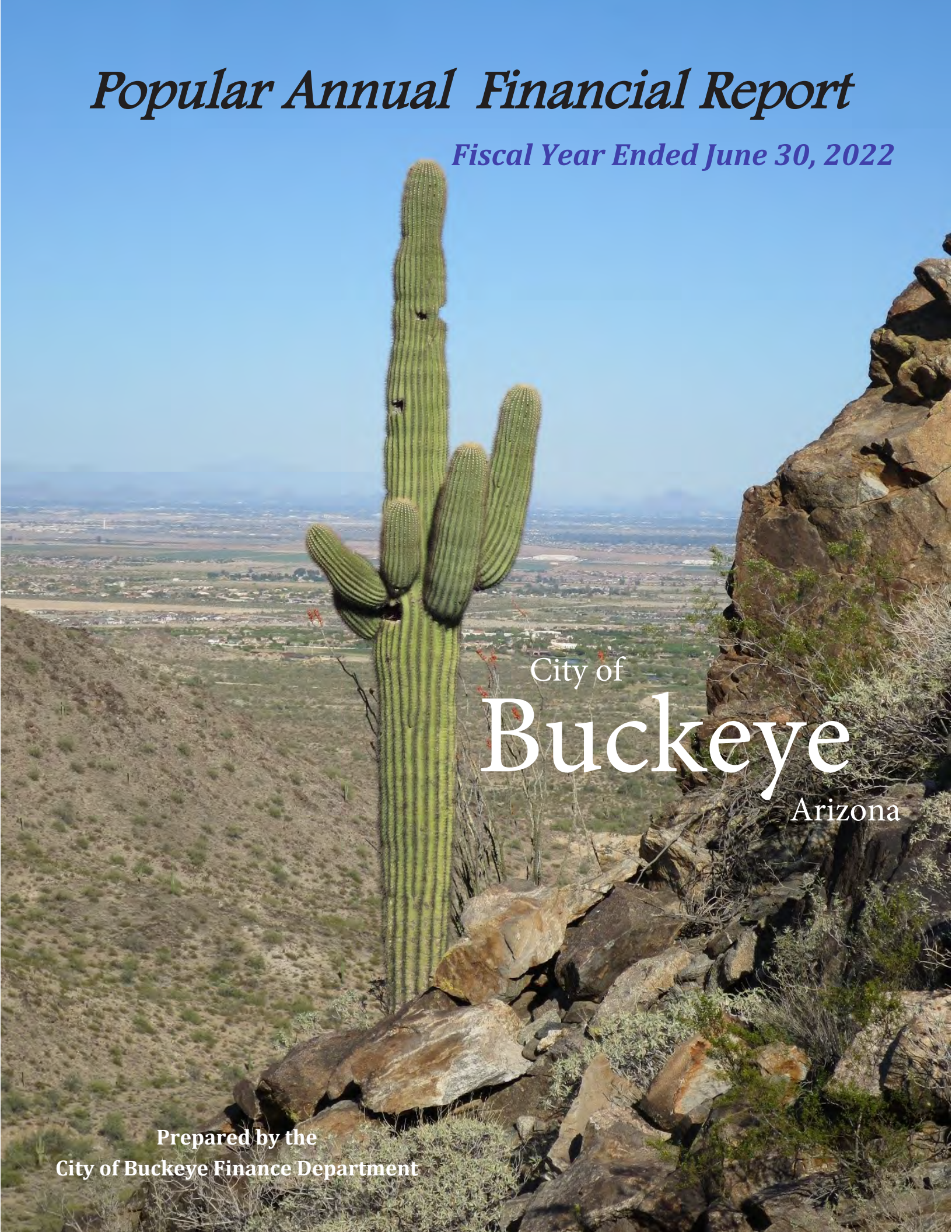


# *Popular Annual Financial Report*

*Fiscal Year Ended June 30, 2022*

A tall saguaro cactus stands prominently on a rocky, brownish hillside. The cactus has several arms, some of which are topped with small, yellowish flowers. In the background, a wide valley stretches out, showing a mix of green fields, residential areas, and industrial structures. The sky is a clear, bright blue. The overall scene is a typical desert landscape.

City of  
**Buckeye**  
Arizona

Prepared by the  
City of Buckeye Finance Department

## ***A MESSAGE TO OUR READERS***

The City is pleased to present its first Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2022. The purpose is to inform the community about the City's fiscal condition in an easy-to-read format.

The City of Buckeye's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021 was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. The City of Buckeye has received this distinction for the past four years.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR whose contents conform to program standards. This ACFR must satisfy both Generally Accepted Accounting Principles (GAAP) as well as applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current ACFR continues to conform to the Certificate of Achievement Program's requirements and is being submitted to the GFOA to determine its eligibility for another Certificate.

Except for the General Fund information included in this report, the financial numbers are presented using the accrual method of accounting similar to the private sector, where revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred. In addition, information is presented in a summarized format and certain information and disclosures required by GAAP are omitted.



