



City of Buckeye, Arizona  
**Comprehensive Annual  
Financial Report**

For the Fiscal Year Ended June 30, 2019





**CITY OF BUCKEYE, ARIZONA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE**  
**FISCAL YEAR ENDED JUNE 30, 2019**



PREPARED BY THE  
FINANCE DEPARTMENT



# CITY OF BUCKEYE, ARIZONA

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2019

## TABLE OF CONTENTS

### INTRODUCTORY SECTION

Letter of Transmittal.....	vii
Key Officials and Executive Team.....	xii
City Organization Chart.....	xiii

### FINANCIAL SECTION

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5

#### Basic Financial Statements:

##### Government-wide Financial Statements:

Statement of Net Positions.....	19
Statement of Activities.....	20

##### Fund Financial Statements:

Balance Sheet - Governmental Funds.....	22
Reconciliation of the Balance Sheet to the Statement of Net Position.....	25
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities.....	28
Statement of Net Position - Proprietary Fund.....	29
Statement of Revenue, Expenses and Changes in Fund Net Position - Proprietary Funds.....	30
Statement of Cash Flows - Proprietary Funds.....	31
Statement of Net Position - Fiduciary Funds.....	33
Statement of Changes in Net Position - Fiduciary Funds.....	34
Notes to the Financial Statements.....	35

#### Required Supplementary Information:

General Fund Budgetary Schedule.....	75
Highway User Revenue Fund Budgetary Schedule.....	77
Notes to Budget and Actual Schedules.....	78
Schedule of City’s Proportionate Share of the Net Pension Liability.....	79
Public Safety Personnel Retirement System - PSPRS .....	80
Schedule of City’s Pension Contributions ASRS & PSPRS.....	82
Notes to Required Supplementary Information.....	83

#### Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Funds-Descriptions.....	85
Combining Balance Sheet - Nonmajor Governmental Funds.....	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Funds.....	92

#### Other Supplementary Information:

##### Schedules of Revenues, Expenditures and Changes in Fund Balances-Budget to Actual:

##### Special Revenue Funds:

City Court.....	98
Area Agency on Aging Fund.....	99
Grants.....	100
Nuclear Emergency Management Fund.....	101
Stormwater Quality Fund.....	102
Public Safety Fund.....	103
Transient Lodging Fund.....	104
Economic Development Fund.....	105
Streetlight Improvement District Operations Fund.....	106
Sundance Crossings Fund.....	107
Community Services Fund.....	108
Risk Management Retention Fund.....	109

**Capital Improvement Funds:**

Streets.....	110
Fire.....	111
Traffic Signal Fund.....	112
Future Street Improvements Fund.....	113
Sundance Water Recharge.....	114
Grants Capital Projects Fund.....	115
Cemetery Improvement Fund.....	116
Replacement Reserve Fund.....	117
Technology Fund.....	118
Developmental Impact Fees Fund.....	119

**Debt Service Funds:**

Jackrabbit Trail ID Fund.....	120
Roosevelt Street ID Fund.....	121

**STATISTICAL SECTION**

Contents Description.....	123
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**Tables**

Financial Trends

1-Net Position by Component.....	124
2-Changes in Net Position.....	126
3-Fund Balances of Governmental Funds.....	128
4-Changes in Fund Balances of Governmental Funds.....	130

Revenue Capacity

5-General Governmental Tax Revenues by Source.....	132
6-General Governmental Taxable Sales by Category.....	134
7-Transaction Privilege Tax Rates of Direct and Overlapping Governments.....	136
8-Net Assessed Property Values of Top Ten Taxpayers.....	138
9-Assessed Value and Estimated Actual Value of Taxable Property.....	140
10-Property Tax Rate-Direct and Overlapping Governments.....	142

Debt Capacity

11-Ratios of Outstanding Debt by Type.....	145
12-Direct and Overlapping General Obligation Bonded Debt Outstanding.....	146
13-Legal Debt Margin Information.....	148
14-Pledged-Revenue Coverage.....	150

Demographic and Economic Information

15-Demographic and Economic Statistics.....	151
16-Principal Employers.....	152
17-Full-Time Equivalent City Government Employees by Function.....	154

Operating Information

18-Capital Asset and Infrastructure Statistics by Function.....	156
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February 26, 2020

Honorable Mayor and City Council  
City of Buckeye, AZ

The Finance Department respectfully submits the Comprehensive Annual Financial Report (CAFR) of the City of Buckeye, Arizona for the fiscal year ended June 30, 2019. The State of Arizona requires in ARS Section 9-481 that each incorporated city is to be audited at least once for every fiscal year. The State of Arizona also requires additional supplemental information in the form of a report entitled "Expenditure Limitation Report" is to be completed annually. This report is under separate cover. Federal law requires that a single audit is to be performed for federal grant funds in conformance with the provisions of the Single Audit Act of 1984 and the *Uniform Guidance*. 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 City departments. City 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. Heinfeld Meech & Co., a firm of licensed certified public accountants, have issued an unmodified opinion on the City's CAFR for the year ended June 30, 2019. As indicated by the opinion of our independent auditors, the report fairly presents the financial position and the results of operations of the City 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 City's financial affairs. It includes disclosures necessary for the reader to gain an understanding of the City'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 City. This section is intended to familiarize the reader with the City 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 City 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 City of Buckeye that are interesting and relevant to assessing the City's financial condition. This section is intended to assist the reader in understanding the environment in which the City operates.

## **PROFILE OF THE CITY OF BUCKEYE**

The City of Buckeye was founded in 1888 and is the western-most incorporated city 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 approximately 74,370 on July 1, 2018, based on a report from the U. S. Census Bureau. 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 City has a planning area of 600 square miles with a total of 392 annexed square miles. City 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 City operates under a council-manager form of government. The seven-member City 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 City elections are non-partisan. The City Council is responsible for passing ordinances, adopting the budget, appointing members of commissions and hiring the City Manager. The City Manager carries out the policies and ordinances of the City Council, oversees the day-to-day operations of the City and appoints the various department heads.

The City provides traditional municipal services such as public safety (police, fire, and city court), airport facility for business and recreational flying, street construction and maintenance, parks, recreation and culture, planning and zoning, and general administrative and support services. Water and wastewater utility services are provided to many of the residents through the City's enterprise funds. Sanitation, refuse collection and recycling services are provided through a separate enterprise fund. The City provides, or will provide, street lighting and maintenance for developing areas through legally formed street lighting and maintenance improvement districts. The City 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 City includes all government activities, organizations and functions for which the City 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 City of Buckeye are governed independently. The financial statements of these districts are not included in this report.

## FINANCIAL INFORMATION

**Local Economy** The City has an agricultural background and history, which it retains to this day. 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 City's revenues over the past several years. Buckeye's retail is growing slowly but steadily, and a new manufacturing company completed construction during the fiscal year. A Fry's Marketplace is planned close to Verrado community at the corner of Indian School Road and Jackrabbit Trail.

Buckeye is located just 35 minutes west of Downtown Phoenix; Buckeye is located on a robust transportation corridor. Buckeye provides direct access to the Union Pacific Railroad, Interstate 10, State Route 85, MC 85 and the future Interstate 11 and 30 with interconnections to Interstate 8, Loop 303 and other major highways. 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 City 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 City 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 City'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 City 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.

Annually, City Council approves as part of the budget process, the City's six (6) Year Capital Improvement Program (FY 19/20 – FY 24/25). The Capital Improvement Program (CIP) is a suggested schedule of capital expenditures to be incurred in a given fiscal year for a fixed period of years to meet capital needs. The City of Buckeye CIP specifically sets forth each project or capital expenditure that the City initiates. Each project or capital expenditures will contain estimates of cost and proposed financing, with each project annually reviewed, updated, and possibly revised as part of the City of Buckeye budgeting process.

**Relevant Financial Policies** The City of Buckeye maintains accounts in accordance with the principles of fund accounting to ensure that limitations and restrictions on the City'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 City incorporates performance expectations and initiatives into their annual budgeting process, which are intended to move the City 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 City 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. In the event a fund is overspent, the General Fund will advance sufficient funds to cover any deficit. In most cases, there is sufficient fund balance to take that action.

City management monitors the City's budget at the fund level for Special Revenue, Debt Service, and Capital Projects Funds. The General Fund is monitored at the department level. 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 City 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.

## AWARDS AND ACKNOWLEDGEMENTS

### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018, marking the first year the City has achieved this prestigious recognition. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgments**

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 City Department who contributed to its preparation and recognize the major effort of the Finance Department in administering the City'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 City in a responsible and progressive manner.

Respectfully submitted,



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William Kauppi  
Chief Financial Officer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Buckeye  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morrill*

Executive Director/CEO

**KEY OFFICIALS AND EXECUTIVE TEAM**

The City of Buckeye operates under the Council-Manager form of government. An elected City Council consisting of a mayor and six members is responsible for making policies, passing ordinances, voting appropriations and having overall supervisory authority to the city government. The City Manager is responsible for supervising government operations and implementing the policies adopted by Council.

Jackie Meck  
*Mayor*

Eric Orsborn  
*Vice Mayor*

Jeanine Guy  
*Councilmember*

Patrick Hagestead  
*Councilmember*



Michelle Hess  
*Councilmember*

Craig Heustis  
*Councilmember*

Tony Youngker  
*Councilmember*

Roger Klingler  
*City Manager*

James Shano  
*Assistant City Manager*

Shiela Schmidt  
*City Attorney*

Maria Brewer  
*Presiding Judge*

Lucinda Aja  
*City Clerk*

Rod Buchanan  
*Community Services*

Bob Costello  
*Fire Chief*

George Flores  
*Development Services*

Larry Hall  
*Police Chief*

William Kauppi  
*Chief Financial Officer*

Nancy Love  
*Human Resources*

Scott Lowe  
*Public Works*

Greg Platacz  
*Information Technology*

David Roderique  
*Economic Development*

Alisha Solano  
*Water Resources*

Scott Zipprich  
*Engineering*

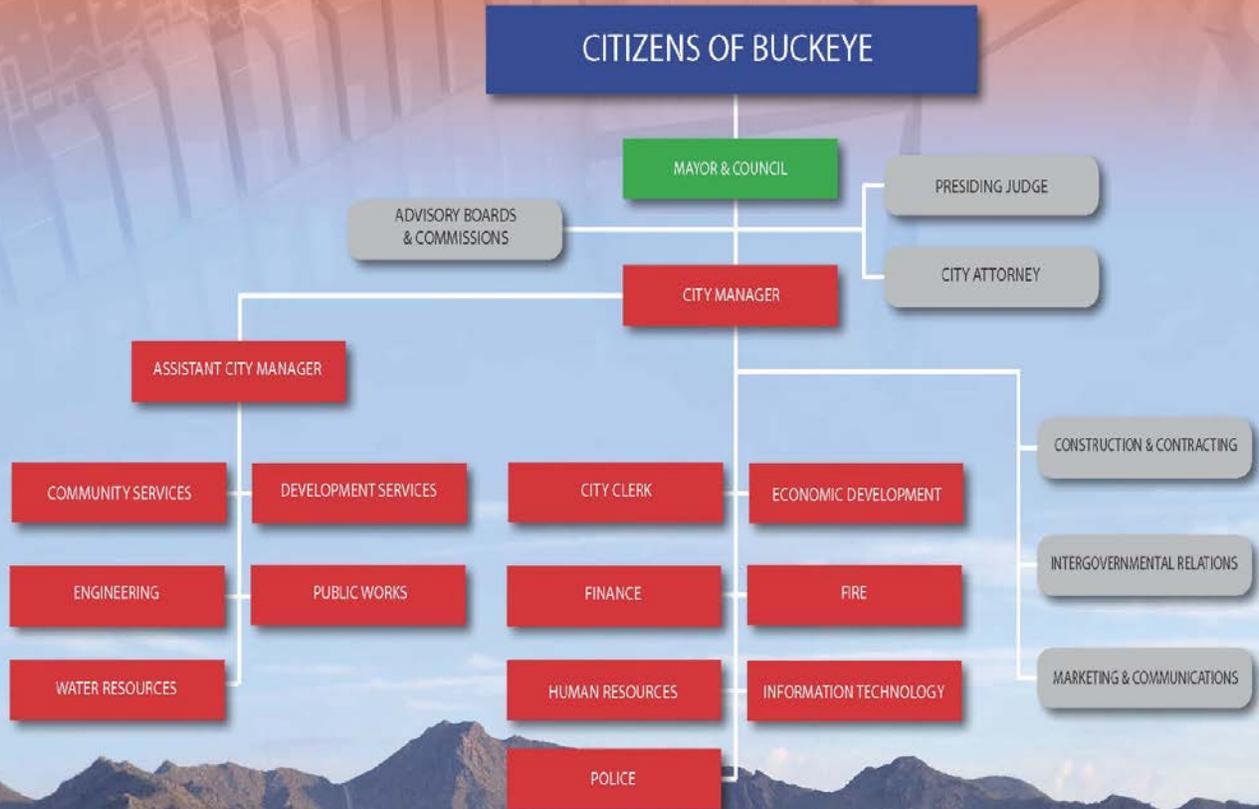
**Additional Staff**

Sherri Meredith  
*Accounting Manager*

Susan Pruet  
*Administrative Assistant*



# ORGANIZATION CHART



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## INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Buckeye, Arizona (the City), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Buckeye, Arizona, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

As described in Note 1, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, for the year ended June 30, 2019, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Combining and Individual Fund Statements and Schedules, Other Supplementary Information, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Fund Statements and Schedules and Other Supplementary Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Statements and Schedules and Other Supplementary Information are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2020, on our consideration of the City of Buckeye, Arizona’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Buckeye’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Buckeye, Arizona’s internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.  
Phoenix, Arizona  
February 26, 2020

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# City of Buckeye, Arizona

## Management's Discussion and Analysis

### Introduction

As financial management of the City of Buckeye (City), Arizona, we are pleased to provide an overview of our financial activities for the fiscal year ended June 30, 2019. 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; 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.

The City 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 City's elected officials serve as the Board of Directors for each CFD). The City, however, has no financial liability for the CFDs. A description of these component units is available in Note 1. Separate financial statements are not prepared for the CFDs.

### Financial Highlights

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$653.2 million (net position). Of this amount, \$76.6 million is unrestricted balance and may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position as restated, increased by \$8.4 million in the fiscal year 2019; an increase of \$5.0 million in governmental activities and an increase of \$3.4 million in business-type activities. The net position increase in governmental activities was primarily driven by higher than expected transaction privilege tax collections.
- As of the close of fiscal year 2019, the City's governmental funds reported combined ending fund balances of \$80.8 million, an increase of \$9.8 million over the prior year. The majority of this increase can be attributed to an increase in sales tax collections and permitting activity. The increase in assessed value due to new housing and continued increase in population has resulted in an increase in State Shared revenues.
- As of June 30, 2019, the total fund balance in the General Fund was \$36.3 million (unassigned fund balance of \$36.2 million). The fund balance in the Impact Fees Funds totaled \$22.8 million. The fund balance for the Highway Users Revenue Fund was \$2.6 million.
- For fiscal year 2019, total General Fund revenues of \$82.5 million (non-GAAP basis) were greater than budgeted revenues of \$75.9 million; an increase of \$6.6 million or 8.7%. Total General Fund expenditures of \$70.0 million (non-GAAP basis) were less than the budgeted expenditures of \$98.0 million, a variance of \$28.1 million.
- For fiscal year 2019, total Highway Users Revenue Fund (HURF) revenues of \$4.8 million were higher than budgeted revenues of \$4.1 million; an increase of \$667,816 or 16.1%. Total HURF expenditures \$3.8 million were less than budgeted amount of \$4.6 million; a difference of \$850,548 or 18.5%. Total Impact Fee revenues of \$4.6 million were higher than budgeted revenues of \$3.0 million, an increase of \$1.6 million. Total Impact Fee expenditures of \$31,917 were less than budgeted expenditures of \$17.8 million; a difference of \$17.8 million or 99.8% when compared to budget.

### Overview of the Financial Statements

The financial section of the Comprehensive Annual Financial Report (CAFR) for the City consists of the introductory section, management's discussion and analysis, the basic financial statements, the required supplementary schedules, the combining, and individual fund statements and budgetary statements.

# City of Buckeye, Arizona

## Management's Discussion and Analysis

The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the basic financial statements. Other required supplementary information includes the budgetary statements for the General Fund and major special revenue funds and the schedules and notes related to pension requirements. The additional non-required information includes combining schedules and other supplementary schedules presented after the basic financial statements.

### **Government-wide Financial Statements**

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

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position defined as assets plus deferred outflows of resources less liabilities less deferred inflows of resources. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the City is improving or deteriorating.

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

### **Fund Financial Statements**

Also presented are the traditional fund financial statements for governmental, proprietary and fiduciary funds. The fund financial statements focus on major funds of the City. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, use fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### **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.

### **Proprietary Funds**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City 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 City uses enterprise funds to account for its water, wastewater, solid waste, and airport operations.

# **City of Buckeye, Arizona**

## **Management's Discussion and Analysis**

### **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 City 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 City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

### **Notes to the Basic Financial Statements**

The notes to the basic financial statements 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 City has chosen to represent these budgetary statements as part of the required supplementary information. Additionally, governments are required to disclose certain information about employee pension funds.

### **Government-Wide Financial Statements Analysis**

While this document contains information about the funds used by the City to provide services to its citizens, the statement of net position and statement of activities serve to provide an answer to the question of how the City, as a whole, performed financially throughout the year. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid.

Net position may serve over time as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Position of the City as of June 30, 2019 and 2018, showing that assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources for both governmental and business-type activities by a total of \$653.2 million for the fiscal year ended June 30, 2019.

### **Analysis of Net Position**

As noted earlier, net position may serve as a useful indicator of a government's financial condition. For the City, assets exceeded liabilities by \$653.2 million at the close of the current fiscal year. Net position consists of three components: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. The net investment in capital assets in the amount of \$496.6 million is 76.0% of the City's total net position. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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 City's net position \$86.8 million (13.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$69.8 million (10.7%), may be used to meet the government's ongoing obligations to citizens and creditors.

**City of Buckeye, Arizona**  
**Management's Discussion and Analysis**

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

<b>City of Buckeye, Arizona</b>						
<b>Condensed Statement of Net Position</b>						
<b>June 30, 2019 and 2018</b>						
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>						
Current and other assets	\$ 141,507,580	\$ 125,157,805	\$ 67,523,542	\$ 68,323,260	\$ 209,031,122	\$ 193,481,065
Capital assets:						
Non-depreciable	184,489,546	178,619,447	54,634,457	20,223,105	239,124,003	198,842,552
Depreciable (net)	237,177,796	219,876,749	246,345,143	264,433,113	483,522,939	484,309,862
<b>Total Assets</b>	<b>\$ 563,174,922</b>	<b>\$ 523,654,001</b>	<b>\$ 368,503,142</b>	<b>\$ 352,979,478</b>	<b>\$ 931,678,064</b>	<b>\$ 876,633,479</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Excess consideration for acquisition	\$ -	\$ -	\$ 23,358,372	\$ 26,679,536	\$ 23,358,372	\$ 26,679,536
Loss on refunding and defeasance	538,300	601,223	-	-	538,300	601,223
Pension related deferred outflows ASRS	4,758,388	3,974,491	1,535,776	1,225,071	6,294,164	5,199,562
Pension related deferred outflows PSPRS	11,467,067	11,172,108	-	-	11,467,067	11,172,108
<b>Total deferred outflow of resources</b>	<b>\$ 16,763,755</b>	<b>\$ 15,747,822</b>	<b>\$ 24,894,148</b>	<b>\$ 27,904,607</b>	<b>\$ 41,657,903</b>	<b>\$ 43,652,429</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 579,938,677</b>	<b>\$ 539,401,823</b>	<b>\$ 393,397,290</b>	<b>\$ 380,884,085</b>	<b>\$ 973,335,967</b>	<b>\$ 920,285,908</b>
<b>LIABILITIES</b>						
Other liabilities	\$ 10,078,346	\$ 8,254,574	\$ 14,666,779	\$ 6,434,998	\$ 24,745,125	\$ 14,689,572
Non-current liabilities:						
Due within one year	11,898,369	19,100,288	4,017,485	1,080,878	15,915,854	20,181,166
Net Pension Liability - ASRS	21,894,714	22,473,044	7,066,548	6,930,478	28,961,262	29,403,522
Net Pension Liability - PSPRS	20,261,229	17,518,943	-	-	20,261,229	17,518,943
Due in more than one year	150,182,457	144,544,696	70,621,668	69,030,432	220,804,125	213,575,128
Compensated absences	2,323,236	1,876,356	312,979	241,298	2,636,215	2,117,654
Other long term obligations	-	-	-	14,916,165	-	14,916,165
<b>Total Liabilities</b>	<b>\$ 216,638,351</b>	<b>\$ 213,767,901</b>	<b>\$ 96,685,459</b>	<b>\$ 98,634,249</b>	<b>\$ 313,323,810</b>	<b>\$ 312,402,150</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Gain on refunding and defeasance	\$ 592,454	\$ 654,092	\$ -	\$ -	\$ 592,454	\$ 654,092
Pension related deferred inflows ASRS	2,588,485	1,345,851	835,437	415,049	3,423,922	1,760,900
Pension related deferred inflows PSPRS	2,839,684	3,205,345	-	-	2,839,684	3,205,345
<b>Total deferred inflows of resources</b>	<b>\$ 6,020,623</b>	<b>\$ 5,205,288</b>	<b>\$ 835,437</b>	<b>\$ 415,049</b>	<b>\$ 6,856,060</b>	<b>\$ 5,620,337</b>
<b>NET POSITION</b>						
Net investment in capital assets	\$ 268,720,179	\$ 238,001,069	\$ 227,843,477	\$ 200,856,616	\$ 496,563,656	\$ 438,857,685
Restricted for						
Impact fees	22,843,608	18,267,433	8,546,817	7,219,410	31,390,425	25,486,843
Highway and streets	2,532,081	434,700	-	-	2,532,081	434,700
Debt service	45,984,748	7,475,370	-	-	45,984,748	7,475,370
Capital projects	5,006,931	13,401,091	-	-	5,006,931	13,401,091
Other	1,926,627	1,392,806	-	-	1,926,627	1,392,806
Unrestricted	10,265,529	41,456,165	59,486,100	73,758,761	69,751,629	115,214,926
<b>Total net position</b>	<b>\$ 357,279,703</b>	<b>\$ 320,428,634</b>	<b>\$ 295,876,394</b>	<b>\$ 281,834,787</b>	<b>\$ 653,156,097</b>	<b>\$ 602,263,421</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 579,938,677</b>	<b>\$ 539,401,823</b>	<b>\$ 393,397,290</b>	<b>\$ 380,884,085</b>	<b>\$ 973,335,967</b>	<b>\$ 920,285,908</b>

**City of Buckeye, Arizona**  
Management's Discussion and Analysis

**Analysis of Changes in Net Position**

The following table reflects the condensed Statement of Changes in Net Position for the fiscal years ended June 30, 2019 and 2018. This information is helpful in understanding the sources and uses of funds during the fiscal year.

City of Buckeye, Arizona Changes in Net Position For the Fiscal Years Ended June 30, 2019 and 2018						
	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>REVENUES</b>						
Program revenues						
Fees, fines and charges for services	\$ 27,077,266	\$ 27,976,633	\$ 53,464,053	\$ 47,108,812	\$ 80,541,319	\$ 75,085,445
Operating grants and contributions	5,873,642	5,959,925	-	-	5,873,642	5,959,925
Capital grants and contributions	966,552	10,085,160	-	2,114,022	966,552	12,199,182
General revenues						
Sales taxes	33,750,698	29,744,284	-	-	33,750,698	29,744,284
Property taxes	17,828,195	15,366,919	-	-	17,828,195	15,366,919
Franchise taxes	3,412,932	3,256,544	-	-	3,412,932	3,256,544
State-shared revenues	18,196,197	16,939,687	-	-	18,196,197	16,939,687
Investment earnings	2,729,219	138,171	1,223,051	383,606	3,952,270	521,777
Other	2,060,514	3,405,236	-	-	2,060,514	3,405,236
<b>Total Revenues</b>	<b>\$111,895,215</b>	<b>\$112,872,559</b>	<b>\$ 54,687,104</b>	<b>\$ 49,606,440</b>	<b>\$166,582,319</b>	<b>\$162,478,999</b>
<b>EXPENSES</b>						
General government	\$ 22,746,029	\$ 18,995,808	-	-	\$ 22,746,029	\$ 18,995,808
Public safety	36,998,761	34,314,258	-	-	36,998,761	34,314,258
Highways and streets	20,066,172	19,480,592	-	-	20,066,172	19,480,592
Culture and recreation	6,708,402	6,243,381	-	-	6,708,402	6,243,381
Development services	3,666,988	3,249,528	-	-	3,666,988	3,249,528
Engineering	2,487,396	2,326,880	-	-	2,487,396	2,326,880
Public works	5,697,887	2,697,514	-	-	5,697,887	2,697,514
Interest on long-term debt	8,580,823	7,109,379	-	-	8,580,823	7,109,379
Nonmajor enterprise fund	-	-	7,494,469	6,403,094	7,494,469	6,403,094
Wastewater	-	-	15,888,986	11,628,372	15,888,986	11,628,372
Water	-	-	27,803,235	27,251,896	27,803,235	27,251,896
<b>Total Expenses</b>	<b>\$106,952,458</b>	<b>\$ 94,417,340</b>	<b>\$ 51,186,690</b>	<b>\$ 45,283,362</b>	<b>\$158,139,148</b>	<b>\$139,700,702</b>
Excess or deficiency (before extraordinary items and transfers)	4,942,757	18,455,219	3,500,414	4,323,078	8,443,171	22,778,297
Transfers	80,804	658,918	(81,300)	(658,918)	(496)	-
Change in net position	5,023,561	19,114,137	3,419,114	3,664,160	8,442,675	22,778,297
Net position at beginning of year, as restated	352,256,142	301,314,497	292,457,280	278,170,627	644,713,422	579,485,124
<b>Total net position</b>	<b>\$357,279,703</b>	<b>\$320,428,634</b>	<b>\$ 295,876,394</b>	<b>\$ 281,834,787</b>	<b>\$653,156,097</b>	<b>\$602,263,421</b>

**Governmental Activities.** Governmental activities increased the City's net position by \$5.0 million from the prior fiscal year.

Total revenues for governmental activities slightly decreased by approximated \$977,000 over the previous fiscal year. The greatest decrease in revenue can be found in the capital grants and contribution category in the amount of \$9.1 million.

- Fines, Fees and Charges decreased over the prior year by approximately \$900,000. The reason for the decrease was primarily due with the amount of special assessment collected during the year.
- Operating and Capital Grants and other Contributions decreased by \$9.2 million over the previous fiscal year. In the previous year, the City accepted numerous streets and sidewalks from developers as a result of the positive economy, the total highways and streets conveyed to the City. Developers have agreements with the City, which transfers the infrastructure constructed in those developments to the City upon completion. These conveyances include streets, sidewalks, water, and wastewater lines. All developments are further required to include parks and green spaces in their plans prior to approval.

## City of Buckeye, Arizona

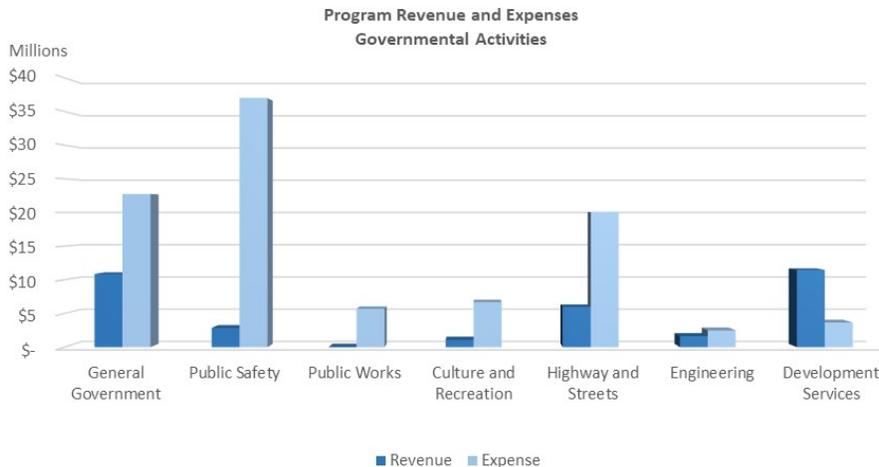
### Management's Discussion and Analysis

- As the population in the City continues to grow, the number of businesses and assessed property values within the City are also increasing. This growth is directly related to the increase in property taxes and sales tax collections. Sales tax increased by \$4.0 million when compared to the prior fiscal year primarily in the area of contracting activity and retail. Due to the increase in assessed values within the City, property taxes increased by \$2.5 million with no increase in the City's tax rate.
- Franchise Fees increased by \$156,388 from the prior year.
- State Shared Revenues increased by \$1.2 million due to increase in population.
- Investment earnings increased during the fiscal year by \$2.6 million due to an unrealized gain in the change in market value in the City's investments compared to an unrealized loss the previous year.

Total expenses increased in the Governmental funds by \$12.6 million over the previous year. This increase is accounted for by:

- General Government increased by approximately \$3.8 million over the prior year. The increase was primarily attributed to minor assets purchased during the fiscal year. In addition, the General Government also experienced increases in the following areas:
  - Legal services increased by \$174,000
  - City Manager, Finance, and IT personnel costs increased by \$688,000
  - Contractual services increased by \$219,000 in the IT department
- Public Safety expenditures increased by \$2.7 million due primarily to the increase in salaries, health benefits and pension expense.
- Highway and Streets increased due to annual depreciation.
- Culture and Recreation increased due to the increase in personnel costs.
- Development Services increased by \$417,460 due to an increase in both personnel costs and professional services.
- Public Works increased by approximately \$3.0 million. This increase was due to personnel costs, ADA compliance expenses, repair and replacement, and the re-evaluating the distribution of depreciation between Highway and Streets and Public Works.

The following chart illustrates the City's governmental revenues and expenditures by function.

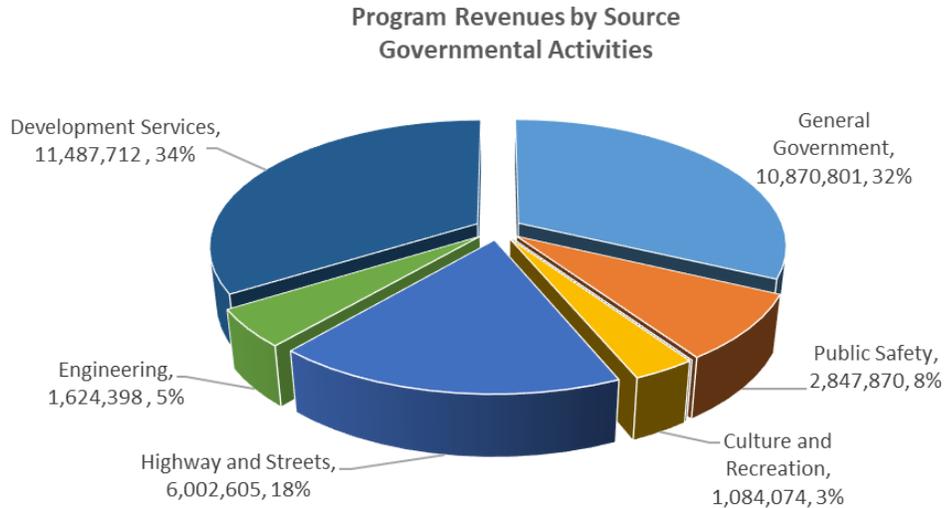


## City of Buckeye, Arizona

### Management's Discussion and Analysis

As shown, Public Safety (Police and Fire) and General Government (City Council, City Manager, City Clerk, Finance, City Court, IT, and Economic Development) are the largest functions in expenses at 34.6% and 21.3% respectively, followed by Highway and Streets at 18.9%, Culture and Recreation at 6.2% and Public Works at 5.3%.

General revenues such as sales and use taxes (e.g. transaction privilege taxes), property taxes, franchise taxes and intergovernmental are not shown by program, but are effectively used to support program activities of the City. Sales taxes and franchise fees account for 47.7% of the total. Intergovernmental revenues (e.g. state-shared sales tax, state revenue sharing franchise fees and auto lieu) account for 23.3% of the total. Property taxes account for 22.9% of the total.



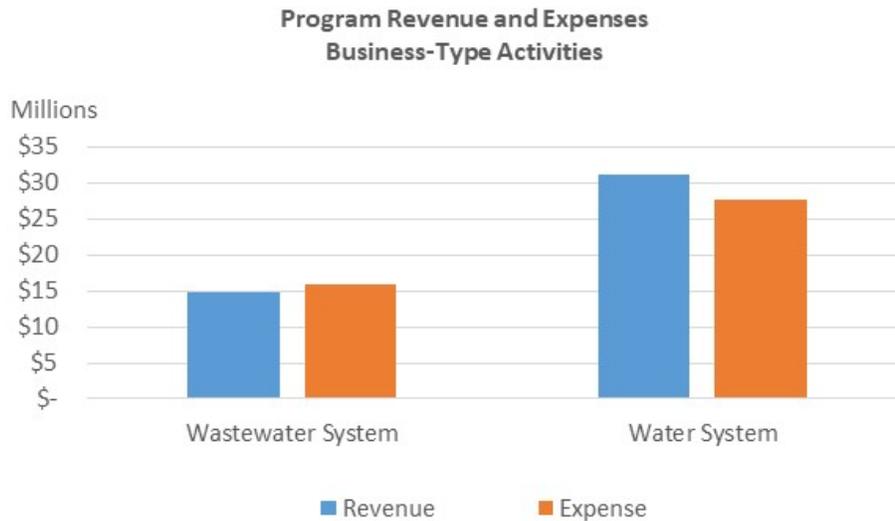
**Business-Type Activities.** Business-type activities increased the City's net position by \$3.4 million (page 20 - 21) during the fiscal year ended June 30, 2019.

Total revenues for business-type activities increased by \$5.1 million over the previous fiscal year. Fees, fines and charges for services showed an increase of \$6.4 million. Charges for services increased due to additional utility customers and increased activity at the airport. The increase was primarily due to an increase in the number of permits issued for single-family homes during the year.

Total expenses increased by \$5.9 million was primarily due to increased developer reimbursement payments made during the year. In addition, the contractual agreement for the City's solid waste services increased by approximately \$627,000.

As shown in the chart below, the Water System had expenses of \$27.8 million and Wastewater expenses totaling \$15.9 million. For the fiscal year, the Water System revenues exceeded expenses by \$3.5 million, and Wastewater expenditures exceeded revenues by \$1.0 million.

**City of Buckeye, Arizona**  
Management's Discussion and Analysis



**Fund Financial Statements Analysis**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City'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 City'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 City include the General Fund, Impact Fee Funds, CFD Funds for both capital improvements and debt service, and Nonmajor Governmental Funds, which includes Special Revenue Funds and Capital Project Funds among others.

As of June 30, 2019, the City's governmental funds reported combined ending fund balances of \$80.8 million, an increase of \$9.8 million from June 30, 2018. Approximately 45% 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. Approximately \$36.0 million of this total amount constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is: 1) non-spendable (\$220,683) for inventory and prepaid items, 2) restricted (\$44.5 million) for special revenue funds, capital improvement funds, community facilities districts and debt service, and 3) committed (\$121,965) for special purposes approved by City Council.

**City of Buckeye, Arizona**  
**Fund Balances - Governmental Funds**  
**For the Fiscal Years Ended June 30, 2019 and 2018**

	Governmental Activities		Increase (Decrease) from FY 2018
	2019	2018	
General Funds	\$ 36,317,744	\$ 27,465,167	\$ 8,852,577
Impact Fee Funds	22,843,608	18,267,433	4,576,175
Watson Road CFD	3,477,290	4,336,033	(858,743)
Festival Ranch CFD	1,154,170	956,368	197,802
HURF Fund	2,617,009	434,700	2,182,309
Nonmajor Governmental Funds	14,442,807	16,829,583	(2,386,776)
	<u>\$ 80,852,628</u>	<u>\$ 68,289,284</u>	<u>\$ 12,563,344</u>

General Fund. The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$36.2 million. As a measure of the general fund's liquidity, it may be useful to compare

**City of Buckeye, Arizona**  
Management's Discussion and Analysis

total unassigned and total fund balance to total fund expenditures. The unassigned fund balance represents 48.0% of total general fund expenditures of \$75.4 million.

According to the City's financial policy, the City's general fund will maintain an "unassigned" fund balance with a target of a minimum of 15% of general fund operating expenditures. The intention of the "unassigned" fund balance is to provide additional stability to the general fund recognizing the cyclical nature of the economy and the volatility of the major revenue sources of the City. Funds in excess of the minimum targets will be retained in the unassigned general fund balance. As of June 30, 2019, the City had set aside 58% of general fund operating expenditures.

