	232,484
2014	6,554,000	8,674,351	505,886	219,991
2015	6,822,000	8,329,487	518,533	207,186
2016	7,080,000	7,920,579	531,497	194,060
2017 - 2021	39,602,000	33,975,644	2,863,564	761,646
2022 - 2026	47,045,000	27,008,894	3,239,860	380,646
2027 - 2031	38,612,000	9,254,298	1,393,247	34,813
2032 - 2036	7,598,000	1,395,668	-	-
2037	955,000	23,875	-	-
	<u>\$ 165,696,000</u>	<u>\$ 113,941,815</u>	<u>\$ 10,027,644</u>	<u>\$ 2,253,493</u>

Note 9 - Interfund Transfers

Interfund transfers for the year ended June 30, 2011 consisted of the following:

Transfers To	Transfers From									Total
	General Fund	CFD Fund	Debt Service Fund	HURF Fund	Airport Fund	Sewer Fund	Water Fund	Internal Service Fund	Nonmajor Governmental Fund	
General Fund	\$ -	\$ -	\$ 311,835	\$ -	\$ -	\$ 140,907	\$ 790,278	\$ -	\$ 220,929	\$ 1,463,949
CFD Fund	-	7,416,437	-	-	-	-	-	-	99,819	7,516,256
Debt Service Fund	-	-	154,031	-	-	-	-	-	-	154,031
HURF Fund	-	-	-	-	-	-	-	-	-	-
Airport Fund	-	-	-	-	30,760	-	-	-	-	30,760
Sewer Fund	50,000	-	-	-	-	-	658,428	-	-	708,428
Water Fund	-	-	-	-	-	-	-	-	-	-
Internal Service Fund	770,004	-	-	-	-	-	-	-	-	770,004
Nonmajor Governmental Funds	-	-	-	-	-	-	-	-	-	-
	<u>225,274</u>	<u>991,656</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,001</u>	<u>1,516,931</u>
Total	<u>\$ 1,045,278</u>	<u>\$ 8,408,093</u>	<u>\$ 465,866</u>	<u>\$ 25,000</u>	<u>\$ 30,760</u>	<u>\$ 140,907</u>	<u>\$ 1,448,706</u>	<u>\$ -</u>	<u>\$ 595,749</u>	<u>\$ 12,160,359</u>

Transfers were made for operations in the applicable fund.

Note 10 - Risk Management

The Town of Buckeye, Arizona, is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The Town's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the Town is a participating member. The limit for basic coverage is for \$3,000,000 per occurrence on a claims made basis. Excess coverage is for an additional \$3,000,000 per occurrence on a follow form, claims made basis. No significant reduction in insurance coverage occurred during the year and no settlements exceeded insurance coverage during any of the past three fiscal years.

The Arizona Municipal Risk Retention Pool is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has the authority to assess its members' additional premiums should reserves and annual premiums be insufficient to meet the pool's obligations.

The Town is also insured by Arizona Municipal Workers Compensation Fund for potential worker related accidents.

Note 11 - Retirement Plans

Arizona State Retirement System

A. Plan Descriptions

The Town contributes to a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health care plan; and a cost-sharing, multiple-employer defined benefit long-term disability plan, all of which are administered by the Arizona State Retirement System. The Arizona State Retirement System (through its Retirement Fund) provides retirement (i.e., pension), death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits (i.e., a monthly subsidy); and the Long-Term Disability Fund provides long-term disability benefits. Benefits are established by state statute. The System is governed by the Arizona State Retirement System Board according to the provisions of A.R.S. Title 38, Chapter 5, Article 2.

The System issues a comprehensive annual financial report that includes financial statements and required supplementary information. The most recent report may be obtained by writing the System, 3300 North Central Avenue, P.O. Box 33910, Phoenix, AZ 85067-3910 or by calling (602) 240-2000 or (800) 621-3778.

B. Funding Policy

The Arizona State Legislature establishes and may amend active plan members' and the Town's contribution rates. For the year ended June 30, 2010, active plan members were required by statute to contribute at the actuarially determined rate of 9.6 percent (9.1 percent for retirement and 0.5 percent for long-term disability) of the members' annual covered payroll and the Town was required by statute to contribute at the actuarially determined rate of 9.6 percent (8.05 percent for retirement, 1.05 percent for health insurance premium, and 0.5 percent for long-term disability) of the members' annual covered payroll. Amounts of the Towns contributions for the years ended June 30:

	Retirement Fund	Health Benefit Supplement Fund	Long-Term Disability Fund
	<u> </u>	<u> </u>	<u> </u>
2011	\$ -	\$ -	\$ -
2010	689,415	89,924	42,821
2009	1,090,954	142,298	142,298

Public Safety Personnel Retirement System (PSPRS)

A. Plan Description

The Town contributes to the Public Safety Personnel Retirement System (PSPRS), an agent multiple-employer, public employee retirement system that acts as a common investment and administrative agent to provide retirement and death and disability benefits for public safety personnel who are regularly assigned hazardous duty in the employ of the State of Arizona or a political subdivision thereof. All benefit provisions and other requirements are established by State statute. The Public Safety Personnel Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PSPRS. That report may be obtained by writing to Public Safety Personnel, 1020 E. Missouri Ave., Phoenix, AZ 85014 or by calling (602) 255-5575.