***It is our sincere hope you find this report useful and informative as we continually strive to make the City's financial reports as reader friendly as possible.***

***For additional details regarding information contained in this PAFR, the City's most current ACFR is available for review at <http://www.buckeyeaz.gov/government/finance/annual-comprehensive-financial-report-2115>***

# The Popular Annual Financial Report

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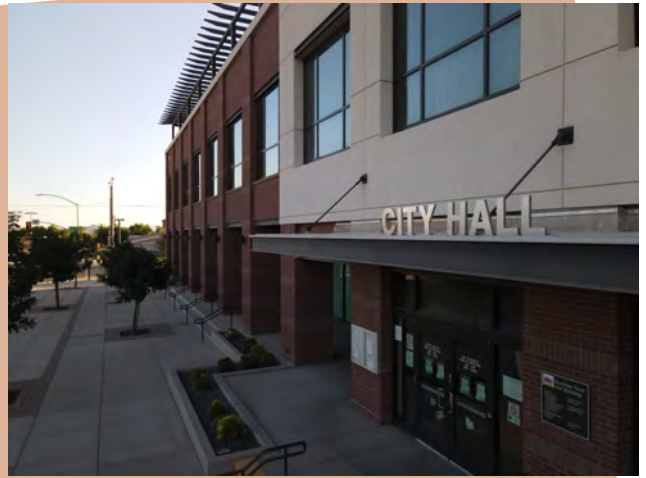


## City Government Financial Overview

The City of Buckeye 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 City Attorney, presiding judge and 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 support services.

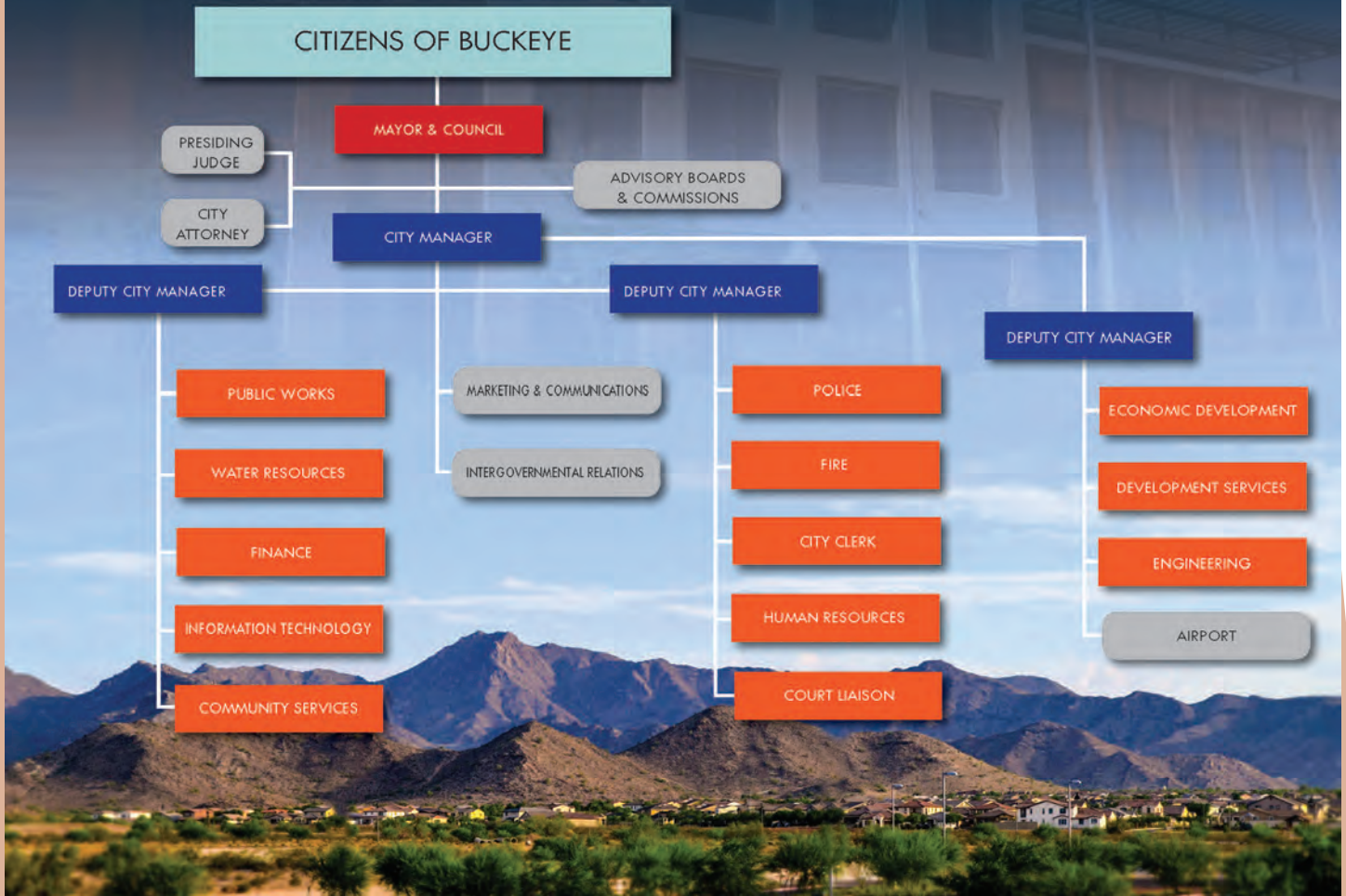
There are six Enterprise Funds: Water, Water Repair and Replacement, Wastewater, Environmental Services, Airport Operating and Airport Improvement Fund. Enterprise Funds are generally self-supporting funds similar to a private business. The intention is for all costs to be recovered through user fees or charges similar to how private businesses operate.