The fund balance of the City's general fund increased by \$7.5 million before restatement adjustments. Key factors in this change were:

- The increase in sales taxes has been a contributing factor in the fund balance increase. Construction sales tax continues to increase as the number of single-family building permits increase. The sales tax increase due to construction is considered a one-time revenue and used only for one-time expenditures.
- Another factor to the increase was the increase in permitting activity both residential and commercial.
- Unrealized gains in investment contribution to the increase in the general funds fund balance.

HURF (Highway User Revenues Fund). The HURF Fund, which is required by Arizona law to be accounted for separately from all other funds, increased by \$1,061,450 during the fiscal year. The increase was attributed HURF tax collections exceeding budget by approximately \$642,000. In addition, debt service expenditures were reclassified from HURF to the General Fund.

Impact Fee Funds. Fund balances increased during the fiscal year by \$4.6 million, due to the higher than anticipated housing starts. Total impact fees ending fund balance was \$22.8 million.

Watson Road Community Facility District. During the fiscal year, the Watson Road CFD Fund balance decreased by \$858,742. The reason for the decrease was a prepayment of \$1,503,000 during the year.

Festival Ranch Community Facility District. During the fiscal year, the Festival Ranch CFD Fund balance increased by \$197,802. The reason for the increase was due to the revenues for Build America Bonds Tax Credit, interest and closing out accounts.

Proprietary Funds. The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The total net position for business-type activities (enterprise funds) was \$259.9 million after reinstatement. At the end of the fiscal year, unrestricted net position for the proprietary funds were \$55.3 million, a decrease of \$18.4 million.

Unrestricted net position at the end of the year is as follows for the indicated funds:

**City of Buckeye, Arizona**  
**Unrestricted Net Position - Proprietary Funds**  
**For the Fiscal Years Ended June 30, 2019 and 2018**

	<b>Business-Type Activities</b>		<b>Increase</b>
	<b>2019</b>	<b>2018</b>	<b>(Decrease)</b>
			<b>from FY 2018</b>
Water Fund	\$ 42,577,731	\$ 62,052,412	\$ (19,474,681)
Wastewater Fund	12,195,713	10,958,611	1,237,102
Nonmajor Fund	564,798	747,738	(182,940)
	<u>\$ 55,338,242</u>	<u>\$ 73,758,761</u>	<u>\$ (18,420,519)</u>

Utility rates will be set at a minimum to ensure the ratio of revenue to debt meets bond indenture requirements of 1.20:1 ratio. The City's goal will be to maintain a minimum ratio of utility revenue to debt service of 1.6:1 to ensure debt coverage in times of revenue fluctuations attributable to weather or other causes, and to ensure a balanced pay-as-you-go capital improvement

## **City of Buckeye, Arizona**

### **Management's Discussion and Analysis**

plan. Currently, both of the utility funds have incurred debt. As of June 30, 2019, both utility systems have met the minimum net revenues to debt ratio. Additional information is available on Table 14, Pledge-Revenue Coverage. The City completed reviewing the water and wastewater utility rates during fiscal year 2019-20. The results were presented to Council in December 2019 and approved a water fee increase of \$3.05 per meter per month.

#### **Budgetary Highlights**

The City's annual budget is the legally adopted expenditure control document of the City. Budgetary comparison statements are required for the General Fund and all major special revenue funds and may be found beginning on page 77. These statements compare the original adopted budget and revised budget, and the actual expenditures prepared on a budgetary basis.

Revenues collected in the general fund exceeded budgeted amounts by \$6,580,524. Actual expenditures were less than amount budgeted by \$28,116,015 as the general fund department activities continue to be closely monitored. Differences between budget and actual for revenues and expenditures amounts relates to an increase in licenses and permits, sales tax, and fair value of investments. The difference was primarily attributable to the following reasons:

- Revenue results were over budget by \$6.6 million. Sales tax (i.e. transaction privilege tax) revenues were above estimates by \$2.6 million; licenses and permit revenues for building and related permits were \$1.4 million over budget; Intergovernmental revenues combined were over budget by \$1.0 million.
- Capital outlay had a positive variance to budget of \$9.9 million due to less than budgeted expenditures for uncompleted or not yet started projects. These projects include in part the remodel of the trail on Lower Buckeye Road (\$65,000); a new Police Evidence Building, which was not completed (\$5.6 million); Miller Road sidewalk construction (\$600,000); Gila River removal of salt cedar trees (\$84,195); and 247<sup>th</sup> Avenue road design and construction (\$2.8 million).
- Contingency in the amount of \$16.2 million was unspent.

#### **Capital Asset**

The City's capital assets for its governmental and business-type activities as of June 30, 2019 amount to \$722.6 million (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.

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

Below is a listing of the major capital asset events which occurred during this fiscal year. Some of these capital projects were started during fiscal year 2018, continued during 2019, still ongoing, and some of the projects have been completed and recorded during fiscal year 2019.

- Police Property and Evidence building project (\$625,430) is in the early stage of construction.
- Van Buren/Verrado Way intersection improvements completed at a cost of \$1.5 million.
- This fueling site improvement will be accessible to all city vehicles and allow keeping the fuel costs to a minimum. Total cost of the project was \$300,464.
- The Earl Edgar Park restrooms remodeling and lighting upgrades completed at a cost of \$1.1 million.
- Roosevelt Street Improvements totaled \$6.3 million.

**City of Buckeye, Arizona**  
Management's Discussion and Analysis

- Sidewalk projects on Monroe Avenue and Miller Road were completed during the year at a cost of \$638,420. This projected will increase the safety of the residences within the area.

**Business Type**

- Apache Road Water campus project is currently in the construction phase. Total costs to date equal \$27.1 million.
- Water Administration building remodel project completed at a cost of \$1.3 million.
- Roosevelt Sewer Line completed at a cost of \$606,924.
- The Apache Road fill line project was completed at a cost of \$644,922.
- SCADA improvements for the Sundance utility facility was completed at a cost of \$503,061.

The following table provides details of the City's capital assets as of June 30, 2019:

**City of Buckeye, Arizona**  
**Capital Assets at June 30, 2019**  
**(Net of Depreciation)**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Land	\$ 176,452,449	\$ 11,775,296	\$ 188,227,746
Water Rights	-	3,883,259	3,883,259
Construction in progress	8,037,097	29,872,945	37,910,042
Land improvements	16,738,200	2,566,140	19,304,340
Buildings and improvements	34,275,846	59,043,537	93,319,382
Infrastructure	143,386,936	-	143,386,936
Landfill	24,913,341	-	24,913,341
Machinery and equipment	17,863,473	5,001,148	22,864,621
Wastewater system	-	112,933,706	112,933,706
Water system	-	75,903,573	75,903,573
	<u>\$ 421,667,342</u>	<u>\$ 300,979,604</u>	<u>\$ 722,646,946</u>

**Long-Term Debt**

At the end of the fiscal year, the City had total long-term obligations outstanding of \$273.8 million. Of this amount, \$128 million (44.6%) is Community Facilities District bonds backed solely by the property owners within the various CFDs. Improvement district bonds of \$5.6 million (1.9%) are backed principally by the property owners within the improvement district which the City is liable in the event of default by the owners subject to the assessment. An additional \$13.2 million (governmental activities) and \$67.4 million (business-type activities) of outstanding debt is secured by pledges of specific revenue sources of the City. The remaining \$59 million (21.5%) is for compensated absences, deferred amounts on bond premiums, and discounts and pension liability related to ASRS and PSPRS per GASB 68.

The State constitution limits the amount of general obligation debt a city may issue to six percent of its total assessed valuation. The current six percent debt limitation for the City is \$36.4 million. In addition, the State constitution limit allows a city to issue an additional 20 percent of its total assessed valuation for water, wastewater, lights, transportation, public safety, open space preserves, parks, playgrounds and recreational facilities. The current 20 percent debt limitation for the City is \$121.5 million. The City has no property tax authority and no outstanding general obligation debt outstanding as of June 30, 2019.

**City of Buckeye, Arizona**  
Management's Discussion and Analysis

The following table shows the long-term obligations of the City (including both the current and long-term portions of those obligations) as of June 30, 2019.

**City of Buckeye, Arizona**  
**Long-term Obligations at June 30, 2019**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Improvement district bonds	\$ 5,586,000	\$ -	\$ 5,586,000
Revenue bonds	13,173,200	67,408,283	80,581,483
Community facility district bonds	128,704,523	-	128,704,523
Deferred amount on premium	3,249,857	4,147,859	7,397,716
Deferred amount on discount	(304,123)	-	(304,123)
Compensated absences	2,323,236	312,979	2,636,215
Net Pension Liability - ASRS	21,894,714	7,066,548	28,961,262
Net Pension Liability - PSPRS	20,261,229	-	20,261,229
	<u>\$194,888,636</u>	<u>\$ 78,935,669</u>	<u>\$273,824,305</u>

**Fiscal Year 2019-20 Budget Proposal Highlights**

The total for this balanced budget is \$284.7 million excluding budgeted transfers and includes significant investments in services for our citizens, our employees, and the City's infrastructure. It complies with Council adopted policy, including a fully funded contingency reserve.

The City's population continues to increase averaging 8 percent the last three years, and we are predicting an additional 9 percent increase this year to more than 87,000. These increases, among other factors, translate to a projected ten (10) percent increase in operating revenues (excluding other financing sources and bond proceeds) but also contribute to additional service demands and expenditure needs.

General Fund major revenue sources include:

- \$35.3 million projected city sales taxes
- \$19.7 million in state-shared revenue
- \$12.5 million predicted development-related fees
- \$9.0 million property tax revenues

The City's primary property tax rate is expected to remain at \$1.80 per \$100.00 of taxable value as it has for the past seven years. The City's assessed value increased by 14.8% over the prior year which will result in an increase in property tax levy assessed values due to new construction also contributed to the increase in the City tax levy.

While there are more needs than available funds, the focus of this year's proposed expenditure plan is on creating a balance between investing in citizen services, investing in our employees and investing in our infrastructure. Examples of increased services include additional street paving projects, new park trails and equipment. Other investments include:

- \$6 million for a secure Police Evidence Facility
- \$5.2 million for new fire station at Tartesso
- \$6.4 million for intersection improvements and traffic signals at Miller & Broadway and Miller & Southern
- \$3.2 million for Phase II design of the Sundance Park
- \$645,000 for sidewalks on both Miller Road and Monroe Avenue

The budget includes the addition of 23 positions. Out of these 14 positions, 4 positions were approved for the police department, 1 additional position for the fire department, 1.5 positions in Community Services and 6 Support Services positions. These new positions will allow the City to respond to the needs of the community and still result in a slight decrease

## **City of Buckeye, Arizona**

### Management's Discussion and Analysis

in the number of employees per 1,000 residents. Additionally, in order to attract and retain a quality team of employees, the budget includes a 2 percent merit increase for eligible employees, and a 2 percent cost of living adjustment.

There are 60 capital improvement projects totaling approximately \$119.2 million in this year's CIP budget. In addition to the projects mentioned above, the following projects are also part of the City's five-year capital improvement plan:

- \$710,000 to upgrade the irrigation, lighting and restrooms at Earl Edgar Park
- \$37 million for the Apache Water Campus. This is one of the largest projects to date in the City's CIP plan and includes master planning, design, and construction. This project is scheduled to continue through FY 2020/2021.
- \$12.2 for construction of North Miller Road sewer trunk line to improve wastewater service to the major commercial areas on Miller Road.

As one of the fastest-growing cities in the country, with a planning area of over 642 square miles, the budget for FY 2019/2020 focuses on meeting the demands of growth and smart planning for future needs.

#### **Financial Contact Information**

This report is designed to provide a general overview of the City'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:

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

or visit the City's website at [www.buckeyeaz.gov](http://www.buckeyeaz.gov). Financial documents and reports are available on the website (select Departments, select Finance, select Reports), along with many other City government documents, reports and information.

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**City of Buckeye, Arizona**  
**Statement of Net Position**  
June 30, 2019

ASSETS	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Cash and investments	\$ 81,878,915	\$ 58,552,741	\$ 140,431,656
Receivables, net			
Accounts receivable	1,348,172	6,199,848	7,548,020
Taxes receivable	183,903	-	183,903
Intergovernmental	6,520,553	-	6,520,553
Special assessments receivable	39,180,523	-	39,180,523
Accrued interest	477,694	-	477,694
Inventory	126,092	358,464	484,556
Prepaid expenses	95,797	3,277	99,074
Restricted assets			
Cash with paying agent	6,220,096	2,409,212	8,629,308
Restricted cash	5,475,835	-	5,475,835
Capital assets			
Land and construction in progress	184,489,546	54,634,457	239,124,003
Facilities, infrastructure and equipment (net of depreciation)	237,177,796	246,345,143	483,522,939
<b>Total assets</b>	<b>563,174,922</b>	<b>368,503,142</b>	<b>931,678,064</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Excess consideration provided for acquisition	-	23,358,372	23,358,372
Loss on refunding and defeasance	538,300	-	538,300
Pension related deferred outflows - ASRS	4,758,388	1,535,776	6,294,164
Pension related deferred outflows - PSPRS	11,467,067	-	11,467,067
<b>Total deferred outflows of resources</b>	<b>16,763,755</b>	<b>24,894,148</b>	<b>41,657,903</b>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	4,103,914	9,607,121	13,711,035
Accrued wages and benefits	3,445,535	322,878	3,768,413
Retainage Payable	-	1,293,533	1,293,533
Interest payable	275,286	-	275,286
Deferred revenue	777,750	-	777,750
Customer deposits payable	1,475,861	3,443,247	4,919,108
Noncurrent liabilities			
Due within one year			
Matured debt interest payable	3,568,258	1,503,030	5,071,288
Matured debt principal payable	8,103,111	1,579,981	9,683,092
Bonds payable	227,000	934,474	1,161,474
Compensated absences	2,160,609	291,069	2,451,678
Due in more than one year			
Bonds payable	150,182,457	70,621,668	220,804,125
Net pension liability - ASRS	21,894,714	7,066,548	28,961,262
Net pension liability - PSPRS	20,261,229	-	20,261,229
Compensated absences	162,627	21,910	184,537
<b>Total liabilities</b>	<b>216,638,351</b>	<b>96,685,459</b>	<b>313,323,810</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Gain on refunding and defeasance	592,454	-	592,454
Pension related deferred inflows - ASRS	2,588,485	835,437	3,423,922
Pension related deferred inflows - PSPRS	2,839,684	-	2,839,684
<b>Total deferred inflows of resources</b>	<b>6,020,623</b>	<b>835,437</b>	<b>6,856,060</b>
<b>NET POSITION</b>			
Net investment in capital assets	268,720,179	227,843,477	496,563,656
Restricted for			
Impact fees	22,843,608	8,546,817	31,390,425
Highways and Streets	2,532,081	-	2,532,081
Debt service	45,984,748	-	45,984,748
Capital projects	5,006,931	-	5,006,931
Nonmajor Special Purposes	1,926,627	-	1,926,627
Unrestricted	10,265,529	59,486,100	69,751,629
<b>Total net position</b>	<b>\$ 357,279,703</b>	<b>\$ 295,876,394</b>	<b>\$ 653,156,097</b>

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

**City of Buckeye, Arizona**

**Statement of Activities**

For the Year Ended June 30, 2019

Functions/Programs	Expenses	Fees, Fines, and Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities				
General government	\$ 22,746,029	\$ 9,699,592	\$ 1,171,209	\$ -
Public safety	36,998,761	2,847,870	-	-
Highways and streets	20,066,172	333,620	4,702,433	966,552
Culture and recreation	6,708,402	1,084,074	-	-
Development services	3,666,988	11,487,712	-	-
Engineering	2,487,396	1,624,398	-	-
Public works	5,697,887	-	-	-
Interest on long-term debt	8,580,823	-	-	-
Total governmental activities	<u>106,952,458</u>	<u>27,077,266</u>	<u>5,873,642</u>	<u>966,552</u>
Business-type activities				
Water	27,803,235	31,281,764	-	-
Wastewater	15,888,986	14,859,313	-	-
Nonmajor enterprise fund	7,494,469	7,322,976	-	-
Total business-type activities	<u>51,186,690</u>	<u>53,464,053</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 158,139,148</u>	<u>\$ 80,541,319</u>	<u>\$ 5,873,642</u>	<u>\$ 966,552</u>

General revenues:

- Taxes:
  - Sales taxes
  - Property taxes
  - Franchise taxes
- Unrestricted revenues:
  - State revenue sharing
  - State sales tax revenue sharing
  - Auto lieu tax revenue sharing
- Investment earnings
- Other
- Transfers
- Total general revenues and transfers
- Change in net position
- Net position - beginning, as restated
- Net position - ending

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

**Primary Government**

<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
\$ (11,875,228)	\$ -	\$ (11,875,228)
(34,150,891)	-	(34,150,891)
(14,063,567)	-	(14,063,567)
(5,624,328)	-	(5,624,328)
7,820,724	-	7,820,724
(862,998)	-	(862,998)
(5,697,887)	-	(5,697,887)
(8,580,823)	-	(8,580,823)
<u>(73,034,998)</u>	<u>-</u>	<u>(73,034,998)</u>
-	3,478,529	3,478,529
-	(1,029,673)	(1,029,673)
-	(171,493)	(171,493)
-	<u>2,277,363</u>	<u>2,277,363</u>
<u>\$ (73,034,998)</u>	<u>\$ 2,277,363</u>	<u>\$ (70,757,635)</u>
33,750,698	-	33,750,698
17,828,195	-	17,828,195
3,412,932	-	3,412,932
8,289,650	-	8,289,650
6,935,749	-	6,935,749
2,970,798	-	2,970,798
2,729,219	1,223,051	3,952,270
2,060,514	-	2,060,514
80,804	(81,300)	(496)
<u>78,058,559</u>	<u>1,141,751</u>	<u>79,200,310</u>
<u>5,023,561</u>	<u>3,419,114</u>	<u>8,442,675</u>
<u>352,256,142</u>	<u>292,457,280</u>	<u>644,713,422</u>
<u>\$ 357,279,703</u>	<u>\$ 295,876,394</u>	<u>\$ 653,156,097</u>

**City of Buckeye, Arizona**  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2019

	General	Special Revenue Fund Highway Users Revenue Fund	Capital Projects Fund Impact Fees Funds	Debt Service	
				Watson Road CFD	Festival Ranch CFD
<b>ASSETS</b>					
Cash and investments	\$ 36,930,893	\$ 2,608,621	\$ 22,843,608	\$ 575,410	\$ 589,729
Receivables, net					
Accounts	996,027	-	-	243,242	-
Taxes	67,279	-	-	-	18,239
Intergovernmental	5,838,686	446,830	-	-	-
Special assessments	-	-	-	21,587,000	9,638,523
Accrued interest	477,694	-	-	-	-
Inventory	42,243	83,849	-	-	-
Prepaid items	90,512	1,079	-	-	-
Restricted assets					
Cash with paying agent	738,529	118,306	-	-	2,132,086
Restricted cash	134,165	-	-	4,962,542	379,128
Total assets	<u>\$ 45,316,028</u>	<u>\$ 3,258,685</u>	<u>\$ 22,843,608</u>	<u>\$ 27,368,194</u>	<u>\$ 12,757,705</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 2,929,450	\$ 564,164	\$ -	\$ 46,631	\$ 11,850
Accrued wages and benefits	3,368,023	77,512	-	-	-
Deferred revenue	464,764	-	-	-	-
Customer deposits payable	1,285,761	-	-	46,442	-
Matured debt interest payable	275,286	-	-	685,831	879,051
Matured debt principal payable	675,000	-	-	1,525,000	1,074,111
Total liabilities	<u>8,998,284</u>	<u>641,676</u>	<u>-</u>	<u>2,303,904</u>	<u>1,965,012</u>
Deferred Inflows of Resources:					
Special assessments not yet due	-	-	-	21,587,000	9,638,523
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,587,000</u>	<u>9,638,523</u>
Fund Balances:					
Nonspendable	132,755	84,928	-	-	-
Restricted:					
Impact Fees	-	-	22,843,608	-	-
Highways and Streets	-	2,532,081	-	-	-
Capital Projects	-	-	-	-	-
Other Special Purposes	-	-	-	-	-
Debt Service	-	-	-	3,477,290	1,154,170
Committed	-	-	-	-	-
Unassigned	36,184,989	-	-	-	-
Total fund balances	<u>36,317,744</u>	<u>2,617,009</u>	<u>22,843,608</u>	<u>3,477,290</u>	<u>1,154,170</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 45,316,028</u>	<u>\$ 3,258,685</u>	<u>\$ 22,843,608</u>	<u>\$ 27,368,194</u>	<u>\$ 12,757,705</u>

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

<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 18,330,654	\$ 81,878,915
108,903	1,348,172
98,385	183,903
235,037	6,520,553
7,955,000	39,180,523
-	477,694
-	126,092
4,206	95,797
3,231,175	6,220,096
-	5,475,835
<u>\$ 29,963,360</u>	<u>\$ 141,507,580</u>
\$ 551,819	\$ 4,103,914
-	3,445,535
312,986	777,750
143,658	1,475,861
1,728,090	3,568,258
4,829,000	8,103,111
<u>7,565,553</u>	<u>21,474,429</u>
<u>7,955,000</u>	<u>39,180,523</u>
<u>7,955,000</u>	<u>39,180,523</u>
3,000	220,683
-	22,843,608
-	2,532,081
10,375,491	10,375,491
1,926,627	1,926,627
2,172,765	6,804,225
121,965	121,965
(157,041)	36,027,948
<u>14,442,807</u>	<u>80,852,628</u>
<u>\$ 29,963,360</u>	<u>\$ 141,507,580</u>

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**City of Buckeye, Arizona**  
**Reconciliation of the Balance Sheet**  
**to the Statement of Net Position**  
**Governmental Activities**  
June 30, 2019

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Fund balances - total governmental funds \$ 80,852,628

Amounts reported for governmental activities in the statement of net position  
are different because:

Special assessment revenue not available for current financial resources 39,180,523

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

Governmental capital assets	656,271,243	
Less accumulated depreciation	<u>(234,603,901)</u>	<u>421,667,342</u>

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

Improvement bonds	(5,586,000)	
Revenue bonds	(13,173,200)	
Community facilities district bonds	(128,704,523)	
Loss on refunding and defeasance of bonds	538,300	
Gain on refunding and defeasance of bonds	(592,454)	
Premium on long-term debt issued	(3,249,857)	
Discount on long-term debt issued	304,123	
Compensated absences	(2,323,236)	
Accrued interest on long-term debt	(275,286)	
Net Pension Liability - ASRS	(21,894,714)	
Net Pension Liability - PSPRS	(20,261,229)	
Deferred inflow of resources - ASRS	(2,588,485)	
Deferred inflow of resources - PSPRS	(2,839,684)	
Deferred outflow of resources - ASRS	4,758,388	
Deferred outflow of resources - PSPRS	<u>11,467,067</u>	<u>(184,420,790)</u>

Net position of governmental activities \$ 357,279,703

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

**City of Buckeye, Arizona**

**Statement of Revenues, Expenditures and Changes in Fund Balances**

**Governmental Funds**

For the Year Ended June 30, 2019

	General	Special	Capital	Debt Service	
		Revenue Fd Highway Users Revenue Fund	Projects Fund Impact Fees Funds	Watson Road CFD	Festival Ranch CFD
<b>REVENUES</b>					
Taxes:					
Sales taxes	\$ 33,553,978	\$ -	\$ -	\$ -	\$ -
Property taxes	8,026,209	-	-	-	1,856,908
Franchise fees	3,412,932	-	-	-	-
Intergovernmental	18,196,197	4,702,433	-	-	-
Fines and forfeitures	830,894	-	-	-	-
Licenses and permits	13,112,110	-	-	-	-
Charges for services	3,075,109	-	-	1,332	-
Developer agreements	-	-	-	-	-
Contributions and donations	-	-	-	-	560,425
Impact fees	-	-	4,265,564	-	-
Special assessments	-	-	-	3,366,428	719,472
Investment earnings	2,096,223	19,172	342,584	70,517	19,362
Other	1,711,864	91,625	-	-	148,697
<b>Total revenues</b>	<b>84,015,516</b>	<b>4,813,230</b>	<b>4,608,148</b>	<b>3,438,277</b>	<b>3,304,864</b>
<b>EXPENDITURES</b>					
Current:					
General government	16,543,196	-	-	-	-
Public safety	33,413,182	-	3,468	-	-
Highway and streets	-	3,427,274	14,223	-	-
Culture and recreation	5,003,349	-	9,641	-	-
Public works	3,725,915	-	-	-	-
Development services	3,575,236	-	-	-	-
Engineering	2,471,120	-	-	-	-
Debt service:					
Principal retirement	1,326,400	-	-	2,885,000	1,184,111
Interest and fiscal charges	553,815	-	-	1,412,019	1,684,024
Issuance costs of long term debt	-	-	-	-	553,352
Capital outlay	8,756,727	324,506	4,585	-	3,587,967
<b>Total expenditures</b>	<b>75,368,940</b>	<b>3,751,780</b>	<b>31,917</b>	<b>4,297,019</b>	<b>7,009,454</b>
Excess (deficiency) of revenues over expenditures	8,646,576	1,061,450	4,576,231	(858,742)	(3,704,590)
<b>OTHER FINANCING SOURCES (USES)</b>					
Bonds issued	-	-	-	-	7,977,000
Refunding bonds issued	-	-	-	-	-
Premiums issued	-	-	-	-	279,705
Payment to refunding agent	-	-	-	-	-
Transfers in	1,213,000	-	579,945	-	-
Transfers out	(2,381,596)	-	(580,000)	-	(4,354,313)
<b>Total other financing sources (uses)</b>	<b>(1,168,596)</b>	<b>-</b>	<b>(55)</b>	<b>-</b>	<b>3,902,392</b>
<b>Net Change in Fund Balances</b>	<b>7,477,980</b>	<b>1,061,450</b>	<b>4,576,176</b>	<b>(858,742)</b>	<b>197,802</b>
Fund Balances, Beginning of Year, restated	28,839,764	1,555,559	18,267,432	4,336,032	956,368
<b>Fund Balances, End of Year</b>	<b>\$ 36,317,744</b>	<b>\$ 2,617,009</b>	<b>\$ 22,843,608</b>	<b>\$ 3,477,290</b>	<b>\$ 1,154,170</b>

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

<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 196,720	\$ 33,750,698
7,945,078	17,828,195
-	3,412,932
1,171,209	24,069,839
-	830,894
-	13,112,110
431,019	3,507,460
21,845	21,845
384,282	944,707
-	4,265,564
1,206,449	5,292,349
181,361	2,729,219
46,689	1,998,875
<u>11,584,652</u>	<u>111,764,687</u>
879,308	17,422,504
1,031,934	34,448,584
1,811,646	5,253,143
686,009	5,698,999
-	3,725,915
-	3,575,236
-	2,471,120
5,569,000	10,964,511
3,650,996	7,300,854
584,686	1,138,038
9,448,982	22,122,767
<u>23,662,561</u>	<u>114,121,671</u>
<u>(12,077,909)</u>	<u>(2,356,984)</u>
3,265,000	11,242,000
9,570,000	9,570,000
281,229	560,934
(9,266,000)	(9,266,000)
8,493,121	10,286,066
(2,889,353)	(10,205,262)
<u>9,453,997</u>	<u>12,187,738</u>
<u>(2,623,912)</u>	<u>9,830,754</u>
<u>17,066,719</u>	<u>71,021,874</u>
<u>\$ 14,442,807</u>	<u>\$ 80,852,628</u>

**City of Buckeye, Arizona**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balance of Governmental Funds**  
**to the Statement of Activities**  
For the Year Ended June 30, 2019

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Net change in fund balances - total governmental funds \$ 9,830,754

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.

Outlay for capital assets	17,897,034	
Less current year depreciation	<u>(21,418,752)</u>	(3,521,718)

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		68,889
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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 position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position. 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	(20,812,000)	
Premiums on debts issued	(560,933)	
Principal payments on long-term debt	20,230,511	
Amortization of loss on refunding and defeasance	(62,923)	
Amortization of gain on refunding and defeasance	61,638	
Amortization of premium	254,819	
Amortization of discount	(48,732)	
Interest on long-term debt	98,862	
Pension Expense - ASRS	119,593	
Pension Expense - PSPRS	<u>(188,319)</u>	(907,484)

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

Net increase in compensated absences		<u>(446,880)</u>
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Change in net position of governmental activities		<u>\$ 5,023,561</u>
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The notes to the financial statements are an integral part of this statement.

**City of Buckeye, Arizona**  
**Statement of Net Position**  
**Proprietary Funds**  
June 30, 2019

<b>ASSETS</b>	<b>Wastewater</b>	<b>Water</b>	<b>Nonmajor Enterprise Fund</b>	<b>Totals</b>
<b>Current assets:</b>				
Cash and investments	\$ 20,727,833	\$ 35,982,151	\$ 1,842,757	\$ 58,552,741
Cash with trustee	114,984	2,294,228	-	2,409,212
Accounts receivable, net	1,259,362	4,070,617	869,869	6,199,848
Inventory	-	326,203	32,261	358,464
Prepaid expenses	914	633	1,730	3,277
<b>Total current assets</b>	<b>22,103,093</b>	<b>42,673,832</b>	<b>2,746,617</b>	<b>67,523,542</b>
<b>Noncurrent assets:</b>				
<b>Capital assets:</b>				
Buildings and improvements	70,332,855	16,363,047	2,471,029	89,166,931
Distribution and collection systems	162,054,895	139,753,371	-	301,808,266
Water rights	-	3,883,259	-	3,883,259
Machinery and equipment	2,588,582	4,598,652	496,751	7,683,985
Less accumulated depreciation & amortization	(69,914,988)	(73,792,091)	(12,490,219)	(156,197,298)
Land and improvements	5,497,772	2,384,496	16,879,243	24,761,511
Construction in progress	1,999,364	27,432,925	440,657	29,872,946
<b>Capital assets, net</b>	<b>172,558,480</b>	<b>120,623,659</b>	<b>7,797,461</b>	<b>300,979,600</b>
<b>Total assets</b>	<b>194,661,573</b>	<b>163,297,491</b>	<b>10,544,078</b>	<b>368,503,142</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Excess consideration provided for acquisition	-	23,358,372	-	23,358,372
Pension related deferred outflows - ASRS	477,727	868,594	189,455	1,535,776
<b>Total deferred outflows of resources</b>	<b>477,727</b>	<b>24,226,966</b>	<b>189,455</b>	<b>24,894,148</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	1,974,376	6,617,881	1,014,864	9,607,121
Accrued wages and benefits	104,615	179,372	38,891	322,878
Retainage payable	-	1,293,533	-	1,293,533
Customer deposits payable	392,759	2,736,250	314,238	3,443,247
Compensated absences	69,748	194,829	26,492	291,069
Accrued interest payable	131,221	1,371,809	-	1,503,030
Accrued principal payable	756,465	823,516	-	1,579,981
<b>Total current liabilities</b>	<b>3,429,184</b>	<b>13,217,190</b>	<b>1,394,485</b>	<b>18,040,859</b>
<b>Noncurrent liabilities:</b>				
Compensated absences	5,250	14,665	1,995	21,910
Bonds, notes and loans payable	8,616,042	62,940,100	-	71,556,142
Net pension liability - ASRS	2,198,160	3,996,654	871,734	7,066,548
<b>Total noncurrent liabilities</b>	<b>10,819,452</b>	<b>66,951,419</b>	<b>873,729</b>	<b>78,644,600</b>
<b>Total liabilities</b>	<b>14,248,636</b>	<b>80,168,609</b>	<b>2,268,214</b>	<b>96,685,459</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferred inflows - ASRS	259,876	472,501	103,060	835,437
<b>Total deferred inflows of resources</b>	<b>259,876</b>	<b>472,501</b>	<b>103,060</b>	<b>835,437</b>
<b>NET POSITION</b>				
Net investment in capital assets	163,185,973	56,860,043	7,797,461	227,843,477
<b>Restricted:</b>				
Impact fees	5,249,102	3,297,715	-	8,546,817
Unrestricted	12,195,713	46,725,589	564,798	59,486,100
<b>Total net position</b>	<b>\$ 180,630,788</b>	<b>\$ 106,883,347</b>	<b>\$ 8,362,259</b>	<b>\$ 295,876,394</b>

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

**City of Buckeye, Arizona**

**Statement of Revenue, Expenses and Changes in Fund Net Position**

**Proprietary Funds**

For the Fiscal Year Ended June 30, 2019

	<u>Wastewater</u>	<u>Water</u>	<u>Nonmajor Enterprise Fund</u>	<u>Total</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 10,213,541	\$ 23,429,505	\$ 6,046,630	\$ 39,689,676
Other fees and charges	345,827	4,025,852	1,013,335	5,385,014
Other operating revenues	1,516	156,549	5,605	163,670
Total operating revenues	<u>10,560,884</u>	<u>27,611,906</u>	<u>7,065,570</u>	<u>45,238,360</u>
<b>OPERATING EXPENSES</b>				
Salaries, wages and employee benefits	2,647,562	4,682,713	865,898	8,196,173
Contractual services, materials and expenses	2,525,555	4,864,539	6,021,845	13,411,939
Other operating expenses	669,835	2,001,481	219,225	2,890,541
Capital outlay	19,536	55,170	-	74,706
Depreciation and amortization	5,944,619	10,427,635	387,501	16,759,755
Total operating expenses	<u>11,807,107</u>	<u>22,031,538</u>	<u>7,494,469</u>	<u>41,333,114</u>
Operating income (loss)	<u>(1,246,223)</u>	<u>5,580,368</u>	<u>(428,899)</u>	<u>3,905,246</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Impact fees	4,210,847	3,669,858	-	7,880,705
Investment earnings	336,228	856,385	30,438	1,223,051
Interest expense	(280,199)	(3,338,740)	-	(3,618,939)
Intergovernmental	87,582	-	257,406	344,988
Developer reimbursements	(3,801,680)	(2,432,957)	-	(6,234,637)
Total non-operating revenues (expense)	<u>552,778</u>	<u>(1,245,454)</u>	<u>287,844</u>	<u>(404,832)</u>
Income (loss) before transfers	<u>(693,445)</u>	<u>4,334,914</u>	<u>(141,055)</u>	<u>3,500,414</u>
Transfers in	-	-	-	-
Transfers out	-	-	(81,300)	(81,300)
Change in net position	<u>(693,445)</u>	<u>4,334,914</u>	<u>(222,355)</u>	<u>3,419,114</u>
Total net position - beginning, as restated	<u>181,324,233</u>	<u>102,548,433</u>	<u>8,584,614</u>	<u>292,457,280</u>
Total net position - ending	<u>\$ 180,630,788</u>	<u>\$ 106,883,347</u>	<u>\$ 8,362,259</u>	<u>\$ 295,876,394</u>

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

**City of Buckeye, Arizona**

**Statement of Cash Flows**

**Proprietary Funds**

For the Fiscal Year Ended June 30, 2019

	<u>Wastewater</u>	<u>Water</u>	<u>Nonmajor Enterprise Fund</u>	<u>Totals</u>
<b>Cash flows from operating activities</b>				
Receipts from customers	\$ 10,689,016	\$ 27,442,774	\$ 7,126,195	\$ 45,257,985
Payments to suppliers	(1,827,193)	(2,498,207)	(5,733,000)	(10,058,400)
Payments to employees	(2,506,121)	(4,528,059)	(752,675)	(7,786,855)
Customer deposits received (paid)	290,431	(71,898)	139,279	357,812
Net cash provided (used) by operating activities	<u>6,646,133</u>	<u>20,344,610</u>	<u>779,799</u>	<u>27,770,542</u>
<b>Cash flows from capital and related financing activities</b>				
Impact fees	4,210,847	3,669,858	-	7,880,705
Developer reimbursements	(3,801,680)	(2,432,957)	-	(6,234,637)
Intergovernmental	87,582	-	257,406	344,988
Purchases of capital assets	(3,315,623)	(25,634,619)	(348,086)	(29,298,328)
Interest paid on capital debt	(172,873)	(1,420,815)	-	(1,593,688)
Proceeds from capital debt	-	92,905	-	92,905
Principal paid on capital debt	(737,883)	(815,463)	-	(1,553,346)
Net cash provided (used) by capital and related financing activities	<u>(3,729,630)</u>	<u>(26,541,091)</u>	<u>(90,680)</u>	<u>(30,361,401)</u>
<b>Cash flows from noncapital financing activities</b>				
Transfers from (to) other funds	-	-	(81,300)	(81,300)
Net cash from (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>(81,300)</u>	<u>(81,300)</u>
<b>Cash flows from investing activities</b>				
Investment earnings	336,228	856,385	30,438	1,223,051
Net cash from (used in) investing activities	<u>336,228</u>	<u>856,385</u>	<u>30,438</u>	<u>1,223,051</u>
Net increase (decrease) in cash and investment	3,252,731	(5,340,096)	638,257	(1,449,108)
Cash balance, July 1, 2018	17,590,086	43,309,061	1,204,500	62,103,647
Prior period adjustment	-	307,414	-	307,414
Cash balance, June 30, 2019	<u>\$ 20,842,817</u>	<u>\$ 38,276,379</u>	<u>\$ 1,842,757</u>	<u>\$ 60,961,953</u>
Cash and investments	\$ 20,727,833	\$ 35,982,151	\$ 1,842,757	\$ 58,552,741
Cash with trustee	114,984	2,294,228	-	2,409,212
Cash balance, June 30, 2019	<u>\$ 20,842,817</u>	<u>\$ 38,276,379</u>	<u>\$ 1,842,757</u>	<u>\$ 60,961,953</u>

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

**City of Buckeye, Arizona**  
**Statement of Cash Flows**  
**Proprietary Funds**

For the Fiscal Year Ended June 30, 2019

Reconciliation of operating income (loss) to net cash from (used in) operating activities:				
Operating income (loss)	\$ (1,246,223)	\$ 5,580,368	\$ (428,899)	\$ 3,905,246
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:				
Depreciation expense	5,944,619	7,106,471	387,501	13,438,591
Amortization	-	3,321,164	-	3,321,164
Add: Pension Expense	83,620	(35,976)	88,426	136,070
Substract: Employer Pension Contribution	29,290	75,231	5,162	109,683
Changes in assets and liabilities:				
Increase (decrease) in accounts receivable	128,132	(169,132)	60,625	19,625
Increase in inventory	-	(326,203)	(32,261)	(358,464)
Decrease in prepaid expenses	(914)	(494)	(1,730)	(3,138)
Increase in accounts payable	1,401,263	5,126,930	542,212	7,070,405
Increase in accrued wages and benefits	30,766	50,207	10,911	91,884
Decrease in intergovernmental payable	(12,616)	(377,250)	(152)	(390,018)
Increase (decrease) in compensated absences payables	(2,235)	65,192	8,724	71,681
Increase (decrease) in customer deposits	290,431	(71,898)	139,279	357,812
Total adjustments	<u>7,892,356</u>	<u>14,764,242</u>	<u>1,208,697</u>	<u>23,865,295</u>
Net cash from (used in) operating activities	<u>\$ 6,646,133</u>	<u>\$ 20,344,610</u>	<u>\$ 779,798</u>	<u>\$ 27,770,541</u>

**City of Buckeye, Arizona**  
**Statement of Net Position**  
**Fiduciary Fund**  
 For the Year Ended June 30, 2019

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	<u>Pension Trust</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 313,209
Total assets	<u>\$ 313,209</u>
<b>NET POSITION</b>	
Restricted for pensions	<u>\$ 313,209</u>
Total net position	<u>\$ 313,209</u>

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

**City of Buckeye, Arizona**  
**Statement of Changes in Net Position**  
**Fiduciary Fund**  
For the Year Ended June 30, 2019

	<u>Pension Trust</u>
Additions	
State fire insurance premium	\$ 1,522
City contribution	496
Investment earnings:	
Net increase in fair value of investments	<u>8,806</u>
Total additions, net of depreciation in fair value	<u>10,824</u>
Deductions	
Administration	<u>2,018</u>
Total deductions	<u>2,018</u>
Change in net position	8,806
Net position - beginning	<u>304,403</u>
Net position - ending	<u>\$ 313,209</u>

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

# City of Buckeye, Arizona

## Notes to Financial Statements

### Notes for Financial Statements

#### Note 1 – Summary of Significant Accounting Policies

The accompanying financial statements of the City of Buckeye, Arizona (the City) 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 City's more significant accounting policies follows.

