



City of Eloy, Arizona

Annual Report of Development Impact Fees

For the Fiscal Year Ended June 30, 2019

City of Eloy
Impact Fee Annual Report
For the Fiscal Year Ended June 30, 2019

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INTRODUCTION

This report is designed to fulfill the requirements of Arizona Revised Statutes (ARS), Section 9-463.05 (N). It contains information concerning the City of Eloy's collection and use of development fees. The information contained in this report is based on the City's fund financial statements but it is unaudited data.

The annual report must be submitted to the City Clerk and posted on the City's Web site within 90 days following the end of the fiscal year. If the report is not submitted and posted within the 90 days, the City cannot collect development impact fees until the report is submitted and posted. ARS refer to the fees as "development fees"; the City refers to them as "development fees."

TischlerBise performed the development fee study. Due to substantial changes in state law concerning Development Impact Fees (Senate Bill 1525), the City renamed and eliminated many of the development impact fees charged. Although no longer charged, several of these categories have remaining balances that continue to be tracked separately and utilized for their legally intended purposes. Development fees are charged per dwelling unit for all residential construction. Commercial projects are charged based upon their impact on each service provided and are generally charged on a per square foot basis.

This report includes unaudited schedule of sources and uses for each type of development fee assessed by the City of Eloy along with beginning and ending fund balances, the amount of interest earnings in each fund for the fiscal year, and the amount of development fee monies spent on each capital improvement project and for each purpose other than a capital improvement project.

Pursuant to ARS, the annual report must contain the following information.

1. The amount assessed by the City for each type of development fee.
2. The balance of each fund maintained for each type of development fee as of the beginning and end of the fiscal year.
3. The amount of interest or other earnings on the monies in each fund as of the end of the fiscal year.

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4. The amount of development fees used to repay:
 - a. Bonds issued by the City to pay the cost of a capital improvement project that is subject of a development fee assessment, including the amount needed to repay the debt service obligations on each facility for which development fees have been identified as the source of funding and the time frames in which the debt service will be repaid.
 - b. Monies advanced by the City 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 total amount advanced by the City for each facility, the source of the monies advanced and the terms under which the monies will be repaid to the City.
5. 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.
6. 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.

ARS states that a municipality may assess development fees to offset costs to the municipality associated with providing necessary public services to a development. As of and during fiscal year ended June 30, 2019, the City of Eloy has assessed and collected development impact fees for the following public services.

- Parks and Recreational Facilities
- Police Facilities
- Water Facilities
- Wastewater Facilities
- Streets Facilities

This report is hereby submitted to the City Clerk and is in compliance with ARS Section 9-463.05.

Brian Wright, Finance Director

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IMPACT FEE SCHEDULES

July 1, 2018 through June 30, 2019

Parks and Recreation Facilities Development Fees

Residential Development Fees per Housing Unit

Development Type	Impact Fee
Single Unit	\$ 895.00
2+ Units	\$ 491.00

Nonresidential Development Fees per 1,000 Sq. Ft of Floor Area

Development Type	Impact Fee
Commercial	\$ 411.00
Office/Institutional	\$ 683.00
Industrial/Flex	\$ 368.00

Police Facilities Development Fees

Residential Development Fees per Housing Unit

Development Type	Impact Fee
Single Unit	\$ 673.00
2+ Units	\$ 370.00

Nonresidential Development Fees per 1,000 Sq. Ft of Floor Area

Development Type	Impact Fee
Commercial	\$ 1,938.00
Office/Institutional	\$ 758.00
Industrial/Flex	\$ 262.00

Note: Per the 2006 Development Agreement with Robson Ranch the impact fee will be \$359.00 per residential unit.

Streets Facilities Development Fees

Residential Development Fees per Housing Unit

Development Type	Impact Fee
Single Unit	\$ 1,348.00
2+ Units	\$ 658.00

Nonresidential Development Fees per 1,000 Sq. Ft of Floor Area

Development Type	Impact Fee
Commercial	\$ 2,165.00
Office/Institutional	\$ 937.00
Industrial/Flex	\$ 324.00

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CONTINUATION OF IMPACT FEE SCHEDULES

July 1, 2018 through June 30, 2019

Water Facilities Development Fees

Residential (per dwelling unit)

Meter Size (inches)	Impact Fee
0.75 = (3/4)	\$ 1,556.00

Nonresidential

Meter Size (inches)		Impact Fee
0.75 = (3/4)	Displacement	\$ 1,556.00
1.00 = (1")	Displacement	\$ 2,519.00
1.50 = (1.5")	Displacement	\$ 4,905.00
2.00 = (2")	Compound	\$ 7,780.00
3.00 = (3")	Compound	\$ 15,455.00

Wastewater Facilities Development Fees

Residential (per dwelling unit)