B. Funding Policy

Covered employees are required to contribute 7.65 percent of their annual salary to the PSPRS. The Town is required to contribute the remaining amounts necessary to fund the PSPRS, as determined by the actuarial basis specified by statute. The current rate is 5.97 percent for police and 5.27 percent for fire of annual covered payroll.

C. Annual Pension Cost

During the year ended June 30, 2010, the Town of Buckeye, Arizona's annual pension cost of \$415,127 for police and \$407,033 for fire was equal to the Town of Buckeye, Arizona's required and actual contributions.

The required contribution was determined as part of the June 30, 2009 actuarial valuation using an entry age actuarial funding method. Significant actuarial assumptions used in determining the entry age actuarial accrued liability include (a) a rate of return on the investment of present and future assets of 8.50% per year compounded annually, (b) projected salary increases of 5.0% per year compounded annually attributable to inflation, and (c) additional projected salary increases of 0.5% to 3.5% per year attributable to seniority/merit.

D. Funded Status and Funding Progress

As of June 30, 2010, the plan was 91.1% funded for police and 114.4% funded for fire. For police, the actuarial accrued liability for benefits was \$10 million, and the actuarial value of assets was \$9.1 million, resulting in an unfunded actuarial accrued liability of (UAAL) of \$0.9 million. For fire, the actuarial accrued liability for benefits was \$5.9 million, and the actuarial value of assets was \$6.8 million, resulting in a fully funded actuarial accrued liability (UAAL). The covered payroll (annual payroll of active employees covered by the plan) was \$4.3 million for police and \$4.6 million for fire, and the ratio of the UAAL to the covered payroll was 20.5% for police and 0% for fire.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The actuarial value of the Town of Buckeye, Arizona's assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The Town of Buckeye, Arizona's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2010, was 20 years.

The preceding methods comply with the financial reporting standards established by the Governmental Accounting Standards Board.

Three-Year Trend Information

Police			
Fiscal Year Ended June 30	Annual Pension Cost (APC)	Percent Contributed	Net Pension Obligation
2009	578,180	100.0%	-
2010	415,127	100.0%	-
2011	-	0.0%	-

Three-Year Trend Information

Fire			
Fiscal Year Ended June 30	Annual Pension Cost (APC)	Percent Contributed	Net Pension Obligation
2009	722,834	100.0%	-
2010	407,033	100.0%	-
2011	-	0.0%	-

Additional historical trend information for the Town's PSPRS is disclosed on page 52.

Historical trend information is presented in order for a reader to assess the progress made in accumulating sufficient assets to pay pension benefits as they become payable.

Firefighters' Relief and Pension Fund

The Town of Buckeye Volunteer Firefighters' Relief and Pension Fund is a defined contribution pension plan administered by the Town and a board of trustees for the Town's volunteer firefighters.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. According to state statute, a volunteer firefighter who has served for 25 years or more or has reached 60 years of age and has served 20 years or more shall be eligible to receive a monthly retirement not to exceed \$150 per month, as determined by the board of trustees. Such pension, if paid, may be increased or decreased in amount, or discontinued at the discretion of the board of trustees. Pension and relief benefits may only be paid from the income of the trust fund. However, a firefighter who leaves the service without being eligible for retirement benefits is entitled to all previous deductions from his salary plus interest at a rate determined by the board of trustees. As established by state statute, in lieu of another acceptable pension plan, all volunteer firefighters must participate in the pension plan from the date they enter service.

The State of Arizona is required by statute to contribute a portion of the annual tax received on fire insurance premiums. During the fiscal year ended June 30, 2010, there were no contributions made.

No pension provision changes occurred during the year that affected the required contributions made by the Town or its volunteer firefighters.

The Firefighters' Relief and Pension Fund held no securities of the Town or other related parties during the fiscal years or as of the close of the fiscal year.

Note 12 - Contingent Liabilities

Accumulated Sick Leave - Sick leave benefits provide for ordinary sick pay and are cumulative but do not vest with employees and, therefore, are not accrued. Unvested accumulated sick leave of Town employees at June 30, 2011, totaled \$1,168,238.

Lawsuits - The Town is a defendant in various lawsuits. In the opinion of the Town's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

Note 13 - Prior Period Adjustment

During the current year, the Town's finance department conducted an internal review and discovered assets that had been improperly recorded by the Town in prior fiscal years. As a result, prior period adjustments have been made in these financial statements for the fiscal year to adjust the Town's capital assets for the amount of \$5,516,916 and \$4,720,421 for the governmental activities and business-type activities, respectively. The adjustment to capital assets primarily related to a constructed infrastructure asset in the amount of \$4,347,795 which was improperly classified in the Town's governmental activities whereas the asset should have been reflected in the Town's business-type activities. In addition, approximately \$1,900,000 was erroneously recorded twice in the Town's capital assets in previous years, approximately \$1,500,000 in governmental activities and \$400,000 in business-type activities. As of June 30, 2011, these errors, as well as other errors identified in capital assets balances of prior years, were corrected to reflect true and complete balances.