During the year ended June 30, 2019, the City implemented the provisions of GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Borrowings and Direct Placements*. This Statement requires enhanced note disclosures and clarifies which liabilities governments should include when disclosing information related to debt.

#### A. Financial Reporting Entity

The City was incorporated in 1929 under the provisions of the State of Arizona. The current City Charter established the Council/Manager form of government. The City 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 City provides basic government services to its citizens including public safety, roads, water, wastewater, planning and zoning, parks and recreation facilities, library and general administrative services. The accompanying financial statements present the City and its blended component units, entities for which the City is considered to be financially accountable. In accordance with GASB Statement No. 14, and as amended by GASB Statement No. 61, the component units discussed below have been included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

In accordance with GASB Statement 39, *Determining Whether Certain Organizations are Component Units*, the City includes in its financial statements all entities for which the City's Mayor and Council are financially accountable. As the primary government, the City is financially accountable if it appoints a voting majority of an organization's governing body, and: 1) it is able to impose its will on that organization, or 2) there is a potential for that organization to provide specific benefits to or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government.

#### **Individual Component Units - Blended**

Community Facilities Districts were formed for the purpose of acquiring and improving public infrastructure in specified land areas. As special purpose districts and separate political subdivisions under the Arizona Constitution, the Districts can levy taxes and issue bonds independently of the City. Property owners in the designated areas are assessed for District taxes and thus for the cost of operating the Districts. The City Council serves as the Board of Directors; however, the City has no liability for the Districts' debt. Although it is legally separate from the City, the Districts are reported as if it is part of the primary government because the District's governing body is substantively the same as the governing body of the City and management of the City has operational responsibility for the Districts. Included within the reporting entity are the following Districts: Anthem Communities, Elianto Community Facilities District, Festival Ranch Community Facilities District, Mirielle Community Facilities District (collectively, the Districts) Sundance Community Facilities District, Tartesso West Community Facilities District, Trillium West Community Facilities District, Verrado Community Facilities District No. 1 (formerly Whitestone District No. 1), Verrado Western Overlay Community Facilities District, Watson Road Community Facilities District, and West Park Community Facilities District. Separate financial statements for component units are not prepared.

Also included with the reporting entity is the Buckeye Pollution Control Corporation (the Corporation). The Corporation was formed for the purpose of controlling, preventing, abating, storing and disposing of solid waste and other pollutants and contaminants in the general vicinity of the City. The Corporation is a separate legal entity under the Arizona Constitution and can issue bonds independently of the City and is considered a component unit. The City has no liability for debt issued by the Corporation. The City Council has the authority to approve and remove directors of the Corporation.

The City has contracted with an outside agency to provide operations for its solid waste facility. The contract requires the outside agency to reserve funds in accordance with the closure and post closure care costs. In the event of termination of the

# City of Buckeye, Arizona

## Notes to Financial Statements

contract, the required reserve funds are to be remitted to the Arizona Department of Environmental Quality. Consequently, no liability for landfill closure and post closure care costs has been recorded on the basic financial statements.

### **B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting, 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 City reports the following major governmental funds:

**The General Fund** is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund, or when the City determines there is an operational advantage to do so.

**The Highway User Fund (HURF)**, a Special Revenue fund, accounts for revenue and expenditures that are legally restricted to expenditures for transportation, the construction, repairs, and maintenance of public works and streets.

# City of Buckeye, Arizona

## Notes to Financial Statements

**The Impact Fees Fund**, a Capital Projects fund, accounts for resources accumulated and one-time expenditures made for new developments within the City.

**The Watson Road CFD Debt Service Fund** accounts for the resources accumulated and payments made for principal and interest on long-term debt associated with the Watson Road Community Facilities Districts.

**The Festival Ranch CFD Debt Service Fund** account for the resources accumulated and payments made for principal and interest on long-term debt associated with the Festival Ranch Community Facilities Districts.

The City reports the following major proprietary funds:

**The Wastewater Fund** accounts for the activities of the City's wastewater operations including wastewater development impact fees.

**The Water Fund** accounts for the activities of the City's water operations including water development impact fees.

**The Pension Trust Fund** accounts for the activities of the Volunteer Firefighters' Relief and Pension Fund, a defined contribution plan for which the assets are held by the City in a trustee capacity. The Pension Trust Fund is reported using the accrual basis of accounting.

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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the wastewater 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 non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use for governmental activities, it is the City'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 City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions. For business-type activities, the use of restricted resources is governed by the state statutes that regulate the use of impact fees.

### **D. Cash and Investment**

Cash represents amounts in demand deposits and amounts held in trust by financial institutions. The funds held in trust are available to the City upon demand. The City considers short-term investments (including restricted assets) in the State of Arizona investment pool, mutual fund-money market, U.S. Treasury bills and notes with maturities of three months or less at acquisition date to be cash equivalents.

Buckeye maintains investment accounts for funds that are not legally required to be maintained separately. Each fund's equity in investments represents that fund's position in the consolidated accounts and determines that fund's allocation of interest earned. Arizona Revised Statutes regulate the investment of surplus cash. Buckeye limits its investments to U.S. government securities, certificates of deposit, bonds, repurchase agreements, corporate notes, commercial paper, and money market accounts. Investments are stated at fair value based on quoted market prices and cash equivalents are state at amortized cost.

# City of Buckeye, Arizona

## Notes to Financial Statements

### E. Receivables and Payables

All receivables are shown net of an allowance for uncollectible accounts. For trade accounts receivable (miscellaneous receivable and utility billing receivables), amounts outstanding in excess of 120 days are included in this amount.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in government-wide financial statements as "internal balances".

### F. Inventory and Prepaid Items

Inventory, which consists of expendable supplies and vehicle repair parts, are valued at average cost using the first-in, first-out (FIFO) flow method.

Inventories consist of expendable supplies held for consumption. For the governmental funds inventories are reported using the purchase method, expenditures are incurred as inventory is purchased and an adjustment is made at year-end directly to inventory and fund balance. For the proprietary funds and government wide statements inventories are reported using the consumption method, inventory is recorded when it is purchased and expensed as it is used. Inventory is valued using the average cost method. Certain payments to vendors reflect costs applicable to future accounting periods and are reported using the consumption method in both government-wide and fund financial statements and are therefore recorded as prepaid items.

### G. Restricted Assets

Certain proceeds of the City's bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

### H. 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 City 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 acquisition 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:

Furniture, machinery, and equipment	3-15 years
Vehicles	5-10 years
Land improvements	10-20 years
Infrastructure	20-50 years
Improvements other than buildings	40 years
Buildings and improvements	50 years
Landfill	50 years
Wastewater system	50 years
Water system	50 years

# City of Buckeye, Arizona

## Notes to Financial Statements

### **I. Deferred Outflows of Resources**

For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, require actuarial assumptions be made, based on the measurement date, in computing deferred outflows of resources determined in connection with recording total pension liability. Contributions made by the City to its pension plans since the measurement date of the plan's net pension liability, the difference between expected and actual experiences in the plan, changes in assumptions, and changes in the proportion and differences between employer contributions and the proportionate share of contributions to the plan are reported as pension-related deferred outflows of resources. The contributions made since the measurement date of the plan will be recognized when the time period in which the contributions were made are encompassed by the plan. The difference between expected and actual experiences in the plan, changes in assumptions, and the changes in the proportion and differences between employer contributions and the proportionate share of contributions to the plan are amortized over the estimated remaining work-life of active participants in the plan and recognized as a reduction of pension expense.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations* requires that in instances where the acquiring government provides consideration in excess of the net position acquired, the acquiring government should report the difference as a deferred outflow of resources. As of June 30, 2019, there was \$23,358,372 in deferred outflows related to the excess consideration provided by the City in relation to the acquisition of Global Water Resources, Inc. (Global Water) on July 9, 2015. The City desired to acquire Global Water, a water utility service corporation, to enhance its water utility system in order to provide its residents with greater consistency in rates, water quality, water resource management, and other policies and practices relating to the provision of water utility services to its residents. This deferred outflow of resources is attributed to future periods in a systematic and rational manner, based on the estimated service lives of the capital assets acquired. The amortization expense related to this deferred outflow for the year ended June 30, 2019, was \$3,321,164. The deferred outflow will be reviewed periodically and the estimated services lives will be revised as necessary.

### **J. Compensated Absences**

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

### **K. 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 position. Bond premiums and discounts 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. In accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, bond issuance costs are expensed as incurred.

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.

# City of Buckeye, Arizona

## Notes to Financial Statements

### L. Deferred Inflows of Resources

For current refundings and advance refundings resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Revenues and other governmental fund financial resources should be recognized in the accounting period in which they become both measurable and available. When an asset is recorded in governmental fund financial statements but the revenue is not available, the government should report a deferred inflow of resources until such time as the revenue becomes available.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, require actuarial assumptions be made, based on the measurement date, in computing deferred inflows of resources determined in connection with recording total pension liability. The difference between projected and actual investment earnings of the pension plan and changes in the proportion and differences between employer contributions and the proportionate share of contributions to the plan are presented as pension-related deferred inflows of resources. This difference between projected and actual investment earnings of the pension plan is amortized over five years and recognized as a component of pension expense. The changes in the proportion and differences between employer contributions and the proportionate share of contributions to the plan are amortized over the estimated remaining work-life of active participants in the plan and recognized as a reduction of pension expense.

As of June 30, 2019, there was a \$2,588,485 and \$835,437 in deferred inflows related to pension expense for ASRS, net of accumulated amortization for governmental and business-type activities, respectively. As of June 30, 2019, there was a \$2,839,684 in deferred inflows related to pension expense for PSPRS – Police and PSPRS – Fire, net of accumulated amortization for governmental activities.

### M. Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets includes all capital assets of the City both depreciable and non-depreciable net of accumulated depreciation and outstanding debt balances attributable to the acquisition, construction or improvement of these assets. Net position in this category represents infrastructure of the City and is not available to meet the City's needs. Restricted net position consists of amounts that have external restrictions imposed upon them by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Net position in this category represent amounts that are not available to meet the City's needs as they have been promised for other purposes. Unrestricted net position represents amounts that have been restricted for any project or other purpose. These amounts are available to meet any needs of the City. While unrestricted net position is technically available to be spent by the City, it is important to remember that the City has established financial policies that would prevent this. There are certain self-imposed criteria, such as maintaining a minimum operating fund balance that would further reduce the amount the City is willing to spend.

### N. Fund Balance

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

**Non-spendable fund balance** - amounts that cannot be spent either because they are in a non-spendable form (such as inventory and pre-pays) or because they are required legally or contractually 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.

**City of Buckeye, Arizona**  
Notes to Financial Statements

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

**Assigned fund balance** - amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority. The City Council and the Chief Financial Officer have authority to assign fund balances intended to be used for specific purposes.

**Unassigned fund balance** – represents the General Fund balance that has not been assigned to other funds that has not been restricted, committed or assigned to specific purposes.

- The City’s General Fund will maintain an “Unassigned” fund balance with a target of a minimum of fifteen percent (15%) of General Fund operating expenditures. The intention of the “Unassigned” fund balance is to provide additional stability to the General Fund recognizing the cyclical nature of the economy and the volatility of the major revenue sources of the City. Funds in excess of the minimum targets will be retained in the Unassigned General Fund Balance.

It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Governmental fund balances as of June 30, 2019 are as follows:

	General	Special Revenue	Capital Projects	Debt Service		Non-Major	Total
		Highway Users Revenue Fund	Impact Fees Fund	Watson Road CFD	Festival Ranch CFD	Governmental Funds	
Fund Balance							
Non-spendable	\$ 132,755	\$ 84,928	\$ -	\$ -	\$ -	\$ 3,000	\$ 220,683
Restricted							
Impact Fees	-	-	22,843,608	-	-	-	22,843,608
Highways and streets	-	2,532,081	-	-	-	-	2,532,081
Capital projects	-	-	-	-	-	10,375,491	10,375,491
Debt service	-	-	-	3,477,290	1,154,170	2,172,765	6,804,225
Other special purposes	-	-	-	-	-	1,926,627	1,926,627
Committed	-	-	-	-	-	121,965	121,965
Unassigned	36,184,989	-	-	-	-	(157,041)	36,027,948
	<u>\$ 36,317,744</u>	<u>\$ 2,617,009</u>	<u>\$ 22,843,608</u>	<u>\$ 3,477,290</u>	<u>\$ 1,154,170</u>	<u>\$ 14,442,807</u>	<u>\$ 80,852,628</u>

**O. Deficit Fund Balance**

The following funds had a deficit fund balance as of June 30, 2019:

	Amount of Deficit Fund Balance
Area Agency on Aging Fund	\$156,475
Roosevelt Improvement District O&M	566
	<u>\$157,041</u>

*Area Agency on Aging Fund* – the deficit balance was eliminated through a transfer from General Fund completed in July to cover additional invoices after year-end close.

*Roosevelt Improvement District O&M* – the deficit balance will be eliminated through a transfer from General Fund in FY20.

# City of Buckeye, Arizona

## Notes to Financial Statements

### **P. Property Tax**

A primary tax levy is limited to an increase of two percent over the previous year's maximum allowable primary levy plus an increased dollar amount due to a net gain in property not taxed the previous year (Section 42-301, Arizona Revised Statutes). The two percent increase is based on the City's "maximum allowable levy" for the prior year.

Property taxes are recognized as revenues in the year they are levied and collected, or if they are collected within 60 days subsequent to fiscal year-end. Property taxes not collected within 60 days subsequent to fiscal year-end, or collected in advance of the year-end for which they are levied, are reported as unavailable revenues.

The 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 in November. The second installment is due on the first day of March of the next year and becomes delinquent 30 days thereafter.

### **Q. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of net position/balance sheet and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from the estimates.

## **Note 2 - Compliance and Accountability**

### **Budgetary Information**

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

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

Prior to June 30, the City Council legally enacts the budget, through the passage of an ordinance. The ordinance sets the limit for expenditures for the year, within the voter mandated state expenditure limitation. Additional expenditures may be authorized if directly necessitated by a natural or man-made disaster as prescribed in the state constitution. There were no supplemental appropriations made during fiscal year 2019.

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

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

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

# City of Buckeye, Arizona

## Notes to Financial Statements

The City is subject to the State of Arizona's Spending Limitation Law for Towns and Cities. This law does not permit the City 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 City complied with this law during the year. There was one fund where expenditures were in excess of total appropriations in fiscal year 2019 this was Jackrabbit Trail ID due to prepayments being received but not budgeted.

The Community Facilities District Board annually approves the budgets for the Community Facility Districts (CFD). For presentation purposes no budget to actual was prepared for fiscal year 2019.

### Note 3 - Deposits and Investments

**Deposits** – The City maintains a cash and investment pool that is available for use by all funds. Certain restricted funds are not part of the City's pool but rather are maintained with trustees. At June 30, 2019, the carrying amount of the City's pooled deposits was \$40,449,786 and the bank balance was \$43,408,978. The difference represents deposits in transit, outstanding checks, and other reconciling items. In addition to pooled deposits, the City also maintains deposits with paying agents and trustees. At June 30, 2019, the carrying amount of deposits with paying agents was \$8,942,517 and the carrying amount of deposits with trustees was \$4,962,542.

**Custodial Credit Risk** – All deposits were covered by federal depository insurance or collateralized by the City's agent in the City's name. The City maintains cash on hand in the form of petty cash and change funds. As of June 30, 2019, the total of these balances was \$6,350.

The City records its investment in U.S. agency 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.

**Interest Rate Risk** – It is the City's policy, to the extent possible and consistent with statutory requirements, to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than five years from the date of purchase. The City'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, 2019, the average portfolio duration was 1.88 years.

As of June 30, 2019, the City had the following investments and related maturities:

Investment Type	Investment Maturities			Total
	Less than 1 Year	1 to 3 Years	Greater than 3 years	
Money Markets	\$ 5,261,538	\$ -	\$ -	\$ 5,261,538
US Treasury Bills - RBC Capital	14,976,100	-	-	14,976,100
US Treasury Notes	2,008,828	45,926,958	3,365,048	51,300,834
Supra-National Agency Bond/Note	-	-	1,216,228	1,216,228
Federal Home Loan Banks (FHLB)	-	10,624,836	-	10,624,836
Federal National Mortgage Association (FNMA)	-	8,888,199	-	8,888,199
Federal Farm Credit Banks (FFCB)	5,477,841	-	-	5,477,841
Federal Home Loan Mortgage Corporation	-	2,749,512	-	2,749,512
	<b>\$ 27,724,307</b>	<b>\$ 68,189,504</b>	<b>\$ 4,581,276</b>	<b>\$ 100,495,086</b>

**Credit Risk** – 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. The City's policy is to diversify its investments by security type and institution. As of June 30, 2019, the City's investments were rated in the following manner:

## City of Buckeye, Arizona

### Notes to Financial Statements

Investment Type	Rating		Balance		% of Total
	Agency	Rating	6/30/2019	Avg Rate	
Money Markets	Moody's	Aaa	\$ 5,261,538		5.24%
US Treasury Bills - RBC Capital	N/A	N/A	14,976,100	2.44%	14.90%
US Treasury Notes	Moody's	Aaa	51,300,834	2.41%	51.05%
Supra-National Agency Bond/Note	Moody's	Aaa	1,216,228	2.25%	1.21%
Federal Home Loan Banks (FHLB)	Moody's	Aaa	10,624,836	2.52%	10.57%
Federal National Mortgage Association (FNMA)	Moody's	Aaa	8,888,199	2.68%	8.84%
Federal Farm Credit Banks (FFCB)	Moody's	Aaa	5,477,841	1.23%	5.45%
Federal Home Loan Mortgage Corporation	Moody's	Aaa	2,749,512	2.27%	2.74%
			<b><u>\$ 100,495,086</u></b>		<b><u>100.00%</u></b>

**Concentration of Credit Risk** – The City’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.

#### Note 4 - Fair Value Measurement and Disclosures

The City reports certain assets at fair value in the consolidated financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk or liquidity profile of the asset or liability.

U.S. Government obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market-rate assumptions, and are classified within Level 2.

# City of Buckeye, Arizona

## Notes to Financial Statements

### Note 5 - Excess of Expenditures Over Appropriations

In the General Fund, the following line item accounts within departments exceeded the amounts budgeted. Expenditure appropriations are adopted in the budget at the fund level. For presentation purposes, we have elected to show any deficits at the line item level within departments/divisions, all of which were funded by available fund balances within the General Fund.

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Between</b>
	<b>Adopted</b>	<b>Final</b>	<b>Budgetary</b>	<b>Final Budget and</b>
				<b>Actual Amounts</b>
General government:				
<b>Mayor and Council</b>				
Personnel services	\$ 390,684	\$ 390,684	\$ 416,680	\$ (25,996)
<b>Human Resources</b>				
Personnel services	840,751	840,751	862,737	(21,986)
Operating expenditures	203,500	237,500	255,937	(18,437)
Total Human Resources	1,044,251	1,078,251	1,118,674	(40,423)
<b>Finance</b>				
Personnel services	1,059,624	1,059,624	1,157,009	(97,385)
Public safety:				
<b>Police</b>				
Personnel services	16,115,245	16,115,245	16,270,961	(155,716)
<b>Fire</b>				
Personnel services	12,553,899	12,553,899	13,088,320	(534,421)
Public Works:				
<b>Public Works</b>				
Personnel services	1,489,706	1,489,706	1,570,157	(80,451)
Development Services:				
<b>Development Services</b>				
Personnel services	2,605,856	2,605,856	2,637,424	(31,568)
Debt Service				
Principal	525,000	525,000	1,326,400	(801,400)
Interest and other charges	494,060	494,060	553,815	(59,755)
Total Debt Service	1,019,060	1,019,060	1,880,215	(861,155)

The deficit in personnel services in Mayor and Council was due to an unexpected increase in salaries and wages, health insurance and vehicle allowance. The deficit in personnel services in the Human Resources Department was due to unbudgeted vacation/sick leave redemption payoff and increase in health insurance. The deficit in the operating expenditures in the Human Resources Department was due to an increase in college tuition reimbursement. The deficit in personnel services in Finance Department was due to one-time unbudgeted vacation/sick leave redemption payoff and vacation payout for two terminated employees. The deficit in personnel services for the Police Department was due to overtime expense exceeding amount budgeted. The deficit in the Fire Department is due to unbudgeted vacation/sick leave redemption payoffs. The deficit in the Public Works Department was attributed to unbudgeted vacation/sick leave redemption payoffs and reassignment of positions within Fleet division. The deficit in the Development Services Department was to unbudgeted overtime costs and vacation/sick leave redemption payoffs. The Debt Service expenditures exceeded budget due to reclassifying debt service expenditures previously budgeted in the HURF. During the annual audit, it was determined that the debt service expenditures should not have been charged to the HURF.

**City of Buckeye, Arizona**  
Notes to Financial Statements

**Note 6 - Receivables**

Receivables as of year-end for the government’s individual major and non-major funds in the aggregate, as shown in the balance sheet, including the applicable allowances for uncollectible accounts, are as follows:

Receivables	Accounts	Taxes	Inter- governmental	Special Assessments	Interest	Gross Receivables	Less: Allowance for Uncollectibles	Net Total Receivables
General Fund	\$ 996,027	\$ 67,279	\$ 5,838,686	\$ -	\$ 477,694	\$ 7,379,686	\$ -	\$ 7,379,686
HURF	-	-	446,830	-	-	446,830	-	446,830
Watson Road CFD	243,242	-	-	21,587,000	-	21,830,242	-	21,830,242
Festival Ranch CFD	-	18,239	-	9,638,523	-	9,656,762	-	9,656,762
Nonmajor Governmental Funds	108,903	98,385	235,037	7,955,000	-	8,397,325	-	8,397,325
Wastewater	1,388,753	-	-	-	-	1,388,753	(129,391)	1,259,362
Water	4,483,209	-	-	-	-	4,483,209	(412,592)	4,070,617
Nonmajor Enterprise Funds	975,021	-	-	-	-	975,021	(105,152)	869,869
	<u>\$ 8,195,155</u>	<u>\$ 183,903</u>	<u>\$ 6,520,553</u>	<u>\$39,180,523</u>	<u>\$ 477,694</u>	<u>\$54,557,828</u>	<u>\$ (647,135)</u>	<u>\$53,910,693</u>

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**City of Buckeye, Arizona**  
Notes to Financial Statements

**Note 7 - Capital Assets**

Capital asset activity for the year ended June 30, 2019, was as follows:

**City of Buckeye, Arizona**

Schedule of Activity in Capital Assets

	Capital Assets June 30, 2018	Increases	Decreases	Transfers	Capital Assets June 30, 2019
<b>Governmental activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 176,389,956	\$ -	\$ -	\$ 62,493	\$ 176,452,449
Construction in progress	2,229,491	10,727,367	-	(4,919,761)	8,037,097
Total capital assets, not being depreciated	<u>178,619,447</u>	<u>10,727,367</u>	<u>-</u>	<u>(4,857,268)</u>	<u>184,489,546</u>
Capital assets, being depreciated:					
Land improvements	20,558,588	65,028	-	3,358,678	23,982,294
Building and improvements	45,326,904	322,212	(18,103)	1,078,594	46,709,607
Infrastructure	317,183,104	1,814,253	-	-	318,997,357
Landfill	44,053,429	-	-	-	44,053,429
Furniture, machinery and equipment	34,108,058	4,968,174	(1,457,217)	419,996	38,039,011
Total capital assets being depreciated	<u>461,230,082</u>	<u>7,169,667</u>	<u>(1,475,320)</u>	<u>4,857,268</u>	<u>471,781,697</u>
Less accumulated depreciation for:					
Land improvements	(6,399,985)	(844,109)	-	-	(7,244,094)
Building and improvements	(11,071,274)	(1,380,590)	18,103	-	(12,433,761)
Infrastructure	(161,659,203)	(13,951,217)	-	-	(175,610,420)
Landfill	(17,360,563)	(1,779,524)	-	-	(19,140,088)
Furniture, machinery and equipment	(18,169,443)	(3,463,312)	1,457,217	-	(20,175,538)
Total accumulated depreciation	<u>(214,660,469)</u>	<u>(21,418,752)</u>	<u>1,475,320</u>	<u>-</u>	<u>(234,603,901)</u>
Total capital assets, being depreciated, net	<u>246,569,613</u>	<u>(14,249,085)</u>	<u>-</u>	<u>4,857,268</u>	<u>237,177,796</u>
Governmental activities capital assets, net	<u>425,189,061</u>	<u>(3,521,718)</u>	<u>-</u>	<u>-</u>	<u>421,667,342</u>
<b>Business-type activities:</b>					
Capital assets, not being depreciated:					
Land	11,775,296	-	-	-	11,775,296
Water Rights	3,883,259	-	-	-	3,883,259
Construction in progress	4,564,574	29,320,570	(768,182)	(3,244,017)	29,872,945
Total capital assets, not being depreciated	<u>20,223,129</u>	<u>29,320,570</u>	<u>(768,182)</u>	<u>(3,244,017)</u>	<u>45,531,501</u>
Capital assets, being depreciated:					
Wastewater system	161,447,970	-	-	606,925	162,054,895
Water system	139,108,450	-	-	644,922	139,753,372
Land improvements	12,986,217	-	-	-	12,986,217
Building and improvements	87,832,315	-	-	1,334,617	89,166,932
Machinery, equipment and vehicles	5,887,525	1,209,621	(70,714)	657,553	7,683,984
Total capital assets being depreciated	<u>407,262,476</u>	<u>1,209,621</u>	<u>(70,714)</u>	<u>3,244,016</u>	<u>411,645,399</u>
Less accumulated depreciation for:					
Wastewater system	(45,011,098)	(4,110,091)	-	-	(49,121,189)
Water system	(57,961,933)	(5,887,865)	-	-	(63,849,798)
Land improvements	(10,131,038)	(289,039)	-	-	(10,420,077)
Building and improvements	(27,769,521)	(2,353,874)	-	-	(30,123,395)
Machinery, equipment and vehicles	(1,955,770)	(797,781)	70,714	-	(2,682,837)
Total accumulated depreciation	<u>(142,829,360)</u>	<u>(13,438,651)</u>	<u>70,714</u>	<u>-</u>	<u>(156,197,296)</u>
Total capital assets, being depreciated, net	<u>264,433,116</u>	<u>(12,229,029)</u>	<u>-</u>	<u>3,244,016</u>	<u>255,448,103</u>
Business-type activities capital assets, net	<u>284,656,245</u>	<u>17,091,541</u>	<u>(768,182)</u>	<u>-</u>	<u>300,979,604</u>
Total	<u>\$ 709,845,306</u>	<u>\$ 13,569,823</u>	<u>\$ (768,182)</u>	<u>\$ -</u>	<u>\$ 722,646,946</u>

**City of Buckeye, Arizona**  
Notes to Financial Statements

Construction in progress activity for the year ended June 30, 2019, was as follows:

**City of Buckeye, Arizona**

Schedule of Activity in Construction in Progress

	<b>Construction in Progress June 30, 2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Construction in Progress June 30, 2019</b>
<b>Governmental activities:</b>					
Enterprise Resource Plan Phase III	\$ 419,998	\$ -	\$ -	\$ (419,998)	\$ -
City Hall remodel	60,000	-	-	-	60,000
Council Chambers Security Upgrade		163,834	-	(163,834)	-
Earl Edgar Restroom Remodel	439,186	178,827	-	(618,013)	-
Property & Evidence Bldg	199,821	425,609	-	-	625,430
Sidewalk Miller Road	32,022	277,800	-	(309,822)	-
Sidewalk Monroe Avenue	40,893	287,705	-	(328,598)	-
City Fueling Site	260,490	39,974	-	(300,464)	-
Court Entrance Remodel	202,315	28,370	-	(230,685)	-
Verrado/Van Buren Intersection Impr	274,640	1,241,003	-	(1,515,643)	-
Traffic Signal Miller & Southern	-	74,470	-	-	74,470
Traffic Signal Miller & Baseline	45,986	5,684	-	-	51,670
Traffic Signal Miller & Broadway	-	154,195	-	-	154,195
Sundance Park (Phase 2)	124,666	4,585	-	(62,493)	66,758
ADOT/CMAQ Trails Project	77,589	-	-	-	77,589
Cemetery Irrigation Project	51,885	97,443	-	(149,328)	-
Baseline Road Realignment	-	42,225	-	-	42,225
247th Avenue Improvement	-	123,530	-	-	123,530
Verrado/Yuma Traffic Signal Improve	-	178,695	-	-	178,695
Traffic Signal Southern & Apache	-	90,007	-	-	90,007
Court Rear Entrance	-	81,978	-	(81,978)	-
City Hall Lighting Upgrade	-	56,827	-	(56,827)	-
Earl Edgar Lighting Upgrade	-	521,432	-	(521,432)	-
Skate Park Improvement	-	94,585	-	(94,585)	-
Tartesso Fire Station 705	-	220,202	-	-	220,202
FS 701 Ventilation System	-	66,062	-	(66,062)	-
Watson & Lower Buckeye Road Paving	-	868	-	-	868
Roosevelt ID Improvements	-	6,271,458	-	-	6,271,458
<b>Total governmental activities</b>	<b>2,229,491</b>	<b>10,727,368</b>	<b>-</b>	<b>(4,919,762)</b>	<b>8,037,097</b>
<b>Business-type activities:</b>					
Capitalized Interest	661,207	-	(661,207)	-	-
Fire Supprssion Line	23,641	2,955	-	-	26,596
Maintenance Bldg	144,609	17,779	-	-	162,388
Taxiway & Apron Reconstruction	-	251,672	-	-	251,672
Water Treatment Facility #9	19,744	27,859	-	-	47,603
Sun Valley Well #2	3,400	118,165	-	-	121,565
Water Administration Bldg	1,058,373	366,278	(90,035)	(1,334,616)	-
Apache Rd Fill Line	364,175	297,687	(16,940)	(644,922)	-
Hopeville Water Campus	29,855	63,291	-	-	93,146
Apache Rd Water Treatment	1,554,983	25,548,913	-	-	27,103,896
Water Treatment Farallon #16	-	15,555	-	-	15,555
Waterline @ Airport	-	51,160	-	-	51,160
Sundance Wastewater Treatment Plant	154,492	-	-	(154,492)	-
Jackrabbit Sewer Line	13,760	100,741	-	-	114,501
Roosevelt Sewer Line	536,335	70,589	-	(606,924)	-
Sundance WRF Conversion Project	-	411,384	-	-	411,384
SWRF Anoxic #4	-	11,825	-	-	11,825
Influent Flow Meter - Central	-	135,646	-	-	135,646
SCADA Sundance	-	503,061	-	(503,061)	-
N Miller Rd Design - Trunk Sewer	-	339,384	-	-	339,384
WRF Odor Scrubber	-	986,624	-	-	986,624
<b>Total business-type depreciated</b>	<b>4,564,574</b>	<b>29,320,568</b>	<b>(768,182)</b>	<b>(3,244,015)</b>	<b>29,872,945</b>
<b>Total</b>	<b>\$ 6,794,065</b>	<b>\$ 40,047,936</b>	<b>\$ (768,182)</b>	<b>\$ (8,163,777)</b>	<b>\$ 37,910,042</b>

# City of Buckeye, Arizona

## Notes to Financial Statements

Depreciate expense was charged to functions/programs of the primary government as follows:

<b>Governmental activities:</b>	
General government	\$ 966,143
Public safety	2,550,177
Highways and streets	14,813,029
Culture and recreation	1,009,403
Development services	91,752
Engineering	16,276
Public Works	<u>1,971,972</u>
Total depreciation expense - governmental activities	<u>\$ 21,418,752</u>
<b>Business-Type activities:</b>	
Water	\$ 7,106,531
Sewer	5,944,619
Airport	346,610
Solid Waste	<u>40,891</u>
Total depreciation expense - business-type activities	<u>\$ 13,438,651</u>

### Note 8 - Construction Commitments

The City has various active construction projects at June 30, 2019. At fiscal year-end, the City's commitments with contractors were as follows:

Governmental Activities		
Project	Spent-to-date	Remaining Commitment
PD Property & Evidence Building	\$ 625,430	\$ 6,071,483
Tartesso Fire Station 705	220,202	5,170,000
Sundance Park Phase II	66,758	3,281,250
Miller & Southern Traffic Signal	74,470	2,600,000
Miller & Broadway Traffic Signal	154,195	2,800,000
247th Avenue Paving, Lower Buckeye to Durango	123,530	2,200,000
Apache Road & Southern Traffic Signal	90,007	2,000,000
Miller & Baseline Traffic Signal	<u>51,670</u>	<u>400,000</u>
	<u>\$ 1,406,262</u>	<u>\$ 24,522,733</u>
Business-type Activities		
Project	Spent-to-date	Remaining Commitment
Apache Road Water Treatment Plant Phase 1	\$ 27,103,896	\$ 53,319,000
North Miller Road Trunk Sewer	339,384	12,200,000
Taxiway & Apron Reconstruction	251,672	1,910,325
Water Treatment Facility #9	47,603	1,200,000
Water Treatment Facility Farallon #16	15,555	1,200,000
Waterline at Airport	51,160	750,000
Sundance WRF - Odor Scrubber upgrades	<u>986,624</u>	<u>264,273</u>
	<u>\$ 28,795,894</u>	<u>\$ 70,843,598</u>

# City of Buckeye, Arizona

## Notes to Financial Statements

### Note 9 - Long-Term Debt

The following are brief descriptions of bonds and long-term loans/obligations outstanding as of June 30, 2019. There are a number of limitations and restrictions contained in the various documents, and the City is in compliance with all significant limitations and restrictions.

#### Water Infrastructure Finance Authority Debt

The City has various loan agreements with the Water Infrastructure Finance Authority of Arizona (WIFA) Revolving Fund Loan Program for the acquisition and construction of water and wastewater facilities and obtaining water rights.