Capital outlay expenditures can be either large, one-time expenditures, such as a new building, or smaller annual expenditures such as new vehicle purchase within a fleet maintenance program. These expenditures can vary widely year to year, based on current requirements.

To ensure legal compliance and financial management for various restricted revenues and program expenditures, the City's accounting and budget structure is segregated into various funds. This approach is unique to the government sector. The General Fund is the City's chief operating fund and is used to account for all financial resources, except for those required to be accounted for in another fund.

The City of Buckeye strives to provide a safe and healthy community where residents and visitors feel both safe and secure and share in the responsibility for promoting the welfare of the community. To promote a flourishing cultural, social and civic life, residents are encouraged to be fully and effectively engaged in the life of the community to provide a sense of place and to enhance community pride and shared values.



*The City has Strategic Goals and Objectives intended to produce:*

A Safe and Healthy Community: Residents and visitors are safe and healthy, feel safe and secure, and share responsibility for maintaining the safety and promoting the welfare of the community.

A Flourishing Cultural, Social, and Civic Life: Residents are fully and effectively engaged in the life of the community to promote a sense of place and to enhance our community pride, our shared values, and our common resources. All people have the opportunity to participate in the life of the community and local economy.

**Goals:**

- 1 - Fiscal Wellness and Financial Flexibility and Accountability
- 2 - Enhanced Economic Well-Being and Vitality
- 3 - A Well-Planned Urban Community
- 4 - Adequate, Well-Maintained and Well-Planned Public Infrastructure
- 5 - Responsive and Accountable Government and Effective Public Services

# Buckeye City Council

The city of Buckeye is divided into 6 council districts with a mayor that serves at-large.



**Eric Orsborn**  
Mayor

623.349.6950  
623.687.6304 cell  
eorsborn@buckeyeaz.gov  
Term expires November 2024



**Patrick HagEstad**  
District 4

623.349.6944  
623.745.6308 cell  
phagestad@buckeyeaz.gov  
Term expires November 2022



**Tony Youngker**  
District 1

623.349.6941  
623.300.8492 cell  
tyoungker@buckeyeaz.gov  
Term expires November 2024



**Jeanine Guy**  
District 2

623.349.6942  
623.300.6063 cell  
jguy@buckeyeaz.gov  
Term expires November 2024



**Clay Goodman**  
District 6

623.349.6946  
623.695.5530 cell  
cgoodman@buckeyeaz.gov  
Term expires November 2022