Additionally, an error was noted in the amount of long term debt reported and related issuance costs in the Town's Business Type Activities. As a result, the Town's governmental long term debt was understated \$1,900,000 and governmental bond issuance costs were understated by \$96,158. The effect on net assets, beginning balances is as follows:

	Governmental Activities	Business-Type Activities
Net assets, beginning balance, as previously stated	\$ 352,443,790	\$ 265,684,311
Capital assets not included, net	(5,516,916)	4,720,421
Debt	(1,803,842)	1,803,842
Net assets, beginning balance, as restated	\$ 345,123,032	\$ 272,208,574

In addition to the adjustments identified above, the Town also identified an adjustment to the beginning long term debt of its Community Facilities Districts. The adjustment did not impact the Town's net asset balances as of June 30, 2010, so no prior period adjustment was considered necessary. However, the adjustment was reflected by the Town in its schedule of changes in long-term obligations as a reduction of \$6,488,000 to the July 1, 2010 long term debt.

Note 14 - Subsequent Event

In response to the demands placed on the water and wastewater department by the rapid growth of the Town, and the expectation that those demands would not diminish over time, the Town of Buckeye conducted a comprehensive study to evaluate the need for changes in the current fee structures within the utility billing function. It was determined that the Town of Buckeye's existing fee schedule is not covering the costs of the services being provided. Many costs incurred by delinquent or non-paying customers are unfairly being subsidized by customers in good standing, and is also wasting Town resources. In addition, there are now substantial increases in licensing, permitting, and regulatory costs that have recently been incurred by the Town. These fees come from State of Arizona agencies including the Arizona Department of Environmental Resources and the Arizona Department of Water Resources. Additional increases have been realized due to increases from the federal and local agencies.

Most of the fees proposed and adopted in October 2011 will affect new and delinquent accounts. The main purpose of implementing the new fees is to help cover more of the Town's cost of doing business. Currently there are no fees in place to disconnect or reconnect service for non-payment, after hours service, or delinquent collection fees. The fees also address required deposits on new accounts.

Required Supplementary Information

Town of Buckeye, Arizona
Public Safety Personnel Retirement System – Schedule of Funding Progress
June 30, 2011

Police						
Valuation Date June 30	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2009	8,455,403	9,383,706	90.1%	(928,303)	4,583,561	(20.3)%
2010	9,069,732	9,958,482	91.1%	(888,750)	4,341,609	(20.5)%
2011	-	-	0.0%	-	-	0.0%

Fire						
Valuation Date June 30	Actuarial Value of Assets	Entry Age Actuarial Accrued Liability (AAL)	Percent Funded	Over (Under) Funded AAL	Annual Covered Payroll	Over (Under) Funded AAL as a Percentage of Covered Payroll
2009	5,665,144	5,524,960	102.5%	140,184	5,011,058	0.0%
2010	6,775,242	5,921,844	114.4%	853,398	4,555,087	0.0%

**Combining and Individual Fund
Statements and Schedules**

Town of Buckeye, Arizona

CFD Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
Year Ended June 30, 2011

	CFD			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Taxes	\$ 6,925,628	\$ 6,925,628	\$ 7,111,924	\$ 186,296
Special assessments	7,245,355	7,245,355	7,338,949	93,594
Investment earnings	8,246	8,246	2,283	(5,963)
Other	834,060	834,060	3,047,882	2,213,822
Total revenues	<u>15,013,289</u>	<u>15,013,289</u>	<u>17,501,038</u>	<u>2,487,749</u>
Expenditures				
Current				
Debt Service				
Principal retirement	5,649,000	5,649,000	5,749,000	100,000
Interest on long-term debt	9,869,373	9,869,373	7,908,988	(1,960,385)
Total expenditures	<u>15,518,373</u>	<u>15,518,373</u>	<u>13,657,988</u>	<u>(1,860,385)</u>
Revenues over (Under)				
Expenditures	<u>(505,084)</u>	<u>(505,084)</u>	<u>3,843,050</u>	<u>4,348,134</u>
Other Financing Sources (Uses)				
Early extinguishment of debt	-	-	(5,999,736)	(5,999,736)
Transfers in	2,908,297	2,908,297	7,516,256	4,607,959
Transfers out	(2,908,297)	(2,908,297)	(8,408,093)	(5,499,796)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(6,891,573)</u>	<u>(6,891,573)</u>
Net Change in Fund Balances	(505,084)	(505,084)	(3,048,523)	(2,543,439)
Fund Balances, Beginning of Year	<u>16,818,024</u>	<u>16,818,024</u>	<u>16,818,024</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 16,312,940</u>	<u>\$ 16,312,940</u>	<u>\$ 13,769,501</u>	<u>\$ (2,543,439)</u>

Town of Buckeye, Arizona

Debt Service Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
Year Ended June 30, 2011