On November 20, 2009, the City entered into a 20 year agreement with the WIFA for \$12,000,000 in water and wastewater system revenue debt obligation as part of the water infrastructure improvements related to expansion of the water and wastewater plant. As part of this agreement, the City has covenanted that the system revenue will produce sufficient revenues to cover the operating and maintenance expenses of the systems plus 120 percent of the aggregate payments on the loan including any outstanding parity obligations. Interest accrues at a rate of 2.50 percent annually. Annual debt service payments of varying amounts are due through July 2029. As of June 30, 2019, total principal and interest remaining is \$3,325,054 and the City was in compliance with all covenants. (See table 13.)

On April 5, 2013, the City entered into a 20 year agreement with WIFA for \$7,370,000 in water and wastewater system revenues debt obligation as part of the water infrastructure improvements related to constructing, acquiring, and improving water reclamation and recharge systems. As part of this agreement, the City has covenanted that the water and wastewater plant will produce sufficient revenues to cover operating and maintenance expenses of the plant plus 120 percent of the aggregate payments on the loan including any outstanding parity obligations. Interest accrues at a rate of 2.5 percent. Annual payments of varying amounts are due through July 2032. As of June 30, 2019, total principal and interest remaining is \$5,319,578, and the City was in compliance with all covenants.

On April 5, 2013, the City entered into an agreement with WIFA for \$5,065,000 in water and wastewater system revenues debt obligation as part of the water infrastructure improvements related to constructing and acquiring waterline to extend and connect existing services. As part of this agreement, the City has covenanted that the water and wastewater plant will produce sufficient revenues to cover operating and maintenance expenses of the plant plus 120 percent of the aggregate payments on the loan including any outstanding parity obligations. Interest accrues at a rate of 2.975 percent. Annual payments are \$228,118 through July 2032. As of June 30, 2019, total principal and interest remaining is \$2,965,355, and the City was in compliance with all covenants.

On April 5, 2013, the City entered into an agreement with WIFA for \$3,617,450 in water and wastewater system revenues debt obligation as part of the water infrastructure improvements related to repairing and improving an existing well site and integrating it with the current system. As part of this agreement, the City has covenanted that the water and wastewater plant will produce sufficient revenues to cover operating and maintenance expenses of the plant plus 120 percent of the aggregate payments on the loan including any outstanding parity obligations. Interest accrues at a rate of 2.975 percent. Annual payments are \$242,588 through July 2032. As of June 30, 2019, total principal and interest remaining is \$3,153,628, and the City was in compliance with all covenants.

On December 5, 2014, the City entered into an agreement with WIFA for \$761,000 in water and wastewater system revenues debt obligation as part of the water infrastructure improvements related to repairing and improving an existing well site and integrating it with the current system. As part of this agreement, the City has covenanted that the water and wastewater plant will produce sufficient revenues to cover operating and maintenance expenses of the plant plus 120 percent of the aggregate payments on the loan including any outstanding parity obligations. Interest accrues at a rate of 2.184 percent. Annual payments are \$46,518 through July 2034. As of June 30, 2019, total principal and interest remaining is \$643,477, and the City was in compliance with all covenants.

# City of Buckeye, Arizona

## Notes to Financial Statements

### Improvement Bonds

The City has long-term bonds issued to provide funds for the acquisition and construction of major capital facilities. The City has also issued debt to refund earlier obligations with higher interest rates. The debt is being repaid by various debt service funds. Special Assessment districts are created only by petition of the City Council by property owners within the district areas.

The Jackrabbit Trail Sanitary Wastewater Improvement District was created so the City could fund improvements. Specifically, the District financed the construction of wastewater treatment plant capacity, design engineering, and inspection and construction of certain wastewater collection related improvements. Each of the 49 property owners within the District were assessed a special assessment lien by the City for repayment of the improvement bond. In case of default, the City has the responsibility to cover delinquencies of special assessment bonds with other sources until foreclosure proceeds are received.

The City 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. Proceeds from these bonds were used to install and construct water and wastewater 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 \$404,593. Principal and interest paid for the current year approximate amounts received from improvement district property owners, which, at times, exceed assessments billed for the year.

The Roosevelt Improvement District was created so the City could fund street improvements. Property owners have not been assessed yet as the construction is not complete. The capitalized interest for the billing period in fiscal year 2019 is held by the City. The City has pledged revenue derived from an annual assessment on the real property of the Roosevelt Street Improvement District to repay \$5,285,000 in improvement bonds issued June 2018. Proceeds from this bond will be used to complete streets and a traffic signal.

### Excise Tax Revenue Bonds

The City has pledged future excise tax revenues, which include the City'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 (GADA) Excise Tax Revenue Bonds issued May 2007. As part of the bond agreement, the City has covenanted that it will maintain collections equal to two (2.0) times the highest combined interest and principal requirements for any succeeding 12 month period for the bonds. Proceeds from these bonds were used for the acquisition and improvement of a facility for administrative purposes. As of June 30, 2019, the total principal and interest to be paid on the bonds is \$1,894,308 and the City was in compliance with all covenants. Principal and interest paid for the current year was \$236,531.

The City has pledged future excise tax revenues, which include the City's sales and transaction privilege tax, franchise fees, licenses and permit fees, and fines and forfeitures to repay \$1,795,000 in Series 2010 Excise Tax Revenue Refunding Obligation Bonds issued in November 2010 to refund the outstanding Series 2000 Excise Tax Revenue Bonds. As part of the bond agreement, the City has covenanted that it will maintain collections equal to two (2.0) times the highest combined interest and principal requirements for any succeeding 12 month period for the bonds. Proceeds from the Series 2000 bonds were used to connect an unused water well to the existing water system of the City and as a result, the City will use water utility revenues to repay the debt. As of June 30, 2019, the total principal and interest to be paid on the bonds is \$234,000, and the City was in compliance with all covenants. Principal and interest paid for the current year was \$447,600.

The City has pledged future excise tax revenues, which include the City's sales and transaction privilege tax, franchise fees, licenses and permit fees, and fines and forfeitures, to repay \$6,565,000 in Series 2015 Excise Tax Revenue Refunding Obligation Bonds issued in April 2015 to refund the outstanding Series 2005A GADA Excise Tax Revenue Bonds. As part of the bond agreement, the City has covenanted that it will maintain collections equal to two (2.0) times the highest combined interest and principal requirements for any succeeding 12 month period for the bonds. Proceeds from the Series 2005 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 will be made from a combination of excise taxes and utility revenues. As of June 30, 2019, the total principal and interest to be paid on the bonds is \$4,029,200, and the City was in compliance with all covenants. Principal and interest paid for the current year was \$1,422,300.

## City of Buckeye, Arizona

### Notes to Financial Statements

The City has pledged water and wastewater net revenues to repay \$250,000 in Water and Wastewater Systems Senior Revenue Bonds 2015 issued in March 2015. As part of the bond agreement, the City has covenanted that it will maintain collections equal to two (1.2) times the highest combined interest and principal requirements for any succeeding 12 month period for the bonds. Proceeds from these bonds were obtained for purposes of procuring funds to be used to aid in the purchase of water utility properties to expand the utility systems. Annual principal and interest payments on the bonds are expected to require one percent of net revenues to be paid from water utility revenues. As of June 30, 2019, the total principal and interest to be paid on the bonds is \$546,875, and the City was in compliance with all covenants. Interest paid for the current year was \$11,875, there were no principal payments in the current year.

The City has pledged future excise tax revenues, which include the City's sales and transaction privilege tax, franchise fees, licenses and permit fees, and fines and forfeitures, to repay \$12,620,000 in Series 2016 Excise Tax Revenue Refunding Obligation Bonds issued in April 2016 to refund the outstanding Series 2006A GADA Excise Tax Revenue Bonds. As part of the bond agreement, the City has covenanted that it will maintain collections equal to two (2.0) times the highest combined interest and principal requirements for any succeeding 12 month period for the bonds. Proceeds from the Series 2006 bonds were used to construct a municipal complex. As of June 30, 2019, the total principal and interest to be paid on the bonds is \$14,856,088, and the City was in compliance with all covenants. Principal and interest paid for the current year was \$1,299,513.

The City has pledged future excise tax revenues, which include the City's sales and transaction privilege tax, franchise fees, licenses and permit fees, and fines and forfeitures to repay \$51,260,000 in Excise Tax Revenue Bonds, Series 2015 issued in July 2015. As part of the bond agreement, the City has covenanted that it will maintain collections equal to two (2.0) times the highest combined interest and principal requirements for any succeeding 12 month period for the bonds. Proceeds from these bonds were obtained for purposes of financing the costs of acquiring various water systems, facilities and improvements as set forth in the Settlement Agreement for Stipulated Condemnation, by and among Global Water Resources, Inc. Annual principal and interest payments on the bonds are expected to be paid from existing water utility revenues. As of June 30, 2019, the total principal and interest to be paid on the bonds is \$91,390,527, and the City was in compliance with all covenants. Interest paid for the current year was \$2,470,625, no principal payments due in the current year.

#### Community Facilities District Bonds

Community Facilities Districts (CFDs) are created only by petition to the City Council by property owners within the District areas. As the board of directors for the District, the City 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 4 to 1 prior to issuance of debt. These ratios are verified by an appraisal paid for by the District and administered by the City. In addition, cumulative debt of all CFDs cannot exceed 26 percent of the City's net assessed full cash value of the real property within the district.

The CFD Board of Directors pledged revenue derived from annual assessments on real property located in the community facilities districts in general obligation bonds and special assessment revenue bonds. Special assessment districts were created only by petition to the City Council by property owners within the districts areas. Proceeds were used for acquisition, construction, and infrastructure improvements within the special assessment districts. The bonds are payable solely from assessments on the property owners.

The **Festival Ranch** CFD is a special purpose District created specifically to acquire or construct public infrastructure within specific areas of the City of Buckeye, Arizona. The District is authorized under state law to issue special assessment (SA) revenue bonds to be repaid by the property within the SA District, general obligation (GO) bonds to be repaid by property (City) taxes levied on property within the District (for GO debt), or revenue bonds to be repaid by specific revenues generated within the District (revenue bonds). The District has \$145 million of authorized GO bonds authority. The District was created by petition to the City Council by property owners within the area to be covered by the District, and comprises approximately 4,015 acres.

## City of Buckeye, Arizona

### Notes to Financial Statements

#### **Special Assessment Bonds**

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 2 and 3) to repay \$1,868,000 in special assessment lien bonds issued April 2007. Proceeds were used for infrastructure improvements within the special assessment district. The bonds are payable solely from assessments on the property owners. The remaining principal being \$806,000. Principal paid for the current year is \$63,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 4 and 5) to repay \$1,784,000 in special assessment lien bonds issued October 2007. The bonds are payable solely from assessments on the property owners. The remaining principal being \$792,000. Principal paid for the current year is \$97,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 6) to repay \$356,000 in special assessment revenue bonds issued November 2009. The bonds are payable solely from assessments on the property owners. The remaining principal being \$148,000. Principal paid for the current year is \$10,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 7) to repay \$404,000 in special assessment revenue bonds issued April 2011. The bonds are payable solely from assessments on the property owners. The remaining principal being \$190,000. Principal paid for the current year is \$11,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 8) to repay \$186,000 in special assessment revenue bonds issued July 2013. The bonds are payable solely from assessments on the property owners. The total remaining principal being \$112,970. Principal paid for the current year is \$4,417. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 9) to repay \$288,000 in special assessment revenue bonds issued July 2015. The bonds are payable solely from assessments on the property owners. The remaining principal being \$176,000. Principal paid for the current year is \$11,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 10) to repay \$200,000 in special assessment revenue bonds issued March 2016. The remaining principal being \$122,353. Principal paid for the current year is \$13,894. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Festival Ranch CFD (Assessment District 11) to repay \$2,738,000 in special assessment revenue bonds issued February 2017. The remaining principal being \$2,453,000. Principal paid for the current year is \$174,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

## City of Buckeye, Arizona

### Notes to Financial Statements

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of Festival Ranch CFD (Assessment District 12) to repay \$210,000 in special assessment revenue bonds issued in June 2018. The remaining principal being \$196,200. Principal paid for the current year is \$13,800. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times, exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of Festival Ranch CFD (Assessment District 13) to repay \$3,920,000 in special assessment revenue bonds issued in November 2018. The remaining principal being \$3,920,000. No principal was paid during the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of Festival Ranch CFD (Assessment District 14) to repay \$722,000 in special assessment revenue bonds issued February 2019. The remaining principal being \$722,000. No principal was paid during the year.

#### **General Obligation Bonds**

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch CFD to repay \$5,435,000 in general obligation bonds and \$2,165,000 taxable general obligation bonds issued December 2009. Proceeds were used for the acquisition and construction of public infrastructure within the district, specifically sewer lines and roadways. The remaining total principal to be paid being \$4,135,000. Principal paid for the current year is \$210,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch CFD to repay \$5,400,000 in general obligation bonds issued July 2012. Proceeds were used for the construction and acquisition of public infrastructure. The remaining total principal to be paid being \$2,745,000. Principal paid for the current year is \$170,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch CFD to repay \$1,800,000 in general obligation bonds issued in November 2013. Proceeds were used for the construction and acquisition of public infrastructure. The remaining total principal to be paid being \$1,630,000. Principal paid for the current year is \$55,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch CFD to repay \$5,410,000 in general obligation bonds, Series 2016 and issued in July 2016. Proceeds were used for the construction and acquisition of public infrastructure. The remaining total principal to be paid being \$5,185,000. Principal paid for the current year is \$80,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch CFD to repay \$3,665,000 in general obligation bonds, Series 2017 issued in July 2017. Proceeds were used for the construction and acquisition of public infrastructure. The remaining total principal to be paid being \$3,490,000. Principal paid for the current year is \$95,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch CFD to repay \$7,600,000 in general obligation bonds issued December 2009. Proceeds were used for the acquisition and construction of the CFD. By way of an advance refunding, these bonds were partially defeased through issuance of \$2,940,000 Festival Ranch CFD General Obligation Refunding Bonds, Series 2017. The combined defeasance resulted in cash flow savings of \$112,951 and an economic gain (net present value of savings of \$130,174. As of June 30, 2019, the defeased amount outstanding on the bonds was \$1,235,000. The remaining total principal to be paid being \$2,765,000. Principal paid for the current year is \$95,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Festival Ranch CFD to repay \$3,335,000 in general obligation bonds, Series 2018 issued in August 2018. Proceeds were used for the construction and acquisition of public infrastructure. The remaining total principal to be paid being

## **City of Buckeye, Arizona**

### **Notes to Financial Statements**

\$3,265,000. Principal paid for the current year is \$70,000.

The **Sundance** CFD is a special purpose District created specifically to acquire or construct public infrastructure within specific areas of the City of Buckeye, Arizona. The District is authorized under state law to issue special assessment (SA) revenue bonds to be repaid by the property within the SA District, general obligation (GO) bonds to be repaid by property (ad valorem) taxes levied on property within the District (for GO debt), or revenue bonds to be repaid by specific revenues generated within the District (revenue bonds). The District has \$17.8 million of authorized GO bonds authority remaining. The District was created by petition to the City Council by property owners within the area to be covered by the District, and comprises approximately 2,105 acres.

#### **Special Assessments Bonds**

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Sundance CFD No. 2 to repay \$7,175,000 in special assessment revenue bonds issued April 2003. Proceeds were used for infrastructure improvements within the special assessment District. The bonds are payable solely from assessments on the properties. The total principal remaining to be paid on the bonds is \$1,125,000. Principal paid for the current year was \$230,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times exceed special assessments billed for the year.

The CFD Board of Directors has pledged revenue derived from an annual assessment and levy of taxes on the real property of the Sundance CFD No. 3 to repay \$2,050,000 in special assessment bonds issued June 2004. Proceeds were used for infrastructure improvements within the special assessment District. The total principal remaining to be paid on the bonds is \$295,000. Principal paid for the current year was \$45,000. Principal and interest paid for the current year approximate amounts received from special assessment properties, which, at times exceed special assessments billed for the year.

#### **General Obligation Bonds**

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Sundance CFD to repay \$17,945,000 in general obligation bonds issued March 2014. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on properties within the District. The total principal remaining to be paid on the bonds is \$15,180,000. Principal paid for the current year was \$625,000.

In November 2018, the CFD Board of Directors pledged revenue derived from the property taxes levied on the real property of the Sundance CFD to repay \$3,140,000 in general obligation refunding bonds issued October 2005. The proceeds of the refunding bonds were used to refund \$3,045,000 of outstanding Series 2005 general obligation bonds and pay \$359,364 of bond issuance costs. The City refunded the bonds to reduce its total debt service payments over 10 years by \$122,329 and to obtain an economic gain of \$118,868. Principal paid for the current year was \$185,000. The total principal remaining to be paid on the bonds is \$2,955,000.

In November 2018, the CFD Board of Directors pledged revenue derived from the property taxes levied on the real property of the Sundance CFD to repay \$3,265,000 in general obligation bonds, whose proceeds were used for infrastructure improvements within the District. No principal was paid during the year. Total principal remaining to be paid on the bonds is \$3,265,000.

The **Tartesso West** CFD is a special purpose District created specifically to acquire or construct public infrastructure within specific areas of the City of Buckeye, Arizona. The District is authorized under state law to issue special assessment (SA) revenue bonds to be repaid by the property within the SA District, general obligation (GO) bonds to be repaid by property (ad valorem) taxes levied on property within the District (for GO debt), or revenue bonds to be repaid by specific revenues generated within

# City of Buckeye, Arizona

## Notes to Financial Statements

the District (revenue bonds). The District has \$166.1 million of authorized GO bonds authority remaining. The District was created by petition to the City Council by property owners within the area to be covered by the District. The District comprises approximately 5,396 acres.

### General Obligation Bonds

The CFD Board of Directors has pledged revenue derived from property taxes levied on the real property of the Tartesso West CFD to repay \$6,430,000 in general obligation refunding bonds issued August 2018. The proceeds of the refunding bonds were used to refund \$6,221,000 of outstanding Series 2005 and 2007 general obligation bonds and pay \$168,354 of bond issuance costs. The City refunded the bonds to reduce its total debt service payments over 14 years by \$1,099,972 and to obtain an economic gain of \$867,803. The bonds are payable from property taxes levied on properties within the District. Total principal paid during the year was \$380,000. Total principal remaining to be paid on the bonds is \$6,050,000.

The **Verrado District 1** CFD is a special purpose District created specifically to acquire or construct public infrastructure within specific areas of the City of Buckeye, Arizona, and is authorized under state law to issue general obligation (GO) or revenue bonds to be repaid by property (City) taxes levied on property within the District (for GO debt), or by specific revenues generated within the District (revenue bonds). The District was created by petition to the City Council by property owners within the area to be covered by the District, and debt may be issued only after approval of the voters within the District. The District has \$51.4 million of authorized GO bonds authority remaining. The District comprises approximately 8,800 acres.

### General Obligation Bonds

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Verrado CFD No. 1 to repay \$20,400,000 in general obligation refunding bonds, Series 2013A issued July 2013. Proceeds were used to current refund the full outstanding amount of Verrado Community Facilities District No. 1 general obligation bonds Series 2003. The bonds are payable from property taxes levied on property within the District. The total principal remaining to be paid on the bonds is \$13,175,000. Principal paid for the current year was \$1,320,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Verrado CFD No. 1 to repay \$6,000,000 in general obligation bonds Series 2013B, issued July 2013. Proceeds were used for the construction and acquisition of public infrastructure. The bonds are payable from property taxes levied on property within the District. The total principal remaining to be paid on the bonds is \$5,565,000. Principal paid for the current year was \$175,000.

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Verrado CFD No. 1 to repay \$14,055,000 in general obligation bonds Series 2017, issued March 2017. Proceeds were used to current refund the full outstanding amount of Verrado Community Facilities District No. 1, Series 2006. The bonds are payable from property taxes levied on property within the District. The total principal remaining to be paid on the bonds is \$13,335,000. Principal paid for the current year was \$720,000.

The **Verrado Western Overlay** CFD is a special purpose District created specifically to acquire or construct public infrastructure within specific areas of the City of Buckeye, Arizona, and is authorized under state law to issue general obligation (GO) or revenue bonds to be repaid by property (City) taxes levied on property within the District (for GO debt), or by specific revenues generated within the District (revenue bonds). The District was created by petition to the City Council by property owners within the area to be covered by the District, and debt may be issued only after approval of the voters within the District. The District has \$47 million of authorized GO bonds authority remaining. The District comprises approximately 5,120 acres and wholly resides within the overlay District.

# City of Buckeye, Arizona

## Notes to Financial Statements

### **General Obligation Bonds**

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the Verrado Western Overlay CFD 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 remaining to be paid on the bonds is \$7,400,000. Principal paid for the current year was \$600,000.

The **Watson Road** CFD (WRCFD) is a special purpose District created specifically to acquire or construct public infrastructure within specific areas of the City of Buckeye, Arizona, and was authorized under state law to issue special assessment (SA) revenue bonds to be repaid by the property within the District (revenue bonds). The District was created by petition to the City Council by property owners within the area to be covered by the District. The District comprises approximately 2,080 acres.

### **Special Assessment Bonds**

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the Watson Road CFD to repay \$49,000,000 in special assessment revenue bonds issued December 2005. Proceeds were used for infrastructure improvements within the special assessment District. The bonds are payable solely from assessments on the property in the District. The total principal remaining to be paid on the bonds is \$21,587,000. Principal paid for the current year was \$2,885,000. Principal and interest paid for the current year approximate amounts received from special assessment properties, which, at times exceed special assessments billed for the year.

The **Westpark** CFD is a special purpose District created specifically to acquire or construct public infrastructure within specific areas of the City of Buckeye, Arizona, and is authorized under state law to issue special assessment lien (SA), general obligation (GO) or revenue bonds to be repaid by property (City) taxes levied on property within the District (for GO debt), or by specific revenues generated within the District (revenue bonds). The District was created by petition to the City Council by property owners within the area to be covered by the District, and debt may be issued only after approval of the voters within the District.

### **Special Assessments Bonds**

The CFD Board of Directors has pledged revenue derived from an annual assessment on the real property of the West Park CFD (Assessment District 1) to repay \$3,800,000 in special assessment revenue bonds issued May 2005. 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 remaining to be paid on the bonds is \$949,000. Principal paid for the current year was \$123,000. Principal and interest paid for the current year approximate amounts received from special assessment property owners, which, at times exceed special assessments billed for the year.

### **General Obligation Bonds**

The CFD Board of Directors has pledged revenue derived from the property taxes levied on the real property of the West Park CFD to repay \$5,895,000 in general obligation bonds Series 2016, issued November 2016. Proceeds were used to refund the full outstanding amounts of West Park CFD General Obligation Bonds Series 2005 and Series 2006 and advance refund the full outstanding balance of West Park CFD General Obligation Bonds Series 2007. The bonds are payable from property taxes levied on property owners within the District. The total principal remaining to be paid on the bonds is \$4,970,000. Principal paid for the current year was \$285,000.

**City of Buckeye, Arizona**  
Notes to Financial Statements

The following table shows interest rate, maturity date, original issue amount, amount outstanding, and all debt issued by the City and various CFDs.

**City of Buckeye, Arizona**  
**Notes to Financial Statements**  
June 30, 2019

Purpose	Interest Rates (%)	Matures	Original Issue Amount	Amount Outstanding
<b>Governmental activities:</b>				
<i>Improvement District Bonds:</i>				
Roosevelt Street Improvements Bonds	2.5%-4.2%	January 2038	\$ 5,285,000	\$ 5,285,000
Jackrabbit Trail Sewer Improvements Bonds	6.25%	January 2029	2,545,000	301,000
Total Improvement District Bonds			<u>\$ 7,830,000</u>	<u>\$ 5,586,000</u>
<i>Revenue Bonds:</i>				
Greater Arizona Development Authority Excise Tax Revenue Bonds				
Series 2007A (private placement)	4.0 - 5.0%	August 2031	\$ 2,200,000	\$ 1,430,000
Excise Tax Revenue Refunding Bonds, Series 2015	2.0 - 5.0%	July 2024	1,575,600	853,200
Excise Tax Revenue Refunding Bonds, Series 2016	2.0 - 5.0%	July 2036	12,620,000	10,890,000
Total Revenue Bonds			<u>\$ 16,395,600</u>	<u>\$ 13,173,200</u>
<b>Business-type Activities:</b>				
<i>Revenue Bonds:</i>				
Excise Tax Revenue Refunding Bonds, Series 2010	2.5% - 4%	July 2020	\$ 1,795,000	\$ 225,000
Water & Sewer System Senior Revenue Bonds 2015	4.75%	July 2044	250,000	250,000
Excise Tax Revenue Refunding Bonds, Series 2015	2.0 - 5.0%	July 2024	4,989,400	2,701,800
Excise Tax Revenue Obligations, Series 2015	3.50 - 5.00%	July 2045	51,260,000	51,260,000
Total Revenue Bonds			<u>\$ 58,294,400</u>	<u>\$ 54,436,800</u>
<i>WIFA Bonds:</i>				
WIFA Bond - 91A140 - 10 (private placement)	2.50%	July 2029	\$ 12,000,000	\$ 2,907,426
WIFA Bond - 910158 - 13 (private placement)	2.50%	July 2032	7,370,000	4,499,916
WIFA Bond - 920239 - 13 (private placement)	2.975%	July 2032	5,065,000	2,429,909
WIFA Bond - 920241 - 13 (private placement)	2.975%	July 2032	3,617,450	2,584,040
WIFA Bond - 920240 - 15 (private placement)	2.184%	July 2034	761,000	550,192
Total WIFA Bonds			<u>\$ 28,813,450</u>	<u>\$ 12,971,483</u>
<i>Community Facilities District Bonds:</i>				
Festival Ranch Special Assessment Revenue Bonds,				
Series 2009 (private placement)	8.88%	July 2034	356,000	148,000
Series 2011 (private placement)	8.50%	July 2035	404,000	190,000
Series 2013 (private placement)	7.25%	July 2033	186,000	112,970
Series 2015 (private placement)	6.00%	July 2035	288,000	176,000
Series 2016 (private placement)	5.75%	July 2035	200,000	122,353
Series 2017 (private placement)	2.5% - 5.2%	July 2037	2,738,000	2,453,000
Series 2018 (private placement)	5.88%	July 2037	210,000	196,200
Series 2018 (private placement)	3.0% - 4.9%	July 2038	3,920,000	3,920,000
Series 2019 (private placement)	5.88%	July 2038	722,000	722,000

## City of Buckeye, Arizona

### Notes to Financial Statements

Purpose	Interest Rates (%)	Matures	Original Issue Amount	Amount Outstanding
Festival Ranch Special Assessment Lien Bonds,				
Series 2007 (private placement)	4.2 - 5.0%	July 2032	1,868,000	806,000
Series 2007 (private placement)	4.3 - 5.75%	July 2032	1,784,000	792,000
Festival Ranch General Obligation Bonds,				
Series 2009A	5.0 - 6.5%	July 2031	5,435,000	2,585,000
Series 2009B	8.0 - 8.625%	July 2034	2,165,000	1,550,000
Series 2012	1.0 - 5%	July 2031	5,400,000	2,745,000
Series 2013	2.0 - 5.25%	July 2033	1,800,000	1,630,000
Series 2016	2.0 - 4.0%	July 2036	5,410,000	5,185,000
Series 2017A	3.0 - 5.0%	July 2037	3,665,000	3,490,000
Series 2017B	3.0 - 4.0%	July 2032	2,940,000	2,765,000
Series 2018	3.0-5.0%	July 2038	3,335,000	3,265,000
Total Festival Ranch			<u>42,826,000</u>	<u>32,853,523</u>
Sundance Special Assessment Revenue Bonds				
Series 2003 (private placement)	5.0 - 7.125%	July 2027	7,175,000	1,125,000
Series 2004 (private placement)	6.50%	July 2029	2,050,000	295,000
Sundance General Obligation Bonds,				
Series 2014	2.0 - 4.625%	July 2034	17,945,000	15,180,000
Refunding, Series 2018	4.00%	July 2029	3,140,000	2,955,000
Series 2018	4.0 - 5.0%	July 2043	3,265,000	3,265,000
Total Sundance			<u>33,575,000</u>	<u>22,820,000</u>
Tartesso West General Obligation Bonds,				
Refunding, Series 2018 (private placement)	3.47%	July 2032	6,430,000	6,050,000
Total Tartesso			<u>6,430,000</u>	<u>6,050,000</u>
Verrado District No. 1, General Obligation Bonds,				
Series 2013A (private placement)	2.0 - 6.0%	July 2027	20,400,000	13,175,000
Series 2013B (private placement)	5.0 - 6.0%	July 2033	6,000,000	5,565,000
Series 2017 (private placement)	3.55%	July 2031	14,055,000	13,335,000
Verrado Western Overlay General Obligation, Bonds, Series 2004 (private placement)				
Total Verrado/Verrado Overlay	Variable	July 2029	<u>13,000,000</u>	<u>7,400,000</u>
			<u>53,455,000</u>	<u>39,475,000</u>
West Park Special Assessment Revenue Bonds,				
Series 2005	4.55 - 5.9%	July 2029	3,800,000	949,000
West Park General Obligation Bonds,				
Series 2016	4.0% - 5.0%	July 2032	5,895,000	4,970,000
Total West Park			<u>9,695,000</u>	<u>5,919,000</u>
Watson Road Special Assessment Revenue Bonds, Series 2005 (private placement)				
	4.5 - 6.0%	July 2030	49,000,000	21,587,000
Total Community Facilities Districts Bonds			<u>\$ 194,981,000</u>	<u>\$ 128,704,523</u>
Total Debt - All Funds			\$ 306,314,450	\$ 214,872,006

**City of Buckeye, Arizona**  
Notes to Financial Statements

Debt service requirements on long-term debt at June 30, 2019, are as follows:

<b>Governmental Activities</b>																
Fiscal Year	Excise Tax Revenue Bond		Greater Arizona Development Authority (Private Placement)		Improvement Districts		Total Debt Primary Government									
	Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest							
2020	\$	611,000	\$	454,365	\$	90,000	\$	67,281	\$	227,000	\$	211,717	\$	928,000	\$	733,363
2021		637,000		429,925		95,000		62,781		234,000		204,934		966,000		697,640
2022		665,400		402,825		100,000		58,031		241,000		197,634		1,006,400		658,490
2023		698,800		369,555		105,000		53,031		247,000		189,722		1,050,800		612,308
2024		721,000		348,103		110,000		48,437		254,000		181,127		1,085,000		577,667
2025-29		3,075,000		1,294,265		495,000		136,248		1,428,000		752,431		4,998,000		2,182,944
2030-34		3,690,000		590,152		435,000		38,499		1,505,000		462,440		5,630,000		1,091,091
2035-39		1,645,000		190,713		-		-		1,450,000		124,950		3,095,000		315,663
	\$	11,743,200	\$	4,079,903	\$	1,430,000	\$	464,308	\$	5,586,000	\$	2,324,955	\$	18,759,200	\$	6,869,166

<b>Governmental Activities (continued)</b>																
<b>Community Facilities Districts - Private Placement</b>																
Fiscal Year	Festival		Sundance		Tartesso		Verrado No 1									
	Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest							
2020	\$	383,572	\$	478,452	\$	133,000	\$	99,331	\$	375,000	\$	209,935	\$	2,470,000	\$	1,523,533
2021		396,190		462,908		140,000		90,005		390,000		196,922		2,580,000		1,413,228
2022		409,969		446,350		147,000		80,180		405,000		183,390		2,700,000		1,297,858
2023		429,911		428,544		162,000		69,857		415,000		169,336		2,820,000		1,177,068
2024		459,022		408,905		174,000		58,464		430,000		154,935		2,945,000		1,050,713
2025-29		2,601,620		1,697,941		664,000		106,927		2,390,000		539,583		13,315,000		2,945,518
2030-34		2,958,674		976,291		-		-		1,645,000		115,724		5,245,000		544,980
2035-39		1,999,565		242,482		-		-		-		-		-		-
	\$	9,638,523	\$	5,141,873	\$	1,420,000	\$	504,764	\$	6,050,000	\$	1,569,825	\$	32,075,000	\$	9,952,895

<b>Governmental Activities (continued)</b>												
<b>Community Facilities Districts - Private Placement (continued)</b>												
Fiscal Year	Verrado Western Overlay		Watson Rd		Total Private Placement							
	Ending	Principal	Interest	Principal	Interest	Principal	Interest					
2020	\$	600,000	\$	-	\$	1,451,000	\$	1,283,695	\$	5,412,572	\$	3,594,946
2021		700,000		-		1,537,000		1,200,262		5,743,190		3,363,325
2022		700,000		-		1,622,000		1,111,885		5,983,969		3,119,663
2023		700,000		-		1,715,000		1,018,620		6,241,911		2,863,425
2024		700,000		-		1,818,000		915,720		6,526,022		2,588,737
2025-29		4,000,000		-		10,865,000		2,805,180		33,835,620		8,095,149
2030-34		-		-		2,579,000		154,740		12,427,674		1,791,735
2035-39		-		-		-		-		1,999,565		242,482
	\$	7,400,000	\$	-	\$	21,587,000	\$	8,490,102	\$	78,170,523	\$	25,659,459

**City of Buckeye, Arizona**  
Notes to Financial Statements

**Governmental Activities (continued)**

Fiscal Year Ending	<b>Community Facilities Districts - Public Offering</b>							
	Festival		Sundance		Westpark		Total Public Offering	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 795,000	\$ 1,109,179	\$ 900,000	\$ 922,869	\$ 368,000	\$ 284,786	\$ 2,063,000	\$ 2,316,834
2021	825,000	1,075,716	930,000	893,319	382,000	268,934	2,137,000	2,237,969
2022	860,000	1,039,304	970,000	856,119	401,000	252,191	2,231,000	2,147,614
2023	900,000	1,000,416	1,010,000	817,319	417,000	234,612	2,327,000	2,052,347
2024	940,000	959,294	1,050,000	776,919	431,000	216,279	2,421,000	1,952,492
2025-29	5,455,000	4,053,769	5,930,000	3,199,531	2,490,000	754,820	13,875,000	8,008,120
2030-34	6,795,000	2,675,069	7,345,000	1,785,375	1,430,000	145,250	15,570,000	4,605,694
2035-39	6,645,000	806,600	1,650,000	578,000	-	-	8,295,000	1,384,600
2040-44	-	-	1,615,000	164,800	-	-	1,615,000	164,800
	<u>\$ 23,215,000</u>	<u>\$ 12,719,346</u>	<u>\$ 21,400,000</u>	<u>\$ 9,994,250</u>	<u>\$ 5,919,000</u>	<u>\$ 2,156,872</u>	<u>50,534,000</u>	<u>24,870,469</u>
Total Government Activities Bonded and Long-Term Debt							<u>\$ 147,463,723</u>	<u>\$ 57,399,094</u>

Fiscal Year Ending	<b>Business Type Activities</b>					
	Excise Tax Revenue Bonds				Total Debt	
	Water		Wastewater		Excise Tax Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 498,000	\$ 2,560,166	\$ 221,000	\$ 53,057	\$ 719,000	\$ 2,613,223
2021	1,368,500	2,540,246	229,500	44,217	1,598,000	2,584,463
2022	1,438,200	2,471,821	241,400	32,742	1,679,600	2,504,563
2023	1,512,900	2,399,911	253,300	20,672	1,766,200	2,420,583
2024	1,580,500	2,327,395	263,500	10,540	1,844,000	2,337,935
2025-29	7,295,000	10,564,376	-	-	7,295,000	10,564,376
2030-34	9,205,000	8,657,476	-	-	9,205,000	8,657,476
2035-39	11,710,000	6,145,500	-	-	11,710,000	6,145,500
2040-44	15,200,000	2,910,000	-	-	15,200,000	2,910,000
2045-49	3,420,000	136,808	-	-	3,420,000	136,808
	<u>\$ 53,228,100</u>	<u>\$ 40,713,699</u>	<u>\$ 1,208,700</u>	<u>\$ 161,228</u>	<u>\$ 54,436,800</u>	<u>\$ 40,874,927</u>

Fiscal Year Ending	<b>Business Type Activities (Continued)</b>							
	Water Infrastructure Finance Authority (Private Placement)				Total Debt		Total Debt	
	Water		Wastewater		Private Placement		Business Type Activities	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 356,043	\$ 161,180	\$ 557,564	\$ 185,184	\$ 913,607	\$ 346,363	\$ 1,632,607	\$ 2,959,586
2021	366,363	150,861	571,503	171,244	937,866	322,105	2,535,866	2,906,568
2022	376,983	140,240	585,790	156,957	962,774	297,197	2,642,374	2,801,760
2023	387,913	129,311	600,435	142,312	988,348	271,623	2,754,548	2,692,206
2024	399,162	118,062	615,446	127,301	1,014,608	245,363	2,858,608	2,583,298
2025-29	2,176,382	409,733	3,315,862	400,940	5,492,244	810,673	12,787,244	11,375,049
2030-34	1,501,295	89,122	1,160,741	53,351	2,662,037	142,472	11,867,037	8,799,948
2035-39	-	-	-	-	-	-	11,710,000	6,145,500
2040-44	-	-	-	-	-	-	15,200,000	2,910,000
2045-49	-	-	-	-	-	-	3,420,000	136,808
	<u>\$ 5,564,141</u>	<u>\$ 1,198,509</u>	<u>\$ 7,407,342</u>	<u>\$ 1,237,289</u>	<u>\$ 12,971,483</u>	<u>\$ 2,435,798</u>	<u>67,408,283</u>	<u>43,310,725</u>
Total Business-Type Activity Bonded and Long-Term Debt							<u>\$ 67,408,283</u>	<u>\$ 43,310,725</u>

**City of Buckeye, Arizona**  
Notes to Financial Statements

**Other Long-Term Obligations**

Changes in long-term obligations for the year ended June 30, 2019 are as follows:

**City of Buckeye, Arizona**  
**Notes to Financial Statements**  
June 30, 2019

	As restated July 1, 2018	Increases	Decreases	June 30, 2019	Due Within One Year
<b>Governmental Activities:</b>					
<b>Bonds payable:</b>					
Improvement Districts	\$ 6,467,000	\$ -	\$ (881,000)	\$ 5,586,000	\$ 227,000
GADA	1,595,000	-	(165,000)	1,430,000	-
Excise Tax Revenue Bonds	12,904,600	-	(1,161,400)	11,743,200	-
<b>Community facilities district</b>					
Private placement	80,368,634	11,072,000	(13,270,111)	78,170,523	-
Public offering	45,547,000	9,740,000	(4,753,000)	50,534,000	-
Deferred amount on premium	2,943,743	560,933	(254,819)	3,249,857	-
Deferred amount on discount	(352,855)	-	48,732	(304,123)	-
<b>Total bonds payable</b>	<b>149,473,122</b>	<b>21,372,933</b>	<b>(20,436,598)</b>	<b>150,409,457</b>	<b>227,000</b>
<b>Other liabilities:</b>					
Compensated absences	1,876,356	2,635,342	(2,188,462)	2,323,236	2,160,609
Net Pension Liability - ASRS	22,473,044	2,050,310	(2,628,640)	21,894,714	-
Net Pension Liability - PSPRS	17,518,943	8,815,702	(6,073,416)	20,261,229	-
<b>Total other liabilities</b>	<b>41,868,343</b>	<b>13,501,354</b>	<b>(10,890,518)</b>	<b>44,479,179</b>	<b>2,160,609</b>
<b>Total long-term liabilities</b>	<b>\$ 191,341,465</b>	<b>\$ 34,874,287</b>	<b>\$ (31,327,116)</b>	<b>\$ 194,888,636</b>	<b>\$ 2,387,609</b>
<b>Business-type Activities:</b>					
<b>Bonds payable:</b>					
<b>Revenue</b>					
Private placement	\$ 14,648,305	\$ 92,905	\$ (1,769,727)	\$ 12,971,483	\$ 934,474
Public offering	55,805,400	-	(1,368,600)	54,436,800	-
Deferred amount on premium	4,294,040	-	(146,181)	4,147,859	-
<b>Total bonds payable</b>	<b>74,747,745</b>	<b>92,905</b>	<b>(3,284,508)</b>	<b>71,556,142</b>	<b>934,474</b>
<b>Other liabilities:</b>					
Compensated absences	241,298	320,277	(248,596)	312,979	291,070
Net Pension Liability - ASRS	6,930,478	946,092	(810,022)	7,066,548	-
<b>Total other liabilities</b>	<b>7,171,776</b>	<b>1,266,369</b>	<b>(1,058,618)</b>	<b>7,379,527</b>	<b>291,070</b>
<b>Total long-term liabilities</b>	<b>\$ 81,919,521</b>	<b>\$ 1,359,274</b>	<b>\$ (4,343,126)</b>	<b>\$ 78,935,669</b>	<b>\$ 1,225,544</b>

The personnel policy allows up to 80 hours of each employee's accrued vacation hours to be redeemed at the employee's request. These amounts are included in the changes in long-term obligations schedule. The majority of the compensated absences are paid by the general fund.