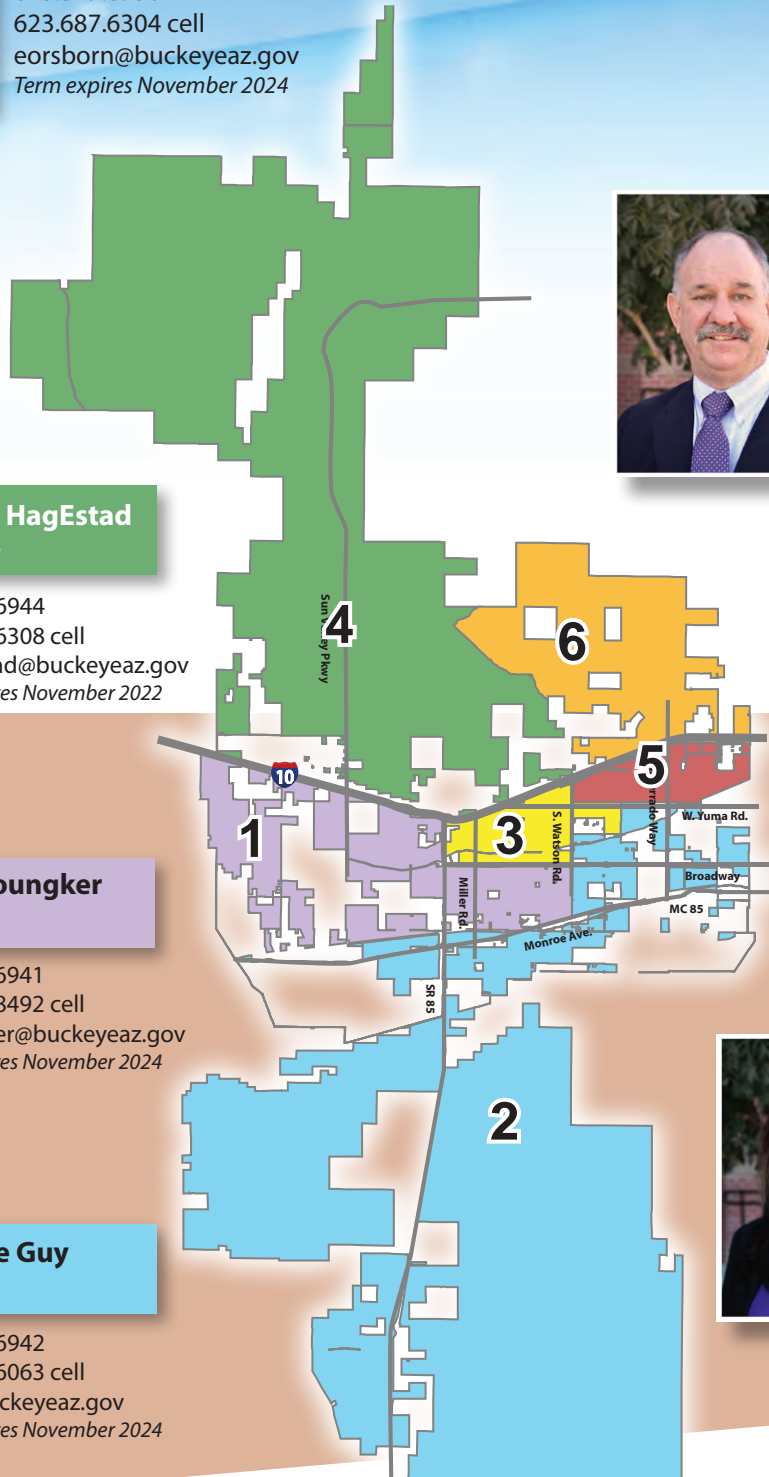
**Craig Heustis**  
District 5

623.349.6945  
623.238.4078 cell  
cheustis@buckeyeaz.gov  
Term expires November 2022



**Michelle Hess**  
District 3

623.349.6943  
623.252.8339 cell  
mhess@buckeyeaz.gov  
Term expires November 2024





## Population Statistics

Population Estimate .....	101,315
% Female .....	45.3%
% Male .....	54.7%
Avg Persons Per Household .....	2.57
Median Housing Value .....	\$246,400
Median Household Income..	\$79,156
Median Gross Rent .....	\$1,320

Educational Attainment high school graduate or higher up to an Associate's degree .....	87.4%
Bachelor's degree or higher ...	20.7%

### Population Demographics

White .....	45.1%
Black or African American .....	6.6%
Hispanic or Latino.....	43.5%
Asian .....	2.1%
American Indian/Alaska Native.	1.4%
Other Race.....	1.3%
Two or more races .....	8.5%
Veterans.....	5,192

Source: U.S. Census Bureau  
(data.census.gov) 2020 American  
Community Survey 5-Year Estimates

## Welcome to Buckeye

Rich traditions, based on small-town values and country friendliness, create the foundation on which the city of Buckeye plans and builds its future. Buckeye was founded in 1888 and its 440 acres was incorporated as a town in 1929 and designated as a city in 2014. Today Buckeye is Arizona's largest city by land area, with over 642 square miles.

Projections show that Buckeye's population is expected to grow from 110,000 residents today to more than 305,000 by 2040. Over the past several years, Buckeye has issued approximately 2,400 new residential building permits per year, and we are projecting even faster growth in the coming years. As Buckeye continues to grow, we are quickly becoming a hub for new business in the logistics and manufacturing industries.

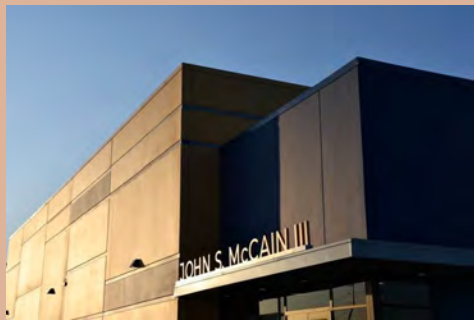
### Vision and Value Statement

In Buckeye, we are committed to quality and service.

#### To provide a Safe, Pleasant Community for all Citizens, We Will:

- Serve Buckeye through a variety of city services designed to promote quality of life.
- Ensure the safety of the community through aggressive public safety efforts and programs.
- Respond to the needs of the community by promoting communication, accessibility, pride, and responsibility.
- Value the tax-dollar and maintain a sound fiscal policy that provides for a vibrant economy.
- Incorporate safeguards to assure respect, fairness and equitable treatment of all present and future citizens.
- Continue to evaluate our services and ourselves to ensure quality, planned and managed growth.
- Endeavor to hire the best people we can find to help them develop their abilities.