	Debt Service			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Special assessments	\$ 719,813	\$ 719,813	\$ 690,068	\$ (29,745)
Investment earnings	1,100	1,100	95	(1,005)
Other	840,339	839,967	49,507	(790,460)
Total revenues	<u>1,561,252</u>	<u>1,560,880</u>	<u>739,670</u>	<u>(821,210)</u>
Expenditures				
Current				
General government	473,311	472,939	78,104	(394,835)
Highway and street	400	413,650	412,636	(1,014)
Debt Service				
Principal retirement	122,918	427,918	622,000	194,082
Interest on long-term debt	295,313	295,313	233,837	(61,476)
Capital Outlay	1,840,809	1,865,834	545,747	(1,320,087)
Total expenditures	<u>2,732,751</u>	<u>3,475,654</u>	<u>1,892,324</u>	<u>(1,583,330)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,171,499)</u>	<u>(1,914,774)</u>	<u>(1,152,654)</u>	<u>762,120</u>
Other Financing Sources (Uses)				
Transfers in	-	-	154,031	154,031
Transfers out	-	-	(465,866)	(465,866)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(311,835)</u>	<u>(311,835)</u>
Net Change in Fund Balances	(1,171,499)	(1,914,774)	(1,464,489)	450,285
Fund Balances, Beginning of Year	<u>2,346,546</u>	<u>2,346,546</u>	<u>2,346,546</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 1,175,047</u>	<u>\$ 431,772</u>	<u>\$ 882,057</u>	<u>\$ 450,285</u>

Town of Buckeye, Arizona
 Nonmajor Governmental Funds – Combining Balance Sheet
 June 30, 2011

	Special Revenue Funds	CFD Special Revenue	Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,331,318	\$ 2,885,166	\$ 13,419,765	\$ 17,636,249
Receivables, net				
Accounts	277,628	1,422	1,513,798	1,792,848
Taxes	-	9,437	-	9,437
Restricted assets	-	828,944	2,250,012	3,078,956
	<u>\$ 1,608,946</u>	<u>\$ 3,724,969</u>	<u>\$ 17,183,575</u>	<u>\$ 22,517,490</u>
Liabilities and Fund Balance				
Liabilities				
Accounts payable	\$ 1,153,384	\$ 26,809	\$ 920,190	\$ 2,100,383
Total liabilities	<u>1,153,384</u>	<u>26,809</u>	<u>920,190</u>	<u>2,100,383</u>
Fund Balance				
Restricted	461,181	828,944	16,309,468	17,599,593
Assigned	-	2,869,216	-	2,869,216
Unassigned	(5,619)	-	(46,083)	(51,702)
Total fund balance	<u>455,562</u>	<u>3,698,160</u>	<u>16,263,385</u>	<u>20,417,107</u>
	<u>\$ 1,608,946</u>	<u>\$ 3,724,969</u>	<u>\$ 17,183,575</u>	<u>\$ 22,517,490</u>

Town of Buckeye, Arizona

Nonmajor Governmental Funds – Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2011

	Special Revenue Funds	CFD Special Revenue	Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues				
Improvement proceeds	\$ -	\$ 366,560	\$ -	\$ 366,560
Intergovernmental	158,299	-	-	158,299
Charges for services	94,016	423,731	2,831	520,578
Developer agreements	-	-	1,091,542	1,091,542
Contributions and donations	882,189	-	1,303,143	2,185,332
Investment earnings	-	120	6,447	6,567
Other	620,491	402,691	1,375,394	2,398,576
Total revenues	1,754,995	1,193,102	3,779,357	6,727,454
Expenditures				
Current				
General government	222,243	1,295,750	63,475	1,581,468
Public safety	1,182,150	-	-	1,182,150
Health and welfare	582,396	-	-	582,396
Debt service				
Issuance costs	-	42,000	-	42,000
Capital outlay	1,511,790	64,844	3,907,842	5,484,476
Total expenditures	3,498,579	1,402,594	3,971,317	8,872,490
Revenues over (Under) Expenditures	(1,743,584)	(209,492)	(191,960)	(2,145,036)
Other Financing Sources (Uses)				
Bonds issued	-	404,000	-	404,000
Transfers in	225,274	991,657	300,000	1,516,931
Transfers out	-	(99,809)	(495,930)	(595,739)
Total other financing sources (uses)	225,274	1,295,848	(195,930)	1,325,192
Net Change in Fund Balances	(1,518,310)	1,086,356	(387,890)	(819,844)
Fund Balances, Beginning of Year	1,973,872	2,611,804	16,651,275	21,236,951
Fund Balances, End of Year	\$ 455,562	\$ 3,698,160	16,263,385	\$ 20,417,107

Town of Buckeye, Arizona
 Nonmajor Special Revenue Funds – Combining Statement Balance Sheet
 June 30, 2011

	Fill the Gap Fund	R.I.C.O. Fund	V.A.L.U.E. Kids Fund	Buckeye Explorer Fund	Youth Scholarship Fund	Impound Fund	Maricopa County CAP	Police Department Grants Fund
Assets								
Cash and cash equivalents	\$ 47,650	\$ 59,228	\$ 3,877	\$ 10,311	\$ 2,404	\$ 57,835	\$ 66,329	\$ (130,763)
Receivables, net								
Accounts	1,800	-	-	-	-	-	31,540	178,598
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,540</u>	<u>178,598</u>
	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>			

Town of Buckeye, Arizona
 Nonmajor Special Revenue Funds – Combining Statement Balance Sheet
 June 30, 2011

