

CITY OF BUCKEYE, ARIZONA



DEVELOPMENT FEE

SPECIAL REPORT

FISCAL YEAR ENDED JUNE 31, 2022

(Impact Fees effective beginning August 1, 2014)



September 15, 2022

The Finance Department of the City of Buckeye has prepared the annual report for the fiscal year ended June 30, 2022 on the sources and uses of development fees as required by Arizona Revised Statutes.

Arizona Revised Statutes §9-463.05.G requires that any municipality that assesses development fees must submit an annual report that includes the following information:

- The balance of each fund maintained for each type of development fee assessed as of the beginning and end of the fiscal year;
- The amount of interest or other earnings on the monies in each fund as of the end of the fiscal year;
- The amount of development fee monies used to repay:
 - Bonds issued by the municipality to pay the cost of a capital improvement project that is the subject of a development fee assessment;
 - Monies advanced by the municipality from funds other than the funds established for development fees in order to pay the cost of a capital improvement project that is the subject of a development fee assessment;
- The amount of development fee monies spent on each capital improvement project that is the subject of a development fee assessment and the physical location of each capital improvement project; and
- The amount of development fee monies spent for each purpose other than a capital improvement project that is the subject of a development fee assessment.

This required report must be submitted to the city clerk within ninety days following the end of each fiscal year. Copies are to be made available to the public on request. The City intends to make this report available on its web site at www.buckeyeaz.gov, select Main Menu, select Government, select Financial Reports, and select Impact Fee Report. State statutes provide that the annual report may contain financial information that has not been audited.

Arizona statutes, Section 9-463.05(B) allow municipalities to impose certain fees called development fees for the purpose of providing a revenue stream to provide necessary public infrastructure to meet the needs of new development, a concept sometimes referred to as “growth pays for growth”. While development fees are assessed only against new development, some necessary public infrastructure may also require the use of general revenues when the infrastructure benefits both new development and existing residents, such as the construction of a regional park.

As development fees are collected, Arizona statutes require that they be deposited in a separate fund. Impact fees may be used only for the purpose(s) for which they were assessed and collected. Development fees are generally used for capital improvements or similar capital expenditures directly attributable to new growth and development. Development fees cannot be used for maintenance of those capital improvements or general governmental operations.

DEVELOPMENT FEE CATEGORIES

The City of Buckeye assesses and collects development fees in support of the following categories of government services:

- Water System construction, expansion and improvements;
- Waste Water System (sewer) construction, expansion, improvements;
- Public Safety Facilities (Fire and Emergency Medical Services and Police);
- Parks and Recreation construction, expansion and improvements;
- Library construction, expansion and improvements;
- Streets construction, expansion and improvements.

The City Council adopted new Development Fees based on Senate Bill 1525. These new development fees became effective August 1, 2014.

CITY OF BUCKEYE, ARIZONA
UNAUDITED DEVELOPMENT FEE SUMMARY
For the Fiscal Year Ended June 30, 2022

	7/1/2021 Beginning Balance	FY 2021 - 2022		6/30/2022 Ending Balance
		Sources	Uses	
Library	\$ 699,609	\$ 3,021	\$ 880	\$ 703,510
Parks	3,759,682	106,647	(3,756,515)	109,814
Public Safety Facility	9,617,351	110,230	(330,761)	9,396,820
Streets	1,124,021	21,730	-	1,145,751
Water	2,986,479	12,627	(252,439)	2,746,667
Wastewater	2,694,942	14,782	-	2,709,724
Total	\$ 20,882,084	\$ 269,036	\$ (4,338,835)	\$ 16,812,285

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2022
Library Facilities

	Fiscal Year Ended	
	6/30/2021	6/30/2022
Sources:		
Impact Fees Collected		
North	\$ 9,251	\$ -
Central East	-	-
Interest Earned	20,509	3,021
Total Sources	\$ 29,760	\$ 3,021
Uses:		
Current:		
Professional Services	\$ 3,000	\$ -
Impact Fee Reimbursement	87,441	(10,000)
Transfer to other funds	1,810,066	9,120
Total Uses	\$ 1,900,507	\$ (880)
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ (1,870,747)	\$ 3,901
Fund Balance, Beginning July 1	2,570,356	699,609
Fund Balance, Ending June 30	\$ 699,609	\$ 703,510

NOTE: Fiscal year ending June 30, 2022 amounts are unaudited as permitted by ARS §9-463.05(H)
Transfer to other funds to cover growth related capital expenditures
Capital Expenditures paid during FY 2021 and FY 2022

	FY 2021	FY 2022
Reimbursement to General Fund for Sundance Library Improvements	\$ 1,810,000	\$ -
North Library Comm Center	66	9,120
	\$ 1,810,066	\$ 9,120

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2022
Parks and Recreation Facilities

	Fiscal Year Ended	
	6/30/2021	6/30/2022
Sources:		
Impact Fees Collected -		
Central East	\$ 1,286,814	\$ 92,058
Interest Earned	51,227	14,589
Total Sources	\$ 1,338,041	\$ 106,647
Uses:		
Current:		
Professional Services	\$ 3,000	\$ -
Transfer to other funds	2,031,295	3,756,515
Total Uses	\$ 2,034,295	\$ 3,756,515
Excess/(Deficiency) of Current Sources over/(under)		
Current Uses	\$ (696,254)	\$ (3,649,868)
Fund Balance, Beginning July 1	4,455,936	3,759,682
Fund Balance, Ending June 30	\$ 3,759,682	\$ 109,814