Meter Size (inches)	Impact Fee
0.75 = (3/4)	\$ 906.00

Nonresidential

Meter Size (inches)		Impact Fee
0.75 = (3/4)	Displacement	\$ 906.00
1.00 = (1")	Displacement	\$ 1,392.00
1.50 = (1.5")	Displacement	\$ 2,596.00
2.00 = (2")	Compound	\$ 4,048.00
3.00 = (3")	Compound	\$ 7,923.00

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DEVELOPMENT IMPACT FEES

Summary of Collection and Use of Development Impact Fees

	Parks and Recreational	Library	Municipal and Facilities	Police	Water	Wastewater	Streets
Sources							
Development Fees Collected	\$ 15,374.00	\$ -	\$ -	\$ 94,982.00	\$ 14,967.00	\$ 6,346.00	\$ 68,994.00
Interest Earnings	\$ 713.59	\$ 180.08	\$ 1,600.24	\$ 2,197.26	\$ 2,044.59	\$ 2,089.60	\$ 1,607.27
Total Sources	\$ 16,087.59	\$ 180.08	\$ 1,600.24	\$ 97,179.26	\$ 17,011.59	\$ 8,435.60	\$ 70,601.27
Uses							
Capital Improvement Projects	\$ -	\$ -	\$ 576,696.18	\$ -	\$ -	\$ -	\$ -
Total Uses	\$ -	\$ -	\$ 576,696.18	\$ -	\$ -	\$ -	\$ -
Net Position Increase (Decrease)	\$ 16,087.59	\$ 180.08	\$ (575,095.94)	\$ 97,179.26	\$ 17,011.59	\$ 8,435.60	\$ 70,601.27
Beginning Net Position as of 7/1/2018	\$ 56,267.13	\$ 532.25	\$ 575,095.94	\$ 743,737.26	\$ 317,849.56	\$ 394,618.75	\$ 93,926.43
Ending Net Position as of 6/30/2019	\$ 72,354.72	\$ 712.33	\$ -	\$ 840,916.52	\$ 334,861.15	\$ 403,054.35	\$ 164,527.70

Fiscal Year 2018 - 2019 Capital Improvement Projects Uses

Municipal and Facilities:

- \$576,696.18, Construction of a new City Complex.

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PARKS AND RECREATIONAL FACILITIES

Parks and Recreational Facilities comprises of " *Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.*"

**CITY OF ELOY
PARKS AND RECREATIONAL DEVELOPMENT FEE FUND
FINANCIAL ANALYSIS ENDING JUNE 30, 2019
(Unaudited Financial Statements)**

SOURCES:

DEVELOPMENT FEE-PARKS & RECREATIONAL	\$15,374.00	
INTEREST EARNINGS	\$713.59	
TOTALSOURCES		<u>\$16,087.59</u>
<u>USES:</u>		
PARKS & RECREATIONAL EXPENDITURES	\$0.00	
TOTAL USES		<u>\$0.00</u>
EXCESS (DEFICIENCY)		<u>\$16,087.59</u>

NET POSITION AS OF JULY 1, 2018	<u>\$56,267.13</u>
CHANGE IN NET POSITION	<u>\$16,087.59</u>
NET POSITION AS OF JUNE 30, 2019	<u>\$72,354.72</u>

EXPLANATION OF EXPENSES:
None

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POLICE FACILITIES

Public Safety is defined as *“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training police and firefighters from more than one station or substation.”*

**CITY OF ELOY
 POLICE FACILITIES DEVELOPMENT FEE FUND
 FINANCIAL ANALYSIS ENDING JUNE 30, 2019
 (Unaudited Financial Statements)**

SOURCES:

DEVELOPMENT FEE-POLICE FACILITIES	\$94,982.00
INTEREST EARNINGS	<u>\$2,197.26</u>
TOTAL SOURCES	<u>\$97,179.26</u>

USES:

POLICE FACILITIES EXPENDITURES	<u>\$0.00</u>
TOTAL USES	<u>\$0.00</u>

EXCESS (DEFICIENCY)	<u><u>\$97,179.26</u></u>
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NET POSITION AS OF JULY 1, 2018	<u>\$743,737.26</u>
CHANGE IN NET POSITION	<u>\$97,179.26</u>
NET POSITION AS OF JUNE 30, 2019	<u><u>\$840,916.52</u></u>

EXPLANATION OF EXPENSES:

None

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WATER FACILITIES

Water facilities comprises of “Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.”