	Social Services/Area Agency on Aging Fund	Fire Grants Fund	Grant Programs	Equipment Replacement Fund	JCEF	Downtown Revitalization	Total
Assets							
Cash and cash equivalents	\$ 51,875	\$ 28,000	\$ 58,495	42,770	\$ 61,956	\$ 971,351	\$ 1,331,318
Receivables, net							
Accounts	30,690	35,000	-	-	-	-	277,628
Total assets	<u>\$ 82,565</u>	<u>\$ 63,000</u>	<u>\$ 58,495</u>	<u>\$ 42,770</u>	<u>\$ 61,956</u>	<u>\$ 971,351</u>	<u>\$ 1,608,946</u>
Liabilities and Fund Balance							
Liabilities							
Accounts payable	\$ 84,553	\$ -	\$ -	\$ -	\$ -	\$ 974,982	\$ 1,153,384
Total liabilities	<u>84,553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>974,982</u>	<u>1,153,384</u>
Fund Balance							
Restricted	-	63,000	58,495	42,770	61,956	-	461,181
Unassigned	(1,988)	-	-	-	-	(3,631)	(5,619)
Total fund balance	<u>(1,988)</u>	<u>63,000</u>	<u>58,495</u>	<u>42,770</u>	<u>61,956</u>	<u>(3,631)</u>	<u>455,562</u>
Total liabilities and fund balance	<u>\$ 82,565</u>	<u>\$ 63,000</u>	<u>\$ 58,495</u>	<u>\$ 42,770</u>	<u>\$ 61,956</u>	<u>\$ 971,351</u>	<u>\$ 1,608,946</u>

Town of Buckeye, Arizona
 Nonmajor Special Revenue Funds – Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Year Ended June 30, 2011

	Fill the Gap Fund	R.I.C.O. Fund	V.A.L.U.E. Kids Fund	Buckeye Explorer Fund	Youth Scholarship Fund	Impound Fund	Maricopa County CAP	Police Department Grants Fund
Revenues								
Intergovernmental revenue	\$ 7,789	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,897	\$ -
Charges for services	-	-	-	-	-	94,016	-	-
Contributions and donations	-	-	-	-	-	-	-	661,529
Other	-	372,828	-	-	-	-	-	-
Total revenues	<u>7,789</u>	<u>372,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,016</u>	<u>140,897</u>	<u>661,529</u>
Expenditures								
Current								
General government	-	-	-	-	-	-	-	-
Public safety	-	304,713	-	-	-	93,279	-	631,018
Health and welfare	-	-	-	-	-	-	144,271	-
Capital outlay	-	139,015	-	-	-	41,928	-	-
Total expenditures	<u>-</u>	<u>443,728</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,207</u>	<u>144,271</u>	<u>631,018</u>
Revenues over (Under)								
Expenditures	<u>7,789</u>	<u>(70,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(41,191)</u>	<u>(3,374)</u>	<u>30,511</u>
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	7,789	(70,900)	-	-	-	(41,191)	(3,374)	30,511
Fund Balances, Beginning of Year	<u>41,661</u>	<u>76,203</u>	<u>3,877</u>	<u>10,311</u>	<u>-</u>	<u>98,598</u>	<u>82,490</u>	<u>(1,015)</u>
Fund Balances, End of Year	<u>\$ 49,450</u>	<u>\$ 5,303</u>	<u>\$ 3,877</u>	<u>\$ 10,311</u>	<u>\$ -</u>	<u>\$ 57,407</u>	<u>\$ 79,116</u>	<u>\$ 29,496</u>

Town of Buckeye, Arizona
 Nonmajor Special Revenue Funds – Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Year Ended June 30, 2011

	Social Services/Area Agency on Aging Fund	Fire Grants Fund	Grant Programs	Equipment Replacement Fund	JCEF	Downtown Revitalization	Total
Revenues							
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 9,613	\$ -	\$ 158,299
Charges for services	-	-	-	-	-	-	94,016
Contributions and donations	-	213,510	7,150	-	-	-	882,189
Other	214,246	-	-	33,417	-	-	620,491
Total revenues	<u>214,246</u>	<u>213,510</u>	<u>7,150</u>	<u>33,417</u>	<u>9,613</u>	<u>-</u>	<u>1,754,995</u>
Expenditures							
Current							
General government	-	-	9,691	72,921	25,209	114,422	222,243
Public safety	-	153,140	-	-	-	-	1,182,150
Health and welfare	438,125	-	-	-	-	-	582,396
Capital outlay	-	-	-	-	-	1,330,847	1,511,790
Total expenditures	<u>438,125</u>	<u>153,140</u>	<u>9,691</u>	<u>72,921</u>	<u>25,209</u>	<u>1,445,269</u>	<u>3,498,579</u>
Revenues over (Under)							
Expenditures	<u>(223,879)</u>	<u>60,370</u>	<u>(2,541)</u>	<u>(39,504)</u>	<u>(15,596)</u>	<u>(1,445,269)</u>	<u>(1,743,584)</u>
Other Financing Sources (Uses)							
Transfers in	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,274</u>	<u>225,274</u>
Total other financing sources (uses)	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,274</u>	<u>225,274</u>
Net Change in Fund Balances	(23,879)	60,370	(2,541)	(39,504)	(15,596)	(1,419,995)	(1,518,310)
Fund Balances, Beginning of Year	<u>21,891</u>	<u>2,630</u>	<u>61,036</u>	<u>82,274</u>	<u>77,552</u>	<u>1,416,364</u>	<u>1,973,872</u>
Fund Balances, End of Year	<u>\$ (1,988)</u>	<u>\$ 63,000</u>	<u>\$ 58,495</u>	<u>\$ 42,770</u>	<u>\$ 61,956</u>	<u>\$ (3,631)</u>	<u>\$ 455,562</u>