# Education and Business



## Elementary and High School

- Buckeye Union High School District
- Buckeye Elementary School District
- Liberty Elementary School District
- Agua Fria Union High School District
- Wickenburg Unified School District
- Saddle Mountain Unified School District
- Litchfield Elementary School District
- Arlington Elementary School District
- Palo Verde Elementary School District

## Charter Schools

- The Odyssey Preparatory Academy
- Skyview High School
- E-Institute Charter High School
- Imagine Schools
- Sequoia Pathfinder Academy
- Thrivepoint High School
- Great Hearts Academies

## Valley Higher Education Institutions

- Arizona State University West Campus
- Devry University
- Franklin Pierce University
- Glendale Community College
- Midwestern University
- Thunderbird School of Global Management
- The University of Phoenix

## Largest Employers

Walmart .....	1,560
State of Arizona .....	1,185
Litchfield Elementary School District 79 .....	580
City of Buckeye .....	472
Frys Food Stores .....	390
Buckeye Elementary School District 33 .....	360
Duncan Family Farms LLC .....	350
Clayton Homes .....	300
The Odyssey Preparatory Academy .....	230
Cardinal Glass .....	150

Source: MAG Employer Database  
Hoover's Inc., a D&B Company



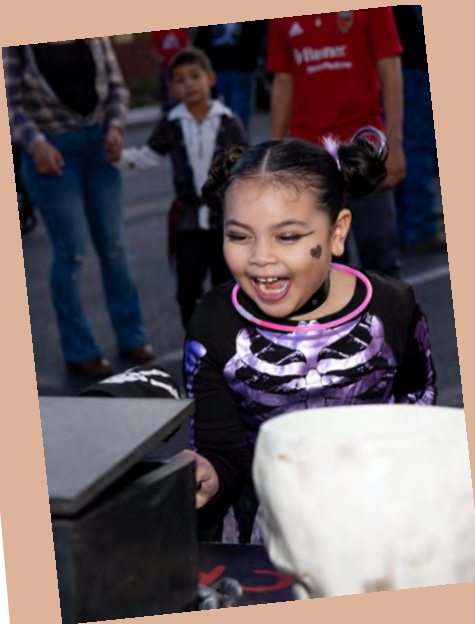
## Annual Events

### January/February/March

Buckeye Marathon - *Race to the Runway*

Buckeye Air Fair

Buckeye Days - *Our Past Comes Alive*  
(Parade/Cattle Drive/Wild West)



### April/May/June

Concerts in the Park

Spring Celebration

Memorial Day Ceremony

### July/August/September

Independence Day Celebration



### October/November/December

Rockin' & Shoppin' Sangria @ Sunset

Chili Cook-off

Halloween Carnival

Dog Days of Buckeye

Veterans Day Parade

Tree Lighting Ceremony

Cotton Fest

Glow on Monroe Holiday Light Parade



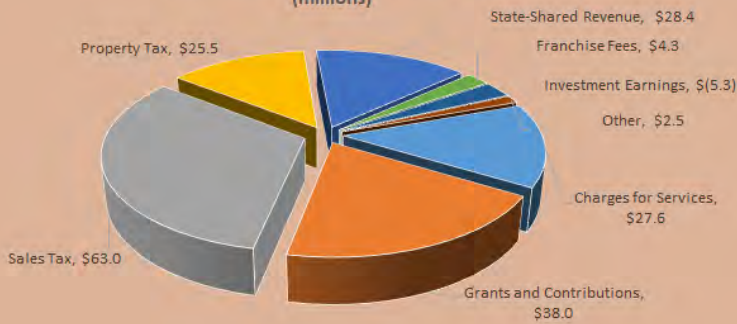
# The City's Revenue

Revenue from Governmental Activities totaled \$183.0 million in 2022. Total revenues for governmental activities increased by approximately \$16.1 million from the previous fiscal year.

The largest revenue sources were in city sales taxes, State-shared revenues, grants and contributions, and property taxes. 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 as well as new businesses locating to Buckeye.



Governmental Activities Revenue, 2022 (millions)

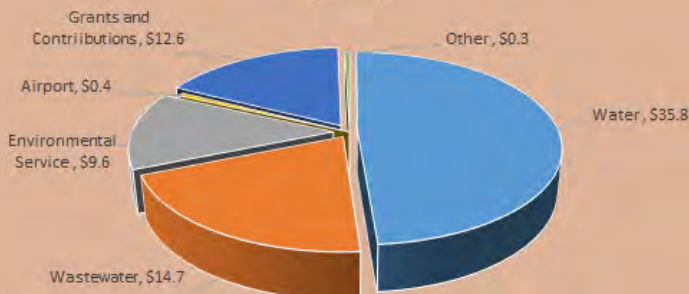


Revenue from Business-type Activities totaled \$73.3 million in 2022. Total revenues for business-type activities increased by approximately \$3.8 million over the previous fiscal year. charges for services increased due to additional utility customers.