**Note 10 - Interfund Transfers**

Interfund transfers for the year ended June 30, 2019 consisted of the following:

Transfers To	Transfers From					Total
	General Fund	Impact Fee Fund	Festival Ranch CFD	Nonmajor Governmental Fund	Nonmajor Proprietary Funds	
General Fund	\$ -	\$ -	\$ -	\$ 1,213,000	\$ -	\$ 1,213,000
Impact Fees	-	-	-	579,945	-	579,945
Nonmajor Governmental Funds	2,381,100	580,000	4,354,313	1,096,408	81,300	8,493,121
Fiducary Fund	496	-	-	-	-	496
<b>Total</b>	<b>\$ 2,381,596</b>	<b>\$ 580,000</b>	<b>\$ 4,354,313</b>	<b>\$ 2,889,353</b>	<b>\$ 81,300</b>	<b>\$ 10,286,562</b>

# City of Buckeye, Arizona

## Notes to Financial Statements

Transfers were made for operations in the applicable funds and debt service transfers were for debt service payments made in other funds.

### Note 11 - Risk Management

The City 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 City's insurance protection is provided by the Arizona Municipal Risk Retention Pool, of which the City 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 City is also insured by Arizona Municipal Workers Compensation Fund for potential worker-related accidents.

### Note 12 - Retirement Plans

The City contributes to the three plans described below. The plans are component units of the State of Arizona. At June 30, 2019, the City reported the following aggregate amounts related to pensions for all plans to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities	Business-Type Activities	Total
Net pension liabilities	\$ 42,155,943	\$ 7,066,547	\$ 49,222,490
Deferred outflows of resources	16,225,455	1,535,776	17,761,231
Deferred inflows of resources	5,428,169	835,437	6,263,606
Pension expense	5,892,341	848,633	6,740,974

### Arizona State Retirement System

**Plan Description** – City employees, not covered by the other pension plans described below, participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at [www.azasrs.gov](http://www.azasrs.gov).

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

**City of Buckeye, Arizona**  
Notes to Financial Statements

	<u>Initial Membership Date</u>	
	<u>Before July 1, 2011</u>	<u>On or after July 1, 2011</u>
Years of service and age required to receive benefits	Sum of years and age equals 80 10 years; age 62 5 years; age 50* Any years; age 65	30 years; age 55 25 years; age 60 10 years; age 62 5 years; age 50* Any years; age 65
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years
Benefit % per year of service	2.1% to 2.3%	2.1% to 2.3%

\*With actuarially reduced benefits

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

**Contributions** - In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2019, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.80% (11.64% for retirement and 0.16% for long-term disability) of the members' annual covered payroll, and the City was required by statute to contribute at the actuarially determined rate of 11.80% (11.18% for retirement, 0.46% for health insurance premium benefit, and 0.16% for long-term disability) of the active members' annual covered payroll. In addition, the City was required by statute to contribute at the actuarially determined rate of 10.53 percent (10.47 percent for retirement and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the ASRS. The City's contributions to the pension plan for the year ended June 30, 2019, were \$2,470,822. The City's contributions for the current and six preceding years for OPEB, all of which were equal to the required contributions, were as follows:

Year ended June 30:	<u>Health Benefit Supplement Fund</u>	<u>Long-Term Disability Fund</u>
2019	\$ 94,536	\$ 34,377
2018	112,058	28,014
2017	88,661	21,279
2016	102,808	20,910
2015	86,507	17,595
2014	82,956	33,183
2013	68,144	25,161

During fiscal year 2019, the City paid for ASRS pension and OPEB contributions as follows: 75.60% from the General Fund, 24.13% from major funds, .27% from other funds. The City's pension and OPEB contributions are paid from the same funds as the employee's salary with the largest component coming from the General Fund.

## City of Buckeye, Arizona

### Notes to Financial Statements

**Pension Liability** – At June 30, 2019, the City reported a liability of \$28,961,262 for its proportionate share of the ASRS’ net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined using updated procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018.

The City’s reported liability at June 30, 2019, decreased to \$28,961,262 from the City’s prior year liability of \$29,403,522 because of changes in the ASRS’ net pension liability and the City’s proportionate share of that liability. The ASRS’ publicly available financial report provides details on the change in the net pension liability.

The City’s proportion of the net pension liability was based on accrued retirement contributions for employers that were members of the ASRS as of June 30, 2018. The City’s proportion measured as of June 30, 2018 was 0.207660%, which was an increase of 0.01891% from its proportion measured as of June 30, 2017.

**Pension Expense and Deferred Outflows/Inflows of Resources** – For the year ended June 30, 2019, the City recognized pension expense for ASRS of \$2,596,983. At June 30, 2019, and the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 797,859	\$ 159,659
Difference between projected and actual investment earnings	-	696,450
Changes in assumptions	766,368	2,567,814
Changes in proportion and differences between City	2,259,115	-
City contributions subsequent to the measurement date	2,470,822	-
	\$ 6,294,164	\$ 3,423,923

The \$2,470,822 reported as deferred outflows of resources related to ASRS pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year ending June 30:	
2020	\$ 1,480,402
2021	287,811
2022	(1,056,463)
2023	(312,331)
Total	\$ 399,419

**Actuarial Assumptions** – The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2017
Actuarial roll forward date	June 30, 2018
Actuarial cost method	Entry age normal
Discount rate	7.5%
Projected salary increases	2.7-7.2%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates (Retirement/HBS)	2017 SRA Scale U-MP
Mortality rates (LTD)	2012 GLDT

Actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

## City of Buckeye, Arizona

### Notes to Financial Statements

The long-term expected rate of return on ASRS pension plan investments was determined to be 5.07% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation. On June 29, 2018, the ASRS Board approved updated strategic asset allocation targets to be effective beginning July 2018. The ASRS' estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation	Real Return Geometric Basis	Long-Term Expected Real Rate of Return
Equity	50%	5.50%	2.75%
Fixed income	30%	3.83%	1.15%
Commodities	20%	5.85%	1.17%
Total	<u>100%</u>		<u>5.07%</u>

**Discount Rate** – The discount rate used to measure the ASRS total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate** – The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5%) or 1 percentage point higher (8.5%) than the current rate:

Net Liability	1% Decrease 6.5%	Current Discount Rate 7.5%	1% Increase 8.5%
Retirement	\$ 41,284,945	\$ 28,961,262	\$ 18,665,024

#### Public Safety Personnel Retirement System (PSPRS)

**Plan Descriptions** – City's police employees and fire employees who are regularly assigned hazardous duty participate in the Public Safety Personnel Retirement System (PSPRS). The PSPRS administers an agent multiple-employer defined benefit pension plan and an agent multiple-employer defined benefit health insurance premium benefit (OPEB) plan (agent plans). A seven-member board known as the Board of Trustees and the participating local boards govern the PSPRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 4.

The PSPRS issue publicly available financial reports that include their financial statements and required supplementary information. The reports are available on the PSPRS Web site at [www.psprs.com](http://www.psprs.com).

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

## City of Buckeye, Arizona

### Notes to Financial Statements

	Initial Membership Date		
	Before January 1, 2012 (Tier 1)	On or after January 1, 2012 and before July 1, 2017 (Tier 2)	On or after July 1, 2017 (Tier 3)
Retirement and disability years of service and age required to receive benefits	20 years of service, any age OR 15 years and age 62	25 years of service OR 15 years of credited service and age 52.5	15 years of service and age 55
Final average salary is based on	Highest 36 consecutive months of last 20 years	Highest 60 consecutive months of last 20 years	Highest 60 consecutive months of last 15 years
<b>Benefit percent:</b>			
Normal retirement	50% less 2.0% for each year of credited service less than 20 OR plus 2.0% to 2.5% for each year of credited service over 20 years, not to exceed 80%	2.5% per year of credited service, not to exceed 80%	2.5% per year of credited service, not to exceed 80%
Accidental disability retirement	50% or normal retirement, whichever is greater		
Catastrophic disability retirement	90% for the first 60 months then reduced to either 62.5% or normal retirement, whichever is greater		
Ordinary disability retirement	Normal retirement calculated with actual years of credited service or 20 years of credited service, whichever is greater, multiplied by years of credited service (not to exceed 20 years) divided by 20		
<b>Survivor benefit:</b>			
Retired members	80% of retired members pension benefit		
Active members	80% of accidental disability retirement benefit or 100% of average monthly compensation if death was the result of injuries on the job		

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

**Employees Covered by Benefit Terms** – At June 30, 2019, the following employees were covered by the agent pension plans' benefit terms:

	PSPRS Police	PSPRS Fire
Inactive employees or beneficiaries currently receiving benefits	16	-
Inactive employees entitled to but not yet receiving benefits	10	5
Active employees	81	82
<b>Total</b>	<b>107</b>	<b>87</b>

**Contributions and Annual OPEB Cost** – State statutes establish the pension contribution requirements for active PSPRS. In accordance with state statutes, annual actuarial valuations determine employer contribution requirements for PSPRS pension and health insurance premium benefits. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. Contribution rates for the year ended June 30, 2019, are indicated below. Rates are a percentage of active members' annual covered payroll.

	Tier 1 & 2		Tier 3	
	PSPRS - Police	PSPRS - Fire	PSPRS - Police	PSPRS - Fire
Active members				
Pension	7.65%	7.65%	9.68%	9.68%
City				
Pension	27.27%	21.63%	21.83%	15.55%
Health insurance premium benefit	0.34%	0.29%		
City Total	<u>27.61%</u>	<u>21.92%</u>		

## City of Buckeye, Arizona

### Notes to Financial Statements

In addition, the City was required by statute to contribute at the actuarially determined rate of 27.61% for the PSPRS of annual covered payroll of retired members who worked for the City in positions that would typically be filled by an employee who contributes to the PSPRS.

For the agent plans, the City's contributions to the pension plan and annual OPEB cost and contributions for the health insurance premium benefit for the year ended June 30, 2019, were:

	PSPRS Police	PSPRS Fire
Pension contributions made	\$ 2,230,303	\$ 1,725,369
Health insurance premium benefit OPEB contributions made	26,979	20,711

During fiscal year 2019, the City paid for PSPRS pension and OPEB contributions 100% from the General Fund.

**Pension Liability** – At June 30, 2019, the City reported the following net pension liabilities:

	Net Pension Liability
PSPRS Police	\$ 13,236,912
PSPRS Fire	7,024,317

The net pension liabilities were measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**Pension Actuarial Assumptions** – The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2018
Actuarial cost method	Entry age normal
Asset Valuation Method	Fair value of assets
Payroll growth	3.50%
Price Inflation	2.50%
Projected salary increases	3.50% - 7.50% including inflation
Investment rate of return	7.4%, net of investment and administrative expenses
Retirement Age	Experience-based table of rates that is specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period July 1, 2011 - June 30, 2016.
Permanent benefit increase	Included
Mortality rates	RP-2014 mortality tables projected backwards 1 year to 2013 with MP-2014 (110% of female healthy annuitant mortality table). Future mortality improvements are assumed each year using 75% of scale MP-2016.

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study of the period July 1, 2011 – June 30, 2016.

The long-term expected rate of return on PSPRS pension plan investments was determined to be 7.40% using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

## City of Buckeye, Arizona

### Notes to Financial Statements

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equity	16%	7.60%
Non-U.S. equity	14%	8.70%
Private equity	12%	5.83%
Fixed income	5%	1.25%
Private Credit	16%	6.75%
GTS	12%	3.96%
Real assets	9%	4.52%
Real estate	10%	3.75%
Risk parity	4%	5.00%
Short term investments	2%	0.25%
Total	100%	

**Pension Discount Rates** – The PSPRS Police and PSPRS Fire used a discount rate of 7.40% to measure the total pension liabilities.

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

#### Changes in Net Pension Liability

##### PSPRS Police

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2018	\$ 32,430,420	\$ 20,375,737	\$ 12,054,683
Changes for the year:			
Service cost	1,602,070	-	1,602,070
Interest on the total pension liability	2,425,223	-	2,425,223
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	422,918	-	422,918
Changes of assumptions	-	-	-
Contributions - employer	-	2,188,945	(2,188,945)
Contributions - employee	-	645,123	(645,123)
Net investment income	-	1,458,538	(1,458,538)
Benefit payments, including refunds of employee contributions	(916,335)	(916,335)	-
Hall/Parker Settlement	-	(1,001,955)	1,001,955
Pension plan administrative expenses	-	(22,899)	22,899
Other changes	-	230	(230)
Net changes	3,533,876	2,351,647	1,182,229
Balances at June 30, 2019	\$ 35,964,296	\$ 22,727,384	\$ 13,236,912

**City of Buckeye, Arizona**  
Notes to Financial Statements

**PSPRS Fire**

	Increase (Decrease)		
	Total	Plan	Net
	Pension Liability (a)	Fiduciary Net Position (b)	Pension Liability (a) - (b)
Balances at June 30, 2018	\$ 28,155,544	\$ 22,691,284	\$ 5,464,260
Changes for the year:			
Service cost	1,819,972	-	1,819,972
Interest on the total pension liability	2,150,849	-	2,150,849
Changes of benefit terms	-	-	-
Differences between expected and actual experience in the measurement of the pension liability	573,232	-	573,232
Changes of assumptions	-	-	-
Contributions - employer	-	1,872,070	(1,872,070)
Contributions - employee	-	634,840	(634,840)
Net investment income	-	1,641,687	(1,641,687)
Benefit payments, including refunds of employee contributions	1	1	-
Hall/Parker Settlement	-	(1,139,163)	1,139,163
Pension plan administrative expenses	-	(25,686)	25,686
Other changes	-	248	(248)
Net changes	4,544,054	2,983,997	1,560,057
Balances at June 30, 2019	<u>\$ 32,699,598</u>	<u>\$ 25,675,281</u>	<u>\$ 7,024,317</u>

**Sensitivity of the City's Net Pension Liability to Changes in the Discount Rate** – The following table presents the City's net pension liabilities calculated using the discount rates noted above, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current	1% Increase
	6.40%	Discount Rate 7.40%	8.40%
PSPRS Police			
PSPRS Fire	\$ 19,286,148	\$ 13,236,912	\$ 8,407,722
	<u>13,076,433</u>	<u>7,024,317</u>	<u>2,191,790</u>
City's net pension liability	<u>\$ 32,362,581</u>	<u>\$ 20,261,229</u>	<u>\$ 10,599,512</u>

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plans' fiduciary net position is available in the separately issued PSPRS financial reports.

**Pension Expense** – For the year ended June 30, 2019, the City recognized \$2,303,160 for PSPRS Police and \$1,840,831 for PSPRS Fire in pension expense.

**Pension Deferred Outflows/Inflows of Resources** – At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

## City of Buckeye, Arizona

### Notes to Financial Statements

	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>PSPRS Police</b>		
Difference between expected and actual experience	\$ 1,249,689	\$ 1,020,882
Changes in assumptions	1,799,057	-
Difference between projected and actual investment earnings	210,975	-
City contributions subsequent to the measurement date	2,230,303	-
	\$ 5,490,024	\$ 1,020,882
<b>PSPRS Fire</b>		
Difference between expected and actual experience	\$ 2,854,385	\$ 1,818,802
Changes in assumptions	1,191,412	-
Difference between projected and actual investment earnings	205,877	-
City contributions subsequent to the measurement date	1,725,369	-
	\$ 5,977,043	\$ 1,818,802

The amounts reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (or an increase in the net pension asset) in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PSPRS Police	PSPRS Fire
Year ending June 30:		
2020	\$ 729,346	\$ 505,909
2021	607,841	379,835
2022	370,197	126,904
2023	308,381	292,157
2024	148,307	274,732
Thereafter	74,767	853,335
Total	\$ 2,238,839	\$ 2,432,872

#### Firefighters' Relief and Pension Fund

The City of Buckeye Volunteer Firefighters' Relief and Pension Fund is a defined contribution pension plan administered by the City and a board of trustees for the City'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, 2019, there were no contributions made.

# City of Buckeye, Arizona

## Notes to Financial Statements

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

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

### Postemployment Health Plan

The City's post-employment health benefit plan is a defined contribution health benefit plan established by the City in May of 2013 to provide health benefits at retirement to qualified general and public safety employees of the City. The plan is administered by the Nationwide Retirement Solutions. At June 30, 2019, there were 95 plan members. Plan membership is required at a cost of \$10 plus 0.50 percent of covered salary per pay period to the employee. The City does not contribute to the plan. Plan provisions and contribution requirements are established and may be amended by the City Council.

### Note 13 - Contingent Liabilities

**Tartesso Units 1, 2A, 2B Water Infrastructure** - On May 19, 2015, the City entered into an agreement to purchase Tartesso Wastewater Treatment Plant (WWTP) for \$14,930,544. The purchase price is to be paid from the City's collection of wastewater impact fees from users of the Tartesso WWTP located in the Central North service area within City. Each payment is to be made quarterly and will be made up of wastewater impact fees collected by the City in the quarter. The City's payment obligation for the purchase price terminates when the purchase price is paid in full. Interest will not be charged on any unpaid balance of the purchase price. There were no principal payments made in the current year.

The City has also committed to reimburse the seller of the Tartesso WWTP for the construction and installation of an additional well, Tartesso Well No. 3, provided the seller performs the work in compliance with procurement laws and the City's requirements, and upon the City Engineer's acceptance of Tartesso Well No. 3, the seller will be entitled to reimbursement of all eligible and verified costs from water development impact fees collected from the Tartesso West project.

**Global Water** - On July 9, 2015, the City acquired Global Water Resources, Inc. (Global Water), a water utility service corporation through the issuance of the Excise Tax Revenue Obligation Bonds series 2015, in the amount of \$51,260,000. In addition to the consideration paid of \$51,260,000, the City has agreed to pay a growth premium equal to \$3,000 per new account during the growth period, up to \$45,000,000. The growth period is defined at the period of 20 years commencing January 1, 2015. Growth premiums paid during the current year were \$255,000. Growth premiums paid to date are \$3,984,000.

**Federal and State Grants and Loans** – The City has received a number of grants and loans from both the Federal and State governments. Although the programs have been audited, not all audits have been approved as of June 30, 2019; however the City expects no material disallowances of expenditures.

**Lawsuits** - The City is a defendant in various lawsuits. In the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City except as noted below.

In 2013, the City settled a legal action brought by a group of developers alleging that the City has breached the terms of a Letter of Understanding and Memorandum of Understanding between the City and the developers. Under the settlement, the City has agreed to provide monetary relief up to \$7,250,000, to be paid in an initial payment of \$2,000,000, with the remaining \$5,250,000 contingent upon occurrence of connections.

The contingent amount payable by the City for each connection shall be the following amounts:

- For each single family home or unit connection, an amount equal to \$1,250; and
- For each commercial, industrial or other non-residential connection, an amount equal to the lesser of (A) \$5,000, or (B) 25% of the amount normally charged as a wastewater connection fee for such type of building.

## City of Buckeye, Arizona

### Notes to Financial Statements

The \$2,250,000 initial payment has been included in the Propriety Funds Statement of Revenues, Expenses, and Changes in Fund Net Position for the year ended June 30, 2013. As of June 30, 2019, the City has not recorded a provision for the remaining \$5,250,000 as the liability is contingent upon occurrence of connections and management does not believe payment of the entire amount is probable. The City believes, however, that any liability it may incur would not have a material adverse effect on its financial condition or its results of operations. As of June 30, 2019, the City has paid out 32 single-family home connections for a total of \$40,000.

#### **Note 14 – Tax Abatement Agreements**

The City enters into various agreements with local business under Arizona Revised Statute 9-500.05 and 9-500.11. Under the Revised Statute the City is empowered to appropriate public funds to further employment opportunities and economic enhancement of the City. These agreements may be granted to any businesses located within or promising to relocate to the City. The City has determined that is in the best interests of the citizens of the City to rebate a portion of the sales taxes generated and collected from the certain business's retail sales to reimburse the businesses for certain amounts advances by the business for construction of public infrastructure necessary for the development of the new facilities, all to provide opportunities for enhances economic welfare and new job creation in the City.

For the fiscal year ended June 30, 2019, the City had had three active development agreements. The City Council is empowered, pursuant to Arizona Revised Statute (ARS) Section 9-500.11, to appropriate public funds to further employment opportunities and economic enhancement of the City.

- The agreement stipulates that the business owner will construct and develop a new facility on a piece of land to provide a unique retail business for the City, increase the value of the land for property tax purposes, create new opportunities for employment in the City, and enhance retails transaction (sales) tax. During the fiscal year, \$159,349 was paid as a rebate.
- The agreement stipulates that the business owner provided funds for the City's design, construction, and installation of certain public improvements. This sales tax rebate is limited to the full reimbursement of the funds received from the retail business that they provided to the City to design, construct and install the necessary public infrastructure. During the fiscal year, \$109,670 was paid as a rebate.
- The agreement stipulates that the business owner will provide funds for the City's design, construction, and installation of certain public improvements. This sales tax rebate is limited to the full reimbursement of the advanced funds received from the retail business that they provided to the City to design, construct and install the necessary public infrastructure. During the fiscal year, \$68,995 was paid as a rebate.

As of June 30, 2019, the City's estimated balance to be reimbursed is approximately \$2,650,000.

#### **Note 15 – Subsequent Events**

July 11, 2019 - Festival Ranch CFD General Obligation Bonds, Series 2019 and General Obligation Refunding Bonds, Series 2019 closed in the amount of \$5,715,000 and \$3,885,000 respectively.

August 6, 2019 - Resolution No. 54-19 approved the Development Agreement by and between the City and Buckeye Tartesso, LLC (owner) to construct, equip and furnish a multi-use fire and police facility building for each facility required by the Master Plan. Owner to transfer ownership of the parcel upon which the public safety building is to be constructed. Estimated cost is \$5,700,000 and the total amount to be paid by the Owner shall not exceed \$3,933,000 - paid through impact fee reimbursements.

September 17, 2019 - Municipal Airport South Apron & Taxiway – City received FAA grant funding for the construction contract between the City and J. Banicki Construction Inc. – not to exceed \$1,499,816.

## City of Buckeye, Arizona

### Notes to Financial Statements

October 28, 2019 – Verrado Western Overlay CFD General Obligation Refunding Bonds, Series 2019 closed in the amount of \$7,515,000.

January 3, 2020 - Resolution No. 03-20 established a new \$3.05 repair and replacement fee to assist in covering the associated costs of maintaining, repairing and replacing water infrastructure in connection with providing municipal water service to customers with the Buckeye water service area.

January 21, 2020 - Resolution No. 02-20 authorized the execution and delivery of the loan agreement between the City and the Water Infrastructure Finance Authority of Arizona (WIFA) in an amount not to exceed \$109 million.

#### Note 16 - Prior Period Adjustment

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Net position as of June 30, 2018, as previously reported	\$320,428,634	\$281,834,787
Period period adjustments:		
1 Landfill should have been previously included as blended component unit	26,692,866	-
2 Prior period TPT accrual adjustment	2,737,593	-
3 Reclassify Governmental Excise debt as Business-Type debt	4,295,400	(4,295,400)
4 Reclassify Enterprise Debt Service Fund previously included in Governmental Funds	(5,000)	5,000
5 Prior period PSPRS adjustment entry	(1,893,351)	-
6 Cash with trustee not included in prior net position	-	307,414
7 Eliminate reimburse agreements as outstanding liability - Wastewater treatment facility and Well	-	14,605,479
Net position as of July 1, 2018, as restated	\$352,256,142	\$292,457,280
		<b>Highway Users Revenue Fund</b>
	<b>General</b>	<b>Fund</b>
Fund balances as of June 30, 2018, as previously reported	\$ 27,465,167	\$ 434,701
Period period adjustments:		
1 Prior period TPT accrual adjustment	2,737,593	-
2 Debt service payments reclassified from HURF to General Fund	(1,120,858)	1,120,858
3 Reclassification of funds per GASB 54	(242,138)	-
4 Reclassify Enterprise Debt Service Fund previously included in Non-Major	-	-
Fund balances as of July 1, 2018, as restated	\$ 28,839,764	\$ 1,555,559
	<b>Wastewater</b>	<b>Water</b>
Total net position as of June 30, 2018, as previously reported	\$169,575,227	\$103,679,946
Period period adjustments:		
1 Reclassify Governmental Excise debt as Business-Type debt	(1,628,600)	(2,666,800)
2 Cash with trustee not included in prior net position	-	307,414
3 Eliminate reimburse agreements as outstanding liability - Wastewater treatment facility and Well	13,377,606	1,227,873
Net position as of July 1, 2018, as restated	\$181,324,233	\$102,548,433

**City of Buckeye, Arizona**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis**

For the Year Ended June 30, 2019

	<b>Budgeted Amounts</b>		<b>Actual Amounts Budgetary Basis</b>	<b>Variance Between Final Budget and Actual Amounts</b>
	<b>Adopted</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Sales taxes	\$ 30,900,000	\$ 30,900,000	\$ 33,553,978	\$ 2,653,978
Property taxes	7,897,452	7,897,452	8,026,209	128,757
Franchise taxes	3,327,900	3,327,900	3,393,398	65,498
Intergovernmental	17,204,316	17,204,316	18,196,197	991,881
Fines and forfeitures	826,000	826,000	830,894	4,894
Licenses and permits	11,720,000	11,720,000	13,112,110	1,392,110
Charges for services	2,873,250	2,873,250	2,870,149	(3,101)
Investment earnings	894,300	894,300	2,095,351	1,201,051
Other	272,525	272,525	417,981	145,456
<b>Total revenues</b>	<b>75,915,743</b>	<b>75,915,743</b>	<b>82,496,267</b>	<b>6,580,524</b>
<b>Expenditures</b>				
Current:				
General government:				
<b>Mayor and Council</b>				
Personnel services	390,684	390,684	416,680	(25,996)
Operating expenditures	269,900	269,900	144,587	125,313
<b>Total Mayor and Council</b>	<b>660,584</b>	<b>660,584</b>	<b>561,267</b>	<b>99,317</b>
<b>City Clerk</b>				
Personnel services	472,927	472,927	448,364	24,563
Operating expenditures	239,600	239,600	123,754	115,846
<b>Total City Clerk</b>	<b>712,527</b>	<b>712,527</b>	<b>572,118</b>	<b>140,409</b>
<b>City Manager</b>				
Personnel services	2,180,701	2,180,701	2,165,225	15,476
Operating expenditures	340,371	340,371	268,811	71,560
<b>Total City Manager</b>	<b>2,521,072</b>	<b>2,521,072</b>	<b>2,434,036</b>	<b>158,596</b>
<b>Human Resources</b>				
Personnel services	840,751	840,751	862,737	(21,986)
Operating expenditures	203,500	237,500	255,937	(18,437)
<b>Total Human Resources</b>	<b>1,044,251</b>	<b>1,078,251</b>	<b>1,118,674</b>	<b>(40,423)</b>
<b>Finance</b>				
Personnel services	1,059,624	1,059,624	1,157,009	(97,385)
Operating expenditures	3,838,036	3,792,707	3,346,918	445,789
<b>Total Finance Department</b>	<b>4,897,660</b>	<b>4,852,331</b>	<b>4,503,927</b>	<b>348,404</b>
<b>City Court</b>				
Personnel services	970,178	970,178	908,325	61,853
Operating expenditures	123,550	123,550	117,120	6,430
<b>Total City Court</b>	<b>1,093,728</b>	<b>1,093,728</b>	<b>1,025,445</b>	<b>68,283</b>
<b>Economic Development</b>				
Personnel services	463,952	463,952	423,124	40,828
Operating expenditures	214,200	214,200	187,033	27,167
<b>Total Economic Development</b>	<b>678,152</b>	<b>678,152</b>	<b>610,157</b>	<b>67,995</b>
<b>Information Technology</b>				
Personnel services	1,821,368	1,821,368	1,533,357	288,011
Operating expenditures	2,501,100	2,501,100	2,046,720	454,380
<b>Total Information Technology</b>	<b>4,322,468</b>	<b>4,322,468</b>	<b>3,580,077</b>	<b>742,391</b>
Contingency	16,153,936	16,153,936	-	16,153,936
<b>Total General Government</b>	<b>32,084,378</b>	<b>32,073,049</b>	<b>14,405,701</b>	<b>17,738,908</b>

**City of Buckeye, Arizona**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis**

For the Year Ended June 30, 2019

Public safety:				
<b>Police</b>				
Personnel services	16,115,245	16,115,245	16,270,961	(155,716)
Operating expenditures	3,070,248	3,070,248	2,879,403	190,845
Total Police	19,185,493	19,185,493	19,150,364	35,129
<b>Fire</b>				
Personnel services	12,553,899	12,553,899	13,088,320	(534,421)
Operating expenditures	1,576,853	1,588,182	1,174,498	413,684
Total Fire	14,130,752	14,142,081	14,262,818	(120,737)
Total Public Safety	33,316,245	33,327,574	33,413,182	(85,608)
Culture and Recreation:				
<b>Community Services</b>				
Personnel services	4,003,154	4,003,154	3,779,589	223,565
Operating expenditures	1,005,168	1,004,218	975,732	28,486
Total Culture and Recreation	5,008,322	5,007,372	4,755,321	252,051
Public Works:				
<b>Public Works</b>				
Personnel services	1,489,706	1,489,706	1,570,157	(80,451)
Operating expenditures	1,914,649	2,212,381	1,761,638	450,743
Total Public Works	3,404,355	3,702,087	3,331,795	370,292
Development Services:				
<b>Development Services</b>				
Personnel services	2,605,856	2,605,856	2,637,424	(31,568)
Operating expenditures	984,120	984,120	937,812	46,308
Total Development Services	3,589,976	3,589,976	3,575,236	14,740
Engineering Services:				
<b>Engineering</b>				
Personnel services	2,143,312	2,143,312	1,841,944	301,368
Operating expenditures	1,070,887	1,070,887	629,176	441,711
Total Engineering Services	3,214,199	3,214,199	2,471,120	743,079
Debt Service				
Principal	525,000	525,000	1,326,400	(801,400)
Interest and other charges	494,060	494,060	553,815	(59,755)
Total Debt Service	1,019,060	1,019,060	1,880,215	(861,155)
Capital outlay	16,405,627	16,108,845	6,165,137	9,943,708
Total expenditures	98,042,162	98,042,162	69,997,707	28,116,015
Excess (deficiency) of revenues over expenditures	(22,126,419)	(22,126,419)	12,498,560	34,624,979
Other Financing Sources (Uses)				
Transfers in	3,119,341	3,119,341	1,267,467	(1,851,874)
Transfers out	(8,123,979)	(8,123,979)	(6,408,860)	1,715,119
Total other financing sources and uses	(5,004,638)	(5,004,638)	(5,141,393)	(136,755)
Net change in fund balances	(27,131,057)	(27,131,057)	7,357,167	34,488,224
Fund balances - beginning, as restated	27,131,057	27,131,057	29,081,902	1,950,845
Fund balances - ending	\$ -	\$ -	\$ 36,439,069	\$ 39,176,662

**City of Buckeye, Arizona**

**Highway User Revenue Fund - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis**

**Governmental Funds**

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 4,060,380	\$ 4,060,380	\$ 4,702,433	\$ 642,053
Interest income	-	-	19,172	19,172
Other	85,034	85,034	91,625	6,591
Total revenues	<u>4,145,414</u>	<u>4,145,414</u>	<u>4,813,230</u>	<u>667,816</u>
<b>EXPENDITURES</b>				
Current				
Highways and streets				
Personnel services	1,998,258	1,998,258	1,784,391	213,867
Operating expenditures	1,925,924	2,039,524	1,642,883	396,641
Debt Service				
Principal retirement	42,500	42,500	-	42,500
Interest on long-term debt	44,089	44,089	-	44,089
Contingencies	228,557	104,757	-	104,757
Capital outlay	363,000	373,200	324,506	48,694
Total expenditures	<u>4,602,328</u>	<u>4,602,328</u>	<u>3,751,780</u>	<u>850,548</u>
Excess (deficiency) of revenues over expenditures	<u>(456,914)</u>	<u>(456,914)</u>	<u>1,061,450</u>	<u>1,518,364</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(456,914)	(456,914)	1,061,450	1,518,364
Fund balances - beginning, as restated	456,914	456,914	1,555,559	1,098,645
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,617,009</u>	<u>\$ 2,617,009</u>

**City of Buckeye, Arizona**  
**Notes to Budget and Actual Schedules**  
For the year ended June 30, 2019

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**Note 1 Budgetary Basis of Accounting**

The City's budget is prepared on a basis consistent with generally accepted accounting principles, except for the following items:

Certain activities reported in the General Fund are budgeted in separate funds

The following schedule reconciles fund balance reported at the end of the year:

	<u>Beginning Fund Balance</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Ending Fund Balance</u>
Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund	\$ 29,081,902	\$ 82,496,267	\$ 69,997,707	\$ 36,439,069
Activity budgeted as special revenue and capital funds	<u>(242,138)</u>	<u>1,519,249</u>	<u>5,371,233</u>	<u>(121,325)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 28,839,764</u>	<u>\$ 84,015,516</u>	<u>\$ 75,368,940</u>	<u>\$ 36,317,744</u>

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**City of Buckeye, Arizona**  
Required Supplementary Information

**Arizona State Retirement System – Schedule of the City’s Proportionate Share of the Net Pension Liability**

ASRS	Reporting Fiscal Year (Measurement Date)					2014 through 2010*
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
City’s proportion of the net pension liability	0.207660%	0.188750%	0.186940%	0.017041%	0.151988%	Information not available
City’s proportionate share of the net pension liability	\$ 28,961,262	\$ 29,403,571	\$ 30,173,994	\$ 26,543,410	\$ 22,489,006	
City’s covered payroll	21,075,064	18,867,189	18,629,613	15,618,173	14,911,458	
City’s proportionate share of the net pension liability as a percentage of its covered- payroll	137.42%	155.84%	161.97%	169.95%	150.82%	
Plan fiduciary net position as a percentage of the total pension liability	73.00%	69.92%	67.06%	68.35%	69.49%	

\*Scheduled is intended to show information for 10 years. Additional years will be displayed as they become available.