Statistical Section (Unaudited)

This part of the Town of Buckeye, Arizona's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help readers assess the Town's most significant local revenue source, the sales tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Town's current level of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Town implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

Town of Buckeye, Arizona
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Tax Year (Fiscal Year)	Assessment Type	Assessed Value	Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value	Total Assessed Values
2002	Primary	41,806,823	0.9776	N / A	N / A	
(2003)	Secondary	46,996,103	0.6924	N / A	N / A	\$ 88,802,926
2003	Primary	51,727,246	0.9776	N / A	N / A	
(2004)	Secondary	56,727,094	0.5725	N / A	N / A	\$ 108,454,340
2004	Primary	69,986,677	1.1461	N / A	N / A	
(2005)	Secondary	81,842,158	0.4039	N / A	N / A	\$ 151,828,835
2005	Primary	103,168,348	1.2680	N / A	N / A	
(2006)	Secondary	115,318,474	0.2829	N / A	N / A	\$ 218,486,822
2006	Primary	165,083,549	1.1657	N / A	N / A	
(2007)	Secondary	193,594,069	0.1714	N / A	N / A	\$ 358,677,618
2007	Primary	270,854,878	1.0481	N / A	N / A	
(2008)	Secondary	369,230,204	0.0940	N / A	N / A	\$ 640,085,082
2008	Primary	401,259,863	0.8984	N / A	N / A	
(2009)	Secondary	587,576,411	-	N / A	N / A	\$ 988,836,274
2009	Primary	483,863,477	0.8851	N / A	N / A	
(2010)	Secondary	595,778,177	-	N / A	N / A	\$ 1,079,641,654
2010	Primary	402,367,355	1.1883	N / A	N / A	
(2011)	Secondary	425,009,460	-	N / A	N / A	\$ 827,376,815
2011	Primary	315,361,719	1.6061	N/A	N/A	\$ 638,238,172
(2012)	Secondary	322,876,453	-			

