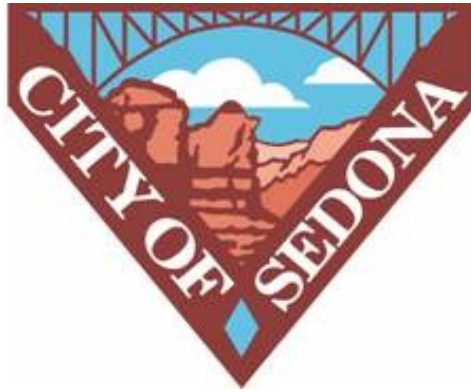


City of Sedona, Arizona



Annual Report

for the

Collection and Use

of

Development Impact Fees

For Fiscal Year Ended June 30, 2023



Financial Services Department

102 Roadrunner Dr.
Sedona, AZ 86336

September 30, 2023

Karen Osburn, City Manager
Honorable Mayor, City Council
and Citizens of Sedona, Arizona:

We are pleased to submit the 2023 Annual Report for the Collection and Use of Development Fees for the City of Sedona. The report was prepared by the Financial Services Department. Copies of this report will be maintained in the City Clerk's office for use by the general public. This financial report has been prepared in accordance with the requirements of the Arizona Revised Statutes §9-463.05(N).

During fiscal year 2023, the following accomplishments were achieved by utilizing Development Impact Fees:

Parks and Recreation

- Continuation of improvements for the future Ranger Station Park at the Brewer Road property
- Initiation of the pickleball courts to be installed at Posse Grounds Park and improvements at the Dog Park

Law Enforcement

- Completion of the remodel of the Police Station

Roadway and Transportation

- Continuation of transportation improvements including the alleviation of congestion for Uptown northbound traffic, the intersection improvements project at Ranger Road and Brewer Road and extension of Ranger Road to proposed transit hub location, and the Forest Road connection.
- Completion of the connection from the Los Abrigados Resort through the future Ranger Station Park to Brewer Road

For the Future

The following were identified by City Council in the Budget Planning process as important priorities for the future:

- ✓ Completion of transportation improvements in progress including the alleviation of congestion for Uptown northbound traffic, the Portal Lane to Ranger Road connection, the Forest Road connection, the intersection improvements at Ranger Road and Brewer Road and extension of Ranger Road to proposed transit hub location, and shared-use path projects
- ✓ Intersection improvements at Ranger Road and SR 179 Completion of improvements in Posse Grounds Park, including the addition of pickleball courts and improvements at the Dog Park
- ✓ Completion of improvements for the future Ranger Station Park at the Brewer Road property
- ✓ Acquisition of land for a future natural walking path adjacent to Oak Creek

Should you require any further information or clarification, please do not hesitate to contact the Financial Services Department at (928) 204-7185 or via our website, www.SedonaAZ.gov.

Respectfully,

Cherie R. White, CPA, CGFM
Director of Financial Services

**Development Impact Fee Report Form
Statement of Revenue, Expenditures, and Change in Fund Balances
For Fiscal Year Ending June 30, 2023**

Impact Fee Account Summary

Beginning Balance FY 2022-2023

	Law Enforcement	Roadway & Transportation	General Government Facilities & Equipment	Parks & Recreation: Open Space	Total
Ending Balance FY2022	\$ (562,009)	\$ (56,816)	\$ -	\$ 2,736,779	\$ 2,117,954
Prior Period Adjustment	\$ (0)	\$ 213,192	\$ -	\$ (62,653)	\$ 150,539
Beginning Balance FY2023	\$ (562,009)	\$ 156,376	\$ -	\$ 2,674,126	\$ 2,268,493

* Differences are due to year-end interest allocations and fair market value adjustments that were not available at the time the prior year report was prepared and due to a change in allocation of funding sources based on decisions made by the City Council after the prior year report was prepared.