**CITY OF ELOY
 WATER FACILITIES DEVELOPMENT FEE FUND
 FINANCIAL ANALYSIS ENDING JUNE 30, 2019
 (Unaudited Financial Statements)**

SOURCES:

DEVELOPMENT FEE-WATER FACILITIES	\$14,967.00
INTEREST EARNINGS	<u>\$2,044.59</u>
TOTALSOURCES	<u>\$17,011.59</u>

USES:

WATER FACILITIES EXPENDITURES	<u>\$0.00</u>
TOTAL USES	<u>\$0.00</u>

EXCESS (DEFICIENCY) \$17,011.59

NET POSITION AS OF JULY 1, 2018	<u>\$317,849.56</u>
CHANGE IN NET POSITION	<u>\$17,011.59</u>
NET POSITION AS OF JUNE 30, 2019	<u><u>\$334,861.15</u></u>

EXPLANATION OF EXPENSES:

None

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WASTEWATER FACILITIES

Wastewater Facilities comprises of “Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.”

**CITY OF ELOY
 WASTEWATER CAPACITY DEVELOPMENT FEE FUND
 FINANCIAL ANALYSIS ENDING JUNE 30, 2019
 (Unaudited Financial Statements)**

SOURCES:

<u>DEVELOPMENT FEE-WASTEWATER FACILITIES</u>	\$6,346.00	
INTEREST EARNINGS	<u>\$2,089.60</u>	
TOTALSOURCES		<u>\$8,435.60</u>

USES:

<u>WASTEWATER FACILITIES EXPENDITURES</u>	<u>\$0.00</u>	
TOTAL USES		<u>\$0.00</u>

EXCESS (DEFICIENCY)		<u>\$8,435.60</u>
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NET POSITION AS OF JULY 1, 2018	<u>\$394,618.75</u>
CHANGE IN NET POSITION	<u>\$8,435.60</u>
NET POSITION AS OF JUNE 30, 2019	<u>\$403,054.35</u>

EXPLANATION OF EXPENSES:

None

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STREETS FACILITIES

Streets Facilities is comprised of *“Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights- of-way and improvements thereon.”*

**CITY OF ELOY
STREETS FACILITIES DEVELOPMENT FEE FUND
FINANCIAL ANALYSIS ENDING JUNE 30, 2018
(Unaudited Financial Statements)**

SOURCES:

<u>DEVELOPMENT FEE-STREETS</u>	\$68,994.00
INTEREST EARNINGS	<u>\$1,607.27</u>
TOTALSOURCES	<u>\$70,601.27</u>

USES:

<u>STREET FACILITIES EXPENDITURES</u>	<u>\$0.00</u>
TOTAL USES	<u>\$0.00</u>
EXCESS (DEFICIENCY)	<u><u>\$70,601.27</u></u>

NET POSITION AS OF JULY 1, 2018	<u>\$93,926.43</u>
CHANGE IN NET POSITION	<u>\$70,601.27</u>
NET POSITION AS OF JUNE 30, 2019	<u><u>\$164,527.70</u></u>

EXPLANATION OF EXPENSES:

None

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LIBRARY FACILITIES

The Library Facilities must be spent before January 1, 2020.

**CITY OF ELOY
 LIBRARY FACILITIES DEVELOPMENT FEE FUND
 FINANCIAL ANALYSIS ENDING JUNE 30, 2019
 (Unaudited Financial Statements)**

SOURCES:

<u>INTEREST EARNINGS</u>	<u>\$180.08</u>
TOTAL SOURCES	<u>\$180.08</u>

USES:

<u>LIBRARY EXPENDITURES</u>	<u>\$0.00</u>
TOTAL USES	<u>\$0.00</u>

EXCESS (DEFICIENCY)	<u><u>\$180.08</u></u>
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NET POSITION AS OF JULY 1, 2018	<u>\$532.25</u>
CHANGE IN NET POSITION	<u>\$180.08</u>
NET POSITION AS OF JUNE 30, 2019	<u><u>\$712.33</u></u>

EXPLANATION OF EXPENSES:

None

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MUNICIPAL FACILITY AND EQUIPMENT FACILITIES

The Municipal Facility and Equipment must be spent before January 1, 2020

CITY OF ELOY
MUNICIPAL FACILITY & EQUIPMENT DEVELOPMENT FEE FUND
FINANCIAL ANALYSIS ENDING JUNE 30, 2019
(Unaudited Financial Statements)

SOURCES:

INTEREST EARNINGS	<u>\$1,600.24</u>
TOTAL SOURCES	<u>\$1,600.24</u>

USES:

MUNICIPAL FACILITY & EQUIPMENT EXPENDITURES	<u>\$576,696.18</u>
TOTAL USES	<u>\$576,696.18</u>
EXCESS (DEFICIENCY)	<u><u>-\$575,095.94</u></u>

NET POSITION AS OF JULY 1, 2018	<u>\$575,095.94</u>
CHANGE IN NET POSITION	<u>-\$575,095.94</u>
NET POSITION AS OF JUNE 30, 2019	<u><u>\$0.00</u></u>

EXPLANATION OF EXPENSES:

Construction Expenses for City Complex - CORE \$575,095.94