NOTE: Fiscal year ending June 30, 2022 amounts are unaudited as permitted by ARS §9-463.05(H)
Transfer to other funds to cover growth related capital expenditures
Capital Expenditures paid during FY 2021 and FY 2022

	FY 2021	FY 2022
Sundance Park Phase II	\$ 1,104,056	\$ 2,164,293
Sundance Crossings Tenant Improvements	605,939	-
Buckeye Pool Expansion	321,300	1,592,222
Total Capital Expenditures	\$ 2,031,295	\$ 3,756,515

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2022
Public Safety Facilities

	Fiscal Year Ended	
	6/30/2021	6/30/2022
Sources:		
Impact Fees Collected:		
North	\$ 6,132	\$ 4,930
Central North	115,390	-
Central East	1,250,412	64,386
Interest Earned	100,560	40,914
Total Sources	\$ 1,472,494	\$ 110,230
Uses:		
Current:		
Professional Services	\$ 3,000	\$ -
Impact Fee Reimbursement per development agreement	56,210	-
Transfer to other funds	689,361	330,761
Total Uses	\$ 748,571	\$ 330,761
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ 723,923	\$ (220,531)
Fund Balance, Beginning July 1	8,893,428	9,617,351
Fund Balance, Ending June 30	\$ 9,617,351	\$ 9,396,820

NOTE: Fiscal year ending June 30, 2022 amounts are unaudited as permitted by ARS §9-463.05(H)
Transfer to other funds to cover growth related capital expenditures
Capital Expenditures paid during FY 2021 and FY 2022

	FY 2021	FY 2022
Design/Construction of the new Tartesso Firestation	\$ 83,812	\$ 189,495
Police Evidence Building construction	462,081	-
Communication Tower	-	103,667
Fire equipment	70,301	-
Police equipment	73,167	37,599
Total Capital Expenditures	\$ 689,361	\$ 330,761

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2022
Street Facilities

	Fiscal Year Ended	
	6/30/2021	6/30/2022
Sources:		
Impact Fees Collected:		
Central North	\$ 13,860	\$ -
Central East	260,668	16,884
Interest Earned	14,330	4,846
Total Sources	\$ 288,858	\$ 21,730
Uses:		
Current:		
Professional Services	\$ 3,000	\$ -
Transfer to other funds	665,903	-
Total Uses	\$ 668,903	\$ -
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ (380,045)	\$ 21,730
Fund Balance, Beginning July 1	1,504,066	1,124,021
Fund Balance, Ending June 30	\$ 1,124,021	\$ 1,145,751

NOTE: Fiscal year ending June 30, 2022 amounts are unaudited as permitted by ARS §9-463.05(H)
Transfer to other funds to cover growth related capital expenditures
Capital Expenditures paid during FY 2021 and FY 2022

	FY 2021	FY 2022
Miller/Watson TI	\$ 665,903	\$ -
	665,903	-

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2022
Water System Facilities

	Fiscal Year Ended	
	6/30/2021	6/30/2022
Sources:		
Impact Fees Collected:		
Central North - Reimbursement	\$ 142,936	\$ -
Central North - Production	33,530	-
Central East - Production	50,419	-
Central East - Distribution	84,864	-
Interest Earned	34,509	12,627
Total Sources	\$ 346,258	\$ 12,627
Uses:		
Current:		
Professional Services	\$ 3,000	\$ -
Impact Fee Reimbursement per development agreement	179,740	-
Transfer to other funds	1,006,777	252,439
Total Uses	\$ 1,189,517	\$ 252,439
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ (843,259)	\$ (239,812)
Fund Balance, Beginning July 1	3,829,738	2,986,479
Fund Balance, Ending June 30	\$ 2,986,479	\$ 2,746,667

NOTE: Fiscal year ending June 30, 2022 amounts are unaudited as permitted by ARS §9-463.05(H)
Transfer to other funds to cover growth related capital expenditures
Capital Expenditures paid during FY 2021 and FY 2022

	FY 2021	FY 2022
Farrallon WC #16	\$ 1,000,000	\$ -
Reach Line JMWC	-	231,787
Airport Waterline	-	7,773
Water Treatment Facility #9	6,777	12,879
	\$ 1,006,777	\$ 252,439

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2022
Wastewater System Facilities

	Fiscal Year Ended	
	6/30/2021	6/30/2022
Sources:		
Impact Fees Collected		
Central North - Reimbursement	\$ 322,410	\$ -
Central East - Reclamation	54,739	3,300
Central East - Collection	12,298	-
Central East - Treatment	46,936	-
Interest Earned	29,345	11,482
Reimburse Wasterwater Impact Fee for 2A/2B	309,864	-
Total Sources	\$ 775,592	\$ 14,782
Uses:		
Current:		
Professional Services	\$ -	\$ -
Impact Fee Reimbursement per development agreement	364,579	-
Total Uses	\$ 364,579	\$ -
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ 411,013	\$ 14,782
Fund Balance, Beginning July 1	2,283,929	2,694,942
Fund Balance, Ending June 30	\$ 2,694,942	\$ 2,709,724

NOTE: Fiscal year ending June 30, 2022 amounts are unaudited as permitted by ARS §9-463.05(H)
Transfer to other funds to cover growth related capital expenditures
No major capital projects started during FY 2021 or FY 2022