Source: County Assessor's Records

N/A : Not Available at time of printing

Town of Buckeye, Arizona
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Fiscal Year	Assessment Type	Direct Rates			Overlapping Rates																		
		Basic Rate	General Debt Service	Total Direct Rate	County Wide								Special	School Districts									
					School Equalization	Maricopa County	Library District	Flood Control District	Fire District Assistance	Central AZ Water Conservation District	Maricopa Health Care District	Community College District	Buckeye Valley Rural Fire District	Wickenburg School District #9	Liberty School District #25	Arlington School District #47	Palo Verde School District #49	Morristown School District #75	Litchfield School District #79	Fisher School District #90	Buckeye School District #33	Union High School #201	
Primary Tax Authority Number		04501											08230		07009	05025	05047	05049	05075	05079	05090	05033	06201
Secondary Tax Authority Number			04501										08230	11516	090200	250200	470200	490200	750200	790200	900200	330200	06201
2002 (2003)	Primary Secondary	0.9776	0.6924	1.6700	0.4889	1.2108	-	-	-	-	-	0.9634	-	5.6498	2.4978	2.1037	3.5036	6.8591	2.1339	0.4371	4.0315	2.6284	
2003 (2004)	Primary Secondary	0.9776	0.5725	1.5501	-	0.0800	0.0421	0.2119	0.0076	0.1300	-	0.1493	1.4233	1.3025	1.6420	0.4490	2.1557	-	2.1374	0.0313	1.5425	0.5316	
2004 (2005)	Primary Secondary	0.9776	0.5725	1.5501	0.4717	1.2108	-	-	-	-	-	0.9410	-	3.9742	2.2612	1.7824	0.7949	6.4130	2.3752	0.4782	4.0077	1.9348	
2005 (2006)	Primary Secondary	1.1461	0.4039	1.5500	-	0.0700	0.0521	0.2119	0.0070	0.1200	-	0.1375	1.4156	2.4127	1.8290	0.4013	2.2086	-	1.8914	0.2949	1.3889	1.2094	
2006 (2007)	Primary Secondary	1.1461	0.4039	1.5500	0.4560	1.2108	-	-	-	-	-	0.9211	-	5.9551	2.5021	1.0128	2.0692	6.5007	2.4999	0.6646	3.9725	2.4173	
2007 (2008)	Primary Secondary	1.1657	0.1714	1.3371	-	-	0.0521	0.2119	0.0069	0.1200	-	0.1161	1.5121	1.9547	1.5754	0.0819	0.9674	-	1.6074	0.5143	1.1582	1.1132	
2008 (2009)	Primary Secondary	1.0481	0.0940	1.1421	0.4358	1.1971	-	-	-	-	-	0.8936	-	3.7253	2.2243	0.7910	2.3778	5.1671	1.8870	1.0046	4.1309	2.4454	
2009 (2010)	Primary Secondary	0.8984	-	0.8984	-	-	0.0521	0.2119	0.0069	0.1200	\$0.1206	0.1379	1.9945	1.9800	1.7339	0.2272	0.9570	0.7605	1.4557	0.4471	1.0057	1.0908	
2010 (2011)	Primary Secondary	1.1657	0.1714	1.3371	-	1.1794	-	-	-	-	-	0.8815	-	3.8318	2.3710	0.6633	2.6157	4.1736	2.0284	0.8045	5.9226	2.2124	
2011 (2012)	Primary Secondary	1.0481	0.0940	1.1421	-	-	0.0570	0.2047	0.0068	0.1200	0.1184	0.1831	1.9883	1.9164	1.6369	0.2132	0.7958	0.4436	1.2399	0.5512	1.7068	1.0802	
2012 (2013)	Primary Secondary	1.0481	0.0940	1.1421	-	1.1046	-	-	-	-	-	0.8246	-	4.8790	2.2801	0.7403	2.0506	3.8937	1.8211	1.0773	4.8002	2.0597	
2013 (2014)	Primary Secondary	0.8984	-	0.8984	-	-	0.0391	0.1533	0.0053	0.1000	0.0935	0.1514	2.4616	1.4728	1.3429	0.2010	1.8013	0.3103	0.9013	0.5872	1.6313	1.0440	
2014 (2015)	Primary Secondary	0.8984	-	0.8984	-	1.0327	-	-	-	-	-	0.7752	-	3.7588	1.6996	0.5257	1.8004	2.4891	1.7569	1.3587	4.3574	1.8473	
2015 (2016)	Primary Secondary	0.8851	-	0.8851	-	-	0.0353	0.1367	0.0053	0.1000	0.0856	0.1634	2.4845	0.9388	1.0019	0.1617	1.0573	0.1179	0.7732	0.4636	1.2449	1.0093	
2016 (2017)	Primary Secondary	0.8851	-	0.8851	-	0.9909	-	-	-	-	-	0.7246	-	3.6060	1.4854	0.6241	1.8630	2.5792	1.6153	0.6430	4.2307	1.6158	
2017 (2018)	Primary Secondary	1.1883	-	1.1883	-	-	0.0353	0.1367	0.0057	0.1000	0.0914	0.1598	2.5458	0.9439	1.1753	0.1532	0.5661	0.0805	1.0062	0.4722	1.2406	0.9803	
2018 (2019)	Primary Secondary	1.1883	-	1.1883	-	1.0508	-	-	-	-	-	0.7926	-	2.4014	1.9639	0.5520	1.5408	2.6206	1.6167	0.7529	3.3536	1.7454	
2019 (2020)	Primary Secondary	1.6061	-	1.6061	-	-	0.0412	0.1489	0.0066	0.1000	0.1122	0.1802	2.5458	1.1585	1.3425	0.1578	0.8488	0.3413	1.2963	0.6119	1.6656	1.0551	
2020 (2021)	Primary Secondary	1.6061	-	1.6061	-	1.2407	-	-	-	-	-	1.0123	-	3.0483	1.8682	0.5837	2.2721	3.3509	1.9408	0.7666	3.1982	2.1962	
2021 (2022)	Primary Secondary	1.6061	-	1.6061	-	-	0.0492	0.1780	0.0084	0.1000	0.1494	0.1959	3.1000	1.4037	1.3302	0.1729	1.5239	0.5014	1.3182	0.4446	1.8674	0.8752	

Source: County Assessor's Records

N/A : Not Available at time of printing

Town of Buckeye, Arizona
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year ¹	Current Tax Collections Amount ²	Percentage of Levy Collected	Collected for Subsequent Years ²	Total Tax Collections Amount	Percentage of Total Tax Collected to Tax Levy
2002	698,634	687,834	98.45%	-	687,834	98.45%
2003	734,093	767,963	104.61%	-	767,963	104.61%
2004	830,456	827,292	99.62%	-	827,292	99.62%
2005	1,132,687	1,132,686	100.00%	\$ 74,005	1,206,691	106.53%
2006	1,634,369	1,588,419	97.19%	22,107	1,610,526	98.54%
2007	2,256,198	2,138,095	94.77%	27,760	2,165,855	96.00%
2008	3,185,881	3,048,188	95.68%	77,461	3,125,649	98.11%
2009	3,604,918	3,309,421	91.80%	144,561	3,453,982	95.81%
2010	4,781,331	4,019,577	84.07%	183,572	4,203,149	87.91%
2011	5,065,024	4,440,412	87.67%	36,419	4,476,831	88.39%