Fee Schedule (effective September 9, 2019)

Amount of Each Impact Fee Charged	Law Enforcement	Roadway & Transportation	Parks & Recreation: Open Space	Total
Residential (per square foot)				
700 or Less	\$ 468	\$ 2,088	\$ 717	\$ 3,273
701 to 1,200	\$ 656	\$ 2,831	\$ 1,004	\$ 4,491
1,201 to 1,700	\$ 890	\$ 3,580	\$ 1,363	\$ 5,833
1,701 to 2,200	\$ 1,030	\$ 4,134	\$ 1,578	\$ 6,742
2,201 to 2,700	\$ 1,124	\$ 4,574	\$ 1,721	\$ 7,419
2,701 to 3,200	\$ 1,218	\$ 4,943	\$ 1,865	\$ 8,026
3,201 to 3,700	\$ 1,311	\$ 5,256	\$ 2,008	\$ 8,575
3,701 to 4,200	\$ 1,405	\$ 5,526	\$ 2,151	\$ 9,082
4,201 to 4,700	\$ 1,452	\$ 5,767	\$ 2,223	\$ 9,442
4,701 or More	\$ 1,498	\$ 5,985	\$ 2,295	\$ 9,778
Nonresidential (per square foot)				
Commercial	\$ 0.83	\$ 5.36	\$ 1.07	\$ 7.26
Office/Other Services	\$ 0.32	\$ 2.32	\$ 1.36	\$ 4.00
Institutional	\$ 0.43	\$ 3.07	\$ 0.42	\$ 3.92
Industrial	\$ 0.16	\$ 1.18	\$ 0.74	\$ 2.08
Lodging (per Room)	\$ 278	\$ 1,990	\$ 1,434	\$ 3,702

Development Impact Fee Report Form
Statement of Revenue, Expenditures, and Change in Fund Balances
For Fiscal Year Ending June 30, 2023

Impact Fee Account Summary

Revenues

	Law Enforcement	Roadway & Transportation	General Government Facilities & Equipment	Parks & Recreation: Open Space	Total
Total Amount of Impact Fees Collected	\$ 74,906	\$ 342,444	\$ -	\$ 153,849	\$ 571,198
Interest Earned on Each Account	\$ -	\$ (441)	\$ -	\$ (7,357)	\$ (7,798)
Total Revenues	\$ 74,906	\$ 342,002	\$ -	\$ 146,492	\$ 563,400

Expenditures

	Law Enforcement	Roadway & Transportation	General Government Facilities & Equipment	Parks & Recreation: Open Space	Total
Total Amount of Impact Fee Expenditures	\$ 253,454	\$ 87,540	\$ -	\$ 90,943	\$ 431,937
Projects/Studies	\$ 253,454	\$ 87,540	\$ -	\$ 90,943	\$ 431,937
Bonds					
Interest	\$ -	\$ 74,760	\$ -	\$ -	\$ 74,760
Principal	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service on Bonds (Total Paid)	\$ -	\$ -	\$ -	\$ -	\$ -
Other Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 253,454	\$ 162,300	\$ -	\$ 90,943	\$ 506,697

End of Year Balance

	Law Enforcement	Roadway & Transportation	General Government Facilities & Equipment	Parks & Recreation: Open Space	Total
Total Beginning Balance	\$ (562,009)	\$ 156,376	\$ -	\$ 2,674,126	\$ 2,268,493
Total Revenues	\$ 74,906	\$ 342,002	\$ -	\$ 146,492	\$ 563,400
Total Expenditures	\$ 253,454	\$ 162,300	\$ -	\$ 90,943	\$ 506,697
Ending Balance FY2023	\$ (740,558)	\$ 336,079	\$ -	\$ 2,729,676	\$ 2,325,197

**Development Impact Fee Report Form
Statement of Revenue, Expenditures, and Change in Fund Balances
For Fiscal Year Ending June 30, 2023**

Impact Fee Account Summary

Detailed Impact Fee Expenditure Report

Law Enforcement	Location	Impact Fees	Bonds	General Fund	Other Fund Sources*	Total
Construction	Police Department - City Hall	\$ 253,454	\$ -	\$ 147,884	\$ -	\$ 401,338
Total Expenditures		\$ 253,454	\$ -	\$ 147,884	\$ -	\$ 401,338

Roadway & Transportation	Location	Impact Fees	Bonds	General Fund	Other Fund Sources*	Total
Roadway Improvements	Forest Road Connection	\$ 87,540	\$ 487,155	\$ -	\$ 108,606	\$ 683,301
Total Expenditures		\$ 87,540	\$ 487,155	\$ -	\$ 108,606	\$ 683,301

**Transportation Sales Tax*

Parks & Recreation - Open Space	Location	Impact Fees	Bonds	General Fund	Other Fund Sources*	Total
Construction	Dog Park Improvements	\$ 47,213	\$ -	\$ 64,217	\$ -	\$ 111,430
Construction	Build-Out of Ranger Station Park	\$ 43,730	\$ -	\$ 59,480	\$ -	\$ 103,209
Total Expenditures		\$ 90,943	\$ -	\$ 123,697	\$ -	\$ 214,639