Water and Wastewater were the largest business-type funds and provide essential services to residents. Environmental Services is responsible for Solid Waste Services for our 33,000 residences as as as all city facilities. The Buckeye Municipal Airport manages the maintenance and security of the City airport facilities and equipment.



Business-Type Activities Revenue, 2022 (millions)





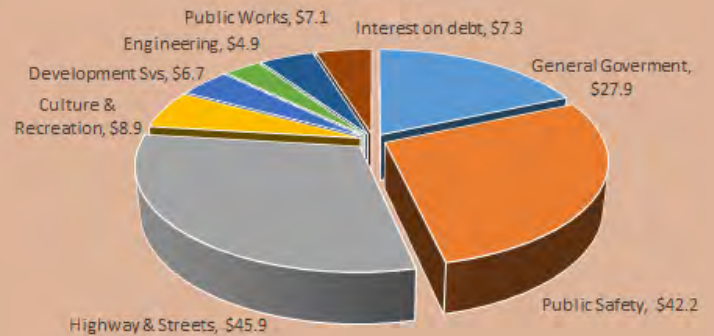
## The Cost of City Services

Total expenses for Governmental Activities was \$150.9 million in 2022. Total expenses increased for Governmental Activities by \$28.9 million over the previous year.

The largest category was Highways and Streets followed by Public Safety (police and fire), General government, Culture & Recreation, Development Services, Public Works and Engineering.



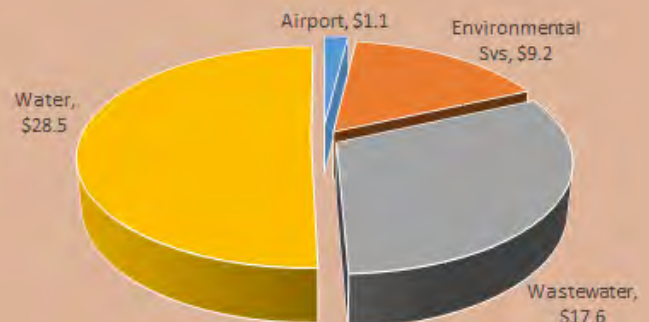
Governmental Activities Expenses, 2022  
(millions)



Total expenses for Business-Type Activities was \$56.4 million in 2022. The largest Business-Type activities are the Water and Wastewater operations, which charge fees for services rendered. The Water Resource Department (WRD) provides administrative support for the two enterprise funds. This support includes planning, managing and implementing system instrumentation and controls, custom service, utility billing, engineering, and more.

The Environmental Services Division is responsible for garbage services and in addition provides education, compliance, coordination, and fieldwork for the city-wide Stormwater Quality and Air Quality permits. They also assist with general pollution prevention and illegal dumping.

Business-Type Activities Expenses, 2022  
(millions)



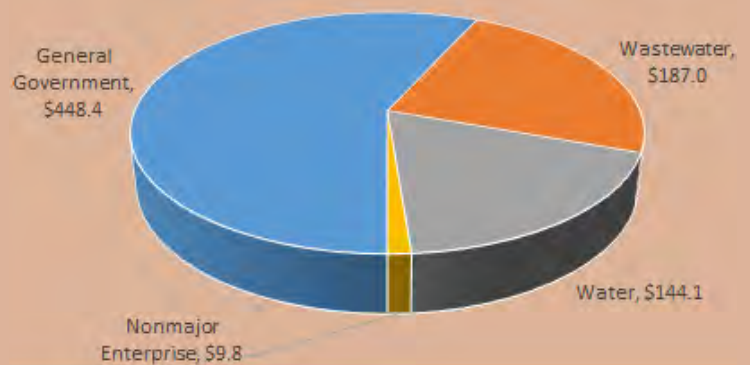


## The City's Net Position

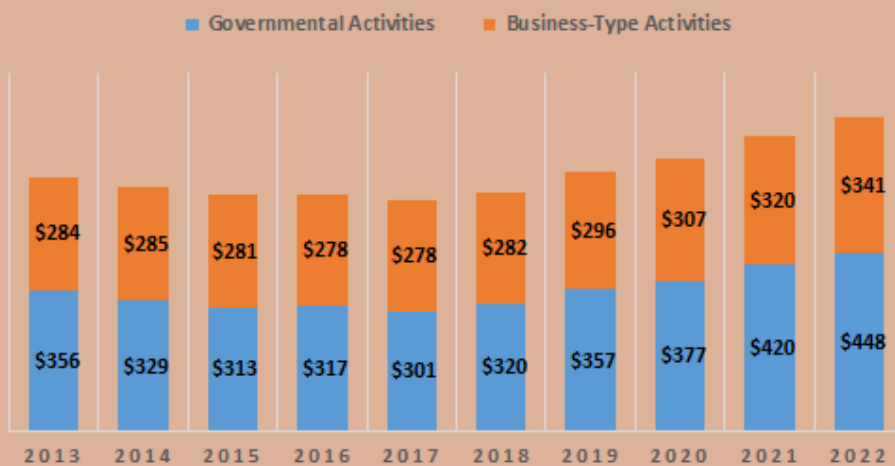
For 2022, the City's Net Position was \$789.3 million. "Net Position" is the difference between the City's assets and its liabilities. It represents resources currently available to the City for future services and economic safety buffers. The majority of Net Position consists of investment in capital assets.