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**City of Buckeye, Arizona**  
Required Supplementary Information

**Public Safety Personnel Retirement System – Schedule of Changes in the City’s Net Pension Liability and Related Ratios**

**City of Buckeye, Arizona**

**Public Safety Personnel Retirement System**

**Schedule of changes in the City's Net Pension Liability and Related Ratios**

June 30, 2019

PSPRS Police	Reporting Fiscal Year (Measurement Date)					2014 through 2010*
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability						
Service cost	\$ 1,602,070	\$ 1,673,903	\$ 1,423,922	\$ 1,238,971	\$ 980,797	Information not available
Interest on the total pension liability	2,425,223	2,262,865	1,868,584	1,712,805	1,317,252	
Changes of benefit terms	-	332,370	2,485,144	-	159,238	
Differences between expected and actual experience in the measurement of the pension liability	422,918	(1,247,935)	257,874	(156,843)	1,747,466	
Changes of assumptions and other inputs	-	583,812	1,274,163	-	1,369,971	
Benefit payments, including refunds of employee contributions	(916,335)	(1,018,342)	(1,115,189)	(690,735)	(639,100)	
Net change in total pension liability	3,533,876	2,586,673	6,194,498	2,104,198	4,935,624	
Total pension liability - beginning	32,430,420	29,843,747	23,649,249	21,545,051	16,609,427	
Total pension liability - ending (a)	<u>\$ 35,964,296</u>	<u>\$ 32,430,420</u>	<u>\$ 29,843,747</u>	<u>\$ 23,649,249</u>	<u>\$ 21,545,051</u>	
Plan fiduciary net position						
Contributions - employer	\$ 2,188,945	\$ 1,463,930	\$ 1,435,056	\$ 1,096,508	\$ 1,006,884	
Contributions - employee	645,123	800,409	868,827	711,650	633,425	
Net investment income	1,458,538	2,079,003	93,818	534,404	1,584,629	
Benefit payments, including refunds of employee contributions	(916,335)	(1,018,342)	(1,115,189)	(690,735)	(639,100)	
Hall/Parker Settlement	(1,001,955)	-	-	-	-	
Pension plan administrative expenses	(22,899)	(18,796)	(13,900)	(13,427)	-	
Other changes	230	207	113,071	108,428	(20,638)	
Net change in plan fiduciary net position	2,351,647	3,306,411	1,381,683	1,746,828	2,565,200	
Plan fiduciary net position - beginning	20,375,737	17,069,326	15,687,643	13,940,815	11,375,615	
Plan fiduciary net position - ending (b)	<u>\$ 22,727,384</u>	<u>\$ 20,375,737</u>	<u>\$ 17,069,326</u>	<u>\$ 15,687,643</u>	<u>\$ 13,940,815</u>	
City's net pension liability - ending (a) - (b)	<u>\$ 13,236,912</u>	<u>\$ 12,054,683</u>	<u>\$ 12,774,421</u>	<u>\$ 7,961,606</u>	<u>\$ 7,604,236</u>	
Plan fiduciary net position as a percentage of the total pension liability	63.19%	62.83%	57.20%	66.33%	64.71%	
Covered payroll	9,746,973	9,471,195	9,495,431	8,598,026	8,306,224	
City's net pension liability as a percentage of covered payroll	135.81%	127.28%	134.53%	92.60%	91.55%	

\*Scheduled is intended to show information for 10 years. Additional years will be displayed as they become available.

**City of Buckeye, Arizona**  
Required Supplementary Information

**Public Safety Personnel Retirement System – Schedule of Changes in the City’s Net Pension Liability and Related Ratios**

PSPRS Fire	Reporting Fiscal Year (Measurement Date)					2014 through 2010*
	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	
Total pension liability						
Service cost	\$ 1,819,972	\$ 1,624,240	\$ 1,441,767	\$ 1,257,769	\$ 1,046,482	Information not available
Interest on the total pension liability	2,150,849	2,014,168	1,430,438	1,259,873	928,031	
Changes of benefit terms	-	186,129	2,870,483	-	(42,676)	
Differences between expected and actual experience in the measurement of the pension liability	573,232	(1,838,647)	1,533,880	(436,845)	1,956,924	
Changes of assumptions and other inputs	-	126,197	1,265,636	-	232,886	
Benefit payments, including refunds of employee contributions	1	-	-	-	-	
Net change in total pension liability	4,544,054	2,112,087	8,542,204	2,080,797	4,121,647	
Total pension liability - beginning	28,155,544	26,043,457	17,501,253	15,420,456	11,298,809	
Total pension liability - ending (a)	\$ 32,699,598	\$ 28,155,544	\$ 26,043,457	\$ 17,501,253	\$ 15,420,456	
Plan fiduciary net position						
Contributions - employer	\$ 1,872,070	\$ 1,053,558	\$ 1,229,932	\$ 975,453	\$ 967,398	
Contributions - employee	634,840	873,999	916,577	737,903	679,303	
Net investment income	1,641,687	2,285,216	100,160	546,165	1,580,157	
Benefit payments, including refunds of employee contributions	1	-	-	-	-	
Hall/Parker Settlement	(1,139,163)					
Pension plan administrative expenses	(25,686)	(20,620)	(14,811)	(13,716)	-	
Other changes	248	220	(106,776)	(19,493)	(176,816)	
Net change in plan fiduciary net position	2,983,997	4,192,373	2,125,082	2,226,312	3,050,042	
Plan fiduciary net position - beginning	22,691,284	18,498,911	16,373,829	14,147,517	11,097,475	
Plan fiduciary net position - ending (b)	\$ 25,675,281	\$ 22,691,284	\$ 18,498,911	\$ 16,373,829	\$ 14,147,517	
City's net pension liability - ending (a) - (b)	\$ 7,024,317	\$ 5,464,260	\$ 7,544,546	\$ 1,127,424	\$ 1,272,939	
Plan fiduciary net position as a percentage of the total pension liability	78.52%	80.59%	71.03%	93.56%	91.75%	
Covered payroll	\$ 8,779,257	\$ 8,405,839	\$ 8,369,559	7,594,358	7,894,345	
City's net pension liability as a percentage of covered payroll	80.01%	65.01%	90.14%	14.85%	16.12%	

\*Scheduled is intended to show information for 10 years. Additional years will be displayed as they become available.

**City of Buckeye, Arizona**  
Required Supplementary Information

**Schedule of City Pension Contributions**

	Reporting Fiscal Year						2013 through 2010*
	2019	2018	2017	2016	2015	2014	
<b>ASRS</b>							
Statutorily required contribution	\$ 2,470,822	\$ 2,297,182	\$ 2,033,883	\$ 2,021,313	\$ 1,700,819	\$ 1,595,526	Information not available
City's contributions in relation to the statutorily required contribution	<u>2,470,822</u>	<u>\$ 2,297,182</u>	<u>\$ 2,033,883</u>	<u>2,021,313</u>	<u>1,700,819</u>	<u>1,595,526</u>	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 22,100,376	\$ 21,075,064	\$ 18,867,189	18,629,613	\$ 15,618,173	\$ 14,911,458	
City's contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.89%	10.70%	
<b>PSPRS Police</b>							
Statutorily required contribution	\$ 2,230,303	\$ 1,906,291	\$ 1,508,263	\$ 1,503,814	\$ 1,153,032	\$ 1,006,884	Information not available
City's contributions in relation to the statutorily required contribution	<u>2,230,303</u>	<u>1,906,291</u>	<u>1,508,263</u>	<u>1,503,814</u>	<u>1,153,032</u>	<u>1,006,884</u>	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 10,520,628	\$ 9,746,973	\$ 9,471,195	\$ 9,495,431	\$ 8,598,026	\$ 8,306,224	
City's contributions as a percentage of covered payroll	21.20%	19.56%	15.92%	15.84%	13.41%	12.12%	
<b>PSPRS Fire</b>							
Statutorily required contribution	\$ 1,725,369	\$ 1,579,996	\$ 1,021,773	\$ 1,156,055	\$ 922,926	\$ 967,398	Information not available
City's contributions in relation to the statutorily required contribution	<u>1,725,369</u>	<u>1,579,996</u>	<u>1,021,773</u>	<u>1,156,055</u>	<u>922,926</u>	<u>967,398</u>	
City's contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
City's covered payroll	\$ 9,148,487	\$ 8,779,257	\$ 8,405,839	\$ 8,369,559	\$ 7,594,358	\$ 7,894,345	
City's contributions as a percentage of covered payroll	18.86%	18.00%	12.16%	13.81%	12.15%	12.25%	

\*Scheduled is intended to show information for 10 years. Additional years will be displayed as they become available.

**City of Buckeye, Arizona**  
Notes to Required Supplementary Information

**Methods and Assumptions Used in Calculations of Actuarially Determined Contributions**

The actuarially determined contribution rates in the schedule of pension contributions for PSPRS are calculated as of June 30; 12 months prior to the beginning of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

	PSPRS Police	PSPRS Fire
Valuation date	June 30, 2017	
Actuarial cost method	Individual Entry Age Normal	
Amortization method	Level Percentage of Payroll, Closed	
Remaining amortization period	21 years; if the actuarial value of assets exceeded the actuarial accrued liability, the excess was amortized over an open period of 20 years and applied as a credit to reduce the normal cost which otherwise would be payable	
Asset valuation method	7-Year smoothed market; 20% corridor	
Inflation	3.0%; No explicit price inflation assumption is used in this valuation	
Salary increases	4.00% to 8.00% including inflation	
Investment rate of return	7.85%, net of investment and administrative expenses	

**Factors that Affect Trends** – The actuarial assumptions used in the June 30, 2017, valuation for ASRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

The actuarial assumptions used in the June 30, 2018, valuation for PSPRS were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. Several actuarial assumptions were adjusted as a result of the study, including decreasing wage inflation from 4.0% to 3.5%.

Arizona courts have ruled that provisions of the 2011 law that changed the mechanism for funding permanent pension benefit increases and increased employee pension contribution rates were unconstitutional. As a result, the PSPRS changed benefit terms to reflect the prior mechanism for funding permanent benefit increases for those members and revised actuarial assumptions to explicitly value future permanent benefit increases. These changes increased the PSPRS-required contributions beginning in fiscal year 2019 for members who retired or will retire after the law’s effective date.

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## Nonmajor Governmental Funds

### Special Revenue Funds

City Court Fund – Established to accumulate funds specifically for the purpose of the city court as directed by the Arizona Supreme Court.

Area Agency on Aging Fund – Established to received federal funds to cover a percentage of salaries, benefits and other expenditures for operation of the community center for the benefit of the elderly and disabled.

Grant Funds – Established for receiving state, federal or other grants received by the parks, Police and/or Fire Departments for purchasing a variety of services, goods and equipment.

Nuclear Management Fund – Established to provide funding to enhance the safety of Palo Verde Nuclear Plant with planning, training, exercises and purchasing of specialized response equipment that is directly related to the goal of maintaining and improving safety and response to emergencies at the nuclear power generation facility.

Stormwater Quality Fund – Established to provide the City with authority over any pollutant that enters, or might enter, the right of way, and the MS4 including any wastewater, solid waste, or other potential illegal dumping.

Public Safety Funds – Established to provide funds for Police and/or Fire Departments in purchasing a variety of services, goods, training and equipment.

Jackrabbit Trail ID O&M Fund – Established for the operation and maintenance of the Jackrabbit Trail Improvement District infrastructure.

Roosevelt St ID O&M Fund – Established for the operation and maintenance of the Roosevelt Street Improvement District infrastructure.

Transient Lodging Fund – Established to accumulate funds that shall be used exclusively by the City for the promotion of tourism.

Economic Development Reinvestment Fund – This fund was established to accumulate revenue that is used to provide financial support for business in the historic area to reinvest in buildings and building improvements.

Street Light Improvement District Fund – Established to account for revenues and expenditures related to the maintenance and electric costs associated with the streetlights.

### Capital Project Funds

CIP Projects – Established to fund capital improvement projects.

Traffic Signal – Established to fund traffic signal construction, maintenance and developer contributions.

Future Road Improvements – Established to fund construction and maintenance of future road improvements.

Sundance Water Recharge – Established to build a recharge station in the Sundance Community.

Capital Grants – Established for receiving state, federal or other grants for capital projects.

### Debt Service Funds

Roosevelt Street ID – Established for debt service payments for the Roosevelt Street Improvement District.

Jackrabbit Trail ID – Established for debt service payments for the Jackrabbit Trail Improvement District.

**Community Facility District (CFD) Funds** – Established for operation and maintenance for district infrastructure and debt service payments related to each CFD:

Anthem	Elianto	Festival Ranch	Mirielle	Sundance
Tartesso	Trillium	Verrado Dist 1	Verrado Overlay	Watson Road
Westpark	North Festival Ranch			

**City of Buckeye, Arizona**  
**Combining Balance Sheet**  
**Nonmajor Funds**  
June 30, 2019

	Special Revenue Funds					
	City Court	Area Agency on Aging	Grant Funds	Nuclear Emergency Management	Stormwater Quality	Public Safety Funds
<b>ASSETS</b>						
Cash and investments	\$ 381,201	\$ 128,736	\$ 18,094	\$ 81,478	\$ 98,067	\$ 234,874
Cash with paying agent	-	-	-	-	-	-
Receivables, net						
Intergovernmental	5,436	35,680	123,607	-	-	3,180
Taxes	-	-	-	-	-	-
Accounts	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Prepaid expense	-	-	3,000	-	-	-
Total assets	<u>\$ 386,637</u>	<u>\$ 164,416</u>	<u>\$ 144,701</u>	<u>\$ 81,478</u>	<u>\$ 98,067</u>	<u>\$ 238,054</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 24,829	\$ 7,905	\$ 55,043	\$ 26,817	\$ 1,630	\$ 4,313
Interest payable	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Matured debt principal payable	-	-	-	-	-	-
Deferred revenue	-	312,986	-	-	-	-
Total liabilities	<u>24,829</u>	<u>320,891</u>	<u>55,043</u>	<u>26,817</u>	<u>1,630</u>	<u>4,313</u>
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	3,000	-	-	-
Restricted - Special Purposes	361,808	-	86,658	54,661	-	233,741
Restricted - Capital Projects	-	-	-	-	-	-
Restricted - Debt Service	-	-	-	-	-	-
Committed	-	-	-	-	96,437	-
Unassigned	-	(156,475)	-	-	-	-
Total fund balances	<u>361,808</u>	<u>(156,475)</u>	<u>89,658</u>	<u>54,661</u>	<u>96,437</u>	<u>233,741</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 386,637</u>	<u>\$ 164,416</u>	<u>\$ 144,701</u>	<u>\$ 81,478</u>	<u>\$ 98,067</u>	<u>\$ 238,054</u>

Special Revenue Funds							
Jackrabbit Trail ID O&M	Roosevelt St ID O&M	Transient Lodging	Economic Development Reinvestment	Street Light Improvement Districts	Anthem Sun Valley CFD	Elianto CFD	Festival Ranch CFD
\$ 1,359	\$ 739	\$ 358,596	\$ 72,591	\$ 51,997	\$ (5,540)	\$ (3,724)	\$ 211,001
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	16,869	-	1,809	8	-	-
-	-	-	-	17,400	5,798	3,976	2,067
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,359</u>	<u>\$ 739</u>	<u>\$ 375,465</u>	<u>\$ 72,591</u>	<u>\$ 71,206</u>	<u>\$ 266</u>	<u>\$ 252</u>	<u>\$ 213,068</u>
\$ 1,305	\$ 1,305	\$ 5,062	\$ 47,063	\$ 31,242	\$ -	\$ 252	\$ 5,930
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,305</u>	<u>1,305</u>	<u>5,062</u>	<u>47,063</u>	<u>31,242</u>	<u>-</u>	<u>252</u>	<u>5,930</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
54	-	370,403	-	39,964	266	-	207,138
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	25,528	-	-	-	-
-	(566)	-	-	-	-	-	-
<u>54</u>	<u>(566)</u>	<u>370,403</u>	<u>25,528</u>	<u>39,964</u>	<u>266</u>	<u>-</u>	<u>207,138</u>
<u>\$ 1,359</u>	<u>\$ 739</u>	<u>\$ 375,465</u>	<u>\$ 72,591</u>	<u>\$ 71,206</u>	<u>\$ 266</u>	<u>\$ 252</u>	<u>\$ 213,068</u>

**City of Buckeye, Arizona**  
**Combining Balance Sheet**  
**Nonmajor Funds**  
 June 30, 2019

	Special Revenue Funds					
	Mirielle CFD	Sundance #1 CFD	Tartesso West CFD	Trillium West CFD	Verrado District 1 CFD	Verrado Western Overlay CFD
<b>ASSETS</b>						
Cash and investments	\$ (5,422)	\$ 200,739	\$ 65,496	\$ 2,504	\$ 83,223	\$ 11,185
Cash with paying agent	-	-	-	-	-	-
Receivables, net	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Taxes	-	1,332	355	-	3,191	960
Accounts	5,690	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Prepays	-	1,206	-	-	-	-
Total assets	<u>\$ 268</u>	<u>\$ 203,277</u>	<u>\$ 65,851</u>	<u>\$ 2,504</u>	<u>\$ 86,414</u>	<u>\$ 12,145</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ -	\$ 96,027	\$ 252	\$ 252	\$ 1,149	\$ 1,092
Interest payable	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Matured debt principal payable	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>96,027</u>	<u>252</u>	<u>252</u>	<u>1,149</u>	<u>1,092</u>
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted - Special Purposes	268	107,250	65,599	2,252	85,265	11,053
Restricted - Capital Projects	-	-	-	-	-	-
Restricted - Debt Service	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>268</u>	<u>107,250</u>	<u>65,599</u>	<u>2,252</u>	<u>85,265</u>	<u>11,053</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 268</u>	<u>\$ 203,277</u>	<u>\$ 65,851</u>	<u>\$ 2,504</u>	<u>\$ 86,414</u>	<u>\$ 12,145</u>

Special Revenue Funds			Capital Project Funds				
Watson Road CFD	Westpark #1 CFD	North Festival Ranch CFD	CIP Projects	Traffic Signal	Future Road Improvements	Sundance Water Recharge	Capital Grants
\$ 286,200	\$ 17,067	\$ -	\$ 546,579	\$ 2,073,731	\$ 1,712,752	\$ 637,450	\$ 231,428
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	67,134
526	145	-	-	-	-	-	-
-	-	-	35,179	-	9,198	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 286,726</u>	<u>\$ 17,212</u>	<u>\$ -</u>	<u>\$ 581,758</u>	<u>\$ 2,073,731</u>	<u>\$ 1,721,950</u>	<u>\$ 637,450</u>	<u>\$ 298,562</u>
\$ 2,993	\$ 698	\$ -	\$ 152,798	\$ 55,184	\$ 3,792	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	10,699	84,047	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,993</u>	<u>698</u>	<u>-</u>	<u>152,798</u>	<u>65,883</u>	<u>87,839</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
283,733	16,514	-	-	-	-	-	-
-	-	-	428,960	2,007,848	1,634,111	637,450	298,562
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>283,733</u>	<u>16,514</u>	<u>-</u>	<u>428,960</u>	<u>2,007,848</u>	<u>1,634,111</u>	<u>637,450</u>	<u>298,562</u>
<u>\$ 286,726</u>	<u>\$ 17,212</u>	<u>\$ -</u>	<u>\$ 581,758</u>	<u>\$ 2,073,731</u>	<u>\$ 1,721,950</u>	<u>\$ 637,450</u>	<u>\$ 298,562</u>

**City of Buckeye, Arizona**  
**Combining Balance Sheet**  
**Nonmajor Funds**  
June 30, 2019

	Capital Project Funds			Debt Service Funds		
	Festival Ranch - CFD	Sundance #1 CFD	Roosevelt Street ID	Jackrabbit Trail ID	Sundance #1 CFD	Tartesso West CFD
<b>ASSETS</b>						
Cash and investments	\$ 4,325,793	\$ 1,042,767	\$ 1,002,141	\$ 49,228	\$ 1,678,095	\$ 622,420
Cash with paying agent	-	-	98,078	260,406	467,017	-
Receivables, net						
Intergovernmental	-	-	-	-	-	-
Taxes	-	-	-	-	12,551	4,869
Accounts	-	-	-	-	18,520	-
Special Assessments	-	-	5,285,000	301,000	1,420,000	-
Prepays	-	-	-	-	-	-
Total assets	<u>\$ 4,325,793</u>	<u>\$ 1,042,767</u>	<u>\$ 6,385,219</u>	<u>\$ 610,634</u>	<u>\$ 3,596,183</u>	<u>\$ 627,289</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 7,157	\$ -	\$ 13,910	\$ -
Interest payable	-	-	98,078	17,250	531,122	111,560
Deposits	-	-	-	-	25,631	-
Matured debt principal payable	-	-	-	251,000	1,008,000	380,000
Deferred revenue	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>105,235</u>	<u>268,250</u>	<u>1,578,663</u>	<u>491,560</u>
Deferred inflows of resources:						
Unavailable revenue	-	-	5,285,000	301,000	1,420,000	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>5,285,000</u>	<u>301,000</u>	<u>1,420,000</u>	<u>-</u>
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted - Special Purposes	-	-	-	-	-	-
Restricted - Capital Projects	4,325,793	1,042,767	-	-	-	-
Restricted - Debt Service	-	-	994,984	41,384	597,520	135,729
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>4,325,793</u>	<u>1,042,767</u>	<u>994,984</u>	<u>41,384</u>	<u>597,520</u>	<u>135,729</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,325,793</u>	<u>\$ 1,042,767</u>	<u>\$ 6,385,219</u>	<u>\$ 610,634</u>	<u>\$ 3,596,183</u>	<u>\$ 627,289</u>

Debt Service Funds			
Verrado District 1 CFD	Verrado Western Overlay CFD	Westpark #1 CFD	Total
\$ 1,742,616	\$ -	\$ 375,193	\$ 18,330,654
1,357,525	638,857	409,292	3,231,175
-	-	-	235,037
38,110	14,446	3,214	98,385
-	-	11,075	108,903
-	-	949,000	7,955,000
-	-	-	4,206
<u>\$ 3,138,251</u>	<u>\$ 653,303</u>	<u>\$ 1,747,774</u>	<u>\$ 29,963,360</u>
\$ -	\$ -	\$ 3,819	\$ 551,819
806,971	12,486	150,623	1,728,090
-	-	23,281	143,658
2,215,000	600,000	375,000	4,829,000
-	-	-	312,986
<u>3,021,971</u>	<u>612,486</u>	<u>552,723</u>	<u>7,565,553</u>
-	-	949,000	7,955,000
-	-	949,000	7,955,000
-	-	-	3,000
-	-	-	1,926,627
-	-	-	10,375,491
116,280	40,817	246,051	2,172,765
-	-	-	121,965
-	-	-	(157,041)
<u>116,280</u>	<u>40,817</u>	<u>246,051</u>	<u>14,442,807</u>
<u>\$ 3,138,251</u>	<u>\$ 653,303</u>	<u>\$ 1,747,774</u>	<u>\$ 29,963,360</u>

# City of Buckeye, Arizona

## Combining Statement of Revenue, Expenditures and Changes in Fund Balances

### Nonmajor Funds

For the Year Ended June 30, 2019

	Special Revenue Funds					
	City Court	Area Agency on Aging	Grant Funds	Nuclear Management	Stormwater Quality	Public Safety Funds
<b>REVENUES</b>						
Taxes						
Transaction privilege taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	-	-
Intergovernmental revenues	77,027	345,364	538,412	70,000	-	-
Charges for services	-	-	22,651	-	-	134,647
Developer agreements	-	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Other	-	-	-	-	-	11,510
Total revenues	<u>77,027</u>	<u>345,364</u>	<u>561,063</u>	<u>70,000</u>	<u>-</u>	<u>146,157</u>
<b>EXPENDITURES</b>						
Current:						
General government	11,136	-	-	-	-	-
Public safety	-	-	517,970	132,614	-	63,163
Highway and streets	-	-	-	-	15,853	-
Culture and recreation	-	679,429	6,580	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-
Capital outlay	15,877	56,449	37,278	-	-	36,589
Total expenditures	<u>27,013</u>	<u>735,878</u>	<u>561,828</u>	<u>132,614</u>	<u>15,853</u>	<u>99,752</u>
Excess (deficiency) of revenues over expenditures	<u>50,014</u>	<u>(390,514)</u>	<u>(765)</u>	<u>(62,614)</u>	<u>(15,853)</u>	<u>46,405</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Bonds Issued	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-	-
Premiums issued	-	-	-	-	-	-
Payment to advance refunding agent	-	-	-	-	-	-
Transfers in	-	505,300	-	-	81,300	-
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>505,300</u>	<u>-</u>	<u>-</u>	<u>81,300</u>	<u>-</u>
Net change in fund balances	50,014	114,786	(765)	(62,614)	65,447	46,405
Fund balances - beginning	<u>311,794</u>	<u>(271,261)</u>	<u>90,423</u>	<u>117,275</u>	<u>30,990</u>	<u>187,336</u>
Fund balances - ending	<u>\$ 361,808</u>	<u>\$ (156,475)</u>	<u>\$ 89,658</u>	<u>\$ 54,661</u>	<u>\$ 96,437</u>	<u>\$ 233,741</u>

Special Revenue Funds							
Jackrabbit Trail ID O&M	Roosevelt St ID O&M	Transient Lodging	Economic Development Reinvestment	Street Light Improvement Districts	Anthem Sun Valley CFD	Elianto CFD	Festival Ranch CFD
\$ -	\$ -	\$ 196,720	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	259,540	91	122	259,492
-	-	-	-	-	-	-	-
761	-	-	-	70,708	5,798	3,976	5,922
-	-	-	-	-	-	-	21,845
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
761	-	196,720	-	330,248	5,889	4,098	287,259
2,734	1,966	75,017	131,472	-	5,500	5,500	216,048
-	-	-	-	318,187	-	-	-
-	-	-	-	-	672	924	17,945
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	3,350
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,734	1,966	75,017	131,472	318,187	6,172	6,424	237,343
(1,973)	(1,966)	121,703	(131,472)	12,061	(283)	(2,326)	49,916
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,400	1,400	-	157,000	-	-	-	28,520
-	-	-	-	-	-	-	-
1,400	1,400	-	157,000	-	-	-	28,520
(573)	(566)	121,703	25,528	12,061	(283)	(2,326)	78,436
627	-	248,700	-	27,903	549	2,326	128,702
\$ 54	\$ (566)	\$ 370,403	\$ 25,528	\$ 39,964	\$ 266	\$ -	\$ 207,138

# City of Buckeye, Arizona

## Combining Statement of Revenue, Expenditures and Changes in Fund Balances

### Nonmajor Funds

For the Year Ended June 30, 2019

	Special Revenue Funds					
	Mirielle CFD	Sundance #1 CFD	Tartesso West CFD	Trillium West CFD	Verrado District 1 CFD	Verrado Western Overlay CFD
<b>REVENUES</b>						
Taxes						
Transaction privilege taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	191	185,018	51,000	83	277,035	40,514
Intergovernmental revenues	-	-	-	-	-	-
Charges for services	5,690	40,939	-	-	-	-
Developer agreements	-	-	-	-	-	-
Contributions and donations	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	<u>5,881</u>	<u>225,957</u>	<u>51,000</u>	<u>83</u>	<u>277,035</u>	<u>40,514</u>
<b>EXPENDITURES</b>						
Current:						
General government	5,500	62,772	16,500	5,500	19,575	13,000
Public safety	-	-	-	-	-	-
Highway and streets	672	108,012	1,092	1,092	232,369	44,957
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	467	-	-	-	-
Issuance costs	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>6,172</u>	<u>171,251</u>	<u>17,592</u>	<u>6,592</u>	<u>251,944</u>	<u>57,957</u>
Excess (deficiency) of revenues over expenditures	<u>(291)</u>	<u>54,706</u>	<u>33,408</u>	<u>(6,509)</u>	<u>25,091</u>	<u>(17,443)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Bonds Issued	-	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-	-
Premiums issued	-	-	-	-	-	-
Payment to advance refunding agent	-	-	-	-	-	-
Transfers in	-	-	-	-	-	3,300
Transfers out	-	(50,341)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(50,341)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,300</u>
Net change in fund balances	(291)	4,365	33,408	(6,509)	25,091	(14,143)
Fund balances - beginning	<u>559</u>	<u>102,885</u>	<u>32,191</u>	<u>8,761</u>	<u>60,174</u>	<u>25,196</u>
Fund balances - ending	<u>\$ 268</u>	<u>\$ 107,250</u>	<u>\$ 65,599</u>	<u>\$ 2,252</u>	<u>\$ 85,265</u>	<u>\$ 11,053</u>

Special Revenue Funds			Capital Project Funds				
Watson Road CFD	Westpark #1 CFD	North Festival Ranch CFD	CIP Projects	Traffic Signal	Future Road Improvements	Sundance Water Recharge	Capital Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
86,089	28,192	-	-	-	-	-	-
-	-	-	-	-	-	-	140,406
115,776	21,328	-	-	-	-	400	-
-	-	-	-	-	-	-	-
-	-	-	-	738	27,595	-	-
-	-	-	-	-	-	-	-
-	-	-	-	47,295	55,473	12,424	-
-	-	-	35,179	-	-	-	-
201,865	49,520	-	35,179	48,033	83,068	12,824	140,406
110,660	40,613	45,705	-	-	-	-	-
-	-	-	-	-	-	-	-
3,233	1,092	-	1,215,994	-	27,333	-	140,406
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,500	350	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	220,022	503,050	123,530	-	-
116,393	42,055	45,705	1,436,016	503,050	150,863	-	140,406
85,472	7,465	(45,705)	(1,400,837)	(455,017)	(67,795)	12,824	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	1,796,000	-	-	-	-
-	-	-	(579,945)	-	(1,200,000)	-	(13,000)
-	-	-	1,216,055	-	(1,200,000)	-	(13,000)
85,472	7,465	(45,705)	(184,782)	(455,017)	(1,267,795)	12,824	(13,000)
198,261	9,049	45,705	613,742	2,462,865	2,901,906	624,626	311,562
\$ 283,733	\$ 16,514	\$ -	\$ 428,960	\$ 2,007,848	\$ 1,634,111	\$ 637,450	\$ 298,562

# City of Buckeye, Arizona

## Combining Statement of Revenue, Expenditures and Changes in Fund Balances

### Nonmajor Funds

For the Year Ended June 30, 2019

	Capital Project Funds		Debt Service Funds			
	Festival Ranch CFD	Sundance #1 CFD	Roosevelt Street ID	Jackrabbit Trail ID	Sundance #1 CFD	Tartesso West CFD
<b>REVENUES</b>						
Taxes						
Transaction privilege taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property taxes	-	-	-	-	1,716,666	674,921
Intergovernmental revenues	-	-	-	-	-	-
Charges for services	-	-	-	-	1,300	-
Developer agreements	-	-	-	-	-	-
Contributions and donations	-	-	-	-	112,968	-
Special assessments	-	-	-	521,675	488,353	-
Investment earnings	-	-	-	-	17,694	12,834
Other	-	-	-	-	-	-
Total revenues	-	-	-	521,675	2,336,981	687,755
<b>EXPENDITURES</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highway and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	881,000	1,085,000	380,000
Interest and fiscal charges	-	-	202,499	54,187	1,058,167	267,149
Issuance costs	-	-	77,750	-	353,539	153,397
Capital outlay	-	-	6,116,152	-	2,340,035	-
Total expenditures	-	-	6,396,401	935,187	4,836,741	800,546
Excess (deficiency) of revenues over expenditures	-	-	(6,396,401)	(413,512)	(2,499,760)	(112,791)
<b>OTHER FINANCING SOURCES (USES)</b>						
Bonds issued	-	-	-	-	3,265,000	-
Refunding bonds issued	-	-	-	-	3,140,000	6,430,000
Premiums issued	-	-	-	-	281,229	-
Payment to advance refunding agent	-	-	-	-	(3,045,000)	(6,221,000)
Transfers in	4,325,793	1,042,767	500,000	-	50,341	-
Transfers out	-	-	-	-	(1,042,767)	-
Total other financing sources and uses	4,325,793	1,042,767	500,000	-	2,648,803	209,000
Net change in fund balances	4,325,793	1,042,767	(5,896,401)	(413,512)	149,043	96,209
Fund balances - beginning	-	-	6,891,385	454,896	448,477	39,520
Fund balances - ending	\$ 4,325,793	\$ 1,042,767	\$ 994,984	\$ 41,384	\$ 597,520	\$ 135,729

Debt Service Funds			
Verrado District 1 CFD	Verrado Western Overlay CFD	Westpark #1 CFD	Total
\$ -	\$ -	\$ -	\$ 196,720
3,192,330	631,509	542,285	7,945,078
-	-	-	1,171,209
-	-	1,123	431,019
-	-	-	21,845
-	242,981	-	384,282
-	-	196,421	1,206,449
26,626	3,515	5,500	181,361
-	-	-	46,689
<u>3,218,956</u>	<u>878,005</u>	<u>745,329</u>	<u>11,584,652</u>
-	107,475	2,635	879,308
-	-	-	1,031,934
-	-	-	1,811,646
-	-	-	686,009
2,215,000	600,000	408,000	5,569,000
1,620,443	136,324	305,560	3,650,996
-	-	-	584,686
-	-	-	9,448,982
<u>3,835,443</u>	<u>843,799</u>	<u>716,195</u>	<u>23,662,561</u>
<u>(616,487)</u>	<u>34,206</u>	<u>29,134</u>	<u>(12,077,909)</u>
-	-	-	3,265,000
-	-	-	9,570,000
-	-	-	281,229
-	-	-	(9,266,000)
-	-	-	8,493,121
-	(3,300)	-	(2,889,353)
-	<u>(3,300)</u>	-	<u>9,453,997</u>
(616,487)	30,906	29,134	(2,623,912)
732,767	9,911	216,917	17,066,719
<u>\$ 116,280</u>	<u>\$ 40,817</u>	<u>\$ 246,051</u>	<u>\$ 14,442,807</u>

**City of Buckeye, Arizona**

**City Court - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis**

**Governmental Funds**

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 56,000	\$ 56,000	\$ 77,027	\$ 21,027
Total revenues	56,000	56,000	77,027	21,027
<b>EXPENDITURES</b>				
Current				
General government	364,693	344,693	11,136	333,557
Capital outlay	-	20,000	15,877	4,123
Total expenditures	364,693	364,693	27,013	337,680
Excess (deficiency) of revenues over expenditures	(308,693)	(308,693)	50,014	358,707
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(308,693)	(308,693)	50,014	358,707
Fund balances - beginning	308,693	308,693	311,794	3,101
Fund balances - ending	\$ -	\$ -	\$ 361,808	\$ 361,808

# City of Buckeye, Arizona

## Area Agency on Aging - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between
	Adopted	Final		Final Budget and Actual Amounts
<b>REVENUES</b>				
Intergovernmental	\$ 369,000	\$ 369,000	\$ 345,364	\$ (23,636)
Total revenues	<u>369,000</u>	<u>369,000</u>	<u>345,364</u>	<u>(23,636)</u>
<b>EXPENDITURES</b>				
Current				
Culture and recreation				
Personnel Services	551,730	551,730	517,170	34,560
Operating Expenditures	161,264	161,264	162,259	(995)
Capital outlay	63,500	63,500	56,449	7,051
Total expenditures	<u>776,494</u>	<u>776,494</u>	<u>735,878</u>	<u>40,616</u>
Excess (deficiency) of revenues over expenditures	<u>(407,494)</u>	<u>(407,494)</u>	<u>(390,514)</u>	<u>16,980</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	407,494	407,494	505,300	97,806
Transfers out	-	-	-	-
Total other financing sources and uses	<u>407,494</u>	<u>407,494</u>	<u>505,300</u>	<u>97,806</u>
Net change in fund balances	-	-	114,786	114,786
Fund balances - beginning	-	-	(271,261)	(271,261)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (156,475)</u>	<u>\$ (156,475)</u>