Source: (1) Maricopa Assessors Office
(2) Town's Records

Town of Buckeye, Arizona
Sales Tax by Category
Last Five Fiscal Years

Sales Category	Fiscal Year							
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Retail and Trade	\$ 569,738	\$ 684,106	\$ 1,940,005	\$ 2,338,839	\$ 3,943,426	4,352,823	4,167,525	5,848,314
Rental and Leasing	266,865	283,032	441,676	507,960	693,662	756,946	779,194	1,068,033
Restaurant and Bars	257,537	298,997	235,575	279,549	465,604	526,868	459,775	736,749
Hotels	5,698	11,244	37,688	36,867	49,329	44,156	39,588	47,669
Services	37,507	39,665	39,878	40,060	36,026	84,836	149,910	234,261
Mining	27,932	28,345	27,090	38,320	20,282	13,234	13,857	27,910
Construction	3,939,466	6,713,750	13,456,460	17,262,236	12,852,739	7,941,216	3,659,484	2,976,796
Transportation and Warehousing	1,621	2,522	1,239	3,340	6,753	8,874	13,232	10,604
Communication	216,054	299,428	349,361	395,189	595,295	444,682	543,504	506,308
All Other	64,333	52,130	27,480	300,768	234,379	272,627	354,427	815,434
Total	\$ 5,386,751	\$ 8,413,219	\$ 16,556,452	\$ 21,203,128	\$ 18,897,495	\$ 14,446,262	\$ 10,180,496	\$ 12,272,078
Town's sales tax rate:								
Construction Contracting(Aft 8-1-06)				3%	3%	3%	3%	3%
Construction Contracting(Pre 8-1-06)	2%	2%	2%	2%	-	-	-	-
Telecommunications	4%	4%	4%	4%	4%	4%	4%	4%
All Other	2%	2%	2%	2%	2%	2%	2%	3%

Source: Town's records as summarized from Arizona Department Of Revenue

Note: Information prior to 2003-04 was not available in this format.

During fiscal year ending June 30, 2007 schedule was changed to fiscal year.

*****EFFECTIVE OCT. 1, 2010, TPT WAS INCREASED TO 3%*****

Town of Buckeye, Arizona
 Direct and Overlapping Sales Tax Rates
 Last Ten Fiscal Years

Fiscal Year	Town's Rate	Maricopa Road	County's Jail	Arizona State	TOTAL
2002	2.00%	0.50%	0.20%	5.60%	8.30%
2003	2.00%	0.50%	0.20%	5.60%	8.30%
2004	2.00%	0.50%	0.20%	5.60%	8.30%
2005	2.00%	0.50%	0.20%	5.60%	8.30%
2006	2.00%	0.50%	0.20%	5.60%	8.30%
2007	2.00%	0.50%	0.20%	5.60%	8.30%
2008	2.00%	0.50%	0.20%	5.60%	8.30%
2009	2.00%	0.50%	0.20%	5.60%	8.30%
2010	2.00%	0.50%	0.20%	6.60%	9.30%
2011*	3.00%	0.50%	0.20%	6.60%	10.30%

Source: Arizona Department of Revenue

*3.00% Tax Rate went into effect 10/1/2010

Town of Buckeye, Arizona
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population ¹	Personal Income	Per Capita Personal Income ²	Unemployment Rate ³
2002	11,955	429,997,440	35,968	7.1%
2003	13,065	482,412,060	36,924	6.7%
2004	14,540	562,770,700	38,705	5.6%
2005	20,780	835,459,900	40,205	5.2%
2006	31,745	1,342,051,620	42,276	4.6%
2007	38,408	1,478,746,408	38,501	4.0%
2008	40,467	N / A	56,555	4.8%
2009	50,143	N / A	53,284	6.1%
2010	52,764	N / A	47,996	8.5%
2011	51,019	N / A	39,194	11.2%

Sources 1: Arizona Department of Economic Security thru the Arizona Workforce Information (ESTIMATED 2011/2012)

2: Arizona Department of Economic Security based on Maricopa's County Average wage per job

3: Arizona Workforce Information, AZ Unemployment Statistic Program Special Report

N/A : Not Available at time of printing

Town of Buckeye, Arizona
Principal Employers
Current Year

<u>Employer</u>	2011		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Principal Town Employment</u>
Palo Verde Nuclear Plant	2,500	1	40.77%
Lewis Prison complex	1,196	2	19.50%
Wal-Mart	989	3	16.13%
Town of Buckeye	325	4	5.30%
Litchfield Elementary School District #79	283	5	4.62%
Liberty Elementary School District	225	6	3.67%
Fry's Food Store	184	7	3.00%
Buckeye Union High School District 201	150	8	2.45%
Lowe's	150	9	2.45%
Agua Fria Union High School District 216	130	10	2.12%
Total	6,132		100.00%

Source: MAG Employer Database.

Function	Authorized Full-Time Equivalent Positions				
	2007	2008	2009	2010	2011
General government					
Administration	11.00	14.50	18.00	10.00	6.00
Finance/ Administrative Services	19.00	27.00	20.00	11.00	11.00
Human resources	6.00	6.00	9.00	5.50	6.00
Information and technology	7.00	9.00	9.00	6.00	6.00
Municipal services	6.00	7.00	6.50	2.00	2.00
Intergovernmental Affairs	2.00	2.50	4.00	1.00	-
Public Safety					
Police	96.00	105.00	105.00	94.00	96.00
Fire	118.70	158.70	120.70	91.30	89.50
Highways and Streets					
Public Works	64.00	68.00	55.40	26.81	27.06
Culture and recreation					
Parks recreation	17.50	29.50	25.50	14.00	11.00
Library	9.00	9.00	9.00	8.00	8.00
Community Development					
Community development	36.00	46.00	55.00	6.50	15.30
Economic Development					
Economic development	3.00	6.00	7.00	-	4.00
Airport	2.00	2.00	2.00	0.50	0.25
Health and welfare					
Social services	11.80	10.30	10.50	9.25	14.00
Utilities					
Water and Sewer	20.00	23.00	33.60	36.69	40.69
Total	429.00	523.50	490.20	322.55	336.80

Source: Town's 2008 Adopted budget document

Note: Information prior to FYE 2004 not available at time of printing.