Government-wide net position increased by \$28.1 million during fiscal 2022. The net position increase in governmental activities was primarily driven by higher than expected transaction privilege tax collections and the American Rescue Plan (ARPA) funding received during the year. The net position increase in business activities was due to increase in water users fees due to growth and contributed capital.

Net Position 2022  
(million)



Net Position by Component  
(millions)



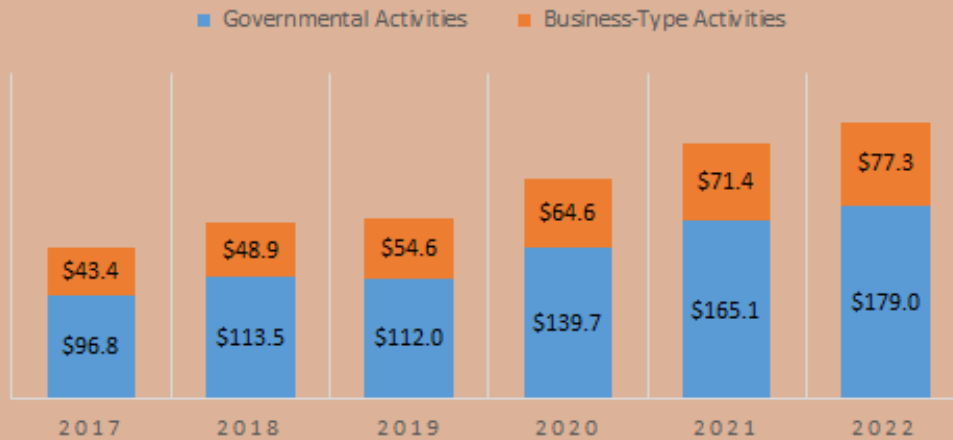
# Government-Wide Revenue and Expenses

## Government-Wide Revenue

### Changes 2021 to 2022

Government-wide revenue increased by 8.4% from 2021 to 2022. The greatest increase in revenue can be found in the areas of sales taxes, State-shared revenues, property taxes and capital grants and contributions. As the population in the City continues to grow, the number of businesses and assessed property values within the City are also increasing.

### Government-Wide Revenues, 2017-2022 (millions)

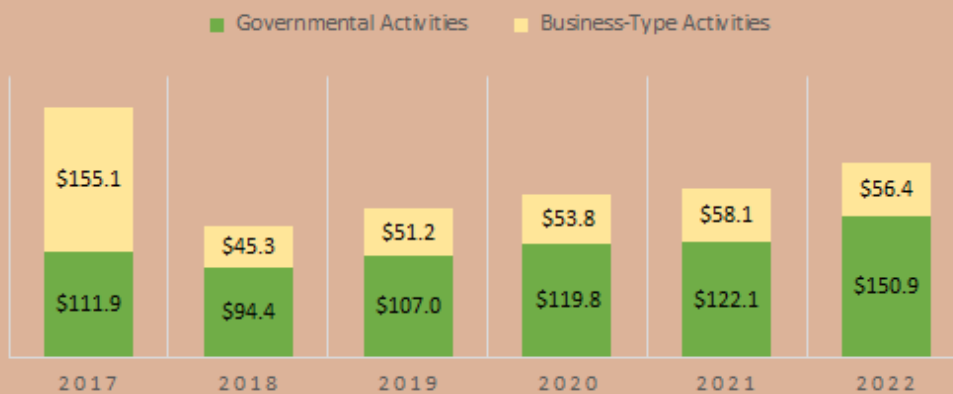


## Government-Wide Expense

### Changes 2021 to 2022

Government-wide expenses increased by 23.6% from 2021 to 2022. Governmental activities expenses increased significantly in 2022, due primarily attributed to developer reimbursements and an increase in personnel costs. Also the City opened up their recreational activities after the prior year shutdown due to COVID and an increase in the number of programs offered during the year increased expenditures.