# City of Buckeye, Arizona

## Grants - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between
	Adopted	Final		Final Budget and Actual Amounts
<b>REVENUES</b>				
Intergovernmental				
Federal	\$ 2,982,205	\$ 2,982,205	\$ 509,891	\$ (2,472,314)
State	-	-	28,521	28,521
Charges for services	-	-	22,651	22,651
Other	16,000	16,000	-	(16,000)
Total revenues	<u>2,998,205</u>	<u>2,998,205</u>	<u>561,063</u>	<u>(2,437,142)</u>
<b>EXPENDITURES</b>				
Current				
Public safety	2,915,374	2,890,926	517,970	2,372,956
Culture and recreation	125,000	125,000	6,580	118,420
Capital outlay	12,955	37,403	37,278	125
Total expenditures	<u>3,053,329</u>	<u>3,053,329</u>	<u>561,828</u>	<u>2,491,501</u>
Excess (deficiency) of revenues over expenditures	<u>(55,124)</u>	<u>(55,124)</u>	<u>(765)</u>	<u>54,359</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(55,124)	(55,124)	(765)	54,359
Fund balances - beginning	<u>55,124</u>	<u>55,124</u>	<u>90,423</u>	<u>35,299</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,658</u>	<u>\$ 89,658</u>

# City of Buckeye, Arizona

## Nuclear Emergency Management - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 69,000	\$ 69,000	\$ 70,000	\$ 1,000
Total revenues	69,000	69,000	70,000	1,000
<b>EXPENDITURES</b>				
Current				
Public Safety - Fire				
Operating Expenditures	199,566	199,566	132,614	66,952
Capital outlay	-	-	-	-
Total expenditures	199,566	199,566	132,614	66,952
Excess (deficiency) of revenues over expenditures	(130,566)	(130,566)	(62,614)	67,952
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(130,566)	(130,566)	(62,614)	67,952
Fund balances - beginning	130,566	130,566	117,275	(13,291)
Fund balances - ending	\$ -	\$ -	\$ 54,661	\$ 54,661

# City of Buckeye, Arizona

## Stormwater Quality Fund - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current				
Highway and streets	61,300	61,300	15,853	45,447
Capital outlay	20,000	20,000	-	20,000
Total expenditures	81,300	81,300	15,853	65,447
Excess (deficiency) of revenues over expenditures	(81,300)	(81,300)	(15,853)	65,447
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	81,300	81,300	81,300	-
Transfers out	-	-	-	-
Total other financing sources and uses	81,300	81,300	81,300	-
Net change in fund balances	-	-	65,447	65,447
Fund balances - beginning	-	-	30,990	30,990
Fund balances - ending	\$ -	\$ -	\$ 96,437	\$ 96,437

# City of Buckeye, Arizona

## Public Safety Funds - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between
	Adopted	Final		Final Budget and Actual Amounts
<b>REVENUES</b>				
Charges for services	\$ 382,500	\$ 382,500	\$ 134,647	\$ (247,853)
Other	50,000	50,000	11,510	(38,490)
Total revenues	432,500	432,500	146,157	(286,343)
<b>EXPENDITURES</b>				
Current				
Public safety	587,506	542,506	63,163	479,343
Capital outlay	-	45,000	36,589	8,411
Total expenditures	587,506	587,506	99,752	487,754
Excess (deficiency) of revenues over expenditures	(155,006)	(155,006)	46,405	201,411
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(155,006)	(155,006)	46,405	201,411
Fund balances - beginning	155,006	155,006	187,336	32,330
Fund balances - ending	\$ -	\$ -	\$ 233,741	\$ 233,741

# City of Buckeye, Arizona

## Transient Lodging Fund - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Transaction privilege taxes	\$ 200,000	\$ 200,000	\$ 196,720	\$ (3,280)
Total revenues	200,000	200,000	196,720	(3,280)
<b>EXPENDITURES</b>				
Current				
General government	474,725	474,725	75,017	399,708
Total expenditures	474,725	474,725	75,017	399,708
Excess (deficiency) of revenues over expenditures	(274,725)	(274,725)	121,703	396,428
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(274,725)	(274,725)	121,703	396,428
Fund balances - beginning	274,725	274,725	248,700	(26,025)
Fund balances - ending	\$ -	\$ -	\$ 370,403	\$ 370,403

# City of Buckeye, Arizona

## Economic Development Reinvestment - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Interest earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current				
General government	280,000	280,000	131,472	148,528
Total expenditures	280,000	280,000	131,472	148,528
Excess (deficiency) of revenues over expenditures	(280,000)	(280,000)	(131,472)	148,528
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	280,000	280,000	157,000	(123,000)
Transfers out	-	-	-	-
Total other financing sources and uses	280,000	280,000	157,000	(123,000)
Net change in fund balances	-	-	25,528	25,528
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 25,528	\$ 25,528

# City of Buckeye, Arizona

## Street Light Improvement District Operations Fund - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Property Taxes	\$ 254,487	\$ 254,487	\$ 259,540	\$ 5,053
Charges for services	-	-	70,708	70,708
Total revenues	<u>254,487</u>	<u>254,487</u>	<u>330,248</u>	<u>75,761</u>
<b>EXPENDITURES</b>				
Current				
Highway and streets	<u>338,334</u>	<u>338,334</u>	<u>318,187</u>	<u>20,147</u>
Total expenditures	<u>338,334</u>	<u>338,334</u>	<u>318,187</u>	<u>20,147</u>
Excess (deficiency) of revenues over expenditures	<u>(83,847)</u>	<u>(83,847)</u>	<u>12,061</u>	<u>95,908</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(83,847)	(83,847)	12,061	95,908
Fund balances - beginning	<u>83,847</u>	<u>83,847</u>	<u>27,903</u>	<u>(55,944)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,964</u>	<u>\$ 39,964</u>

**City of Buckeye, Arizona**

**Sundance Crossings Fund - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis**

**Governmental Funds**

For the year ended June 30, 2019

	<b>Budgeted Amounts</b>		<b>Actual Amount Budgetary Basis</b>	<b>Variance Between Final Budget and Actual Amounts</b>
	<b>Adopted</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services	\$ 75,895	\$ 75,895	\$ 81,580	\$ 5,685
Other	-	-	13,986	13,986
Total revenues	<u>75,895</u>	<u>75,895</u>	<u>95,566</u>	<u>19,671</u>
<b>EXPENDITURES</b>				
Current				
Public Works	457,777	457,777	362,028	95,749
Capital outlay	-	-	-	-
Total expenditures	<u>457,777</u>	<u>457,777</u>	<u>362,028</u>	<u>95,749</u>
Excess (deficiency) of revenues over expenditures	<u>(381,882)</u>	<u>(381,882)</u>	<u>(266,462)</u>	<u>115,420</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	330,409	330,409	162,900	(167,509)
Transfers out	-	-	-	-
Total other financing sources and uses	<u>330,409</u>	<u>330,409</u>	<u>162,900</u>	<u>(167,509)</u>
Net change in fund balances	(51,473)	(51,473)	(103,562)	(52,089)
Fund balances - beginning	<u>51,473</u>	<u>51,473</u>	<u>103,565</u>	<u>52,092</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>

# City of Buckeye, Arizona

## Community Services Programs Fund - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 500	\$ 500
Contributions and donations	-	-	97	97
Other	239,750	239,750	176,489	(63,261)
Total revenues	239,750	239,750	177,086	(62,664)
<b>EXPENDITURES</b>				
Current				
Culture and recreation	292,000	292,000	248,028	43,972
Capital outlay	4,635	4,635	-	4,635
Total expenditures	296,635	296,635	248,028	48,607
Excess (deficiency) of revenues over expenditures	(56,885)	(56,885)	(70,942)	(14,057)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(56,885)	(56,885)	(70,942)	(14,057)
Fund balances - beginning	56,885	56,885	78,931	22,046
Fund balances - ending	\$ -	\$ -	\$ 7,989	\$ 7,989

# City of Buckeye, Arizona

## Risk Management Retention Fund - Special Revenue Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Miscellaneous	\$ 120,000	\$ 120,000	\$ 906,460	\$ 786,460
Total revenues	120,000	120,000	906,460	786,460
<b>EXPENDITURES</b>				
Current				
General government	1,470,035	1,470,035	1,212,502	257,533
Total expenditures	1,470,035	1,470,035	1,212,502	257,533
Excess (deficiency) of revenues over expenditures	(1,350,035)	(1,350,035)	(306,042)	1,043,993
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,350,035	1,350,035	602,322	(747,713)
Transfers out	-	-	-	-
Total other financing sources and uses	1,350,035	1,350,035	602,322	(747,713)
Net change in fund balances	-	-	296,280	296,280
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ 296,280	\$ 296,280

# City of Buckeye, Arizona

## Capital Improvement Funds - Streets - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Contributions and donations	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current				
Highway and streets	1,250,000	1,250,000	1,215,994	34,006
Capital outlay	-	-	-	-
Total expenditures	1,250,000	1,250,000	1,215,994	34,006
Excess (deficiency) of revenues over expenditures	(1,250,000)	(1,250,000)	(1,215,994)	34,006
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,250,000	1,250,000	1,216,000	(34,000)
Transfers out	-	-	-	-
Total other financing sources and uses	1,250,000	1,250,000	1,216,000	(34,000)
Net change in fund balances	-	-	6	6
Fund balances - beginning	-	-	17,643	17,643
Fund balances - ending	\$ -	\$ -	\$ 17,649	\$ 17,649

**City of Buckeye, Arizona**

**Capital Improvement Funds - Fire - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis**

**Governmental Funds**

For the year ended June 30, 2019

	<b>Budgeted Amounts</b>		<b>Actual Amount Budgetary Basis</b>	<b>Variance Between Final Budget and Actual Amounts</b>
	<b>Adopted</b>	<b>Final</b>		
<b>REVENUES</b>				
Contributions and donations	\$ -	\$ 580,000	\$ -	\$ (580,000)
Total revenues	-	580,000	-	(580,000)
<b>EXPENDITURES</b>				
Current				
Public safety	527,351	527,351	-	527,351
Capital outlay	-	580,000	220,022	359,978
Total expenditures	527,351	1,107,351	220,022	887,329
Excess (deficiency) of revenues over expenditures	(527,351)	(527,351)	(220,022)	307,329
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	580,000	580,000
Transfers out	-	-	(579,945)	(579,945)
Total other financing sources and uses	-	-	55	55
Net change in fund balances	(527,351)	(527,351)	(219,967)	307,384
Fund balances - beginning	527,351	527,351	596,099	68,748
Fund balances - ending	\$ -	\$ -	\$ 376,132	\$ 376,132

# City of Buckeye, Arizona

## Traffic Signal Fund - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between
	Adopted	Final		Final Budget and Actual Amounts
<b>REVENUES</b>				
Contributions and donations	\$ 3,500	\$ 3,500	\$ 738	\$ (2,762)
Interest earnings	100	100	47,295	47,195
Total revenues	<u>3,600</u>	<u>3,600</u>	<u>48,033</u>	<u>44,433</u>
<b>EXPENDITURES</b>				
Current				
Highway and streets	541,293	341,293	-	341,293
Capital outlay	<u>1,739,840</u>	<u>1,939,840</u>	<u>503,050</u>	<u>1,436,790</u>
Total expenditures	<u>2,281,133</u>	<u>2,281,133</u>	<u>503,050</u>	<u>1,778,083</u>
Excess (deficiency) of revenues over expenditures	<u>(2,277,533)</u>	<u>(2,277,533)</u>	<u>(455,017)</u>	<u>1,822,516</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(2,277,533)	(2,277,533)	(455,017)	1,822,516
Fund balances - beginning	<u>2,277,533</u>	<u>2,277,533</u>	<u>2,462,865</u>	<u>185,332</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,007,848</u>	<u>\$ 2,007,848</u>

# City of Buckeye, Arizona

## Future Street Improvements - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between
	Adopted	Final		Final Budget and Actual Amounts
<b>REVENUES</b>				
Contributions and donations	\$ 2,604,038	\$ 2,604,038	\$ 27,595	\$ (2,576,443)
Interest earnings	-	-	55,473	55,473
Total revenues	<u>2,604,038</u>	<u>2,604,038</u>	<u>83,068</u>	<u>(2,520,970)</u>
<b>EXPENDITURES</b>				
Current				
Highway and streets	3,440,847	140,847	27,333	113,514
Capital outlay	-	3,300,000	123,530	3,176,470
Total expenditures	<u>3,440,847</u>	<u>3,440,847</u>	<u>150,863</u>	<u>3,289,984</u>
Excess (deficiency) of revenues over expenditures	<u>(836,809)</u>	<u>(836,809)</u>	<u>(67,795)</u>	<u>769,014</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>-</u>
Total other financing sources and uses	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>-</u>
Net change in fund balances	(2,036,809)	(2,036,809)	(1,267,795)	769,014
Fund balances - beginning	<u>2,036,809</u>	<u>2,036,809</u>	<u>2,901,906</u>	<u>865,097</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,634,111</u>	<u>\$ 1,634,111</u>

# City of Buckeye, Arizona

## Sundance Water Recharge - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Charges for services	\$ 4,000	\$ 4,000	\$ 400	\$ (3,600)
Interest earnings	840	840	12,424	11,584
Total revenues	4,840	4,840	12,824	7,984
<b>EXPENDITURES</b>				
Current				
Highway and streets	628,630	628,630	-	628,630
Total expenditures	628,630	628,630	-	628,630
Excess (deficiency) of revenues over expenditures	(623,790)	(623,790)	12,824	636,614
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(623,790)	(623,790)	12,824	636,614
Fund balances - beginning	623,790	623,790	624,626	836
Fund balances - ending	\$ -	\$ -	\$ 637,450	\$ 637,450

# City of Buckeye, Arizona

## Grants - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between
	Adopted	Final		Final Budget and Actual Amounts
<b>REVENUES</b>				
Intergovernmental				
Federal	\$ 856,400	\$ 856,400	\$ 140,406	\$ (715,994)
State	-	-	-	-
Other	-	-	-	-
Total revenues	<u>856,400</u>	<u>856,400</u>	<u>140,406</u>	<u>(715,994)</u>
<b>EXPENDITURES</b>				
Current				
Highway and streets	217,400	217,400	140,406	76,994
Total expenditures	<u>217,400</u>	<u>217,400</u>	<u>140,406</u>	<u>76,994</u>
Excess (deficiency) of revenues over expenditures	<u>639,000</u>	<u>639,000</u>	<u>-</u>	<u>(639,000)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	50,000	50,000	-	(50,000)
Transfers out	<u>(689,000)</u>	<u>(689,000)</u>	<u>(13,000)</u>	<u>676,000</u>
Total other financing sources and uses	<u>(639,000)</u>	<u>(639,000)</u>	<u>(13,000)</u>	<u>626,000</u>
Net change in fund balances	-	-	(13,000)	(13,000)
Fund balances - beginning	-	-	311,562	311,562
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 298,562</u>	<u>\$ 298,562</u>

# City of Buckeye, Arizona

## Cemetery Improvement Fund - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between
	Adopted	Final		Final Budget and Actual Amounts
<b>REVENUES</b>				
Charges for service	\$ 128,045	\$ 128,045	\$ 122,880	\$ (5,165)
Interest earnings	430	430	872	442
Other	-	15,258	35,079	19,821
Total revenues	<u>128,475</u>	<u>143,733</u>	<u>158,831</u>	<u>15,098</u>
<b>EXPENDITURES</b>				
Current				
General government	315,209	330,467	208,227	122,240
Capital outlay	240,500	240,500	206,582	33,918
Total expenditures	<u>555,709</u>	<u>570,967</u>	<u>414,809</u>	<u>156,158</u>
Excess (deficiency) of revenues over expenditures	<u>(427,234)</u>	<u>(427,234)</u>	<u>(255,978)</u>	<u>171,256</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	381,041	381,041	188,014	(193,027)
Transfers out	-	-	-	-
Total other financing sources and uses	<u>381,041</u>	<u>381,041</u>	<u>188,014</u>	<u>(193,027)</u>
Net change in fund balances	(46,193)	(46,193)	(67,964)	(21,771)
Fund balances - beginning	46,193	46,193	68,005	21,812
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41</u>	<u>\$ 41</u>

# City of Buckeye, Arizona

## Replacement Reserve Fund - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual Amount Budgetary Basis</u>	<u>Variance Between Final Budget and Actual Amounts</u>
	<u>Adopted</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Other	-	-	149,352	149,352
Total revenues	-	-	149,352	149,352
<b>EXPENDITURES</b>				
Current				
Public Works	-	-	-	-
Capital outlay	2,674,000	2,674,000	2,311,921	362,079
Total expenditures	2,674,000	2,674,000	2,311,921	362,079
Excess (deficiency) of revenues over expenditures	(2,674,000)	(2,674,000)	(2,162,569)	511,431
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,674,000	2,674,000	2,206,514	(467,486)
Transfers out	-	-	-	-
Total other financing sources and uses	2,674,000	2,674,000	2,206,514	(467,486)
Net change in fund balances	-	-	43,945	43,945
Fund balances - beginning	-	-	(43,945)	(43,945)
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

# City of Buckeye, Arizona

## Technology Fund - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Sale of Assets	\$ -	\$ -	\$ 11,124	\$ 11,124
Total revenues	-	-	11,124	11,124
<b>EXPENDITURES</b>				
Current				
General government	750,000	750,000	716,766	33,234
Capital outlay	435,000	435,000	73,087	361,913
Total expenditures	1,185,000	1,185,000	789,853	395,147
Excess (deficiency) of revenues over expenditures	(1,185,000)	(1,185,000)	(778,729)	406,271
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,185,000	1,185,000	800,214	(384,786)
Transfers out	-	-	-	-
Total other financing sources and uses	1,185,000	1,185,000	800,214	(384,786)
Net change in fund balances	-	-	21,485	21,485
Fund balances - beginning	-	-	(21,485)	(21,485)
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

# City of Buckeye, Arizona

## Development Impact Fees Fund - Capital Projects Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Impact fees:				
Parks and Recreation	\$ 625,000	\$ 625,000	\$ 672,449	\$ 47,449
Library	465,000	465,000	411,625	(53,375)
Streets	262,000	262,000	333,620	71,620
Public Safety	1,600,000	1,600,000	2,847,870	1,247,870
Investment earnings	15,545	15,545	342,584	327,039
Total revenues	<u>2,967,545</u>	<u>2,967,545</u>	<u>4,608,148</u>	<u>1,640,603</u>
<b>EXPENDITURES</b>				
Current				
Public safety	-	-	3,468	(3,468)
Highway and streets	-	-	14,223	(14,223)
Culture and recreation	-	-	9,641	(9,641)
Contingency	16,517,911	16,517,911	-	16,517,911
Capital outlay	1,319,795	1,319,795	4,585	1,315,210
Total expenditures	<u>17,837,706</u>	<u>17,837,706</u>	<u>31,917</u>	<u>17,805,789</u>
Excess (deficiency) of revenues over expenditures	<u>(14,870,161)</u>	<u>(14,870,161)</u>	<u>4,576,231</u>	<u>19,446,392</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	579,945	579,945
Transfers out	(1,919,341)	(1,919,341)	(580,000)	1,339,341
Total other financing sources and uses	<u>(1,919,341)</u>	<u>(1,919,341)</u>	<u>(55)</u>	<u>1,919,286</u>
Net change in fund balances	(16,789,502)	(16,789,502)	4,576,176	21,365,678
Fund balances - beginning	16,789,502	16,789,502	18,267,432	1,477,930
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,843,608</u>	<u>\$ 22,843,608</u>

# City of Buckeye, Arizona

## Jackrabbit Trail ID Fund - Debt Service Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Principal and Interest	\$ 232,813	\$ 232,813	\$ 124,030	\$ (108,783)
Prepayments	-	-	397,645	397,645
Total revenues	232,813	232,813	521,675	288,862
<b>EXPENDITURES</b>				
Debt Service				
Principal and interest	236,029	236,029	93,187	142,842
Prepayments	-	-	842,000	(842,000)
Total expenditures	236,029	236,029	935,187	(699,158)
Excess (deficiency) of revenues over expenditures	(3,216)	(3,216)	(413,512)	(410,296)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(3,216)	(3,216)	(413,512)	(410,296)
Fund balances - beginning	3,216	3,216	454,896	451,680
Fund balances - ending	\$ -	\$ -	\$ 41,384	\$ 41,384

# City of Buckeye, Arizona

## Roosevelt Street ID Fund - Debt Service Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non GAAP Basis

#### Governmental Funds

For the year ended June 30, 2019

	Budgeted Amounts		Actual Amount Budgetary Basis	Variance Between Final Budget and Actual Amounts
	Adopted	Final		
<b>REVENUES</b>				
Developer Contribution	\$ 6,500,000	\$ 6,500,000	\$ -	\$ (6,500,000)
Total revenues	6,500,000	6,500,000	-	(6,500,000)
<b>EXPENDITURES</b>				
Current				
Preformation expense	6,518,681	6,518,681	-	6,518,681
Interest and fiscal charges	-	-	202,499	(202,499)
Issuance costs	-	-	77,750	(77,750)
Capital Outlay	-	-	6,116,152	(6,116,152)
Total expenditures	6,518,681	6,518,681	6,396,401	122,280
Excess (deficiency) of revenues over expenditures	(18,681)	(18,681)	(6,396,401)	(6,377,720)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	500,000	500,000
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	500,000	500,000
Net change in fund balances	(18,681)	(18,681)	(5,896,401)	(5,877,720)
Fund balances - beginning	18,681	18,681	6,891,385	6,872,704
Fund balances - ending	\$ -	\$ -	\$ 994,984	\$ 994,984

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## **Statistical Section (Unaudited)\***

This part of the City of Buckeye'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 City's overall financial health.

### Contents:

#### Financial Trends

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

#### Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources, sales and use tax.

#### Debt Capacity

These schedules contain information to help the reader assess the affordability of the City's current levels 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 City's financial activities take place.

#### Operating Information

This schedule contains service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City 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 years.

## City of Buckeye, Arizona

### Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
<b>Governmental activities</b>				
Net investment in capital assets	\$ 210,729,962	\$ 212,165,631	\$ 229,048,050	\$ 237,578,523
Restricted	59,445,688	51,484,492	47,459,848	39,691,458
Unrestricted	82,268,140	81,472,624	81,042,287	78,248,958
Total governmental activities and position	<u>\$ 352,443,790</u>	<u>\$ 345,122,747</u>	<u>\$ 357,550,185</u>	<u>\$ 355,518,939</u>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 231,881,025	\$ 242,885,105	\$ 254,414,719	\$ 256,525,111
Restricted	-	-	-	11,808,074
Unrestricted	33,803,283	27,199,623	33,556,028	15,935,020
Total business-type activities net position	<u>\$ 265,684,308</u>	<u>\$ 270,084,728</u>	<u>\$ 287,970,747</u>	<u>\$ 284,268,205</u>
<b>Primary government</b>				
Net investment in capital assets	\$ 442,610,987	\$ 455,050,736	\$ 483,462,769	\$ 494,103,634
Restricted	59,445,688	51,484,492	47,459,848	51,499,532
Unrestricted	116,071,423	108,672,247	114,598,315	94,183,978
Total primary government net position	<u>\$ 618,128,098</u>	<u>\$ 615,207,475</u>	<u>\$ 645,520,932</u>	<u>\$ 639,787,144</u>

Table 1

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 213,136,104	\$ 234,177,221	\$ 251,728,460	\$ 243,071,412	\$ 238,001,069	\$ 268,720,179
45,750,149	35,052,322	29,182,124	28,864,312	40,971,400	78,293,995
69,587,548	43,674,413	35,551,332	29,378,777	41,456,165	10,265,529
<u>\$ 328,473,801</u>	<u>\$ 312,903,956</u>	<u>\$ 316,461,916</u>	<u>\$ 301,314,501</u>	<u>\$ 320,428,634</u>	<u>\$ 357,279,703</u>
\$ 254,014,252	\$ 269,321,232	\$ 210,619,449	\$ 204,025,522	\$ 200,856,616	\$ 227,843,477
9,958,939	9,176,829	5,561,027	5,654,724	7,219,410	8,546,817
21,257,530	2,036,630	61,730,404	68,490,381	73,758,761	59,486,100
<u>\$ 285,230,721</u>	<u>\$ 280,534,691</u>	<u>\$ 277,910,880</u>	<u>\$ 278,170,627</u>	<u>\$ 281,834,787</u>	<u>\$ 295,876,394</u>
\$ 467,150,356	\$ 503,498,453	\$ 462,347,909	\$ 447,096,934	\$ 438,857,685	\$ 496,563,656
55,709,088	44,229,151	34,743,151	34,519,036	48,190,810	86,840,812
90,845,078	45,711,043	97,281,736	97,869,158	115,214,926	69,751,629
<u>\$ 613,704,522</u>	<u>\$ 593,438,647</u>	<u>\$ 594,372,796</u>	<u>\$ 579,485,128</u>	<u>\$ 602,263,421</u>	<u>\$ 653,156,097</u>

## City of Buckeye, Arizona

### Changes in Net Position

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
<b>Expenses</b>				
Governmental activities:				
General government	\$ 15,835,582	\$ 12,115,703	\$ 20,693,785	\$ 26,509,546
Public safety	20,050,347	18,340,230	26,327,788	28,524,189
Highway and streets	12,415,841	12,956,864	2,992,849	3,494,907
Culture and recreation	2,818,178	2,330,762	2,860,117	3,210,037
Development services	933,736	550,909	776,062	1,011,271
Engineering	-	-	-	-
Public Works	-	-	-	-
Economic development	-	102,221	185,640	634,894
Health and welfare	555,237	582,396	570,138	458,642
Miscellaneous	-	-	986,548	133,417
Interest on long-term debt	9,059,251	8,816,233	9,491,828	8,786,448
Total governmental activities expenses	<u>61,668,172</u>	<u>55,795,318</u>	<u>64,884,755</u>	<u>72,763,351</u>
Business-type activities:				
Water	7,459,698	8,096,366	8,309,959	8,759,591
Wastewater	10,987,578	11,241,013	12,178,534	8,926,242
Nonmajor enterprise fund	-	-	600,320	4,182,312
Total business-type activities expenses	<u>18,447,276</u>	<u>19,337,379</u>	<u>21,088,813</u>	<u>21,868,145</u>
Total primary government expenses	<u>\$ 80,115,448</u>	<u>\$ 75,132,697</u>	<u>\$ 85,973,568</u>	<u>\$ 94,631,496</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services, fees and fines				
General Government	\$ 13,882,582	\$ 5,841,235	\$ 9,184,715	\$ 10,618,504
Public safety	639,962	571,863	870,527	814,160
Highway and streets	203,971	156,916	182,955	188,753
Culture and recreation	587,508	517,337	837,033	550,368
Operating Grants and Contributions	1,790,232	2,206,753	2,991,777	3,210,818
Capital Grants and Contributions	2,540,004	8,200,563	15,882,820	12,117,675
Total governmental activities program revenues	<u>19,644,259</u>	<u>17,494,667</u>	<u>29,949,827</u>	<u>27,500,278</u>
Business-type activities:				
Charges for services:				
Water	6,629,053	7,212,624	8,736,625	8,761,576
Wastewater	7,267,002	7,839,878	8,355,323	5,238,787
Environmental Services	-	-	-	3,936,020
Nonmajor Enterprise Fund	-	-	-	-
Airport	230,167	274,946	283,828	298,418
Capital Grants and Contributions	7,025,448	3,399,344	20,720,942	3,043,271
Total business-type activities program revenues	<u>21,151,670</u>	<u>18,726,792</u>	<u>38,096,718</u>	<u>21,278,072</u>
Total primary government program revenues	<u>\$ 40,795,929</u>	<u>\$ 36,221,459</u>	<u>\$ 68,046,545</u>	<u>\$ 48,778,350</u>
Net (expense)/revenue				
Governmental activities	\$ (42,023,913)	\$ (38,300,651)	\$ (34,934,928)	\$ (45,263,073)
Business-type activities	2,704,394	(610,587)	17,007,905	(590,073)
Total primary government net expense	<u>\$ (39,319,519)</u>	<u>\$ (38,911,238)</u>	<u>\$ (17,927,023)</u>	<u>\$ (45,853,146)</u>
Governmental activities:				
Taxes:				
Sales taxes	\$ 10,291,111	\$ 12,354,727	\$ 14,562,064	\$ 16,364,424
Property taxes	14,903,192	11,687,424	9,395,320	9,259,137
Franchise taxes	2,262,187	2,412,675	2,262,280	2,384,979
Intergovernmental	5,996,622	5,451,122	9,902,246	11,063,282
Interest and investment income	107,982	65,563	376,364	396,874
Miscellaneous	3,976,479	5,447,660	5,707,195	2,867,160
Transfers	525,931	881,195	(366,467)	895,971
Total governmental activities	<u>38,063,504</u>	<u>38,300,366</u>	<u>41,839,002</u>	<u>43,231,827</u>
Business-type activities:				
Interest and investment income	57,156	34,861	11,056	19,584
Miscellaneous	(224,449)	508,381	500,591	13,918
Transfers	(525,931)	(881,195)	366,467	(895,971)
Legal settlement - special item	-	-	-	(2,250,000)
Total business-type activities	<u>(693,224)</u>	<u>(337,953)</u>	<u>878,114</u>	<u>(3,112,469)</u>
Total primary government	<u>\$ 37,370,280</u>	<u>\$ 37,962,413</u>	<u>\$ 42,717,116</u>	<u>\$ 40,119,358</u>
<b>Change in Net Position</b>				
Governmental activities	\$ (3,960,409)	\$ (285)	\$ 6,904,074	\$ (2,031,246)
Business-type activities	2,011,170	(948,540)	17,886,019	(3,702,542)
Total primary government	<u>\$ (1,949,239)</u>	<u>\$ (948,825)</u>	<u>\$ 24,790,093</u>	<u>\$ (5,733,788)</u>

Table 2

		Fiscal Year									
		2014	2015	2016	2017	2018	2019				
\$	44,353,079	\$	24,540,769	\$	23,018,974	\$	47,921,959	\$	25,205,605	\$	22,746,029
	32,145,964		34,614,731		37,876,123		37,495,527		41,353,943		36,998,761
	3,376,108		3,350,140		5,959,148		5,674,807		6,711,154		20,066,172
	3,556,699		4,314,988		5,606,997		5,533,913		5,906,774		6,708,402
	4,589,090		4,764,126		5,411,667		6,369,720		7,069,508		3,666,988
	-		-		-		-		-		2,487,396
	-		-		-		-		-		5,697,887
	857,980		741,431		608,776		313,087		452,640		-
	515,372		534,357		576,954		599,601		608,337		-
	221,643		161,431		88,254		122,347		-		-
	8,750,687		8,872,085		9,717,320		7,909,219		7,109,379		8,580,823
	98,366,622		81,894,058		88,864,213		111,940,180		94,417,340		106,952,458
	9,026,581		10,092,263		24,187,652		25,779,262		27,251,896		27,803,235
	9,297,155		10,083,075		11,578,374		11,136,875		11,628,372		15,888,986
	4,380,939		4,827,522		5,527,789		6,233,252		6,403,094		7,494,469
	22,704,675		25,002,860		41,293,815		43,149,389		45,283,362		51,186,690
\$	121,071,297	\$	106,896,918	\$	130,158,028	\$	155,089,569	\$	139,700,702	\$	158,139,148
\$	13,305,630	\$	10,738,468	\$	13,086,878	\$	18,469,389	\$	23,653,796	\$	22,811,702
	1,019,596		1,024,038		1,370,033		1,867,288		2,357,914		2,847,870
	237,019		97,149		164,023		243,271		301,510		333,620
	622,986		535,418		1,172,372		1,418,757		1,663,522		1,084,074
	6,314,969		3,502,821		4,999,416		4,552,239		5,959,925		5,873,642
	4,582,925		16,400,069		10,694,321		8,407,364		10,085,160		966,552
	26,083,125		32,297,963		31,487,043		34,958,308		44,021,827		33,917,460
	11,947,765		12,065,850		24,360,326		26,310,361		28,363,063		31,281,764
	6,406,199		6,939,464		9,385,070		10,142,610		12,330,507		14,859,313
	4,171,269		4,467,357		4,998,346		5,397,696		6,142,786		-
	-		-		-		-		-		7,322,976
	335,174		317,928		293,262		326,880		272,456		-
	43,187		1,892,119		1,442,342		1,904,260		2,114,022		-
	22,903,594		25,682,718		40,479,346		44,081,807		49,222,834		53,464,053
\$	48,986,719	\$	57,980,681	\$	71,966,389	\$	79,040,115	\$	93,244,661	\$	87,381,513
\$	(72,283,497)	\$	(49,596,095)	\$	(57,377,170)	\$	(76,981,872)	\$	(50,395,513)	\$	(73,034,998)
	198,919		679,858		(814,469)		932,418		3,939,472		2,277,363
\$	(72,084,578)	\$	(48,916,237)	\$	(58,191,639)	\$	(76,049,454)	\$	(46,456,041)	\$	(70,757,635)
\$	17,057,331	\$	19,825,186	\$	22,031,849	\$	26,203,438	\$	29,744,284	\$	33,750,698
	8,891,436		11,324,388		12,847,463		13,745,711		15,366,919		17,828,195
	2,558,045		2,716,880		2,962,205		3,052,055		3,256,544		3,412,932
	11,912,520		12,751,618		13,141,892		15,866,089		16,939,687		18,196,197
	365,368		371,027		495,713		763,289		138,171		2,729,219
	7,080,275		5,151,495		7,643,072		1,527,122		3,405,127		2,060,514
	663,324		1,299,100		1,812,935		676,750		658,918		80,804
	48,528,299		53,439,694		60,935,129		61,834,454		69,509,650		78,058,559
	4,199		5,854		3,593		4,079		383,606		1,223,051
	23,534		761		-		-		-		-
	(663,324)		(1,299,100)		(1,812,935)		(676,750)		(658,918)		(81,300)
	-		-		-		-		-		-
	(635,591)		(1,292,485)		(1,809,342)		(672,671)		(275,312)		1,141,751
\$	47,892,708	\$	52,147,209	\$	59,125,787	\$	61,161,783	\$	69,234,338	\$	79,200,310
\$	(23,755,198)	\$	3,843,599	\$	3,557,959	\$	(15,147,418)	\$	19,114,137	\$	5,023,561
	(436,672)		(612,627)		(2,623,811)		259,747		3,664,160		3,419,114
\$	(24,191,870)	\$	3,230,972	\$	934,148	\$	(14,887,671)	\$	22,778,297	\$	8,442,675

## City of Buckeye, Arizona

### Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

General fund	Fiscal Year			
	2010*	2011	2012	2013
Unreserved	\$ 6,276,480	\$ -	\$ -	\$ -
Nonspendable	-	2,959	6,590	20,535
Unassigned	-	10,663,004	16,444,928	17,363,340
<b>Total general fund</b>	<b>\$ 6,276,480</b>	<b>\$ 10,665,963</b>	<b>\$ 16,451,518</b>	<b>\$ 17,383,875</b>
<b>All other governmental funds</b>				
Unreserved	\$ 20,364,756	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-
Restricted, reported in:				
Special purpose funds	24,403,534	16,351,993	4,505,710	5,954,346
Capital projects funds	16,651,269	16,309,468	13,768,211	10,612,492
Debt Service funds				
Nonmajor funds	-	18,931,366	31,276,305	24,978,504
Committed	-	2,869,216	100,574	84,878
Unassigned	-	(51,702)	(556,310)	(547,139)
<b>Total all other governmental funds</b>	<b>\$ 61,419,559</b>	<b>\$ 54,410,341</b>	<b>\$ 49,094,490</b>	<b>\$ 41,083,081</b>

\*Note: The City implemented GASB 54 for the year year ended June 30, 2011.

Prior financial statements have not be restated.

