

CITY OF BUCKEYE, ARIZONA



DEVELOPMENT FEE

SPECIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2023

(Impact Fees effective beginning August 1, 2014)



September 26, 2023

The Finance Department of the City of Buckeye has prepared the annual report for the fiscal year ended June 30, 2023 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, improvements, and reimbursements;
- Wastewater System (sewer) construction, expansion, improvements, and reimbursements;
- Fire Department expansion and improvements
- Police Department expansion and improvements
- 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, 2023

	7/1/2022 Beginning Balance	FY 2022 - 2023		6/30/2023 Ending Balance
		Sources	Uses	
Library	\$ 703,510	\$ 14,572	\$ -	\$ 718,082
Parks	455,272	9,361	(320,012)	144,621
Public Safety Facility	9,396,820	193,030	(197,961)	9,391,889
Streets	1,145,751	23,722	-	1,169,473
Water	2,746,667	56,935	-	2,803,602
Wastewater	2,709,724	56,103	-	2,765,827
Total	\$ 17,157,743	\$ 353,723	\$ (517,973)	\$ 16,993,493

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2023
Parks and Recreation Facilities

	Fiscal Year Ended	
	6/30/2022	6/30/2023
Sources:		
Impact Fees Collected -		
Central East	\$ 92,058	\$ -
Interest Earned	14,589	9,361
Total Sources	\$ 106,647	\$ 9,361
Uses:		
Current:		
Transfer to other funds	\$ 3,411,057	\$ 320,012
Total Uses	\$ 3,411,057	\$ 320,012
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ (3,304,410)	\$ (310,651)
Fund Balance, Beginning July 1	3,759,682	455,272
Fund Balance, Ending June 30	\$ 455,272	\$ 144,621

NOTE: Fiscal year ending June 30, 2023 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 2022 and FY 2023

	FY 2022	FY 2023
Sundance Park Phase II	\$ 2,164,293	\$ 320,012
Buckeye Pool Expansion	1,246,764	-
Total Capital Expenditures	\$ 3,411,057	\$ 320,012

CITY OF BUCKEYE, ARIZONA SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES For the Fiscal Year Ended June 30, 2023 Library Facilities

	Fiscal Year Ended	
	6/30/2022	6/30/2023
Sources:		
Interest Earned	\$ 3,021	\$ 14,572
Total Sources	\$ 3,021	\$ 14,572
Uses:		
Current:		
Impact Fee Reimbursement	\$ (10,000)	\$ -
Transfer to other funds	9,120	-
Total Uses	\$ (880)	\$ -
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ 3,901	\$ 14,572
Fund Balance, Beginning July 1	699,609	703,510
Fund Balance, Ending June 30	\$ 703,510	\$ 718,082

NOTE: Fiscal year ending June 30, 2023 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 2022 and FY 2023

	FY 2022	FY 2023
North Library Comm Center	\$ 9,120	\$ -
	\$ 9,120	\$ -

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2023
Public Safety Facilities

	Fiscal Year Ended	
	6/30/2022	6/30/2023
Sources:		
Impact Fees Collected:		
North	\$ 4,930	\$ -
Central East	64,386	-
Interest Earned	40,914	193,030
Total Sources	\$ 110,230	\$ 193,030
Uses:		
Current:		
Transfer to other funds	\$ 330,761	\$ 197,961
Total Uses	\$ 330,761	\$ 197,961
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ (220,531)	\$ (4,931)
Fund Balance, Beginning July 1	9,617,351	9,396,820
Fund Balance, Ending June 30	\$ 9,396,820	\$ 9,391,889

NOTE: Fiscal year ending June 30, 2023 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 2022 and FY 2023

	FY 2022	FY 2023
Design/Construction of the new Tartesso Firestation	\$ 189,495	\$ -
Design/Construction of the Blue Horizons Firestation	-	32,643
Communication Tower	103,667	-
Fire equipment	-	81,008
Police equipment	37,599	84,310
Total Capital Expenditures	\$ 330,761	\$ 197,961

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2023
Street Facilities

	Fiscal Year Ended	
	6/30/2022	6/30/2023
Sources:		
Impact Fees Collected:		
Central East	\$ 16,884	\$ -
Interest Earned	4,846	23,722
Total Sources	\$ 21,730	\$ 23,722
Uses:		
Current:	\$ -	\$ -
Total Uses	\$ -	\$ -
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ 21,730	\$ 23,722
Fund Balance, Beginning July 1	1,124,021	1,145,751
Fund Balance, Ending June 30	\$ 1,145,751	\$ 1,169,473

NOTE: Fiscal year ending June 30, 2023 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 2022 and FY 2023

	FY 2022	FY 2023
	\$ -	\$ -
	\$ -	\$ -

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2023
Water System Facilities

	Fiscal Year Ended	
	6/30/2022	6/30/2023
Sources:		
Impact Fees Collected:		
Interest Earned	\$ 12,627	\$ 56,935
Total Sources	\$ 12,627	\$ 56,935
Uses:		
Current:		
Transfer to other funds	\$ 252,439	\$ -
Total Uses	\$ 252,439	\$ -
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ (239,812)	\$ 56,935
Fund Balance, Beginning July 1	2,986,479	2,746,667
Fund Balance, Ending June 30	\$ 2,746,667	\$ 2,803,602

NOTE: Fiscal year ending June 30, 2023 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 2022 and FY 2023

	FY 2022	FY 2023
Reach Line JMWC	\$ 231,787	\$ -
Airport Waterline	7,773	-
Water Treatment Facility #9	12,879	-
	\$ 252,439	\$ -

CITY OF BUCKEYE, ARIZONA
SCHEDULE OF DEVELOPMENT FEE COLLECTIONS AND USES
For the Fiscal Year Ended June 30, 2023
Wastewater System Facilities

	Fiscal Year Ended	
	6/30/2022	6/30/2023
Sources:		
Impact Fees Collected		
Central East - Reclamation	\$ 3,300	\$ -
Interest Earned	11,482	56,103
Total Sources	\$ 14,782	\$ 56,103
Uses:		
Current:	\$ -	\$ -
Total Uses	\$ -	\$ -
Excess/(Deficiency) of Current Sources over/(under) Current Uses	\$ 14,782	\$ 56,103
Fund Balance, Beginning July 1	2,694,942	2,709,724
Fund Balance, Ending June 30	\$ 2,709,724	\$ 2,765,827

NOTE: Fiscal year ending June 30, 2023 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 2022 or FY 2023