### Government-Wide Expenses, 2017-2022 (millions)

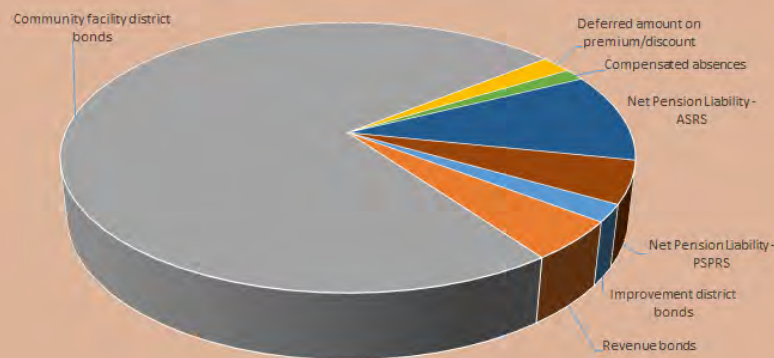


# Debt Management

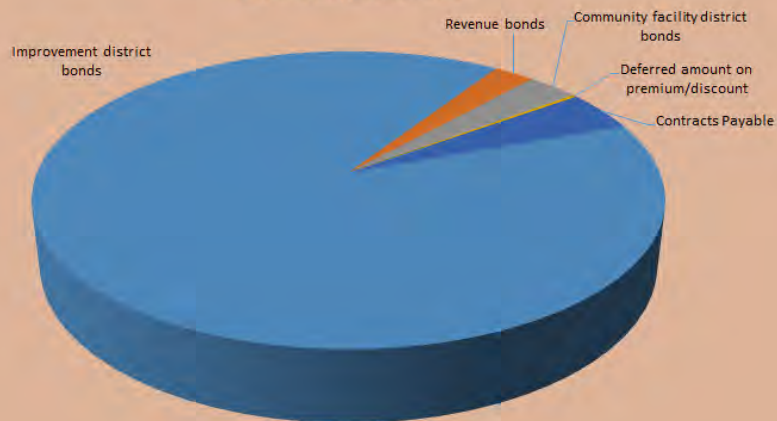
The objective of the City's debt management policy is to maintain the City's ability to incur present and future debt at the most beneficial interest rates in the amounts needed for financing the adopted Capital Improvement Plan without adversely affecting the City's Ability to finance essential City services.

At the end of the fiscal year, the City had total long-term obligations outstanding of \$356.1 million. Of this amount, \$154.6 million is Community Facilities District bonds backed solely by the property owners with the various CFDs. Improvement district bonds of \$4.3 million are backed principally by the property owners with the improvement district which the City is liable in the event of default by the owners subject to the assessment. An additional \$9.8 million (governmental activities) and \$132.6 million (business-type activities) of outstanding debt is secured by pledges of specific revenue sources of the City. The remaining \$55.1 million is for compensated absences, deferred amounts on bond premiums, and discounts and pension liability related to Arizona State Retirement System (ASRS) and Public Safety Personnel Retirement System (PSPRS).

Long-Term Obligations at June 30, 2022  
Governmental Activities



Long-Term Obligations at June 30, 2022  
Business-Type Activities



In December 2019, Standards and Poor's (S&P) performed a rating review of the City's Outstanding Excise Tax Revenues Obligations and the City's financial condition and raised the City's bond rating from AA- to AA based on the City's stable outlook.

The rating affirms a confidence in the City's Financial management and its economic outlook. A high bond rating means the City is able to sell bonds in the future to finance capital projects at a lower interest rate. This saves thousands of taxpayers dollars in interest payments.

# Full-Time Employees

## General Government

Mayor and Council .....	2.0
City Manager .....	23.0
City Clerk .....	4.0
Human Resources .....	9.5
Finance .....	11.0
City Court .....	11.2
Economic Development .....	7.0
Information Technology .....	21.0

## Public Safety

Police Department .....	156.0
Fire Department .....	104.0

## Culture and recreation

Admin/Parks/Rec/AAA .....	45.5
Library .....	17.2

## Development Services

.....	44.0
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## Engineering

.....	29.0
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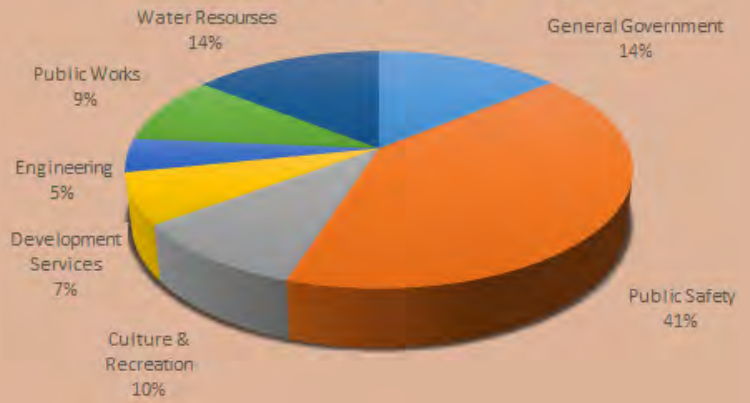
## Public Works

Admin/Facilities/Fleet/Solid Waste ....	28.0
Streets (HURF) .....	31.0

## Enterprise Funds

Water .....	71.0
Wastewater .....	20.0

**Full-Time Employees by Category**



For more information, please contact:  
City of Buckeye Finance Department  
530 East Monroe Avenue  
Buckeye, Arizona 85326