Table 3

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29,742	37,723	18,180	46,195	61,081	132,755
18,808,436	19,577,555	13,953,687	19,680,055	27,406,296	36,184,989
<u>\$18,838,178</u>	<u>\$19,615,278</u>	<u>\$13,971,867</u>	<u>\$19,726,250</u>	<u>\$27,467,377</u>	<u>\$36,317,744</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	87,928
11,696,349	6,835,056	3,578,762	1,999,021	1,076,965	4,458,708
11,593,038	8,834,902	8,034,945	5,991,283	31,668,524	33,219,099
				7,475,370	4,631,460
24,025,682	20,289,294	18,569,286	21,556,852	1,364,897	2,172,765
2,466	1,555	397	1,654	626	121,965
(484,767)	(554,517)	(445,163)	(442,118)	(764,475)	(157,041)
<u>\$46,832,768</u>	<u>\$35,406,290</u>	<u>\$29,738,227</u>	<u>\$29,106,692</u>	<u>\$40,821,907</u>	<u>\$44,534,884</u>

# City of Buckeye, Arizona

## Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
<b>Revenues</b>				
Sales Taxes	\$ 10,291,111	\$ 12,354,727	\$ 14,562,064	\$ 16,364,424
Property taxes	14,903,192	11,687,424	9,395,320	9,259,137
Franchise taxes	2,262,187	2,412,675	2,262,280	2,384,979
Improvement proceeds	-	366,560	512,853	574,763
Intergovernmental	7,786,854	7,657,875	12,894,023	14,274,100
Fines and forfeitures	759,901	611,956	623,072	503,800
License and permits	2,809,148	2,627,044	3,426,051	4,499,670
Charges for services	1,753,340	1,491,143	1,869,459	2,338,645
Developer agreements	675,402	1,091,542	1,894,972	2,503,401
Contributions and donations	5,181,698	5,208,428	7,213,967	2,666,226
Development fees	1,532,979	1,414,553	1,997,461	1,553,281
Special assessments	7,382,733	8,029,017	6,903,432	6,669,618
Investment earnings	107,982	65,563	376,364	396,874
Other	3,976,479	5,081,100	5,194,342	2,292,397
Total revenues	59,423,006	60,099,607	69,125,660	66,281,315
<b>Expenditures</b>				
General government	13,116,689	10,884,050	12,126,037	18,192,596
Public safety	18,990,899	17,248,373	18,987,208	21,774,822
Highways and streets	1,817,543	2,034,353	2,158,398	2,667,945
Culture and recreation	2,288,454	1,784,833	2,062,674	2,450,481
Public Works	-	-	-	-
Development services	800,032	413,114	559,684	771,985
Engineering	-	-	-	-
Economic development	-	102,221	185,640	634,894
Health and welfare	555,237	582,396	570,138	458,642
Acquisition and construction	-	-	-	-
Miscellaneous	-	-	986,548	133,417
Debt Service:				
Principal	10,257,767	6,838,664	7,828,631	8,977,917
Interest and fiscal charges	9,059,251	8,816,233	8,865,497	8,806,261
Bond issuance costs	169,946	111,000	-	-
Capital outlay	19,993,933	8,419,610	13,981,092	13,919,222
Total expenditures	77,049,751	57,234,847	68,311,547	78,788,182
Excess of revenues over (under) expenditures	(17,626,745)	2,864,760	814,113	(12,506,867)
<b>Other financing sources (uses)</b>				
Transfers in	8,574,527	10,651,167	6,258,719	12,272,677
Transfers out	(8,228,596)	(10,539,976)	(6,603,117)	(12,166,210)
Issuance costs	-	-	-	-
Payments to advanced refunding escrow agent	-	-	-	-
Proceeds from bonds issued	10,511,000	2,269,145	-	5,400,000
Premiums Issued	-	-	-	-
Early extinguishment of debt/Defeasance	-	(7,864,881)	-	-
Premium on refunding bonds issues	-	-	-	-
Total other financing sources and (uses)	10,856,931	(5,484,545)	(344,398)	5,506,467
Net change in fund balances	\$ (6,769,814)	\$ (2,619,785)	\$ 469,715	\$ (7,000,400)
Debt service as a percentage of noncapital expenditures	33.9%	32.1%	30.7%	27.4%

Table 4

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 17,057,331	\$ 19,825,186	\$ 22,031,849	\$ 26,203,438	\$ 29,744,284	\$ 33,750,698
8,891,436	11,324,388	12,847,463	13,745,711	15,366,919	17,828,195
2,558,045	2,716,880	2,962,205	3,052,055	3,256,544	3,412,932
574,015	645,575	666,122	709,572	771,702	-
18,227,489	16,254,439	18,141,308	20,418,328	22,899,612	24,069,839
400,029	569,682	570,961	817,919	804,005	830,894
5,510,089	5,848,179	6,570,785	9,642,437	10,737,513	13,112,110
2,768,993	2,622,092	2,205,809	3,151,121	3,300,329	3,507,460
339,287	528,834	849,298	1,951,937	1,419,162	21,845
2,155,851	1,504,029	1,504,959	1,726,233	148,278	944,707
1,879,601	1,656,605	2,706,428	3,516,320	4,322,946	4,265,564
7,892,369	6,969,764	7,097,542	7,092,107	6,940,997	5,292,349
365,368	371,027	495,713	763,289	138,171	2,729,219
6,506,292	4,500,328	6,928,396	791,252	2,571,894	1,998,875
<u>75,126,195</u>	<u>75,337,008</u>	<u>85,578,838</u>	<u>93,581,719</u>	<u>102,422,356</u>	<u>111,764,687</u>
35,581,686	17,113,784	17,861,923	29,355,971	17,467,591	17,422,504
26,434,822	26,515,787	29,411,970	29,871,181	32,081,939	34,448,584
2,776,299	2,566,295	4,627,461	4,520,891	5,206,440	5,253,143
2,924,806	3,305,393	4,354,005	4,408,646	4,582,411	5,698,999
-	-	-	-	-	3,725,915
2,374,153	3,649,445	4,202,325	4,791,148	5,484,447	3,575,236
-	-	-	-	-	2,471,120
857,980	741,431	608,776	313,087	452,640	-
515,372	534,357	576,954	599,601	608,337	-
1,702,010	-	-	355,675	-	-
221,643	161,431	88,254	122,347	-	-
7,904,926	10,664,071	9,639,053	10,063,943	9,586,790	10,964,511
8,406,782	8,743,926	9,925,307	7,733,298	7,359,851	7,300,854
-	-	-	-	53,000	1,138,038
6,466,406	13,024,240	17,675,316	8,346,308	5,619,461	22,122,767
<u>96,166,885</u>	<u>87,020,160</u>	<u>98,971,344</u>	<u>100,482,096</u>	<u>88,502,907</u>	<u>114,121,671</u>
(21,040,690)	(11,683,152)	(13,392,506)	(6,900,377)	13,919,449	(2,356,984)
30,116,088	8,084,437	12,161,270	20,994,080	8,865,623	10,286,066
(29,509,785)	(7,050,663)	(10,983,927)	(21,142,574)	(8,823,762)	(10,205,262)
-	-	-	(1,070,570)	-	-
-	(7,151,422)	(13,080,000)	(22,860,000)	-	(9,266,000)
46,331,000	6,565,000	13,108,000	34,702,999	5,495,000	20,812,000
-	-	-	-	-	560,934
(20,400,000)	-	-	-	-	-
828,741	586,422	875,689	1,399,291	-	-
<u>27,366,044</u>	<u>1,033,774</u>	<u>2,081,032</u>	<u>12,023,226</u>	<u>5,536,861</u>	<u>12,187,738</u>
<u>\$ 6,325,354</u>	<u>\$(10,649,378)</u>	<u>\$(11,311,474)</u>	<u>\$ 5,122,849</u>	<u>\$ 19,456,310</u>	<u>\$ 9,830,754</u>
18.2%	26.2%	24.1%	19.3%	20.4%	19.9%

## City of Buckeye, Arizona

### General Governmental Excise Tax Revenues by Source

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2010	2011	2012	2013
Transaction privilege tax (1)*	\$ 10,291,111	\$ 12,354,727	\$ 14,562,064	\$ 16,364,424
Licenses & permits	2,809,148	2,627,044	3,426,051	4,499,670
Franchise fees (2)*	2,262,187	2,412,675	2,262,280	2,384,979
Parks & recreation fees	587,508	517,337	837,033	550,368
State-shared income taxes (4)**	3,280,181	2,472,836	4,293,971	5,196,874
State-shared sales tax (3)**	1,864,430	2,112,351	3,975,466	4,164,294
Fines and forfeitures	759,901	611,956	623,072	503,800
Total	<u>\$ 21,854,466</u>	<u>\$ 23,108,926</u>	<u>\$ 29,979,937</u>	<u>\$ 33,664,409</u>

\* Reported as taxes - sales tax on the financial statements.

\*\* Reported as intergovernmental on the financial statements.

(1) The transaction privilege taxes consist of many classifications of tax; see Table 6 for category breakdown

(2) Includes cable TV and light and power franchise taxes.

(3) A portion of transaction privilege taxes collected by the State of Arizona that is returned to incorporated cities and towns.

(4) A share of the net individual and corporate income tax collections that is distributed among incorporated cities and towns.

Table 5

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 17,057,331	\$ 19,825,186	\$ 22,031,849	\$ 26,203,438	\$ 29,744,284	\$ 33,750,698
5,510,089	5,848,179	6,570,785	9,642,437	10,737,513	13,112,110
2,558,045	2,716,880	2,962,205	3,052,055	3,256,544	3,412,932
622,986	535,418	1,172,372	1,418,757	1,663,522	1,084,074
5,670,776	6,158,854	6,125,464	7,656,457	8,014,629	8,289,650
4,428,388	4,649,494	4,885,632	5,744,180	6,239,614	6,935,749
400,029	569,682	570,961	817,919	804,005	830,894
<u>\$ 36,247,644</u>	<u>\$ 40,303,693</u>	<u>\$ 44,319,268</u>	<u>\$ 54,535,243</u>	<u>\$ 60,460,111</u>	<u>\$ 67,416,107</u>

## City of Buckeye, Arizona

### General Governmental Taxable Sales by Category

Last Ten Fiscal Years

(modified accrual basis of accounting)

Category	Fiscal Year			
	2010	2011	2012	2013
Mining	\$ 13,858	\$ 27,910	\$ 23,116	\$ 28,254
Telecom	560,214	506,308	638,909	734,060
Utilities	231,377	656,102	969,451	1,090,388
Transportation and warehouse	13,232	10,604	9,843	7,927
Construction	3,658,662	2,977,754	2,931,187	3,704,513
Retail	4,167,525	5,848,314	7,084,862	7,569,138
Real Estate Rentals	779,193	1,067,076	1,412,951	1,583,838
Restaurants and Bars	459,774	736,748	987,256	1,142,134
Hotels	39,588	47,669	53,227	59,707
Services	149,910	234,262	248,639	285,153
Arts and Entertainment	109,461	159,331	180,693	143,920
Other	822	-	-	-
Brits charges	(3,119)	-	-	-
<b>Total</b>	<b>\$ 10,180,497</b>	<b>\$ 12,272,078</b>	<b>\$ 14,540,134</b>	<b>\$ 16,349,032</b>

Source: Arizona Department of Revenue

Note: City increased construction sales tax from 2% to 3% effective September 2006

Note: City instituted an additional 3% hotel tax to promote tourism August 2015

Note: City changed the tax rate for items over \$1,999.99 from 3% to 1.1%

Note: Taxable sales are presented by business category instead of by individual taxpayer due to the confidential and privileged nature of the information presented and the legal restrictions on disclosing this information pursuant to Section 18-510a of the City of Buckeye Transaction Privilege Tax Code.

Table 6

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 29,558	\$ 27,256	\$ 21,903	\$ 23,806	\$ 40,435	\$ 10,598
837,402	905,795	822,976	500,011	530,207	578,224
1,171,923	1,268,954	1,417,136	1,534,621	1,655,822	2,177,595
6,663	6,993	5,791	2,971	3,204	(4,598)
3,900,771	4,941,173	5,542,047	9,279,151	11,679,960	13,309,765
7,734,984	8,652,003	9,591,565	10,781,964	11,536,159	12,692,332
1,655,073	1,942,635	2,487,965	1,720,517	1,820,657	2,010,334
1,189,310	1,356,620	1,529,818	1,791,482	1,974,859	2,216,802
52,166	49,247	154,122	306,126	353,921	393,440
332,258	379,308	344,310	93,420	82,389	73,958
132,041	147,221	160,157	201,319	239,157	292,248
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 17,042,149</u>	<u>\$ 19,677,205</u>	<u>\$ 22,077,790</u>	<u>\$ 26,235,388</u>	<u>\$ 29,916,770</u>	<u>\$ 33,750,698</u>

## City of Buckeye, Arizona

### Transaction Privilege Tax (Sales Tax) Rates of Direct and Overlapping Governments

Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
General fund sales tax rate	3.00%	3.00%	3.00%	3.00%
Total City of Buckeye sales tax rate	3.00%	3.00%	3.00%	3.00%
Street improvements sales tax rate (1)	0.50%	0.50%	0.50%	0.50%
Jail sales tax rate (1)	0.20%	0.20%	0.20%	0.20%
State of Arizona sales tax rate (2)	6.60%	6.60%	6.60%	5.60%
Total sales tax rate	10.30%	10.30%	10.30%	9.30%

Source:

(1) Maricopa County

(2) Arizona Department of Revenue

Table 7

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<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
5.60%	5.60%	5.60%	5.60%	5.60%	5.60%
9.30%	9.30%	9.30%	9.30%	9.30%	9.30%

**City of Buckeye, Arizona**  
**Net Assessed Property Values of Top Ten Taxpayers**  
 Current Year and Nine Years Ago

Taxpayer	Type of Business	2019		
		Limited Property Assessed Value	Rank	% of Limited Property Assessed Value
Arizona Public Service Company	Gas & Electric Utility	\$ 21,536,468	1	5.00%
Wal-Mart Stores East LP	Shopping Center	7,226,963	2	1.70%
El Paso Electric Company (T&D)	Gas & Electric Utility	6,903,212	3	1.60%
Watson Property LLC	Multi-family Housing	4,070,123	4	0.94%
Public Service Company of New Mexico (T&D)	Gas & Electric Utility	3,491,021	5	0.80%
Arizona Public Service Company (CWIP)	Gas & Electric Utility	3,170,373	6	0.73%
Cardinal IG Company	Manufacturing	2,986,200	7	0.69%
Pulte Home Corporation	Multi-family Housing	2,789,109	8	0.65%
Sundance Town Center/Wal-Mart	Shopping Center	2,409,750	9	0.56%
Smiths Food & Drug Centers Inc	Grocery	2,288,662	10	0.53%
<b>Total</b>		<b>56,871,881</b>		<b>13.20%</b>

Source: Maricopa County Assessor Office

Table 8

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2010		
Limited Property Assessed Value	Rank	% of Limited Property Assessed Value
N/A		N/A

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-	-
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## City of Buckeye, Arizona

### Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year	Primary Tax		Ratio of Net Assessed Value to Limited Property Value	Primary Tax Rate	Taxes Levied for the Fiscal Year
	Limited Property Value (1)	Net Assessed Value (2)			
2010	\$ 483,890,822	\$ 4,282,918	0.8851%	\$ 0.8851	\$ 4,282,918
2011	396,877,425	4,781,332	1.2047%	1.2047	4,781,332
2012	315,356,724	5,065,024	1.6061%	1.6061	5,065,024
2013	295,509,637	5,332,766	1.8046%	1.8046	5,332,766
2014	280,928,213	5,079,332	1.8081%	1.8081	5,079,332
2015	296,070,299	5,332,600	1.8011%	1.8011	5,332,600
2016	320,169,039	5,763,043	1.8000%	1.8000	5,763,043
2017	339,702,713	6,114,649	1.8000%	1.8000	6,114,649
2018	375,076,410	6,751,375	1.8000%	1.8000	6,751,375
2019	432,220,285	7,779,824	1.8000%	1.8000	7,779,824

Source: Maricopa County Assessor

Note: The City of Buckeye does not have a secondary tax at this time.

(1) Limited value relates to primary taxes and annual changes are restricted by statute.

(2) Assessed values are based on property use.

Table 9

Collected within the Fiscal Year	Secondary Tax		Ratio of Net Assessed Value to Limited Property Value	Secondary Tax Rate
	Limited Property Value (1)	Net Assessed Value (2)		
\$ 4,208,373	\$ 595,778,177	\$ 4,282,918	0.7189%	-
4,575,500	425,009,460	4,781,332	1.1250%	-
4,917,346	322,876,453	5,065,024	1.5687%	-
5,290,276	300,289,266	5,332,766	1.7759%	-
5,048,303	286,390,172	5,079,332	1.7736%	-
5,249,285	323,752,817	5,332,600	1.6471%	-
5,735,301	408,074,462	5,763,043	1.4123%	-
6,000,771	455,998,962	6,114,649	1.3409%	-
6,733,532	510,866,160	6,751,375	1.3216%	-
8,026,208	599,519,571	7,779,824	1.2977%	-

**City of Buckeye, Arizona**  
**Direct and Overlapping Governments**  
 Last Ten Fiscal Years

Fiscal Year	City	Maricopa County	Library District	Flood Control District	Fire District Assistance	Community College District	Agua Fria Union High School District #216
2010	P 0.8851	P 0.9909	P -	P -	P -	P 0.7246	P -
	S -	S -	S 0.0353	S 0.1367	S 0.0057	S 0.1598	S -
2011	P 1.1883	P 1.0508	P -	P -	P -	P 0.7926	P 2.1600
	S -	S -	S 0.0412	S 0.1489	S 0.0066	S 0.1802	S 0.8300
2012	P 1.6061	P 1.2407	P -	P -	P -	P 1.0123	P 1.6862
	S -	S -	S 0.0492	S 0.1780	S 0.0084	S 0.1959	S 0.9900
2013	P 1.8046	P 1.2407	P -	P -	P -	P 1.1563	P 2.0437
	S -	S -	S 0.0492	S 0.1780	S 0.0110	S 0.2215	S 1.1255
2014	P 1.8011	P 1.2807	P -	P -	P -	P 1.2896	P 2.2936
	S -	S -	S 0.0438	S 0.1392	S 0.0121	S 0.2444	S 1.2787
2015	P 1.8011	P 1.3209	P -	P -	P -	P 1.2824	P 2.9900
	S -	S -	S 0.0556	S 0.1392	S 0.0113	S 0.2363	S 1.2105
2016	P 1.8000	P 1.3609	P -	P -	P -	P 1.2628	P 2.0732
	S -	S -	S 0.0556	S 0.1592	S 0.0116	S 0.2312	S 1.1935
2017	P 1.8000	P 1.4009	P -	P -	P -	P 1.2376	P 2.0845
	S -	S -	S 0.0556	S 0.1792	S 0.0112	S 0.2275	S 1.3889
2018	P 1.8000	P 1.4009	P -	P -	P -	P 1.1956	P 2.4592
	S -	S -	S 0.0556	S 0.1792	S 0.0102	S 0.2140	S 1.2553
2019	P 1.8000	P 1.4009	P -	P -	P -	P 1.1708	P 2.0309
	S -	S -	S 0.0556	S 0.1792	S 0.0107	S 0.2046	S 1.4467

Source: Maricopa County Assessor

Note: The basis for property tax rate calculation is per \$100 of net assessed value.

- P - Primary
- S - Secondary

Table 10

Arlington School District #47		Buckeye Elementary School District #33		Buckeye Union High School District #201		Liberty School District #25		Litchfield Elementary School District #79		Palo Verde School District #49		Saddle Mountain School District #90	
P	0.6241	P	4.2307	P	1.6158	P	1.4854	P	1.6153	P	1.8630	P	0.6430
S	0.1532	S	1.2406	S	0.9803	S	1.1753	S	1.0062	S	0.5661	S	0.4722
P	0.5520	P	3.3536	P	1.7454	P	1.9639	P	1.6167	P	1.5408	P	0.7529
S	0.1578	S	1.6656	S	1.0551	S	1.3425	S	1.2963	S	0.8488	S	0.6119
P	0.5837	P	3.1982	P	2.1962	P	1.8682	P	1.9408	P	2.2721	P	0.7666
S	0.1729	S	1.8674	S	0.8752	S	1.3302	S	1.3182	S	1.5239	S	0.4446
P	0.5836	P	4.0276	P	2.3755	P	2.0706	P	2.3102	P	2.4512	P	0.5988
S	0.1874	S	2.0678	S	1.0457	S	1.4689	S	1.5761	S	1.6276	S	0.4770
P	0.9200	P	3.6619	P	2.5435	P	1.9056	P	2.4367	P	2.3096	P	1.1538
S	0.1853	S	2.1952	S	1.1136	S	1.5465	S	1.5405	S	1.7073	S	0.5178
P	1.1126	P	3.7761	P	2.3817	P	2.8010	P	2.3282	P	2.1696	P	2.1955
S	0.1794	S	2.1411	S	1.1274	S	1.7001	S	1.4498	S	1.8555	S	0.4309
P	1.1420	P	3.2117	P	2.2096	P	2.5534	P	2.2606	P	2.6716	P	2.1863
S	0.1883	S	2.3722	S	1.1277	S	1.7242	S	1.5746	S	1.8079	S	0.4150
P	1.0060	P	3.6463	P	2.0200	P	1.9955	P	2.2447	P	2.4126	P	2.0915
S	0.1905	S	2.2759	S	1.2041	S	1.7967	S	1.5695	S	2.2224	S	0.4560
P	0.6881	P	3.1149	P	2.1977	P	2.0650	P	2.0654	P	2.4863	P	2.0741
S	0.2124	S	2.2722	S	1.1405	S	1.6584	S	1.4409	S	1.4669	S	0.4706
P	0.7909	P	2.7810	P	2.1305	P	2.0098	P	1.9720	P	2.4089	P	1.3802
S	0.2022	S	2.8859	S	1.1424	S	1.5253	S	1.8779	S	1.6419	S	0.4759

(continued)

**City of Buckeye, Arizona**  
**Direct and Overlapping Governments**  
 Last Ten Fiscal Years

Table 10

	<b>Wickenburg School District #9</b>	<b>Central Arizona Water Conservation District</b>	<b>Maricopa Health Care District</b>	<b>West Maricopa Education Center</b>	<b>Buckeye Valley Rural Fire District</b>	<b>Total</b>
P	3.6060	P -	P -	P -	P -	18.2839
S	0.9439	S 0.1000	S 0.0914	S -	S 2.5458	9.6125
P	2.4014	P -	P -	P -	P -	19.1184
S	1.1585	S 0.1000	S 0.1122	S -	S 2.5458	12.1014
P	3.0483	P -	P -	P -	P -	21.4194
S	1.4037	S 0.1000	S 0.1494	S -	S 3.1000	13.7070
P	3.4020	P -	P -	P -	P -	24.0648
S	1.6500	S 0.1000	S 0.1683	S -	S 3.1000	15.0540
P	3.7838	P -	P -	P -	P -	25.3799
S	0.5540	S 0.1400	S 0.1939	S 0.0592	S 3.1000	14.5715
P	3.9198	P -	P -	P -	P -	28.0789
S	1.6306	S 0.1400	S 0.1856	S 0.0810	S 3.2500	15.8243
P	3.6581	P -	P -	P -	P -	26.3902
S	1.4229	S 0.1400	S 0.3021	S 0.0698	S 3.2500	16.0458
P	3.8975	P -	P -	P -	P -	25.8371
S	1.5069	S 0.1400	S 0.3053	S 0.0840	S 3.2500	16.8637
P	3.5758	P -	P -	P -	P -	25.1230
S	1.4422	S 0.1400	S 0.2851	S 0.1780	S 3.2500	15.6715
P	3.4375	P -	P -	P -	P -	23.3134
S	1.1978	S 0.1400	S 0.2941	S 0.1494	S 3.2500	16.6796

**City of Buckeye, Arizona**  
**Ratios of Outstanding Debt by Type**  
 Last Ten Fiscal Years

Table 11

Fiscal Year	Governmental Activities		Business Activities		Total Primary Government	Percentage of Taxable Property
	Revenue Bonds	Community Facilities District Bonds	Revenue Bonds	Water Infrastructure Bond		
2010	\$ 25,770,000	\$ 151,931,000	\$ 1,900,000	\$ 1,215,916	\$ 180,816,916	37.37%
2011	27,565,000	134,623,000	-	10,027,644	172,215,644	43.39%
2012	26,740,000	128,673,000	-	11,048,724	166,461,724	52.79%
2013	25,700,000	126,544,000	-	4,555,177	156,799,177	53.06%
2014	24,620,000	147,079,000	-	4,640,083	176,339,083	62.77%
2015	23,080,000	138,324,150	250,000	5,332,556	166,986,706	56.40%
2016	21,380,000	130,571,949	51,510,000	14,624,808	218,086,757	68.12%
2017	20,090,000	133,807,370	51,510,000	15,098,603	220,505,973	64.91%
2018	18,795,000	125,915,634	51,510,000	14,648,305	210,868,939	56.22%
2019	19,819,398	130,590,059	58,584,659	12,971,483	221,965,599	49.71%

# City of Buckeye, Arizona

## Direct and Overlapping General Obligation Bonded Debt Outstanding

Table 12

Overlapping Jurisdiction	General Obligation Bonded Debt (b)	Proportion Applicable to City of Buckeye (a)	
		Approximate Percent	Net Debt Amount
State of Arizona	None	0.75%	None
Maricopa County	None	1.15	None
Maricopa County Community College District	\$312,450,000	1.15	\$3,588,602
Maricopa County Flood District	None	1.25	None
Maricopa County Special Health Care District	459,125,000	1.15	5,297,347
Western Maricopa Education Center District No. 402	169,545,000	3.12	5,281,537
Wickenburg Unified School District No. 9	9,283,000	41.97	3,896,091
Liberty Elementary School District No. 25	15,205,000	18.97	2,883,663
Buckeye Elementary School District No. 33	29,360,000	86.56	25,413,159
Arlington elementary School District No. 47	1,055,000	0.03	322
Palo Verde Elementary School District No. 49	none	20.65	None
Litchfield Elementary School District No. 79	46,335,000	10.37	4,805,370
Saddle Mountain Unified School District No. 90	13,305,000	5.44	724,332
Agua Fria Union High School District No. 216	87,815,000	7.14	6,266,221
Buckeye Union High School District No. 201	75,135,000	34.79	26,143,035
Festival Ranch Community Facilities District	28,680,000	100.00	28,680,000
Sundance Community Facilities District	21,400,000	100.00	21,400,000
Tartesso West Community Facilities District	6,050,000	100.00	6,050,000
Verrado District No. 1 Community Facilities District	32,075,000	100.00	32,075,000
Verrado Western Overlay Community Facilities District	7,400,000	100.00	7,400,000
Watson Road Community Facilities District	None	100.00	None
Westpark Community Facilities District	4,970,000	100.00	4,970,000
City of Buckeye	None	100.00	None
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 184,874,679</u>

(a) Proportion applicable to the City is computed on the ratio of Net Assessed Limited Property Value as calculated for Fiscal Year 2019-20 for the overlapping jurisdiction to the amount of such valuation which lies within the City.

(b) Includes total general obligation bonds outstanding less redemption funds on hand. Does not include authorized but unissued general obligation bonds of such jurisdictions which may be issued in the future.

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## City of Buckeye, Arizona

### Legal Debt Margin Information

Last Ten Fiscal Years

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#### General Obligation (GO) Bond\* Debt Capacity Analysis

	Fiscal Year			
	2010	2011	2012	2013
Full Cash Value (FCV) Net	\$ 595,778,177	\$ 425,009,460	\$ 322,846,453	\$ 300,289,266
Debt Limit 6% of FCV Net (1)	35,746,691	25,500,568	19,372,587	18,017,356
Debt Limit 20% of FCV Net (2)	119,155,635	85,001,892	64,575,291	60,057,853
Total GO Bonding Capacity	<u>\$ 154,902,326</u>	<u>\$ 110,502,460</u>	<u>\$ 83,947,878</u>	<u>\$ 78,075,209</u>

#### Notes:

(\*) Voter authority is required to issue General Obligation Bonds. The City does not have any voter authority to issue General Obligation Bonds.

(1) The constitution states that for general municipal purposes a municipality cannot incur a GO debt exceeding six percent of the assessed valuation of taxable property in the city or town.

(2) Additional GO Bonds amounting to twenty percent of the assessed valuation of taxable property can be issued for supplying such specific city and town services as water, artificial light, sewers and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities. In November 2006 the voters elected to allow projects concerning public safety, law enforcement, fire and emergency service facilities and streets and transportation facilities to be included in this twenty percent category. In other words, a total of twenty-six percent of the assessed valuation can be bonded for these latter projects.

Table 13

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<b>Fiscal Year</b>					
<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$ 286,390,172	\$ 323,752,817	\$ 408,074,462	\$ 455,998,962	\$ 510,866,160	\$ 607,297,393
17,183,410	19,425,169	24,484,468	27,359,938	30,651,970	36,437,843
57,278,034	64,750,563	81,614,892	91,199,792	102,173,232	121,459,478
<u>\$ 74,461,445</u>	<u>\$ 84,175,732</u>	<u>\$ 106,099,360</u>	<u>\$ 118,559,730</u>	<u>\$ 132,825,202</u>	<u>\$ 157,897,321</u>

# City of Buckeye, Arizona

## Pledge-Revenue Coverage

Last Ten Fiscal Years

Table 14

### Water and Wastewater Revenue Bonds

Fiscal Year	Operating Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service			Coverage
				Principle	Interest	Total	
2010	\$ 13,653,705	\$ 10,285,019	\$ 3,368,686	\$ 481,510	\$ 1,321	\$ 482,831	6.98
2011	14,719,669	10,687,937	4,031,732	481,510	7,369	488,879	8.25
2012	16,863,741	11,491,115	5,372,626	493,547	107,720	601,267	8.94
2013	13,628,762	8,335,125	5,293,637	576,216	75,552	651,768	8.12
2014	17,891,293	9,734,417	8,156,876	892,484	80,716	973,200	8.38
2015	18,607,110	11,005,668	7,601,442	816,003	47,805	863,808	8.80
2016	33,471,582	16,839,373	16,632,209	935,471	139,752	1,075,223	15.47
2017	34,197,787	15,374,331	18,823,456	960,438	185,998	1,146,436	16.42
2018	36,429,133	17,200,942	19,228,191	947,596	180,866	1,128,462	17.04
2019	38,172,790	17,466,391	20,706,399	889,981	173,548	1,063,529	19.47

### Excise Tax Revenue Bonds

Fiscal	Excise Tax Pledged	Debt Service			Coverage
		Principle	Interest	Total	
2010	\$ 21,854,466	\$ 332,767	\$ -	\$ 332,767	65.67
2011	23,108,926	467,664	673,408	1,141,072	20.25
2012	29,979,937	769,800	1,233,016	2,002,816	14.97
2013	33,664,409	1,040,000	1,110,056	2,150,056	15.66
2014	36,247,644	1,080,000	1,066,464	2,146,464	16.89
2015	40,303,693	1,125,000	851,387	1,976,387	20.39
2016	44,319,268	1,290,000	2,868,752	4,158,752	10.66
2017	54,535,243	1,295,000	3,254,367	4,549,367	11.99
2018	60,460,111	1,325,000	3,218,828	4,543,828	13.31
2019	67,416,107	1,365,000	3,181,561	4,546,561	14.83

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

Table 15

<b>Fiscal Year</b>	<b>Estimated Population (1)</b>	<b>State Personal Income (thousand)(2)</b>	<b>State Average Per Capita Personal Income</b>	<b>Unemployment Rate (3)</b>
2010	51,560	\$ 2,430,718	\$ 47,144	11.50%
2011	51,019	2,505,894	49,117	9.80%
2012	52,334	2,051,179	39,194	10.20%
2013	54,102	2,114,765	39,088	8.90%
2014	56,459	2,054,430	36,388	8.50%
2015	58,745	2,279,189	38,798	7.40%
2016	62,582	2,500,714	39,959	5.00%
2017	65,509	2,850,000	41,340	5.20%
2018	69,947	2,980,500	42,576	4.70%
2019	74,370	3,155,000	44,080	4.90%

Source:

- (1) Arizona Economics Estimates Commission
- (2) Arizona Economics Estimates Commission - State Average
- (3) Arizona Office of Employment Statistics
- (4) US Census Bureau ([www.census.gov](http://www.census.gov))

## City of Buckeye, Arizona

### Principal Employers

Current Year and Ten Years Ago

Employer	2019 (1)		
	Employees	Percentage of Total City Employment	Rank
State of Arizona	1,280	28%	1
Walmart	1,190	26%	2
City of Buckeye	516	11%	3
Buckeye Elementary School District 33	360	8%	4
Clayton Homes Inc	280	6%	5
Fry's Food Store	250	6%	6
Liberty Elementary School District 25	190	4%	7
Cardinal IG	150	3%	8
Buckeye Union High School District 201	140	3%	9
Lowe's Home Improvement	140	3%	10
	<u>4,496</u>	<u>100%</u>	

Sources:

(1) MAG Employer Database

Hoover's Inc, a D&B Company

Table 16

2010		
Employees	Percentage of Total City Employment	Rank
1100	29%	1
745	20%	2
455	12%	5
490	13%	3
215	6%	7
N/A	N/A	-
480	13%	4
N/A	N/A	-
325	9%	6
N/A	N/A	-
<u>3810</u>	<u>100%</u>	

# City of Buckeye, Arizona

## Full-time Equivalent City Government Employees by Function

Last Ten Fiscal Years

Function	Full-Time Equivalent			
	2010	2011	2012	2013
General government				
Mayor and Council	2.00	2.00	2.00	2.00
City Manager	8.00	2.00	3.00	3.00
City Clerk	4.00	3.00	3.00	3.00
Human Resources	7.50	5.50	6.00	6.00
Finance	18.00	11.00	11.00	11.00
City Court	6.50	6.50	6.50	6.50
Economic Development	-	-	-	-
Information Technology	6.00	6.00	6.00	8.00
Public Safety				
Police	94.50	95.00	97.00	112.00
Fire	87.00	83.00	83.00	88.00
Culture and recreation				
Parks and Recreation	38.50	24.00	26.00	26.00
Library	7.00	8.00	8.00	8.88
Development Services	26.00	15.80	19.30	36.00
Engineering	-	-	-	-
Public Works				
Admin, Facilities and Fleet	18.00	8.50	8.25	11.25
Streets	15.00	15.00	15.50	19.50
Airport	-	-	-	-
Water Resources				
Water	N/A	N/A	40.00	40.00
Wastewater	N/A	N/A	14.00	14.00
<b>Total</b>	<b>338.00</b>	<b>285.30</b>	<b>348.55</b>	<b>395.13</b>

Table 17

## Employees at June 30

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
2.00	2.00	2.00	2.00	2.00	2.00
8.00	12.00	14.00	14.00	14.00	16.00
4.00	4.00	4.00	4.00	4.00	4.00
8.00	7.00	7.00	7.00	7.00	8.00
8.00	8.00	9.00	9.00	9.00	9.00
6.80	6.80	6.80	8.30	8.30	8.00
2.00	2.00	2.00	2.00	2.00	3.00
8.00	9.00	10.00	12.00	14.00	14.00
117.50	118.50	119.50	123.00	126.00	137.00
90.00	90.00	91.00	91.00	94.00	96.00
25.00	26.00	27.00	27.00	27.00	35.00
9.00	15.00	14.00	14.00	14.00	15.00
28.00	25.00	24.00	26.00	28.00	27.00
14.00	14.00	14.00	14.00	16.00	17.00
11.25	12.25	11.25	12.25	14.25	15.00
20.50	20.50	20.00	22.00	24.50	23.00
-	-	-	1.00	1.00	1.00
44.00	47.00	55.00	56.00	63.00	63.00
14.00	15.00	17.00	17.00	19.00	23.00
<b>420.05</b>	<b>434.05</b>	<b>447.55</b>	<b>461.55</b>	<b>487.05</b>	<b>516.00</b>

# City of Buckeye, Arizona

## Capital Asset and Infrastructure Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year			
	2010	2011	2012	2013
General government				
Square footage occupied	138,414	138,414	138,414	167,603
Area of City (square miles)	592	592	592	592
Public Safety				
Police stations	1	1	1	1
Square footage of building	22,260	22,260	22,260	43,934
Number of patrol units	32	37	47	65
Fire stations	3	3	4	4
Square footage of building	21,849	21,849	21,849	59,009
Number of fire engines	7	7	7	7
Number of vehicles	11	11	11	13
Public Works				
Square footage occupied	12,800	12,800	12,800	12,800
Miles of roads	349.0	349.0	349.0	370.8
Traffic signals	8	10	11	13
Street lights	7,310	7,400	7,676	7,978
Miles of storm sewer/channel	N/A	N/A	N/A	N/A
Miles of water mains	203	274	276	284
Fire hydrants	N/A	N/A	N/A	N/A
Sanitary sewers (miles)	202	264	325	332
Culture and recreation (CS)				
Square footage occupied	31,953	31,953	31,953	31,953
Number of parks	15	15	15	16
Parks acreage	102.4	102.4	102.4	134.4
Swimming pools	1	1	1	1

Table 18

Fiscal Year					
2014	2015	2016	2017	2018	2019
167,603	167,603	145,920	145,920	145,920	145,920
592	592	592	592	642	642
1	2	2	2	2	2
43,934	43,934	43,934	43,934	43,934	43,934
83	103	115	130	146	125
4	4	4	5	5	6
59,009	59,009	59,009	59,009	59,009	59,009
8	9	9	9	10	9
14	15	18	20	21	20
12,800	12,800	32,870	32,870	32,870	93,844
383.3	426.7	445.2	458.4	479.6	569
16	20	22	22	23	24
8,115	8,249	8,350	8,477	8,662	8,718
N/A	N/A	2	2	3	-
293	295	297	300	305	393
N/A	N/A	N/A	N/A	3,043	3,043
334	335	337	338	347	296
31,953	31,953	57,386	57,386	57,386	57,889
16	16	17	17	17	12
134.4	134.4	174.0	174.0	174.0	8,759
1	1	1	1	1	1